



# 10 Habits

for Successful Trading

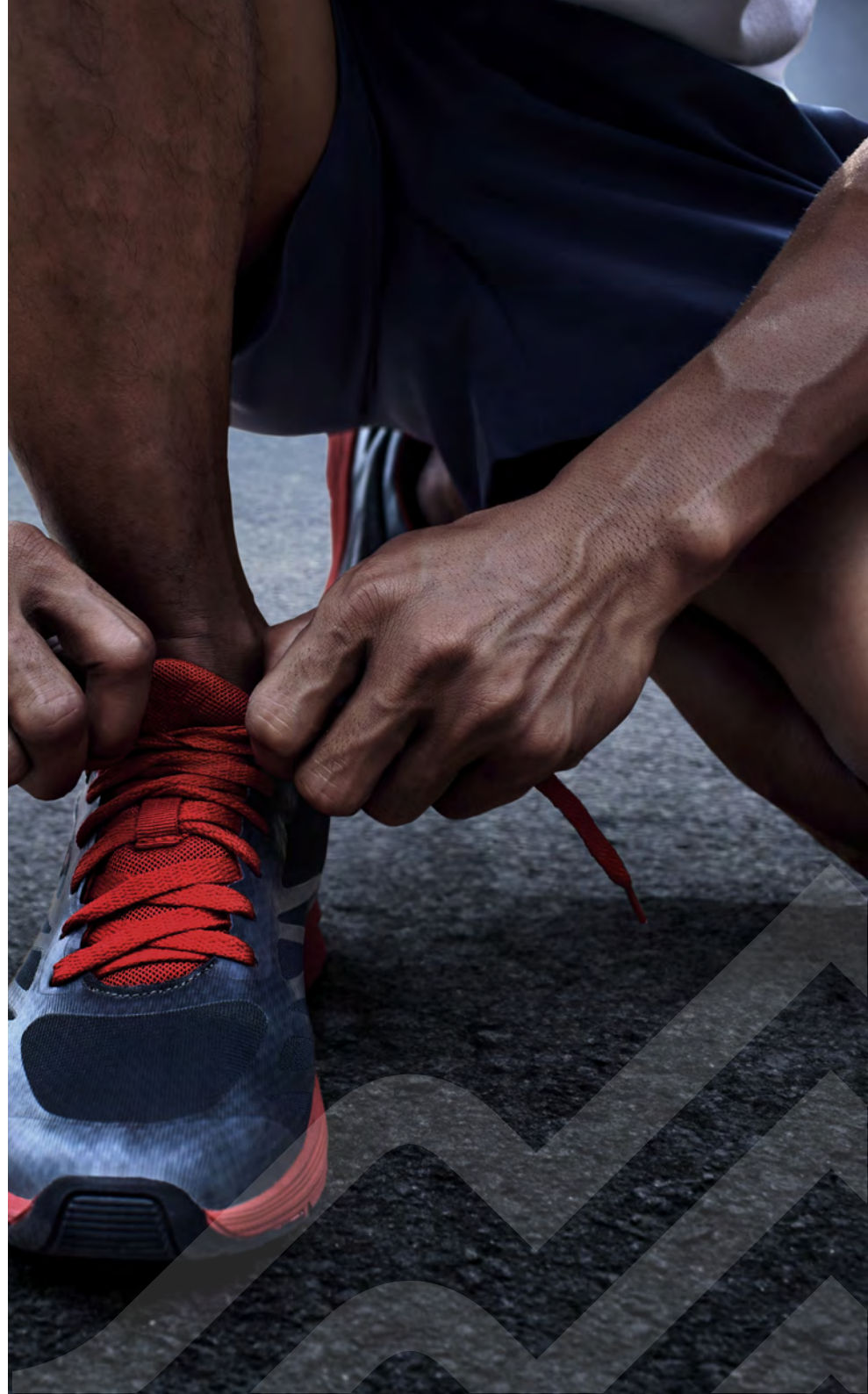
# 1

## Don't **try to run** before you can walk.

Before you undertake any business venture, it's vital to have a solid understanding of the business itself - as well as the rules and the risks that accompany it. Forex trading is no different.

It's very easy to get caught up in the excitement of the forex market. However, it is absolutely imperative to have both the knowledge and the appropriate risk strategies in place before you start investing. Successful traders are well aware of this, and they conduct their research first and update it continually as they go. This is why Alpari International offer numerous educational resources for their clients, including training sessions from our experts, seminars and more.

These tools are designed for traders of all experience levels from beginners to the advanced and, best of all, are completely free. Alpari want you to succeed as much as you do and believe that training is a skill that absolutely enhances your trading knowledge.





# 2

## Learn the rules, play the game.

The jargon might sound a bit scary, but it's not as complicated as it sounds. Get to grips with it.

Say you've always had an interest in abseiling and you're finally feeling brave enough to give it a go. Would you just head for the nearest cliff and start climbing down it? Of course not. You need to find the safest place to start your descent, learn how to manage the ropes and most importantly, ensure you are armed with all the necessary safety equipment. The same principles apply in trading.

For you to start trading, you'll need to be really clear on the details of your trading account and how to use all the necessary tools on your platform, as well as the meaning behind standard terms such as 'spread', 'leverage' and 'margin'. A reputable broker like Alpari International will make this as easy as possible for you.



# 3

## You can't perform without rehearsing...

No one improves without practice... especially when it comes to trading.

Have you ever heard of a demo account? This is the first and most important step on your trading journey. Once you've made a start on understanding the theory and trading techniques, you can practice trading on a demo account that uses virtual money - so it's completely risk-free! The tools, indicators and conditions are all real, giving you a genuine opportunity to experiment before you put ANY of your capital at risk.

Every experienced trader starts with a demo account - and the most successful keep using them to test out new methods and strategies. Try out Alpari's demo account today!





# 4

## Your best friend? The trend.

It's not just an endearing saying. The trend really is your friend if you learn to identify it.

The ability to identify a trend in its early stages of development is crucial to a successful trader. Why? Because, generally speaking, a trending financial instrument is more likely to continue in that same direction than it is to reverse. Once you know the direction an asset is most likely to go in, you can take your position and plot your strategy. Alpari can show you how to potentially spot the smallest signs of the earliest stages of a trend like a pro!

Although there are thousands and thousands of trading strategies out there, most of them involve following the trend, and spotting those all-important signals of a coming reversal. Your best bet of a potential profitable trade is 'catching' the trend as close to its beginning as possible, before everyone else can tell what's happening. With Alpari, you can find out all about trend identification, forecasting reversals, and optimising your entry to – and exit from – the market. With time, you can even develop your own trading strategy based solely on trends!



# 5

## Test, test, test!

Figure out what works for you.

To be successful, a trader needs a tried and tested trading strategy that works for them. Sounds easy? It is – but it takes a little practice. The best way to potentially make a profit is to discover a suitable combination of indicators and risk management rules and then... practice! You might know the theory inside out and back to front, but you won't know what you are like as a trader until you try your system out on the markets for real. You might realise that it's just not practical to think you can react to every small movement, or you could find out that some other key part of your strategy doesn't quite get the results you thought it might.

We know, we know – you didn't get into trading to *not* make money in the markets. What if all that tweaking your ingenious system loses you profit opportunities? That's why Alpari encourages you to test and retest on our risk-free demo account until you can be confident your system works.





# 6

## Risk management rules.

Would you get on a boat without a lifejacket?

We mentioned risk management rules just now... but what does this actually involve? Exactly what it sounds like – managing the risk of losing your money! Say you were about to sail off around the world – your very first self-driven cruise! Would you just jump on board and go? Of course not! You'd want a lifejacket, a compass, a radio... safety gear!!

This is just as crucial when entering the financial markets. As much as we'd like to pretend that profit is inevitable – it's not! Even the most advanced traders incur losses, which is why it is so important to implement risk management techniques as part of your long-term strategy. There are a wide variety of tools you can use to protect your capital, such as the protective stop loss – so research them well and make good use of them!



# 7

## Guard yourself with a **protective stop loss**.

The safety aid EVERY trader needs.

The protective stop loss is one of the most important tools in your trading kit. This is an automatic trade order that you give to your broker, whereby you set a specific price level that you are happy to sell your instrument at. Why set this price at all? Because it actually minimises your risk of loss by closing the position before prices drop. The markets are unpredictable, and don't always behave or react as you might expect. The stop loss is a way to limit losses and 'lock in' any gains that you might make.

This is such a simple and efficient way to protect your capital — yet many traders don't use it due to overconfidence. Don't be one of them!





# Protect your profits with a trailing stop.

It's about more than the entry.

A trailing stop is a similar concept to the trailing stop loss, but it makes getting out of a position with your gains intact easier. Rather than closing a position at the predefined price, this tool keeps a trade open while the price is moving in the right direction — but will close the position as soon as the price changes direction. It's particularly helpful when you've experienced a run of trading success. It's all too easy to let complacency take over and encourage you to forget that the markets can be fickle!

As your capital increases, you can move the trailing stop loss closer to the current price in case of any sudden changes. This not only gives you more flexibility in your day-to-day trades, but it also makes it possible to invest with discipline.





# 9

## Don't overreact to the latest trading news.

Try not to get dragged into the drama.

Trading news events can be a real adrenaline rush for traders. The excitement of announcements, the general buzz of the market and the anticipation of volatility can cause traders to panic or open precarious positions. Some of the consequences can include a lack of direction, slippage and even requotes. Abrupt price movements don't tend to leave a great deal of room for adjustment, especially for newbies dealing in lower timeframes.

Alpari provide consistent instructions during live market events in order to show our clients exactly how the market behaves – and most importantly, why. Remember that the speculation around these events is literally that – speculation. No matter what other traders or the media predict, there is no guarantee that they will be right! The same risks apply – so hold fast to your risk management strategies and avoid reacting on impulse.





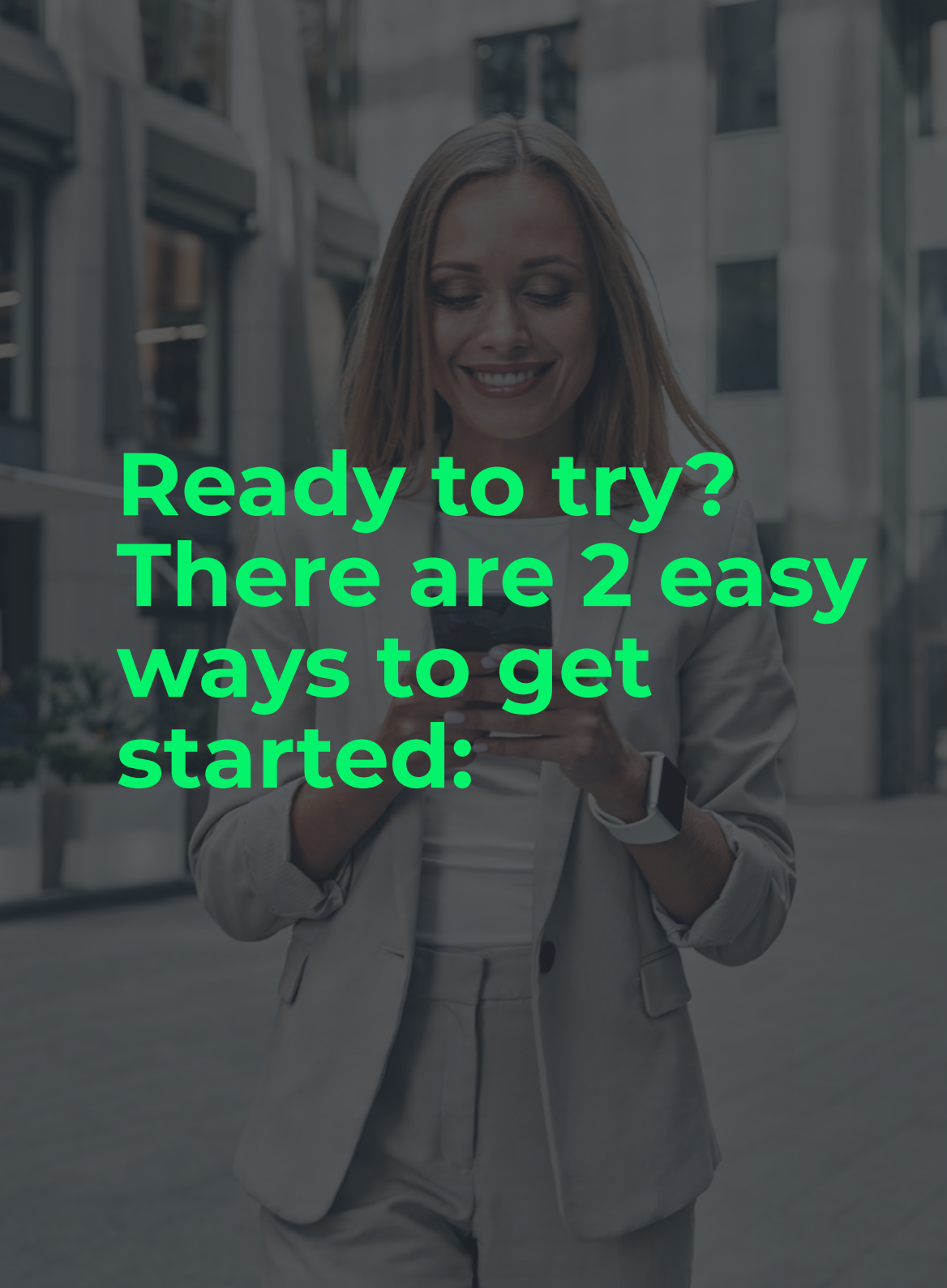
# Practice self-restraint.

Discipline is paramount. Master it.

So, how do you make sure you're not overreacting to trading news and making short-term trading decisions for the wrong long-term reasons? It all comes down to mastering the ancient art of discipline. Having a professional trading system and solid risk management tools is one thing – now, you need to actually use them when the market (or your ego or mood) is tempting you the other way. Self-control can be self-taught; it just takes practice.

A disciplined trading regime involves taking your time studying the markets, filtering out irrelevant market noise and only focusing on news that's relevant to your strategy, and showing restraint so you don't overtrade (impulsive position opening and closing). If you've followed our tips and taken advantage of all of Alpari's other educational resources, you should be able to have enough (controlled!) confidence in your own strategy to follow it to the end.






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ways to get  
started:**



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