

Define What Type of Trader Are you?

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Dear Trader,

A few weeks ago, my wife Marina and I had a quiet dinner together and we discussed, as usual, Forex related issues. We both brought the subject regarding the low-quality content that many online marketers are sending to their subscribers pretending to understand the Forex market.

You see, just like yourself, I'm also following probably the same newsletters you subscribe with and like you, I get the same old amateurish stuff all the time.

Like you, when I get an offer to learn or try a new product, I'm intrigued by the offer. Although I have been trading the Forex market for years, I believe trading education is an ongoing thing and I'm always excited to learn new trading strategies.

Unfortunately, again and again I get disappointed by the poor content that I receive to my inbox almost every day, and often several times a day.

So, on a toast of wine, my wife and I have decided to treat our subscribers differently and to really show our difference from the rest of the crowd.

For several weeks now, I've been working on a plan to deliver to you as much as my accumulated knowledge and experience as I can.

I'll try to do it in a chronological and interesting way, since I can't really tell what each and every subscriber experienced or learned previously.

So, I have to start from the beginning...

"Before you begin trading, you have to define what type of trader you want to be?"

The idea behind this question is to help you understand and determine in advance, what type of trader you are, or what type of trader would you like to become.

So, let's talk about what types of traders can be found?

The "Day Traders"

Those traders perform several trades throughout a trading day. They usually try to locate opportunities during the one day period. It could be anything between 1-10 opportunities per day (of course every traders with his or her own trading style). A typical day trader invests 3-4 hours a day in trading. They usually like to examine charts of 15 minute to 1 hour time frames.

This is a job like any other, performed by people who are doing it for a living.

This type of trading requires self discipline, patience, and the ability to cope with a loss. A loss is part of any trader's life.

The "Scalpers":

Those are traders who try to capture several pips here and there, on every trade they enter. This type of trader looks for trades in the more relaxed hours of the day, when a trading range develops (although there are some who look for strong movements instead).

Scalpers usually go for the highest possible success rate, as close as possible to 100%. That enables them to risk more than the potential gain, and still come out highly profitable. A typical scalper might work around 3 hours a day. Scalpers usually like to examine charts of 1 minute to 15 minutes time frames. Trade sizes are usually large because the small pip count of the gains (say 5 pips) need to be reflected in high \$\$ amounts in the account.

The "Swing Traders":

The majority of traders belong to this group. Swing traders typically hold a trade from several hours to several days. They look at charts of 1 hour to 4 hours typically. Many of these traders are not professionals who make a living out of trading, but rather view it as an alternative or supplemental income source, or a second job alongside their day job. Many utilize technical analysis but stay tuned to the fundamental (economic) side of trading.

The "Investors":

These are quite a rare breed in the world of Forex, as they're mostly into stocks. Long term investors locate trades on higher time frames such as a daily or weekly chart. Their goal is to locate a large trend and join it. This type of traders can hold a trade for several months, until it reaches their long-term price target.

The "Automated Robots Users":

These Forex traders either purchase ready-made robots to trade for them, or develop their own robots. Because the robot is doing all the work automatically, this type of trader enjoys much more freedom and some devote their free time to look for more trading strategies that will increase gains.

Now that you understand the various types of traders that can be found in the world of Forex trading, it's time to find out to which group you belong.

To which group of traders you belong?

To answer this question, you need to ask yourself the following questions:

1. How much time are you prepared to invest in Forex trading?
2. What percentage of gain do you expect to have in a month?

Just do me a favor and be realistic! Earning 100% return every month is not realistic. This turns trading into wild gambling. For me, 10%-20% per month is great. So, be honest about this.

3. If you've already been trading for a while: what type of strategy you found most successful for you - Scalping? Swing trading?

What works best for you is your pathway to success. Don't try to find something else or force yourself to use a different trading style. Cling on to the method that attracts you the most and has

proven to work for you. Don't forget that with the same trading style, some traders will win and others will lose. It's all in the head. If you don't know any good trading systems don't worry, I'll show you great systems in future emails.

4. How much funds are you willing to lose without the loss affecting you in any way?

Never, ever, ever play with money you can't afford to lose!
When you play with money you need for other purposes, you will lose it because you will trade differently. Believe me, I've been there.

5. Do you have the required trading environment?

A trader needs a quiet surrounding with no outside interferences. Do not consult with anyone. There will always be someone there to support or argue with your opinion, but that doesn't mean they're right and you're wrong. Your own decision is always the best one.

After you answered these questions, you'll probably realize what type of trading works best for you. I'm personally a day trader, and have an additional account for swing trading activities.

Throughout my trading career I've tried numerous trading systems with every possible time frame. It took me time to draw conclusions, and now I know what works best for me. Now it's your turn to know what works best for you.

That's it for now. In the next few days, as promised, you'll receive our new indicator that we are now testing.

To your success,

Vladimir Ribakov

