

Is Forex Martingale Strategy Good or Not?



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Martingale is famous forex strategy many analyzers and experts write their opinion about this strategy here I want write in brief about advantage and disadvantage of this strategy.

According to the mathematic rules when you are trading by chance if you increase your risk after each lose one-time win will give you profit in fact martingale is risky money management system and it is not forex strategy you can use martingale money management system in other markets too, for example you can buy 1-ton wheat if the price goes down you can buy 2-tons wheat again if wheat price goes down again buy 4-tons! When wheat price goes up a little you will earn profit.

First you must know that your budget is not unlimited when you are trade by martingale strategy you will reach the top according to your budget

For example, if you have 10000\$ you can martingale your orders to 13 level only if you start by 1\$:

Level	Amount	Total loss
1	1	-1
2	2	-3
3	4	-7
4	8	-15
5	16	-31
6	32	-63
7	64	-127
8	128	-255
9	256	-511
10	512	-1023
11	1024	-2047
12	2048	-4095
13	4096	-8191

Sometimes according to your strategy maybe your increasing modulus be 3X not 2X for instance according to 3X modulus your level will decrease to 9 levels only:

Level	Amount	Total loss
1	1	-1
2	3	-4
3	9	-13
4	27	-40
5	81	-121
6	243	-364
7	729	-1093
8	2187	-3280
9	6561	-9841

Then you must know that how to manage your money according to your budget.

When you are trading with martingale money management system you must be very careful because step by step when you earn profit by martingale system you will forget analyze forex market you don't rely on any predictive ability this is very dangerous behavior for martingale traders you remember that forex trading is practicable if you want trade by change I highly recommend you to leave forex market and go to casino!

If you analyze market and try to earn profit by analyze market and sometime increase your risk, it will give you good profit by a single win you will recover lose and you'll go to profit.

Risk reward ratio in this forex system is very bad So, if the trader is forced to exit a trade sequence prematurely, the losses are very large.

Martingale forex strategies are good when currency prices are trading in a range if the strong trend appear the trader will lose before start your martingale strategy try to test it in all market condition.

Conclusion

If you think that with martingale forex system, you will earn a lot of profit you are in illusion!

If you want do pure forex martingale, offers nothing better than casino! without good entry positioning or good forex signal the pure forex martingale is a "dumb" time bomb waiting to explode the account at the first adverse market advent.