

Limit or Stop That's a Question!



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If you think about your trading strategies or analyze your forex trading history, you can see that most time you think Limit on market or Stop!

In fact, there is some hidden rule in your mind and it force you to look at the market on that way!

Sometimes when you are looking EUR/USD your hidden rules will tell you EUR will go up! or sometimes tell you EUR will go down! You don't know what is this. Is it your sixth sense or is it just imagination or something else?

So you don't know how this rule created in your mind when I analyze myself I think that I am Limit forex trader

Who is limit forex trader:

A trade who looking for reverse signals is limit trader this kind of traders just like market go up to open sell or market go down to open buy position. The limit traders like reversal signal.

In the other side

Stop forex traders are waiting for break signals they wait for market movement they like breakout strategies.

For instance, look at the picture:



When you are limit trader you will buy now! Or you will wait for good revers signal to open buy position

When you are Stop trader you will wait for trend line break signal when trend line broken you will open your sell position.

Is it good to be limit or stop trader?

I think none of them because it will lock our mind and don't allow us to look at market wisely and without prejudice

How to solve my problem?

First analyze your forex trading history you will understand are you stop trader or limit trader then for a period change your view if you are limit trader just look at breakout signals and if you are stop trader just look at revers signal.

Be careful