

Trading strategy – How To Trade With Reverse Orders

There are plenty of different Forex books and ebooks online that teach new traders how to trade using the levels of Fibonacci, Elliot Wave, etc. Of course these materials are very good for any new Singapore trader, but the problem is that the authors of these books give 100% guarantee that if you listen to them, you will make profit.

Alas, the reality is not so simple and to justify himself in the loss, a trader begins frantically recall all his steps and decisions in order to make sure there is a reason of his mistake and loss. Someone may have forgotten to take into account a very important indicator while opening a trading position, another one had miscalculated the Fibonacci levels - and now such traders are making a sad conclusion: "No, the currency market is not for me..." And of course everyone who thinks this way is wrong, as Forex has many strategies and some of them are very simple like trading with reverse orders that can give you more than 500 pips monthly.

The advantage of working with a reverse orders strategy is that you have a good chance to catch the market disregarding of its direction. I believe many of you have faced a problem when you predict the direction of the market and open a trading position. But the market goes against you and your position is closed by stop loss order with a loss. And after that the market changes and goes your direction again. How disappointed we are when it happens.

In order to reduce the chances of losses in such situation a strategy of reverse orders was invented. It is a very simple trading strategy and every newbie trader may apply it. What you need to do is when you open a position on Buy instead of stop-loss level after 25 points you open a position for Sell. The same you do for a position for Sell, you secure it with a position for Buy. The point is that you don't use a stop loss and if the market goes against you, you will still remain in the market.

By using this strategy you have a chance to correct your trading position any time disregarding of the market's direction. The correction works the following way. If one of the orders shows the profit of 10 points you should open another order in this direction. This strategy will allow you to minimize the losses. When you have three orders (two sell and one buy) where in overall you are in profit you can start closing the profitable positions if you see that the market turns and takes another direction. Trading this way lets you open many positions and you can also use high leverage for it.

Remember that working on Forex with the strategy of reverse orders you need to open Buy positions when the trend is at the lower level and Sell when it is on the top. We wish you good luck trading with such a simple and effective strategy.

About the Author

Daniel Shaw has many years of experience in online Forex trading. Visit his site [Trading in Singapore](#) to learn more about [Singapore Trading](#).

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