

## Trade Forex Signals based on Technical Analysis.Advice

You have traded Forex exchange market for quite a while now. You have read hundreds of Forex guides and ebooks or Forex trading advice widely spread over internet. Those gave you basic knowledge about forex. Now you know the terminology, rules, currency movement trends and all factors influencing whole Forex market.

There is a lot to take at once. But let me tell you something here, Forex is something people learn all their lives and still there is something left. You have probably wondered many times before which tactic to take.

Will I rely on technical analysis? Should I look at the bigger picture and consider all economic conditions? Will I trade news for quick profits or maybe invest long term. I believe you went through many demo trading accounts to try them out.

If you picked up your strategy and you decided to go and trade technical chart analysis here is so much else left to consider. At this stage your knowledge should extend to whole terminology including:

support, resistance, chart names. You should know about moving averages, Bollinger band, Fibonacci or Elliot wave theory, Pivot points etc. Now all you have to do is apply all the above rules on your chart and here we go happy pips. Well it is not as easy as it seems to be!

There is one piece of advice that we would like to give you.

Not all the rules apply to all the currencies. That is right. If you have had enough experience and spent thousands of hours watching charts moving you have probably noticed that almost every single combination of currencies have their own flings and this makes them difficult to predict. Not all pairs would create head and shoulders, double top or bottom to signal the potential major movement. Some of them will but that may mean nothing. Another combination would not necessarily bounce back from 55 or 200 hours moving average or follow pivot points. Other will not create hammers to indicate diversion. All above rules would apply to successful technical analysis trading.

We strongly advise you to do your homework and research. Before you select certain rules for certain pairs make sure that there is a pattern to follow. Adjust moving averages, Play with a few values and backtrack to see where there is a rule that you could use in the future forex trade.

There are many examples to learn from. If you study eurjpy and euraud pairs you will see how different they are. Euraud seems to have a strong trend on daily charts where eurjpy has not got one. Take also eurUSD and we will see that there was strong head and shoulder with the bottom formed on 22 Jan 2008 and instead moving significantly up it did not. Compare the daily chart of eurCHF which on the other hand follows nicely its double top and bottom pattern.

We encourage all beginner traders to consider those factors before trading real money. Select your indicators to your pairs in the way they are most suitable for each one of them. Make sure it is backtracked and there is evidence for such a selection. Remember: plan your trade and trade your plan.

### About the Author

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