

## Scalping Strategy by Nick Stoiles

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in order to attain small profits is considered to be one of the popular strategies that are used for Forex trading. Generally, scalpers rely on regular trading and consistently getting small profits. Most of the time, they liquidate their trades within the same day. Nevertheless, the problem with the scalping strategy is that it brings about the tendency to transform you to a obsessive gambler, most especially if you're a beginner.

### Efficient Scalping

For you to scalp efficiently, there are a couple of things that you should keep in mind. For instance, you should first determine the day's direction. This could be done by simply taking a look at the current daily chart.

It would also be helpful to utilize trendline, pivot points or candlestick studies before you enter any trade on the hourly chart. You should also take note that for those mentioned above, you should learn to use them altogether with enough support and resistance.

You should also take note that trading via continuous trend would usually give you a higher probability in attaining success. Also, if you'll be going for contrarian trading, keep in mind that you should always enter at better filled prices. You could also average your lot size before you enter the trade.

### Scraping It Off

On the other hand, if ever you do not feel comfortable, especially after your point of entry; always remember that you could always scrape your trade. In fact, this is recommended, even if you feel a tad bit of awkwardness with what you're doing. You should also do this if it's taking too long for your trade to course into your direction.

### There's Always Time To Stop

As said earlier, short term trading has a high tendency to be addicting. Hence, it is important that you learn to control yourself when doing this strategy. Learning to stop would probably be one of the

hardest and most important skills to master. Ideally, experts advise that you should temporarily halt trading for the day once you've already had three losses in a row. This is one good signal that it would be the right time to rest; doing this can be very helpful. It could actually be one good way of preventing you to losing more within the day.

### Three Important Factors To Look For

There are three important factors that act as the base of the scalping method, namely: liquidity, volatility, and time. If you'll be going for scalping, you should always keep your eye out for these three.

As for liquidity, you should understand that the more liquidity a market has, then the more does it become attractive in the eyes of a Forex scalper. This is because such kind of markets could guarantee more profitable trades for any given period.

In the case of volatility, you should keep in mind that only stable markets are the ones that seem attractive to scalpers. If you'll be scalping, you wouldn't want any kind of big movement. This is because stability offers you the chance to have a number of small profits coming from a lot of different trades.

Last but not the least, you have time. A successful scalper wouldn't always start trading during the start of the day. Although it is real that the longer you need to trade then the more you could make; however, patience is still the key. This is because it's entirely pointless trying your best to scalp if the market conditions aren't right. This is true for periods of huge economic uncertainties.