

A Profitable Forex Scalping System

Source: Hassam

Dated: Dec 06, 2009

Forex scalping is also a lucrative form of trading which has caught interest of a lot of traders. But to be honest, I personally feel most of the people when they try to scalp, they end up disaapointed since they see series of loosing trades.

Forex scalping is also a lucrative form of trading which has caught interest of a lot of traders. But to be honest, I personally feel most of the people when they try to scalp, they end up disaapointed since they see series of loosing trades. One of the biggest reason for such experience is that such scalping systems are not based on correct fundamentals. You see, Scalping is completely different from other forms of trading. It requires a different approach towards the market.

A Forex Scalping system should always cover -

1. Precise entry and exit points - Well this is something which is true for all systems, but in scalping the accuracy should be even higher. And that is because you are going to enter the trade quickly and exit quickly. So, you are not left with time to second guess or wait for confirmation.
2. Simplicity of use - Obviously in scalping the all the actions are quick right from entry to exit, any sort of complications are not going to help!
3. Trade Management principles - If the trade management principles are missing, the system can never work. And that is true with scalping also. I know most of the scalping systems you have seen have low profits and high risks. In fact one of my subscriber told me that he has lot of profitable trades, but all the profits from these trades are wiped out by one losing trade

I mean, lets say if you have 10 pips profit per trade and 30 pip as stop loss, one losing trade can wipe the pips you gained from 3 profitable trades! So, these are the guiding principles for a profitable scalping system. Well, I recently came across one such profitable system when I was talking to one of my trader friends. He showed me how he uses the system and in front of me he plotted the charts and made 75 pips in matter of 3 hrs. All through scalping one single lot!

<http://www.ninjatraderblog.com/trading/2009/10/forex-scalping-cheatsheets/>

I was really amazed with the accuracy of the system and how good trade management principles it incorporates and so I decided I had to share it with my list members. Forex scalping system that my friend uses is based on a technique that is highly accurate in identifying the entry points. The entire chart setup requires only 5-10 min and that setup he uses for the rest of the day and makes multiple trades of which most are profitable. There are occasional losses, but because of strong trade management principals as well as high percentage of winning trades, the profits outweigh losses by huge margin!

<http://www.ninjatraderblog.com/trading/2009/10/forex-scalping-cheatsheets/>

This made me think, why can't the same technique be used to do swing trading also and make some huge profits per trade?

So, I took that approach and started testing on 1 hr, 4hr and daily charts!

And guess what! It worked on these time frames also. With sometimes profits reaching as high as 400+ pips! Of course, there are some differences in the Swing trading system when compared with the scalping system, such as in swing trading the trades will be placed only in the direction of the trend. But the swing trading system is also extremely profitable! So, we have now spoken about 2 systems -

1. A swing Trading system
2. A Scalping system.

Both are highly profitable. And can be used by person of any level of experience - Beginner or Expert! Now, let me ask you, would you like to get access to one of these systems? Would you like to use them and have profitable trades in forex market? But how about, instead of one, I share with you both these systems? Let me introduce you to - "Forex Pips Gizmo"

Forex Pips Gizmo is the collection of both of the trading strategies that we have discussed today - The Trend Trading system called "Forex Trend Rider" and Forex Scalping system "Forex Scalping Blueprint"

<http://www.ninjatraderblog.com/trading/2009/10/forex-scalping-cheatsheets/>

###

Mr. Ahmad Hassam has done Masters from Harvard University. He is interested in day trading stocks and currencies!

Category	Business, Banking
Tags	forex, Forex Trading, forex training, forex strategy, forex system, forex systems, forex strategies, currency trading, stocks, fx
Email	Click to contact author
Country	Pakistan
Link	http://prlog.org/10440631



Scan this QR Code with your SmartPhone to-

- * Read this news online
- * Contact author
- * Bookmark or share online