

TRADER AXIOMS

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An axiom is a fixed truth that you can count on to be always true.



- I. ***It is easier to lose money in Forex than it is to make it.*** The trader has to be reminded of this everyday.
- II. ***Break even is better than broke.*** Keeping what you have is more important than catching all of the price moves.
- III. ***Never, never chase price, never.*** Look for market condition, not market direction. Protect your account from the dangerous of impulsive trading.
- IV. ***Do not expect to get all the PIPs in every price move.***
Averaging 20 pips a day is good. If you get more, then look at the extra as a reserve for the not so good days.
- V. ***Price will not keep going in one direction indefinitely.***
Find where the point of peak momentum* in the main TF by either
- recognizing the point of profit taking or
- recognizing the point of maximum loss you are willing to live with.
* The point of peak momentum is not only a number or signal on a chart, but is also a gut feeling about tension and release of tension in price (aka market conditions).
* Learn to read the *pause in price*. Although it is not always saying the same thing, it is telling you something. a. Consolidation b. retrace or c. reversal