

Published based on [4 Main Faults That New Traders Make In Forex Trading](#)

# **4 Main Faults That New Traders Make In Forex Trading**

There is nothing sadder than to see the newbie [Singapore FX](#) traders lose their initial investments in online trading. In this article we would like to discuss some popular trading mistakes and help the beginner traders master the skills of an online trader.

The first error is an attempt to start trading Forex from day-trading. That means trading within a day on short-term charts, mistakenly suggesting that this way traders can gain much more money. In reality it is certainly a myth. Day trading is recommended to the experienced traders only who have many years of experience in online trading. The reason is that on day trading a trader must make correct decisions immediately, not basing on the market analysis so much, but rather on the basis of his intuition and big trading experience. If you don't have much trading practice, it is almost impossible to succeed on day trading. The novice traders are recommended to start their online trading career from technical and fundamental analysis on 24 hours time frame graphs. Though it takes more time, this trading strategy is less risky and will help you get a valuable trading experience.

The next and the most common fault is trading against a trend. Half of the new traders on [Forex Singapore](#) market lose their money for this reason. There is a rule on Forex market: trend is your friend. Don't think that you are smarter than the others. When there is a trend, you have to trade with a crowd in order to make profit.

The third error is too much trust to various signals, automatically trading systems, popular analysts and guru of the financial markets. Notice that the decision regarding trading must be only yours. It is your money that you invest and trade with and if you lose due to the recommendations of a guru, alerts or other assistants mentioned above, none of them will take responsibility for your losses. Also, making the trading decisions based on your own analysis, you are gaining a valuable experience that will be very useful in the future.

And finally, the fourth error in currency trading is the lack of an prepared trading plan and your own trading strategy. At any time, disregarding of the market's behavior you should know what to do at the moment. In order to make your trading planned and less risky we recommend (especially to the beginners) keep a diary where the main issues of your online trading are noted.

It is very important when finding the moment of opening a trading position follow the proportion of at least 2:1 of profit to losses. But in general the more positive positions you have, the better. Following all the rules described above will help you make profit trading [Forex in Singapore](#) or any other financial market.