

Published based on [Building Your Own Currency Trading System.](#)

Building Your Own Currency Trading System.

It is not important with what [Singapore brokers](#) or trading terminals you are trading. If you don't have your own trading strategy, it will be very complicated for you to make a regular profit on Forex market. Before you start trading with large amounts of your own funds, we recommend you to take your time and develop your own trading strategy using demo or mini real Forex account. Once you create a trading strategy and make sure that it works for you and helps you make profit on Forex market, you can go ahead and invest your funds in trading.

Pay attention that almost every trading strategy is based on two main parts, that are critical in Forex [trading in Singapore](#): the point of entry the market and exit from the market. In order to guarantee yourself success in trading currencies online the most important thing you need to know is when it is best to open a trading position and when to close it. This is exactly what you need to keep in mind while building your own trading technique. The knowledge about the market and the information when it is better to start your trade can be gained with the help of both technical and fundamental analysis and of course practice. In general your trading system must give you signals for certain actions that you have to make. The aim of the strategy is to help you find the market situation, when opening a position gives you the biggest potential for income with smallest risks.

When trading on [Singapore Forex](#) markets, every trader must look for the way to decrease his risks and at the same time make income. The professional traders determine the risks by the levels of support or resistance. They usually use the stop-loss and take-profit orders to secure their trades. The stop-loss order must be set on no closer than 20-30 pips from these levels on the condition that you don't risk more than 5% of the total balance in this position. The take profit order must be set on the next level of support or resistance in the direction of price movement. As the price goes your direction, you move the stop loss further from the losing area to the break-even zone. The most important factor using this technique is to find the right entry point.

The purpose of the exit point is first of all the protection of your main capital and of course generating profits. The successful trading strategy must be targeted for diminishing the risk of losses but not seeking for huge profits. If you learn how to reduce your risks while trading Forex, you will definitely make money while trading online. Those trading strategies that are based on the analysis of Elliott Waves, provide with an accurate way to find the optimal entry and exit points with the lowest risk or trading losses.