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Watch this weird 30 minutes [Forex Nitty Gritty](#) FREE video just now. Try the [Pips Dominator](#) that averaged \$500,000 NET PROFIT per year in the last 5 years. Try the [NoNameBot](#) RISK FREE for 60 days. If you read my previous article on how to back test a forex robot and what are its shocking limitations, I talked about the importance of knowing these limitations when you conduct the back test of a forex robot. Without knowing these limitations, you can be easily lulled into thinking that good back test results mean good live performance of a robot.

In the same manner, most vendors are going to talk about forward testing a forex robot and using the results of a forward test to show that the robot is going to perform very well under live market conditions. Just like a back test, a forward test has got some shocking limitations that are not known to many. So continue reading this article if you want to know these shocking limitations that can make the results of a forward test highly inaccurate.

First what is a forward test? Forward testing is done on a demo account. When you trade on a demo account, the datafeed is real time. So, you can be easily lulled by the vendor into thinking that the results of a forward test are a sufficient proof of the likely performance of a forex robot under live market conditions.

In actual reality, a demo account is not a substitute for a live trading account. Let me explain how. Under live market conditions, every buy or sell order has got to be offset in the market. What this means is that for every buy order, the broker has to find a similar size sell order to offset it. Sometimes, the order size is so small that the broker is forced to join a number of buy or sell orders before they can be offset in the interbank market. This can take time.

This is done by the server on the broker's end. This introduces slippage as well as broadening of spreads as the order may not get executed immediately and when it does the spread might have widened due to low liquidity. When you trade on a demo account, the server at the broker's end is not offsetting any orders. Every order is executed immediately whereas under live market conditions that order may not get executed.

So when you do a forward test just keep this in mind that the trade that might get executed may never get executed under the live conditions. What this means is that the only test of a forex robot is its live trading performance or forward test results cannot guarantee good live trading results. Even on a good forward test, the forex robot may flop under live market conditions.