

Why Most Traders Cannot Accept Big Profits

You may think it's an odd statement, as all traders want to make big gains and yes they do but in most instances they can't accept them and that's what this article is all about, showing the key error these traders make and showing you how to catch and hold the mega trends for huge profits. When a trader gets into a trend and he starts to make money, he's of course happy and the bigger the profit becomes, the better he feels but then, normal restatements come against his positions and these eat into his profit, he wants to snatch it before it gets away.

The bigger the profit becomes, the more he is tempted to take it. What normally happens is he either takes it or puts his stop, within normal volatility and gets taken out the market. He is a minor profit and failed to hold, for the mega profit, because he simply didn't have the confidence or courage to do so. Another way which makes it easier to stay with long term trends is to do a 50 - 50 split.

Hold a core position of 50% and bank 50% on a move to over buy in a bullish trend and wait for a restatement to put it back in. This will help you continued be active in the trend and allow you to bank profits as you go. When putting back your 50% in a bullish trend watches for a dip to the 18 day Moving Average. This is a great area to get long again in strong trends and if you overlay it on your charts you will see how effective this is as an entry method. Not having the mindset to run big profits, is a common error novice trader's make and always remembers, you need to run your profits and milk them for all there worth, to cover your inevitable losses. Finally you have to the courage to run the big trends and use the tips above and will make more money and have to spend less time on your trading and that's a combination of advantages, all FX traders will like.