

Title:

Big profits from Currency Trading

Word Count:

448

Summary:

If you want to make big profits from currency trading, you need to lock into and follow the longer-term trends.

"The art of contrary" thinking is one of the most powerful tools a trader can use, and is a trait with which all true great traders are familiar with.

What is the Art of Contrary Thinking?

Keywords:

Big profits from Currency Trading

Article Body:

If you want to make big profits from currency trading, you need to lock into and follow the longer-term trends.

"The art of contrary" thinking is one of the most powerful tools a trader can use, and is a trait with which all true great traders are familiar with.

What is the Art of Contrary Thinking?

Humphrey Neill's book, "the art of contrary thinking," the best known work on the subject, is based on a simple powerful idea that:

"When everybody thinks alike, everybody is likely to be wrong"

"The art of contrary" thinking consists in training your mind to ruminate in directions opposite to general public opinions; but basing your opinion in the light of current events and human behavior".

Why Contrary Trading Works

By spotting situations when the consensus of a currency is either extremely bullish or bearish, means that a trend change is imminent, as it is likely the emotions of greed and fear have pushed prices too far away from true value.

If you can step aside from the crowd and take a contrary view at these turning points, you can make big currency trading profits. Contrary thinking can be used in any market and is highly effective in currencies.

Contrary thinking can be used to make really big currency trading profits and if used selectively, when markets are extremely over bought or oversold, you can be in right at the start of the trend for maximum profitability.

In any currency you look at - The Yen, Euro, British Pound Swiss Franc Canadian or Australian dollar and many others, there are always occasions where a currency trend in the news is forecast to continue, due to overwhelming evidence in its favor and it then promptly collapses!

Big profits from currency trading can therefore be made by using the art of contrary thinking when the market is extremely bullish or bearish.

Why? Because everyone who has bought has taken positions and there are no buyers left. Prices have moved away from fair value. When there is no more buying to enter the market, a trend change is imminent.

It is clear that to succeed and make big profits in currency trading you need to think independently of the majority at important market turning points.

You can make big profits in currency trading from trend following, but you can with a little practice spot potential turning points in currencies as well which will help you bank profits, tighten stops or open new trades right on the turn, for maximum profitability.

Contrary trading will not only make you big profits in currency trading but in ANY market and has worked for centuries, as human nature never changes.