

*A very common and unfortunate chain of events, as a warning example to beginners.*

You (the beginner) download trading software and comprehend the basics of MT4 interface right away. Now the excitement for trading gets even higher. You then start to seek through internet's wide range of Forex information: tens of forums and free websites with thousands of "easy and profitable" websites being presented. When you do not know what to actually look for nor the principles of all the indicators, you end up selecting the strategy based solely on brief description and promise of profits. Everything seems easy, as the indicators are supposed to tell, e.g. by colored arrows, when to press "buy" or "sell" button. Feeling of excitement is now accompanied by confidence.

Over the casual demo testing phase of a few day or a week, the strategy seems to work, to some extent. However, there are some unfortunate losses, and to reduce/avoid those, you decide to add some more "reliable" indicators and conditions to your strategy. Brief Google search and some more demo testing. However, you get impatient waiting for all the conditions to be met in real time and you decide to verify your strategy by looking at history charts. There you might concentrate mainly on winning setups. Soon the demo trading gets boring and you feel like you are ready to trade real money, surely with better discipline and concentration.

You finally make a money transfer to a broker. After that point, however, when there is own hard earned money at stake, pressing the buy/sell button is not that easy anymore. Uncertainty and fear are now present at every decision making step. Mistakes and mess ups become frequent. After a few losses comes couple of wins. Now the confidence is back and it feels like trading was indeed simple, after all. Due to that feeling, you open a bigger order next time, to "get back" and recover the previous losses, and to get revenge, in some way. You end up losing that big order and now, there is less than a half left of your starting capital and hard earned money. Due to fear and the idea to play it safe this time, you miss the next proper trading opportunity and that messes with the trading mentality even more.

At this stage, many may blame the bad trading strategy or the Forex market altogether, but of course not oneself nor own negligence. And so, the search for new strategy and more reliable additional indicators continues. The same cycle, described above, happens again and again. Some desperate ones even go for "reliable" and usually paid trading robots, attempting to reduce own fear and inconsistency while trading. In a long run, the result of this approach is always the same. This overall very stressful cycle consumes great amount of time, yet the trader does not evolve or progress at all. Knowing this, it might be more productive to spent time to actually learn the basics of proper Forex trading on this website...