

Forex Trend

Forex Trend is a directional price movement on selected chart. Forex trend may be upward, downward, or flat (directional price movement parallel to the main axis of the price chart.) In addition, the trends are classified into short, medium and long term.

Determination of the trend is one of the most important tasks of the trade at the Forex market. From the correct identification of the trend on the chart depends success of many trade deals. Trend has beginning, middle and ending part. All the presented factors need to be considered when analyzing future market behavior.

Forex trends can be identified by a price corridor, which is formed on the chart. It is important to determine correctly that it is indeed a trend but not any figure on the chart. In addition, it is important to determine at what stage is the trend formation at the moment: the beginning, middle or end of a trend.

Many Forex traders prefer to trade exclusively with the trend. At the same time they trade a on the rising or downtrend. In this case, the important rule of trading on a Forex with a trend trading system is to open positions only in the direction of the trend. That is, in the case of an uptrend, trader opens positions only to buy (after correction of the trend). And in the case of a downtrend, a position opens only to sale.

The trend is one of the main terms on the international currency market Forex, determining the success of many financial operations on this market.