Binary Option Trading is Not Gambling by Jeremytrait

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The binary trader should elaborate his own trading system and strategy in order to be able to beat binary markets. He/She could be profitable by accidentally picking up binary instruments with no matter of the direction. However, it seems to be more gambling than trading. It is posible to win once or twice, but the logic will eventually triumph. Hence, it is important that the binary trader make informed decision based on some market realities.

There are two ways of making a sound and working system. One system is based on the fundamental analysis while the other one is based on the technical analysis. Many traders choose to trade on news. It is not suitable for the average market participants. The news are expected. The binary markets price them. Should the numbers match the expectations of the binary market, even being good, the subsequent moves could be in the opposite direction of the news. The moves could be violent enough to make the binary options expire worthless.

The best way of trading is avoiding the news and trying the tools offered by the technical analysis. By doing so, the binary trader could reduce the overall risk and make money. His system should be simple yet operational. The system should give fast signals, without a moment of hesitation. If it makes the binary trader think and add additional tools, it is not suitable for him.

The technical analysis comprises a set of chart patterns, indicators which should make the process of taking trading decisions easier and increase the accuracy of picking the right time for opening the bets with the right expiry times.

One simple strategy is to use moving averages as support and resistance during a trend. Should the binary trader realize that the binary options touch a specific moving average without managing to break it, he could trade less risky and more aggressively.

The combination of moving averages and Fibonacci`s numbers gives the best trading results. Should the levels given by both instruments converge, the binary trader could be more confident when placing bets.

It takes more time in precising the technical tools. However, the market noise could be reduced and the trading signals would be clear and stronger.

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Jeremytrait - About Author:
Jeremy is a regular reviewer of a Binary Options Brokers, he wrote lots useful articles on a Binary Options Trading to help a Binary Options community.

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