

POSITION TRADING STRATEGY



Trade for
Good.



Position trading is a popular trading strategy where a trader holds a position for a long period of time, usually months or years, ignoring minor price fluctuations in favor of profiting from long-term trends.

Position traders tend to use **fundamental analysis** to evaluate potential price trends within the markets, but also take into considerations other factors such as market trends and historical patterns.



Benefits of position trading

- **High profits.** Position trading allows traders to use high leverage, as the possibility of a mistake is smaller than in conventional trading.
- **Less stress.** One of the biggest advantages of position trading is that positions don't have to be checked on a daily basis.



Drawbacks of position trading

- **Significant loss.** Position traders tend to ignore minor fluctuations that can become full trend reversals and result in significant losses.
- **Swap.** The swap is a commission paid to the broker. If the position is open for a long period of time, the swaps can accumulate a large amount.