

SCALPING TRADING STRATEGY



Trade for
Good.



Traders who use a **scalping strategy** place very short-term trades with small price movements.

Scalpers aim to 'scalp' a small profit from each trade in the hope that all the small profits accumulate. |

As a scalper, you must have a disciplined exit strategy as a large loss can eliminate many other profits that have accumulated slow and steadily



Benefits of scalping trading

- **There is no overnight risk.** Scalpers do not hold overnight positions and most trades only last for a few minutes at maximum.
- **It's suitable as a hobby.** Scalping is suitable for people who want to trade flexibly.
- **Many trading opportunities.** Scalpers open several small positions with a less defined criterion in comparison to other strategies, therefore there a lot of opportunities to trade on.



Drawbacks of scalping trading

- **Limited market applicability.** Scalping only works in particular equities. Scalping requires very high volatility and trading volumes to be worthwhile.
- **Requires discipline.** As scalping requires larger position sizes than other trading styles, traders need to be extremely disciplined.
- **It's an extremely tense environment.** Monitoring the slightest price movements is extremely intense activity and not recommended for beginner traders.