

How to trade the breakout like the professional trader

Written by Sandy Smith

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Many traders often ask how to trade the breakout in the forex market. If you are involved in trading the financial instrument then you know very precisely that breakouts are very common in the financial market. But most of the novice traders fail to trade breakouts since they don't know how to execute their orders in the market. But if you look at the professional traders in the forex market then you will see that they make most of their profit in the forex market by trading the breakout. If you live in Singapore then there is good news for you. Professional broker Saxo is now offering an excellent trading environment to the Singaporean traders and they have also a very rich forex educational section known as Saxo Academy. In this article, we will discuss how to trade the breakout in the forex market like the professional trader and make a decent profit in the large moves.

Prepare yourself: The first that you need to learn in trading the breakout is developing a solid knowledge in the financial sectors. Most of the novice traders in the forex market fail to make money in online trading since they don't have clear knowledge about the forex market. In forex trading, nothing is too simple or complex rather everything is perfectly organized. If you develop a strong basic in the financial sector then you can easily assume when the breakout will occur in the forex market. For instance, most of the time the breakout occurs during the event of the high impact news release in the market.

So in order to know when the breakout will occur you need to learn how to do the fundamental analysis in the forex market. It's true that learning the fundamental section will be a little bit difficult for you but if you have strong passion in the financial sector then you can easily master it. Singapore is one of the busiest cities in the world yet the people of Singapore are now trading forex like pro traders since they know it's a very profitable market. So why not you join the forex market with a reputed broker like Saxo which offers tight spread and a wide range of access to the financial instrument.

Learn the chart pattern: One of the easiest ways to trade the breakout in the forex market is learning the chart pattern. Most of the novice traders in the financial market fail to trade the breakout since they don't have strong knowledge regarding the popular chart pattern. But as a trader, you should know that the market exhibits large moves after the breakout so it's highly imperative you learn the basic chart pattern in [forex trading](#). But chart pattern trading is a little bit difficult for the novice traders since most of them use the lower time frame in the market. But trading the lower time frame will generate lots of false signals so make sure that you use the higher time frame in the market to trade the breakout along with the chart pattern.

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Use limit orders: During the time of the major breakout, the forex market becomes extremely volatile. So if you are not experienced traders then it will little bit hard for you to execute your orders in the market. But professional brokers like Saxo are offering limit orders which are often known as the pending orders to trade the breakout in the market. Most importantly if you don't trade with a professional broker than chances are very high that you will be charged with a large spread during news trading. So make sure that you chose a reputed broker for forex trading.

In Summary, Trading the financial instrument is not an easy task rather it is one of the most complex tasks in the world. But once you learn how to trade the market you will see that the world of financial freedom is at your door. So if you truly want to become a professional trader than making sure that you develop a solid basic and trade with proper risk management factors.