



Section 3 - Opening a Live Account with Saxo Bank

Knowledge & Experience

You have either completed or are working on one or more of the following courses with us:

1. Live Trading Evening, 2.5hr Induction Workshop
2. Traders Basecamp, 2 Day Workshop, 18 Hour Immersion Workshop
3. Live Trade Mentorship/Live Trade Mentorship Advanced, 1-3 Year Trader Training Programme
4. Vedanta Elite, 5 Year Pro Trader Training Programme

As a result, you have Limited/Thorough knowledge and some perception of the risks involved

Investment Objective

As traders, our objective is only one: Long term capital growth/income generation

Investment Horizon

As traders, and long term thinkers, we understand trading is about probabilities, Reward:Risk and the Law of numbers – as such our investment horizon is > 5 Years

Attitude to Risk/Taking Losses

Again as professional traders, we are prepared to take losses, due to the above reasons. we have mathematical conviction in our trading models. As such we are prepared to take risk and are able to bear losses exceeding the amount invested when trading products on margin.

Relevant Qualification

You are on more or more of the above courses, Master the Markets certifies you and hence you do have knowledge of the margined products: CFDs, FX, Spread Bets, Options, Futures

Average value of Trades

The average value of trades in Forex/CFD's/Spreadbets (because we position size) will be between £0 - £50,000 over the last 12 months

Understanding Leverage & Margin

In forex, to control a \$100,000 position, your broker will set aside \$1,000 from your account. Your leverage, which is expressed in ratios, is now 100:1. You're now controlling \$100,000 with \$1,000.

The \$1,000 deposit is "margin" you had to give in order to use leverage. As a result, your leverage is 100 times



Understanding Base & Quote Currency

If you are buying (**going long** on AUDUSD) then you will be **BUYING** AUD, and **SELLING** Dollars. Here AUDUSD is the Base, and USD is Quote.

Likewise buying (**going long** on EURUSD) then you will be **BUYING** EUR, and **SELLING** Dollars. Here EURUSD is the Base, and USD is Quote.

Understanding Losses

We will already have reiterated the meaning of the stop loss, and why/when to use it many times, although your account can incur losses, you can use stop loss orders to manage some of the risk.