



# Impact of Institutional Trades on Forex Market Prices





Section III



























another&amp;semi;semi&semi; e&amp;semi;period&semi;g&amp;semi;period&semi; in EUR&amp;semi;sol&semi;USD&amp;semi;comma&semi; you are trading euros against US dollars&amp;semi;period&semi; Major currency pairs are those that include the USD and a major currency &amp;semi;lpar&semi;EUR&amp;semi;comma&semi;  
JPY&amp;semi;comma&semi; GBP&amp;semi;comma&semi;  
etc&amp;semi;period&semi;&amp;semi;rpar&semi;&amp;semi;comma&semi; while  
&amp;semi;lt&amp;semi;semi&semi;strong data-start&amp;semi;equals&semi;&amp;semi;  
quot&amp;semi;semi&semi;7171&amp;semi;quot&amp;semi;semi&semi; data-end&amp;se  
mi;equals&semi;&amp;semi;quot&amp;semi;semi&semi;7181&amp;semi;quot&amp;semi;  
emi&semi;&amp;semi;gt&amp;semi;semi&semi;minors&amp;semi;lt&amp;semi;semi&semi;  
&amp;semi;sol&semi;strong&amp;semi;gt&amp;semi;semi&semi;&amp;semi;nbsnbsp;&semi;  
emi;semi&semi;and&amp;semi;nbsnbsp;&semi;semi&semi;&amp;semi;lt&amp;semi;semi&  
semi;strong data-start&amp;semi;equals&semi;&amp;semi;quot&amp;semi;semi&semi;7186  
&amp;semi;quot&amp;semi;semi&semi; data-end&amp;semi;equals&semi;&amp;semi;quot  
&amp;semi;semi&semi;7197&amp;semi;quot&amp;semi;semi&semi;&amp;semi;gt&amp;&  
emi;semi&semi;exotics&amp;semi;lt&amp;semi;semi&semi;&amp;semi;sol&semi;strong&  
p&semi;gt&amp;semi;semi&semi;&amp;semi;nbsnbsp;&semi;semi&semi;are defined  
separately &amp;semi;lpar&semi;see&amp;semi;nbsnbsp;&amp;semi;semi&semi;&amp;semi;lt  
&amp;semi;semi&semi;strong data-start&amp;semi;equals&semi;&amp;semi;quot&amp;&  
emi;semi&semi;7226&amp;semi;quot&amp;semi;semi&semi; data-end&amp;semi;equals&se  
mi;&amp;semi;quot&amp;semi;semi&semi;7247&amp;semi;quot&amp;semi;semi&semi;&  
amp;semi;gt&amp;semi;semi&semi;Exotic Currencies&amp;semi;lt&amp;semi;semi&semi;&  
&amp;semi;sol&semi;strong&amp;semi;gt&amp;semi;semi&semi;&amp;semi;nbsnbsp;&semi;  
emi;semi&semi;and&amp;semi;nbsnbsp;&semi;semi&semi;&amp;semi;lt&amp;semi;semi&  
semi;strong data-start&amp;semi;equals&semi;&amp;semi;quot&amp;semi;semi&semi;7252  
&amp;semi;quot&amp;semi;semi&semi; data-end&amp;semi;equals&semi;&amp;semi;quot  
&amp;semi;semi&semi;7270&amp;semi;quot&amp;semi;semi&semi;&amp;semi;gt&amp;&  
emi;semi&semi;Minor Currency&amp;semi;lt&amp;semi;semi&semi;&amp;semi;sol&semi;str  
ong&amp;semi;gt&amp;semi;semi&semi;&amp;semi;rpar&semi;&amp;semi;period&semi;&  
amp;semi;lt&amp;semi;semi&semi;&amp;semi;sol&semi;p&amp;semi;gt&amp;semi;semi&  
semi;&amp;semi;lt&amp;semi;semi&semi;p **class**  
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emi;quot&amp;semi;semi&semi;&amp;semi;gt&amp;semi;semi&semi;&amp;semi;lt&amp;&  
emi;semi&semi;a href&amp;semi;equals&semi;&amp;semi;quot&amp;semi;semi&semi;https&  
&semi;colon&semi;&amp;semi;sol&semi;&amp;semi;sol&semi;forexalgos&amp;semi;pe  
riod&semi;com&amp;semi;sol&semi;forex-robots-glossary&amp;semi;sol&semi;currency-pair  
&amp;semi;sol&semi;&amp;semi;quot&amp;semi;semi&semi;&amp;semi;gt&amp;semi;se  
mi&semi;Read More&amp;semi;lt&amp;semi;semi&semi;&amp;semi;sol&semi;a&amp;semi  
;gt&amp;semi;semi&semi;&amp;semi;lt&amp;semi;semi&semi;&amp;semi;sol&semi;p&am  
p&semi;gt&amp;semi;semi&semi;&amp;semi;lt&amp;semi;semi&semi;&amp;semi;sol&semi  
;div&amp;semi;gt&amp;semi;semi&semi;&quot&semi; href&amp;semi;equals&semi;&quot&  
semi;https&amp;semi;colon&semi;&amp;semi;sol&semi;&amp;semi;sol&semi;forexalgos&am  
p&semi;period&semi;com&amp;semi;sol&semi;forex-robots-  
glossary&amp;semi;sol&semi;currency-pair&amp;semi;sol&semi;&quot&semi;  
&gt;&semi;currency pair&lt;&semi;&amp;semi;sol&semi;a&gt;&semi; is what creates sustained t























The single biggest challenge for an institutional trader is finding enough [class](#)&equals;"wpg-linkify wpg-tooltip" title&equals;"&lt;&semi;h3 [class](#)&equals;"quot&semi;wpg-tooltip-  
title&quot&semi;&gt;&semi;&lt;&semi;span [class](#)&equals;"quot&semi;wpg-tooltip-term-title&quot&semi;&gt;&semi;Liquidity&lt;&semi;&sol;span&gt;&semi;&lt;&semi;&sol;h3&gt;&semi;&lt;&semi;di  
v [class](#)&equals;"quot&semi;wpg-tooltip-  
content&quot&semi;&gt;&semi;&lt;&semi;p&gt;&semi;Liquidity - Refers to how easily and quickly  
an asset can be bought or sold at stable prices &lpar;without causing a big change in  
price&rpar;&period; A highly liquid forex market &lpar;like EUR&sol;USD&rpar; has abundant  
buyers and sellers and small [bid](#)&sol;[ask](#) spreads&comma; allowing large orders to transact  
with minimal price impact&period; Illiquid markets may have volatile price jumps and larger  
spreads&period;&lt;&semi;&sol;p&gt;&sem  
i;&lt;&semi;p [class](#)&equals;"quot&semi;wpg-read-more&quot&semi;&gt;&semi;&lt;&semi;a href&  
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glossary&sol;liquidity&sol;"quot&semi;&gt;&semi;Read  
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uals;"https&colon;&sol;&sol;forexalgos&period;com&sol;forex-robots-  
glossary&sol;liquidity&sol;">liquidity to fill their enormous orders&amp;&semi;amp&amp;&semi;  
semi&semi;amp&amp;&semi;amp&amp;&semi;semi&semi;semi&amp;&semi;semi&semi;amp&a  
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semi;semi&amp;&semi;semi&semi;semi&amp;&semi;semi&semi;semi&amp;&semi;semi&amp;&  
semi;They need to find a large number of opposing participants to take the other side of



their trade

























































When institutions enter the market with overwhelming force, price can move so quickly in one direction that it leaves an opening. This can lead to significant volatility and potentially large gains or losses for traders.































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