

Currency Exposure

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opportunities for growth

and [yield](#)

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Many EMs grapple with challenges like high or unpredictable [class](#)

[class](#)

Inflation - A sustained increase in the overall price level of goods&services; Inflation erodes purchasing power of a currency; central banks aim to control it; Rising inflation often leads central banks to raise interest

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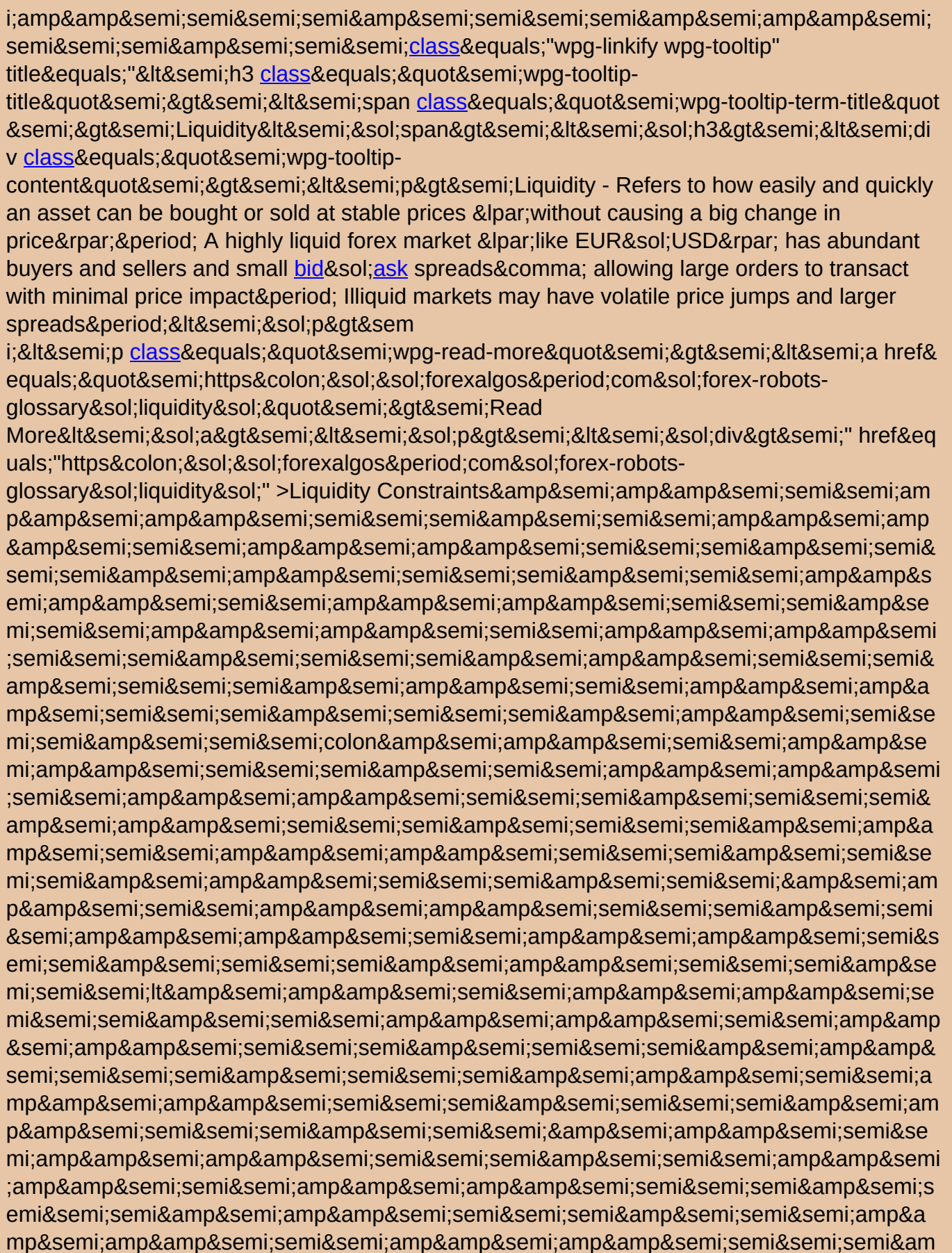
substantial fiscal deficits&

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Liquidity

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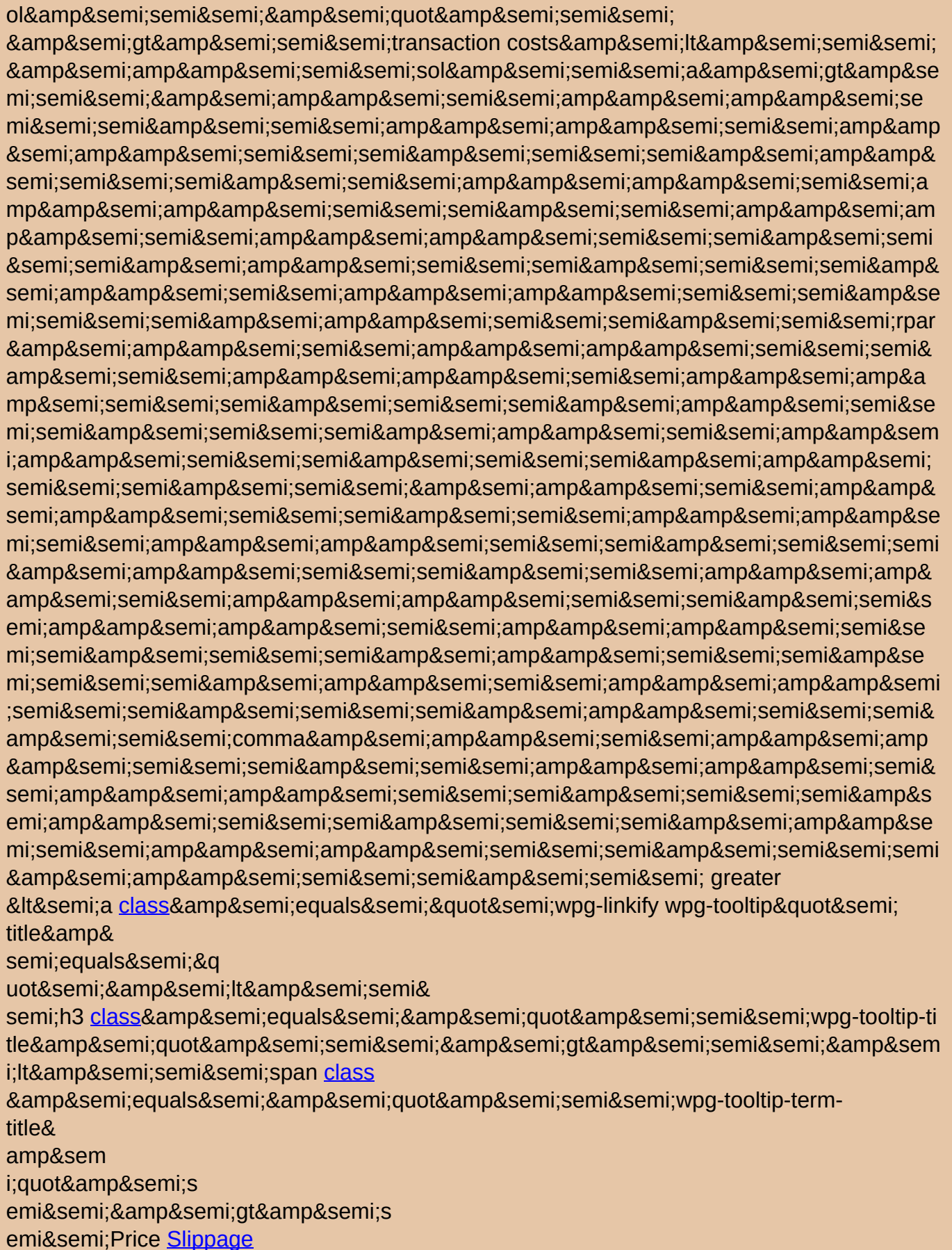
Liquidity - Refers to how easily and quickly an asset can be bought or sold at stable prices & without causing a big change in price.
A highly liquid forex market like EUR/USD has abundant buyers and sellers and small bid-ask spreads, allowing large orders to transact with minimal price impact.
Illiquid markets may have volatile price jumps and larger spreads.

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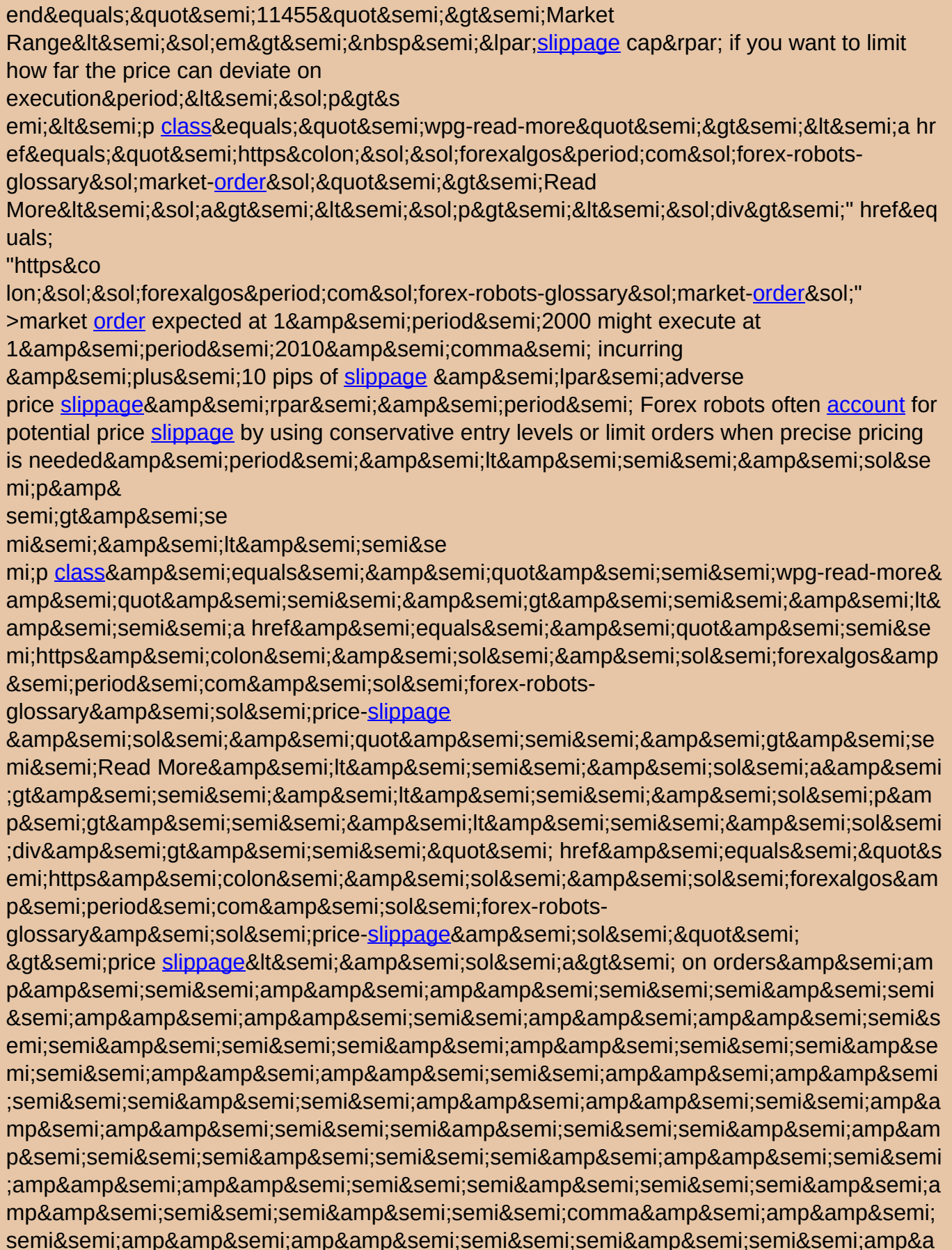




[Slippage](#) - A form of [slippage](#) focusing on the price difference; It occurs when the execution price of a [trade](#) differs from the intended price; due to rapid market movement or insufficient [liquidity](#).

Liquidity - Refers to how easily and quickly an asset can be bought or sold at stable prices without causing a big change in price. A highly liquid forex market like EUR/USD has abundant buyers and sellers and small [bid](#) and [ask](#) spreads, allowing large orders to transact with minimal price impact. Illiquid markets may have volatile price jumps and larger spreads.

Market Order - An [order](#) to [buy](#) or [sell](#) immediately at the best available current price. It is the fastest way to enter or exit a [position](#). In [cTrader](#), a market [order](#) ensures you get into the market; but the exact execution price can vary due to [slippage](#) and available liquidity. In high volatility or low liquidity, a market [order](#) might be filled in parts or at multiple levels (partial fills) until the full [volume](#) is executed. [cTrader](#) allows setting





mp; and difficulties in executing large trades without adversely affecting the market price
amp; During times of global risk aversion; and
semi; and small bid;ask spreads; allowing large orders to transact

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some emerging markets may be less developed;and;semi;and
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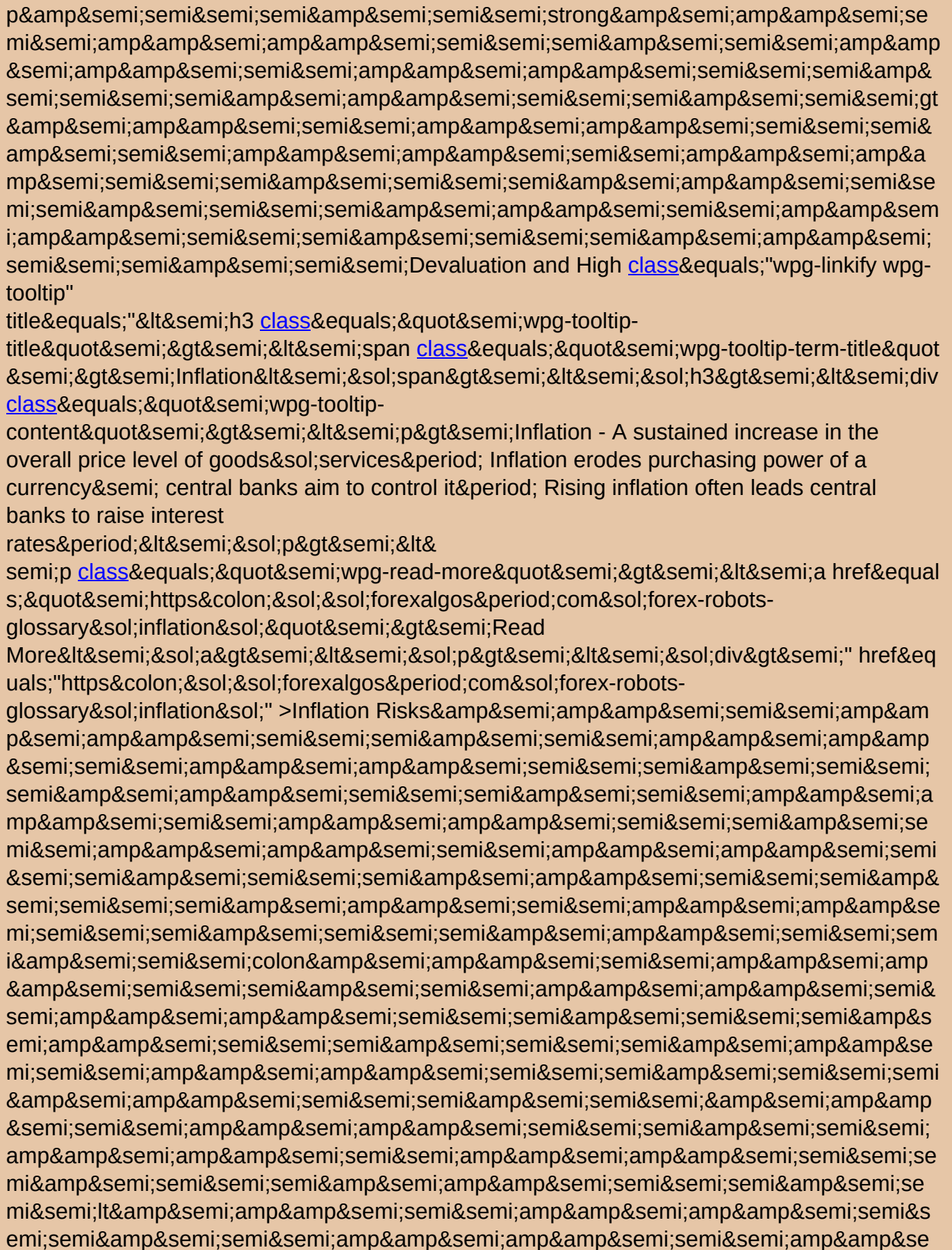


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Reliable Hedging

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Trading Emerging Market currencies offers the potential for a [class](#) of wpg-linkify wpg-tooltip

Diversification - A risk management strategy of spreading investments across different assets or markets; A well-diversified forex portfolio reduces [class](#) wpg-linkify wpg-tooltip

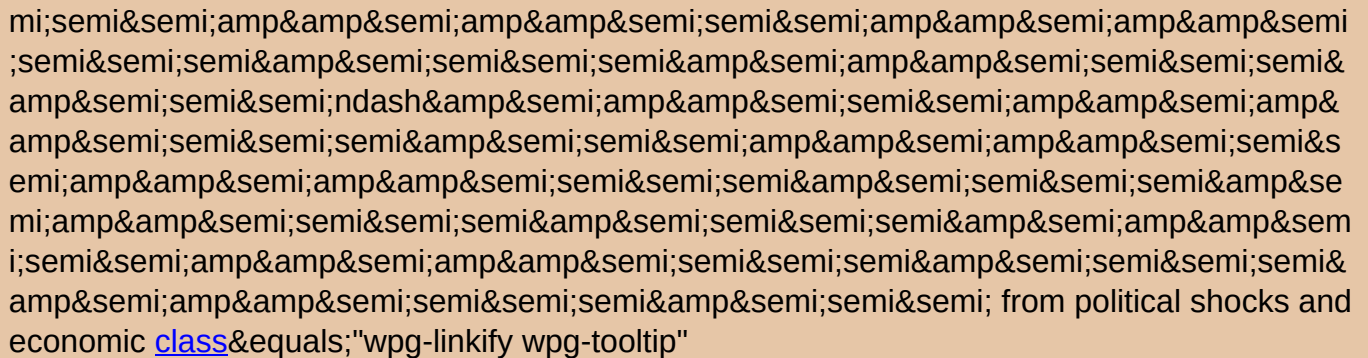
Volatility - A measure of how much and how quickly price moves over time; High volatility means large price swings; low volatility means stable prices; Volatility affects [position](#) sizing and risk; robots typically use volatility $\cdot$; Average True Range $\cdot$ to adjust [trade](#) size or widen stops; since more volatile markets require larger buffers; $\cdot$;

[class](#) wpg-read-more wpg-read-more href="https://forexalgos.com/forex-robots-glossary/volatility/">volatility; since losses in one area can be offset by gains elsewhere; $\cdot$;

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