

Short position is selling the base currency for quoted currency. Thus the profit increases with decreasing the market prices. A short position is the sale of assets. Short position is also called the game for a fall, which means the expectation of profit from falling prices for the base currency. When the price of the base currency decreases it is already possible to perform the reverse operation, thereby obtaining profits. Suppose that your analysis shows reduction of the euro against the U.S. dollar. In this case, it makes sense to consider the possibility of selling a certain number of Euros that you will take a broker to buy at a better price. In this case, it is important to learn the essence of the implementation of the transaction on the financial instrument. To make a deal on a short position, it must be first opened, then close to. When you short sell, you sell a certain amount of financial instrument, using the selected amount of the transaction. When you close the short position, you buy a previously sold amount of the base currency for quoted. When you close the short position, you thereby close the deal. The transaction is fixed profit or loss.