

How to Find the Right Forex Broker - Advantages & Disadvantages

InvesttechFx explains the advantages of trading in a NDD and STP marketplace. The benefits are numerous and significantly greater than the DD and ECN Forex concept. Investtechfx is the only Forex company worldwide which offers a fixed 1pip spread on six major currency pairs and never trades against their clients. Instead, Investtechfx profits from the total turnover rate of their clients and not from the spread. Outlined are the reasons why the NDD and STP features make Investtechfx a unique and number one choice for Forex traders. www.investtechfx.com

Toronto, Canada (PRWEB) July 5, 2010 -- InvestTechFX leading 1 pip Forex corporation representative quoted that when choosing the right Forex broker, it is essential to know the difference between NDD (No Dealing Desk), DD (Dealing Desk), STP (Straight Through Processing), ECN (Electronic Communications Network) and MM (Market Maker). InvestTechFX Technologies itself is a NDD and STP which allows access to the Interbank market without going through the Dealing Desk. Instead, the Straight Through Processing allows traders to deal directly with the Interbank. A Dealing Desk, on the other hand, has brokers known as Market Makers, who make money through spreads and trade against their clients. Market Makers actually “make the market” for traders by buying from traders who want to sell and selling to traders who want to buy. They work against traders and oppose them in their moves. This is how they make their profits. Because traders are unable to view real market quotes, Market Makers have the ability to manipulate and alter quotes, depending on the clients’ needs. Therefore in a Dealing Desk, traders must deal with Market Makers before gaining access to the Interbank Market, putting them at a considerable disadvantage.

InvestTechFX leading MetaTrader4 trading platform offering 1 Pip spreads is one of the few Forex brokers that provide a NDD and STP for the benefit of their customers. The NDD and STP features provide customers with an advantage because they are able to proceed directly to the Interbank Market without going through the Dealing Desk. A NDD, such as InvestTechFX, also ensures that there are no re-quotes and no pausing during order confirmation, allowing traders’ to trade during news times without any limitations. Some NDD brokers charge commissions for trading or choose to increase the spread for trading. InvestTechFX charges no commissions and maintains fixed spreads at all times. Additionally, they offer the use of “Expert Advisors” which is included as part of the MetaTrader4 platform. The use of EA does not restrict traders to an artificial market controlled by Market Makers; instead the NDD allows customers the ability to trade currencies as brokers do. Traders can trade on-exchange against banks, institutional investors and FCM’s.

InvestTechFX the leading 1 PIP spread on SIX MAJORS Forex currency pairs reported that they are a STP but not an ECN. ECN brokers encourage clients to work against one another by allowing them to interact with other clients’ orders. All parties- banks, market makers and traders- enter the marketplace and trade against each other. During this time, they are able to get the best offers for their trades. A commission is usually in effect for each trade, which helps ECN brokers accumulate their profits. InvesttechFX does not provide an ECN marketplace, however, offers an STP. The STP has many benefits for the customers which include, 2 options- an offer of fixed spreads or allowing the spread to be left at 0, and in turn, allowing the best bid to be taken from the number of available banks and providing variable spreads. Most STP brokers do not trade against their own clients, however, make money by adding their own small percentage to their spread quote by adding a pip or so to the best bid and subtracting a pip or so from the best ask of the liquidity provider. In this way, STP brokers earn their money from their own added percentages. InvestTechFX, however, makes their profits from the total turnover rate of their worldwide traders and not from their spread. www.investtechfx.com



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