

## Trade Aggression

Calculates the risk level of every investor based on the margin used per day.

Trade aggression is calculated in two ways:

### 1) By time

We take profit/loss points at specified periods during the day. To define these points, we use the margin field level (margin used/equity) and we calculate the aggression of the Trader per day. After that, we factor in all days since the investor started using ForexCopy in one graph to show his or her risk appetite.

### 2) By Percentage weight

It calculates the return on invested capital (ROIC) by adding the margin field and profit margin as a percentage of the latter. This calculation gives an average risk score per day.

The difference between the trade aggression calculated by time is that this method also includes profit margin. By taking this extra parameter we can give a different score for the investor's risk appetite as we are calculating the profit of each day as a percentage of total profits. This can give a deeper indication of the investor's risk factor.

After that, we group the averages in one chart to show you what percentage of days the client acts as a low-risk, medium-risk, high-risk, or very-high-risk investor.

The advantage of this method is that it takes more factors into account. Since it is a more complex method of calculating trade aggression, we recommend having a look at trading instruments under the Advanced section of Forexcopy Monitoring.

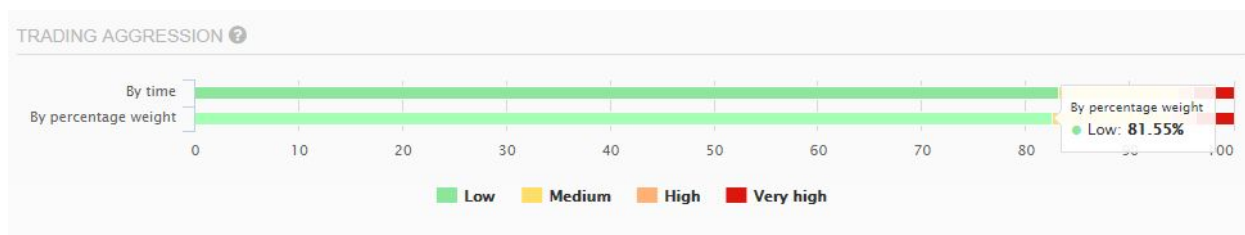
## Risk Factor

This can be found in the detailed information about all Traders.

In order to **better understand** the classification of low, medium, high and very high risks, here we explain how these risk classifications are chosen:

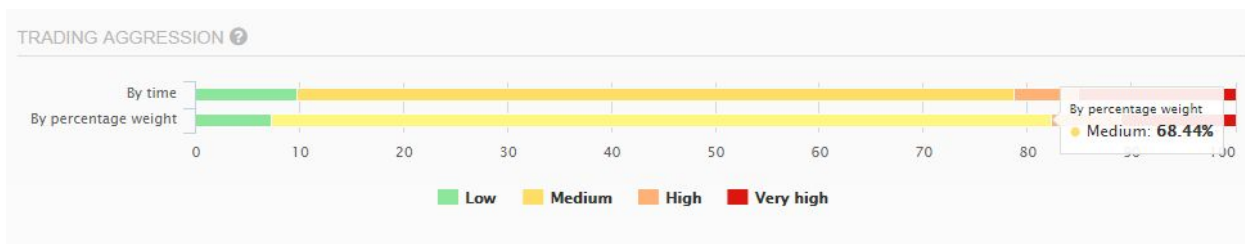
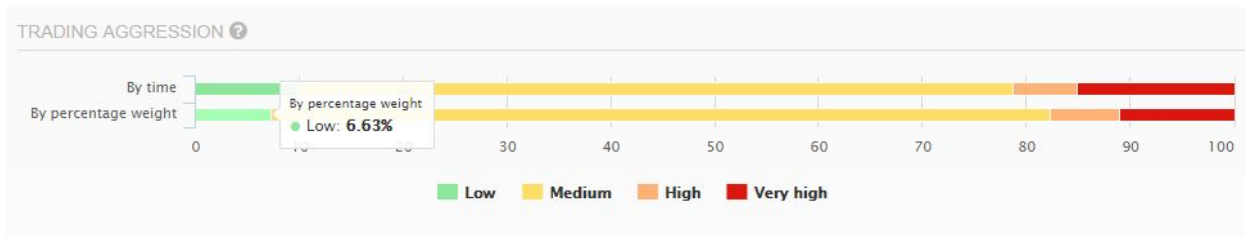
The Risk Factor is Low when the "low" factor of the Percentage Weight of the Trader (explained in point 2 above) is more than 50%.

In the example below the Trader's risk is defined as Low because the risk factor "Low" is 81.55% which is more than 50%.



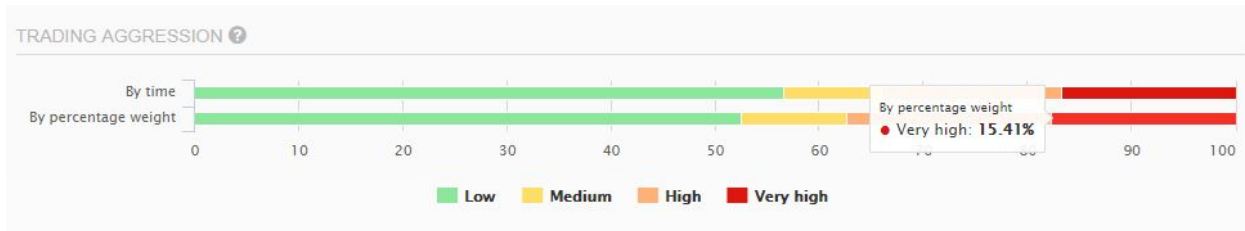
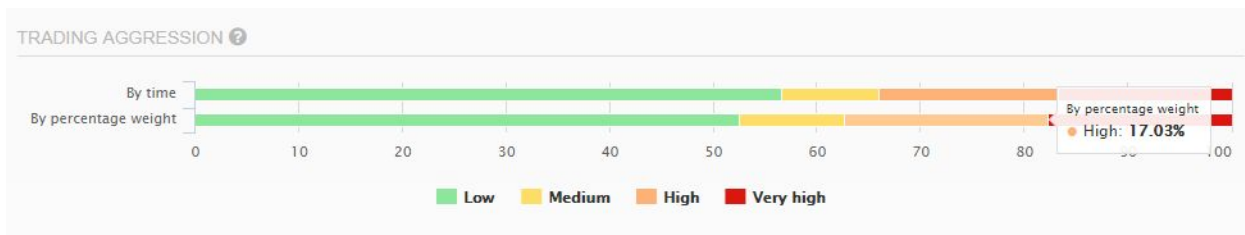
The Risk Factor is Medium when the sum of “low” and “medium” factors of the Percentage Weight of the Trader (explained in point 2 above) is more than 70%.

In the example below the Risk Factor of the trader is Medium because the Low factor (6.63%) plus the Medium factor (68.44%) **equals** 75.07% which is more than 70%.



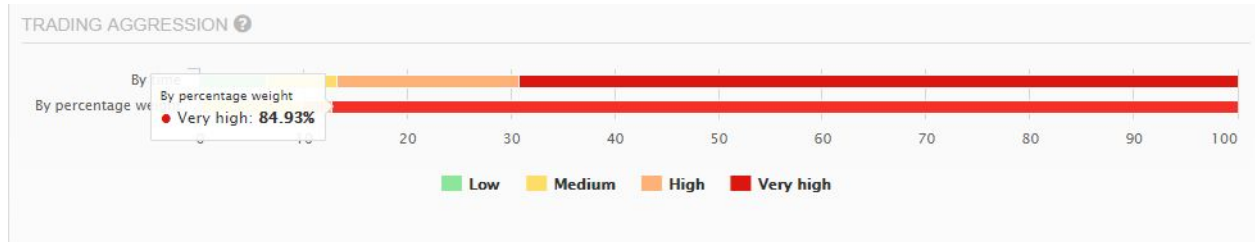
The Risk Factor is High when the sum of “high” and “very high” factors of the Percentage Weight of the Trader (explained in point 2 above) is more than 30%.

In the example below the Risk Factor of the trader is High because the High factor (17.03%) plus Very High factor (15.41%) **equals** 32.44% which is more than 30%.



The Risk Factor is Very High when the “very high” factor of the Percentage Weight of the Trader (explained in point 2 above) is more than 50%.

In the example below the Risk Factor of the trader is Very High because the Very High factor (84.93%) is more than 50%.



The trading accounts that are added in the monitoring list have the Very High risk assessment by default.

Note: The higher the risk score, the bigger the potential gains/losses.