



darwinex

10 July 2018

The Night Scalper Wipeout





Description of Analysis

This is an analysis of a **deep, completely unexpected market movement on the 10th of July, 2018 at 20:50 UTC**, primarily in AUD and JPY currency crosses.

We've considered trader analytics from **15 minutes before, until 3 hours after** the event. Each chart shows the **asset price**, and the evolution of **Net Lots** and **Net P/L** of traders exposed to each asset during the analysis timeframe.

Night scalpers in particular suffered crippling losses **in a matter of minutes** as the market moved aggressively against them.

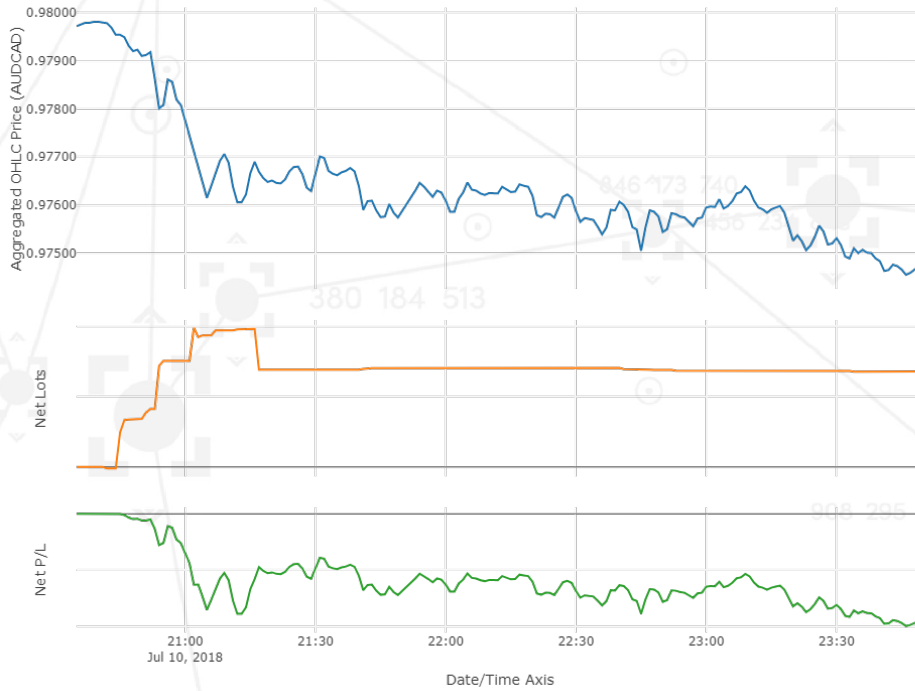
This experience serves to highlight the pitfalls of **exploiting market micro-inefficiencies "en masse"**.

As the number of traders exploiting the same micro-inefficiency grows (**especially during periods of low liquidity, as is the case during night scalping**), the risk of them getting hit with deep, corrective moves against the inefficiency sooner or later, increases over time.



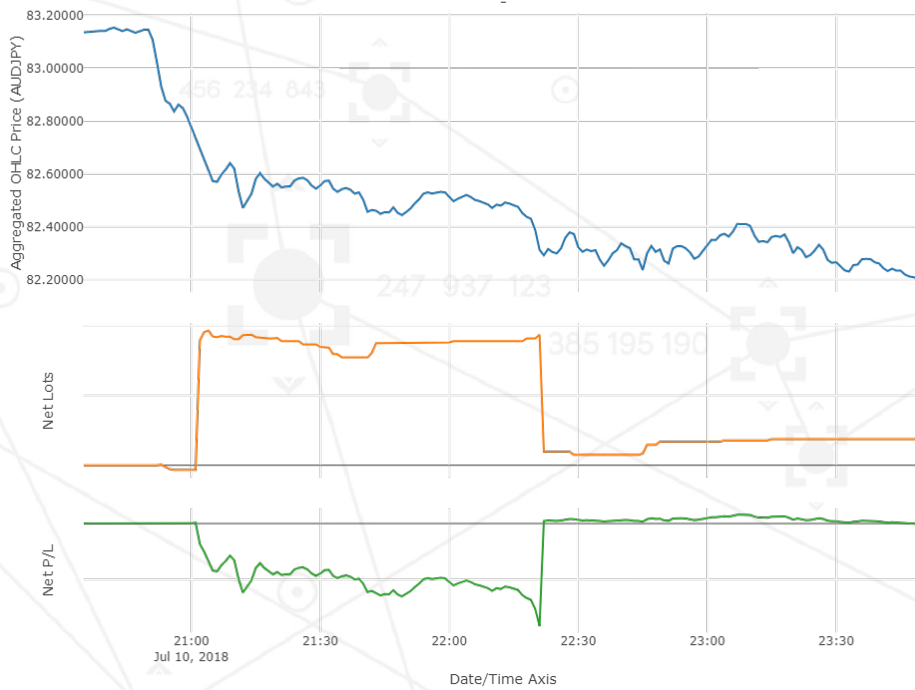
(AUDCAD) 10 July 2018 (20:50 UTC) Crash

(AUDCAD) 10 July 2018 (20:50 UTC) Crash
Event Time: 2018-07-10 20:50:00



(AUDJPY) 10 July 2018 (20:50 UTC) Crash

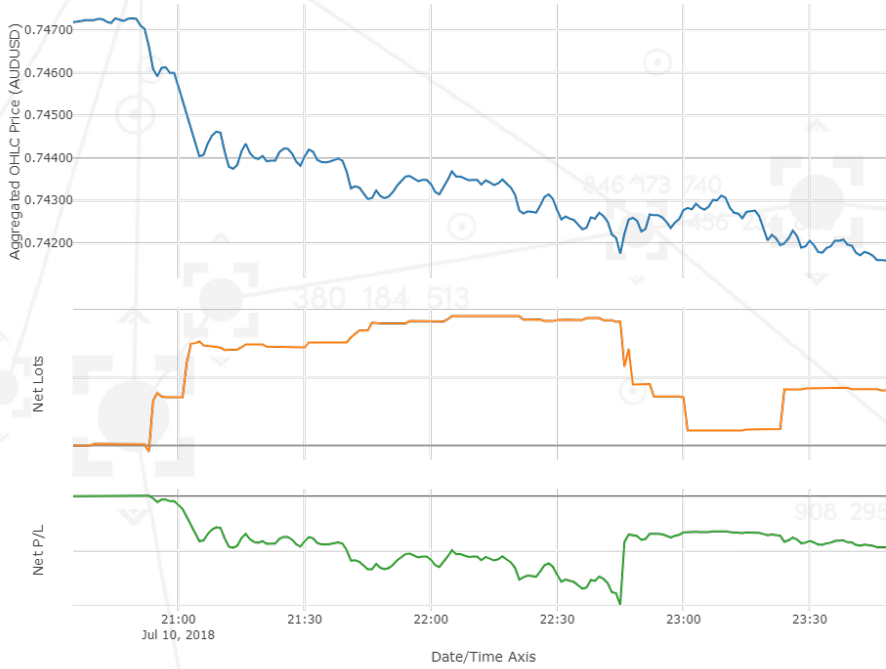
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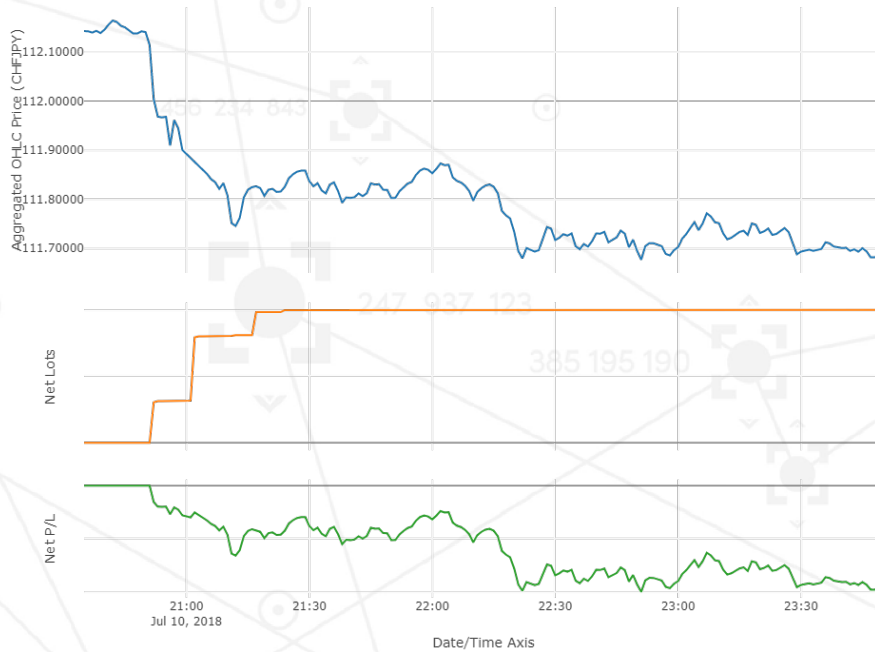
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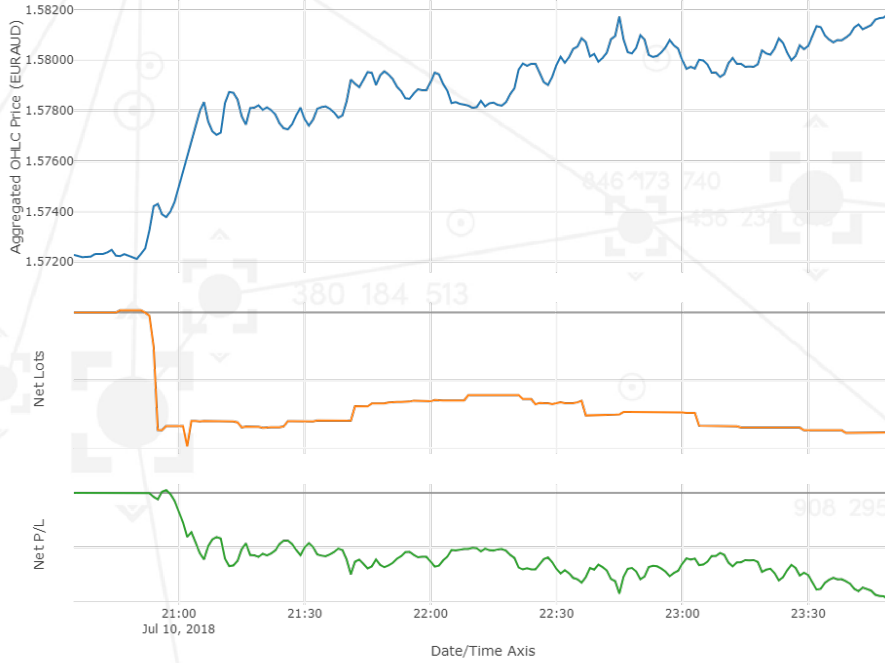
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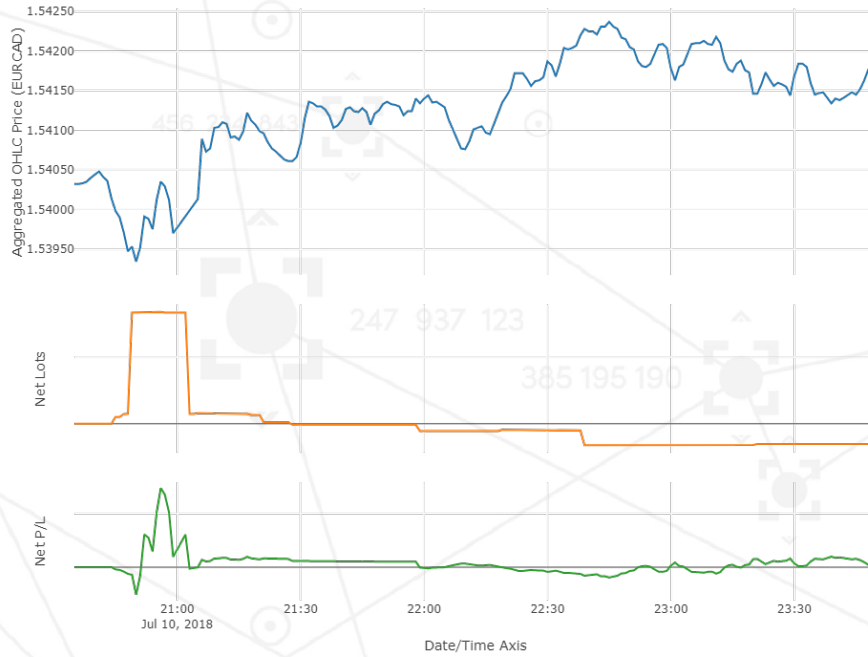
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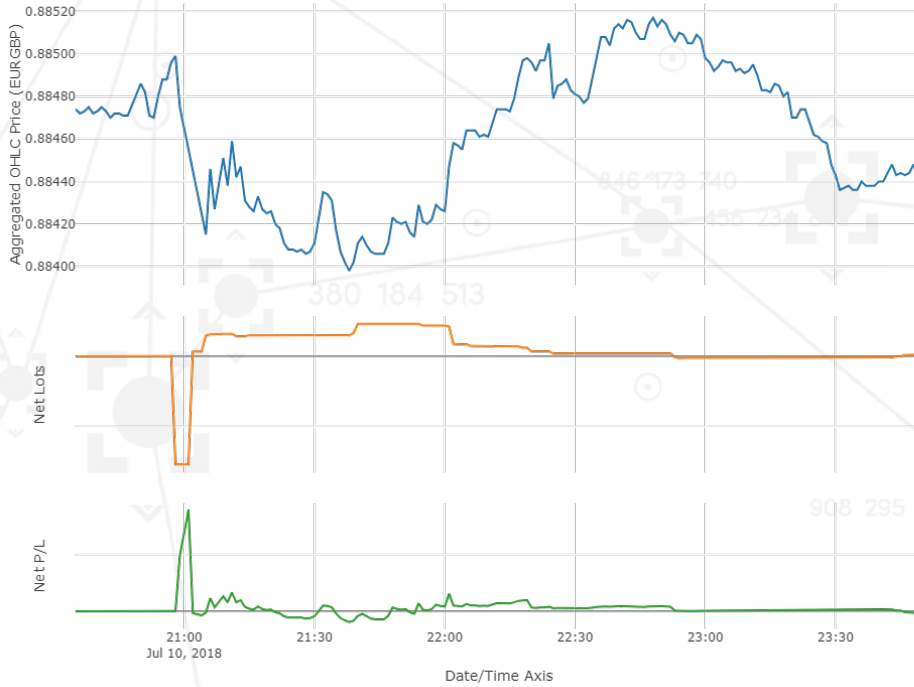
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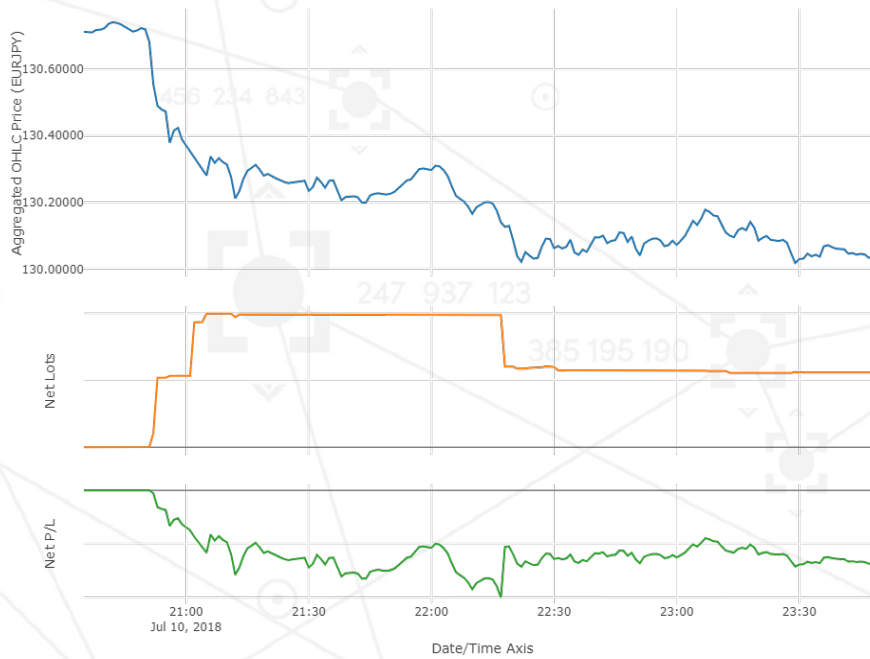
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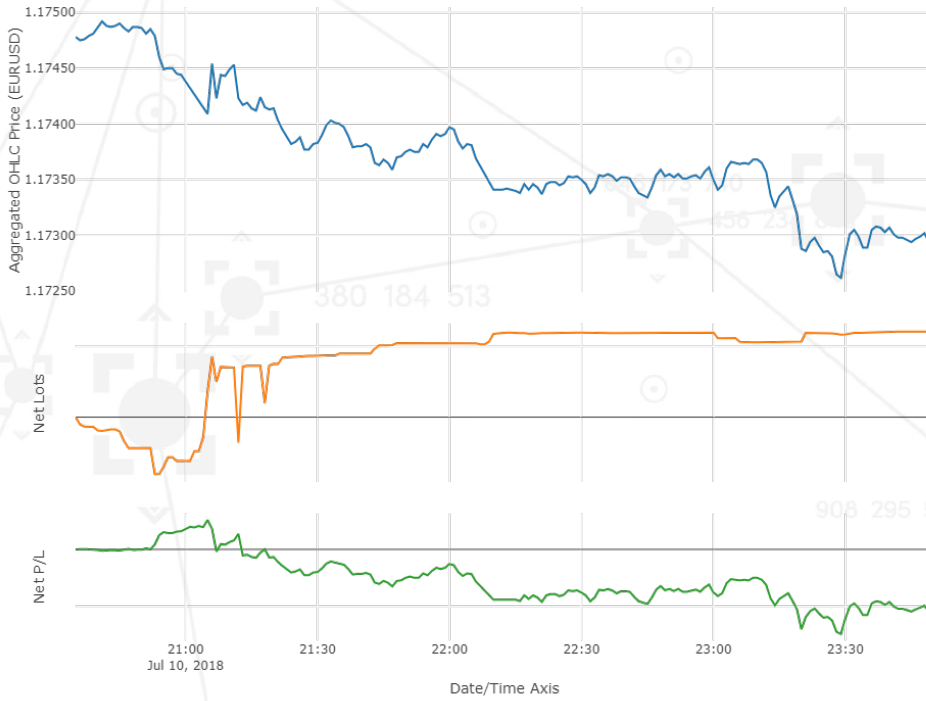
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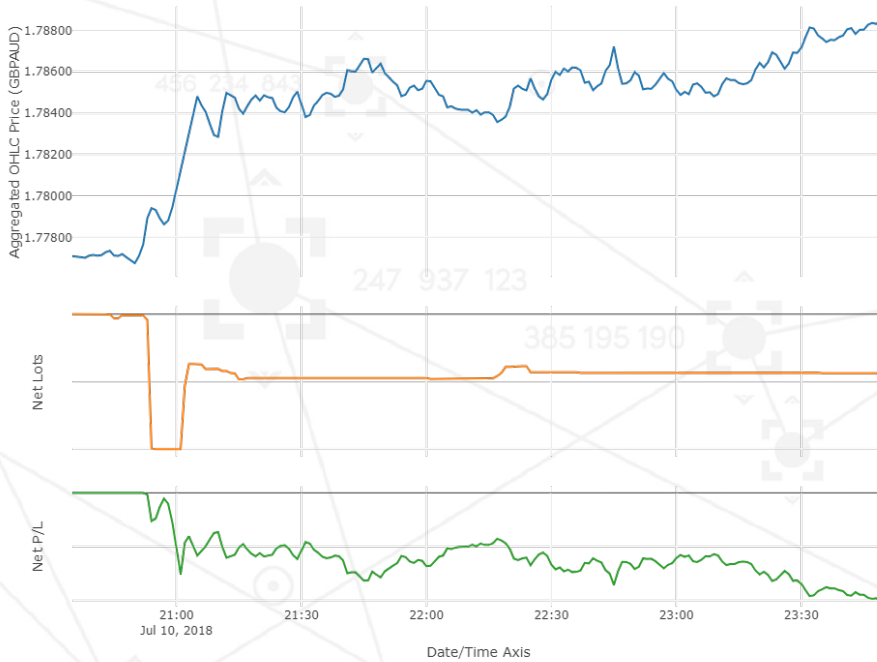
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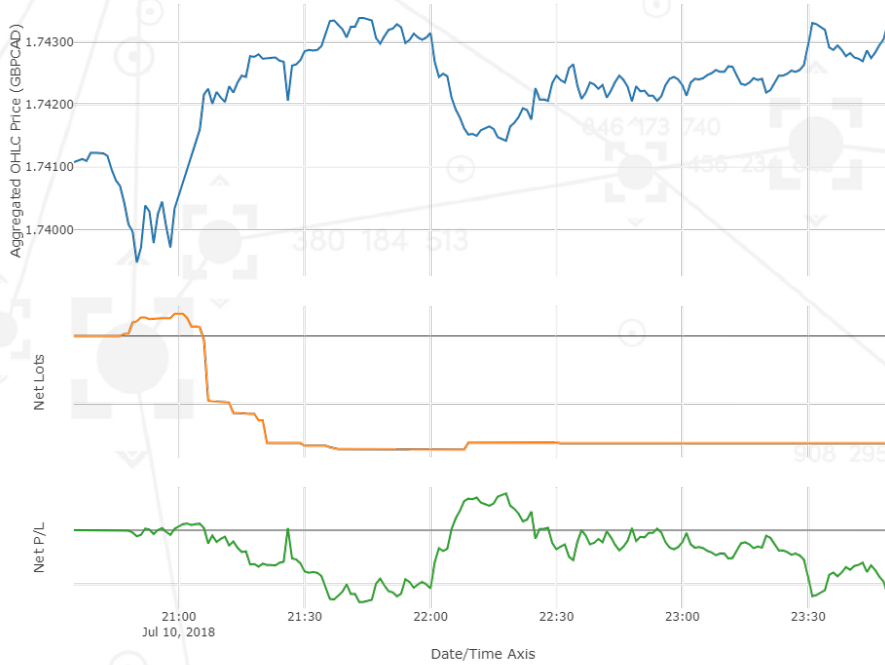




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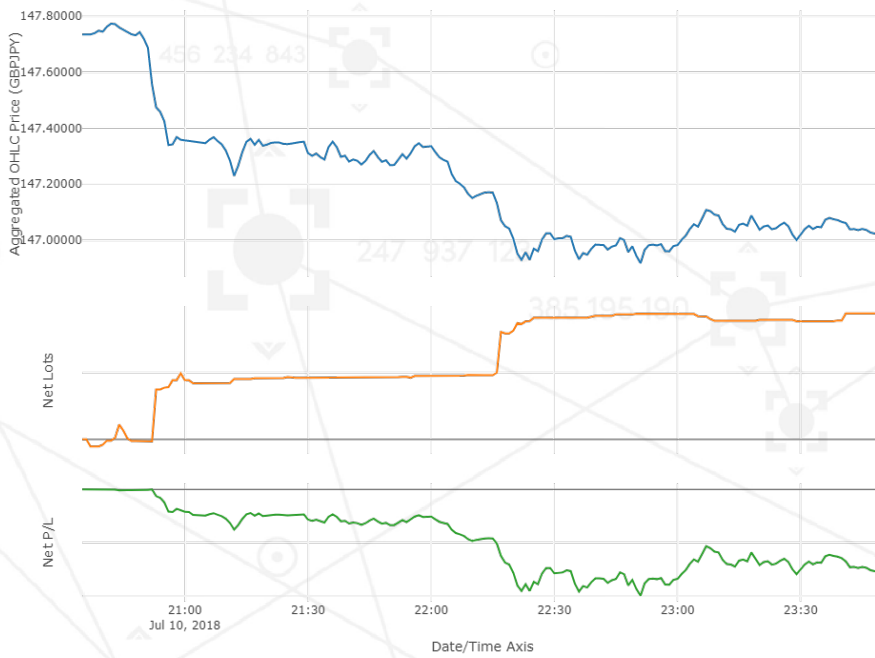
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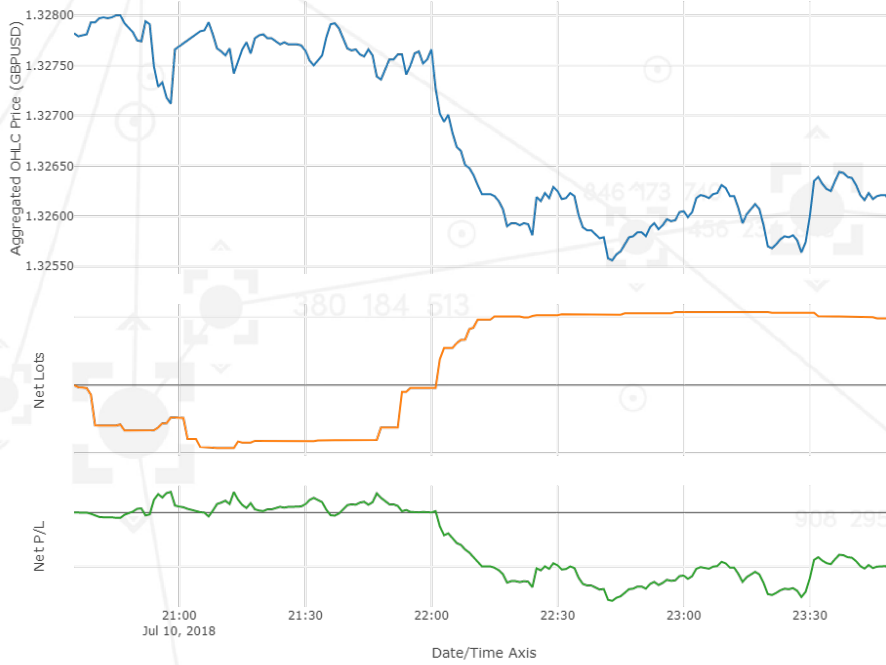
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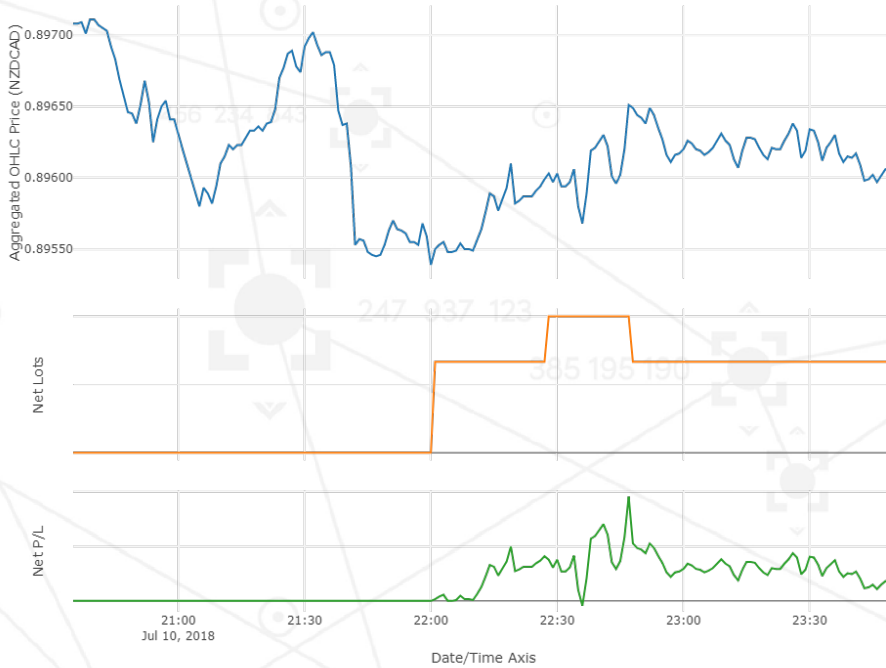
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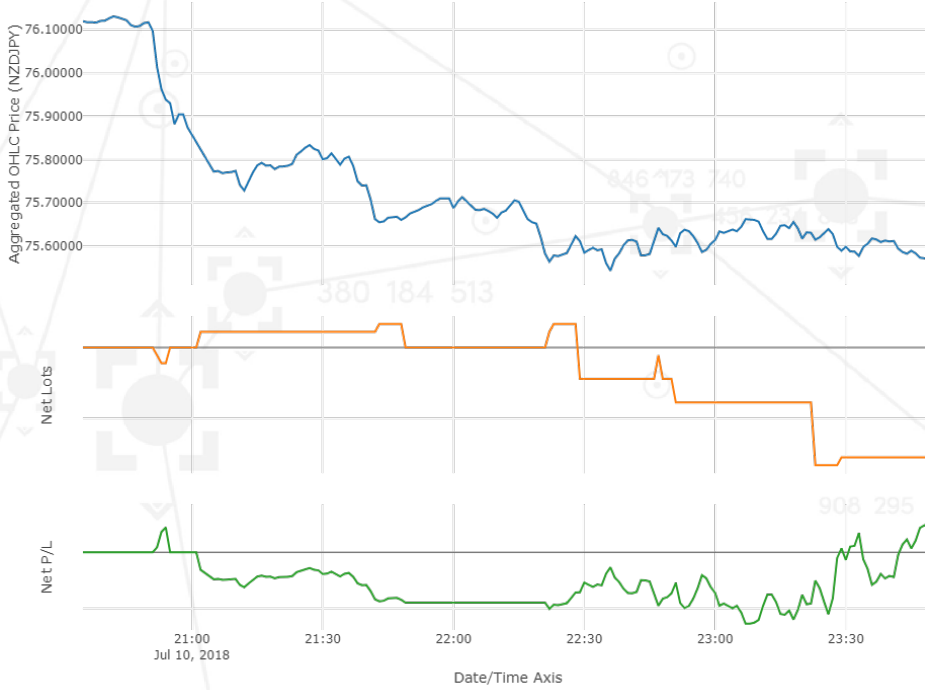
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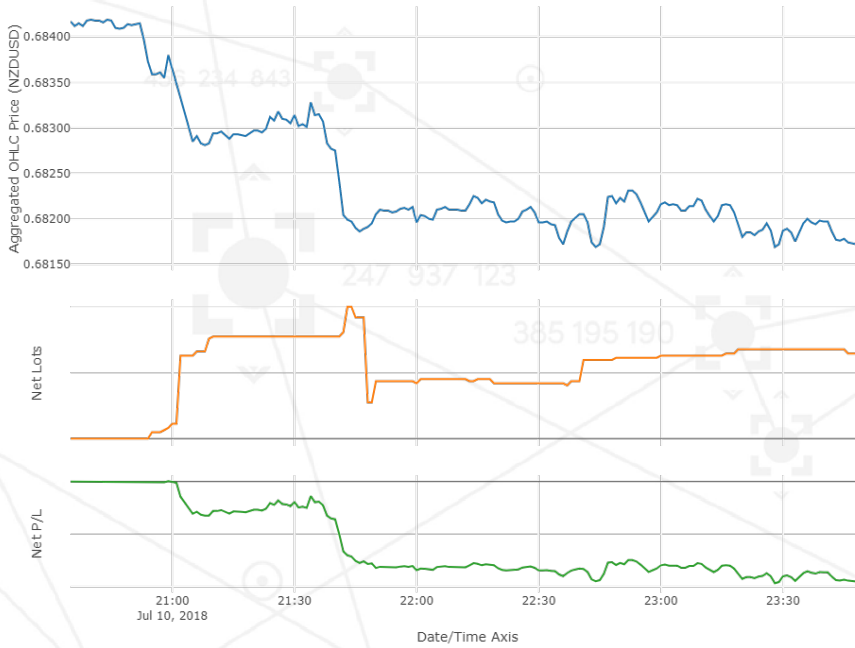
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(NZDUSD) 10 July 2018 (20:50 UTC) Crash

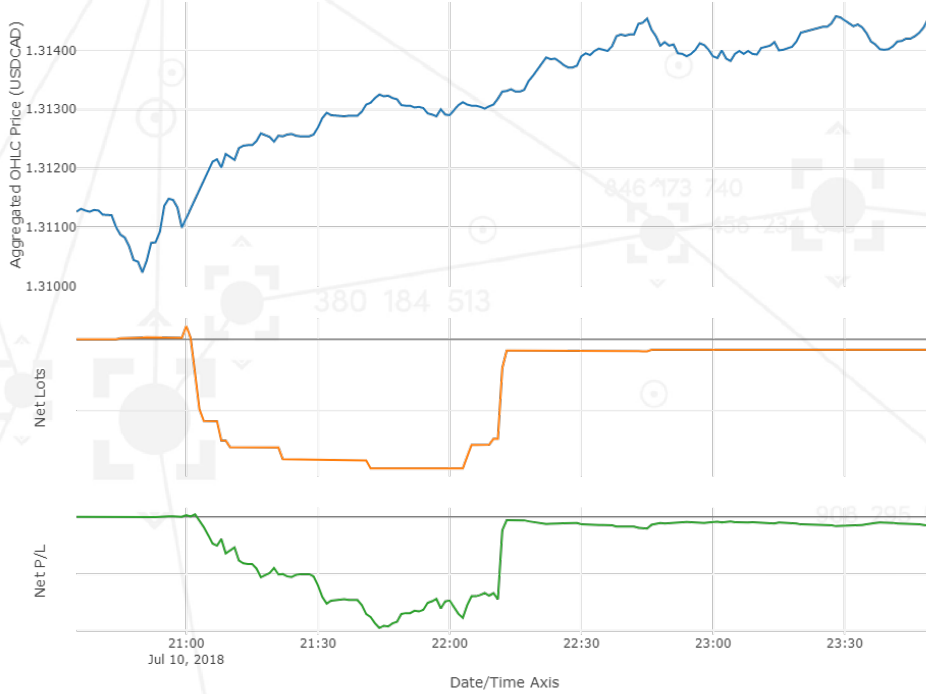
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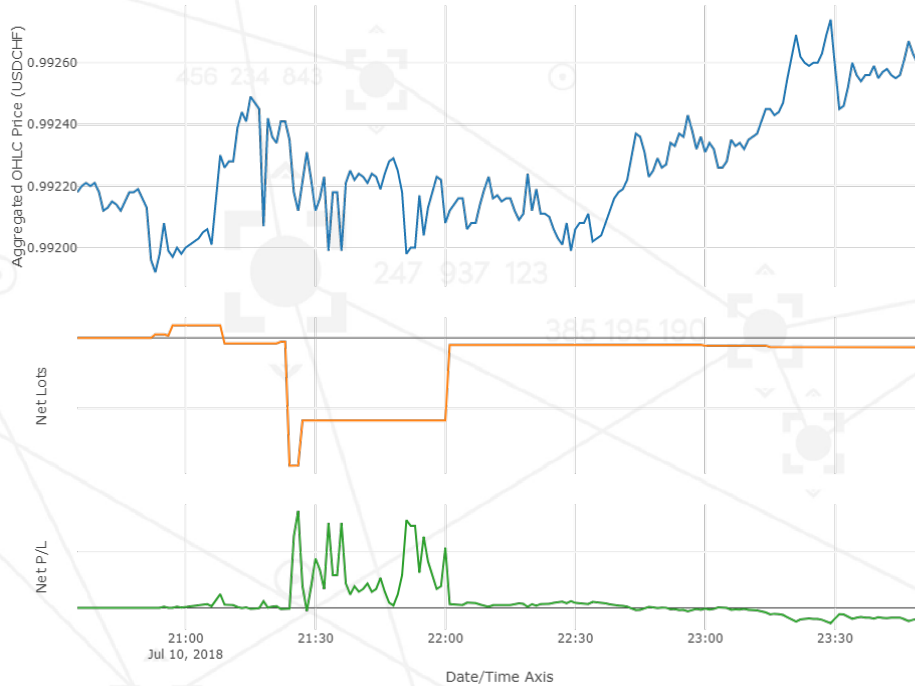
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(USDCHF) 10 July 2018 (20:50 UTC) Crash

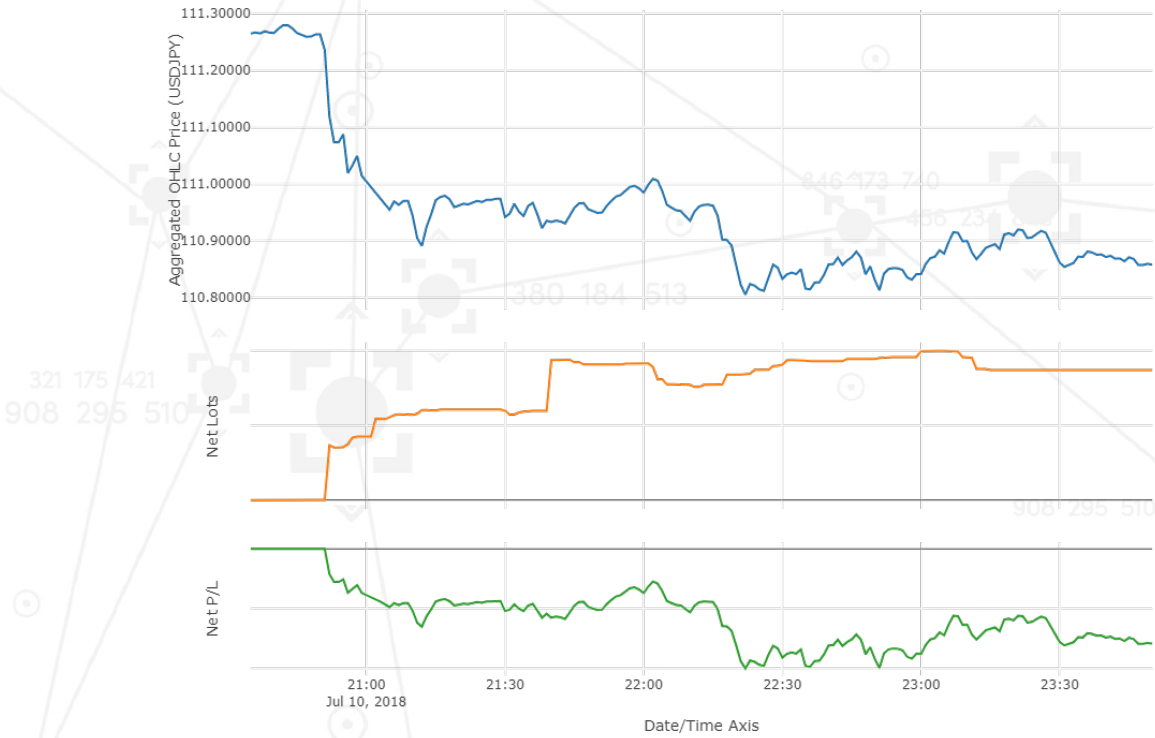
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(USDJPY) 10 July 2018 (20:50 UTC) Crash

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