Blockchain Whispers guide to Bitmex

How to Register:

Use link to register https://www.bitmex.com/register/UxAh3y

Getting Started - Sign Up & Fund Your Bitmex Account.

To start cooperation with Bitmex, you have to register an account using **LINK** above. All information you actually need to mention is your email address, password and country, you will need to verify your account through email confirmation. However, please note that Bitmex doesn't serve customers from US and checks IP to make sure that you are not from there.

Keep Your Account SECURE!

* MUST DO: 2FA on both exchange and email account. Once this is done, you should not be able to get compromised, except in rare cases such as sim-jacking. Highly suggest using Google Authenticator / Authy type of 2FA, instead of SMS 2FA which is susceptible to sim-jacking with some social engineering and one lazy telco service operator customer care assistant.

* MUST DO: Use strong passwords; minimum 20 characters with a mix of upper- and lower-case letters, numbers, and characters.

* Optional: Use a separate email address for Bitcoin and cryptocurrency only.

Introduction to The Bitcoin Mercantile Exchange (Bitmex):

BitMEX offers a variety of contract types, and all contracts are bought and paid out in Bitcoin. It is the only platform that offers a "Perpetual P2P Swap", a contract that trades like a future but never expires!

BitMEX touts itself to be a provider of "The Next Generation of Bitcoin Derivatives", and quite rightfully so. The platform has been able to grow significantly, no doubt partly due to their ability to open traders up to various kinds of interesting derivative markets, and keeping their customers happy with transparency, open communication, having strong security in place, and most importantly, a highly advanced yet user-friendly trading platform.
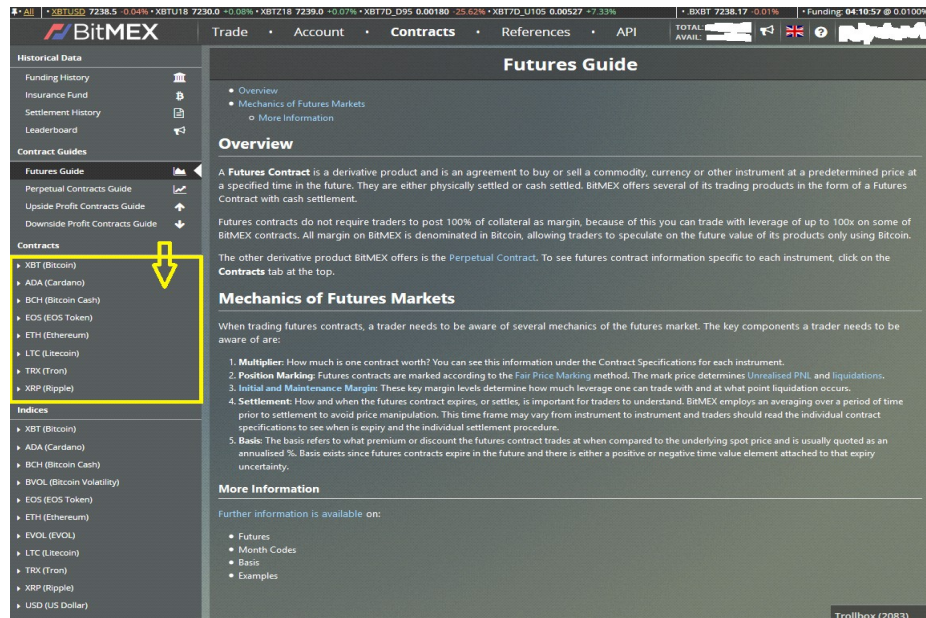
BitMEX offers bitcoin markets, namely, Bitcoin/USD (XBT). XBTUSD, XBTU18, XBTZ18, XBT7D_D95.

Alternative cryptocurrency markets include Ethereum (ETH), Ripple (XRP), Litecoin (LTC), EOS Token (EOS), Cardano (ADA), Tron (TRX) and Bitcoin Cash (BCH).

They also offer demo accounts for you to test trading strategies without risking any funds.

Pros And Cons:

Pros

* Bitmex is one of the largest and most popular cryptocurrency exchanges.

* There is a pretty rare and interesting margin trading opportunity.

* Constant and stable high volumes of exchanges.

* A lot of instruments and convenient charts for customers.

* Simple and fast registration.

* Suitable for beginners.

Cons

*   No trading option for US clients

*   A limited fiat trading opportunities

## *How to Margin Trade on Bitmex and how does it work:*
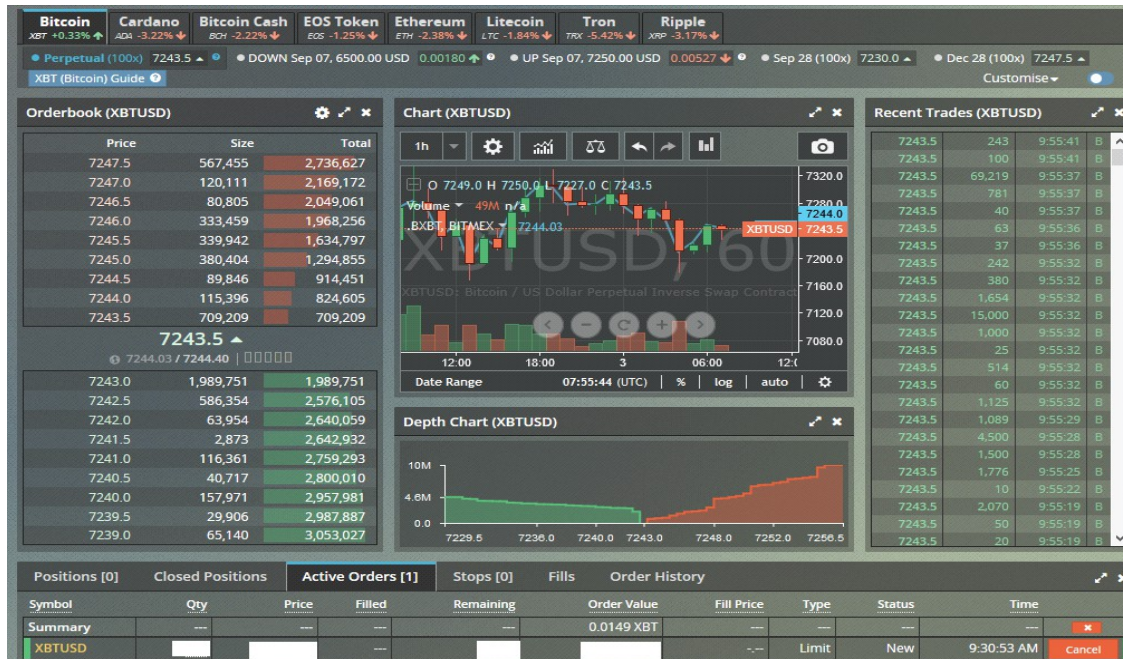
How to Margin Trade on Bitmex and how does it work:

Margin Trading refers to borrowing from the broker (trading platform) to either buy or sell a stock.

Depending on which market, Bitmex offers a flexible leverage of up to 100x for Bitcoin markets and up to 33x for Altcoin markets. But that doesn't mean that you should use the maximum available leverage, and in fact, you shouldn't unless you really know what you are doing!

My suggestion for the new traders here is to stick to a leverage of 4x or less, before moving to 10x or higher when you are more comfortable.
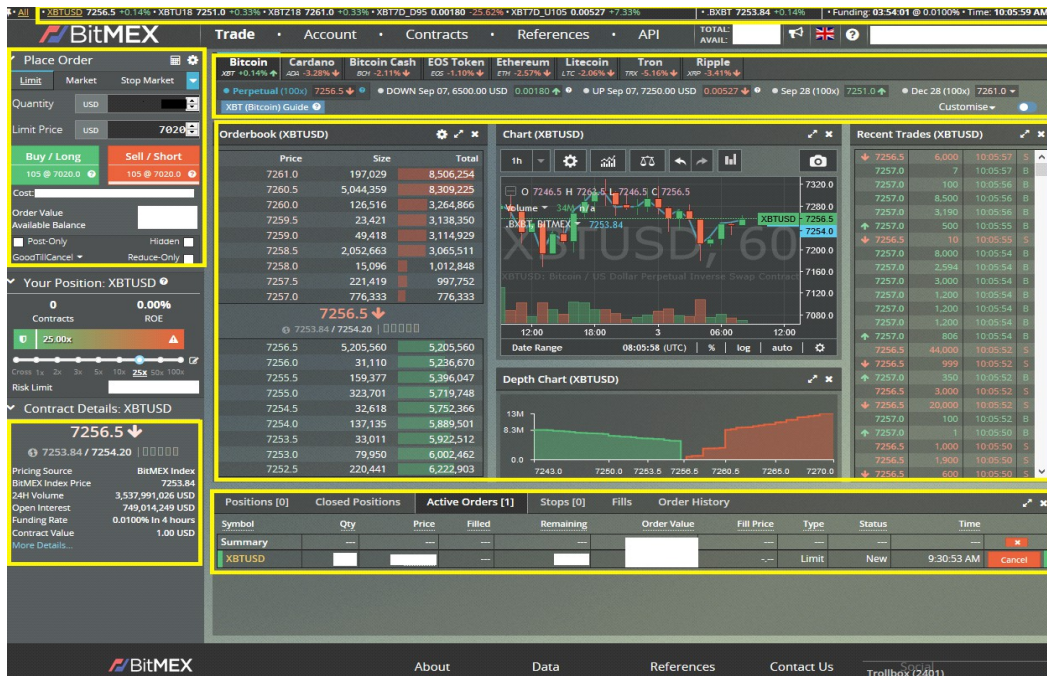
Bitmex Dashboard:

Market Overview:

Right at the top of your Bitmex dashboard, you'll find the ticker symbols of all the available markets. Clicking on the symbols on the left will toggle between showing the market data of the relevant market, namely current trading price and 24h % gain/loss.

Market Selection:

You can find a row of markets and their associated tickers in this section. Clicking on each of the markets will load the relevant market information as below.

Market Information:

Here, you can find the charts powered by tradingview.com, the order book, and recent trade history. The market that is shown here is the market is chosen in the "Market Selection" section.

Market Contract Details:

Here you will be able to see information about the contract or market that is chosen in the "Market Selection" section.

Account Information:

Dashboard Tabs:

* Trade, Account, Contracts, References.

* Balance. You can view your balance at the top right.

* Alternatively, your available trading balance is also shown on the left side under the "Place Order" section.

Account Information & Settings:

You can click on "Account" in the dashboard tabs section to access your account settings. All options should be there and easy to access.

Trading Tools & Management:

Place Order:

This is where you place your orders by inputting the quantity, price, and other parameters where required.

Position Overview:

Here you can see the overview of your open positions, including the number of contracts, entry price, Return on Equity (ROE), liquidation price, and leverage used. You are also able to adjust the leverage used in your open position.

Manage Orders & Positions:

Active orders and open positions will appear in this section. It also shows a history of your orders and fills.

Bitmex Trading Dashboard - Order Types:

Market & Limit Orders

Market and Limit orders are the most common types of orders used by traders to enter into a trade/position. These orders are immediately entered into the order book once opened.

Stop Orders

Stop orders, unlike market or limit orders, do not appear on the order book immediately upon opening. These orders are associated with a trigger price, or "stop price" in the case of BitMEX, whereby your order is only entered into the order book after the stop price is hit. Stop orders are usually used as "stop losses" to get out of a bad trade, but are also extremely effective in buying into breakouts.

Take Profit Orders

Take Profit Orders, as the name suggests, enables you to set a target price on an existing open position to close it and "take profit". This can be done in the form of a market order or limit order. It simply works in the same way as placing a limit order in the opposite direction of your active position (i.e. placing a limit sell order if you have an active buy position).

Interestingly, just like using a stop to buy a breakout, this order type can also be used to set an entry point for a new position. But unlike a stop order, triggers are set in the opposite direction. To use it in this way, untick the "Close on Trigger" option as this is for closing orders only and will automatically cancel any orders if used to enter/open a position.

Stop Market Order:

A Stop Market Order is a market order that is triggered (opens) when your stop price is hit. For example, if today's BTC price is $1150, and you place a stop market buy order at $1200, your position will not trigger if price trades anywhere below $1199. Once a trade occurs on the market at $1200, your stop market buy order will trigger and a market buy is made.

Limit Order:

Next most commonly used order would be the Limit Order, which basically allows you to place a buy/sell at your desired price. Similarly, there is a confirmation page where you adjust your desired leverage for the trade.

Market Order:

Straightforward. Buys/sells at the nearest available price. After clicking Buy or Sell, there will be a confirmation page, where you can adjust your desired leverage for the trade.

Stop Limit Order:

In the same way that a market order differs from a limit order, a Stop Limit Order works in the same way as a Stop Market Order, except with an additional "limit price" parameter that is triggered only when your stop price is hit. Further to the example above, if you enter $1200 as the stop price, and $1175 as the limit price, and when a trade occurs on the market at $1200, a limit order at $1175 will be placed.

Alternatively, if you enter $1200 as the stop price, and $1210 as the limit price, this will act almost like a market buy when your trade is triggered (unless there are not enough sells for your purchase quantity up to the limit price - in which case you need to increase the limit price or simply use a stop market order).

A Trailing Stop Order is similar to a Stop Market Order, whereby you specify the Trailing Value differential to the Trigger Price, and if triggered then a Market Order will be placed.

Note, a positive Trail Value indicates a trailing Buy whilst a negative Trail Value indicates a trailing Sell.

Trailing Stop Order:

Instead of setting a stop price, a Trailing Stop Order makes use of a "Trail Value" parameter to determine when a market order gets triggered. This "Trail Value" is calculated against the market's price at which you entered the position. For example, if BTC price is $1150 and I have an active buy position, and I open a Trailing Stop Order by entering a "Trail Value" of $5, my active buy position will close when price goes to $1145. Whereas if BTC price is $1200, opening the same trailing stop order will close my active buy position when price goes to $1195.

Take Profit Limit:

In this example, the user has selected a Take Profit Limit Buy Order with the Mark Price set as the Trigger Price. If the Mark Price hits 100, then a Limit Order will be placed for 10 contracts at the Limit Price of 90. A trader would set a Limit Price below the Trigger Price if they want to increase the chance of an execution when triggered.

Bitmex Trading Dashboard - Manage Orders & Positions:

Upon placing your order or if you have any open positions, you can view and manage them in the middle bottom section of the trading dashboard. You can also view your order history, fills, and closed positions in this section.

1. Active Orders:

Once you place a limit order (and it doesn't immediately trigger), they will appear in this "Active Orders" tab. You can edit the quantity and price while the order is still open, although you can't change a buy into a sell. Stop orders and take profit orders will appear in the "Stops" tab.

2. Open Positions:

Once your active order triggers, or when you place a market order, they will appear here in "Positions". You are able to add/remove margin to your position, which changes the liquidation price of your position, as well as to easily place a limit or market order to close your position instead of having to place the order through the "Place Order" section. If you want to change your leverage used on a particular position, you can adjust it with the slider on the left side of your dashboard, just below the "Place Order" section.

3. Stop Loss & Take Profit:

Active stop orders and take profit orders will appear here in the "Stops" tab. You can also edit some parameters, including the quantity, stop price, and limit price, as well as cancel the order.

4. Order History:

Lastly, you will be able to view all your order history, executed or not, in this "Order History" tab. You can then find all your filled order history in the "Fills" tab, and "Closed Positions" in the corresponding tab.

Bitmex Information Library:

Bitmex has their own library of guides and tips on trading on their platform.

Take a look at these links to learn more about the Bitmex:

*   Trading Overview: https://www.bitmex.com/app/tradingOverview

*   Futures Guide: https://www.bitmex.com/app/futuresGuide

*   Swaps Guide: https://www.bitmex.com/app/swapsGuide

*   FAQ: https://www.bitmex.com/app/faq

Conclusion:

I hope that this helps you how to use Bitmex trading exchange platform to view markets, open orders, enter into positions, as well as teach you how to use each of the different order types.

The Notorious Anti-Liquidation and Position Size Calculator For Bitmex

- By Blockchain Whispers

https://blockchainwhispers.com/bitmex-position-calculator/

Thank you for reading!