

Simple Questions

1. What is leverage in forex trading?
 2. What does 1:100 leverage mean?
 3. If you deposit \$200 with a 1:100 leverage, how much can you control in the market?
 4. What is the formula to calculate leverage?
 5. True or False: Leverage allows traders to control a larger position with a smaller amount of capital.
 6. What is margin in forex trading?
 7. If you have \$500 in your account and use 1:100 leverage, how much is your total trade size?
 8. How much margin is required to trade 1 lot (100,000 units) with 1:100 leverage?
 9. Does leverage increase both profit and risk?
 10. What happens if the price moves against you when using high leverage?
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Hard Questions

1. If a trader has \$750 in their account and uses 1:100 leverage, what is the maximum position size they can control?
 2. If you want to trade 2 lots (200,000 units) of EUR/USD with 1:100 leverage, how much margin do you need?
 3. A trader deposits \$1,200 and uses 1:100 leverage. He makes a 5% profit on the total trade size. How much profit does he make?
 4. A trader deposits \$2,000, and after using 1:100 leverage, the price moves against him by 2%. How much does he lose?
 5. If a broker offers 1:500 leverage instead of 1:100, how much margin is required to control \$100,000 in the market?
 6. A trader has \$5,000 in their account and takes a leveraged position of \$500,000. What leverage ratio is the trader using?
 7. Why do brokers require margin even when offering high leverage?
 8. What are the risks of using too much leverage in forex trading?
 9. If leverage increases both profit and risk, how can a trader manage risk effectively?
 10. Explain why professional traders use lower leverage despite having access to high leverage.
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