



What is a Pip?

Pip = Point in Percentage

Pip = Points

Pips are a unit of measure and is how profits and losses are measured. When the market moves, it moves in “pips” and based on our lot size per trade, we will gain or lose a certain percentage of the move. For example,

A trade moves 60 pips (either positive or negative)

If a trader uses a .01 lot, this trader would have gained or lost \$6

If a trader uses a .10 lot, this trader would have gained or lost \$60

If a trader uses a 1.00 lot, this trader would have gained or lost \$600

A trade moves 100 pips (either positive or negative)

If a trader uses a .01 lot, this trader would have gained or lost \$10

If a trader uses a .10 lot, this trader would have gained or lost \$100

If a trader uses a 1.00 lot, this trader would have gained or lost \$1,000

A trade moves 40 pips (either positive or negative)

If a trader uses a .01 lot, this trader would have gained or lost \$4

If a trader uses a .10 lot, this trader would have gained or lost \$40

If a trader uses a 1.00 lot, this trader would have gained or lost \$400

**Brokers and leverage is important. The numbers above are the true values.*