# NIVANFX

BEGINNER GUIDE MODULE

*“The best traders aren’t afraid. They aren’t afraid because they have developed attitudes that give them the greatest degree of mental flexibility to flow in and out of trades based on what the market is telling them about the possibilities from its perspective. At the same time, the best traders have developed attitudes that prevent them from getting reckless.”*

- MARK DOUGLAS

# Understanding the Forex Market:

The forex market, short for foreign exchange, is a decentralized global marketplace where currencies are traded. Unlike traditional stock markets, forex operates 24 hours a day, five days a week. For beginners, diving into this dynamic market requires a solid foundation.

# BASIC TERMS IN FOREX TRADING

1. **Exchange Rate:** The price of one currency in terms of another. It indicates how much of the quote currency you need to buy one unit of the base currency.

2. **Bid Price:** The price at which a trader can sell a currency pair. It's the lower price in a quote.

3. **Ask Price:** The price at which a trader can buy a currency pair. It's the higher price in a quote.

4. **Spread:** The difference between the bid and ask prices. It represents the cost of the trade for the trader.

5. **Pip:** The smallest price movement in the exchange rate of a currency pair. Most currencies are quoted to four decimal places, and a pip is typically the last decimal place.

6. **Lot:** A standardized unit of trading. Different types include standard lots (100,000 units), mini lots (10,000 units), and micro lots (1,000 units).

**Leverage:** The ability to control a large position size with a relatively small amount of capital. Leverage amplifies both potential profits and losses.

**Margin:** The amount of money required to open and maintain a trading position. It is a portion of the total position value and is used to cover potential losses.

**Long Position:** Buying a currency pair with the expectation that its value will increase.

**Short Position:** Selling a currency pair with the expectation that its value will decrease. Traders profit from a decline in the exchange rate.

**Stop-Loss Order:** An order placed to limit potential losses by automatically closing a trade when the price reaches a specified level.

**Take-Profit Order:** An order placed to automatically close a trade when the price reaches a predetermined profit level.

# BASIC TERMS INFX CONC.

**Market Order:** An order to buy or sell a currency pair at the current market price.

**Limit Order:** An order to buy or sell a currency pair at a specified price or better.

**Risk-Reward Ratio:** The ratio between the potential profit and potential loss in a trade. Traders often aim for a favorable risk-reward ratio.

**Liquidity:** The degree to which an asset or security can be quickly bought or sold in the market without affecting its price.

**Volatility:** The degree of variation of a trading price series over time. Higher volatility often indicates larger price swings.

**Fundamental Analysis:** The analysis of economic, political, and social factors that may affect currency values.

1. **Technical Analysis:**
    1. The study of historical price data and chart patterns to forecast future price movements.
2. **Economic Calendar:**
    1. A schedule of economic events and indicators, including interest rate decisions, GDP releases, and employment reports.

These terms provide a foundational understanding of forex trading, but it's essential to continue learning and staying updated on market trends and developments.

## CURRENCY THORIES IN FX

### Anatomy of Currency Pairs:

:Currencies are traded in pairs, denoted as EUR/USD or GBP/JPY.

The first currency is the base, and the second is the quote or counter currency.

- TYPES OF CURRENCY(Major, Minor, and Exotic Pairs)

1)Majors involve major global currencies (e.g., USD, EUR, JPY).

2)Minors exclude the US Dollar (e.g., EUR/GBP).

3)Exotics involve one major currency and one from a developing economy.

# GETTING STARTED

**Choosing a Reputable Broker:**

1. Regulation and Safety:

Start by choosing a broker regulated by well-known authorities like the Financial Conduct Authority (FCA) or the Australian Securities and Investments Commission (ASIC). This ensures a higher level of safety for your funds.

Look for brokers with a secure website and robust encryption to protect your personal information.

RECOMMEDED BROKER:(Exness)

https://one.exnesstrack.net/a/yke3rzwi9i
https://one.exnesstrack.net/a/yke3rzwi9i

2. **User-Friendly Platforms:**

opt for a broker offering a user-friendly trading platform. Interfaces should be intuitive, allowing you to easily navigate and execute trades without confusion.

Explore the demo version of the platform to practice and get comfortable before using real money.

3. **Demo Trading:**

Take advantage of demo accounts provided by brokers. This allows you to practice trading with virtual money, honing your skills risk-free.

Experiment with different strategies and familiarize yourself with order types.

# Funding Your Account:

1. Start Small:

When funding your account, begin with a modest amount that you can afford to lose. Forex trading involves risk, and starting small allows you to learn without significant financial pressure.

Gradually increase your capital as you gain experience and confidence.

2. Secure Payment Methods:

Use secure payment methods such as credit/debit cards, bank transfers, or reputable e-wallets. Ensure that the chosen method aligns with your preferences and has a track record of reliability.

# Risk Management:

1. Position Sizing:

Determine the size of your trades based on a small percentage of your total capital. This helps protect your account from significant losses.

Use position sizing calculators to assist in determining the appropriate trade size.

2. Setting Stop-Loss Orders:

Always set stop-loss orders to limit potential losses. This is a crucial risk management tool.

Place stop-loss levels based on technical analysis, support/resistance, or volatility considerations.

3. Understand Leverage:

Be cautious with leverage. While it can amplify profits, it also increases the risk. Consider using lower leverage until you gain more experience.

nivanfx

# Continuous Learning:

1. Stay Informed:

Follow financial news websites and reputable market analysts to stay updated on global events affecting currency markets.

Keep an eye on economic calendars to know when major announcements are scheduled.

2. Educational Resources:

Invest time in beginner-friendly educational resources. Look for online courses, webinars, and articles tailored for novice traders.

Focus on understanding both fundamental and basic technical analysis concepts.

3. Join Beginner Communities:

Engage with fellow beginners in online forums and social media groups. Share your experiences, ask questions, and learn from others.

Consider joining beginner-friendly trading communities for additional support.

Setting up your trading journey as a beginner involves careful selection of a broker, practicing with demo accounts, and adopting risk management practices. By taking small steps and continuously educating yourself, you build a solid foundation for a successful and enjoyable experience in the forex market. Remember, patience and ongoing learning are keys to long-term success.

**JOIN OUR FREE TELEGRAM CHANNEL TO ACCESS QUALITY TRADING UPDATES AND SIGNALS**

https://t.me/Nivan_fxco
mmunity