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# A Beginner's Guide To Going Long & Short using Perpetuals on dYdX

## Perpetuals Trading Guide



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Perpetual Contracts are synthetic trading markets that allow for exposure to arbitrary liquid assets using stablecoin (USDC) collateral. By trading Perpetuals, you can participate in market movements, reduce risk, and make a profit by going *long* or *short* with leverage on a futures contract.

You can start trading with as little as \$10 at <http://dydx.exchange/>.

### Long

By going *long*, a trader buys a Perpetual contract with the expectation that the underlying asset will rise in value in the future. Rather than buying and holding the underlying asset, traders buy synthetic exposure to the asset.

### Short

By going *short*, a trader sells a Perpetual contract with the expectation that the underlying asset will decline in value in the future. Rather than selling the underlying asset, traders sell synthetic exposure to the asset.

**Follow these steps to start trading:**

1. [Deposit USDC or any ERC-20 token into your Perpetual account on Layer 2](#)
2. [Select market](#)
3. [Understand details of the market](#)
4. [Understand funding rate details of the market](#)
5. [Understand your account balance and leverage](#)
6. [Select order types](#)
7. [Choose the appropriate position](#)
8. [Understand trade execution](#)
9. [Understand your open positions](#)
10. [Understand your open orders](#)
11. [Understand historical fills](#)
12. [Closing your position](#)
13. [Understand your P&L & Returns](#)
14. [Managing your Risk](#)
15. [Withdrawing Funds from Layer 2](#)

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