

Title:

Forex Course: A Quick Forex Guide for Traders

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Summary:

In this Forex course we will review some steps you need to take care before you venture into your trading journey. Most traders venture into the Forex market with little or no experience in the Forex market. This results in painful experiences like loosing most of the risk capital, frustration because it seemed so easy to make money, etc.

Keywords:

forex training, forex course, forex, forex trading, currency trading, forex guide

Article Body:

In this Forex course we will review some steps you need to take care before you venture into your trading journey. Most traders venture into the Forex market with little or no experience in the Forex market. This results in painful experiences like loosing most of the risk capital, frustration because it seemed so easy to make money, etc.

The first thing you need to realize is that, it is not easy to make money. As every other endeavor in life, where important rewards are to come after mastering it, you need to work hard. You need to get very well educated and experienced before having the possibility to receive important rewards on it. The key on mastering the Forex market relies on commitment, patience and discipline.

Ok, you have decided you are going to trade the Forex market, you have seen several advertisings featuring how easy is to make money in the Forex market. You might think this is your opportunity to reach your financial freedom, right away, time is money, why waiting any longer if you have the opportunity to make money now. I know, I've been there, but you have a chance now, I didn't, no body told me what I am going to tell you.

We, Forex traders, make transactions based on a set of rules. These sets of rules are what we call a Trading System. Our systems tell us the exact time where we need to get in the market and out the market in order to make a profit

(i.e. buy low sell high.)

Creating a system is the first big step you need to take care first. Why is this so important? Because you need to build a system that suits your personality, otherwise you are going to find hard to follow it, thus hard to profit from. A system can be based on technical indicators or what we called a mechanical system or based on experience and intuition or what we call discretionary systems. I highly recommend using and trying first a mechanical system, because discretionary systems are dangerous during the early stages of a Forex trader (can lead to indiscipline.) With experience, on later stages, you will find out which signals work better and which ones to avoid.

The next step in this Forex course is to try your system on a demo account. Most Forex brokers offer a demo account, an account with virtual money. This is an excellent choice to test your trading system as there is no money at risk. In this step you will figure out if the strategy works for you. If you feel comfortable trading it, then it is most likely to produce good results. How much time should you stay in this step? It varies, but you shouldn't go one step further until your system gets consistent profitable results over a period of time. It can take many months, but remember, you need to be patient.

You must be honest to yourself; you need to take every single signal generated by your system, not only the signals you thought were going to work, otherwise, you are going to have problems in the next two steps.

Ok, by now you had consistent profitable results on your demo account. You might think its time to go full. Nope, nope, nope. There is a big difference between trading a demo and a real account. The most important difference lies on emotions (fear, greed, anger, etc.) These are psychological barriers that affect every single decision made by traders regardless of what he/she is trading (stocks, bonds, Forex, futures, grains, etc.) These emotional factors, in my opinion, are the most determinant factor that separates profitable traders from the others.

The next step in this Forex course is specially designed to deal with emotions and to confirm the results obtained in the prior step (consistent results in a demo account.) At this step you need to trade in a real account with limited funds. Some brokers offer fractional lot trading. Meaning you are able to trade any desired amount (even cents.) The important thing here is that these emotions we've been talking about are present only when there is real money at risk. At this stage, you are going to see if you are really comfortable trading your system and if you are able to trade with such system, remember different systems produce different emotions. If you are able to produce similar results than

those obtained in a demo account, then ready for the next step. If you didn't, then you might need to create another system, there is chance your system never fit you. If you created consistent profitable results on this stage, you have a chance to produce similar results in the next one, on the other hand, if you didn't produce good results in this stage, you will not be able to make on the next stage. Remember, you need to do things right, and be honest to yourself.

The last stage is trading in a real account with sufficient funds. If you are at this stage, and have passed successfully every prior stage, then you have a chance to make it, go ahead and try it, you need to be confident in yourself and in your system, your strategy have already produced consistent profitable results, there are reasons to believe you are going to make it. Very few traders fail at this stage (if passed successfully prior stages.)

Trading successfully is no easy task, it requires a lot of work, patience, discipline, and education. By completing the steps outlined in this Forex course, you have a chance to produce profitable results. I repeat it again, you need to be honest to yourself about the results obtained in every stage. Some times you might need expert guidance regarding your system development strategies.