

Title:
Why Forex?

Word Count:
569

Summary:
There are great opportunities in the FOREX market because of the constant movements of the exchange rates. The currencies are always traded in pairs, and traders can make profits both when the prices go up and down. There is always good market trading opportunity for a FOREX trader in any economic outlook.

Keywords:
forex, currency trading, finance

Article Body:
The Foreign Exchange Market (FOREX) is three times larger than the total amount of the stocks and futures markets combined. It is becoming more and more popular.

Because there is neither physical location nor a central exchange for FOREX it can operate 24 hours, moving across the time zones from one financial center to another, from Monday to Friday.

There are great opportunities in the FOREX market because of the constant movements of the exchange rates. The currencies are always traded in pairs, and traders can make profits both when the prices go up and down. There is always good market trading opportunity for a FOREX trader in any economic outlook.

Everybody can learn how to trade in FOREX. Of course the importance of proper education and training before entering live trading cannot be overestimated. Without it the chance of success is almost zero. Fortunately everybody can practice with a demo account before entering live trading. The good thing about FOREX is that the amount of money someone needs to place a trade (known as "margin") is all that can be lost.

Of course, with the proper self-taught education traders will win more than they will lose, but everybody should know that despite the high leverage of FOREX trading (200:1 is possible, which means that when a trader puts up \$1 the trading vendor will allow the trader to trade it as if the trader had \$200), it's still less risky than futures (commodities) trading. And when someone

trades stocks he or she can't get this type of leverage. Margin is low and leverage is high, so there is possibility of big profits (but losses, too).

There are no commissions in FOREX. No exchange fees, no government fees, no brokerage fees and no clearing fees. There are no middlemen, too. Clients interact directly with the market.

Unlike in other markets it is possible to start trading with only \$100 with a mini-account. The transaction cost is very low and the FOREX market is the most liquid, so the trader can enter or exit it in almost any condition.

Because of the FOREX market's liquidity and twenty 24 hours continuous trading, dangerous trading gaps and limit moves are eliminated. Orders are executed very quickly, without slippage. With a good research it is easy to find good brokers, who will automatically close some or all of open positions if the account's equity falls below the level required to hold the positions. It is impossible to lose more than the amount of money in FOREX account.

Everybody can trade online from home. It is a great possibility for people who want to work from home, but don't like selling and marketing. All that is needed to start trading is a computer with Internet access and a proper training.

Because the FOREX market is so huge, there is no possibility of someone controlling the market price for a long time. There is no possibility of insider trading and the governments influence is very limited.

Trading currencies is much simpler than stocks. There are only a few major currency pairs. No need to think which of thousands of stocks to trade.

There is no waiting for months like in futures market. Trades in FOREX rarely exceed two days.

The enormous marketplace of FOREX will grow bigger as more people are joining it every day.

To start learning more about FOREX visit: <http://www.currencytradingmethod.com>