

Title:

Forex Trading Education: Things You Should Know About Forex Trading

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Summary:

How difficult is it to make money trading the Forex market? How much time does it take to actually be able to make a living trading the Forex market? These and other important aspects of trading are to be discussed in this article.

Keywords:

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Article Body:

How difficult is it to make money trading the Forex market? How much time does it take to actually be able to make a living trading the Forex market? These and other important aspects of trading are to be discussed in this article.

Trading the Forex market has many benefits over other financial markets, among the most important are: superior liquidity, 24hrs market, better execution, and others. Traders and investor see the Forex market as a new speculation or diversifying opportunity because of these benefits. Does this mean that it is easy to make money trading the Forex Market? Not at all.

Forex brokers agree that 90% of traders end up losing money, 5% of traders end up at break even and only 5% of them achieve consistent profitable results. With these statistics shown, I don't consider trading to be an easy task. But, is it harder to master any other endeavor? I don't think so, consider musicians, writers, or even other businesses, the success rates are about the same, there are a whole bunch of them who never got to the top.

Now that we know it is not easy to achieve consistent profitable results, a must question would be, Why is it that some traders succeed while others fail to trade successfully in the Forex market? There is no hard answer to this question, or a recipe to follow to achieve consistent profitable results. What we do know is that traders that reach the top think different. That's right, they don't follow the crowd, they are an independent part of the crowd.

A few things that separate the top traders from the rest are:

Education: They are very well educated in the matter; they have chosen to learn every single and important aspect of trading. The best traders know that every trade is a learning experience. They approach the Forex market with humility, otherwise the market will prove them wrong.

Forex trading system: Top traders have a Forex trading system. They have the discipline to follow it rigorously, because they know that only the trades that are signaled by their system have a greater rate of success.

Price behavior: They have incorporated price behavior into their trading systems. They know price action has the last word.

Money management: Avoiding the risk of ruin is a primary subject to the best traders. After all, you cannot succeed without funds in your trading account.

Trading psychology: They are aware of every psychological issue that affects the decisions made by traders. They have accepted the fact that every individual trade has two probable outcomes, not just the winning side.

These are, among others, the most important factors that influence the success rate of Forex traders.

We know now that it is not easy to make money trading the Forex market, but it is possible. We also discussed the most important factors that influence the rate of success of Forex traders. But, how much time does it take to have consistent profitable results? It is different from trader to trader. For some, it could take a life time, and still don't get the desired results, for some others, a few years are enough to get consistent profitable results. The answer to this question may vary, but what I want to make clear here is that trading successfully is a process, it's not something you can do in a short period of time.

Trading successfully is no easy task; it is a process and could take years to achieve the desired results. There are a few things though every trader should take in consideration that could accelerate the process: having a trading system, using money management, education, being aware of psychological issues, discipline to follow your trading system and your trading plan, and others.