

**Title:**

Advantages of the Foreign Currency Market

**Word Count:**

410

**Summary:**

This article explains the Forex market and the advantages of it over other types of investment vehicles.

**Keywords:**

investments, foreign currency, forex, money

**Article Body:**

What are the advantages of the Forex Market over other types of investments?

When thinking about various investments, there is one investment vehicle that comes to mind. The Forex or Foreign Currency Market has many advantages over other types of investments. The Forex market is open 24 hrs a day, unlike the regular stock markets. Most investments require a substantial amount of capital before you can take advantage of an investment opportunity. To trade Forex, you only need a small amount of capital. Anyone can enter the market with as little as \$300 USD to trade a "mini account", which allows you to trade lots of 10,000 units. One lot of 10,000 units of currency is equal to 1 contract. Each "pip" or move up or down in the currency pair is worth a \$1 gain or loss, depending on which side of the market you are on. A standard account gives you control over 100,000 units of currency and a pip is worth \$10.

The Forex market is also very liquid. When trading Forex you have full control of your capital.

Many other types of investments require holding your money up for long periods of time. This is a disadvantage because if you need to use the capital it can be difficult to access to it without taking a huge loss. Also, with a small amount of money, you can control

Forex traders can be profitable in bullish or bearish market conditions. Stock market traders need stock prices to rise in order to take a profit. Forex traders can make a profit during up trends and downtrends. Forex Trading can be risky, but with having the ability to have a good system to follow, good money management skills, and possessing self discipline, Forex trading can be a relatively low risk investment.

The Forex market can be traded anytime, anywhere. As long as you have access to a computer, you have the ability to trade the Forex market. An important thing to remember is before jumping into trading currencies, is it wise to practice with "paper money", or "fake money." Most brokers have demo accounts where you can download their trading station and practice real time with fake money. While this is no guarantee of your performance with real money, practicing can give you a huge advantage to become better prepared when you trade with your real, hard earned money. There are also many Forex courses on the internet, just be careful when choosing which ones to purchase.