

**Title:**

What's the Difference of Trading Mini Lots Vs. Full-sized Lots in Forex.

**Word Count:**

413

**Summary:**

Using a Mini Forex account you will have less capital at risk, so it will be easier for you to develop a disciplined forex trading methodology, without the anxiety and distractions that come with large profit and lose swings.

**Keywords:**

Forex, forex trading, forex broker, forex account, forex day trading, forex system

**Article Body:**

In Forex trading there is something called, a Mini Account, and it uses a different leverage calculation than a regular (100k) account. This is, instead of trading full-size currency lots (100,000 units), you'll trade in lots that are just 1/10 the size (10,000 currency units), which in turn greatly reduces your risk. Pips in a Mini Account are worth, on average, \$1 instead of the \$8 to \$10 value they have in a regular account. The Mini Forex account offers up to 200:1 leverage, this means that just a \$50 margin deposit will allow you to trade lots worth roughly \$10,000 , but the smaller lot sizes, with correspondingly smaller pip values, means that you'll be assuming less total risk. For example, while a 20-pip loss on a 100,000 USD/JPY position would be \$200, the same loss on a 10,000 USD/JPY position in a Mini account would amount to \$20.

Here you have an overview of leverage (Margin, Account Size) on each of the two accounts discussed above:

**100K (Regular Full-sized Account)**

- Minimum required account deposit = \$2,000
- Recommended required account deposit = \$5,000 to \$10,000
- Traded in 100,000-unit currency lots
- Default Margin: set at 1% (\$1,000 per lot)
- Leverage = 100:1 or 50:1 (if margin is set at 2%)

**Mini Account**

- Minimum required account deposit = \$300
- Recommended required account deposit = \$2,000

- Traded in 10,000-unit currency lots
- Default Margin: set at 0.5% (\$50 per mini-lot)
- Leverage = 200:1

There is no downside to trading a mini account , you will be still enjoying all the benefits that full-size FX account holders enjoy; including, same state-of-the art trading software, charts, resources, and tools, etc. This mini accounts are ideal for a new Forex trader to develop a disciplined, rational forex trading strategy without excessively focusing on profits and losses.

Also there is no maximum trade volume when you use a mini account. Although the standard trade size is 10,000 units, you are not limited to trading one lot. For instance, you can trade 10,000 units, 50,000 units or 200,000 units. This means as you become more seasoned and build up confidence you can slowly increase the size of your positions to maximize profits. In fact the trade size of 10,000 units allows for more flexibility in terms of customizing the size of your trade. The ability to customize the size of the trade allows you to have a better risk management.

With less capital at risk in a Mini FX account, it is easier for you to develop a disciplined trading methodology, as well as the confidence needed to be a successful currency trader, without the anxiety and distractions that come with large Profit and Lose swings.