

## Filthy rich with Forex: how i did it

As a result of the revolving worldwide trading system and of different time zones, the Forex market is a 24/7 process.

Forex is the largest market for investors and speculators where fortunes can be, and are, made every day. Over \$3 trillion daily are traded. Forex stands for FOReign EXchange and it is all about electronic foreign currency exchange executed by operators from around the world. The main markets for the Forex are New York, London, Tokyo and Sydney.

Codes for currency pairs.

Currencies are noted by three letter codes. For example, the United States Dollar is noted by USD, the British pound by GBP, the euro by EUR and so forth.

A cross is the combination of two currencies that are being traded one for the other. For example, GBPUSD indicates one British pound to the number of United States dollars. So GBP=1.6604 means that one British pound is equal to \$1.6604 United States dollars. As the rate changes, the computerized display is shown in bold to indicate a shift in rates.

Cross also have 'nicknames'= the USD/CAD is also known as the 'Loonie', USD/CHF is the 'Swissie' and so on.

Rates are displayed in five digit numbers; for example, 1.6604.

### Terms

Ask is the rate asked by a seller. Bid is the offer from a buyer.

Spread is the difference between the ask and the bid.

Pip is the smallest unit in which a currency rate can change, for example, a change from 1.6766 to 1.6769 would be a three pip change (6 to 9).

There are several advantages of using Forex trading for investors and speculators. The Forex market is open 24 hours a day, 7 days a week because it is an international market.

### About the Author

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