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Forex Trading is a Big Scam for High-Risk Market People Who Can Burn Your Money in a Fraction of a Second

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ABSTRACT

Today we hear many names about different types of financial markets. These modern markets have great potential for revenue. For example, a large amount of money is traded every day in the US stock market. This volume is sometimes around $ 100 million. This figure has a great impact on the economies of different countries. In this article, you will be fully acquainted with the Forex market and its related concepts. Despite the warnings of security and judicial officials about the activities of pyramid schemes, as well as companies that operate under the name of foreign investment (Forex), and more and more people are deceived and lose their livelihoods, still We see that people are naively wasting their lives, which they realize only after the arrest and loss of capital. Due to the importance of the stock market and the Forex market, the present article introduces these two markets and compares them. The 24-hour market, the high level of leverage credit, the possibility of trading in both the downtrend and the uptrend market, low costs and the possibility of low-price changes are important factors in the separation of the two markets. As well as financial markets are affected. A demo account in Forex is such that you select a certain amount of money and then practice with it virtually to learn how this market works and you do not need to have money to invest in Forex first. But financial literacy is still essential, otherwise it will inevitably enter the forefront of Forex scams, which will benefit brokers.

Keywords

Trading, High-Risk, Market, Fraction, Forex

Introduction

To begin, let's take a brief look at Forex trading history. Forex trading simply means exchanging one unsupported currency (Fiat) for another currency (exchanging one country's currency for another country's currency), which is common among countries.

Trading has existed since 600 BC as the exchange of one commodity for another. If you are a little familiar with history, you have probably seen those large ships carrying large shipments of goods made long voyages only to exchange the goods they needed with the goods they had. This type of exchange was the first form of exchange between countries and continents.

Was. In the 1800s, gold was chosen as the standard and backbone of money. This means that governments had to back up the same amount of gold for every amount of paper money. In the 1900s, the Azeri exchange market was supported by gold. Countries could easily trade with each other and easily convert their received currency into gold. Following the wars, this type of exchange became obsolete, and the exchange of currencies resumed as before and has continued to this day.

Foreign exchange market (Forex) in its current form in the 1970s and with the abandonment: The Bretton Woods system is a global, decentralized financial market for trade and currency exchange. Enables extensive exchanges between sellers and buyers of currency throughout the day and night except weekends. Exchanges are made through the Internet and other means of communication between market participants in different parts of the world and to Due to its multi-billion-dollar volume, there is maximum liquidity in this market. In addition to this market: Which determines the relative value (relative rate) of currencies, because in it there is a bilateral exchange of currency. Trading conditions, exchange rates, charts and all the tools in the demo account are simulated the real environment of the main Forex account. The only difference between a real account and a demo account is that the currencies traded in the demo are tentative and unrealistic, but the currencies traded in the main market are real.

Among the applications of demos in Forex training, the following can be mentioned:

- Beginners are familiar with the Forex market and how to trade in it
- Testing trading strategies
- Evaluate the facilities of brokers
- How different currencies fluctuate in the world

This trial account is essential for anyone who wants to enter the Forex market for the first time. To open a Forex demo account, just go to the site of one of the types of Forex brokers such as A markets Broker, Alaric, Hotfix or…. Visit and activate its demo account according to the guide of each site. (By selecting the trial account options in the broker, you can easily enter your user panel and after confirming your email, you can start your Syrian trading in the demo)

The formation of the stock market:

Following the fraud of some profiteers from such transactions, a ban was issued on this type of partnership. But after a while, markets emerged in which entrepreneurial stocks were offered. Merchants and ordinary people bought stocks. This market has become popular all over the world today and is called the stock market.

For example, suppose Apple or Google were entrepreneurs and needed a lot of money to grow their company. Therefore, it offered its shares in the stock market, and people and traders received a partnership card by buying their shares.

By doing this, the company would give them a profit from their income every year, and if the company had no income and the price became zero, the partners would go bankrupt. Or they were able to sell their shares to others. But such a market existed hundreds of years ago. This market had many drawbacks and weaknesses.

Today, this market, which is several hundred years old, exists all over the world. People in this market today buy and sell shares of different companies together.

For example, some people have a positive view of the future of Apple and the iPhone. As a result, stocks demand it. On the other hand, there are those who think that Apple does not have a bright future. So they sell their shares to someone else. Finally, this volume of supply and demand determines the price in the market.

Types of financial markets:

Today, financial markets come in many forms and are all popular. These markets have affected the lives of many people throughout history. But today there are two types of financial markets:

Traditional Markets: In the United States, markets such as bonds and stock exchanges are traditional markets and have a very large volume. In a way, almost all Americans have capital in these markets. They make a lot of money by investing in these markets.

New Markets:

These markets, also called derivative markets, are emerging markets that have emerged as a kind of market. Markets such as the Forex market, the CFD market and futures markets have taken on the ideas and patterns of traditional markets. These new markets have emerged around the world, known worldwide as the Forex market.

Common Forex Terminology:

To trade Forex, you must be familiar with the terms of this market. One of the most important principles of Forex training is to know the terms of this market. Among the terms that you should know before entering Forex are the following:

• **Lot:**

The lot is called the unit of investment in the stock market. If an investor wants to start a lottery, one lot is equal to 100,000 units of the currencies you must trade. This amount is very high for novice traders, so the possibility of trading in nanosats and micronutrients is also considered for individuals.

• **Leverage:**

Leverage is the initial credit given to traders by brokers. When you open your account in a broker, for every amount of currency you enter, the broker gives you leverage so that you can trade with more volume. If your leverage is 25: 1, you will be leveraged 25 units of your currency. For example, if you top up your account for $ 20, you will be credited with about $ 500. Leverage in the amounts of 25, 500, 1000 and…. It is given to traders.

• **Margin:**

The margin is the profit margin of Forex trading. In Forex you cannot trade all your account balance, but you have to keep some of it as a margin to be deducted from that account in case of loss.

• **Pip «Pip»:**

Pip is the smallest unit of price volatility in Forex. In fact, the smallest amount of change in a currency is called a pip, and the number of profits and losses in the Forex market is calculated using a pip.

Forex Advantage:

Many world investors prefer Forex trading to stock trading or other financial markets. This is because of the many benefits that trading in Forex brings to individuals. Among the most important benefits of Forex are the following:

1. Trading in this market is done 24 hours a day, five days a week.
2. Wherever you are in the world, you can trade an internet line in Forex.
3. You do not need to pay taxes to trade Forex.
4. You can trade up to several times your capital with the help of the initial credit that brokers give you.
5. The Forex market has high liquidity and as soon as you want to buy or sell currency, there is a buyer and seller for your currency at any time. (You do not have to wait for a buyer or seller to be found and stay in line!)
6. Most Forex brokers offer free demo accounts so that people can get free training and experience in this field.
7. The commission and cost of trading “commissions” in the Forex market is much lower than in other financial markets.

Disadvantages of Forex:

The big forex market, despite its many advantages, also has disadvantages. These disadvantages are as follows:

• Lack of transparency and complexity of Forex trading is one of the major disadvantages of this global market.

High transaction risk is another area that scares novice investors in this market.

• If you want to work as a beginner in Forex and go self-taught, you may suffer heavy losses, but with the advice of Forex investment experts, you can be a successful person in this field.

Forex trading requires a lot of knowledge in this area. People who enter this market without knowledge, without exception, experience a lot of losses. This large amount of knowledge is one of the limitations of Forex.

Types of charts in Forex:

In Forex, charts are commonly used to forecast prices or analyze. Some of the most common Forex chart include the following can be seen in Figure 1:

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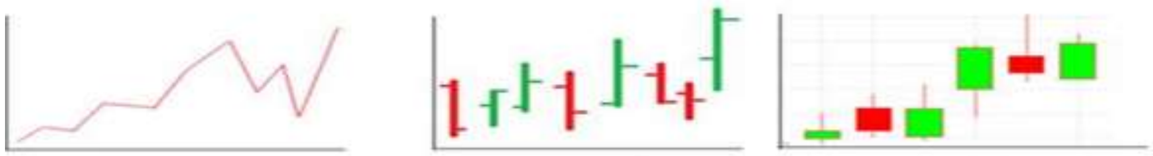
Figure 1: Types of charts in Forex that can be seen:



Linear graph **Bar graph** [1] **Candle chart**[2]

- **The main players in the Forex market:**

The largest international stock market is the Forex market. In this market, more than $ 5 trillion is being transferred daily. This is 50 times the number of trades on the world's largest stock market, the US stock market. But who are the main players in this market?

- **Large commercial companies:**

International and large trading companies in different countries are among the main players in the Forex market. They use the Forex market to buy and sell the currencies they have. For example, Benz receives dollars when it sells its products in the United States. After that, they need to convert the dollar into euros. Therefore, when entering the Forex market, they buy euros in dollars in their account.

- **The world's largest central banks:**

The world's major central banks are known as the largest players in the Forex market. These banks use the Forex market to control the exchange rate in their country.

For example, when the country's currency became weak, they bought a lot of foreign currency in the Forex market. By doing so, they contribute to their exchange rate.

- **Banks and financial institutions:**

In addition to central banks, commercial banks, financial institutions and investment institutions also operate in the Forex market and make a profit.

In fact, the world's largest hedge fund owners and investment managers operate in the Forex market. They have a large volume in this market.

- **Micro traders:**

These are the latest players in the Forex market. These people enter the market to make a profit and trade. Millions of people around the world have entered the Forex market in this way and have a great role in this market. Many of them can be influential in this market. If you want, you can enter this largest financial market in the world and trade thousands of assets.

The current valid regulations of the Forex market are:

- NFA USA
- FCA England
- ASIC Australia
- CySec Cyprus
- FiNMA Switzerland
- BAFIN Germany

Full introduction of Forex market:

The Forex market is known as the largest market in the world with a daily turnover of five trillion dollars. After the formation of stock markets in the past years, new markets have been created around the world, which today are known as the Forex market. These markets were modeled on futures, forex and CFD. Of course, not all of these markets are Forex markets. When Forex brokers want to introduce their company, they announce that we are Forex brokers and our assets include US stocks, all currency pairs, digital currencies, gold, oil, stock indices and thousands more. You can trade these assets. The above assets are all that you can trade in a Forex brokerage. But not all of these are necessarily forex markets. In fact, the Forex market, derived from Foreign exchange, means the exchange of foreign currency. In this market, different currencies can be traded equally. For example, suppose you have 300,000 euros and you want to convert it into dollars. To convert Euros to Dollars, you must use the Exchange Rate.

The concept of Exchange rate and its application:

You can convert different currencies to each other using the conversion rate. For example, in the previous example, to convert euros to dollars, the conversion rate shows us that for every euro, we are given $ 1.3, i.e.:

Exchange rate EUR / USD = 1.13 and from this we can conclude: Each 1 euro = 1.13 $

Finally, you can trade your € 300,000 for $ 339,000. This is the main thing that is done in the Forex market. This means that in this market you can trade all different currencies together and the main task of the Forex market is to measure currencies and calculate the exchange rate of currencies. But in addition to different currencies, you can trade other things in a Forex brokerage that is not part of the Forex market.

Items such as gold, oil, major world stock indexes such as Dow Jones, Nasdaq, etc. are traded in the Forex brokerage but are considered the Forex market. Also included are commodities such as zinc, copper, nickel, wheat, rice, etc., as well as digital currencies.

How to calculate profits and losses in the Forex market

[1] A **bar chart** or **bar graph** is a chart or graph that presents categorical data with rectangular bars with heights or lengths proportional to the values that they represent. The bars can be plotted vertically or horizontally. A vertical bar chart is sometimes called a **column chart**.

[2] The name line graph comes from a paper by Harary & Norman (1960) although both Whitney (1932) and Krausz (1943) used the construction before this.[1] Other terms used for the line graph include the **covering graph**, the **derivative**, the **edge-to-vertex dual**, the **conjugate**, the **representative graph**, and the **ϑ-obrazom**,[1] as well as the **edge graph**, the **interchange graph**, the **adjoint graph**, and the **derived graph**.[2]

In the field of trading, there is advanced software that calculates all your profits and losses online so that it can be displayed in your account. But if you want to be a professional trader, it is better to know how to calculate profit and loss and Forex trading terms.

After getting acquainted with Pip and Lot, it is time to get acquainted with the method of calculating profit and loss in the Forex market with a simple and approximate formula.

Suppose you bought a lot of gold, the gold has increased by one pip. What is the profit based on the dollar? In general, the amount of profit in the Forex market should be measured in US dollars and we have nothing to do with pip and lot!

In Forex, if you buy a lot of an asset and a pip moves, we make about $ 10 in profit: LOT. 1 PIP = 10 USD 1

For example, by buying a lot of oil, and a pip increase in it, we make a profit of $ 10.

It does not matter what asset you are trading; it is only important to know the volume of your lot and the amount of your pipe. For example, after buying a lot of gold and increasing a pip, you earn $ 10 profit. You bought a lot of euros in dollars, and it increased by 1 pip, you made a profit of ،10 dollars.

In general, the pip in Forex is the smallest measure of price changes. In major ups and downs in the market, prices are moving more than a thousand pips. For example, by trading 100 lots and earning 1000 pips of profit, one million dollars will be obtained.

As we have seen, Forex is simply the exchange of currencies and by itself cannot be a scam. When we talk about people who work in the forex background, we mean all the people who are involved in the profession and play a role. These people include brokers, investors, professors and even the traders themselves. . When it comes to small-scale, personal trading, you need a broker for the first step, and this is the first step to scamming. There are many brokers in the world, in fact there are more than thousands of brokers that provide services to you. Each of these brokers allows you to trade in the financial markets with the least effort. Each broker offers you different options and each may be run by a company or an individual. Also, each of these brokers has a specific level of global credibility. You can request a transaction through an intermediary, then your transaction request is transferred by the broker to the liquidity suppliers, and they complete the transaction. The broker will then show you the value of your trade, your profit and loss along with the price change, and you can close your trade whenever you want.

The problem arises when some brokers are a little less reliable. Some brokers trade against traders and in the opposite direction of traders. That way, if you open a trade and you lose, they will make a profit, so they will do their best to move the price in the opposite direction of your trade and activate your stop. This is one of the tactics. Which used to happen a lot and was common, but now it is very rare because according to the said method, people are now looking to invest in "stp" or "ecn" accounts, which minimizes the possibility of manipulation and permission. They do not manipulate the price to the broker

It has been seen that some brokers manipulate prices and others easily refuse to send any money even when the trader requests withdrawal from the account. All experienced traders suggest that you look for a regulated broker. These brokers are controlled and supervised by organizations that seek to protect the rights of users. Sometimes even the regularity of a broker does not stop some of the mischief of some brokers. The best thing you can do for brokers is to look for a broker with a long and good track record that allows you to contact the support team directly to help, reassure and resolve your issues at any time.

The next thing you need to be careful about are the so-called professors who are seen all over the internet and social networks.

If you are looking for a good guide and education, look for someone with a background that is known to the public, someone whose help and training other people have used and are satisfied with. Not a random person who promises to get rich quick on social media.

Have you ever noticed that most people who warn about scams and lies on the Internet often say that they are their own capital, instead of explaining what happened and how they were scammed? Have been lost and have been scammed. One thing to keep in mind is that many novice traders who start trading suffer from a lack of familiarity and understanding of the market and immediately shout that Forex is a scam and a big lie. When you encounter such a case, listen to the story they tell and see if it is really a scam or if the person himself has done something wrong and is ashamed to admit his mistake and wants to put the blame on someone else.

It is good to pay attention to the warnings that a person or broker is cheating, but we must make sure that their claims are true. Have not made any mistakes. These are the three most common forms of forex scams. If you can detect and avoid these scams, then you probably won't have any problems along the way. To prevent fraud, here are a few more tips that will help you a lot along the way, which are clearly shown in Table 1:

Table 1: To help prevent fraud, here are some tips to help people and third parties:

• Avoid brokers who promise you big, guaranteed profits.
• Avoid brokers who promise you big rewards in return for investing in their accounts because you will never be able to get those rewards.
• Many people probably present themselves as representatives of a good broker under different headings. These people often force you to pay or invest through greed or frustration. Every opportunity from a company that looks too good and unreal is a scam.
• Make sure you have a good and complete training on trading and its terms and are fully acquainted with the terms.
• Research the backgrounds of individuals and investment firms.
• Take care of yourself and your cold.

So now we see that trading and forex is not a scam in itself, but an opportunity through which you can make a lot of money. Avoid possible losses and scams.

Is Forex Broker a Scam?

If you do research on the subject of Forex broker scams, you will come across a lot of content. As the Forex market slowly becomes more regulated, some daring and unfair brokers are also in the business. With this in mind, when looking for Forex trading, it is important to know that you should look for reliable and cost-effective brokers and avoid other brokers or so-called reckless and unfair brokers. Ranking brokers from strong to weak, as well as separating reputable brokers from those who make dubious trades, are some of the steps we must take before we can invest in a broker or broker. Forex trading is difficult and complicated enough and has its own difficulties, in which case when a broker is running and implementing the methods in front of you, in this case it is impossible to make a profit. Be.

Separating reality from imagination:

When dealing with all kinds of unhappy associations, articles and opinions about a broker, we have to keep in mind that many traders have lost their money and never made a profit. Many traders in the online content they publish, attribute their failure to the adoption of specific policies and strategies by the broker and consider them as the main culprit of their failure; So when you are looking for a Forex broker you have to separate reality from fantasy and dream.In many cases it seems that the broker is trying to cause the trader to fail.

Complaints such as: "As soon as I made the transaction, the market moved in the opposite direction" "The broker stopped my trading position" "There has always been a delay (Slippage) in my orders and this delay to "It has not been in my interest and this is unusual," he said. The statements made are experiences that are common to all traders and it is quite possible that in some cases the broker is not to blame.

Novice Forex traders often fail when they use a tried and tested strategy and plan, they try to trade when they are severely affected by psychological factors. If a trader senses where the market is heading, the probability that his prediction is correct is 50%.

When a novice trader enters a new trading position, he is affected by his emotions, experienced traders are aware of these feelings of young traders. Experienced traders are aware of these newcomers' feelings and benefit from trading with them as well as the confusion of novice traders. Of course, this does not happen in many cases, and it is much easier to lose the capital of novices, and that is when one notices changes in the market. In some cases, the increase in damages is the fault of the broker. This is especially true when the broker is trying to calculate the transaction commission at the client's expense. There are reports of brokers arbitrarily and arbitrarily stop ordering in situations that are not in the broker's best interest. It should be noted that the theory of zero algebraic summation does not apply to the amount that a broker or broker receives from Forex trading. Brokers increase their commission by increasing the trading volume.

In general, the best practice for brokers is to have long-term clients who buy and sell regularly, and clients continue to operate if they make a profit. Delays in order execution can often be attributed to a psychological phenomenon. This is a common occurrence for inexperienced traders, and they are very scared of it, they click on the buy order several times for fear of losing a good trading position, or vice versa for fear of losing a lot of money. Press the sell key several times.

In environments where the exchange rate is constantly changing, the broker cannot be sure that the transaction will be executed at the desired price. This usually happens during very fast fluctuations or delays in executing the order. Some brokers guarantee that the order will be stopped or restricted, while other brokers will not.

Even in more transparent markets, there is a delay in order execution, and due to the movement of the market, we cannot always get the price we wanted. Therefore, most of the cases that are considered as scams are due to the trader's misunderstanding of the market.

The real problem:

The real problem arises when the connection between the trader and the broker is cut off. If the trader does not receive an answer to the emails sent to the broker or the broker does not answer the phone and gives vague answers to the trader's questions, these are signs that the broker is not looking for a way to protect the interests of the customer. Any issues and dissatisfaction should be resolved, and the broker should explain the cause of the problem to the trader and try to retain his customers. One of the important issues that can cause tension and tension between the trader and the broker is that the trader has trouble withdrawing money from his account.

The exact and exact method of Forex-based market fraud is clearly stated in Figure 1 and taken from my own opinion in the article:

Figure 2: Clear and accurate method of Forex-based market fraud:

*** For several years, the idea of Forex management funds has become one of the most popular trading options among traders and that is why they are cheating. One should not pay attention to the idea of businessmen who decide to hand over the management of their funds to a stranger. They are promised good results from the market. In other words, the trader gives control of his money to a so-called skilled Forex broker to get outstanding market results. The problem with this is that these so-called experienced Forex brokers have run away with money and will have no effect on them. Always trade for yourself and learn from your mistakes through the progress you make. We recognize that Forex trading can be difficult at times, but life is hard, and you do not see people giving up their normal lives to let others guide them.

*** One of the challenges for an amateur businessman is to be able to identify a good broker for the business. There are many fraudulent brokerage firms out there. What you need to be aware of are the signal sellers. These people claim to have a system that can identify the right time to trade in the market. Signal sellers offer their daily services on a weekly or monthly basis. Their systems may be automatic or manual, in which the system is expected to automate the trader's position based on input data from the trader.

Have you ever wondered why these brokers did not generate millions of dollars for themselves and did not retire to live somewhere on the shores of the Indian Ocean, if these systems really do what they are reported to do? Have? All they do is exploit the money of the merchants. Sure, these systems may work sometimes, but they cannot guarantee that they will work every time. Not all companies offer commercial signal sharing services in the "SCAM" group, some providers are licensed and charge a small fee for their services or otherwise warn that the services provided cannot be guaranteed for Be it future business performance or profitability. Likewise, be careful when choosing a deal with such companies to make sure that everything they promise is in line with the expectations and common sense of the businessman and realistic.

*** Finally, the most dangerous brokers are those who, firstly, have no supervision and, secondly, no license to operate. So, your account funds are easily and at any time deleted by the broker. Not surprisingly, they are mostly unfair in their customer service. They are usually established in certain countries with relatively small regulations governing financial trade as well as to avoid paying large taxes.

Forex Robot:

Some traders like to use Forex Expert or a so-called trading robot because they do not need to intervene and even hit a button to buy and sell. These robots work based on profitable methods, and each has specific timeframes and stop-ups. Some of them use martingale and grade and averaging techniques. It all depends on the robot that the user provides and uses in Meta Trader. Table 2: Analyzes the performance of robots and their disadvantages:

Table 2: To analyze the performance of robots and their disadvantages:

• Forex robot performance: Position management, order setting, and transaction identification are some of the actions that the Forex robot performs. The Forex robot can use the same presets to determine the appropriate position to trade.
• Disadvantages of Forex Robots: As we said, these robots buy and sell for us only according to the defaults we give them. So if, for example, we tell it to buy a stock at a certain price and sell it at a certain price, the robot will buy and sell as long as we do not stop it, paying attention to the situation of the currency pair or the shares of that company and other conditions. does not have.

Forex Risks*:*

In general, in any type of trading, there is a certain amount of expected and unexpected risks, but it is better to know that the risk of foreign exchange trading in the Forex market is very high, so it is necessary to first know the risks and their types before investing.:

• The direction of market fluctuations can go exactly the opposite of what you predicted, in addition to the fact that the Forex market is a market with sharp and rapid fluctuations, so much so that if you open trades now and just a few minutes later realize the mistake Take it and decide to close it, you may face a huge loss or huge profit.

• If your initial capital in this market is low and you use high risk in your transactions, you may lose your capital within a few days or reach a large capital after a few days.

An old English proverb says (never bet on your farm). This means that you are only allowed to use the profits from your other economic activities or, ultimately, the money left inactive, to trade in the Forex market so that your normal life will not be disrupted if that capital is lost.

Conclusion:

Although studies have been conducted on the Forex market and exchange rate market risk, it can be argued None of the studies have assessed the inevitability of losses for the majority of Forex traders. Although it is claimed that more than 90% of traders in this market suffer losses but dare It can be said that this case has been proved. Therefore, in this study, we tried to use the approach: Probability theory shows that more than 90% of participants who do not have the support of root 1 analysis of the market Forex and foreign exchange markets are losing. If a fund offers very high returns, you need to look at the fund's actual trades to find out what kind of trades it makes. Look at the transaction history of funds and make sure that the data you receive is completely transparent. Data can be presented in a variety of ways to convince you of the fund's performance. You need to understand the "real performance" of the fund, especially in a volatile market like Forex. Does this mean that the fund cannot really perform well? They really can, and that's an important aspect of Forex trading, but they are very few. So be careful and research all the pros and cons. If there are only positive aspects and only high efficiency and no risk, this is a red flag.

There are three main ways you can avoid Forex scams, but this is usually a piece of advice that new traders, who want to make a lot of money and do so very quickly, do not want to hear.

1. Make sure you do enough research and accuracy on any suggestions that come your way. Make sure the broker or person is very regular. Make sure they are fully proven and have a great track record. And make sure you do not accept any of the very good promises for real promises.

2. If you are serious about becoming a good and successful businessman with a profitable job, start training yourself properly. Find an online Forex Higher Education School or find a reputable broker with excellent training resources and use them! In addition, make sure that the broker has a demo account so that you can apply what you learn in a safe environment.

3. Make peace with the fact that you can make a particularly good profit in the Forex market, but it takes

TIME. Time to build the skills and expertise you need. It is time to learn how to use existing analysis and research and understand the market in a holistic and comprehensive way.

Suggestions for the future:

If you want to operate in the markets, be sure to get the right training to lose, and losing in this market may disappoint you. In the financial markets, it is said that the second job of the first income means that you have to have a stable job and cover your expenses so that you do not enter the market with bad feelings and lose money. In financial markets, not everything is analysis, but it is your emotions that you have to control.

How long should we work with the demo account?

It is better to take a short time to work with the demo account and as soon as you get acquainted with the work of your respective broker, log in to the real Forex account. Experience has shown that long-term activity in a demo account gives people false confidence and causes them to start trading in the real market at very high risk and ultimately get hurt.

Acting on a trial account is like playing a computer game where all the mistakes can be made up, but not on the real account. A person may trade a lot of great deals on his demo account, but in the real account his trades are not successful. Working with an experimental account does not involve real human emotions, such as greed, fear and high risk. Therefore, experts recommend that you use the demo account only to get acquainted with the Forex work environment and do not get too involved in it.

Do not try to dominate the market

Forex is not a market you want to defeat, but you have to understand it and join it when a trend starts.Also, if you try to make too much profit from the market with very little capital, you will be kicked out. The mentality of market failure often causes traders to trade against the trends, which is enough to start a disaster. Accept that you can never get something worthwhile for nothing. Winning Forex trading, like many things, requires effort and time. Build your own system and avoid buying worthless systems on the Internet.

1 - Low initial capital

Most currency traders are looking for a way to settle their debt or make easy money. Forex marketers usually encourage you to trade with high lottery sizes and high leverage so that you can get great returns with a small start-up capital.To make a profit, you must have a good initial capital. It is possible to make a great profit with limited capital in the short term, but with a small amount of capital and too much risk, you will take emotional action with each turn of the market and enter and exit the trade at the worst possible times. Solution: People who are in Forex trading should never start with a small amount of initial capital. This is a big problem for someone who wants to trade for a small amount of money. If you plan to trade small shares, $ 1,000 is a reasonable amount to start trading in Forex. Otherwise, you have to prepare for a catastrophe.

2 - Lack of risk management

Risk management is the key to your salvation. You can be a very professional trader but disappear from the market due to poor risk management. Your first task is not to make a profit, but to protect the capital you have now, because when your capital is declining, your ability to make a profit is lost.Solution: Use stops in the trade and move them accordingly when you make a reasonable profit. Use reasonable sizes that match your capital, and after all, get out when there is no logic behind the deal.

3 - Greed in Forex

Some traders think they should take advantage of a price drop to the last drop. Every day in the Forex market there is a potential for profit. Trying to get the last pip before the pair spins can also destroy the same gains you make. Solution: Obviously, do not be greedy. It is good to aim for reasonable profits but consider that there are many benefits in other situations. Currencies move daily and you do not need to receive the last pip. The next opportunity is nearby.

4 - Dealing with hesitation

Sometimes you get regrets after a deal. This regret usually occurs when you enter into a transaction and that transaction does not enter into a profit immediately and you tell yourself that you have entered in the wrong direction. Then you close the trade and enter the trade in the opposite direction, but in disbelief you see the market moving in the same direction as you first entered. Solution: Choose a direction of the transaction and stick to it. Changing trades in different directions only makes you lose more and more.

5 - Trying to trade on the ceiling or floor

Many novice traders try to trade at the return points of currency pairs. They trade on a value pair and increase their position as the trend continues in the opposite direction because they are confident that the price will return. If you trade this way, you end up being too risky Solution: Keep up with the process. If you think the trend is changing and you want to trade in a potentially leading trend, wait for the trend change to be confirmed. If you are going to trade on the floor, choose the floor of a small wave in the uptrend for the trade and not the floor in the downtrend.

6 - Refusal to accept mistakes

Some traders always want to make the right decision according to human nature, but sometimes this is not possible. As a trader, instead of being biased about your decision and believing it to be right, you need to admit mistakes and keep going so that you do not end up with an empty account. Solution: It is difficult, but sometimes you have to admit that you made a mistake, whether you made the deal for the wrong reasons or the deal did not go according to your plan. In any case, the best way to admit a mistake is to drop the deal and continue on to find other profitable opportunities.

7 - Buy Forex trading system

There are many forex trading systems on the Internet. Some traders are looking for a complete and error-free system that trades 100% correctly. They continue to buy different systems but eventually come to the conclusion that there is no way to win this way.

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