

# Advantages of Trading FOREX

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There are many advantages to Trading FOREX as your main income generator. Let's start by something that may be worrying you already. In the forex world, order execution is all-electronic and because you'll be trading via an Internet-based platform, instantaneous execution is routine. There are no exchanges, no traditional open-outcry pits, no floor brokers, and consequently, no delays. The FX market offers the highest level of market transparency out of all the financial markets. Because of this, order execution and fill confirmation usually occur in just 1-2 seconds. Markets that do not offer executable prices and force traders to absorb slippage obviously compromise the trader's profit potential considerably.

When attempting to make more profit than losses on the fluctuation of exchange rates between major currencies (i.e., Trading the FOREX), nobody is going to ask you for a diploma, a formal license or verify the amount of hours you've spent studying the Foreign exchange market and banking industry. All you need is the proper training. With a daily trading volume of over \$1.5 trillion, the spot FOREX market can absorb trading sizes that dwarf the capacity of any other market. In fact, when compared with the \$50 billion daily market for equities or the \$30 billion futures market, it becomes quickly apparent this gives you, and millions of other FOREX traders, almost infinite trading liquidity and flexibility. You can have access to a seamless, mutually-inclusive (two-way) exchange of currencies. Meaning, because currencies trade in "pairs" (for example, US dollar vs. yen or US dollar vs. Swiss franc), one side of every currency pair (for example, USD/JPY - JPY = YEN) is constantly moving in relation to the other. Thus, when you buy a particular currency, you are actually simultaneously selling the other currency in that particular pair. As the market moves, one of the currencies will increase in value versus the other. Of course, it is up to you to choose the correct currency to be long or short. Since currency trading always involves buying one currency and selling another, there is no structural bias to the market. This means you have equal potential to profit in both a rising or falling market.