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Currency Trading- a Useful Guide for Beginners by [Forexexplore](#)

Article published on August 20th 2012 | [Finance](#)

Are you wondering what currency trading is all about? Currency trading, also known as Forex or forex trading is a type of trading which deals with global currencies on the forex market or foreign exchange market. It is through currency trading that an investor sells and buys currencies with a main goal of making huge profits. If you're new to currency trading scene, it would be important to consider a forex guide.

The biggest market in the world is the forex (FX) market. The annual trading volume of the market accounts to 1.4 trillion dollars which is found to be much bigger than that of any stock exchange. As the spreads for trading currency are found to be quite low, the cost and risk involved in the currency trade is also low.

The currency market is highly volatile which allows even more opportunities for any currency trader to obtain huge returns on the any given exchange. The currency trading market was closed to the retail investors or individuals some time back. In the past, the major players on the currency trading market were the national central banks and the other major financial and banking institutions and the multinational corporations.

Even today retail investors and individuals account for a small percentage of the overall currency trading volume. However, it is good for the people who are regular and wish to enjoy participating in this trillion dollar currency exchange market.

You must keep in mind that in currency trading you must purchase a currency which will gain in value against another so that you can make profit out of it. For instance, if you think that US dollar will go up against the Euro, then you can purchase Euros and then sell them when their values goes up for the profit. This is what is taught in forex trading guide.

How will you know whether a currency will rise in value or not? In this regard, you require gathering information from the different currency market websites that offer monitoring services on foreign exchange market activity. In order to avail the services, you need to pay membership fee in order to join the website. However, in most of the cases you can even take benefit of the free trial period.

In currency trading, you'll also require help of a broker, who can execute the currency trades on your instructions. Today, you can easily find a good number of brokers online. Therefore, it is not that hard to find out one. Consider forex broker demo to know about their services and background. On the whole, Currency trading provides a wonderful option before people with additional cash to make an extra bit of profit in addition to the regular income.

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Article Keywords:
Forex guide,Forex broker demo

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