

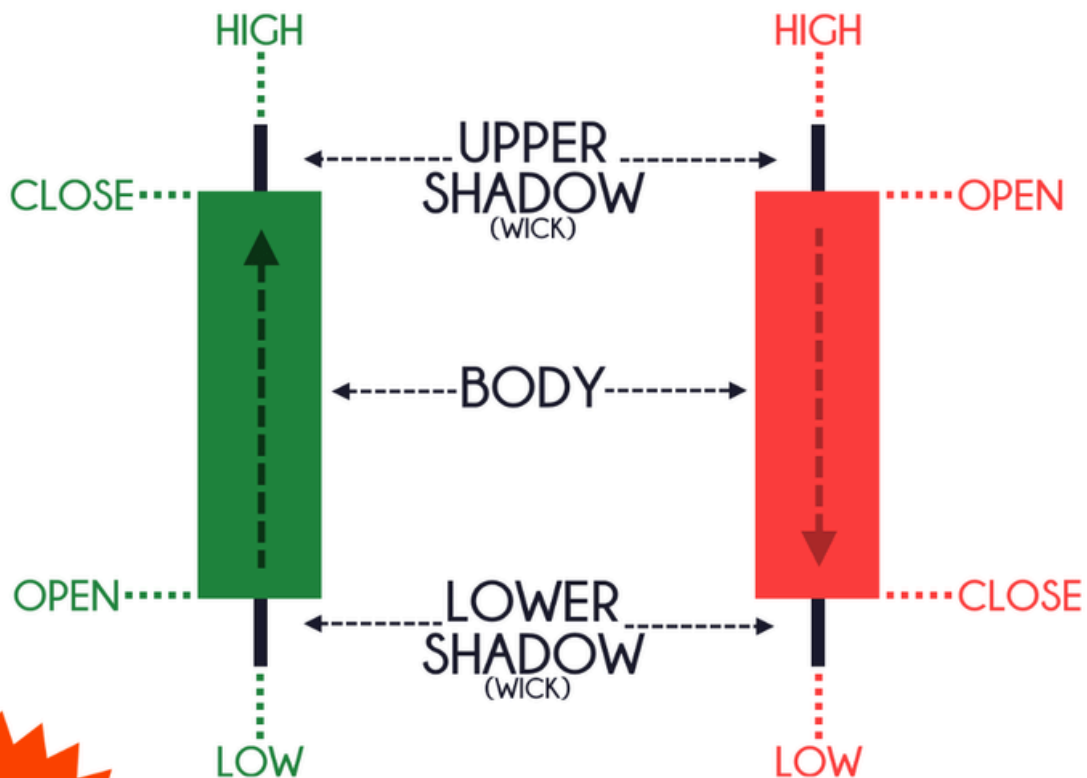


#1 Best Seller

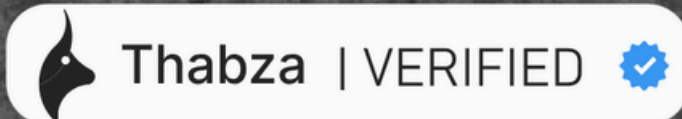


Forex

Beginners



FREE!



traderthabza.com

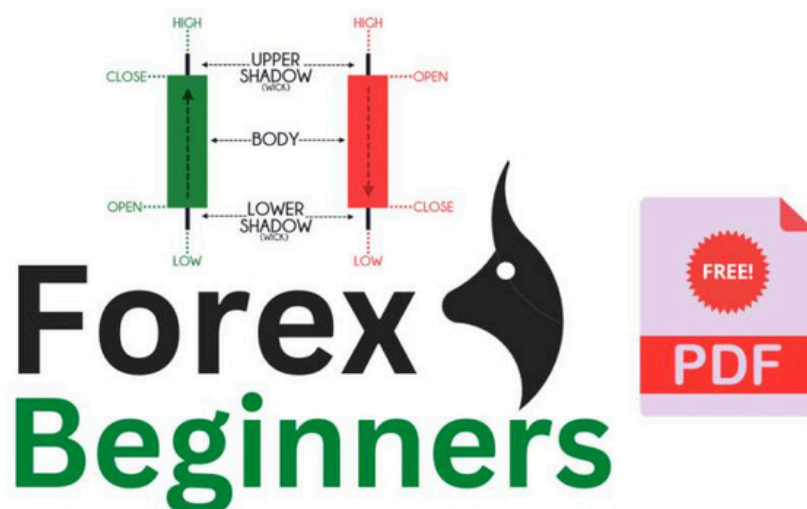
Forex Trading For Beginners (Guide)

If you've ever looked at a forex chart and thought, *"How are people actually making money from this?"*

You're not alone.

Forex trading looks simple on the surface: buy low, sell high, but most beginners lose money because they jump in **without understanding how the market really works.**

This guide will break everything down step-by-step so you can:



- Understand how forex actually works
- Avoid beginner mistakes
- Build a simple, realistic trading foundation

By the end, you won't just "know" what forex is, you'll understand how to approach it properly.

What Is Forex Trading?

Forex (foreign exchange) trading is the process of buying one currency while selling another.

Currencies are traded in pairs like:

1. EUR/USD
2. GBP/USD
3. USD/JPY

When you trade, you're predicting whether one currency will go **up or down** against another.

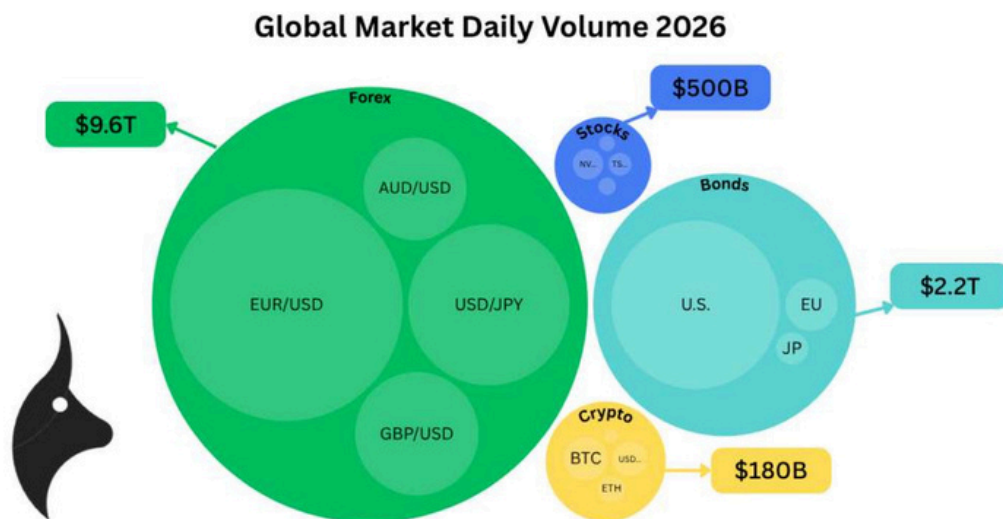
Example:

If you buy **EUR/USD**, you're betting the **euro** will strengthen against the US dollar.



Why Trade Forex Over Stocks, Crypto, Bond?



Forex is the **largest financial market in the world**, with over **\$9.6 trillion traded daily**.



Here's why people are drawn to it:

- Can start trading as little as \$10
- High liquidity (It's easy to buy and sell)
- 24-hour market
- Leverage (ability to control larger positions)

But this is also what makes it dangerous.

 **Thabza** | VERIFIED 
traderthabza.com



Is Forex Trading Safe for Beginners?

Forex trading is often marketed as something simple. Open an account, place a trade, and make money. That idea is what attracts most beginners.

But the reality is different.

Forex is not dangerous by itself. What makes it risky is how beginners approach it.

You treat trading like:

1. A shortcut
2. A side hustle that requires no depth
3. Something you can learn in a weekend
4. Asking people to trade for them

And the market quickly proves them wrong.

The traders who last are not the ones who find a **“Holy Grail Strategy.”** They are the ones who understand how the market works, manage risk properly, and stay consistent long enough to improve.

This guide is built to give you that foundation. Not hype, not shortcuts, no account management, but a clear path.



Who Are You Trading Against In Forex?

One of the biggest mindset shifts in trading is understanding that you are not trading against the market. **You are trading against other traders**, and not all participants are equal

Retail Traders	Institutional Traders
Trade small accounts	Banks and hedge funds
Follow common strategies	Control large amounts of capital
Enter at obvious levels	Move the market
Place stops in predictable areas	Require liquidity to enter positions

Institutional traders are moving millions. Because of that, they cannot enter trades randomly.

They need liquidity.

That liquidity often sits at obvious levels like:

- Double tops and bottoms
- Support and resistance
- Breakout levels



This is why price often moves toward these areas before reversing.

Liquidity is simply orders in the market.

And since institutions use retail orders to enter positions, they are often referred to as **smart money**.

Can you become Successful Trading Forex?

Yes, but not in the way most beginners expect. You are not turning \$10 into \$1 million. Be realistic.

Forex trading is a skill. And like any skill, it takes time to develop.

Most traders fail not because success is impossible, but because they expect:

- Fast results
- Consistent wins early on
- A strategy that never loses

When that doesn't happen, they either overtrade, increase risk, or jump to another strategy.

That cycle is what causes most traders to fail.



To become successful, you only need three things:

1. A mechanical trading strategy
2. Discipline to follow it
3. Enough capital or funding

The hardest part is discipline. If you can't follow rules outside trading, you won't follow them inside trading.

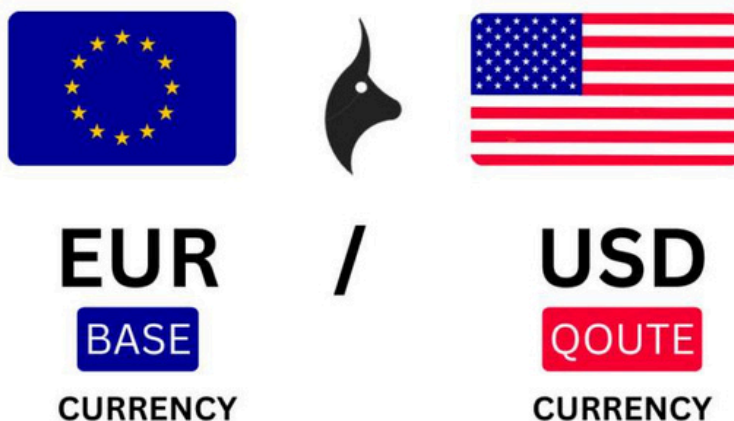
Basics of Forex Trading for Beginners

At this point, you understand what forex is and how the market behaves. Now you need to understand **how trading actually works on a practical level.**

This is where most beginners get confused. They see charts moving, but they don't understand what those movements mean in terms of money, risk, and execution.

Currency Pair

Forex trading is always based on pairs. You are not buying a single currency. You are comparing one currency against another.



Each pair has two parts:

- **Base currency** (first currency)
- **Quote currency** (second currency)

Example:

EUR/USD

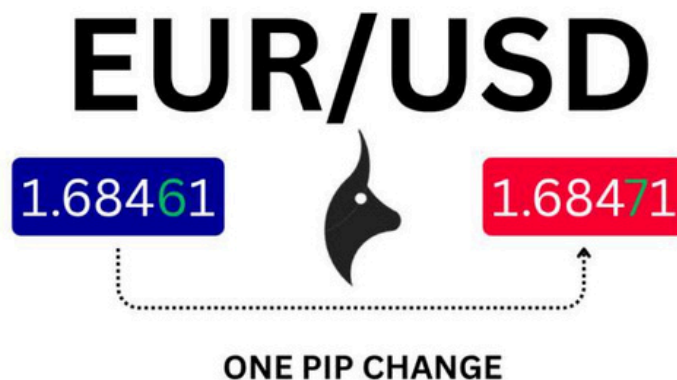
- EUR = Base currency
- USD = Quote currency

If EUR/USD is at 1.1000, it means: 1 Euro = 1.10 US Dollars

When you buy EUR/USD, you are expecting the euro to increase in value relative to the dollar.

Pip Value

A pip is the smallest movement in price.



For most currency pairs:

- 1 pip = 0.0001

Example:

- Price moves from 1.1000 → 1.1001
- That is a **1 pip move**

It may look small, but when combined with position size, it determines your profit or loss. This is where most beginners misunderstand risk.

Use your **Pip Calculator** to understand exactly how much each pip is worth based on your trade size.

Lot Size

Lot size determines how big your trade is.

There are standard sizes:

Lot Type	Size	Example
Standard Lot	100,000 units	1
Mini Lot	10,000 units	1.10
Micro Lot	1,000 units	0.01



The bigger the lot size:

- The bigger the profit
- The bigger the loss

This is why position sizing matters more than entries.

Leverage

Leverage allows you to control a larger position with a smaller amount of money.

Example:

With 1:100 leverage, you can control \$10,000 with \$100.

This is why people are attracted to forex. But this is also why accounts get blown. Leverage does not just increase profits. It increases mistakes.

Used correctly, it is a tool. Used incorrectly, it is the fastest way to lose money.

Margin

Margin is the amount of money required to open a trade. It is not a fee. It is simply the capital your broker locks to keep your trade open.

If your account drops too low, your trade can be closed automatically.

This is called a margin call.

Most beginners only learn about this after it happens.



Spread

The spread is the difference between the buying price and the selling price.



This is how brokers make money.

It may seem small, but over time it adds up, especially if you overtrade. This is another reason why trading less, but with better setups, is more effective.

Technical Analysis In Forex

Technical analysis is where most traders start.

It focuses on reading price directly from the chart instead of relying on external factors like news or opinions.

At first, this usually looks like:

- Drawing support and resistance
- Using indicators
- Following patterns

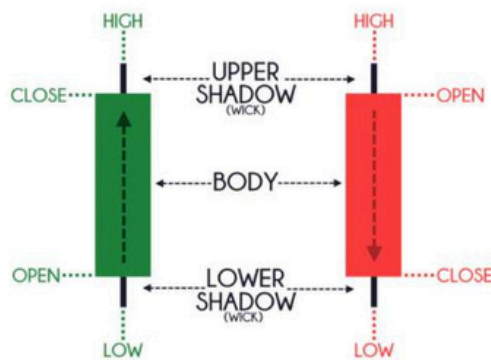


But the deeper you go, the more you realize that technical analysis is not about tools. It is about understanding **price behavior**.

This is where concepts like **Smart Money Concepts (SMC)** come in, helping you understand price beyond basic indicators.

Candlesticks

Every candlestick tells a story.



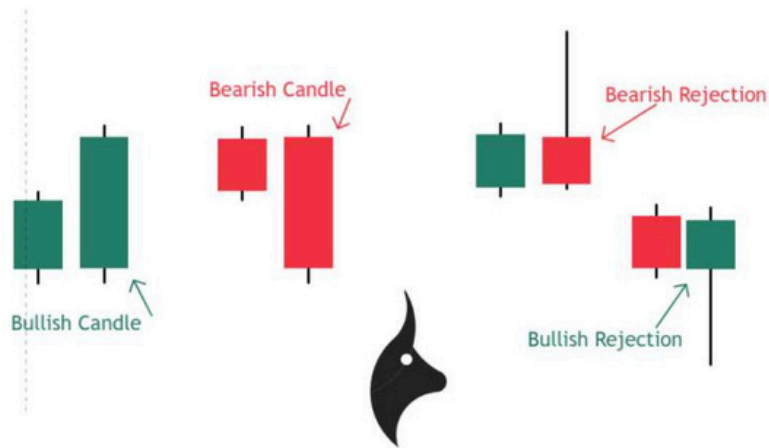
Each one shows:

1. Where price opened
2. Where it moved
3. Where it closed

From this, you can start to read intent.



For example:



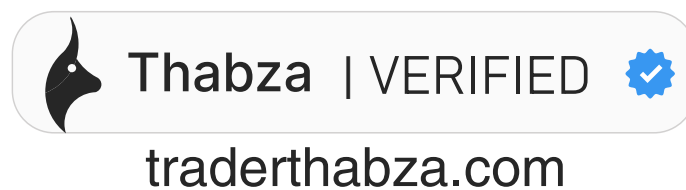
- Strong bullish candles show aggressive buying
- Long wicks show rejection
- Small candles show indecision

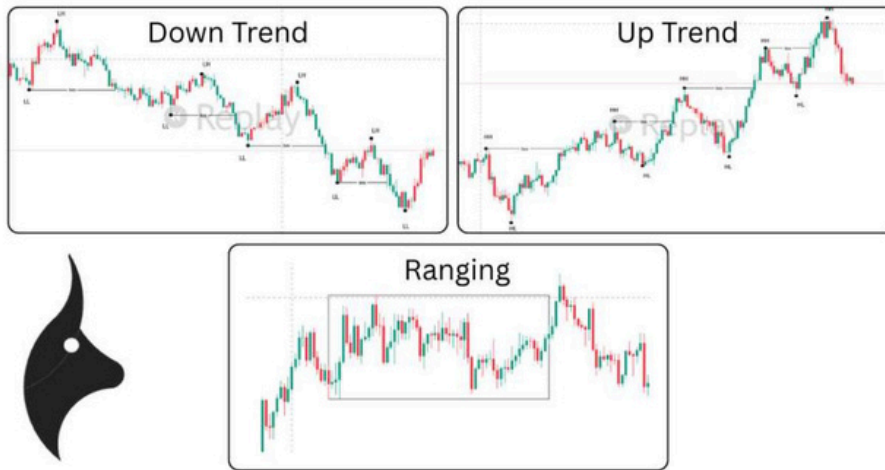
When you combine multiple candles, you start to see candlestick patterns forming.

Market Structure

One of the most important parts of technical analysis is understanding structure.

The market moves in three ways:





- Up Trend
- Down Trend
- Moving sideways / Ranging

Instead of relying on trendlines or moving averages, you want to identify:

- Higher highs and higher lows (uptrend)
- Lower highs and lower lows (downtrend)

This gives you direction. Without direction, every trade becomes random.

Fundamental Analysis

Fundamental analysis focuses on what is happening in the real world.

Currencies are not just numbers. They represent economies.

When an economy is strong, its currency tends to strengthen.

When it is weak, the currency can lose value.



Key Factors That Move the Market

There are a few major drivers:

- **Interest Rates**

Higher interest rates usually attract investors, increasing demand for that currency

- **Inflation**

High inflation weakens purchasing power and can affect currency value

- **Employment Data (NFP)**

One of the most important reports, often causing strong volatility

- **Central Bank Decisions**

These can shift the entire direction of a currency

How News Affects Price

News does not just move prices randomly.

It creates:

- Sudden spikes in volatility
- Liquidity sweeps
- Strong directional moves

This is why beginners often get caught during news events.

They enter trades hoping to catch that spike in move and hope the market moves in their favor, but my recommendation is to stay out of trading news releases.



Use the Factory Forex Economic Calendar to check the upcoming red folder.

Trading Platforms You Need to Know

To actually trade, you need the right tools.

TradingView (Charting Platform)

TradingView is where most traders analyze charts.

You use it to:

- View price movements
- Mark levels
- Study setups

It is not required for execution, but it is one of the best tools for learning.

MetaTrader 5 (MT5) (Execution Platform)

MT5 is where trades are placed.

You use it to:

- Open trades
- Set stop loss and take profit
- Manage positions

Most brokers support MT5.



Steps to Start Forex Trading (Beginner Path)

This is where everything comes together.

Step 1: Learn the Basics

Before trading, understand:

- How the market works
- Risk management
- Basic analysis

Skipping this leads to losses.

Step 2: Choose a Broker

Look for:

- Regulation
- Low spreads
- Reliable execution

This is important because your broker is your connection to the market.

Step 3: Open a Demo Account

Practice first.

Use this time to:

- Test your understanding
- Learn how to place trades
- Build confidence



Step 4: Use Proper Risk Management

This is non-negotiable.

- Use your Position Size Calculator
- Use your Risk of Ruin Calculator

These tools turn theory into actual control.

Step 5: Start Small on a Live Account

When you go live:

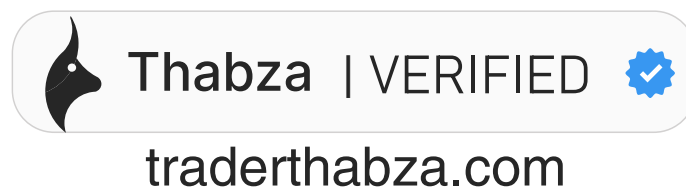
- Start small
- Focus on execution
- Accept losses as part of the process

Step 6: Build Consistency

This is where most people quit.

Consistency comes from:

- Following your plan
- Managing risk
- Learning from mistakes



Final Thoughts

Forex trading is not about finding a perfect strategy.

It is about understanding how the market works, managing risk, and staying consistent. Most beginners focus on making money. Successful traders focus on building skill. If you get that right, the results come later.

From here, your next step is simple:

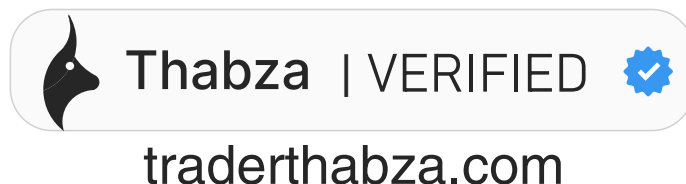
1. Learn how price actually moves
2. Understand liquidity and market structure
3. Apply proper risk management

Use the tools on this site to stay consistent:

- [Position Size Calculator](#)
- [Risk of Ruin Calculator](#)
- [Pip Calculator](#)
- [Trading Session Converter](#)

Forex is not a shortcut.

Approach it properly, and you give yourself a real chance.



Disclaimer:


Trading involves significant risk of loss and is not suitable for all investors. The content provided by LearnSMC Trading is for educational purposes only and should not be considered financial or investment advice. Always do your own research and consult with a licensed financial advisor before making any trading decisions. Past performance does not guarantee future results.




Connect with me:

 Website: traderthabza.com

 YouTube: @traderthabza

 X (Twitter): @traderthabza

 Facebook: @traderthabza

Founder:

traderthabza

