

While some people understand forex terms better, we still have another group of people, especially those who are new to this industry who are not aware of various terms used in Forex trading. Well, no need to worry as BinaryOnline has made it easier for you the understand the forex industry better.

Bid Price	The bid price represents the maximum price that a buyer is willing to pay when entering the market. Applicable when you opt for BUY.
Ask Price	The ask price represents the minimum price that a seller is willing to receive. Applicable when you opt for SELL.
Spread	It is the difference between the bid and ask price. Spread is your cost of entering a trade.
Pip	Price Interest Point is the smallest change that can happen in a currency pair. Changes in pips are going to determine the profits and losses of a trader.
Leverage	Investors use leverage to significantly increase their chances of staying in the market. Leverage is the ability to control a large amount of money in the forex markets.
Strike Price	$(\text{Bid} + \text{Ask}) / 2$
Stop Loss	It allows the trader to control the risk of being out of the market or losing all his invested capital, creating a 'low-risk' model
Take Profit	It allows the trader to set an exit profit amount.
SWAP	Interest rate for overnight trades.
Tick Value	The smallest change in value in the last decimal place.

Trade Value	This is the lot size that you are trading on.
R. Margin	Required Margin is the minimum amount that you need to have on your trade account to place a particular trade. The amount is shown on the platform itself.
Volume	Trading in Forex is always done in Volume. It is the number of shares or contracts traded in an entire market during a given period of time. It is basically 1 customized lot.
CR	Current Rate - price of asset at the moment.
Japanese candlestick	A Japanese candlestick is a method of illustrating the price movement. Traders can check this to analyse the trend of an asset.
Bull (Bullish)	Going long or presuming that the currency will appreciate or rise.
Bear (Bearish)	Going short or presuming that the currency pair will depreciate or fall.
Buying Rate	Rate at which a bank is prepared to buy forex, this is also known as the Bid Rate.
P&L	Profit & Loss - The actual gain or loss resulting as a trader places a trade.
Conversion Rate	The ratio at which one currency can be exchanged against the other.
Forex market	It is a market in which participants can buy, sell and speculate on currencies.

Forex Signal System	An analysis a trader uses to determine whether to buy or sell a currency pair. This could be based on technical analysis charting tools or news based events.
Volatility	The likelihood of making major or short-term price movements.
Majors	Currencies traded the most - these are currencies from the Eurozone (EUR), United States (USD), Japan (JPY), Great Britain (GBP), Switzerland (CHF), Canada (CAD), Australia (AUD).

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