

FOREX DREAM COME TRUE

- Brought to you by Fanos Theo professional Forex Trader

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Many novice (and experienced) forex traders think that to be successful in Forex, they should make dozens of pips per day to be profitable. This is far away from Forex reality and it can work opposite than you than your favor.

Today you will learn probably the biggest lesson you have learnt about Forex since now.

This has nothing to do with any indicators or trading plan but simply with...

MONEY MANAGEMENT

If you are not an experienced trader you should only aim to pick up only 10-12 pips per day. Sometimes you will get 10 sometimes 11, sometimes more and sometimes less. You should arrange your trading plan so you should be happy with 10 pips per day.

You should only trade with 1 mini lot at stage 1. You only trade with 2 mini lots when you have already reached 200 pips or 20 days of trading with an average profit of 10 pips per day.

Have in mind that in a market like Forex, you can never be sure how many pips you can get unless you set up your profit limit 10 pips from the position you have taken.. which this is not really advisable as you can get much more than 10 pips in just seconds.. so it is better to manually close your position much more than 10 pips if you can.

The point to remember here is that you should be happy with at least 10 pips per day and if you follow the plan you will see what I mean.

Assuming that your initial capital is \$1000 and you start with 1 mini Lot which is \$1 per pip after 20 days you would have gained 200 pips or \$200. Maybe you earn more than 10 pips in one day so you can reach your 200 pips target earlier which is fine. When you reach Stage 1 you move on to Stage 2 which you trade with 2 mini lots even if you have hit stage 2 earlier than 20 days. For example maybe in one or more days day you earn 30 - 50 pips and you have your 200 pips in only 10 days, so you can move on to stage 2.

INVESTMENT GROWTH	STAGE	MINI LOTS	TARGET	PERIOD	PIPS EARNED	TOTAL
\$1000	1	1	10 PIPS A DAY	20 DAYS	200	\$1200
\$1200	2	2	10 PIPS A DAY	20 DAYS	400	\$1600
\$1600	3	3	10 PIPS A DAY	20 DAYS	600	\$2200
\$2200	4	4	10 PIPS A DAY	20 DAYS	800	\$3000
\$3000	5	5	10 PIPS A DAY	20 DAYS	1000	\$4000

From the above table you understand clearly that you move on to next stage once you have earned an average of 10 pips per day for 20 trading days. Do not hurry up. Take your time. Enjoy the journey. Do not trade with more than the specific number of pips for each stage.

Break the rules and Forex will kill your initial investment.

Play with the rules and watch your money grow by 4 times in 100 trading days! It is simple mathematics.

You should only start investing in Forex with money that you can afford to lose. Do not make the mistake to believe that you will always win. If Forex was easy then everybody would just sit in front of his computer and he could make millions.

You can make your Forex dream come true only if you follow the rules. The rule is that you should not try to make too many pips in one day. Take it easy. Gain confidence. Money will follow.

Just think what could happen if you could start with \$10,000 and not \$1000. You would trade then with one standard lot and not with a mini lot. After 100 trading days your \$10,000 would transform to \$40,000!

But do not do it! Start small, even if you are a millionaire. Do not be greedy. Make a plan and follow your plan. That's it!

TECHNICAL QUESTIONS

What happens if you I am in trading day no. 20 and I have made only 60 pips.

This can be possible if you are new to Forex. You should move on to stage 2 only you have made 200 pips. This can take you much more than 20 days if you are new in the field. Do not worry though.

Be patient. You can do it soon or later. If it takes you more than 35 days to reach 200 pips then you should start stage 1 from beginning. Do not try to trade with more than 1 mini lot if until you are enough confident.

I am in stage 2 but I am in Loss. What should I do?

Stop trading Forex for at least 3 days. You can still watch the charts and trying to predict the market movement but do not trade with real money for at least 3 days. The reason for this is that you are on a losing mode and you will probably lose again. Try to revenge the market and watch your money disappearing. Take it easy relax and enter the market fresh again when you feel enough relaxed. When you come back it is advisable to start from Stage 1 again.

I am in stage 3 but I am in Loss. What should I do?

Stop trading Forex for at least 3 days. You can still watch the charts and trying to predict the market movement but do not trade with real money for at least 3 days. The reason for this is that you are on a losing mode and you will probably lose again. Try to revenge the market and watch your money disappearing. Take it easy relax and enter the market fresh again when you feel enough relaxed. When you come back it is advisable to start from Stage 2 again.

I am in stage 4 but I am in Loss. What should I do?

Same answer as above .. start from stage 3 again.

I am in stage 5 but I am in Loss. What should I do?

Same answer as above .. start from stage 4 again.

This tutorial is about money management which is in fact the most important lesson in forex.

[For any question email me at: pool_mat@yahoo.com](mailto:pool_mat@yahoo.com)