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Forex Trading- Knowing How to Make Money While Using a Forex Pips Indicator by [Amy Peter](#)

Article published on December 27th 2011 | [Investing](#)

In the currency exchange market the role of forex pips indicator is really speculative. In a given currency pair it is referred as minute increment. PIP is the abbreviation of "percentage in point" and the forex rate needs to be expressed up to the 4 pips or 4 decimal. It represents the slightest change in the value of foreign currency. However a small change can even heavily affect the value of currency.

In forex there are thousands of currencies involved and a trader can get the opportunity even with the slightest movement in pip value, you can realize profit or loss with the upward or downward movement of market trends. First of all traders should start forex learning. To determine the price of a particular trade it is significant to define the pips. When a forex trader quotes a bid or the seller inquires the desired price, between them the spread is minimal.

Usually the spread is 1 to 2 pips for a forex wholesaler. However the forex brokers note it up to somewhere between 3 to 30 pips. The amount is noted by the spreads as it will be held by the dealers and don't charge extra money or any commission for it. To predict the movement of the forex market is the desired job of a dealer. If they correctly guess and the spread goes beyond the price fluctuation, it means that they make profit with trade forex.

It is advised to neophytes that before involving into this business they need to learn its basics first as what is all about forex trading and how to open an account with a forex broker, how to trade currency, how to use a pip indicator, chart reading, determining the various charts patterns etc. you can easily get all this information including to design your own unique system, and how to test it as well. It's really important for those who are new in this field to get the whole idea about this trading and know how to trade with these currency pairs.

A pip can be basically affirmed as 1/10,000th of the existing exchange rate, and the value of fundamental currency needs to be defined. It is essentially how the pips are significant. To calculate the value of pips a trader needs to multiply the exchange rate by the lot size. The pip is in the 4th decimal place. If a different currency pair is quoted the pip will differ.

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This article is all about forex trading and a [forex learning](#) basics and this article describes that a [how to trade currency](#), how to make money while using a forex pips indicator.

Article Keywords:

forex learning, learn to trade forex, learn forex trading, how to trade in forex, how to trade currencies