



rallyacademy
OF TRADING

Classic Financial Trading Program

Module 2

Introduction to eTrading Business



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Module Agenda



About Us

Longevity

Founded in 2015 here in Nigeria, we've been up and running for 3 years and counting..



Flexibility

Our courses and strategies are taught in simple context in English.



e-Trading Education For All

We believe that everyone in the world should have the opportunity to learn their way to financial freedom.



Accessibility

Our clients have full access to our training facility



Success Story

We have trained over
25,000 active clients
and counting...



Training Strategy

Our training is focused
on the best strategies
developed over time
based on experience
in the market

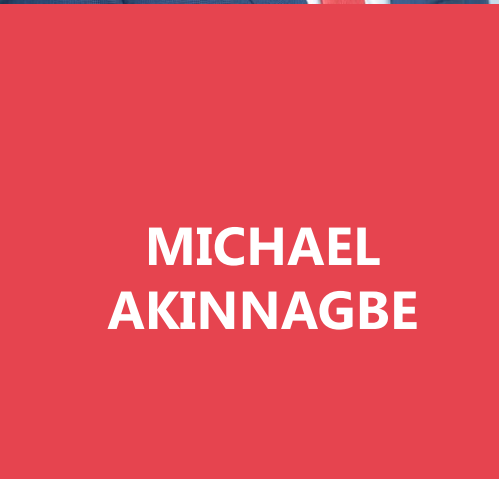
Best Educator in the Country



**MICHAEL
AKINWALE**

EDUCATION TEAM

**RAZVAN
MIHAI**



**MICHAEL
AKINNAGBE**



**ESTHER
OYANNA**



**OLUSEGUN
ENUJOWO**



**OLABISI
OLALERU**



Global Financial Market

- ❑ The word 'Global' here means International or Worldwide and it can also be referred to as a platform where buyers and sellers are interacting real time across the globe.
- ❑ The word 'Financial' is a broad term used to describe many aspects of money or finance.
- ❑ The term 'Market' talks about any location where traders meet to trade or buy/sell instruments, seeking to make gains.
- ❑ **Global financial market** is the worldwide online marketplace where buyers and sellers trade **financial assets** such as Stocks, Indices, Bonds, Currencies and Commodities across national borders at prices that reflect supply and demand.

Global Financial Market: History

- ❑ Trading started long time ago dating back to the trade by barter system, which is exchanging what you have for what you need.
- ❑ Trading in the global financial market requires one to be able to speculate price movement of a financial asset over a period of time in order to make profit.
- ❑ eTrading is all about buying and selling financial instruments electronically with the sole purpose of making profit online.
- ❑ eTrading in GFM brings higher returns and in a very short period.

Financial Market Overview

Anyone can trade the financial market, so far you have access to an electronic device that can connect to the market via the internet. Traders around the world trade either as a group- as in larger corporations or as an individual- retail trader.

Access To The Market

You can access the market via a trading platform on your internet-enabled devices 24-hours a day, from Monday through Friday.

Unlike other exchanges such as NYSE, NSE etc with closing times daily, GFM doesn't have a closing time. Once the market is open on Monday, it doesn't close until Friday night



In order to **trade** successfully
you need to have information
about the market

What is Tradable



Who else is Trading



When and How to Trade



Tradeable Instruments

Tradeable instruments in the market are broadly classified into the following groups...

Currencies

Commodities

Bonds

Indices & Stocks



Currencies

Currency is defined simply as a bill of exchange, acceptable as a legal tender for payment for goods and services.

Currency trading is the exchange of a nation's currency with that of another nation **thereby making profit from continuous changing price rates** when compared to each other.

Major Currencies

Symbol	Country	Currency	Nickname
USD	United States	Dollar	Buck
EUR	Euro zone members	Euro	Fiber
JPY	Japan	Yen	Yen
GBP	Great Britain	Pound	Cable
CHF	Switzerland	Franc	Swissy
CAD	Canada	Dollar	Loonie
AUD	Australia	Dollar	Aussie
NZD	New Zealand	Dollar	Kiwi

Minor Currencies

SYMBOL	COUNTRY	CURRENCY
BRL	Brazilian	Real
PLN	Polish	Zloty
SEK	Swedish	Krona
NOK	Norwegian	Krone

Exotic Currencies

SYMBOL	COUNTRY	CURRENCY
ZAR	South African	Rand
HUF	Hungarian	Forint
MXN	Mexican	Peso
TRY	Turkish	Lira

Types of Currency Pairs

Currencies are traded in pairs.

There are three (3) types of currency pairs namely:

1. Major pairs; EURUSD, USDJPY, GBPUSD...
2. Minor pairs; USDPLN, USDNOK, EURSEK...
3. Exotic pairs; USD/ZAR, EURTRY, USDHUF...

Benefits Of Trading Currencies

High Liquidity

The high liquidity in trading currency means that transactions can be completed quickly and easily, so the transaction costs – or spreads – are often very low. Due to a large number of buyers and sellers looking to make a trade and profit at any given time.



Cost of Trading

You need low a entry cost to start trading

No Market Control

The foreign exchange market is so huge and has so many participants that no single entity can control the market price for an extended period of time.

Profit Potential

The exchange market has no restrictions for directional trading. There's Profit Potential from Rising and Falling Prices

Commodities

Commodities are **basic goods** used in commerce; commodities are most often **used as inputs** in the production of other goods or services.

Commodities are classified into three groups: Metal, Energy, or an Agric produce.

Commodities - Metals

Metals are quite volatile as sentiment swings. Traders tend to flock to gold in times of economic hardship...

This is called a "flight to safety"

Most common metals traded



01

Gold



02

Silver



03

Palladium



04

Platinum

Most Traded Energies

The facts change and create opportunities for traders as the price adjusts.



Crude Oil - WTI



Crude Oil - Brent



Natural Gas

Commodities - Agric. Produce



Benefits of commodities trading

Diversification

Commodities can diversify a portfolio. So often, when bonds and stocks fall, commodities rise

Access to information

Commodity trading online is fast becoming more and more popular because traders now have access to well-researched information to help them make good judgment when investing in commodities.



High returns

Commodity markets are volatile. They can experience huge swings in prices. For example, a war in a major oil-producing country like Iraq can cause oil prices to shoot up. Smart investors can take advantage of these price swings to make gains.

Stocks & Indices

A **stock** is an **ownership share** in a corporation. Each of these shares denotes a part ownership as a shareholder or stockholder of that company.

Stocks are traded on exchanges all over the world, the largest is the New York Stock Exchange (NYSE).

Indices are also known as **Market Index**, which is a combined value generated by adding a group of selected stocks together and expressing their total value as a unit to represent an entire **Stock market capitalization**.

Example of Indices are:

US30, US100, UK50, DE30, FRA40...

Market Indices are essentially groupings of the top listed Equities on a particular Exchange/Market/Region and the average value is the market CAP of the grouping.

Example of Stocks are:

Google, Facebook, Yahoo, Apple etc.

Stocks and Equities are designed to raise operating capital for the issuer.



Stocks & Indices

Since Indices & Equities are traded on an exchange they have an opening and closing times for trading.

So Many Options, but what to trade??

Currencies

It's the most popular and most liquid market, no physical exchange so I can trade while other markets are closed..

Stocks & Equities

I use apple and google products everyday, surely that gives me an edge because I know they will always appreciate..



Commodities

I know about Economic events that affect oil price. I don't have to own oil block to make money trading oil...

Government Bonds

I trust my government 110%. They would never do anything I don't agree with....

Market Participants & Influencers

To trade successfully you need to know who is trading, what they are trading and the techniques they are using to spot opportunities in the market.

As well, you need to know what factor influence their decisions and the market.

Participants

Who is trading

Large central banks around the world, such as Barclays Bank in London, Wells Fargo in USA...

Organizations who use the markets to acquire items or offset risk e.g. Hedge funds, Investment firms...

Speculators e.g. Retail traders like you & I

Influencers

1

Political events and conflict around the developed nations

Key economic events such as interest rates, CPI's, PPI's, GDP, Inflations among others

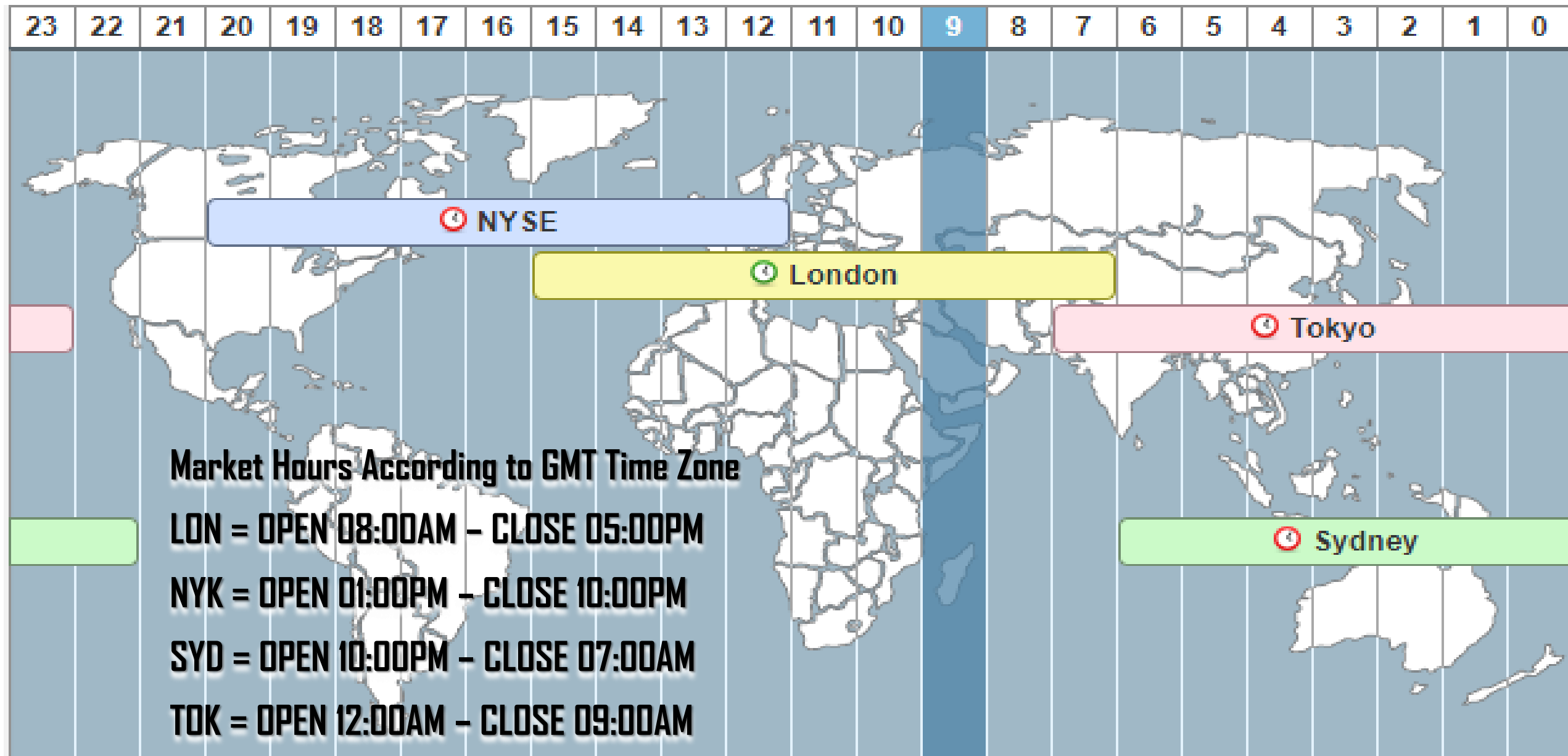
2

3

Key monetary policies and speeches by bank heads around the world.

Market Sessions





How to Trade?

How can I make money by trading price movements in this market?

Buy when you expect the price will go up.

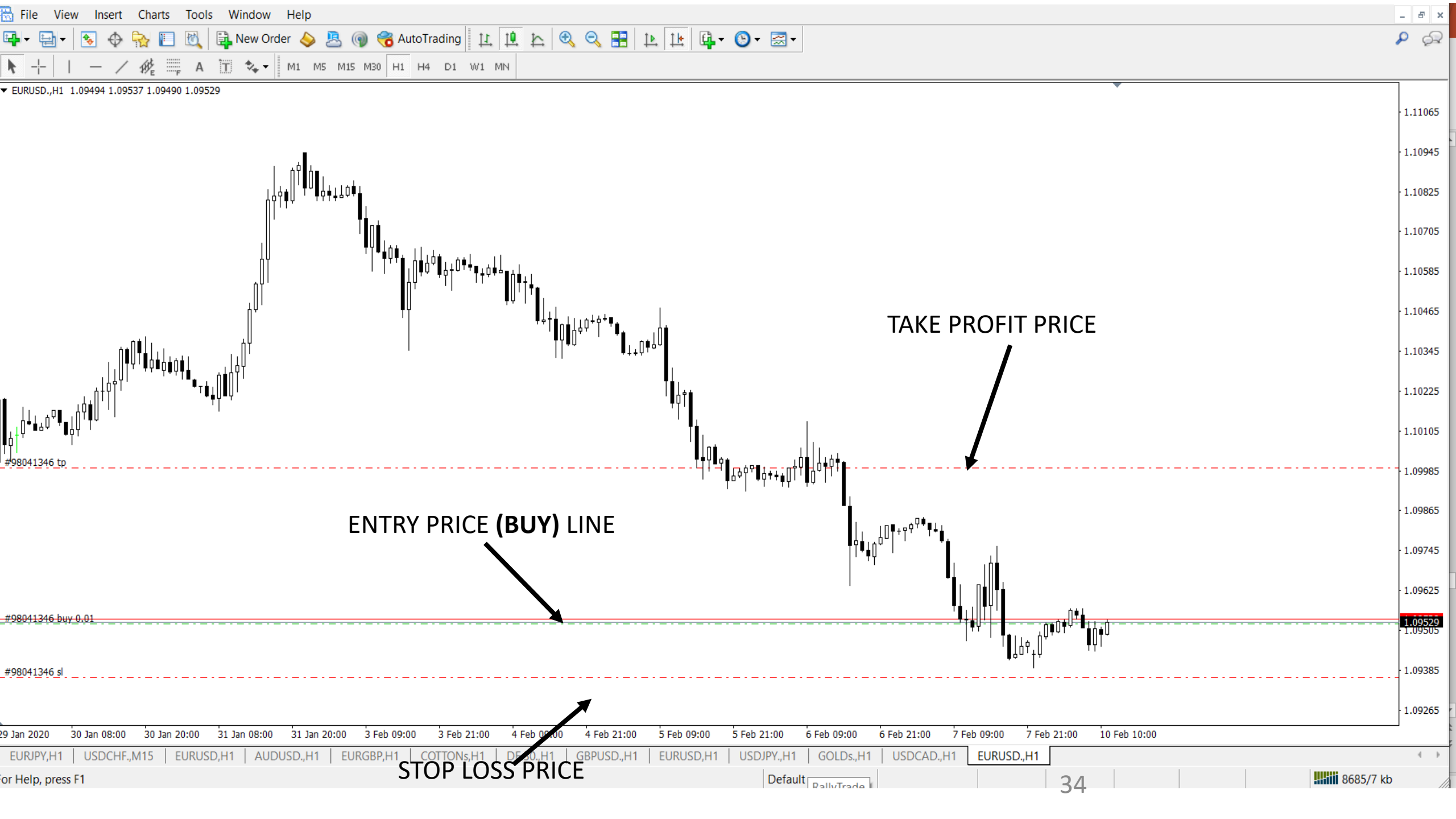
Sell when you expect the price will go down.

LONG = BUY



SHORT = SELL







Benefits of electronic trading...

Trading at home or from anywhere in the world

No Boss

No Employees

No office or inventory

No competition

Minimal investment and overheads

Unlimited profit potential

Immediate income

Part-time, full-time or 24 hours a day

Trade at your leisure

Summary

- Global Financial Market
- [Asset Classes](#)
- Market participants & Influencers
- Congratulations you have just laid the foundation of your foundations
- Now we can start building on **Trading terminologies** and **price analysis** to find opportunities in the market.
- We are here to help so ask us questions anytime: feedback@rally.trade



Questions?

