

Reading the market: charts, tools and instruments

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2.1 Charts and timeframes

The same EUR/USD price can look like three different markets depending on the timeframe you open. On a five-minute chart a move may look like a strong trend, on an hourly chart it may be a small pullback, and on a daily chart it may be almost invisible. This lesson shows how the timeframe you choose changes what you see, and why that choice decides the rest of your plan, including how many pips you are aiming for and what that is worth in pesos.

Five-minute chart (M5)	30 pips
One-hour chart (H1)	30 pips
Daily chart (D1)	30 pips
Value of 30 pips on one standard lot	₱17,100

2.2 Candles: what one candle tells you

One candle on a chart holds four numbers for one slice of time: the open, the high, the low and the close. Everything you can read from its shape comes from those four figures. When you know what each part means, you can look at a chart and see price behaviour rather than a coloured block.

Open	1.0850
High	1.0862
Low	1.0846
Close	1.0858

2.3 Trend, support and resistance

This lesson shows where price has turned before, and why those places matter. You will see how a level can be marked on a chart, and how a stop is placed when price touches it a fourth time. The example uses EUR/USD near 1.0850 and shows the money at risk in pesos.

Chart level	1.0850
Fourth touch	1.0850
Stop distance	20 pips
Position size	0.20 standard lots

2.4 Indicators: MA, RSI, MACD, Bollinger

This lesson shows what four common indicators — moving average, RSI, MACD and Bollinger Bands — actually calculate, so you can tell what each one can and cannot react to. On a EUR/USD chart near 1.0850, one pip on one standard lot is 10 units of the quote currency, which at that rate is about ₱10, so a 20-pip move is about ₱200. Every indicator here is arithmetic on past prices drawn as a line, and none of them knows anything about the future.

Price move	20 pips
Value on one standard lot	about ₱200
Moving average	lags by half its length
RSI	moves toward 70

2.5 Fibonacci levels

Fibonacci levels are a way of dividing one completed price move into fixed parts. On EUR/USD around 1.0850, the three lines most people watch sit at 38.2 per cent, 50 per cent and 61.8 per cent of that move. What they actually mark is where a large number of traders have placed the same lines, so price often pauses or turns near them. This lesson shows you how to draw the grid on a finished move and how to read it without guessing.

The move being measured	100 pips
38.2 per cent level	1.0862
50 per cent level	1.0850
61.8 per cent level	1.0838

2.6 Price action: trading without indicators

This lesson shows how to read a chart from its own structure, without adding a single indicator. You will learn to mark the highs and lows that price has already printed, see when price is stuck in a range, and spot the moment a range breaks. By the end you can find the same entry a moving-average signal would have given you, but earlier, because the chart itself told you first.

Range high	1.0870
Range low	1.0830
Range width	40 pips
Break level	1.0870

2.7 Smart money: order blocks, FVG, liquidity

This lesson is about three words you will see on chart videos: order block, fair value gap and liquidity. None of them is a signal. They are names for places where large orders are assumed to sit, and the assumption is the part worth understanding. You will also see what one pip costs on EUR/USD in pesos, so the vocabulary has a price attached.

Standard lot size	100,000 units
One pip in the quote currency	10 units
Conversion to pesos	₱580
Move of 20 pips	₱11,600

2.8 Gold (XAU/USD): how it differs from currencies

Gold (XAU/USD) is not a currency pair. Its contract size, its pip value and its daily range are all different from EUR/USD. That changes how much money is at risk on each trade. Here you work out the pip value of gold on a small position and compare the stop distance with EUR/USD, in pesos.

Contract size for gold	100 troy ounces per 1.00 lot
Your position	0.10 lots
One pip on gold	USD 0.01 move in the gold price
Value of one pip on 0.10 lots	USD 0.10

2.9 Crypto CFDs: bitcoin without a wallet

This lesson shows how a crypto CFD works: you trade the price of bitcoin without owning or storing any coin. You will see what a small position costs in peso margin, how a weekend move changes the result, and what the broker adds on top.

Position size	0.01 lots
Notional value	₱58,000
Margin required	₱5,800
Price move over the weekend	₱2,900

2.10 Index and share CFDs

An index CFD tracks a basket of companies, so one position moves with the whole market. A share CFD tracks one company, so one piece of news can move it alone. Both are priced in the currency of the underlying market, not in pesos, and both have trading hours and events that a currency pair such as EUR/USD does not have.

Index level shown on the chart	39,000 points
Price step of the CFD	1.0 index point
Value of one step per contract	₱56
Move in the example	20 steps

2.11 Scalping: why costs decide the outcome

This lesson is about the cost of a single pip and why it decides the outcome of scalping. On EUR/USD around 1.0850, one pip on one standard lot is 10 units of the quote currency, which is about ₱580 when converted at the current rate. If you aim for 3 pips per trade and the spread is 1.2 pips, the spread is most of your result, not a small detail.

Gross pips per trade	3.0 pips
Spread cost per trade	1.2 pips
Net pips per trade	1.8 pips
Net pips over 20 trades	36 pips

2.12 Day trading

Day trading means opening and closing a position inside one session, so the position is not held overnight. That matters because a trade closed before the daily cut-off avoids the swap charge that a broker applies to positions carried past it. On EUR/USD, one pip on one standard lot is 10 units of the quote currency, which is then converted into pesos at the current rate. This lesson walks through one full day: entry, holding, and closing before the night rollover.

Entry price	1.0850
Exit price	1.0870
Distance moved	20 pips
Pip value on one standard lot	10 units of the quote currency

2.13 Swing and position trading

This lesson shows how a trade held for several days shifts your main cost from the spread to the swap, which is the daily interest adjustment for keeping a position open overnight. On EUR/USD, one pip on one standard lot is 10 units of the quote currency, so at a rate of 1.0850 that pip is worth about ₱10.85. You will see a four-day trade where the swap takes a bite out of the profit.

Instrument and size	EUR/USD, 0.10 lots
Entry price	1.0850
Exit price after four days	1.0880
Gross profit	₱32.55

2.14 Sessions, news and the calendar

This lesson shows which hours a pair such as EUR/USD actually moves, and which scheduled releases can widen the spread enough to matter to a stop. We work in pesos, because the spread and the pip value are what decide whether a stop is hit by price or by cost.

Contract size, one standard lot	100,000 EUR
One pip in the quote currency	10 USD
Peso conversion	₱580
A 20-pip stop on one standard lot	₱11,600

2.15 A plan, a journal and a backtest

This lesson is about three written things: a plan, a journal and a backtest. A plan says what you will do before you open a chart. A journal says what you actually did. A backtest says what one fixed rule would have done in the past. None of them promises a profit. They only make your decisions visible on paper, in pesos, so you can see whether the rule is repeatable.

Trades recorded	50
Trades that gained	28
Trades that lost	22
Average gain per winning trade	12 pips

Trading forex and CFDs carries a high risk of losing money. Most retail accounts lose. Nothing here is a recommendation to trade or a forecast of any result. — LearnFX Editorial Desk