

# The Foreign Exchange Gambling Game (FOREX)

Evolved from Settlement of Trade to Speculative Tool

Volume exceeded 5 trillion USD per day, Second to Bond Market

Larger than all Stock Markets in the World Combined.

**Unregulated Forex Casinos** loan money to you to play (leverage 20 to 200)

Bet on pairs of currencies A and B (Banks and Fund Managers bet for you?)

**Will Currency A move higher than Currency B or vice versa?**

Usually one currency is the US Dollar.

**In many cases, the outcome is clearly on one side before you bet!**

e.g. Rich Arab States are not keeping USD and holding other Currencies.

# Should I bet on Currency A or Currency B?

## (6 month training on Judgement of Events)

- **International Events affect the exchange rate greatly.**
  - When Brazil had meat problems, did its exchange rate go down?
  - When Trump recognizes Jerusalem as Capital of Israel, will that upset the Rich Arab States? Will they hold RMB rather than USD?
  - If China announces its planned GDP growth rate will be 6.5% in 2018, would RMB be stable or appreciate?
  - When USA invaded Iraq, did the Iraqi currency go down?
  - When George Soros attacked Thailand in 1997, did the Thai Baht depreciate?
- **When there were no special news, fluctuation determined by the unregulated “Forex Casino Owners” or “Market Forces”!**
- The main factor is your judgement of events. (Trading techniques are reasonably standard and can be mastered with “education”)
  - Before you bet, guess the outcome from your judgement of Events!

# Points in favor of Personal Forex Gambling

- 24 hours, 6 days on-line trading. Gamble at the comfort of Home.
- Bet on a pair of currencies (Usually USD against another).
- World Events often give hint to direction of pair movement.
  - It is like dice gambling with the outcome hinted first!
  - Some are very obvious (e.g. US invaded Iraq and Iraqi currency depreciated.)
  - No need to bet or bet low if unsure. (Card Count not favorable!)
- Leverage from 20 to 200. Most On-Line Exchanges do not demand additional money as they just margin close your account.
- Governments want to restrict currency movement within a certain range. (Easier to guess top and bottom?) They are forced to gamble!
  - China lost 1 trillion USD from Aug 2015-Dec 2016, rule changes will come.

# Points Against Personal Forex Gambling

- Largely unregulated. Forex Brokerages/Firms can set their own rates.
- Forex Brokerages/Firms offer different leverages, different spreads, different interest rate charges and different rules.
- Many Cases of cheatings by the unregulated On-line Forex Firms – you may not get your profit or money back.
- Leverage and Margin automatically introduced. You need less margin when you guess right and need more when you guess wrong.
- You MUST put in more money if you guess wrong (or close position to take a loss or get Margin Call Closed. You cannot “hold” a losing position as in stock market.)
- Easy to get individuals **greedy and addicted** as a 1% GAIN magnified to 200%.
- Many Forex Firms tempt investors with tutorials from traders turning 200K to over 1m within a year. (Actually, over 95% of investors/gamblers are losers!)