

“Forex Trading for Maximum Profit”

By Raghee Horner

\$79.95, 204 pages, includes multimedia DVD

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Review By: Kiara Ashanti
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In recent years the Forex market has seen a spike in interest from the everyday investor, similar to the rise in interest for stock trading in the late 1990's. This is due in part to the deluge of infomercials selling Forex trading programs, as well as, the constant news about the weakening dollar. As is typical in circumstances like this, many people rush to their local Barnes and Nobles, or Borders bookstore to buy a book on the subject. Unlike stocks, futures, or options, however, there were no, good, practical books on the subject of trading the Forex market--that is until now. Raghee Horner's book, *Forex Trading for Maximum Profit*, is the answer for any newbie looking for a starting point in the Forex market.

Horner's book can be divided into three general sections, the first of which deals with explaining the basics on the Forex market. For the person new to the Forex market, these first 30 pages is the best part of the book. What little people do know about the currency markets, leads them to believe they are complicated and risky. Horner dispels that notion with clear language that demystifies the market enough for most people to feel comfortable exploring the market further.

The second general section of the book delves into subjects one would expect to find in most books about trading, namely descriptions of various technical indicators one can use for trading. Horner is to be applauded for shying away from writing a laundry list of different technical indicators available to use for trading. She instead focuses on explaining just the ones she uses herself. If Fibonacci analysis, trend lines, or the CCI has ever made your eyes cross, Horner's explanations should do a decent job of uncrossing them, and leave you with a feeling that they are not as complicated as you once thought. However, there is not enough there to teach you how to use these indicators. To be fair, though, there is no book out there on the market that can do that either.

The third and largest section, deals with Horner's approach and mind-set to trading. Horner covers all her bases, from stop losses, building a trade, how a trade can go astray; she even reviews how to place trades in a Forex brokerage account. While these are basics that many trading books go into, few do as good a job at framing this information from a personal point of view.

After reading the rest of this book, you get a true sense of the thinking of Horner as if you are in her head, as she goes through her trading day; making trading decisions. Because how you approach the market mentally is often more important than your method, this section is invaluable to the neophyte and experienced trader alike.

One of her more interesting chapters deals with the differences between scalping, swing, momentum, and position trading. Its Horner's premise that the difference between them have nothing to do with how long you are going to be in the trade; believing instead that how you enter the trade is what determines the type of trade you're doing. This is different from prevailing wisdom in the trading marketplace. Unfortunately, Horner does not expound on this premise enough. She explains just enough for you to understand the direction she is coming from, but practical examples would have helped further her explanation on this point.

A bonus that comes with the book is a multimedia DVD that has video of the technical indicators that Horner uses. This bonus is useful since the chart examples in the book itself are a bit small. You will get a better sense of what these indicators look like, and the commentary from Horner gives you a better understanding how she uses them. If you're hoping that there's enough information on the DVD to teach you how use these tools, you'll need to look elsewhere. The DVD is more of a window in what she does, but is not enough adequate be used as a teaching tool.

All in all, "*Forex Trading for Maximum Profit*," is not only a good book, but also just what the Forex market needed, in terms of having a mainstream reference point for people to begin their investigation into the Forex marketplace. The writing is clear, concise, and easy to understand. You never get the feeling that you're in a college professor's lecture hall. Instead, it's like you're talking to a regular person. This will help you get more out of the book, as you're more likely to understand the principles and remember them. Of course, Horner's book is just a starting point. You'll need to get further training if you wish to pursue Forex trading, but at least you're starting from an excellent jumping off point

Kiara Ashanti's

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"Forex Trading For Maximum Profit"

Review By:

Peter McKenna

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Are you afraid that you are missing the action in the hottest investment opportunity available today... the FX market... because you don't understand how it works? I have discovered an easy solution to this problem. There is a new book on this topic that takes the mystery out of Forex trading once and for all. It's called "*Forex Trading for Maximum Profit, The Best Kept Secret on Wall Street*."

The author is Raghee Horner, who needs little introduction to those of you already familiar with legendary traders who have established a strong trading record over many years. She is a pro, who trades the FX herself and spends a great deal of time teaching, lecturing and writing about FX. This experience has given her the gift of clarity and clear explanation, which is not easy in the often confusing FX market. Her love of this vital market is clear from the first page.

Horner starts at the beginning rather than assuming the reader already understands the basics of FX trading. I was hooked on the book when she explained what PIP stands for (price interest point), one of the small issues many writers assume you already know and thus overlook. But not Raghee Horner.

FX, for those of you who not familiar with this market, stands for foreign exchange market, or Forex. What exactly is the FX market and how can you profit from using it? Let's say you get off the plane at Heathrow Airport in Great Britain. You're on holiday. Before you can start enjoying yourself, you have to deal with a thorny issue. Let's say you have \$1,500 in your wallet. You need to know how many English pounds, or Euros, you can get for your money. Can you get an equivalent amount? Is the dollar worth more than the pound or Euro, or is it worth less?

What you are dealing with, of course, is the exchange rate. And it is this same exchange rate for several different currencies that FX traders use to make their profits. As Horner explains, currencies in the FX market are linked in pairs. Think of the dollar and the euro, for example, as being joined at the hip. They are a pair. If the value of the dollar goes up, the value of the euro will go down.

Here's an example. Let's say it's a Friday morning and the quarterly Gross Domestic Product (GDP) report comes out. It's a stunner. The GDP report is much worse than expected. It comes in a full half percentage point less than expected. This means the U.S. economy is not growing as fast as was thought, a setback for the dollar. The value of the dollar will decline, and conversely, because they are a pair, the value of the euro will go up. FX traders will buy the euro. For every PIP the dollar falls, traders will make a profit. When there are no economic or news events for FX traders to use as a guide, they turn to technical analysis to give them a reading of the FX market.

The real strength of this nicely illustrated book is Horner's explanation of the many tools of technical analysis she uses to enter and exit FX trades. For example, she covers trendlines completely, showing the reader how to draw them on their computer screens and use them to predict periods of support and resistance.

Here is how Horner begins her explanation of trend lines: "Grab a ruler and connect at least two swing lows or swing highs on your chart, and you have a trend line." She also excels in her teaching about the use of the all-important Fibonacci indicator, a technical indicator that shows the mathematical tendency of trends to find support at certain retracement levels of the previous major move up or down.

Many sophisticated traders are turning to FX today. The stock market has been a minefield of risk. Days when the market moves up or down all day, without a reversal, are becoming rare. The FX market is highly liquid and it is open round the clock.

If you want to get on the FX bandwagon, the best first stop you could make would be to pick up Homer's book.

Peter McKenna
Investor's Business Daily