

College of Business Book Review by William Perry

Title: "Getting Started in Currency Trading"

Author: Michael D. Archer and Jim L. Bickford

Publisher: John Wiley & Sons

Length: 191 pages

Price: \$25.99

Reading time: 20 hours

Reading rating: 6 (1 = very difficult; 10 = very easy)

Overall rating: 3.8 (1 = average; 4 = outstanding)

"Getting Started in Currency Trading" is an excellent introductory book that reports on the basics of FOREX.

The Foreign Exchange Market (FOREX) is the largest financial market in the world. More than 1.95 trillion dollars trade daily. What makes the market so unique is that the FOREX is without a physical location and operates electronically.

Corporations, banks, and individuals meet in an electronic market place and pursue their trading strategies using computers and software. According to the authors, the FOREX market has only become accessible for individuals in the last decade.

"Getting Started in Currency Trading" has a copyright date of 2005. The authors do a good job in explaining the FOREX and its history. However, the writers quickly get down to the essentials.

The book includes an excellent introduction to the terms that are typically used in foreign currency trading. FOREX specific terms from "currency pairs" to "bid/ask spreads" are explained in easy to understand language.

The authors also cover the steps in opening an online trading account and the different types of orders that can be placed. The reader is "walked through" the process of manually calculating profit, loss, cost of the trade and currency conversions. However, the novice is gently reminded that most brokers have electronic trading platforms that can perform the math automatically.

Indeed, one of the strengths of the book is the many "screen shots" or illustrations from software trading platforms that are included. A person reading this book is reassured that somewhere on the pull-down menu bar of the trading software being used is the option for which you are searching.

The authors explain the difference between technical and fundamental analysis as it relates to the currency market. Full chapters are devoted to trading tactics and record keeping.

A section is also included on advanced topics and there is a powerful series of appendices. The glossary and other resource sections are extremely helpful. Websites, portals, discussion groups and electronic forums that are recommended by the authors are included.

The authors even recommend that you utilize brokers that will allow you to trade online with paper trades first. Advice and counsel on how to select a good broker is offered.

The reviewer spent some time searching and reading books on FOREX. “Getting Started in Currency Trading” is, by far, the best introductory book that was identified. You don’t have to be an expert in foreign exchange to understand this book. You’ll do well as a novice.

The exciting thing about “Getting Started in Currency Trading” is its central message: if you have money to invest in the FOREX all you need is the computer and electronic trading software to you begin your journey.

William Perry is a Professor of Business Computer Information Systems Department in the College of Business at Western Carolina University. His main research interests include information systems security. For previously reviewed books visit our web site at [www.wcu.edu/cob/](http://www.wcu.edu/cob/).