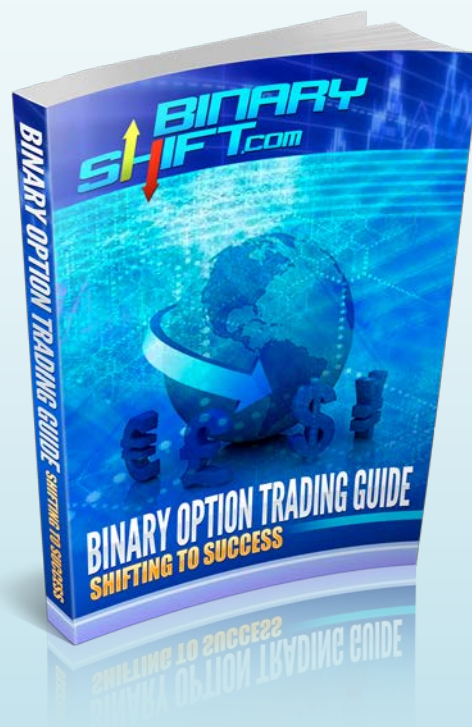




BINARY OPTION TRADING GUIDE

SHIFTING TO SUCCESS

TABLE OF CONTENTS

1. Introduction / What is Binary Options
2. Getting Started with Binary Options
3. Finding the Right Broker
4. Binary Option Trading Strategies & Tips
5. FAQ – Frequently Asked Questions
6. Disclaimer



WHAT'S A BINARY OPTION?

A binary option, also known as a digital option or an all-or-nothing option, is one where the trader has two positions to decide between: will the value of an asset go up or will it go down over a set period of time. Depending on whether the trader is correct or not, the payout is a predetermined price (60%-87%) or nothing.

Binary option trading typically has a shorter term than traditional investing, sometimes as quick as just 60 seconds or an hour, allowing for repeated trades and successes. Furthermore it enables investors to take advantage of both bull (upwards) and bear (downwards) market trends.

"I'm not good at math, I'll never be able to understand binary"



We hear this all the time and to be honest with you, many binary traders are not math gurus! You don't need any rocket science skills to solve binary you'll be surprised how easy it will be.

For example, if a trader assumes a position that the value of gold will increase in a given period of time, and is correct, s/he wins a fixed payout. If the value of gold drops however, the trader loses the entire amount of the investment. All you have to do is predict correctly if it's going **up** or **down**. That's all.

It's very simple for new traders to learn and lots of fun once you get comfortable picking your stocks, expiration times and direction. Traders typically work from the comfort of their own homes and manage portfolios with several different assets. While each asset is different, this range of assets gives binary option traders the ability to play many assets at one time and to make the most of every trade and market — the best way to make easy money with binary option.

GETTING STARTED WITH BINARY OPTIONS

Before you start understand the trading.

There are a few binary options trade, the direction expiration time and the trading



trading you need to terminology of options

basic considerations to trading: the asset to of the price at the option relative to current price, value.

There are two kinds of trading options. **CALL and PUT.**

A **CALL** option is when you believe that an asset, within the expiry time will close higher than the strike price.

A **PUT** option is when you believe that an asset, within the expiry time will close below the strike price.

A **STRIKE** price is the present value of the asset at the time of executing a trade. For example, when you click on the EUR/USD asset the present strike price would be 1.4108. 30 minutes later when you want to execute a trade, the strike price would be 1.4128

Asset: The underlying instrument used to determine a contract; generally a commodity, stock, currency pair, or index.

Choose an asset to trade and the expiry time for the transaction. If we believe the price of the asset will close ABOVE current price at expiry, we want to buy a CALL option. If we believe the price of the asset will close BELOW the current price at expiry, we want to buy a PUT option. So, there are only two possible outcomes: the option expires in-the-money and the owner receives the value of the successful contract; or the option expires out-of-the-money and the owner receives nothing, taking the loss of the price paid.

Binary options trading is not only one of the simplest trading methods to understand and the quickest to generate a return, it's also straightforward to get started.

FINDING THE RIGHT BROKER

The first thing you need to do is find a binary options broker. With the increasing popularity of this method of trading, there are several brokers available and you can obtain reviews here: <http://www.BinaryShift.com/BinaryBrokers>

Once you've found a suitable broker, you need to set up an account. This is usually just a simple process of registering your details and making a deposit. A deposit is often as low as \$100 or the equivalent in another currency.

A good tip when looking for a broker is to choose a broker that doesn't have a minimum withdrawal amount of assets. If you withdraw your money just once per month it will be very easy for you to optimize paying commission fees and be sure to know which time zone your broker and the company you are buying from are in. Always adjust yourself to the time zones and trading hours on different markets so you don't miss the closing time and lose profits because of that.

Carefully choose a broker for yourself. Make sure that you get one that gives you a clear business plan, without promises that can't be easily fulfilled. Visit the link above to read reviews and more.



BINARY OPTIONS TRADING STRATEGIES & TIPS



There are no big secrets to binary options, of course. The whole system is quite simple and transparent but still there are some tips and strategies that pros use.

Close to Expiry:

This is a trading strategy where the trader places a trade when it is close to expiry. Usually, binary options contracts open 1 hour before expiry time and times even more. Traders can monitor an asset closely and place their trades 15 minutes or even less before the expiry time.

Read the News:



In addition, some of the best binary option players are able to make easy money by just reading the news. When companies make announcements about new technology their stocks usually shoot up. For example in the morning you go online and start reading the financial news. You see that Apple has a new iPad/iPhone coming out and they are going to announce the details of the new product at 3 pm that day. Since there is much anticipation about what Apple is going to say, you can go online and read reviews from experts about what Apple might be releasing.

Knowing that information, would be a great indicator to log into your binary options account and schedule a binary option trade for right as the information is going live — that way you'll be able to catch the upswing of the asset and make a high return, simply from reading the news.

Another sample:

In the morning at 10am a trader reads the morning news and sees that the price of oil, trading at 100 USD per barrel, will fall below the 100 USD per barrel by 2pm due to low consumption by certain industries.

The trader logs into their binary options account and examines the payout percentage for the put option on oil with the 2pm expiration and a strike of 100 USD.



The trader finds that the payout will be 170% of their investment if the option expires in-the-money, and will lose 80% of their investment if the option expires out-of-the-money.

Confident on the analysis of oil, the trader decides to invest 500 USD in the put option. When expiration occurs at 2pm, oil is trading at 80.25 USD, so the option expires in-the-money. The trader receives a return of 170%, or 850 USD, on her 500 USD investment.

Test Demos for Strategies



Most binary option trading platforms offer a 'demo' mode where investors can make investments with virtual money. Although many people see this solely as a way to begin their involvement with binary options, it can actually be a great tool for trying out a new binary option strategy without any risk. By making predictions using a new methodology, and purchasing imaginary contracts, one can see whether the binary option strategy works, or where it can be refined, before investing with real money.

Bonuses are Not always good: There is no investment reason to choose a binary option that offers a partial refund on options that finish out-of-the-money. This is just a marketing gimmick. Anyone willing to sell for \$100, an option that will be worth \$15 if it loses or \$170 if it wins, should also be willing to sell for \$85, an option that is worth \$155 if it wins and just let you keep the \$15 that they'd owe you either way.

Use Colors: Make use of the colors for trading floor levels. With these you can see how the assets are trending. If the color is red that means that the value has dropped from the previous day (after closing) and if it is green then it has risen.

The Reversal: This is based on the concept that if the value of an asset moves in one direction, it is unlikely to remain there and will soon move back towards its original position. An investor should therefore buy a Call option if the price has just fallen or a Put option if the price has just risen.



Knowing Your Assets: One of the most important things to remember as you begin to trade binary options is to know your asset. The more familiar you are with the ebbs and flows of the asset that you've selected and the more intuned you are to it, the more accurate your predictions will be.

If you are quite familiar with how gold changes value in the market, for instance, then it would better if you focus your attention on gold; if, however, you know oil barrel prices well and the factors that influence their price, then this would be the area in which to focus. All of this will help investors to get off to the proper start and to have a firm base from which to trade binary options. It's also, certainly, much easier to make a prediction about what will happen with an asset when you understand the fluctuations that the asset general makes.

Understanding candlestick charts: You can maximize your profits by fully understanding how to analyze binary options chart. It is easy enough to do – no need to be an expert or seasoned veteran. You can use these charts to help you with your binary options trading after just a little study.



A candlestick chart shows the opening and closing prices for a session, plus the high, low, and range. A group of candlesticks placed together in a single chart can show you not only individual sessions of trading, but also how those sessions interrelate to each other. There are many different patterns that traders use to help predict future price changes, but the main idea is that trading is a beast that is controlled by human psychology. When patterns appear, traders will react in a certain way, thus making candlestick charts an overall accurate method at predicting future prices.

Keep a look out for the colors at the various levels, and you will be able to make out the relative trading direction as compared to the closing on the previous day. Red mean the asset closes lower than it opens, while green signifies a higher movement. By learning the patterns you can use candlestick charts to effectively predict where prices will go, on any level of trading. These charts can be used for any asset and any timeframe.

Trade with the Trend: Always follow the prevailing trend when trading short term binary options. Bucking the trend is a too dangerous for something like a 60 second option when the momentum is already headed in a particular direction. The odds of a reversal are just not good enough to warrant going against the ongoing price trend.



Doubling your trades: One of the most popular binary options trading strategies for advanced traders is doubling your trades. Let's say that you purchased a \$100 Put option of Dow Jones at 10,033. If the trade is going in your favor and trading below this level, then purchasing another Put option may be an attractive binary option trading strategy to adopt. The benefit of this is that you can make very high profit on your initial

Learn from your mistakes: If you make mistakes – use them to learn. There are always things that happen to even the most experienced brokers that will lead to some losses. However, these can be a great way for you to see where were the mistakes so that you don't make them again.



Know when to get out of a position: The riskiest time for a trader is in the beginning of their trading career. This is because your account balance is low and you are at your lowest level of trading experience. In the beginning, be very conservative and sure with the trades that you're willing to take. Never risk more than 5% of your capital/balance.

There may be a bad day where you will make several losing trades, that is why it is important to follow up with this strict rule of investment:

- If you have \$200 in your account, each open position should be \$10 tops
- If you have \$500 in your account, each open position should be \$25 tops
- If you have \$1,000 in your account, each open position should be \$50 tops
- If you have \$2,000 in your account, each open position should be \$100 tops
- If you have \$5,000 in your account, each open position should be \$250 tops

There are plenty of opportunities with the number trades per day and currency pairs, don't lose money by feeling that you NEED to take every trade. Another one will be around shortly!

FAQ – FREQUENTLY ASKED QUESTIONS

Here are the most common questions asked.

Q: What returns can I get when trading Binary Options?

A: Depending on the broker you can expect returns of up to 60-80%.

Q: What strategies can be used to trade Binary Options?

A: Binary options trading lends itself to a wide range of strategies used in Options and other forms of trading. In general traders will use a combination of these strategies above and methods of analysis to identify trading opportunities.

Q: What Assets Can I Purchase Options For?

A: There are a wide range of major stocks, commodities, currency pairings, and indices that you can trade online using binary option brokers.

Q: What is a Call Option?

A: A call option takes the position that the asset price at the expiry time will be higher than it was at the time of purchase.

Q: What is a Put Option?

A: A put option takes the position that the asset price at the expiry time will be lower than it was at the time of purchase.



Q: What Do the Red and Green Colors Indicate?

A: Red and green are used by many option brokers to give an immediate visual representation of how an underlying asset is performing. The color green indicates that an asset is higher than it was at purchase, or a Call option. The color red indicates that an asset is lower than it was at purchase, or a Put option.

Q: What Currencies Can I Use to Make a Deposit?

A: Depending on the binary option broker you choose, you may make deposits in US Dollars, Euros, or Pounds Sterling.

Q: What is a Demo Account?

A: A demo account offers a unique chance to experience binary trading before you invest actual money. With a demo account you can interact with a fully-functional version of our platform, using play money. These funds can be invested just as they would be with real money, using actual real-time underlying assets. However, losses and gains are strictly imaginary, and no actual loss is experienced, nor any gains made. Your demo account will give you the chance to see if binary options are a good fit for you, and let you learn the basics before actually investing.



Q: Do I Need Special Software to Trade?

A: Most binary option brokers run their binary options platform entirely via your internet browser, so you do not require any special software. That is why is best to use a trading platform on the web. That way there won't be the need to download software all the time wherever you go, no boring updates or such things as you will have access wherever you go.

Q: What is the Minimum Amount of Investment per Trade or Option?

A: The minimum investment amount varies between different brokers, however, for a single option it is typically \$10 USD.

Q: Am I Taxed on My Payouts?

A: Most binary option brokers do not withhold taxes from your payouts. You may, however, have a tax burden on your earnings. Check your local and national tax regulations to see if you are required to claim your earnings.

Q: Why Binary Options

A:

- It isn't overly complicated like Forex or Futures Trading
- Doesn't need a ridiculous amount of capital to get started like Stock Trading
- It doesn't make use of complex options strategies like "straddles" and other such schemes
- There's no software to pay for and then spend endless hours to learn
- You can trade whenever you want in the day (even at night!)
- You decide how much money you want to make



CONCLUSION

The goal is to never risk more than 10% of your account balance. Slowly build your account to the point where you can begin to withdraw a set amount each month as an income, while leaving a balance in which to continue trading. Always do your research effectively, so that you are best prepared to determine where your price will end up, thus handing you your trade indication. No system is fool-proof, so try to win more often than not. It takes two winning trades to make up for one loss—this can be very hazardous in the beginning with a low account balance.

You should use a demo account for a few days before you place real money on the market, and NEVER risk money that you can't afford to lose.



DISCLAIMER:

Trading binary options involves risk and may not be suitable for everyone. Only speculate with money you can afford to lose. The information on this ebook and site does not take into account your objectives, financial situation or needs. Therefore, you should consider the information in light of your objectives, financial situation or needs before making any decision about whether to acquire the binary options, which are derivatives.

The content of this report is for educational purposes only. The information here is not intended to be nor should it be misconstrued to be business advice or legal advice. For legal advice you should seek the counsel of a legal professional.

No liability is accepted by the author for any damage caused or claimed to be caused from the information in this report. By reading past this point you are accepting these terms and conditions.

This product is for your personal use only. It does **not** come with resale rights or private label rights of any kind. It cannot be offered as a bonus, given away, added to membership sites or product bundles. It cannot be copied or distributed in its entirety or in parts. In addition, the information contained in this report may not be used elsewhere without written permission from its author.

