MONEY DOOR GOLD SHELF

Trader's Glossary

150 trading words in plain English, with gold examples

Free learning guide

Inside: 150 terms from A to Z, the 20 to learn first,
and simple gold (XAUUSD) examples.

For complete beginners | Simple English

www.moneydoorfxacademy.com

Education only. Not investment advice. Practise on a demo account.

WELCOME

What is inside

Keep this glossary next to your demo platform. Whenever a lesson, a chart or a news headline uses a word you do not know, look it up here. Each meaning is short and written for complete beginners.

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How to use this guide

Start with the 20 words on the next page, then read one letter a day. Example prices are made up for learning and are not forecasts. Conventions can differ between brokers, so always check your own platform's contract specification.

START HERE

How to use this glossary

Trading has its own language. This glossary explains **150 words** you will meet on charts, platforms, news websites and in our lessons, in plain English. Where it helps, a **gold example** shows the idea on XAUUSD. All prices in examples are made up for learning.

Learn these 20 first

Chart basics	Trade basics	Risk basics	Market basics
Candlestick	Bid price / Ask price	Stop-loss (SL)	Session
Timeframe	Spread	Risk per trade	Economic calendar
Support / Resistance	Lot	Position size	Fed (Federal Reserve)
Trend	Market order	Margin / Leverage	US Dollar Index (DXY)
Wick (shadow)	Pending order	Drawdown	Demo account

Three small habits

- When you meet a new word in a lesson or on a news site, look it up here and say it in your own words.
- Find each word on your demo platform. Words like spread, margin and swap are easier to remember once you have seen them on screen.
- Watch for words that mean the same thing (for example 'liquidity sweep' and 'stop hunt') and words that different people use differently (for example 'pip' in gold). When in doubt, measure gold moves in dollars.

Remember

A word in this glossary describes an idea. It is never a signal to buy or sell. Practise every idea on a demo account first.

A TO Z

Trader's glossary: 150 terms

A	
Account balance	The money in your trading account, not counting trades that are still open.
Analysis paralysis	Studying so many indicators and opinions that you can no longer decide anything. Keep your checklist short.
Ask price	The price at which you can buy. **Gold example:** bid 3,000.00 / ask 3,000.25, a buy opens at 3,000.25.
ATR (Average True Range)	An indicator showing the average size of recent candles. **Gold example:** H1 ATR of $8 means an hour's range has averaged about $8.
B	
Backtest	Testing a set of rules on past price data to see how they would have behaved. Past behaviour does not promise future results.
Base currency	The first currency (or asset) in a pair. In XAU/USD the base is one troy ounce of gold.
Bear / bearish	Someone who expects prices to fall / a view or candle that points down.
Bear market	A long period of falling prices, often described as a fall of 20% or more from a high.
Bid price	The price at which you can sell. Most MT5 charts are drawn from the bid.
Breakeven	Moving your stop-loss to your entry price so the trade can no longer lose (except for costs or slippage).
Breakout	Price pushing through a level that held before. **Gold example:** price closes above a resistance at 3,050 that held three times.
Broker	The company that gives you access to the market and a trading platform.
Bull / bullish	Someone who expects prices to rise / a view or candle that points up.
Bull market	A long period of rising prices.
Buy limit	A pending order to buy below the current price, waiting for a dip.
Buy stop	A pending order to buy above the current price, waiting for price to break higher.
C	
Candlestick	A chart bar showing open, high, low and close for one time period.
Central bank	A country's main monetary authority, such as the US Federal Reserve or the Reserve Bank of India. It sets key interest rates.
Chart pattern	A repeating shape on a chart, such as a double top or a triangle. A clue, not an instruction.
Close price	The last price of a candle's time period. The most important of the four candle prices.
Commission	A fixed fee per lot charged by some account types, on top of a small spread.
Consolidation	A quiet period where price moves sideways in a narrow range. Also called a range.
Contract specification	The broker's rules for a symbol: lot size, digits, trading hours, swaps and margin. Check it for XAUUSD on your platform.
Correlation	How two markets tend to move together (positive) or in opposite directions (negative). Gold and the US dollar are often negatively correlated.
CPI (Consumer Price Index)	A monthly measure of inflation in consumer prices. US CPI releases often move gold sharply.
Cross pair	A currency pair without the US dollar, such as EUR/GBP. Also called a minor.

Currency pair	Two currencies (or an asset and a currency) quoted against each other, such as EUR/USD or XAU/USD.

D

Daily candle (D1)	One candle per trading day. On many brokers it closes about 3:30 am IST in winter and 2:30 am IST in summer.
Day trading	Opening and closing trades within the same day, without holding overnight.
Demo account	A practice account with play money and real prices. The right place to learn every idea in this glossary.
Divergence	When price and an indicator disagree, for example price makes a higher high but RSI makes a lower high.
Doji	A candle where open and close are almost equal: a sign of indecision.
Double top / double bottom	Price fails twice at about the same high (top) or holds twice at about the same low (bottom).
Dovish	A central bank leaning towards lower interest rates. Often supportive for gold.
Downtrend	A series of lower highs and lower lows.
Drawdown	The fall in an account from its highest point. **Gold example:** an account goes from $1,000 to $900, a 10% drawdown.

E

Economic calendar	A schedule of upcoming data releases and central bank events, with times and expected impact.
EMA (Exponential Moving Average)	A moving average that gives more weight to recent prices, so it reacts faster than a simple average.
Entry	The price at which a trade is opened.
Equity	Balance plus or minus the profit or loss of open trades right now.
Exotic pair	A major currency against a currency of a smaller or emerging economy, such as USD/TRY. Usually wider spreads.
Expiry	A time after which a pending order is cancelled automatically, if you set one.

F

Fakeout	A breakout that quickly fails and reverses. Common in gold around news.
Fed (Federal Reserve)	The central bank of the United States. Its rate decisions are among the biggest events for gold.
Fibonacci retracement	Lines at 23.6%, 38.2%, 50%, 61.8% and 78.6% of a move, used to mark possible pullback areas.
Fill	When your order is actually executed at a price.
FOMC	Federal Open Market Committee: the Fed group that sets US interest rates, meeting eight times a year.
Free margin	Equity minus used margin: what is left for new trades or to absorb losses.
Fundamental analysis	Studying the economy and news (rates, inflation, jobs, central banks) to understand why prices move.

G

Gap	A jump between one candle's close and the next one's open, often after the weekend.
GDP (Gross Domestic Product)	The total value of goods and services an economy produces. A broad report card of growth.

H	
Haven asset	Something investors buy when they are worried, such as gold or the US dollar. Its behaviour can change from one crisis to another.
Hawkish	A central bank leaning towards higher interest rates to fight inflation. Often a headwind for gold.
Hedging	Taking a position to reduce the risk of another one. Companies hedge currency risk; it is not a trick to avoid losses.
High (of a candle)	The highest price reached during the candle's time period.
Higher high / higher low	The building blocks of an uptrend: each peak and each dip is above the one before.
I	
Indicator	A calculation drawn on a chart from price (and sometimes volume), such as RSI or a moving average.
Inflation	The general rise in prices over time, so money buys less.
Inside bar	A candle whose high and low both stay inside the previous candle's range.
Interest rate	The price of borrowing money, set at the short end by central banks.
Intraday	Within a single trading day.
J	
Journal (trading journal)	Your written record of every trade: reason, entry, stop, target, result and lesson.
L	
Leverage	Borrowed buying power. **Gold example:** at 1:100, a $3,000 position locks $30 of margin. It does not change profit or loss per dollar moved.
Limit order	A pending order to buy lower or sell higher than the current price.
Liquidity	How easily you can trade without moving the price. Highest in the London and New York sessions.
Liquidity sweep	A quick move beyond an obvious high or low that triggers stop orders, then reverses.
London session	Europe's main trading hours, about 1:30 pm to 10:30 pm IST in winter (12:30 pm to 9:30 pm in summer).
Long	A buy position: it gains if price rises.
Lot	The standard trade size. For XAUUSD on most brokers, 1.00 lot = 100 ounces, 0.10 lot = 10 ounces, 0.01 lot = 1 ounce.
Low (of a candle)	The lowest price reached during the candle's time period.
Lower high / lower low	The building blocks of a downtrend: each peak and each dip is below the one before.
M	
MACD	An indicator built from two moving averages, used to judge momentum and trend changes.
Major pair	The US dollar against another big currency, such as EUR/USD or USD/JPY. The most liquid pairs.
Margin	The money the broker locks from your account while a leveraged trade is open.
Margin call	A warning when your margin level falls to the broker's set level.
Margin level	Equity divided by used margin, times 100%. A falling margin level is a danger sign.
Market maker	A firm that constantly quotes buy and sell prices and earns the spread.
Market order	An order to buy or sell immediately at the best available price.

Market structure	The pattern of highs and lows that shows whether price is trending up, down or sideways.
Momentum	How strongly and quickly price is moving in one direction.
Moving average (MA)	The average price over a set number of candles, drawn as a line. **Gold example:** the 50-period MA on H1.
MT4 / MT5	MetaTrader 4 and 5: popular trading platforms. MT5 is the newer one and is widely used for XAUUSD.

N

New York session	The US trading hours, about 6:30 pm to 3:30 am IST in winter (5:30 pm to 2:30 am in summer).
NFP (Non-Farm Payrolls)	The monthly US jobs report, usually the first Friday of the month at 7:00 pm IST in winter. Gold often moves sharply.

O

Open price	The first price of a candle's time period.
Overbought / oversold	Indicator readings (for example RSI above 70 / below 30) that suggest a stretched move. Not a reason on their own to trade.
Overtrading	Taking too many trades, often from boredom or to win back losses. A common account-killer.

P

Partial close	Closing part of a position and leaving the rest open.
Pending order	An order that waits until price reaches a level you choose: buy limit, sell limit, buy stop, sell stop.
Pin bar	A candle with one long wick and a small body: a sharp rejection of a price area.
Pip	A unit for measuring price moves. In this academy's convention for XAUUSD, 1 pip = $0.01, so a $1 move is 100 pips. Others use different conventions, so think in dollars.
Pip value	How much money one pip is worth for your trade size. **Gold example:** at 1.00 lot, $0.01 = $1.
Pivot points	Levels calculated from the previous day's high, low and close, used as possible reaction areas.
Point	The smallest price step a platform shows for a symbol. Check how many digits your broker shows for gold.
Position	A trade that is open right now.
Position size	How big your trade is (in lots), worked out from your risk and stop distance.
Price action	Reading the chart's raw price movement (candles, levels, structure) without relying mainly on indicators.
Pullback	A short move against the main trend before the trend continues.

Q

Quote currency	The second currency in a pair: the money the price is written in. In XAU/USD it is the US dollar.

R

Range	A sideways market between a clear high and a clear low.
Rate decision	A central bank's announcement of its key interest rate.
RBI (Reserve Bank of India)	India's central bank. Its policy rate is the repo rate; its inflation target is 4% CPI within 2% to 6%.

Real interest rate	The interest rate minus inflation. Rising real rates have often been a headwind for gold.
Rejection	Price trying a level and being pushed back, often shown by a long wick.
Resistance	A price area where rises have tended to stop. **Gold example:** three highs near 3,050.
Retest	Price coming back to a level it just broke, to test it from the other side.
Reversal	A change in the direction of the trend.
Risk management	The rules that limit how much you can lose: position size, stop-loss, daily loss limit.
Risk per trade	The amount you accept losing if your stop-loss is hit, often written as a % of the account. Many professionals use about 1% to 2%.
Risk-on / risk-off	Market mood: investors feeling brave and buying riskier assets / feeling nervous and seeking havens.
Risk-to-reward ratio	Distance to target compared with distance to stop. **Gold example:** stop $4 away, target $8 away is 1:2.
Rollover	The broker's daily change of trading day, when swaps are applied. About 3:30 am IST in winter on many brokers.
RSI (Relative Strength Index)	A 0 to 100 momentum indicator. Readings above 70 or below 30 show a stretched move.

S

Scalping	Very short trades aiming for small moves. Fast, costly in spreads, and hard for beginners.
Sell limit	A pending order to sell above the current price, waiting for a rally.
Sell stop	A pending order to sell below the current price, waiting for price to break lower.
Server time	The clock on your broker's platform. Many use GMT+2 in winter and GMT+3 in US summer.
Session	The busy trading hours of a financial centre: Sydney, Tokyo, London or New York.
Short	A sell position: it gains if price falls. On a platform you can sell first without owning the gold.
Slippage	The difference between the price you expected and the price you got. Common in fast markets and news.
SMA (Simple Moving Average)	The plain average of the last set number of closes.
Spread	The gap between ask and bid: the built-in cost of every trade. It widens at quiet hours and around news.
Stop hunt	A move that seems to target clusters of stop-loss orders before reversing. Another name for a liquidity sweep.
Stop out	When the broker automatically closes trades because your margin level has fallen too low.
Stop-loss (SL)	An order that closes a trade at a set price to cap the loss. Decide it before you enter.
Supply and demand zone	A price area where strong selling (supply) or buying (demand) entered before.
Support	A price area where falls have tended to stop. **Gold example:** two lows near 2,980.
Swap	An interest charge or credit for holding a position overnight. Check the swap values in the contract specification.
Swing high / swing low	A peak with lower highs on both sides / a dip with higher lows on both sides.
Swing trading	Holding trades for days to weeks to catch a larger move.

T

Take-profit (TP)	An order that closes a trade at a set price when it reaches your target.
Technical analysis	Studying the chart itself: price, levels, patterns and indicators.

Tick	The smallest change in price, or one single price update.
Timeframe	How much time one candle covers: M1, M5, M15, H1, H4, D1 and so on.
Top-down analysis	Starting on a big timeframe (D1, H4) for direction and moving down to a smaller one (H1, M15) for detail.
Trailing stop	A stop-loss that moves with price as the trade goes in your favour, to protect part of the gain.
Trend	The general direction of price over a period: up, down or sideways.
Trendline	A line drawn along rising lows (uptrend) or falling highs (downtrend).
Troy ounce	The unit used for gold: about 31.10 grams. XAU means one troy ounce of gold.

U

Uptrend	A series of higher highs and higher lows.
US Dollar Index (DXY)	A measure of the dollar against a basket of major currencies. Often moves opposite to gold, but not always.
Used margin	The money currently locked for all your open trades.

V

VaR (Value at Risk)	A risk measure used by banks: a loss level that should only be exceeded on a small share of days, by the bank's model.
Volatility	How much and how fast price moves. Gold can move several dollars in minutes on busy days.
Volume	How much is traded. On forex platforms it is usually 'tick volume': the number of price updates.

W

Wick (shadow)	The thin line above or below a candle's body, showing prices reached but not held.

X

XAG/USD	Silver priced in US dollars.
XAU/USD (XAUUSD)	Gold priced in US dollars: how many dollars one troy ounce of gold costs.

Y

Yield	The return on a bond, shown as a yearly percentage. US government bond yields are watched closely by gold traders.

Z

Zone	A price area rather than a single line. Gold often reacts a few dollars before or after an exact level, so traders mark zones.

Keep learning

Read the Gold Shelf guides **Forex Market Basics** and **Fundamental Analysis Basics** to see many of these words explained with diagrams, and use the **21-Day Demo Practice Plan** to put them to work.

Next steps

1. Watch the Gold Vault lessons

Our Gold Vault video lessons take you step by step from the basics to reading gold charts, in a clear order.

2. Try your ideas in the Money Door AI Lab

Describe an idea in simple words and test how it would have behaved on past gold charts before you trust it. Learning tool only.

3. Keep practising on a demo account

Use play money, write every practice trade in a journal, and review it every week. Skill comes from repetition, not from rushing.

Questions? Talk to our customer care

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This guide is for education only. It is not investment advice and is not a recommendation to buy or sell anything. Trading gold carries risk. Learn and practise on a demo account. All charts are illustrations.

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