CAPITAL MENTOR

Binance Trading Complete Course

From zero to your first trade: accounts, charts, risk management and how to avoid scams

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About the Author

The CAPITAL MENTOR YouTube channel aims to provide realistic education in practical digital skills, technology and online work. For more content visit: www.cmmeer.com

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CHAPTER 01

What Is Cryptocurrency? Core Concepts

A cryptocurrency is a digital asset that runs on the internet using blockchain technology. Traditional money, such as the Pakistani rupee or the US dollar, is issued by a state or central bank. Most cryptocurrencies, by contrast, are not controlled by any single institution; a worldwide network of computers maintains their records.

Blockchain in Simple Words

A blockchain is a digital ledger in which every transaction is grouped into blocks that are chained one after another. The ledger does not sit on one computer but on thousands at the same time, so quietly changing old records is extremely difficult.

- **Decentralization:** no single institution holds the records.
- **Transparency:** on most public blockchains, transactions can be viewed through an explorer.
- **Immutability:** once confirmed, a record is practically impossible to alter.
- **Limited supply:** many coins have a fixed supply; for example, Bitcoin's maximum supply is 21 million.

Main Types of Crypto

Type	Examples	Short description
Bitcoin (BTC)	BTC	The first and largest cryptocurrency, often called digital gold.
Altcoins	ETH, BNB, SOL	Every coin other than Bitcoin; each has its own purpose and risk.
Stablecoins	USDT, USDC	Designed to stay close to 1 US dollar in value.
Meme Coins	DOGE, SHIB	Driven mostly by hype and community; extremely risky and volatile.
Exchange Tokens	BNB	An exchange's own token, which may come with perks such as fee discounts.

Why Do Crypto Prices Move?

The crypto market is open 24 hours a day, seven days a week. Price is set mainly by demand and supply: when buyers outnumber sellers the price rises, and when sellers dominate it falls. News, government policy, large investors' trades, technology updates and public sentiment all have an effect.

WARNING

Crypto is far more volatile than the stock market. Moves of 10 to 20 percent in a single day are common, and even larger in small coins. Never trade with money you need, such as rent, school fees or your emergency fund.

Trading vs. Investing

Aspect	Trading	Investing
Time frame	Minutes to weeks	Months to years
Goal	Profit from short-term price moves	Long-term growth of the asset
Time needed	High, constant attention	Low, periodic review
Stress	Higher	Relatively lower
For beginners	After learning and practice	Usually an easier starting point

CHAPTER 02

Introducing Binance and the Legal Position in Pakistan

Binance is counted among the world's largest crypto exchanges, where users can buy, sell and trade hundreds of cryptocurrencies. It is available as a website and as a mobile app.

What Does Binance Offer?

Feature	What it does
Convert	Swap one coin for another easily; the simplest method for new users.
Spot Trading	Buy and sell actual coins through an order book.
P2P	Users trade directly with each other using local currency.
Futures	Trade price direction with leverage; extremely high risk.
Earn	Put coins into specific products for rewards; each product has its own risks and terms.
Binance Academy	Free educational content.

The Legal Position in Pakistan (information up to October 2026)

Pakistan's crypto legal framework has changed quickly over the past year. This chapter includes only points that appeared in credible reports. Rules keep changing, so please check the latest position yourself before you start trading.

- In July 2025 the government set up the Pakistan Virtual Assets Regulatory Authority (PVARA).
- On 12 December 2025 PVARA issued a No Objection Certificate (NOC) to Binance and HTX, allowing them to prepare a local entity and work toward a full license.
- In March 2026 the Virtual Assets Act, 2026 came into force, giving virtual assets a formal legal framework.
- On 21 August 2026 PVARA issued final regulations and opened its licensing portal; the deadline for already-operating firms to apply was set at 5 September 2026.

> **NOTE**
>
> **Key point:** an NOC is not a full license. According to a legal review as of September 2026, PVARA's public information described Binance as an NOC holder, while a full VASP license had not been formally confirmed. If someone says Binance is fully licensed in Pakistan, ask: which license, and what is its scope?

What This Means in Practice

- Binance is not banned in Pakistan, but the regulatory process is still ongoing.
- Transactions in Pakistani rupees through banks (especially P2P) can still involve bank scrutiny, account freezes and complaint risks.
- Rules, taxes and reporting requirements may change. Keep complete records of all your transactions.
- Take advice from a local tax and legal professional before any major decision.

> **WARNING**
>
> This book is not legal or tax advice. The author is not a lawyer or financial advisor. Every reader decides at their own responsibility.

CHAPTER 03

Creating a Binance Account, KYC and Security

Step-by-Step Registration

1. Use only the official website or the official Binance app from Google Play / the App Store. Never log in through a search ad or a link someone sent you.
2. Tap Sign Up, register with email or phone, and set a strong password (at least 12 characters with letters, numbers and symbols).
3. Enter the verification code sent by email or SMS.
4. Complete Identity Verification (KYC): choose your country, upload clear photos of your CNIC or passport, and complete the live selfie / face check.
5. Wait for verification to finish; it usually takes from a few minutes to a few days.

PRACTICAL TIP

Always do KYC under your real identity. Trading on someone else's name or on a rented account is a leading cause of account closures and stuck funds.

Account Security: Must-Do Settings

Most people lose money not to the market but to hacking, phishing and scams. Turn these settings on right after creating your account:

Setting	Benefit
2FA (Authenticator App / Passkey)	Even if your password leaks, opening your account stays hard. An authenticator app is better than SMS.
Anti-Phishing Code	Official emails carry your personal code, which helps you spot fake emails.
Withdrawal Whitelist	Funds can only be withdrawn to pre-approved addresses.
Device Management	Remove unknown devices and review login history regularly.
Separate Email	Keep a dedicated email for crypto, also protected with 2FA.

WARNING

No Binance staff member will ever ask for your password, OTP, 2FA code or seed phrase. Anyone claiming to be support on Telegram or WhatsApp is a scammer.

Basic Account Structure: Wallets

- **Spot Wallet:** your coins live here and you do Spot trading from it.
- **Funding Wallet:** used for P2P and payment-related activity.
- **Futures Wallet:** separate for futures; beginners do not need it.

Moving money between wallets is done with the Transfer button; it is instant and free of charge.

CHAPTER 04

Deposits, Withdrawals and P2P: The Safe Way

There are several ways to bring money into your account and take it out. In Pakistan the most used method is P2P, but it is also where most fraud happens. Learn it very carefully.

How Does P2P Work?

In P2P you buy crypto (usually USDT) directly from another user (a merchant) and pay by bank or mobile wallet. Binance holds the crypto in escrow in between. When the seller confirms receiving your payment, the crypto is released to your account.

Steps to Buy on P2P

1. Go to Trade → P2P → Buy, and select the coin (for example USDT) and currency (PKR).
2. Choose a merchant with many orders, a high completion rate and good ratings.
3. Enter the amount and click Buy; the order timer starts.
4. Check the merchant's payment details and pay exactly that account from a bank account in your own name.
5. After paying, click Transferred, notify seller.
6. When the seller releases, the USDT arrives in your Funding Wallet.

P2P Safety Rules

- **Only your own account:** never make or accept third-party payments.
- **Verify payment only in your own banking app:** never trust a screenshot. Do not release crypto until the money has actually arrived.
- **Never chat off-platform:** keep all conversation inside Binance chat; it is your evidence in a dispute.
- **Keep your own record of every transaction:** order number, amount, date, merchant name and bank receipt, so you can explain it to your bank or tax office.
- **Start small** and build one reliable routine.
- **Avoid suspicious offers:** a rate far better than the market is usually a trap.

WARNING

The biggest P2P risk is that money you received becomes disputed because of someone else's fraud, and your bank account gets frozen. Keep records, screenshots and bank statements, and be careful with large amounts. Banks in Pakistan may scrutinize crypto-related transactions.

How to Withdraw Crypto

1. Go to Wallet → Withdraw → Crypto.
2. Select the coin, enter the recipient address and choose exactly the right **Network** (for example TRC20 / BEP20 / ERC20).
3. Enter the amount, review the fee and confirm with 2FA.

WARNING

Choosing the wrong network or address usually means the funds are lost permanently. Always send a very small test amount first, then the rest.

Network	General characteristic
TRC20 (Tron)	Popular for USDT, fees usually low
BEP20 (BNB Smart Chain)	Low fees, fast; available on many exchanges
ERC20 (Ethereum)	Well known but fees are usually higher

NOTE

Fees and available networks change over time. Check the current fee and network details in the app before every transaction.

CHAPTER 05

Binance Interface and Order Types

Convert vs. Spot

In Convert you simply say which coin to swap into which, and the system shows you a price. It is very simple, but it often includes a spread. In Spot trading you buy and sell directly in the market through the order book, which gives you more control.

Key Parts of the Spot Trading Screen

- **Trading Pair:** for example BTC/USDT, meaning Bitcoin priced in USDT.
- **Chart:** the graph of price movement.
- **Order Book:** the list of buyers' (bids) and sellers' (asks) orders.
- **Order Panel:** where you place buy and sell orders.
- **Open Orders / Order History:** pending and completed orders.

Types of Orders

Order	What it does	When to use
Market	Executes immediately at the best available price	When speed matters; slippage is possible in low-liquidity coins
Limit	Executes only at your price or better	When you want price control; usually a maker fee
Stop-Limit	A limit order activates when the stop price is hit	For stop losses or breakout entries
OCO	Take profit and stop loss together; if one fills, the other cancels	To fully protect a position

EXAMPLE

Suppose BTC is at 100 (for simplicity) and you want to buy at 95. Place a Limit Buy at 95. If price reaches 95 the order fills; otherwise it keeps waiting. A Market order would have bought you around 100 right now.

Trading Fees

The base Binance Spot fee has generally been around 0.1%, with discounts available by paying fees in BNB or at VIP levels. Fee rates change, so check the current Fee Schedule in the app. Remember that frequent trading lets fees eat into your profit.

> **PRACTICAL TIP**
>
> Make a habit of using limit orders. Placing market orders in a hurry is usually expensive, especially when the market is moving fast.

CHAPTER 06

Reading Charts: Candlesticks, Support and Resistance

What Does a Candlestick Tell You?

Each candle tells the story of price over a specific period (timeframe). It has four parts:

- **Open:** the price at the start of the period.
- **Close:** the price at the end of the period.
- **High:** the highest price reached (upper wick).
- **Low:** the lowest price reached (lower wick).

Usually a green candle means the close was above the open, and a red candle means the close was below. (Some platforms let you change the colors.) A long wick shows that price went to a level and turned back, meaning buyers or sellers pushed back there.

Choosing a Timeframe

Timeframe	Use	Suited for
1m – 15m	Very short term, lots of noise	Experienced traders; hard for beginners
1H – 4H	Intraday / swing	Beginner to intermediate
1D (Daily)	The bigger trend	Essential for every trader
1W (Weekly)	Long-term view	Investors and swing traders

PRACTICAL TIP

First decide direction on the higher timeframe (Daily/Weekly), then look for entries on the lower one (4H/1H). This is called multi-timeframe analysis.

Support and Resistance

Support is a price level where buyers have entered before and stopped price from falling. **Resistance** is a level where sellers prevailed and price could not go higher. The more times a level is tested and holds, the more important it is considered. When resistance breaks and price closes above, that level often becomes support, and the reverse is also true.

Identifying Trend

- **Uptrend:** higher highs and higher lows.
- **Downtrend:** lower highs and lower lows.
- **Sideways / Range:** price moves up and down inside a band.

An old but useful saying: the trend is your friend. Trading with the trend is generally easier than trading against it.

Common Candlestick Patterns

Pattern	General meaning
Doji	Indecision; buyers and sellers are equal
Hammer	A sign of strong recovery from below (more meaningful at support)
Shooting Star	A sign of weakness from above (more meaningful at resistance)
Bullish / Bearish Engulfing	A candle fully covering the previous one; a possible reversal

WARNING

No pattern works 100 percent of the time. Do not treat a pattern as a signal on its own; read it together with support/resistance, trend and volume.

The Importance of Volume

Volume shows how much buying and selling happened in a period. If price breaks an important level and volume rises with it, the breakout is considered more reliable. A breakout on low volume often turns out to be a fake breakout.

CHAPTER 07

Technical Indicators: MA, EMA, RSI, MACD, Bollinger

Indicators are calculation tools derived from price and volume data that help you understand trend and momentum on a chart. They do not predict the future; they summarize past data, which is why they are called lagging tools.

Moving Average (SMA and EMA)

A moving average shows the average price over a set period as a line. SMA gives all prices equal weight, while EMA gives more weight to recent prices, so it reacts to change sooner.

- **EMA 20 / 50:** short- to medium-term trend.
- **EMA/SMA 200:** long-term trend; price above it generally indicates a stronger major trend.
- **Golden Cross / Death Cross:** a short MA crossing a long MA from below or above; these signals come late, so do not trust them blindly.

RSI (Relative Strength Index)

RSI measures the speed of price moves and stays between 0 and 100. Traditionally above 70 is considered overbought and below 30 oversold. But in a strong trend RSI can stay above 70 for a long time, so do not buy or sell on that basis alone. RSI divergence (price makes a new high but RSI does not) can signal weakness.

MACD

MACD shows changes in trend momentum using the difference between two EMAs. The MACD line crossing above the signal line is considered bullish, and below it bearish. The histogram's height shows whether momentum is increasing or fading. In sideways markets MACD gives many false signals.

Bollinger Bands

It has three lines: a 20-period average in the middle and standard-deviation bands above and below. Narrow bands mean low volatility and a rising chance of a big move; wide bands mean high volatility. Price touching the upper band is not automatically a sell signal.

Indicator	What it shows	Weakness
EMA / SMA	Trend direction	False crosses in sideways markets

Indicator	What it shows	Weakness
RSI	Momentum, overbought/oversold	Misleading in strong trends
MACD	Change in momentum	Late signals
Bollinger	State of volatility	Not a trade signal by itself

PRACTICAL TIP

Do not put more than 2 to 3 indicators on a chart. Example: EMA 50 + RSI + Volume. The more indicators, the more confusion. We want confluence, meaning several different things pointing the same way.

CHAPTER 08

Fundamental Analysis: How to Choose a Coin

Technical analysis tells you when to buy; fundamental analysis tells you what to buy. Buying small coins without research, especially, turns into gambling.

Coin Research Checklist

Factor	What to look at
Use Case	What real problem does the coin solve? Do people actually use it?
Market Cap	Price × circulating supply. A larger market cap is generally less risky, but never completely safe.
Circulating vs Total Supply	How many coins are in circulation and how many are still to come?
FDV	Fully Diluted Valuation: total value if all coins were in circulation. An FDV far above market cap can be a warning sign.
Tokenomics / Unlocks	When do team and early-investor coins unlock? Large unlocks often bring selling pressure.
Team & Backers	Is the team known and verifiable, or anonymous?
Liquidity & Volume	Can it be traded easily? Is it listed on several major exchanges?
Community & Development	Is development ongoing? Do official updates come regularly?

Useful Research Sources

- CoinMarketCap and CoinGecko: price, market cap, supply and exchange lists.
- The coin's official website and whitepaper.
- Binance Academy and Binance Research: educational and research content.
- Blockchain explorers: to see transactions and holder distribution.
- DeFiLlama: information such as TVL for DeFi projects.

Market Cycles and Bitcoin Dominance

Historically, market cycles have been observed around Bitcoin's halving, which comes roughly every four years. This is a historical pattern, not a guarantee; it does not have to repeat. Bitcoin

Dominance shows Bitcoin's share of the total crypto market. In uncertain conditions capital generally moves toward large assets seen as relatively safer.

> **NOTE**
>
> Practical order for beginners: first learn on large, well-known assets such as Bitcoin and Ethereum. Put only a small portion of your portfolio, and only money you are prepared to lose completely, into small and new coins.

CHAPTER 09

Risk Management: The Most Important Chapter

Professional traders first ask: how much can I lose? and only then: how much can I earn? Those who last in trading are the ones who keep losses under control.

Rule 1: Never Risk More Than 1 to 2 Percent of Capital Per Trade

EXAMPLE

Your trading capital is 1,000 USDT. You want to risk 1%, so a maximum loss of 10 USDT.
Entry price: 100 | Stop loss: 95 | Risk per coin: 5
Position size = 10 ÷ 5 = 2 coins (total position 200 USDT).
If price falls to 95 and the stop loss triggers, your loss is about 10 USDT (plus fees), which is 1% of capital.

Rule 2: Always Set Your Stop Loss in Advance

Before entry, decide the price at which you will accept that the trade was wrong. Place the stop below support or at the level where your analysis is invalidated. Moving the stop loss further away mid-trade to increase the loss is the most common and costly mistake.

Rule 3: Risk to Reward Ratio

If you risk 1 unit and aim for at least 2 units of profit (1:2), you can come out ahead even if you win only 40 percent of your trades.

Risk:Reward	Breakeven win rate (before fees)
1:1	50%
1:2	about 33%
1:3	25%

Rule 4: Understand the Math of Losses

Loss	Gain needed to recover
10%	11.1%
25%	33.3%

Loss	Gain needed to recover
50%	100%
75%	300%

This is why avoiding big losses matters more than chasing big profits.

Rule 5: Diversification and Limits

- Do not put all your capital in one coin.
- Do not open too many trades at once; correlated coins often move together.
- Set a maximum daily or weekly loss (for example, stop trading if you are down 5% in a week).
- Keeping part of your funds in a stablecoin helps you buy on opportunities and stay calm, but even stablecoins carry depeg risk.

> **WARNING**
> Never trade with borrowed money, money from friends or relatives, or money meant for household needs. This is the most dangerous path in this business.

CHAPTER 10

Trading Psychology: The Real Battle Is Within

Most beginner traders lose not because of poor analysis but because of emotional decisions.

Emotion	What happens	Fix
FOMO (fear of missing out)	Buying high after the price has already run	No entry without a plan; wait for the next setup
FUD (fear, uncertainty, doubt)	Panic-selling at the bottom on rumors	Verify the news and stick to your plan
Revenge Trading	A big trade right after a loss to win it back	Take a break after a loss; set a daily loss limit
Overconfidence	Increasing position size after a few wins	Keep size according to your rules
Greed	Staying in after the target is hit for even more	Plan take-profit in stages

The Trading Journal: Your Real Growth Tool

Write down every trade so you can see what works and what does not. A simple journal template:

Date	Coin	Entry	Stop	Target	Result	Reason / Lesson
__	BTC/USDT	100	95	110	+2R	Bought at support, followed plan
__	ETH/USDT	50	48	54	-1R	Took a breakout without volume

What Does a Good Trader Do Daily?

- Makes a plan before the market: which levels, what scenarios.
- Takes no trade without a plan.
- Writes in the journal after every trade.
- Reviews the numbers at the end of the week.
- Prioritizes sleep, health and peace of mind.

PRACTICAL TIP

If your heart is racing or your hands are shaking, your position is too big. Reduce the size.

CHAPTER 11

Trading Strategies

Dollar Cost Averaging (DCA)

Buying a fixed amount at regular intervals regardless of price. It reduces the risk of putting everything in at one wrong price.

> **EXAMPLE**
>
> Buy 50 USDT of Bitcoin every week. When price is high you get fewer units, when it is low you get more, and your average price smooths out over time. Note: DCA is not a guarantee against loss; if the asset keeps falling you will still lose.

Swing Trading

Holding positions for a few days to a few weeks to catch one wave of a trend. Trades are taken on Daily and 4H charts using support/resistance and EMAs. You do not have to watch the screen all day, so it is possible alongside a job or studies.

Breakout Trading

Entering when price breaks an important resistance with volume. To avoid false breakouts, wait for the candle close and a retest.

Pullback / Trend Following

In a strong trend, entering in the trend's direction when price pulls back, for example near an EMA or support.

Scalping and Day Trading

Small gains over very short periods. Fees, speed and mental pressure are very high, so it is difficult for beginners. Master swing trading and DCA first.

Suggested Path for Beginners

1. In the first month, only learn and trade Spot with a small amount.
2. Focus only on large assets such as BTC and ETH.
3. Test one simple strategy for at least 50 trades and record it in your journal.
4. Increase size gradually only if results are consistently improving.

WARNING

No strategy always works. Every method has losing periods. Real success lies in risk management, consistency and discipline.

CHAPTER 12

Futures and Leverage: Why Caution Is a Must

In futures you trade a contract on price direction instead of the actual coin. Leverage lets you open a position many times larger than your own money. It magnifies both gains and losses.

Key Terms

- **Long:** a bet that price will rise.
- **Short:** a bet that price will fall.
- **Leverage:** for example 10x means a position 10 times your own money.
- **Margin:** the money you put up as collateral to open a position.
- **Liquidation:** when losses grow so large that your margin is wiped out and the position is forcibly closed.
- **Funding Rate:** a periodic payment between longs and shorts in perpetual contracts.

EXAMPLE

You open a 1,000 USDT long position with 100 USDT margin at 10x leverage. If price drops just 10% (in a simple calculation, ignoring fees and maintenance margin), your entire margin can be wiped out. A normal 10% move erases 100% of your money.

WARNING

A large share of retail traders lose money in futures with high leverage. Regulators in many countries have also set limits on leverage. If you are a beginner, stay away from futures; if you want to learn, start on a demo/testnet or with a very small amount at low leverage. You do not need futures.

CHAPTER 13

Scams and Fraud: How to Protect Yourself

In crypto, people lose more to scammers than to the market. This may be the most valuable chapter in the whole book.

Scam	How it works	Protection
Guaranteed Profit / Doubling	Promises fixed daily or monthly returns, or doubling your money	Nobody can guarantee profit in crypto; the promise itself is the sign of a scam
Ponzi / Pyramid	New members' money pays old ones; commission for recruiting	If the main income is bringing in new people, stay away
Fake Support / Impersonation	Someone on Telegram or WhatsApp claims to be Binance support	Support does not message you first; never share OTP or password
Phishing	A fake website or email that looks exactly like the real one	Use bookmarked official links and keep the anti-phishing code on
Pump & Dump Groups	The admin buys first, creates hype, then sells into your buying	Stay away from any coin promised to make '10x tomorrow'
Rug Pull	A new project; developers take the funds and vanish	Avoid new, anonymous tokens; research the team and liquidity
Fake Signals / Copy Trading Sellers	Expensive signal groups with fake screenshots	Profit screenshots are easy to fake; ask for verified records
Romance / Investment Scam	After online friendship, advice to invest in a 'profitable platform'	Never invest on the word of someone you only know online
Fake Wallet / Seed Phrase Theft	A fake app or form asking for your seed phrase	Never give your seed phrase to anyone or type it on a website

Red Flags

- Promises of guaranteed or unusually high profits.
- Pressure to hurry: 'invest today or the chance is gone'.
- Emphasis on recruiting members and referral commissions.
- No verifiable identity for the team or company.
- Asking for more money as 'tax' or 'fees' when you try to withdraw.
- Sending you elsewhere via an app or link and asking for remote access.

Protecting Your Funds

- Do not keep large amounts on an exchange for long periods; for long-term holding consider a reputable self-custody wallet, but the full responsibility for protecting the seed phrase is yours.
- Write your seed phrase on paper and store it somewhere safe; never as a screenshot or in online notes.
- Use a separate device/browser profile and a separate email for crypto.
- Avoid unnecessary browser extensions and unknown links.

WARNING

If you fall victim to a scam, immediately change your passwords, log out of all sessions, inform your bank and keep all evidence. In Pakistan you can approach the National Cyber Crime Investigation Agency (NCCIA) to file a cybercrime complaint. Unfortunately, recovering crypto once it has been transferred is usually very difficult.

CHAPTER 14

Tax, Records and Legal Caution

Crypto tax and reporting rules are still evolving worldwide, and Pakistan's new legal framework is also taking shape. So instead of stating a final tax rate, this chapter gives a safe way of working.

How to Keep Records

- Save the date, quantity, price and fee of every buy and sell.
- Export and keep your transaction history and statements from Binance.
- Keep bank transfers and P2P order details in a separate folder.
- Keep proof of your income source and where your money came from.

Practical Guidance

1. Consult a tax advisor who knows the latest crypto rules.
2. Watch official announcements and notifications from FBR and PVARA.
3. Trade only under your own identity and from your own legitimate income.
4. If regulations change, update your process immediately.

> **NOTE**
> Disclaimer: this information is for educational purposes and is not legal, tax or financial advice.

CHAPTER 15

Your 30-Day Action Plan

Knowledge only helps through action. This plan gives you a strong foundation with low risk.

Week	Tasks	Goal
Week 1	Read chapters 1 to 4; create your account, complete KYC and all security settings; understand how P2P works	Safe foundation
Week 2	Chapters 5 to 7: practice reading charts for 30 minutes daily (BTC, ETH); draw support/resistance lines	Chart understanding
Week 3	Chapters 8 to 9: write a small trading plan (capital, risk %, stop loss); practice on Binance demo or with a very small amount	Risk management
Week 4	Chapters 10 to 11: start a journal; take at least 10 small trades and review them	Discipline

Pre-Trade Checklist

1. Which way is the bigger trend (Daily/Weekly)?
2. What are my entry, stop loss and take profit?
3. Is the risk:reward at least 1:2?
4. Is my risk below 1 to 2% of capital?
5. Is this trade according to plan, or driven by emotion?
6. If this trade ends at the stop loss, will I stay calm?

Common Mistakes

- Trading without a stop loss.
- Copying social media signals.
- Using too much leverage.
- Trying to take revenge on a loss.
- Putting all capital in one coin.
- Rushing P2P and accepting third-party payments.
- Investing big money before learning.

CHAPTER 16

Glossary and Frequently Asked Questions

Key Terms (Glossary)

Term	Meaning
Altcoin	Any cryptocurrency other than Bitcoin
Ask / Bid	Selling price / buying price
ATH	All-Time High; the highest price so far
Bull Market	A market of rising prices
Bear Market	A market of falling prices
Candlestick	A graphic of Open, High, Low, Close for a period
CEX / DEX	Centralized exchange (Binance) / decentralized exchange
Cold Wallet	A hardware wallet kept offline
DCA	Buying a fixed amount at regular intervals
DYOR	Do Your Own Research
FDV	Fully Diluted Valuation
Gas Fee	The network fee for a blockchain transaction
Halving	Bitcoin's mining reward cut in half roughly every four years
KYC	The identity verification process
Liquidity	Ability to buy or sell an asset easily at a stable price
Maker / Taker	Adds liquidity to the order book / removes an existing order immediately
Market Cap	The total circulating value of a coin
Private Key / Seed Phrase	The secret key to wallet access; never share it
Slippage	The difference between expected and actual execution price
Stablecoin	A token usually pegged to an asset such as the dollar
Stop Loss	A pre-set order to limit loss
Take Profit	An order to lock in profit

Term	Meaning
Volatility	The intensity of price swings
Whale	An investor holding a very large amount

Frequently Asked Questions (FAQ)

Can a beginner start with a small amount?

Yes, and that is better. Start with an amount whose loss will not affect your life. The goal at first is to learn, not to earn.

Is guaranteed daily income possible from trading?

No. There is no guaranteed income in trading. Many people lose money. Be wary of anyone who promises a guarantee.

Should I join a signal group?

Learn on your own first. Even if you learn from a group, verify every signal yourself and keep your own risk management. Blindly following signals is dangerous.

Is long-term holding better than trading?

It depends on your time, skill, risk tolerance and goal. For many beginners, starting with DCA into large assets is relatively easier, but losses are possible there too.

Should I put all my money into crypto?

Absolutely not. Put in only the portion of your total assets that you can afford to lose.

Keep Learning, Stay Safe

Success in trading does not come from getting rich quickly but from knowledge, patience, risk management and discipline. Always protect your capital first.

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