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. On the other hand, binary option in terms of payoff can be either covering all or nothing. If the option settles in the money, buyer or seller will receive pre- specified amount of money and if option expires out of money nothing is received by buyer or seller.

Forex is the market in which currencies are exchanged. It is the most liquid market in the world and includes currencies of almost all countries. Trade signals are indicated by forex, it is generally a sign, given by technical indicators which represent good time to buy or sell a particular security. These signals are important for both currency options as well as binary option, as these signals help in guiding the beginners in the market, increase the potential for profit, reduce risks of incorrect decision-making, provide opportunity to follow the professionals, increase experience, etc.

Currency option provides a better and extended international market, uncertainties is also reduced, it attracts more forex investments and expands the forex market. A currency future contract is little bit different from forward contracts and the difference is that forward contract is an over the counter (OTC) product. Features of currency option are as follows:

â€¢ US Dollar and Indian Rupee are main factors for currency option.

â€¢ Options shall be call or put style option.

â€¢ Maturity limit is one year.

â€¢ On the expiry date, the settlement price shall be as per Reserve Bankâ€™s Reference Rate.

â€¢ Premium shall be quoted in rupee term where as, outstanding amount is stated in USD.

Binary option trains a trader to trade well in the game of stock trading, it provides knowledge about fundamentals of stock trading to the beginners and gives key opportunity to traders and investors so that they can take the advantage of growing market with minimal risk. Cash or nothing binary option and asset or nothing binary options are the basically divisions of binary option. In cash or nothing option, some fixed amount is paid if option expires in the money and in asset or nothing option, value of underlying asset is paid. Features of binary option are:

â€¢ Online trading platform is offered by broker, it is your choice to opt for web-based or download option.

â€¢ It provides multiple trade and currencies. Though offering more profitable opportunities.

â€¢ Security is also provided as brokers are entitled to have at least 128 bit SSL from Software Security Provider.

â€¢ In case of losses some amount is paid back, but not all the brokers offer this option.

The trading volume of currency options has increased over the threefold on National Stock Exchange. It is likely to grow in future with increased liquidity, said the bankers. Binary options have become popular from 2008 onwards, after this rapid development has been achieved and trade signals have been used more.

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Kelly wagenheim is an experienced trader of stocks, currencies, commodities and many more. In the wake of rising popularity of a [currency options](#), he offers all kinds of updated market news, strategies and tips related to a [binary option](#) through his website. Visit the site to expand your knowledge base.

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