

Understanding “Pip” Movement in FOREX Trading

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1 General Background

- There are 11 major currency pairs.
- All currency pairs have 5 decimal places.
- Currency pairs with “JPY” are the exception; they only have 3 decimal places.

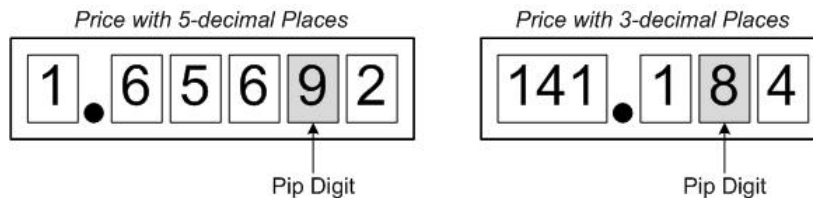
Currency Pairs with 5-decimal places

EUR/USD:	e.g. 1.37954
GBP/USD:	e.g. 1.65692
EUR/GBP:	e.g. 0.83257
AUD/USD:	e.g. 0.92232
USD/CHF:	e.g. 0.88458
GBP/CHF:	e.g. 1.46579
USD/CAD:	e.g. 1.11346
NZD/USD:	e.g. 0.86033

Currency Pairs with 3-decimal places

USD/JPY:	e.g. 102.345
EUR/JPY:	e.g. 141.184
GBP/JPY:	e.g. 169.532

2 Pip Location



<i>5-decimal pairs</i>	Up	Down
1 Pip	1.65 702	1.65682
2 Pips	1.65 712	1.65672
3 Pips	1.65 722	1.65662

<i>3-decimal pairs</i>	Up	Down
1 Pip	141.1 94	141.174
2 Pips	141. 204	141.164
3 Pips	141. 214	141.154