TopTrades FX · Free guide

7-Day Gold Basics

One short lesson a day on how gold (XAU/USD) works, in plain English.

5 MINUTES A DAY · BEGINNER FRIENDLY



Education only, not financial advice. Trading CFDs is high risk and you can lose money.

START HERE

How to use this guide

- **One day at a time.** Each lesson takes about 5 minutes to read.
- **Do the "Try it" task.** Use a free **demo account** or a free chart, which means virtual money only.
- **Share your answers** in the TopTrades FX Telegram with **#Day1**, **#Day2** and so on.

DAY 1	What gold (XAU/USD) is
DAY 2	Sessions: when gold moves
DAY 3	Reading a chart: support & resistance
DAY 4	Stop losses
DAY 5	Risk 1% & position sizing
DAY 6	News: NFP, CPI & the Fed
DAY 7	Your simple plan + journal



Hi, I'm **Frank**! I've made every beginner mistake going, so there's a whole cartoon series about it. Read this and **don't be Frank**.

All prices and numbers in this guide are made-up examples to explain ideas. They are not forecasts or trade ideas.

DAY 1

What is gold (XAU/USD)?

XAU is the code for gold and **USD** is the US dollar. So XAU/USD is the price of **one troy ounce of gold in US dollars**. If the chart says 4,000.00, an ounce costs $4,000 *(example)*.

XAU / USD

gold priced in US dollars, per troy ounce (about 31.1 g)

BID (sell price)	spread	ASK (buy price)
4,000.20	0.30	**4,000.50**

Example prices only.

You always see two prices. You **buy at the ask** and **sell at the bid**. The gap is the **spread**, a cost on every trade. It gets wider around big news and at quiet times.

What moves gold?

- **The US dollar.** Gold is priced in dollars, so the two often pull against each other.
- **Interest rates.** Gold pays no interest, so rate expectations matter a lot.
- **Fear and uncertainty.** People often buy gold when they are worried.

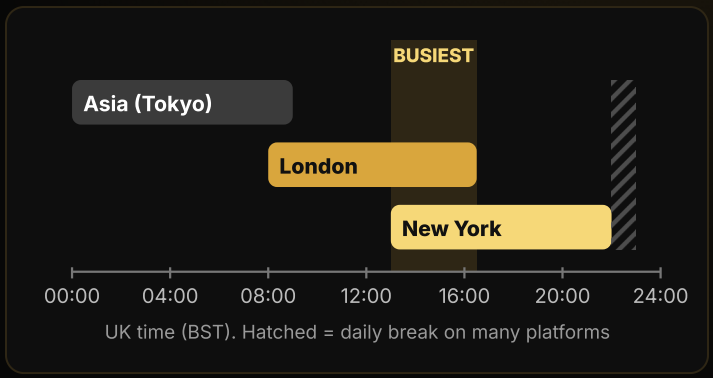
TRY IT

Open a free chart, find **XAUUSD** and write down the bid, ask and spread at two different times today.

DAY 2

Sessions: when gold moves

Gold trades nearly 24 hours a day, Monday to Friday. But it isn't equally busy all day. Moves tend to follow the big trading centres.



Session	Rough UK time	What it's often like
Asia	00:00–09:00	Usually quieter, smaller ranges
London	08:00–16:30	Volume picks up, bigger moves
New York	13:00–22:00	US news lands at 13:30

The **London–New York overlap (13:00–16:30 UK)** is usually the busiest time. Times can shift by an hour around the clock changes in spring and autumn.

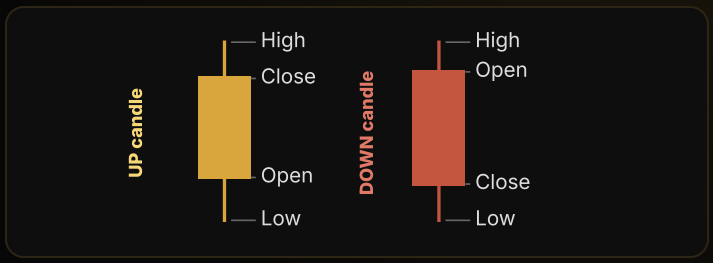
TRY IT

On a 15-minute chart, compare how far gold moved between 03:00–06:00 and 13:00–16:00 UK yesterday.

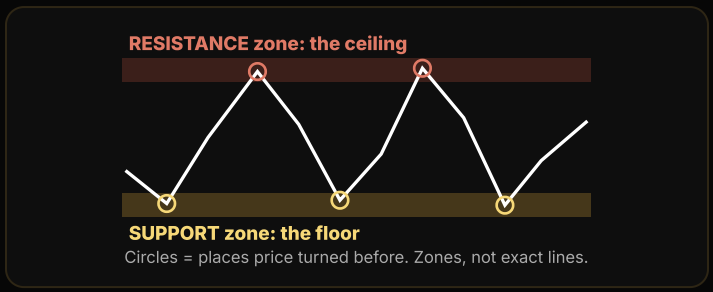
DAY 3

Reading a chart: support & resistance

Each **candle** shows the open, close, high and low for one time period (for example 1 hour).



Support is a price area where buyers have stepped in before (a floor). **Resistance** is where sellers have stepped in before (a ceiling).



- Draw **zones**, not thin lines. Price rarely turns at the exact same number.
- The more times a zone has been tested, the more traders watch it.

TRY IT

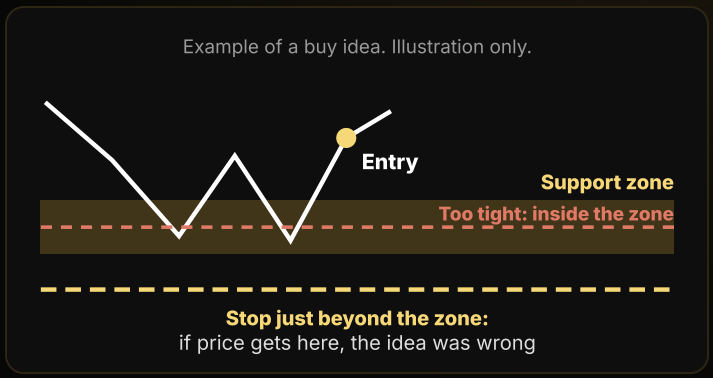
On a 4-hour chart, mark 2 support zones and 2 resistance zones.

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DAY 4

Stop losses: your safety net

A **stop loss** is an order that closes your trade automatically at a price you choose. It limits how much a single trade can cost you.



- **Decide it before you enter.** Not after the trade goes against you.
- **Put it where your idea is wrong**, usually just beyond a support or resistance zone. Don't use a random number.
- **Never move it further away.** That turns a small planned loss into a big one.
- In fast markets a stop can fill at a worse price than you set. This is called **slippage**.



I kept moving my stop "just a bit more"... then I deleted it. **Episode 6** didn't end well. Set it, then leave it alone!

TRY IT

On demo, place a trade with the stop set **before** you click buy or sell.

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DAY 5

Risk 1% & position sizing

Many traders choose to risk only a small slice of their account on each trade, often **about 1%**. Losing streaks happen to everyone, and small risk means one bad run can't wipe you out.

£1,000 account, 10 losses in a row	Left
Risking 1% each time	**about £904**
Risking 5% each time	about £599
Risking 10% each time	about £349

Size = Money at risk ÷ Stop distance

Example (illustration only): £1,000 demo account. 1% = **£10**. Your stop is **$4** away from your entry. So £10 ÷ 4 = **£2.50 per $1 move**. If the stop is hit, you lose about £10, as planned.

Platforms size trades differently (lots, ounces, £ per point). Use your platform's position-size calculator, or check what a $1 move is worth at each size.



In **Episode 4** I went ALL IN on a "sure thing". There's no such thing. **Size first, then click.**

DAY 6

News: NFP, CPI & the Fed

Big US news can move gold a lot in seconds, in **both directions**. The first move often reverses.

Event	What it is	Usual UK time
NFP	US jobs report	1st Friday of the month, 13:30
CPI	US inflation	Monthly, around mid-month, 13:30
Fed (FOMC)	US interest rate decision	8 times a year, 19:00

These can be an hour earlier for a few weeks in March and Oct/Nov, when the UK and US change their clocks on different dates.

What happens around news

- Spreads get **wider**.
- Price can **jump**, and stops can fill at worse prices.
- Many beginners choose not to open new trades just before big releases.



I opened a trade 10 seconds before NFP. **Episode 8**. Check the calendar every morning!

TRY IT

Open a free economic calendar, filter for **USD, high impact**, and list this week's events in UK time.

DAY 7

Your simple plan + journal

A plan is just your rules written down **before** you trade. Keep it short enough to fit on one screen.

Market & times	e.g. XAUUSD, 13:00–16:30 UK
My setup	e.g. bounce from a support zone
Stop rule	just beyond the zone, set before entry
Risk per trade	e.g. 1%
Max trades a day	e.g. 2
News rule	e.g. no new trades 15 mins before

Journal every trade

Date & time	
Why I entered	
Entry / stop / risk %	
What happened	
Followed my plan?	Yes / No
One lesson	



No plan in **Episode 7**, no journal in **Episode 10**. Same mistake every day! **Write it down.**

YOU DID IT

Nice one. What next?

- Keep practising on **demo** until following your plan feels boring. Boring is good.
- Journal every demo trade and read it back every weekend.
- Re-read the day you found hardest.

Keep learning free in our Telegram. Daily gold lessons, quizzes and beginner Q&A from TopTrades FX:
t.me/TOPTRADESFX1

Practise first. Most trading platforms offer a free demo account, so you can learn order entry and risk with no real money. If you ever decide to trade with real money, use a firm that's authorised by the FCA. Check the firm and its exact web address on the FCA Register (register.fca.org.uk) and the FCA Warning List first. TopTrades FX doesn't recommend or get paid by any broker.

Risk warning: CFDs (including gold/XAU/USD and forex) are complex instruments and come with a high risk of losing money rapidly due to leverage. Only trade with money you can afford to lose.
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Thanks for reading! Catch my latest mistakes in **Don't Be Frank** on TikTok, Instagram and YouTube.