JWS TRADING SERIES

01

CRYPTO TRADING BASICS

Exchanges, orders and staying safe — the foundations first.

LEARN · PRACTISE · PROTECT

VOLUME 01 OF 03

WELCOME

Before we start

This series exists because I wanted one place that explains trading the way I wish someone had explained it to me: simply, honestly, and without pretending it's easy money. It isn't. Most new traders lose money, usually because they skip the boring foundations and jump straight to the exciting part.

So we start with the boring part — and we do it properly. Volume 01 covers what an exchange actually is, the difference between spot and futures, how orders really work, and how to keep your account safe. Nothing here is financial advice; it's the homework I'm doing myself, written down for you.

Take it slow. There is no rush and no prize for being early.

— Shannon

CHAPTER ONE

What a crypto exchange actually is

An exchange like MEXC is a marketplace. It matches people who want to buy a coin with people who want to sell it, and the constantly moving price you see is simply the last price two strangers agreed on.

The words you'll see everywhere

- Trading pair — what you're swapping, e.g. BTC/USDT means trading Bitcoin against the US-dollar stablecoin Tether.
- Order book — the live list of everyone's buy offers (bids) and sell offers (asks).
- Spread — the gap between the highest bid and lowest ask. Tighter spread = busier, healthier market.
- Volume — how much has been traded recently. High volume means you can get in and out easily.
- Market cap — coin price × coins in circulation. A rough measure of how big and established a coin is.

SHANNON'S NOTE

Before you deposit a cent, spend a week just watching. Open the BTC/USDT chart daily, watch how price moves, and get bored of it. Boredom is the correct starting emotion for trading.

CHAPTER TWO

Spot vs futures — know the difference

Spot trading

You buy the actual coin and it sits in your account. If Bitcoin drops 20%, you're down 20% — painful, but you still own the coins and nothing forces you to sell. This is where every beginner should live.

Futures / leverage trading

You're trading a contract on the price, not the coin itself, and you can borrow to multiply your position. 10x leverage turns a 10% move against you into a 100% loss — your entire position is liquidated and gone. Leverage is how most new traders blow up their accounts in weeks.

- Rule of thumb: if you can't consistently make good decisions on spot, leverage only multiplies bad decisions.
- Exchanges offer demo/paper trading — practise futures there with fake money long before real money.

SHANNON'S NOTE

My personal rule while learning: spot only, no leverage, position sizes small enough that a bad trade annoys me but never hurts me.

CHAPTER THREE

Order types — your three basic tools

- Market order — buy or sell instantly at the best available price. Fast, but in a thin market you may get a worse price than you expected (called slippage).
- Limit order — you set the exact price you're willing to trade at, and it only fills if the market comes to you. Slower, but you control the price. This should be your default.
- Stop-loss order — an order that automatically sells if price falls to a level you choose. It's your seatbelt: you decide your maximum loss before you enter, not in a panic afterwards.

A complete beginner trade, step by step

1) Choose the pair and decide why you're entering. 2) Decide your position size (Volume 03 covers this). 3) Place a limit buy. 4) The moment it fills, set your stop-loss. 5) Decide your exit target. 6) Write all of it down in a trading journal — entry, exit, reason, result, feeling.

> **SHANNON'S NOTE**
>
> The journal matters more than the trade. Six months of honest journal entries will teach you more than any video ever will.

CHAPTER FOUR

Security — protect it before you grow it

- Turn on two-factor authentication (2FA) with an authenticator app the day you open your account. Never SMS-only.
- Use a unique, long password that exists nowhere else. A password manager makes this effortless.
- Set a withdrawal address whitelist if your exchange offers it, so funds can only ever leave to addresses you pre-approved.
- No legitimate person will ever DM you to help you trade, fix your account, or double your money. Every one of them is a scammer. Every single one.
- Larger long-term holdings can be moved to a hardware wallet you control. Exchanges are for trading, not for life savings.

The mindset that survives

Treat your first months as tuition, not income. Your only goals are: follow your rules, protect your capital, and still be here in a year. Profit is a by-product of doing those three things for a long time.

KEY TAKEAWAYS

Before your first real trade

- [ ] I've watched the charts for at least a week without trading
- [ ] I understand the pair I'm trading and why
- [ ] I'm on spot — no leverage while I'm learning
- [ ] 2FA is on and my password is unique
- [ ] My position is small enough that losing it won't hurt
- [ ] My stop-loss is decided before I enter
- [ ] My trading journal is open and ready

ABOUT

Journey With Shannon

I'm Shannon — founder of JWS and a lifelong learner sharing the journey as I go. This series documents what I'm learning about trading, in plain language, the same way my fitness guides document exactly how I train. I'm not a financial adviser and I'm not selling a strategy. I'm sharing the homework.

If these guides help you, the best way to support the journey is to follow along:

linktr.ee/journeywithshannon

IMPORTANT

Please read this

This guide is general information and education only. It is not financial advice, and it does not take into account your objectives, financial situation or needs. Nothing here is a recommendation to buy, sell or hold any cryptocurrency or other asset.

Cryptocurrency is high-risk and largely unregulated. Prices are extremely volatile, and leverage multiplies both gains and losses. You can lose all of the money you put in — never trade with money you cannot afford to lose.

Crypto assets and the platforms that offer them may not be protected by the consumer safeguards that apply to regulated financial products in your country. Consider speaking with a licensed financial adviser before making investment decisions.

Past performance — mine, anyone's, or any pattern's — is not an indicator of future results. Shannon and JWS accept no liability for any loss arising from the use of this material.

Some links connected with this series (including exchange sign-up links and book links) are affiliate links. They cost you nothing extra and help support the free resources.

Keep going.

Next: Volume 02 — reading charts and the candlestick patterns every trader learns first.

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