



How To Get Started In Trading/Investing?

Save Money & Become an “Investor” First

- **Save money for a passive investing account as well as a trading account.**
 - Most humans are terrible investors and the **vast majority of professionals fail to outperform the “market”** (S&P 500, DJIA, TSX, NASDAQ) etc. This is a FACT. Google it.
 - Build a simple portfolio of **low-cost index ETFs or stocks I call “common sense” stocks** within a discount brokerage account
 - Even Warren Buffett says people should **buy low cost index funds (ETFs)**.
- **Why do this?**
 - To insure that you have **exposure to equities in the most cost effective way** possible for the long term
 - Preservation of capital
 - **AND To be able to look back at your long term performance and compare it to your trading account**

Educate Yourself

Start With The Basics:

- Learn and understand what is a stock, Bond, Exchange Traded Fund, Mutual Fund, Stock Option, Futures Contract etc.
- Free online resources such as Investopedia or basic textbooks. Stick to **UNBIASED** resources that aren't selling you something!

Study Investing/Trading Styles:

- Value, Growth, Macro, Trend Following, Momentum etc. Learn the difference between Fundamental and Technical Analysis

Understand the players:

- Institutional investors, Hedge Funds, Algorithmic Trading, Market Makers, Swing Traders, Long term investors etc.

Books:

- The Market Wizards, The Complete Turtle Trader, Reminiscences of a Stock Operator, Trend Following, Technical Analysis of Stock Trends, Trading in The Zone

Understand Your Personality Type

Personality Traits To Keep In Mind?

- Do you like to gamble? Are you indecisive? Are you stubborn? Are you highly intelligent? (some of the smartest people make horrible traders), Are you discipline? Are you emotional? Are you analytical or detail oriented? Do you seek out adventure? Are you impatient? Etc.
- This will allow you to figure out what style of trading best fits your personality

Follow & Learn From Other Traders

Trading can be lonely:

- Join a trading/investing community. This meetup is a good start
- StockTwits is a good platform for both new and experienced traders
 - Take a look at the profiles before you start to follow. Ask me & I can give you some good legit no BS traders to watch
 - I started a room where I post information, market analysis, trending stocks etc.
 - Watch, learn and analyze others trades
 - Try and find traders who have traded through a bear market and have INTEGRITY
- Start building watchlists and review them daily or at least weekly.
- Stay away from the penny stock boards, those promising quick/easy money and especially those who post photos of themselves trading from a laptop on a beach or from their lambo
- Ask lots of questions

Fund A Trading Account

How Much?

- It depends if you are going to use leverage or not
- The amount is different for everyone but as a rule of thumb do not risk more than 1% of the account value on any one trade

How much time do you have?

- This will determine the time frame you will be able to trade and the options available to you
- Example: You can easily have a job and be a long-term investor and swing trader BUT you will still have to put time and energy into risk management, finding and researching good opportunities etc.

Create A Trading Plan

A Bad Plan is Better Than NO Plan

- Follow your plan no matter what
- Keep it simple. Setups you will trade. Reasons for taking a position. Will you have targets or just use trailing stops etc.
- Diarize everything. Even how you felt when you entered or exited the trade
- Review daily, weekly or monthly

What About Paid Mentorships, Coaching, Online Courses, Subscription Services?

- There are a ton of free resources to tap into online
- I like services that realistic in their promises & expectations
- I think most people could benefit from an experienced mentor or coach
- BUT at the end of the day you will eventually need to have your own systematic approach that suits your personality. Everyone gets what they want from the market.