



## The Secrets of the Super-Traders

The first and perhaps most important "secret" is to realize that your methodology or approach (no matter how good) is only part of being a highly successful trader. This applies to any trading style including, day trading, swing trading or position trading.

The simple fact is that a bad trader can screw up a fantastic trading system. Conversely a talented trader can take a mediocre strategy and make money with it.



Why? Please read on and I will explain.

Many traders/investors that I have talked with think that to be a "Super-Trader" that they must possess some type of highly advanced trading techniques or software along with nerves of steel and a highly developed intuitive feel for the markets. In addition they think that these elite group, have some "inside information" that they don't.

You will be relieved to know that the above is not necessary. There are actually only a few things that separate traders who consistently make money and those who don't.

And here they are?

- \* Skilled traders find a strategy or market pattern that offers a high probability for success. They make money by exploiting this edge over and over again.
- \* Skilled traders never deviate from their methodology or "wing it".
- \* Skilled traders never enter a trade without a entry and exit strategy. They know exactly when and where to cut their losses as well as taking profits.
- \* Skilled traders never ever let a winning trade turn into a losing one. The easiest way to ensure that this doesn't happen is to place a protective stop at or a few ticks in the money once your position is up several points.
- \* Skilled traders never hope, pray or wish that their stock would go up. They understand that when they are wrong they are wrong and the best thing to do is cut their losses short.



- \* Skilled traders never trade with their emotions. They don't allow themselves to get caught up in the latest and greatest investment hype.
- \* Skilled traders always have one goal in mind: To preserve their capital at all costs. They do this by never taking on too large of a position. A good rule of thumb to adhere to is never use more than 5% of your funds on any one trade. This way in the worst-case scenario the stock could drop to zero and your account would not be severely affected.
- \* Skilled traders never get too greedy. There is an old saying that "Pigs get fed and hogs get slaughtered". These traders don't try to make one big trade that will turn them into instant millionaires. They don't try to hit home runs, instead they understand that it is better to keep hitting singles and making smaller consistent profits.
- \* Skilled traders enter and exit trades swiftly and decisively.
- \* Skilled traders listen to no one else's opinion concerning the market or particular trade they are in.
- \* Skilled traders are often contrarians. They will be buying when others are too scared to and sell when the crowd starts buying.

That's it, the secrets to making big money in the markets. Perhaps that is a bit of a let down as you were hoping for something a bit more esoteric and complicated.

Let me assure you that if you follow the above principles that you will take your trading skills and profits to a level that you never thought possible!

This article is courtesy of Dr. Jeffrey Wilde, a trading veteran with 15 years of experience in all major markets. He is a trading coach to over 1400 traders in 38 countries.