

8 TIPS to Intelligent Trading

If you are decided to enter the financial markets there are some things you should know before operating in the online trading world. Scroll the article to learn our experts' advices adapted for any level of knowledge.

Content

01.

The right mindset for trading

Knowing your psychological profile means knowing how to dominate emotions, maintaining discipline every time you start trading.

02.

Having a trading plan

Planning your operations properly will help reduce the risk of drying up your account.

03.

Trading with leverage

There are many advantages to trading with leverage, so many that it has now become a common tool in the trading world.

04.

Managing your emotions

Knowing how to manage your emotions during trading operations is the best possible, mature and indispensable approach.

05.

Risk Management

It is practically impossible to earn money without proper use of Money / Risk Management techniques.

06.

Benefits of Practice Trading

You can never say you know how to trade online no matter the information you have until you practice it yourself.

07.

Mistakes to Avoid to be Successful

It's important that you make a solid foundation for your online trading business.

08.

Practice discipline

Discipline leads to confidence and keeps you from making risky moves.



LEARN FROM THE EXPERTS

Online Trading is just like every other business, you can never tell you have enough information or experience until you have tried almost every advice, strategy or tool to practice your knowledge.

1. THE RIGHT MINDSET FOR TRADING

Risk tolerance is an important factor in trading and largely defines the decision making process. In essence, risk tolerance is the degree of exposure per investment that one is willing to take. A realistic understanding of the markets, the risk-reward ratio and the real-time decisions you will need to make will have a crucial impact on your risk tolerance. Another factor to consider with risk tolerance is the amount of money you can afford to lose if the markets don't turn in your favor.



2. Having a trading plan

PERSONAL ANALYSIS

Make sure you are ready to trade and know how to follow the signals without hesitation. Find out what your strengths and weaknesses are before opening a position.

TARGETS

Start by writing down your goals and setting realistic goals. Always keep in mind and evaluate your financial goals and timing to reach each goal, making sure you close the position whenever you generate a success, without becoming greedy.

What else to consider in your trading plan

Entering the world of online trading can be scary and during your career as a trader you might lose money while trying to follow the activity and market fluctuations.



Where to invest

Identify the markets of interest and reference times



How much to risk

Make sure you don't pay out more than you are willing to risk



Analyze the charts

Reading the latest market analyzes plays a fundamental role in this decision-making process



Define Stop-loss & Take-Profit

Allowing some margin for corrections may be appropriate, however it is important to ensure that emotions do not take over while investing.

3. Trading with leverage

What are the benefits

Investors use leverage to significantly increase the returns that can be provided on an investment. The leverage in trading, allows you to open trades that have a much greater value than the capital actually invested therefore to have potentially greater profits but also potentially greater losses.

Minimizes the capital that the trader has to invest

Instead of paying the full price of an instrument, the trader can pay only a small part of it.

Accessibility to prestigious instruments

You can profit from the price swings of these prestigious instruments simply by using leverage.

Increases the gain but also the risk in losing more capital

The leverage allows you to have potentially greater profits but also potentially greater losses

4. MANAGING YOUR EMOTIONS

Emotions in trading can lead to misjudgment with inevitable loss of money. When trading, **fear** is probably the first emotion you feel. Trading, however, is not a threat, there is little to fear. What it takes is simply time and knowledge to understand what you are doing.

Greed can be your worst enemy. In order not to be overwhelmed, you need to know when it's time to leave the field and pocket the profits.

In trading, **hope** is also a rather useless emotion. Even if all traders experience it, it can be quite harmful.

Excitement and **regret** can both be dangerous to experience during decision making. Regret can turn into demotivation after a series of failed trades, slipping away into frustration and finally saying goodbye to the world of online trading forever.

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If you can't control your **emotions**, you can't control your **money**.

- Warren Buffett

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5. Money or Risk Management: is the fundamental element for success.

A Risk Management that analyzes the risk linked to the position taken is essential for those who operate on the markets. Here some important advice:

- It is important not to be undercapitalized. You must have adequate capital for the instrument on which you are going to operate and not take excessive risks.
- Risk, in the single operation, only a small percentage of the available capital.
- Use real stop orders.
- Limit the risk of your entire portfolio to a maximum of 20%.
- The more active you are, the more trades you make and the lower the risks per trade should be.
- Try to lock at least part of the profits you are making.



6. Benefits of Practice Trading



Checking price movements

Practice Trading allows you to see how price action develops around news announcements.



How to use a platform

Among the key reasons to practice trading first is to get you comfortable with how the platform works.



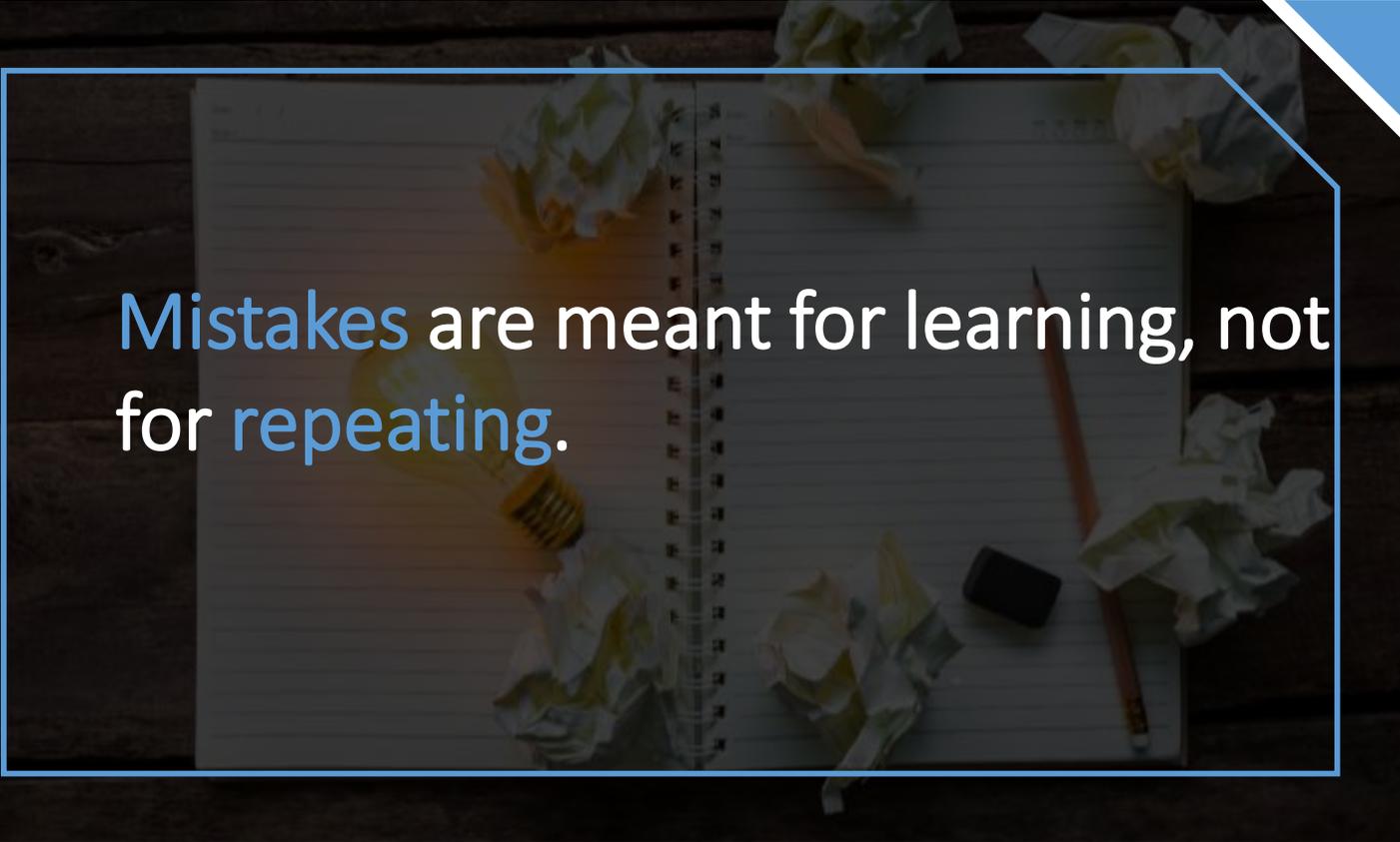
Profitability from a trade's size

When you're on practice trading account you can get a feel of how a specific trade size can affect your account equity in a positive or negative manner



Get to know the markets

When you're a beginner you don't know which market would be the right one to choose, and the choice can't be casual, you have to have real information about the possibilities you have.



Mistakes are meant for learning, not for repeating.

7. MISTAKES TO AVOID TO BE SUCCESSFUL

Just as a successful business needs a solid foundation to stand, it's also important that you make a solid foundation for your online trading business.



01.

Lack of Focus

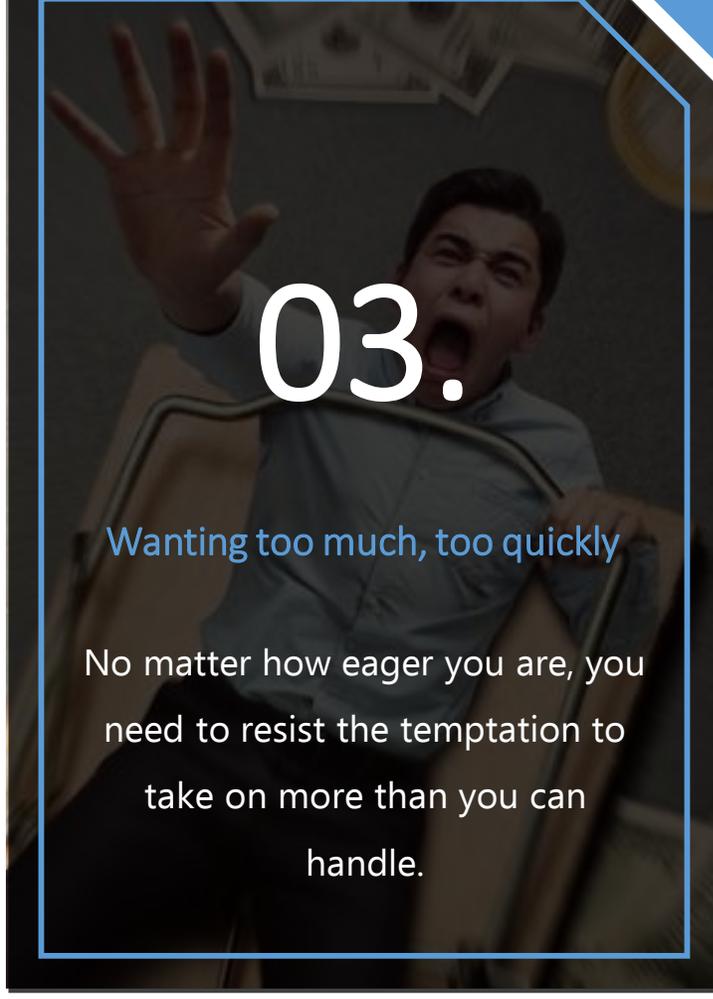
A good trading strategy, includes specific goals that can be measured, are realistic and are time bound.



02.

Mistaking Planning for Strategy

A plan, is a course of action that sometimes reads like a to-do list. But a strategy looks at the bigger picture, studies the environment, connects all the dots, and acts based on insight to capitalize on great opportunities.



03.

Wanting too much, too quickly

No matter how eager you are, you need to resist the temptation to take on more than you can handle.

04.

Lacking Flexibility

Because of the fluid nature of the market, one big mistake you should avoid is making a strategy that is rigid and set in stone.

05.

Putting your strategy on the shelf

Making a strategy just to not use it is, by far, the biggest mistake you could make. You lose the time and effort you put in but you also make it extremely hard for yourself to succeed in online trading.



PRACTICE DISCIPLINE

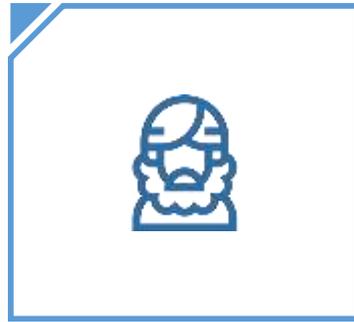
Self-discipline gets you consistency, and consistency **makes success achievable** within an acceptable amount of time.



What to consider

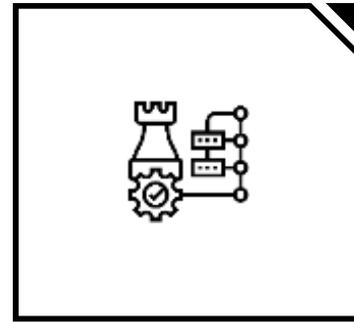
Meditation practice

By simply observing and allowing thoughts to arise and pass, you're building discipline and your ability to self-control.



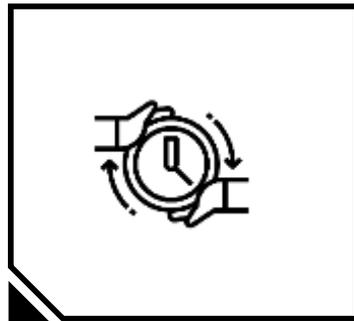
Formulate your reasons

Write down your reasons for self-discipline: What do you hope to achieve? Where do you see yourself? Visualize your success as a trader and you'll be more motivated to reach it.



Develop a routine

If you swing trade, plan what you'll do with your time when you've already initiated your trades.



Visualize

Make an affirmation to yourself that you will resist any temptation to override your plan, and visualize how you will benefit from your efforts. Your willpower will last longer this way!



Bonus



Do not expect to become an expert trader right away. It takes considerable time, practice, effort & discipline to learn trading.



Do not try to focus on too many instruments at once. Limit your focus to a manageable number.

Always keep records of your trading results and analyze the results. Ask yourself why you want to trade!



Paper trade or use a simulated trading website to practice your trading techniques before you use your own money.



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JOURNEY

The logo features a stylized, abstract shape composed of several overlapping, curved lines in shades of gold and grey, resembling a wing or a stylized letter 'A'.

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