

Trading For A Living

Before you decide to become a professional day trader, consider that only around 11% of daytraders are actually profitable. This, along with the statistic that 70% of people lose money day trading, was revealed by The North American Securities Administrators Association. Having a solid strategy, day trading system, state of the art day trading software, and the discipline to learn the market that you plan on trading are vital to your success. In addition, not everyone possesses the timing, personality, and funds necessary to become a successful professional trader, yet many still try and jump in head first into one of the most risky careers out there.

With many different trading strategies to choose from, it is important to choose one that fits your style of trading and stick to it. Each strategy has a unique mind-set and trying to juggle more than one can throw off your whole game. For example, in stock trading, swing traders try to anticipate peaks and troughs over a period of days or weeks. Conversely, scalpers are looking for minute to minute entry and exit points with no regard for what a stock is going to do long term. Switching gears between the two is confusing and dangerous if done without proper research first.

Profitable traders must also have a system and the proper tools to implement it. Stock and forex trading software offers many systems to assist traders. Automated, advisory, and rule based systems are just some of those most commonly used. Having access to accurate data quickly is vital for those who trade for a living. There are some amazing software packages offered to traders that allow them to customize a trading system. In addition, there are others that allow traders to utilize more than one system at a time in order to create an even more accurate market shot.

Regardless of how many resources traders have access to, if they do not have the discipline to do the prep work and concentrate on their trades, they will most likely lose money. While luck may sometimes be on your side and you may make thousands of dollars with little effort, don't get over-confident. To trade for a living and be profitable, you must think of trading as more of a science and less of a gamble.

Timing is essential in trading. Second guessing your strategy can cause you to miss lucrative trading opportunities. Therefore, having a confident and assertive personality is essential if you want to trade for a living. Those who have a low patience threshold should stay away from trading. Those who trade on emotion are most likely to lose sight of their plan and lose their money. While losses are inevitable, taking them in stride and being able to learn from anomalous situations is key. Lastly, you will need to have a decent amount of funds available for trading while you hone your strategies. Those who day trade for a living ideally want to get to the point where they are trading with "house money" but until then, having enough funds to stay in margin is necessary.

About the Author

Written by: John Gilliam

Tsunami-Trade: [Day trading software](#) with proprietary trading robot specialized for daytrading. [Forex trading software](#) for active day trading.

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