

Jesse Livermore's Trading Rules

Buy rising stocks and sell falling stocks

Don't try to trade every day of the year

Trade only when the market is clearly bullish or bearish

Trade only in the direction of the general market

Co-ordinate your trading activity with pivot points

Enter a trade immediately after the market confirms your opinion

Continue with trades that show a profit, end trades that show a loss

Sell when it's clear that the trend is over

In any sector, trade the leading stock showing the strongest trend

Never average losses

Never meet a margin call

Go long when stocks reach a new high. Sell short at a new low.

Don't become an investor by holding stocks whose price has fallen

A stock is never too high to buy and never too low to short

Markets are never wrong - opinions often are

The most profitable trades are those that show a profit immediately