

Warrior Starter Course: Quiz Answers

Chapter 1: Becoming a Day Trader

Correct answers are bold. At the end of this quiz is some optional work to consider!

1. Which of the following is *not* generally recommended for trading a momentum trading strategy like Ross'?
 - a. Updated Windows operating system
 - b. External monitor
 - c. Touch screen**
 - d. Gaming graphics card
2. According to Ross, what is the minimum percentage of accuracy that traders should strive to achieve in a simulator before trading with real money?
 - a. 50%
 - b. 60%**
 - c. 70%
 - d. 75%
3. According to Ross, what is the minimum length of profitability that a trader should achieve in a simulator before trading with real money?
 - a. 2 weeks
 - b. 1 month**
 - c. 90 days
 - d. 1 year
4. True or false? *Traders can invest their day trading profits for long-term growth.*
 - a. True:** This can be an effective way to capitalize on market opportunities.
 - b. False: Once profits are day traded, they cannot be reinvested.
5. Which of the following types of trading is the lowest risk/return?
 - a. Passive long-term trading for dividends**
 - b. Swing trading
 - c. Day trading
6. Which of the following types of trading is the highest risk/return?
 - a. Passive long-term trading for dividends
 - b. Swing trading
 - c. Day trading**

7. Bonds are most commonly used as an example of which of the following types of trading?
- a. **Passive long-term investing**
 - b. Swing trading
 - c. Day trading
8. Trading and holding a single stock over a period of 2 weeks is an example of which of the following types of trading?
- a. Passive long-term investing
 - b. **Swing trading**
 - c. Day trading
9. Trading 3 stocks in one day and not holding any overnight is an example of which of the following types of trading?
- a. Passive long-term investing
 - b. Swing trading
 - c. **Day trading**
10. Using the rule of 4%, if you have \$2 mil in savings how much can you withdraw per year indefinitely without running out of money?
- a. \$40,000
 - b. \$60,000
 - c. **\$80,000**
 - d. \$120,000
11. What is the average historical growth rate of an account in the stock market?
- a. 3 - 5 %
 - b. 5 - 8%
 - c. **7 - 10%**
 - d. 10 - 12%
12. How much do you need to be considered wealthy as a Millennial?
- a. 1 million
 - b. **2 million**
 - c. 3 million
 - d. 4 million
13. How much do you need to be considered wealthy as a Baby Boomer?
- a. 1.7 million
 - b. **2.7 million**
 - c. 3.7 million

d. 4.7 million

14. What are some of the benefits of deciding early on what your goals are? Select all that apply.

- a. **You can get started on them sooner.**
- b. **You can make adjustments more confidently as life happens.**
- c. **You can capitalize on compound interest.**
- d. **You'll have a quantifiable goal to reach for.**

Things to think about:

- ★ What does success look like to you? Is it having more time to spend with your family? Being debt-free? Purchasing a house? Write a brief answer describing some of what your idea of success in trading might ultimately look like for you.

- ★ Make your oath now! Do you agree to not trade with real money for the next few months while you complete our educational program?

☐ I do!

☐ I'd rather go live ASAP and learn while I trade, understanding that this is not advised and is a risky way to both learn and trade.

- ★ Brainstorm some of your 5- and 10-year financial goals below:
