

# Trading Strategies Guide

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## 1 General Trading Strategies

High level overview of contributing factors to day trading decisions

### 1.1 Identifying Stocks

- Liquidity: Liquid stocks allow you to enter and exit the market easily; liquidity also assists in trading under conditions of low slippage (difference between expected and actual price) and tight spreads
- Volatility: A metric for variability of the stock
- Trading Volume: Trading volume gives you insight into demand for the stock

### 1.2 Entry Points

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### 1.3 Exit Points

- Scalping: Exiting your position as soon as it is profitable
- Fading: Shorting stocks after rapid movements upwards
- Daily Pivots: Using volatility predictions to buy low and sell high
- Momentum: Riding trends until they appear to reverse

Long term investing tends to be determined by fundamental analysis (capitalize on differences between an asset's price and intrinsic value)

## 2 Algorithmic Trading Strategies