

Lecture 9

Different Players

who are the different players?

- proprietary trading firms.
- Investors.
- Retail Traders.
- Portfolio managers (mutual funds)
- Hedge Funds.

Understanding who you're playing against and how they play.

The stock market is a zero sum game. Meaning that for every dollar you make someone else has lost that dollar. For this reason it is important to know who are the market participants that you are playing against and how those participants are likely to act under different circumstances.

Lesson to take away:

Price is determined by supply and demand. Supply and demand can be seen through order flow. Prices don't necessarily change due to new news or new information, but as a result of new orders.
