Twitter Thread by Shivang ■

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Why Zerodha is not a suitable broker if you are trading with <10L ■

An eye-opening thread:



■■ If you are day trading, one thing you should be bothered about is the charges(brokerage, SEBI, STT)

■■ Profit/Loss is secondary. Will write about it sometime later.

■■ Control the charges you pay at EOD.

1■■ What people usually do?

■■ Take 100 trades. Make Rs.1000. And end up paying Rs.3000 in charges. You are only making your broker rich this way.

■■ Do this on a monthly basis. And you will always be in a loss at the end of the month.

■■ Kamath Bros are the ones making the money and not you.

2■■ Story of my friend(Problem Statement)

■■ A friend of mine shared his experience of over trading.

■■ He started trading in Jan'22 with 5L capital.

■■ He used to do scalping with 6-7 lots.

■■ Used to do a lot of trades on a daily basis(70-90 every day). Ended up paying a lot of brokerage.

3■■ Moral of the story

■■ Brokers are always winning. Not sure about market participants.

■■ Money just changes hands in the derivatives segment. Someone's profit is someone's loss.

(70 * 30 = 2100)*20 = 42000 in brokerage at the end of the month.

Think about it.

■■ Choose your broker wisely. Spend time researching which is the best broker for you.

4■■ Solution

■■ Don't take trades where you lack conviction/doesn't suit your style of trading. Trade your setup. Avoid random trades.

■■ You can't catch all the moves.

■■ Try to limit the days you want to trade. Let's say you want to trade non-directionally. You can make enough money(5-6%) by trading just on Tuesdays, Wednesdays, Thursdays.

■■ You can use alternate brokers like SAS Online, Kotak too. Kotak has hung up twice on me till now, but they don't charge intraday brokerage.

Share you experience with respect to how you look at brokerage. What % of profit is your brokerage.

Comment "Amazing" if you found the thread insightful.

For more such threads in future, follow me at @shivang_ran.

Retweet the first tweet to spread financial awareness.

Feedback appreciated.

Happy Weekend.

Until next time, bye ■

This is just my 'personal opinion'.