Twitter Thread by Tom Dante



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22 years trading.

Here are some of the most important things I've learnt (Part 1/2):

1. There is often a huge difference between what you want to do and what you're good at doing.

Some traders may want the excitement of scalping but don't have the time or the mental agility. They may be better suited to another style.

Play to your strengths to find your niche.

2. To make it this business you're in for the fight of your life.

And the biggest enemy is you.

3. If you desperately need to make money to pay the bills or support your family, get another job first.

Needing to make money with urgency puts huge pressure on a trader. This pressure is not conducive to making effective trading decisions.

4. If you want to hit the summit, then you’re going to have to make the climb.

Climbing takes a lot of hard work.

Your aim should be to take money from traders that haven't put in the work you have and make sure that very few are putting in the level of work you are.

5. Capital is king.

Respect this and preserve it at all times.

If you do not have capital, you cannot trade.

If you cannot trade, you cannot win.

6. You need to know:

- What you want to see
- Where you want to see it
- When you want to see it

7. If you don’t know something, you need to make sure you do.

For example, if you see a large gap in your market and you wonder to yourself how many times gaps fill, stop wondering and gather the data.

This is how you can grow to make confident decisions.

8. You should try to enter the market as close as possible to where you are wrong on your trade idea.

9. You need to learn to forget about the great prices you could have traded at.

The only question that matters is: Should you enter, add or exit, right now?

10. R is not a static concept. It moves with the trade.

If you enter a trade with a 10 tick stop and a 100 tick target and are +90 with a stop at breakeven, you’re evolving R is 0.11. If you get stopped out, you have just lost 90 ticks.

There is no such thing as a free trade.

11. If you can’t look at a market and see who the weak hands are, the weak hand is probably you.

12. Finding and taking excellent trades is not the hard part.

The hard part is trying not to do anything stupid in between them.

13. Intuition comes from studying the market and watching it over a long period of time. If you get a strong feeling about a market, even if you are not completely sure why, act on it. But know that feelings can be wrong and be quick to act if the market does not confirm it.

14. You need to grow a pair when you're managing a trade.

The space is littered with traders calling tops and bottoms and taking a few ticks before micromanaging and getting out.

Don't be one of them.

15. The market almost always tips its hand to which way it is going. If you can't see this, you haven't watched it long enough.

16. The greatest opportunities, the ones that elevate your career massively, usually look very “risky”.

Have the guts to step up when you feel, deep down, that it is time.

Grow a pair and act decisively and don't be a victim of the "if only I had..." mentality.

17. Keep your transactions to yourself. Do not boast about wins or lament losses to other people - especially those that do not trade themselves.

Most will call you lucky when you win and a fool when you lose. If you get consistent, they will only pester you to trade for them.

18. If you cannot adhere to the last rule and desperately feel the need to show someone where you got in a trade, make sure you’re out of it first.

Market turns occur when you screenshot open positions.