

Day Trading Lingo

Understanding

Basic Terminology



Intraday Trading:

In and out of all positions within the same day - not holding anything overnight or longer

Bull Market:

market going up

Bear Market:

market going down

Profit Target:

When in a trade you have your profit set to a specific target

Risk management:

You always, **ALWAYS** have a specific risk stop in place.

You can never ever enter a trade without having your risk already there, or will lose it all.

Charts:

the holy grail for traders, everything you will be doing is from your chart.

Indicators:

This is what you will be using on your chart to help you see the green lights for your entries.



Trending Markets:

The general direction of the market.

Can be up, down or sideways



Buy:

This is when you enter the market with the prospect of it going up so you can sell it at a higher price

Long:

'Going Long' is the same as saying to buy - your goal is for the price to go up so you can make a profit

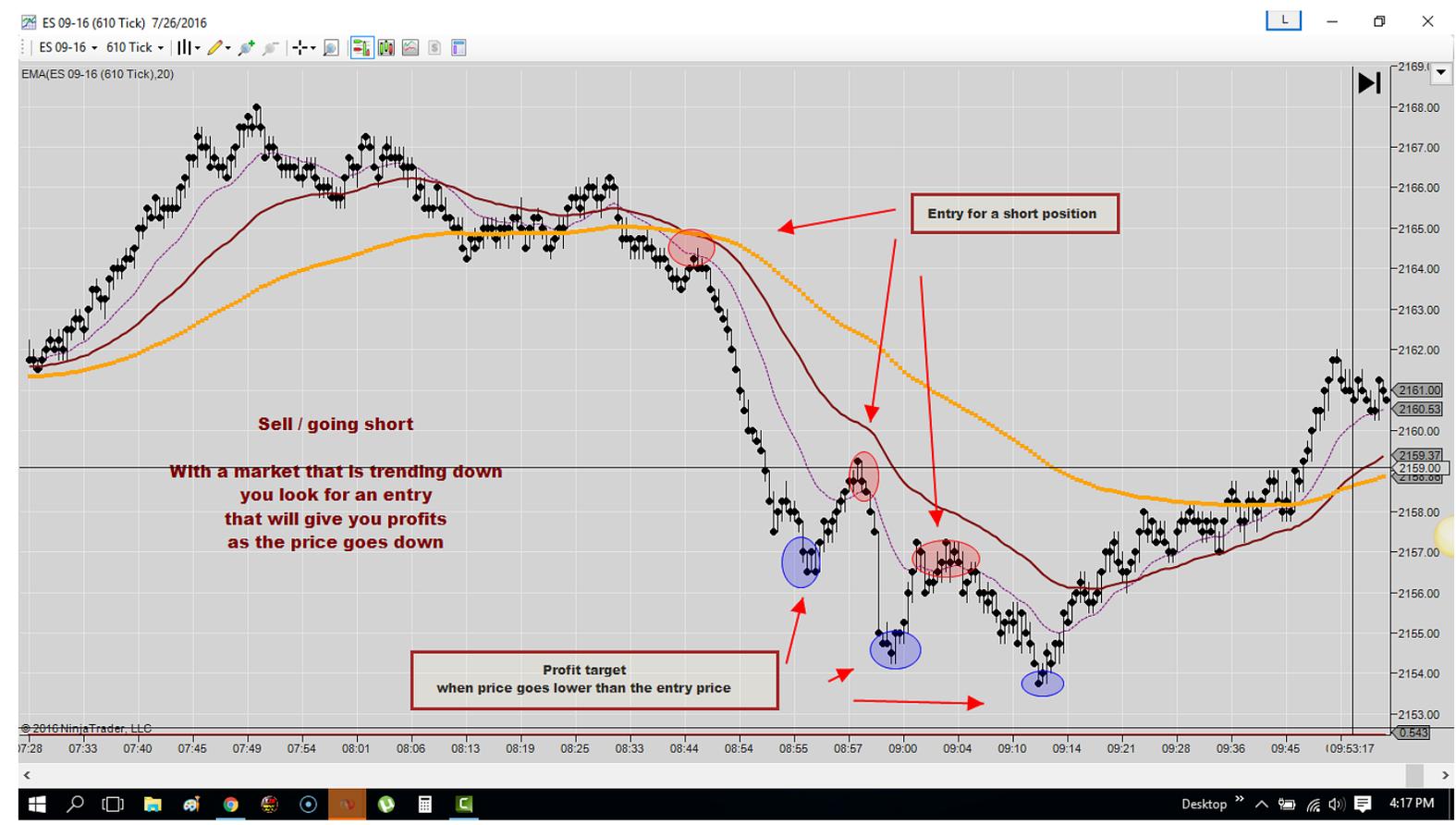


Sell:

This is when you are entering the market with the prospect of it going down and you can earn money on the difference

Short:

'Going short' is the same as saying to sell - your goal is for the price to go down so you can make a profit



Market entry:

This is when you enter the market at the exact price it is at the moment - traders never do this, you always know exactly which price you want to enter at.

Limit Order:

This is how traders enter the market, they have their entry waiting at a certain price point that they are looking to enter in.

Stop limit:

This is your risk management. You will always have one in place. Stop limit is what you set on your trading platform so it is there to help you get out when you say you want to.

Areas:

This is a place where the market hits over and over again.
There are 2 specific areas: Resistance and Support

Resistance Area:

Think of this as a 'ceiling'

This is when the price is hit on top
over and over again

(3 times or more)

and changes the direction of the market

Support Area:

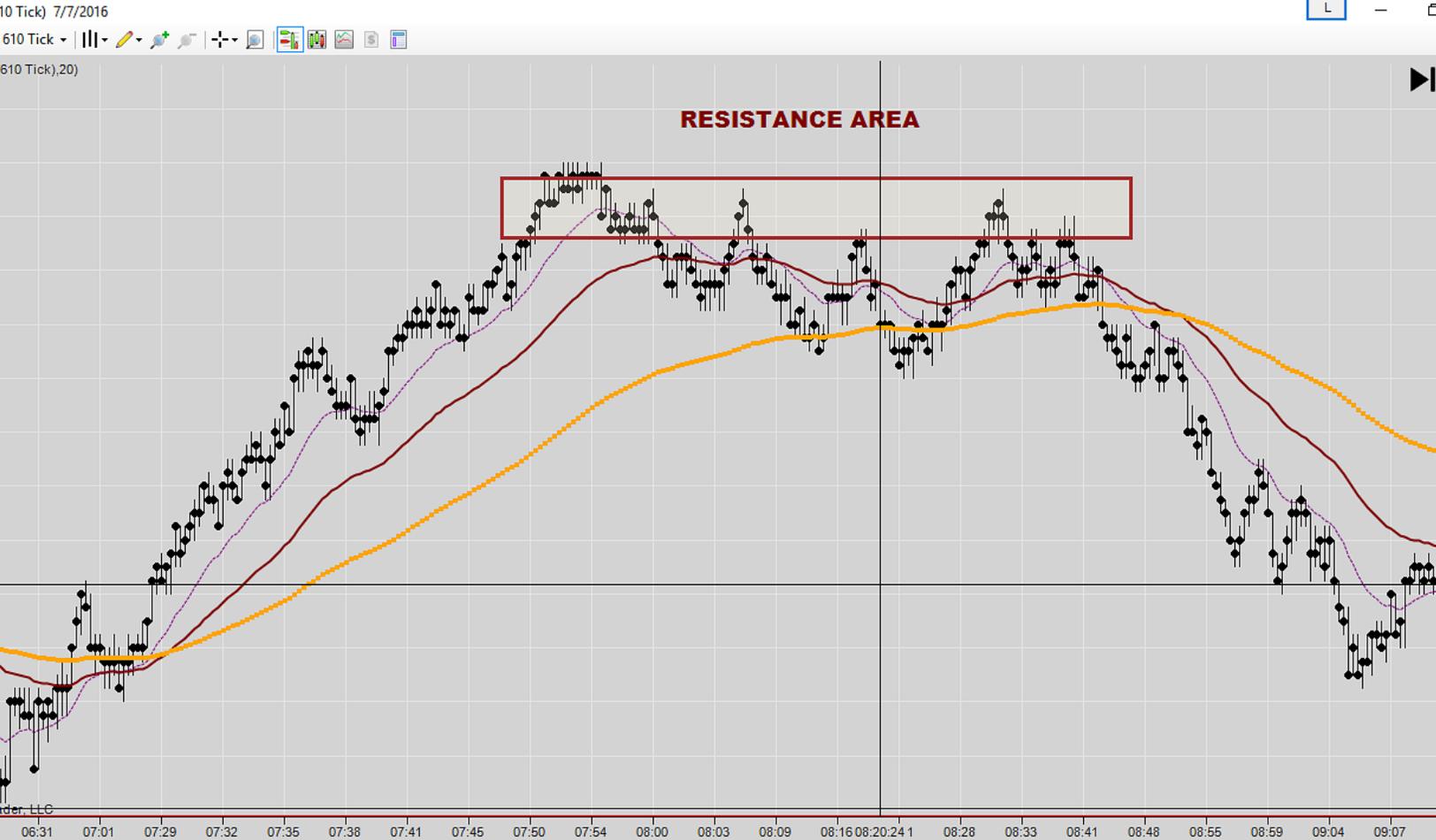
Think of this as a 'floor'

This is when the price is hit on the bottom
over and over again

(3 times or more)

and changes the direction of the market

Resistance Area Example



Support Area Example

