

## How To Become A Trader – An Ordinary Person’s Story

By *Alex Cummings*

I was contacted a few weeks ago by Max at Markets Mastered to see if I would like to supply some feedback for their trading systems and training, but I thought (as I have time on my hands) I would write a brief history of my trading experiences since 2000 instead, as it may help other ordinary people like myself to get off their fat backsides and go and do something with their lives. I so wish I had been given some reason for doing that earlier in my life instead of just watching the months and years disappear forever without turning my dreams into some sort of reality.

So, firstly I would like to introduce myself, my name is Alex Cummings, I'm 47yrs old and I live in Wigston on the outskirts of Leicester (in the UK) with my wife of 20 years plus my two lovely daughters. I worked for a small printing company as a machine minder right upto August last year, this had been my 'trade' since leaving school at 16yrs old. I was very loyal to that company but what does that mean nowadays ?

I have been told that I was one of the first customers of Markets Mastered, I purchased their trading system "FTSE Day-Trader" from eBay in September 2008, just over 4 years ago. I have always been interested in the stock market but did not do well enough at school to go and work for a bank or any financial institution in the City of London. I had just been happy for most of my life reading about trading rather than doing anything about it until the turn of the new century when it seemed easy to buy 'trading-systems' which promised the earth for a small outlay and a few hours work a day. As computer charting was getting better, it was easy to watch charts and spot seemingly reliable signals for trading.

I learned a long time ago that everything in life that was worth learning took a great deal of work and study - and trading was no different. I would think that I have bought around 20 trading systems and subscriptions over the past 12 years and to be honest I was losing my enthusiasm with the whole idea of trading for a living. They all promised so much, but either they were too complicated to use or they were only profitable for a few weeks, and then they would wipe out my account. Over the years upto 2008 I would say I have lost around £12,000 in wasted systems and wiped-out trading accounts.

I also struggled with the psychology of trading, I often hesitated to place trades when a signal came up on my charts, and if I did build up courage to place one it was usually a loser (or so it seemed). The trades I was too scared to place often turned out to be profitable. I have since learned that this is commonplace, and happens to most new

traders. I now know how to combat these feelings, and the solution is surprisingly simple, but took me a long time to find !

I have always enjoyed hunting down trading systems on the internet, I suppose it's been that elusive search for the 'Holy-Grail' of trading systems, that one strategy that hardly ever loses and will allow your trading account to multiply in days and weeks not years. Obviously I now know this is a myth that is responsible for thousands of traders wasting countless months while they search for something that never existed in the first place. It's far better to do what every other trainee accountant, doctor, engineer or printer does - get to know the basics inside out and then practice your craft. Of course, this is me being wise after the fact as it took me many years to realise this !

Anyway, back to my trading journey. As I've said earlier, I bought the FTSE Day Trader system from Nick & Max in 2008 and I followed the instructions to set-up the charts and start to learn the strategy. The charts were slightly different to what I was used to as they were tick-charts (not used now though) but it wasn't a problem. The real problem was me, I was so used to failing in my trading that I started to learn this system half-heartedly. I could see that it had winning trades most days by the results that were sent out every day, but I still had in the back of my mind that as soon as I started to trade, I would start a losing streak again, exactly as I had experienced in the past. The system instructions told me to just demo trade with imaginary money, but I was still reluctant to have more losers. This mindset meant that I did not really apply myself during the first few months of owning the system manual, and by Christmas 2008 I was getting disillusioned with the whole trading 'game'

I remember emailing Nick in January 2009 after I had completed my usual new year's resolutions, asking him what I should do to combat this fear and reluctance regarding my trading education. His advice was some reading of trading psychology books and instructions to start learning the evening system that he had just made available, but not to trade it, just watch the charts every evening instead for the next fortnight. I did this for a couple of weeks as I remember, and then started to demo trade the strategy. I was not to use real money as I had done in the past, that was a big mistake, but no one had warned me until now ! The actual mechanics of the system were very easy to learn, so my first demo trades were spot-on in terms of the set-ups, and I remember they also gave me a week of straight winning trades, which helped my confidence no end. I had the feeling that finally I was getting somewhere.

My demo trading continued well through February and March of that year, and I announced to my wife that I was almost ready to start real-money trading again. I recall her reluctance to believe me after all the failures in the previous years. There were threats about what she would do if I started to lose money again so I was more

wary this time. Nevertheless, I put all I had spare into my trading account (£650) and continued demo trading for the time being.

Looking back at my records, I can see that I had my first 'real money' trade on Wednesday 15<sup>th</sup> April at 6:25pm in the evening and it turned out to be a 20 pip winner. That was my first profit in the markets for over two years, and even though it was just £20, I remember being overjoyed, as if I had somehow broken a curse I felt had been hanging over my head.

April continued to be ok trading wise, I would get home at 6pm, turn on my laptop and watch the charts for any trade set-ups, and most of the time I would end the session with my 20 pip target. There were a few days where I had a losing day, but they were now few and far between. Best of all, I remember my confidence growing, I was no longer worried about placing a trade - I knew that nearly all the entries I made were going to turn out positively.

By October of that year, I can see I was trading at £5 per point which meant that most evenings I was earning £100, which amazed me at the time, as I still had fresh memories of watching my trading accounts slip deeper and deeper into the red, and that horrible feeling in my stomach as I watched the numbers on the screen showing a bigger and bigger loss as the seconds ticked by. I so wished I had stuck to my stop-losses in those days, but it's all a learning curve I suppose.

Looking back at my records once again, I was trading at £12 per point by June 2010 which meant that daily earnings were exceeding £200, which meant in my eyes, I was a real trader making profits every week. This was what all the hard work was about.

In September 2010, after returning from my first holiday abroad, I bought a second trading system from Markets Mastered with the view of trading early in the morning before work, and also in the evening together with the original evening system. By the looks of my accounts for that year it went ok and there are some days where I have lodged a 40/45 pip profit for the day.

In March 2011 I was taken ill, and spent 9 weeks in hospital together with a further 3 months at home getting better. If it was not for my trading earnings we would have really struggled for money, but while at home recuperating I was able to do some limited trading and the better my health got, the more time I was able to spend in front of my laptop.

In July of that year I was eventually able to return to work, but after a few weeks I was really missing being at home and trading on and off all day. Due to the crisis that had hit the printing industry as a whole, I was able to sort out part-time working at the

factory, so my week consisted of being at home on Mondays and Tuesdays trading and the other 3 days I would be back in the factory. This seemed an ideal situation, but as the weeks went on, I was earning more from my 2 days trading a week (plus 3 or 4 evenings as well) than I was working three days at the factory.

No surprises, it didn't take long for me to hand my notice in, and on 19<sup>th</sup> August 2011 I left my employment and became a full-time financial trader - well sort of, I actually went off on holiday for three weeks to South Africa first. Back in the UK I embarked on my dream, one that seemed to be so far away for most of the years since I first started to look into trading the markets. Now it was for real, and I was prepared this time.

Then I was trading at £20 per point and earning what seemed to be a fortune compared with my salary as a machine minder, and by February 2012 my wife was able to give up work as well, as my trading meant that we were comfortably off by then and had an ever increasing trading account. I'm slowly increasing my staking level and as I write this email I am trading at £33 per pip. Most of my profits are left in my two trading accounts to compound for the future. Once I get to the £40 level I shall stop there, that will be more than enough for me. There will be retirement for me in the not too distant future, I'm not one of those lunatics who want to work forever, even if it is trading. Another five years and I'll be secure enough to stop.

So in conclusion I suppose my feedback would be, if you want to truly become a financial trader, you have to really want that goal with all your heart - there are no half measures. If it is just a day-dream, one of many you have from time to time, forget it and go and do something else.

Once you can finally commit to your need to become a trader, you need a solid, profitable, easy to copy trading system, and I can recommend Markets Mastered to supply the system and they'll also give you all the help and advice you'll ever need.

I truly hope that my story will help you one day succeed in being a trader, but please do not try it unless you have 150% commitment to the goal. Good luck if you go for it !

*Alex Cummings*

25/11/2012