

My Ace Student, Dominic, Does These 6 Simple Things



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Here's a guy – only 23 years old! – who had no clue what he wanted to do with his life after he graduated from high school.

What Dominic Discovered While Skipping Classes

Dominic knew he didn't want a boring, 9-to-5, "normal" job. He knew he wanted to come up with some kind of big-idea, entrepreneurial-style way of making money.

This is hilarious: He went to college to 'pass the time' while he came up with [his big idea](#). It's a clever option, really.

After shadowing an [actuary](#) (his chosen field) during his sophomore year, Dominic realized he'd go effing crazy in the job.

So what did he do? He started skipping his actuarial science classes. Who wouldn't? I mean, even if you're good at math and you love probability and statistics ...

He skipped a class with a guest speaker only to discover later that he had to write a paper on the guest speaker's talk.

College Lecture on [youtube](#) Leads to Passion for Trading

In this age of brilliant modern technology, Dominic was able to watch the lecture on [youtube](#).

Do you think Dominic was able to concentrate on actuarial science once he watched that? No way! He started digging around to see if I was another 'get-rich-quick' scam artist or ...

... a legit trading teacher who LOVES my students and wants the very best (even though I can't hold your hand through the process) for each of you.

Dominic read [my book](#), "[An American Hedge Fund](#)", and researched some of my other students. Once he found his way to the [Trading Challenge](#), he knew it was what he wanted to do.

Dominic begged his dad for the cash to join the [Trading Challenge](#). He worked on his dad for a good month. Finally, his dad said "OK" and gave him the cash, but he wanted to be paid back – and he wanted it to happen fast.

It takes time and tons of [learning and testing and working](#). No parlor tricks. This is not smoke and mirrors!

So, Dominic's dad says something like, "Dom, you start trading in January and start making my money back." This was in the fall. So Dominic only had a few months before his dad wanted him to start trading.

Dominic managed to trade his starting \$2,500 account down to an untradeable \$500 in short order.

Luckily, Dominic is a bright guy. This could have been a very messy story – with a messy ending and family disappointment. (There’s too much of that these days.) Not for Dominic.

He studied [Trading Challenge](#) material roughly 17 hours a day! He watched the market. He soaked it all up like a sponge. He borrowed another \$5K from a relative to start trading again with his newly acquired knowledge. And then ...

... he did the same thing most people armed with a bunch of new knowledge do ...
... he tried to do everything he was learning. All at once!

How Dominic Turned the Corner in His Trading Career (Or ... Badass Information That Can Change Your Life!)**

Dominic said the most important thing he did when he was down \$6K was ...

... Start looking inward.

Dominic realized he had so much information and so many [trading ideas](#) running around in his mind – that he was getting in his own way.

Worse, before this realization, when he lost he figured the best thing to do was go watch another [youtube](#) video or [trading DVD](#). He thought the next setup he learned was the one that would make all the difference.

Dominic’s badass, super-actuary-mathematical-probability-busting brain decided to – and I quote – “Stop doing things that were consistently losing money.”

Dominic used these categories to track his trades:

- Specific setup
- Time of day
- OTC (over the counter) or listed stock
- Profit and loss
- Risk vs. reward ratio
- And percentage gain

I want to reiterate that last idea. Dominic figured out there were things he was doing really well, and if he could cut out the crappy trades ...

... if he could repeat the things he was doing well and stop doing the things that were losing him money ...

... he could be back in black in no time.**

Dominic started to trade only a few setups. Does this sound familiar? Another student of mine, [Mason Fecht](#), recently said almost exactly the same thing: Figure out a few setups that work for you and trade them. Master them. Build success one trade at a time doing things that work.

How does he deal with losses?

"I'm self-aware enough to understand when I'm going down a bad path and correct it as quickly as possible by going back to the basics," he says. "I keep learning and never get complacent."

Dominic's Six Trading Tips for Trading Success

Dominic's Trading Tips #1: Know Your Numbers

"You need to have accurate data on each and every trade you make," says Dom.

He decided to go over his numbers a minimum of once a month. Sometimes more often. By doing this he was able to figure out what was working and what lost money.

"Learn to completely cut anything that consistently loses money. Focus on the setups that are successful," he says. "If you are not successful with anything, you need to find a new strategy."

Dominic's Trading Tips #2: Understand Risk Management

Dominic told me he learned very early on to 'fear the market.' He cuts losses quickly and intelligently. He uses key price levels as part of his [risk management](#) strategy.

Dominic's Trading Tips #3: Add to Winners

Dominic says this is because his risk vs. reward is in an optimal zone. In a winning trade he adds to his position to make more on his winners. And he always tries to keep his losers to \$200 or less.

"This is something I struggled with for a long time," he says. "My winners and losers would all be similar amounts and I slowly lost money as my winning percentage got the best of me."

Dominic's Trading Tips #4: Networking Overcomes the Loneliness of Trading

When you are learning to trade it can be incredibly lonely. Dominic admits he didn't reach out to anyone at first – not even his mentors in the [Trading Challenge](#). Then he

realized there were a lot of people out there just like him, working their tails off to figure it out.

He started connecting with other [Trading Challenge](#) students and reaching out to the mentors. It paid off.

Dominic's Trading Tips #5: Learn from Others' Mistakes

"Most of the time, those ginormous losses happen at times when people break rules," Dom says. "They lose discipline."

This is a great lesson. Look, I've made every effing mistake in the book. I'm totally up front about it. I teach it to all [Trading Challenge](#) students and hope they never make the same mistakes.

Dominic's Trading Tips #6: Make a Time Investment

Dominic nailed it when he said, "Everyone is different and will achieve different milestones at different times in their journey. 95% of what makes you a successful trader will probably never get noticed."

My Takeaways from Dominic's Badass Success

Make sure you read this post again – bookmark it, even – because Dominic is turning into a helluva trader and he's given you some clear and concise wisdom.

Each of Dominic's trading tips is valuable for anyone willing to put in the time to learn. Commit them to memory.