Characteristics of a Successful Trader
TopstepTrader Founder and CEO, Michael Patak, has been a trader and CME Group member for over a decade. While trading on the floor of the CME, Michael witnessed the shift to technology and decided after the market crash of 2008, to leverage that transition. Drawing from a sports and performance based try-out model, Michael created the Trading Combine® to find and develop traders from all over the world. Since it’s inception in 2010, hundreds of traders have earned funded trading accounts via the Trading Combine®.

Due to the innovation and success of TopstepTrader, in March of 2014, Michael Patak was chosen as a semi-finalist for the Ernst and Young Entrepreneur of the Year award.
John Hoagland is a 30-year trading veteran and Director of Trader Development at TopstepTrader. He has a long family history in trading and has worked as a proprietary trader, self-funded trader and floor broker over his three decade tenure at both the CME and CBOT.

Early on, John traded agricultural products but his main focus now is Equity Indices and Crude Oil futures. John's primary analysis for trading is based on Market Profile®, and reading order flow and volume.

As well as working with TopstepTrader’s funded traders, John conducts a daily Market Profile Strategy Lab teaching traders the features of Profile and how to read the nuances of market generated information. These classes are conducted in our Squawk Radio chat room, a news broadcast that is free and open to the public every day.

John also conducts webinars on trading discipline and reducing risk, using his extensive trading knowledge and insight gained by working with our successful funded traders. John is serious about his profession and takes great pride in helping others become successful and profitable traders.
TopstepTrader Mission

Helping to change the way people approach the financial markets.

We have developed a platform that - without risking your trading capital - allows anyone interested in the market to learn, gain market experience trading a real-time simulated account and earn an opportunity to trade and make real capital from anywhere in the world.
Unconscious incompetence

- Many of the recruits start at this level
- They are new to trading and are seduced by the simplicity and potential profitability
- Unaware of the true risks
- Very active (overtrading)
- Unrealistic expectations of the challenges of trading
- Arcade or video game phase
How to move to the next level

• Seek education or mentorship to acquire at least minimum competency
• Stay engaged in the markets in safe way
• Ask questions in a trading community
• Begin to keep a detailed journal
• Begin a detailed trading plan
Conscious incompetence

- Most of the TopstepTrader recruits start at this level
- They may have experienced trading losses in their own trading account
- Realize they don’t know everything
- Looking for knowledge in a safe environment
- Still making many mistakes
- They have started to realize how much they don’t know
- Self knowledge becomes as important as market knowledge
At this level, you begin to find your “trader personality”

- Style
- Products
- Risk tolerance
- Trading plan
How to move to the next level

• Continued education and/or mentorship
• Screen time
• Trading plan development with accountability
• Detailed journals
• Consistent, honest review
• Increasing self knowledge
Conscious competence

- Able to at least maintain an account above initial balance
- Understand that patience and capital management trump profits
- Self knowledge begins to surpass market knowledge in importance
- More realistic expectations
- Making fewer mistakes
- Becoming intuitive with preferred tools
- Profits growing with increased time and confidence
How to move to the next level

- Continued and ongoing growth and confidence building.
- Account building
- Trading plan refinement
- Detailed journals
- Consistent, honest review
Unconscious competence

- This is where all traders want to be
- They NEVER stop working
- Most who think they are truly just very competent
- Few mistakes
- I have known 2 expert traders. They would never call themselves experts.
- Humility rules
Characteristics of those we see succeeding

- Humility
- Honesty
- Responsibility
- Coachability

- Tenacity
- Flexibility
- Calm
- Reflexivity
- Psychology
Humility

• They accept that they have no control over anything but their actions

• Success or failure, they maintain a PMA without elation or bitterness

• They are forgiving of themselves but learn from mistakes
Honesty

- They are honest with themselves and in their review
Responsibility

• They understand that they alone are responsible for the choices they make and accept the outcomes

• They understand the work it takes and are willing to do more than what is necessary
Coachability

- They are able to take constructive criticism and suggestion

- Self mentoring traders review honestly

- They continually seek out ways to improve themselves and their trading
Tenacity

- They never quit, even in the face of adversity
- “Get better not bitter”
- There will always be a new opportunity
Flexibility

• Along with many of the other characteristics, they have the ability to entertain ideas that may be new to them

• More importantly, they are flexible and beginning to see changes in the market that they are able to capitalize on
Calm

• The best traders we have known found their “traders mindset.” A place of calm acceptance and understanding

• It is easy to be affected by the introduction of real risk, making decisions more difficult

• Instill patience. Wait for alignment. There is always tomorrow.
Keeping a trade log is one thing. A true journal should include stream of consciousness including:

- State of mind
- Emotions
- Physical changes while trading
- Needs to be reviewed!
Psychology

• They understand that their makeup will have a direct effect on their results

• They are actively working on changing detrimental habits and/or seeking help
Successful traders have **SMART** goals

- Have **SMART** goals that have nothing to with profit but everything to do with process and becoming better each day

  S—sustainable
  M—measurable
  A—attainable
  R—relevant
  T—timebound
What our traders tell us that has made the difference for them

- Education
- Community
- A defined trading plan
- Consistent risk
- Reasonable targets
- Trading less/making more
- Non-monetary goals
- Journals
- Hoag’s charming personality!
Thank you!

Practice and prepare for the Combine. Get a free trading account.

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