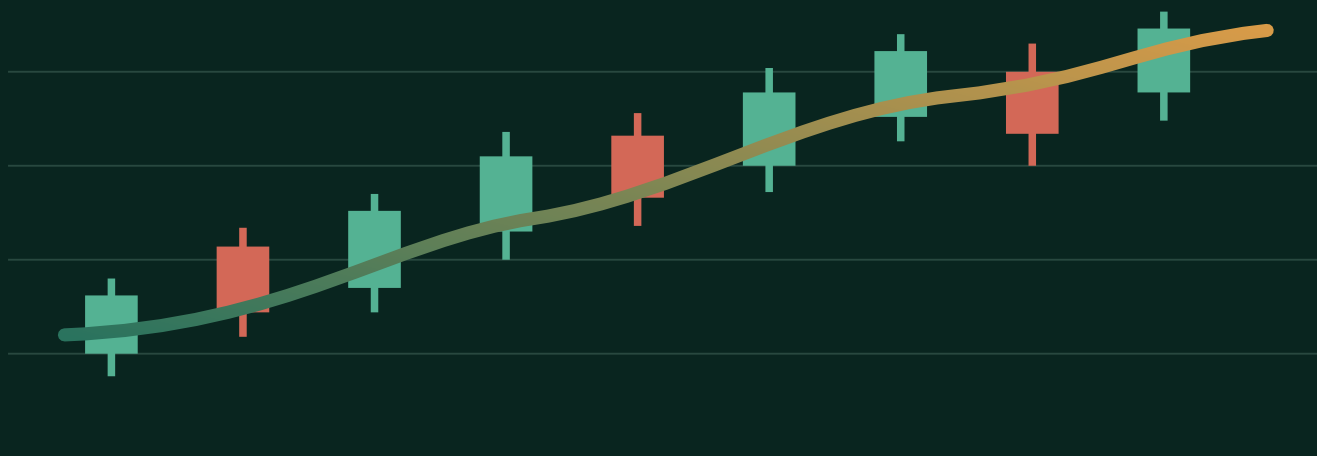


PRACTICAL BEGINNER EDITION

From Zero to a Day Trader

A Beginner's Guide to Day Trading

A clear, no-hype introduction to charts, tools, risk, and the habits that protect beginners.



Learn the process. Protect your capital. Practice before going live.

Trading is a skill - not a shortcut

The goal of this guide is not to turn you into a trader overnight. It is to help you understand the playing field, avoid common traps, and build a safe practice routine.

What you will learn

- ✓ What day trading is and how it differs from investing
- ✓ How charts, brokers, and prop firms fit together
- ✓ How to read candles, levels, and trends
- ✓ How to define risk before clicking Buy or Sell
- ✓ How to practice without risking real money

THE BEGINNER'S ADVANTAGE

You do not need to unlearn years of bad habits. Start slowly, keep the rules simple, and judge yourself by how well you follow your plan - not by one trade.

Important disclaimer. This ebook is for educational purposes only and is not financial, investment, tax, or legal advice. Day trading and futures trading involve substantial risk. You can lose all of your trading capital and, with some products or account structures, more than your initial deposit. Rules, fees, products, and eligibility can change. Review current terms and risk disclosures before opening or funding any account.

A healthy first goal

For your first month, do not aim to make income. Aim to prove that you can follow one setup, use a stop-loss, size every trade correctly, and stop when your daily limit is reached.

“A good beginner session is one where you followed your rules - even if the result was a small loss.”

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How to use this book: Read it once from start to finish. Then return to Chapters 6 and 9 while you practice. Those two chapters turn information into a repeatable process.

What Is Day Trading?

Day trading means opening and closing a position within the same trading day. The trader tries to capture a small part of an intraday price move and avoids holding the position overnight.

DAY TRADING

Minutes to hours

Positions usually close before the session ends. Decisions are frequent and screen time is higher.

SWING TRADING

Days to weeks

Positions stay open through multiple sessions. Overnight gaps and news can affect the trade.

LONG-TERM INVESTING

Months to years

The focus is usually business value, growth, income, and long-term compounding.

What a day trader actually does

- Chooses a small set of markets and trading hours.
- Waits for a planned setup instead of reacting to every price move.
- Defines the entry, stop, target, and position size before entering.
- Manages the trade, records the result, and reviews the decision.

Realistic expectations

- **Time:** Expect months of structured practice, not a weekend crash course.
- **Risk:** Losing trades are normal. A strategy can be profitable and still lose several times in a row.
- **Mindset:** Patience, emotional control, and consistency matter more than excitement.

REALITY CHECK

Day trading is not guaranteed income. Markets change, and even a well-planned trade can lose. Your job is not to predict perfectly; it is to manage uncertainty.

Beginner move: Pick one market, one session, and one simple setup. More screens and more indicators do not create more skill.

Setting Up Your Trading Toolkit

Think of your setup as three separate jobs: analyze the market, place the trade, and supply the account. One company may cover more than one job, but the jobs are still different.

CHART AND PLAN

TradingView

Use charts, drawing tools, indicators, alerts, and watchlists to study price. TradingView can also connect to supported brokers so some traders analyze and place orders from the same chart.

EXECUTE

Tradovate

A futures platform and brokerage service. It can provide order entry, account data, positions, and simulated trading. Market-data subscriptions and exchange fees may apply.

FUNDING PATH

Topstep

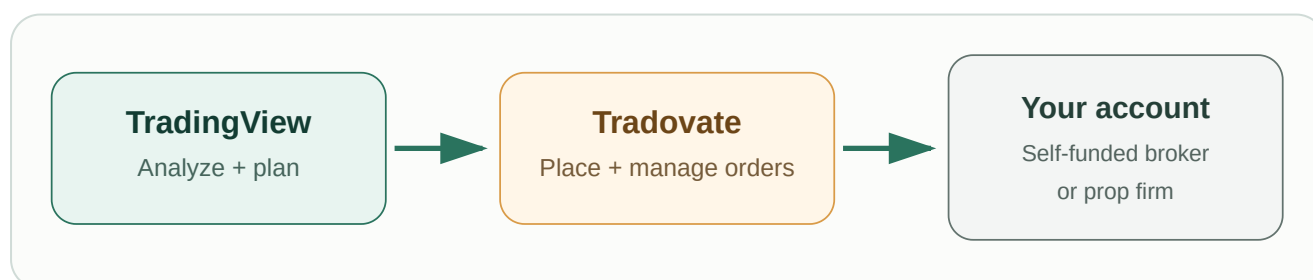
A futures prop firm. Traders pay for an evaluation, follow risk rules, and may qualify for a funded-account stage. Evaluation and funded stages may use simulated trading; read the current program terms.

FUNDING PATH

Tradeify

A futures prop firm offering evaluation and funded-account programs. The official brand is **Tradeify** (sometimes misspelled “Tradify”). Programs, platforms, payout rules, and drawdowns vary.

How the tools can work together



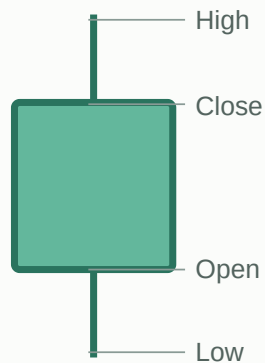
Connection options differ by account and provider. Confirm that your exact broker, data feed, and prop program support the platform combination you want before paying.

Start in simulation. Build the workspace, learn the order ticket, and practice placing stop-loss and target orders before connecting live buying power.

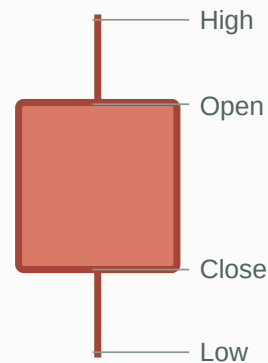
Understanding Candlesticks

Each candlestick summarizes price for one time period. On a five-minute chart, one candle shows what happened during those five minutes.

Bullish candle



Bearish candle



The four prices

- **Open:** where the period began.
- **High:** the highest traded price.
- **Low:** the lowest traded price.
- **Close:** where the period ended.

Body and wicks

The thick body spans the open and close. The thin wicks show price explored above or below the body. A long wick can show rejection, but only in context.

Bullish does not mean “buy.” A green candle only says price closed above its open for that period. It does not tell you what the next candle must do.

Timeframe changes the story

A single 15-minute candle contains three five-minute candles. Check that you understand the chart timeframe before interpreting a pattern. A setup can look strong on one timeframe and noisy on another.

Five patterns worth recognizing

Patterns are clues, not commands. They become more useful when they form near a meaningful level and the next candle confirms the idea.

1. Doji

Open and close are nearly equal. It signals indecision - useful after a strong move, but not automatically a reversal.

2. Hammer

A small body near the top with a long lower wick. Near support after a decline, it can show sellers were rejected.

3. Shooting star

A small body near the bottom with a long upper wick. Near resistance after a rise, it can show buyers were rejected.

4. Bullish engulfing

A bullish body fully covers the prior bearish body. It can show a shift toward buyers, especially at support.

5. Bearish engulfing

A bearish body fully covers the prior bullish body. It can show a shift toward sellers, especially at resistance.

CONTEXT CHECKLIST

- ✓ Where is the pattern?
- ✓ What is the trend?
- ✓ Did the next candle confirm?
- ✓ Where is the stop?



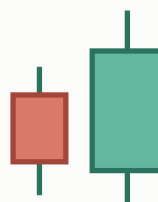
DOJI



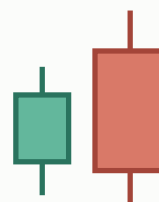
HAMMER



SHOOTING STAR



BULLISH ENGULFING



BEARISH ENGULFING

Practice: Screenshot ten examples of one pattern. Write what happened before it, where it formed, and what happened next. You are training your eye to read context, not memorize shapes.

Support and Resistance

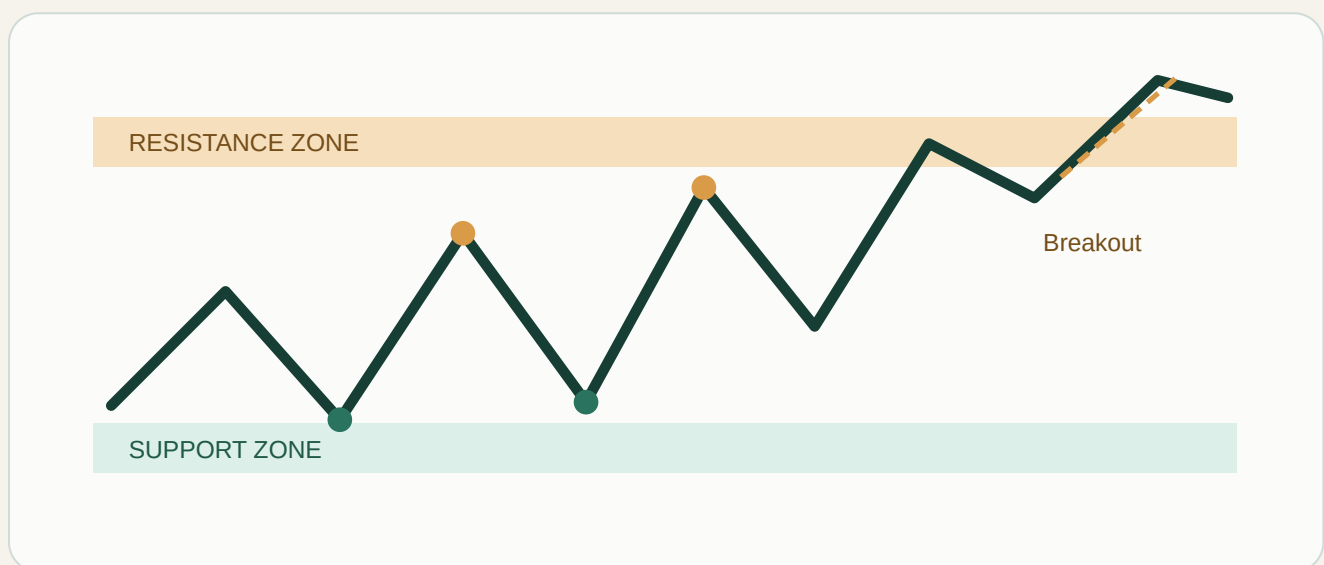
Support and resistance are areas where price has repeatedly reacted. Treat them as zones, not magic lines.

Support

An area below current price where buying has previously appeared strongly enough to slow or reverse a decline.

Resistance

An area above current price where selling has previously appeared strongly enough to slow or reverse a rise.



How to mark a useful zone

1. **Zoom out.** Start on a higher timeframe to see the larger structure.
2. **Find repeated reactions.** Look for multiple reversals, pauses, or sharp departures near similar prices.
3. **Draw an area.** Cover the cluster of reactions instead of forcing one perfect price.
4. **Wait for evidence.** Watch how price behaves when it returns: rejection, acceptance, or a clean break and retest.

Role reversal: Broken resistance can become support, and broken support can become resistance. The level matters because traders remember it - not because it is guaranteed to hold.

Using zones in a plan

- **Entry:** require a trigger near the zone; do not enter merely because price touched it.
- **Stop:** place it where your trade idea is invalid, with enough room for normal noise.
- **Target:** consider the next opposing zone, then check whether the reward justifies the risk.

Basic Chart Reading & Trends

Read market structure first. Indicators can support the story, but price itself tells you whether buyers, sellers, or neither side has control.

UPTREND

HH + HL

Higher highs and higher lows. Buyers keep pushing to new highs while pullbacks hold above prior lows.

DOWNTREND

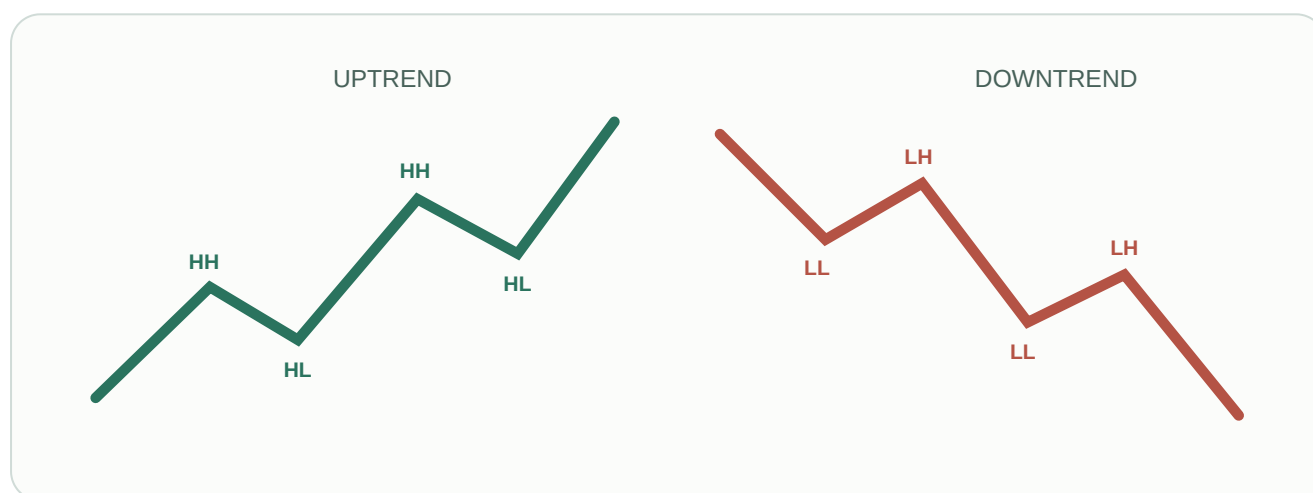
LH + LL

Lower highs and lower lows. Sellers keep pushing to new lows while rallies fail below prior highs.

RANGE

Sideways

Price rotates between support and resistance without sustained progress in either direction.



Trendlines

Connect two or more meaningful swing lows in an uptrend, or swing highs in a downtrend. Use trendlines as visual guides. Redrawing a line repeatedly just to fit your idea is a warning sign.

Moving averages

A moving average smooths recent price. A rising average can support an uptrend read; a falling average can support a downtrend read. Price crossing an average is not enough by itself - it can whip back and forth in a range.

Simple chart routine: 1) mark trend or range, 2) mark nearby support and resistance, 3) identify your setup, 4) define risk, 5) wait. If the picture is unclear, "no trade" is a valid decision.

Risk Management Basics

Your first job is to stay in the game. A small, controlled loss is a business expense. One oversized loss can erase weeks of good decisions.

Four building blocks

- **Risk per trade:** the maximum amount you are willing to lose if the stop is hit.
- **Stop-loss:** an exit placed where your setup is no longer valid.
- **Position size:** the number of shares or contracts that fits the planned dollar risk.
- **Risk-reward ratio:** the planned loss compared with the planned gain.

DO THE MATH FIRST

$$\text{Position size} = \frac{\text{Dollar risk}}{\text{Risk per unit}}$$

For futures, "risk per unit" depends on the contract's tick value and the number of ticks from entry to stop. Confirm contract specifications with your broker.

Worked example

Suppose a stock entry is \$50.00 and the stop is \$49.50. The risk is \$0.50 per share. If your maximum risk is \$25:

$$\begin{aligned} \$50.00 \text{ entry} - \$49.50 \text{ stop} &= \$0.50/\text{share} \\ \$25 \div \$0.50 &= 50 \text{ shares} \end{aligned}$$

If the planned target is \$51.00, the potential reward is \$1.00 per share. You are risking \$0.50 to pursue \$1.00: a **1:2 risk-reward ratio**. This does not guarantee a win; it simply defines the plan.

1R

The amount you planned to risk

-1R

A full planned loss

+2R

Twice the planned risk

Guardrails to choose before the session

- ✓ Maximum risk per trade
- ✓ Maximum loss for the day
- ✓ Maximum number of trades
- ✓ Times or events you will not trade
- ✓ A rule against moving the stop farther away

Futures are leveraged. Small price moves can create large gains or losses. Know the tick size, tick value, margin requirements, and worst-case loss before entering.

Choosing a Broker or Prop Firm

The “best” option is the one whose costs, rules, and technology fit your plan. Compare the complete structure - not just the headline account size.

Question	Self-funded broker	Prop-firm program
Whose capital?	Your deposited money.	Program-defined buying power, often beginning in simulation.
Your main cost	Deposit, commissions, exchange/data fees, and losses.	Evaluation or program fees, resets or activation fees, plus applicable trading costs.
Rules	Broker and exchange rules; you set most personal limits.	Firm rules may cover drawdown, consistency, allowed products, holding times, and payouts.
Profit and loss	You keep gains and absorb losses, subject to account terms.	Payouts and loss responsibility follow the program agreement.
Best fit	Traders ready to risk their own capital and manage all limits.	Traders who want a rule-based evaluation and accept its fees and restrictions.

Broker checklist

- ✓ Regulatory status and disclosures
- ✓ Total commissions and exchange fees
- ✓ Market-data costs
- ✓ Platform stability and order controls
- ✓ Execution quality and order types
- ✓ Margin and liquidation policy
- ✓ Withdrawal process
- ✓ Customer support and outage history

Prop-firm checklist

- ✓ Evaluation and reset costs
- ✓ Drawdown method
- ✓ Profit and consistency rules
- ✓ News and overnight restrictions
- ✓ Payout eligibility and split
- ✓ Supported platforms and data feeds
- ✓ Simulated versus live stages
- ✓ Account termination conditions

Read the current rulebook. Topstep and Tradeify offer funded-account paths, but rules can change. A large advertised balance is not the same as cash you can lose. Your practical risk is usually governed by the drawdown limit.

Common Beginner Mistakes

Most early damage comes from behavior, not chart knowledge. Catch these habits while the account is still simulated.

Overtrading

Looks like: taking every wiggle, trading from boredom, or increasing frequency after a loss.

Replace it with: a maximum number of trades and one written setup.

Revenge trading

Looks like: jumping back in to “win it back,” often with larger size.

Replace it with: a mandatory break after a full loss or emotional spike.

Ignoring the stop

Looks like: moving the stop farther away because you hope price will return.

Replace it with: placing the stop with the entry and never widening it.

Oversizing

Looks like: choosing size based on desired profit instead of acceptable loss.

Replace it with: calculate risk first; size second.

Chasing news

Looks like: entering after a sudden spike or during a scheduled release without a tested plan.

Replace it with: check the calendar and stand aside when conditions exceed your plan.

Strategy hopping

Looks like: changing rules after a few losses and never collecting enough evidence.

Replace it with: test one setup over a meaningful sample and review it honestly.

The pause test

Before every order, ask: “**If this trade loses exactly as planned, will I still be comfortable with the decision?**” If the answer is no, reduce size or skip the trade.

Stop for the day when: you hit your daily loss limit, break a rule, feel an urge to get even, or cannot clearly explain the setup. Protect tomorrow's decision-making.

Next Steps: Practice With Structure

Simulation is your training ground. Use it to build repeatable behavior - not to chase an imaginary account balance.

A simple 30-day plan

Week 1	Learn the platform Use only simulation. Practice order entry, cancel/replace, stop-losses, targets, and flattening a position.
Week 2	Observe one setup Mark support, resistance, and trend. Collect examples without needing to trade all of them.
Week 3	Trade tiny in simulation Use fixed risk, one setup, one market, and a strict daily stop.
Week 4	Review honestly Separate strategy results from rule-breaking. Keep, change, or discard a rule based on evidence.

YOUR ONE-PAGE TRADING PLAN

Write these answers before you trade

- What market and session will I trade?
- What exact setup qualifies?
- What invalidates the setup?
- How much will I risk per trade and per day?
- Where will I place the stop and target?
- What news will make me stand aside?
- How many trades may I take?
- How will I record and review each trade?

Your journal needs only the useful facts

Record the date, market, setup, entry, stop, target, size, result in R, screenshot, and whether you followed every rule. Add one sentence about your emotional state. Review weekly, not just after losses.

Graduation standard: Consider real money only after you can follow your rules consistently over a meaningful sample of simulated trades. Profit alone is not proof if it came from oversized risk or broken rules.

Beginner Trading Plan

MARKET / INSTRUMENT

RISK PER TRADE

TRADING SESSION AND TIMES

MAXIMUM DAILY LOSS

CHART TIMEFRAME

MINIMUM RISK-REWARD

MAXIMUM TRADES PER DAY

REQUIRED BREAK AFTER A LOSS

MY SETUP - WHAT MUST BE TRUE BEFORE I ENTER?

MY TRIGGER - WHAT EXACT EVENT CAUSES THE ENTRY?

MY INVALIDATION - WHERE DOES THE IDEA BECOME WRONG?

MY TARGET METHOD

CONDITIONS THAT MEAN "NO TRADE"

BEFORE ENTRY

- ✓ Setup matches plan
- ✓ Stop is defined
- ✓ Size is calculated
- ✓ Target is reasonable
- ✓ News is checked

AFTER EXIT

- ✓ Screenshot saved
- ✓ Result logged in R
- ✓ Rule-following scored
- ✓ Emotion noted
- ✓ Next trade not rushed

Quick Glossary & Resources

Words to know

Bid / ask: highest current buy offer / lowest current sell offer.

Spread: the difference between bid and ask.

Liquidity: how easily orders can fill without moving price sharply.

Slippage: the difference between the expected fill and actual fill.

Long / short: positioned for price to rise / fall.

Drawdown: decline from a previous account high.

R: one unit of planned risk.

Official starting points

TradingView

[Paper-trading overview](#)

Tradovate

[Simulated futures trading](#)

Topstep

[How the funded program works](#)

Tradeify

[Funded trader agreement](#)

Check the provider's current rules, fees, product access, and eligibility before opening or paying for an account.

Your next trade should be simulated.

Open a demo or sim account. Choose one market. Write one setup. Define the stop, target, and risk before entry. Then practice until following the plan feels ordinary.

Protect your capital. Build your process. Earn the right to go live.

Final reminder: Simulation cannot fully reproduce live fills, slippage, or the emotions of risking real money. It is still the safest place to learn platform mechanics and prove that you can follow rules.