



<https://satoritraders.com>

Motley Fool Swing trading



Brothers Tom and David Gardner founded The Motley Fool (TMF) in 1993.

Their newsletter aimed to provide reliable information and stock picks to subscribers at a time when stock research and analysis was not widely available outside of Wall Street.

Traders should understand that Motley Fool Swing trading doesn't really exist.



<https://satoritraders.com>

TMF is focused on helping investors find the best stocks to invest in. They provide advice on building a portfolio of stocks to hold, not trade.

Swing trading Vs Day trading - Which Is More Profitable

Day traders focus on rapid compounding of returns by taking small profits on lots of trades.

Swing traders attempt to gain a larger profit from each trade by holding the position for a few days or weeks.

Instead of asking about Swing trading vs Day trading and which is more profitable, a better question is which trading style is more profitable for the individual trader.

Trading is as much about psychology and mindset as it is about technique.

Day trading is high-intensity and high-pressure. The desire to make a profit can cause a new trader to break their trading plan and start making impulse trades.

Part of the choice between Swing trading and Day trading involves the trader's temperament. It takes discipline and



<https://satoritraders.com>

emotional control to follow a trading plan, whether the plan is for swing or day trading.



Swing trading may be more forgiving than day trading for traders without the discipline or emotional control to NOT trade until a high-probability trade setup occurs.

To answer the Swing trading vs Day trading question, and which is more profitable, the prospective trader would be wise to first examine their temperament and ask some hard questions about being able to concisely follow a trading plan.



<https://satoritraders.com>

Realistic Swing trading Returns

A competent swing trader is likely to grow their capital by 10% to 40% a year on average.

While 10% returns don't sound very exciting, at that rate a trader can double their capital every 10 years. At 12% the doubling occurs in only 6 years.

That's more than twice the rate of most index-following mutual funds and ETFs.

Notice that the compounding rates are given in periods of years.

There will be weeks and perhaps even months where Swing trading is not profitable.

For long-term success a swing trader needs enough trading capital to withstand occasional drawdowns.

It is also important to let the capital pool grow. Long-term returns are significantly affected by interim withdrawals.

Swing trading And Taxes



<https://satoritraders.com>

When you hold your investments for more than a year, the gains are subject to long-term capital gains tax rates instead of short-term rates which are significantly higher.



Short-term gains are taxed at the ordinary income tax rate, which ranges from 10% to as high as 39.6% depending on income level.

Tax rates on long-term capital gains are 0%, 15%, or 20% depending on income level.



<https://satoritraders.com>

This difference in tax rates means that day traders and swing traders are going to pay more of their profits in taxes than an investor who holds their positions for at least one year.

It may be possible for a swing trader to trade within a tax-favored vehicle like a self-directed IRA or 401k and lower their overall tax burden from trading.

Average Income Of A Swing Trader

There are a number of factors that determine the average income of a swing trader.

Initial trading capital is the first and primary consideration. A trader starting with \$2,000 has far less income potential than a trader who starts with \$25,000.

Risk management, trading frequency, and position sizing are the next factors affecting the income of a swing trader.

Continuing education is a necessary part of profitable trading. The markets are constantly changing and strategies that work today may lose effectiveness over time or may not work in different market conditions.

With all of these variables to consider it is impossible to state an average income for a swing trader.



<https://satoritraders.com>

A bullish estimate of the potential income for Swing trading a \$2000 account is \$100 per month. That's assuming the trader survives long enough to become consistently profitable.

With trading capital of \$25,000 the average monthly income of a swing trader could be \$1200 to \$1500.

Beginning swing traders need to be realistic about the profit potential available when trading a small account.

Reaching the point of consistent profitability will likely take six months or more. During this learning period the trader is likely to drawdown their trading capital with losses while also needing income to live.

While swing trading can be a viable way to make a living, the old adage, "Don't quit your day job!", is probably good to keep in mind until the point of consistent profitability is reached.



<https://satoritraders.com>

Contact Details:

Satori Traders LLC

4930 Del Mar Ave. #106

San Diego, CA 92107

Phone: (619) 320-1900

Website: <https://satoritraders.com>

Google Site: <https://sites.google.com/view/satoritraders>

Folder:

https://drive.google.com/drive/folders/1IPx4sowxFxl_kJt9zZWjVbjw5xyyl51X?usp=sharing

Facebook: <https://www.facebook.com/SatoriTraders>

Twitter: <https://twitter.com/SatoriTraders>

Eloro Resources (CVE: ELO) catapulted higher in January based on exciting drill results. The stock has now completed a 62% Fibonacci retracement of that price spike and appears to be finding support just above the 50-DMA. The spike in selling on Thursday may have been capitulation which often marks the end of a downtrend. On Feb 23 Eloro announced more high-grade drill results including tin, a valuable base metal.



<https://satoritraders.com>

Related content:

[investors swing trader](#)

[ibd swing trader performance](#)

[swingtrader ibd](#)

[best companies for swing trading](#)

[topstep swing trading](#)

[ibd swing](#)

[swing trader investors business daily](#)

[swing trader by investors business daily](#)

[ibd swingtrader](#)

[topsteptrader swing trading](#)

Related links:

<http://bit.ly/33CuE89>

<http://bit.ly/3loZVoL>

<http://bit.ly/3cFO7ur>

<http://bit.ly/3txAioT>

<http://bit.ly/3tpjPmz>

<http://bit.ly/2NpND2Z>

<http://bit.ly/30PCKdR>

<http://bit.ly/3cEc2dL>

<http://bit.ly/3vGPj9R>

<http://bit.ly/3rUpK2J>

<http://bit.ly/2P1xxNm>

<http://bit.ly/38NNOMV>

<http://bit.ly/2OJEKSt>

<http://bit.ly/3bR9Z71>



<https://satoritraders.com>

<http://bit.ly/30SmYil>

<http://bit.ly/30NVI4L>