So recently my subscriber asked me how can individuals eat institutes, emotional investors at their own game? And the question started like this. Do you think the entire stock markets is just like a battlefield? How can our individual investors eat full weapon? NYSED investors like the government banks and institutional investors. I'm a trend follower and at USA and I lost eight out of 10 times trading, but one less when I won and lost much more when I use stop loss. So in the last two months I lost $5,000. I think I'm smart. I learned a lot of stock market investing strategies, and I also have a lot of experience in this area. I just wait for the right opportunity year by year. Now, before we start to answer this question, I just want to celebrate another two case success stories and investing accelerator, where Ratto made 42% from TSN and three weeks Sam sold PSN for 45% in 3.5 weeks.

And one more case study Uganda. So TSN for 46% in 25 days. So let's talk about the problem here. Now. This is a great question because when people start investing, they often don't realize that the stock market is unfair. The stock market is not fair. And if you are a day trader you're fighting against hedge funds are using supercomputers that can front run your order by 0.1 second, there are hedge funds like Melvin capitals, that purchase data from Robin hood to trade against retail investors like me and you. And there are Warren buffets in the world. That's where they have special access to management. They might hop on earnings calls to ask questions. They might even get to tour the factory and they might even get to do hundreds of customer interviews to figure out whether something is a good investment or not even this might not seem like a lot of information, but these small events is an important part of a research process that helped hedge funds or mutual funds to make an investment.

When I work in the private equity space, we usually have around four weeks to analyze the company financial statements. Then on a weekly basis, we'll hop on calls with management to talk to them, ask them questions and clarify anything. We don't understand from the financial statements. We look at quarterly and yearly data, but sometimes we even look at daily or weekly data if we want it to. So currently in the private equity space, we're using big data to make investment decisions. So you can imagine how much efforts these funds are putting into the markets in order to gain an edge. Now, in addition, we also sometimes fly to meet management and tour their facilities. So you can imagine how much effort private equity funds are putting into researching when they're buying companies. So one example would be, um, a couple of years ago I was helping a private equity fund to purchase an Israel company.

So we would fly to Israel, talk to management, meet them in person, CEO, CFO, uh, customer support, so on and so forth. And some people would get a tour of the factory as well. So that is the level of efforts people put in to research a company. So what can you do as an individual investor? So here's a solution. Well, John, let's revisit what you're doing and what you have mentioned so far. So you say you are a trend trader and that's good because there are mainly two types of investors in the market trend, followers and contrarian. So if you want the easy way to be successful and profitable and trend following is the way to go. Now, you also mentioned that you lose eight out of 10 times. So that's where it signals to me that there's something wrong with your investing strategy. If you are contrarian then, okay, it's okay to lose eight out of 10 times because you make a heck load of money when your rights. But if you are a trend follower and you should be making money, the opposite, which is eight out of 10 times.

So for a contrarian, it is okay to have a low probability, like 10% or 20%, whereas trend followers, you need a very high probability of success, like 80 to 90% success rate. So what is the problem? You say, you get stopped out quite often, and this is usually a signal to me. That's, you're using a very tight stop loss. If you are a trend follower, you need to do more research to be comfortable with the company you're investing in. So I imagined that's, you are a long-term investor, and you're not trying to make a quick buck from the markets. When you are trend to following long-term, you don't need to force yourself to make money immediately. When you buy, you just need to do your technical and fundamental analysis to make sure that it is the right stock. And if you are setting a stop-loss status, two types where you entry you'll get stopped out, even if you invested in a good company.

And that is really the worst case scenario, because you did all your homework and you found a good company from a technical and fundamental point of view, but you get stopped out because you're too scared. Meaning you set a very tight stop loss when you're investing in the market. Now, when I'm investing, I don't set a stop-loss. I have other ways to reduce my risk. And when you set a stop loss, you are telling the broker here, take my position at this price where I'm making at a loss. Now you're day trading, unless you're trying to make a quick buck picking the right company. And the right time is more important than setting a stop-loss. Now remember there are hedge funds out there like Melvin capital will purchase the data from Robin hood, just to figure out where your stop loss is so such that they can simply drive down the share price and take that share away from you and then push the price back up.

So in the last two months, you said you have lost 5,000. Now, when you're looking at the S and P 500 for the last two months, it has actually gone up so easy starting points for you is to simply invest in S and P 500, because the trend is very strong. It wouldn't make you rich immediately, but it will at least stop you from losing large amounts of money until you figure out your strategy. When you're investing in S and P 500, it is simply a buy and hold strategy is not that complicated. You don't need to jump in and out of the markets. There's no point in timing, the SMP 500, but there's actually a lot of opportunity in timing, the individual stocks, which I suppose that is something you need to learn, because right now you're getting stopped out a lot. So you need to cut all the high risk stocks in your portfolio and move to SMB 501st, then learn a strategy from someone.

If you want to learn technical analysis, then you can attend a free training on my websites. Uh, the free chart course down below it is the first link in the description. It is a four hours long, uh, training, but it does teach you about technical analysis. So I would suggest you to go through that first. A lot of my subscribers have attended a training and said, they are very impressed by the contents they got, and it got a lot better in technical analysis, just from that training alone. So, finally, one more comment I wanted to give you is that you said you learned a lot of investing strategies. Now this is great as a first step, but if you actually test them yourself, there are a ton of investing strategies on the internet, but you need to understand that that's, you need to actually test them.

Most of the investing strategies you find on the internet, it's like other people's opinion. You need to imagine that someone sharing their strategy is just someone sharing their own opinion. And they didn't really do their research. And it kind of just mix something together and post it online. So you need to actually be the one that tested, because sometimes you might have a slightly different interpretation of the strategy compared to the person who created it. And that those little differences is what will make or break your strategy. And sometimes you invest in stocks that the strategy is not applicable to, and every strategy has its own pros and cons and also contexts. So you need to figure out exactly what context for us best for the strategy or using as you want to be successful. You actually just need one strategy that works. If you got one strategy that works, then you're pretty much done.

Because when I was investing, I learned a ton of strategies too, but you need to perfect one strategy because once you have one strategy that is working, then it is a matter of getting really good at it and adding more money onto your account. So make sure you don't relax the rules too much when you're designing your own strategy. And if you relaxed a rules too much, then you will start losing money again. So if you're interested in knowing what my strategy is, then you can attend the free training down below. And the first link of the description, it is four hours long, but then I do go really in depth and even show you how I analyze specific stocks in the past. So I would suggest you to go through that first. And those are really the pointers for you when it comes to fighting against institutional investors.

And when you are thinking about, you know, fighting against institutional investors, I actually don't have that mindset when I'm investing, because institutional investors are smart money. So what you want is instead of fighting against them, you want to buy with them because they are the ones that move the price. When you are investing in a market, you actually don't move the price at all. Me and you are just small potatoes in a big markets. So they are the ones that have enough capital to push the price higher by 10%, 20% or even 30%. So that means your analysis needs to agree with their analysis in order for you to make money. So this might seem a little bit counterintuitive to you, but you and the institutional investor should come to the same conclusion when analyzing a stock. So then you and the institutional investor would buy.

Now, ideally you want to buy a little bit ahead of the institutional investor, but that requires a lot more skill and experience to do, which is why you need an investing strategy. And if you're able to buy just lightly after or during the time in which institutional investors buy, you would already be at a very significant advantage. So that's kind of what you're paying attention to. That's what's your focus is. So if you are very good at investing and your analysis compared to the institutional investors analysis should be one in the same. And if you two are agree, then I think you'll be making profit really soon. So that's basically it for this video. And you can leave a comment below to let me know if you have any additional questions and for those who are watching, if you have any additional questions as well, you can leave a comment below. Um, if you like this kind of response video that let me know and I'll make more of it, I'll see you in the next one.