How to Avoid Getting Burned in the Markets

Essential strategies for evaluating market trends and making calculated choices

Navigating Market Risks

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Introduction

There has never been more trading information available than there is today.

Every day, traders and investors are flooded with stock tips, options alerts, AI trading systems, newsletter recommendations, YouTube predictions, social media hype, and “can’t miss” market opportunities.

The problem is simple:

More information does not always create better decisions.

In fact, for many people, it creates more confusion.

They do not know who to trust.
They do not know which strategy fits them.
They do not know how to evaluate a track record.
They do not know whether the person selling the program is a real trader, a good marketer, or something worse.

That is how people get burned.

This ebook was created to help you slow down, ask better questions, spot common warning signs, and begin thinking more strategically before choosing any trading education, alert service, or investment program.

At FFR Trading, we believe traders deserve more than hype.

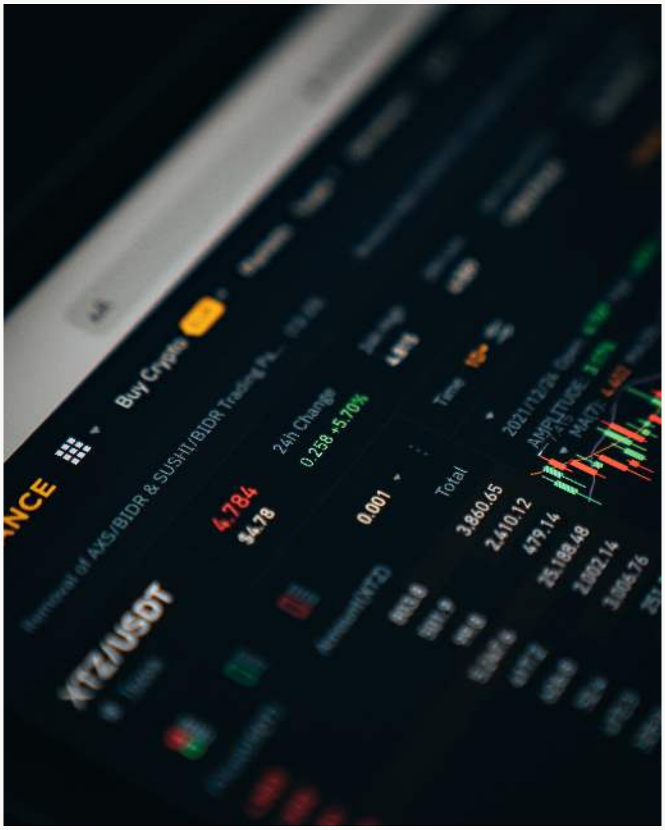
They deserve structure.
They deserve clarity.
They deserve support.
They deserve to understand what they are buying before they put real money at risk.

This guide will help you learn what to look for, what to avoid, and how to start identifying the type of trading strategy that may be a better fit for your goals, experience level, time availability, and risk tolerance.

A Quick Note Before We Begin

Trading involves risk and is not suitable for all investors. No trading strategy, education program, alert service, or software can guarantee profits or eliminate risk. Past performance is not indicative of future results.

This ebook is for educational and informational purposes only. It should not be considered personalized financial, investment, tax, or legal advice.



Chapter 1

Why So Many Traders Get Burned

Most traders do not get burned because they are lazy or unintelligent.

They get burned because they enter the market without enough structure.

They chase headlines.
They follow random alerts.
They buy into emotional sales pitches.
They trust track records they do not fully understand.
They choose strategies that do not fit their personality, account size, schedule, or risk tolerance.

And sometimes, they simply trust the wrong people.

The trading industry can be confusing because many different companies make money in different ways.

Brokers make money when trades are placed.
Newsletter publishers make money from subscriptions.
Software companies make money selling tools.
Trading educators make money selling courses.
Alert services make money selling signals.
Promoters make money selling the story.

None of that automatically makes a company bad.

But it does mean you need to understand the incentives behind every recommendation.

A strategy may sound exciting, but is it appropriate for your account?
A trader may show strong results, but are those results real, recent, and consecutive?

A website may look professional, but does it explain the methodology clearly?
A salesperson may sound confident, but are they helping you make a good decision or pressuring you to act before you are ready?

The first step to avoiding costly mistakes is learning how to evaluate the opportunity before you buy.

FFR Trading Insight

At FFR Trading, we help traders and investors evaluate different trading programs, understand how those programs work, and determine whether a strategy may be a good fit based on goals, experience, risk tolerance, account size, and available time.

Want help thinking through which type of strategy may fit you?

Schedule a complimentary strategy session with FFR Trading:

Schedule a Call

Chapter 2

The Problem With “Hot Tips” and Emotional Trading

Many traders are attracted to the market because they want opportunity.

That is understandable.

The market can create opportunity, but it can also punish impulsive decisions.

One of the most common ways people get burned is by reacting emotionally to a stock tip, market prediction, breaking news event, or exciting sales message.

They hear something like:

“This stock is about to explode.”
“This system has never lost.”
“This is your last chance.”
“You need to act now.”
“This could be the trade of the year.”

Those phrases trigger emotion.

Fear of missing out.
Greed.
Urgency.
Hope.
Excitement.
Anxiety.

But emotional trading is rarely disciplined trading.

A better question is not:

“How much can I make?”

A better question is:

“What is the plan?”

Before entering any trade or subscribing to any strategy, you should understand:

- What market does the strategy trade?
- What are the entry rules?
- What are the exit rules?
- How often does it trade?
- What is the typical holding period?
- What kind of drawdowns has it experienced?
- What account size is recommended?
- What level of risk is involved?
- How much time does it require?
- What support is available after you subscribe?

If those questions cannot be answered clearly, that is a warning sign.

Chapter 3

The 8 Common Paths Traders Consider

There are many ways people try to participate in the markets. Each has potential benefits, risks, and limitations. The purpose of this section is not to cover each tool in detail, but to briefly highlight the pros and cons of each strategy so that you can make a more informed decision about which investment or trading vehicle is best for you. Keep in mind that entire books have been written on some of these subjects.

1. Brokerage Accounts

A brokerage account gives you the ability to buy and sell stocks, options, ETFs, futures, or other financial products.

The benefit is control.

The risk is that many traders do not have a plan once the account is open. They may overtrade, chase headlines, or rely too heavily on broker suggestions.

A brokerage account is a tool. It is not a strategy.

2. Auto-Trading and Signal Services

Auto-trading or signal services may provide alerts that can be followed manually or automatically.

The benefit is convenience.

The risk is that not all signal services are created by experienced traders. Some may be built on short-term backtests, hypothetical results, or strategies that only worked in one type of market.

Before using any signal service, you should understand the methodology, risk, account size, trade frequency, and historical performance.

3. Managed Accounts

A managed account allows someone else to trade or invest on your behalf.

The benefit is that you do not have to make every decision yourself.

The risk is that you are giving significant control to another person or firm. You need to understand their licensing, fee structure, risk controls, and trading history.

4. Self-Education

This is the do-it-yourself approach to trading, where knowledge is gained by reading books, buying video courses, attending seminars or online webinars by trading and investing gurus.

The benefit is that knowledge gives you independence.

The risk is that education alone does not always translate into execution. A trader may understand concepts but still struggle with discipline, timing, emotional control, and real-world decision-making.

The bottom line is if trading and investing on your own was easy, everyone would do it

5. Market Newsletters

Newsletters can provide ideas, commentary, and trade recommendations.

The benefit is affordability and convenience.

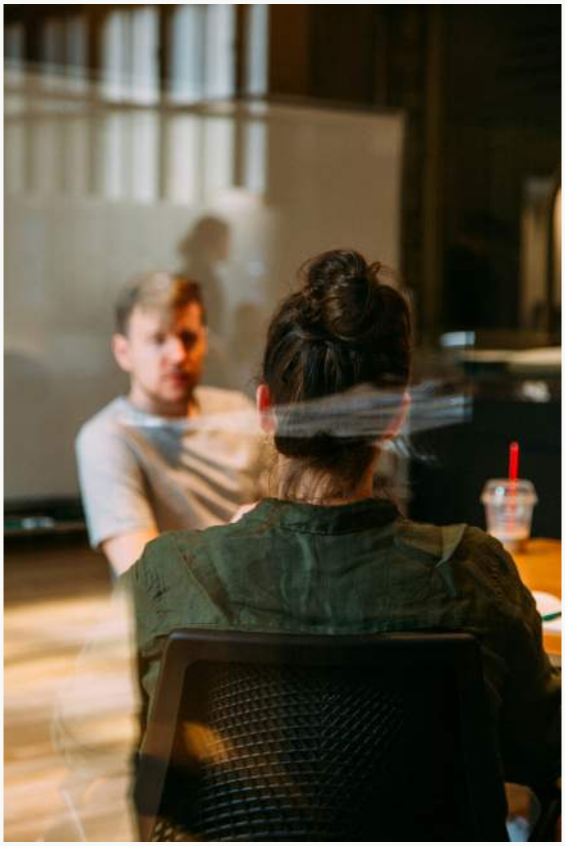
The risk is that many subscribers do not take every trade. If you miss the biggest winners but take the losers, your results can be very different from the published results.

6. Commodity Trading Advisors

A commodity trading advisor (CTA) is an individual or a firm, registered with the Commodity Futures Trading Commission, who receives compensation for giving people advice on options, futures and the actual trading of managed futures accounts. Registration for CTAs is done through the National Futures Association, a self-regulated organization responsible for reviewing and accepting registrations.

The benefit is regulation and oversight.

The risk is that futures and options can involve substantial leverage, and not every CTA strategy is appropriate for every investor.



7. Financial Advisors

Financial advisors typically focus on long-term planning, retirement, asset allocation, and portfolio management.

The benefit is broader financial planning.

The risk is that some investors want more active trading opportunities than a traditional financial advisor may provide.

8. Real Estate and Alternative Investments

Real estate investing is simply the process of buying property at a low price with the hope of either making monthly lease income or by selling the property at a higher price. Real estate and other alternative investments may provide diversification.

The benefit is exposure outside traditional stock market vehicles.

The risk is illiquidity, maintenance, financing risk, and market cycles.

FFR Trading Insight

There is no single “best” strategy for everyone.

The better question is:

Which strategy best fits your goals, risk tolerance, account size, time availability, and personality?

That is where many traders need help.

Want help evaluating your options?

Book a complimentary strategy session with FFR Trading:

Schedule a No Obligation Call

Chapter 4

How to Review a Trading Website Before You Trust It

A professional-looking website does not automatically mean a company is trustworthy.

Some of the worst programs can have polished websites, strong graphics, impressive testimonials, and dramatic sales pages.

Before trusting a trading website, ask these questions:

- Does the website clearly explain who is behind the company?
- Are real names, photos, and credentials provided?
- Is there a phone number?
- Does a real person answer or return calls?
- Is there an “About Us” page with specific details?
- Does the company explain how long it has been in business?
- Are the claims realistic?
- Are there risk disclosures?
- Does the company explain the strategy methodology?
- Are track records shown clearly?
- Are results real, hypothetical, backtested, or model-based?
- Is the company willing to answer questions?
- Is there support after the purchase?
- Does the offer feel educational or overly urgent?

One red flag by itself may not prove a company is bad.

But several red flags together should make you pause.

Chapter 5

Market Hucksters and Warning Signs

Unfortunately, the trading world attracts some people who are more interested in selling dreams than helping clients understand risk.

Common tactics include:

Fake Track Records

Some marketers show results that are incomplete, cherry-picked, backtested, or impossible to replicate in real trading. A track record may look impressive at first glance, but that does not always mean it tells the full story.

Some promoters only show winning trades while leaving out losing trades. Others may highlight one strong period of performance while ignoring months or years where the strategy struggled.

You should also be cautious with any performance report that does not clearly explain whether the trades were live, hypothetical, backtested, simulated, or model-based. Backtested results can be useful for research, but they are not the same as real trades placed in live market conditions with real money, real emotions, real slippage, real commissions, and real execution challenges.

In some cases, even brokerage statements or account screenshots can be doctored.

Numbers can be edited, dates can be changed, losing trades can be removed, account balances can be altered, and screenshots can be manipulated to make results look much better than they really were. With modern editing tools, a screenshot alone should never be treated as absolute proof. That is why you should ask for recent, consecutive, clearly documented results whenever possible.

A trustworthy track record should include both winners and losers, show realistic drawdowns, disclose assumptions, and explain the account size, position sizing, trade dates, and whether the results reflect actual live trading. Be especially careful when a company shows only the “best trades,” only percentage gains, or only testimonials without showing the full risk picture. A few big winners do not prove a strategy is reliable.

What matters is how the strategy performs over time, through different market conditions, including losing periods. The bottom line is simple: If the performance looks perfect, incomplete, or too good to be true, slow down and ask more questions.

No Losing Trades

Any trading program that shows a track record with no losing trades should immediately raise questions. Losses are a normal part of trading. Even experienced traders with strong strategies will have losing trades, losing weeks, and sometimes losing months.

No system wins all the time, because markets are constantly changing. News events, volatility shifts, earnings surprises, interest rates, liquidity, slippage, and trader execution can all affect results.

A track record with no losses may be a sign that the results are incomplete, cherry-picked, overly optimized, or presented in a way that hides the true risk.

For example, a promoter may show only closed winning trades while leaving losing trades open and unreported. Others may remove losing trades from the public results page, reset the track record after a bad period, or only advertise the best trades from a much larger list of recommendations.

Some may also use unrealized gains, hypothetical exits, or “model account” assumptions that do not reflect what a real subscriber could have achieved. In options trading, this can be especially misleading because bid/ask spreads, fill prices, slippage, contract liquidity, and timing can dramatically affect results. A perfect win rate may sound attractive, but it can actually be a warning sign.

A strategy that claims to never lose may be taking hidden risks, such as averaging down, refusing to close losing positions, using excessive leverage, or holding trades until a small gain appears while ignoring large drawdowns along the way.

Before trusting any track record, ask: Does the record include every trade? Are the trades recent and consecutive? Are losing trades shown clearly? Are open positions disclosed? Are drawdowns included? Are commissions, fees, and slippage considered? Were the trades actually executed in a live account? Could a real subscriber have entered and exited at similar prices? Is the account size realistic?

What happened during difficult market conditions? A legitimate trader should not be afraid to show losses. In fact, seeing how a strategy handles losses can be more valuable than seeing how it performs during winning streaks.

Losses reveal important information: How risk is managed Whether the trader follows rules How large drawdowns can become Whether position sizes are controlled Whether the strategy can recover Whether the trader is transparent The goal is not to find a strategy that never loses. The goal is to find a strategy with a clear process, realistic expectations, disciplined risk management, and transparent reporting.

The bottom line is simple: If a track record shows no losing trades, do not get excited — get curious.

Due Diligence Tip: A trustworthy track record should show both winners and losers. The losses often tell you more about the strategy than the wins.

www.ffrtrading.com

Real Brokerage Statements Required

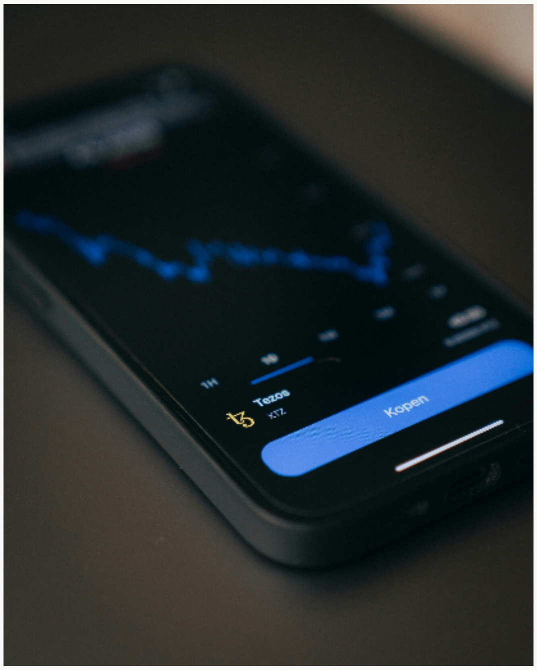
No guesswork. Every strategy developer must provide 3-5 years of real brokerage account statements. We verify actual performance—not hypotheticals—before we work with anyone.

Schedule a Free Consultation

Schedule a No Obligation Call

Bait and Switch

Bait and switch is another ploy. The huckster presents one track record using a certain strategy that that worked years ago, but no longer works now. After you sign up, you may receive signals based on an entirely different strategy.



Pump and Dump Promotions

Pump and dump schemes are popular in the penny stock world. You receive a newsletter or email telling you that a certain stock is about to explode. The newsletter is jam-packed with images and graphs and "facts" about why this stock is going to the moon. Buy! Buy! Buy!

The reality is that the scammers already own the stock themselves and are looking for naïve buyers so they can exit the stock at a higher price. What typically happens is that a few months after you buy the stock, the share price drops substantially, and you either end up with a worthless asset or end up selling for a loss while your broker makes a hefty commission on the sale. The spread (the difference between the buy and sell price) is usually quite large with penny stocks.

Vague Testimonials

The most basic way scammers try to rip you off is by the simple act of lying. They offer completely bogus trading track records, fake testimonials, fake positive reviews and will say or promise just about anything to separate you from your money.

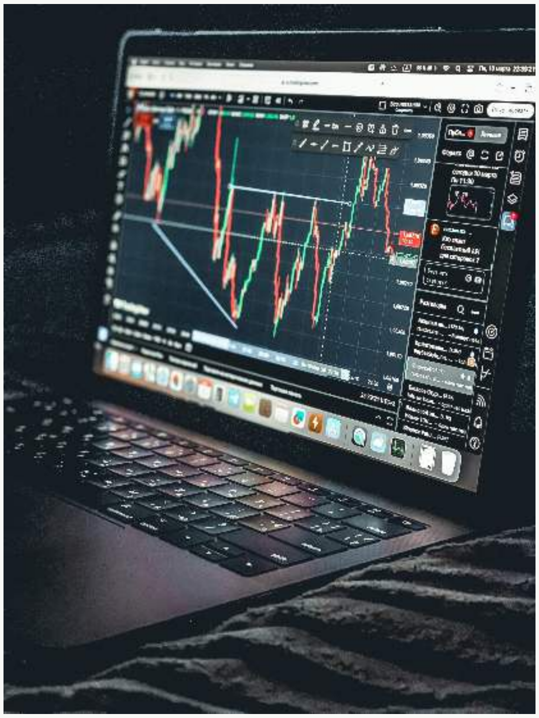
Some scammers hire people to write fake reviews. When you read the reviews, they'll often sound vague and lack specifics about the trading system or investment strategy in question. The grammar may also be poor.

Sometimes the reviews just flat out make no sense at all. If you see dozens of these kinds of reviews you can almost guarantee that something is amiss.

Testimonials that sound overly generic, contain no specifics, or lack proper disclaimers should be viewed carefully.

No Clear Rules

A legitimate trading strategy should have a clear, understandable methodology. That does not mean every detail of a trader's proprietary process must be revealed. Some traders may have unique indicators, filters, formulas, or market research methods they do not fully disclose to the public.



Vague explanations like "our algorithm finds winners," "we use secret AI signals," "our trader just knows when to buy," or "the system works in all markets" should raise questions. A strategy does not need to be complicated to be effective, but it should be understandable.

A clear methodology helps you know what you are actually subscribing to. It also helps you determine whether the strategy fits your goals, schedule, experience level, account size, and risk tolerance.

High-Pressure Sales

Urgency is common in marketing, but pressure should never replace clarity. There is nothing wrong with a company having a deadline, a limited enrollment window, a special offer, or a limited number of available spots.

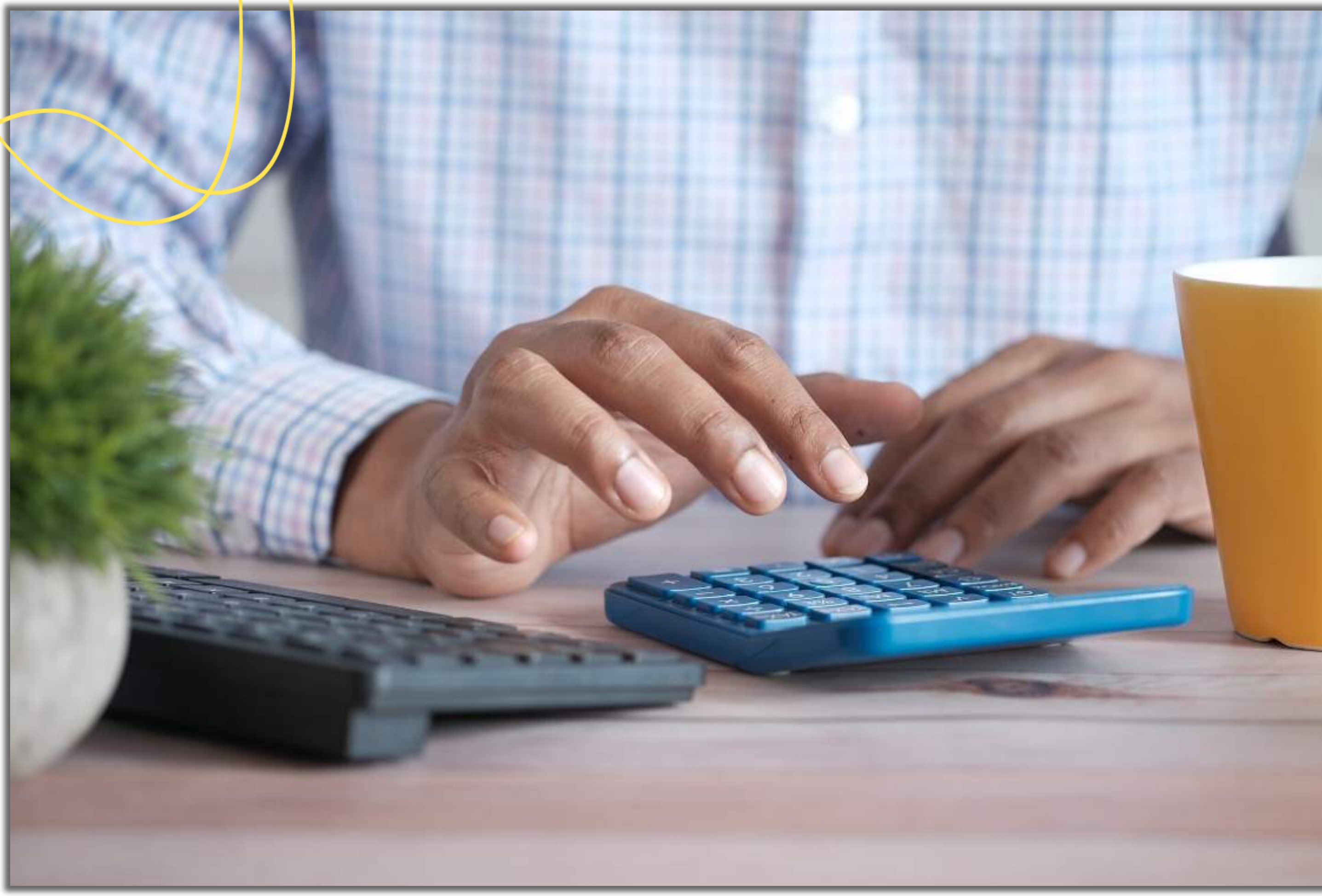
In many cases, those things may be legitimate. The problem starts when urgency is used to stop you from thinking clearly. You should never feel forced to make a financial decision before your questions are answered.

A reputable company should be willing to explain the strategy, the risks, the costs, the support, the methodology, and who the program may or may not be appropriate for.

Chapter 6

Red Flags Checklist

10 Warning Signs You're About To Get Scammed By A Trading Program



Use this checklist before subscribing to any trading program, alert service, software, or education product.

1. No Real Track Record

Be cautious if the company cannot show any meaningful history of performance or if the results are vague, incomplete, or impossible to verify.

2. Hypothetical Results Only

Backtested or hypothetical results can be useful for research, but they are not the same as live trading results.

3. Guaranteed Returns

No legitimate trading program can guarantee profits. Any promise of "guaranteed income," "can't lose," or "risk-free trading" is a major warning sign.

4. No Clear Methodology

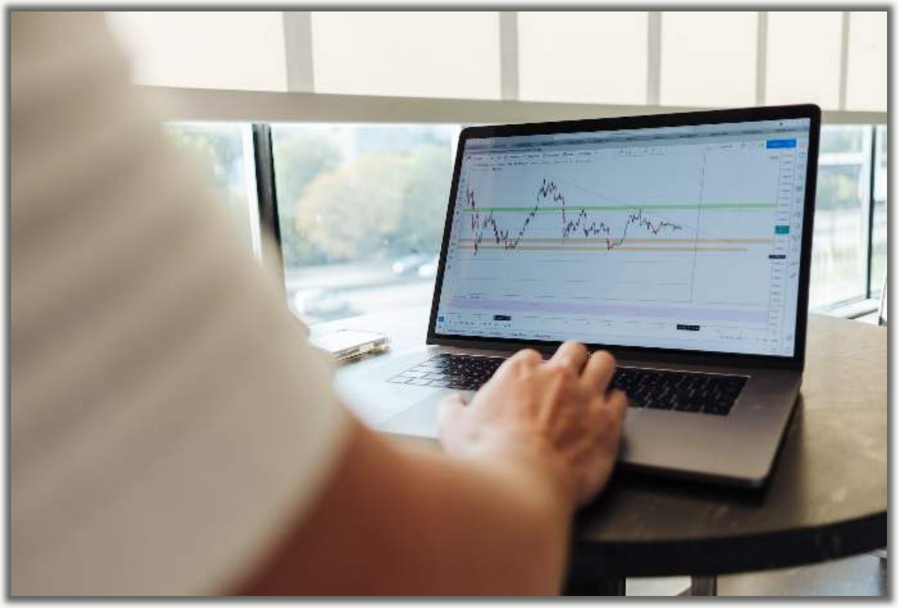
If the company cannot explain how the strategy works in plain English, be careful.

5. No Risk Discussion

Every strategy has risk. If the sales material only talks about profits and ignores losses, drawdowns, position sizing, or account risk, that is a red flag.

6. High-Pressure Sales Tactics

Watch out for aggressive pressure, emotional manipulation, or “you must buy today” tactics without time to ask questions.



7. No Support After You Buy

Many traders need help understanding how to use a strategy. If there is no onboarding, no support, and no way to ask questions, think twice.

Testimonials can be helpful, but they should include proper risk disclosures and should not imply that every client will have the same experience.

If you cannot identify the trader, company, team, or support staff, that is a concern.

If the offer sounds effortless, guaranteed, fast, and risk-free, it probably deserves much deeper scrutiny.

Save This Checklist

Before joining any trading program, ask yourself:

Does this company help me make a better decision, or are they just trying to make a fast sale?

At FFR Trading, our goal is to help traders understand the strategy, the risks, the structure, and the support available before they subscribe.

Want help reviewing whether a strategy fits you?
Schedule a complimentary strategy session:

Schedule a FREE No Obligation Call

Chapter 7

Why Even Legitimate Strategies Can Fail

Not every losing strategy is a scam.

Sometimes legitimate strategies fail or struggle because market conditions change.

A trend-following strategy may perform well in a trending market but struggle in choppy conditions.

A short-term options strategy may work well in one volatility environment but struggle when volatility changes.

A breakout strategy may thrive when markets are moving but suffer during sideways price action.

A trader can be legitimate and still experience losses.

That is why you need to understand:

- What market environment the strategy is designed for
- How the strategy performs during drawdowns
- Whether losses are expected
- What risk controls are used
- How much capital is recommended
- Whether the strategy fits your emotional tolerance

The goal is not to find a strategy that never loses.

The goal is to find a strategy you understand well enough to follow with discipline.

Chapter 8

How to Analyze a Track Record

Track records can be helpful, but only if you know what you are looking at.

Here are key factors to review.

PERFORMANCE HISTORY OVERVIEW

Algo AI

by Ian Cooper

Results are based on an account size of $10,000 and approximately $1,200 per trade allocation (non-compounded)
Past performance is not necessarily indicative of future results

Start Date:	08-03-23	**Monthly Avg $:**	$2,897	**Win %:**	86%
End Date:	02-28-25	**Monthly Avg %:**	29%	**Loss %:**	14%
		Annual Avg $:	$34,766		
Net Profit:	$54,769	**Annual Avg %:**	348%	**Trades Won:**	101
Avg Net Per Trade:	$464			**Trades Lost:**	17
Gross Profit:	$64,806	**Largest Win:**	$2,500	**Total Trades:**	118
Gross Loss:	($10,037)	**Avg Win:**	$642		
		Largest Loss:	$ (1,020)	**Avg Days In Trade:**	9
Return on Capital:	548%	**Avg Loss:**	($590)	**Profit Factor:**	6.46

Disclaimer: Past performance can't promise future success and trading incurs risk of loss.

Realistic Returns

“Realistic returns” is a relative term when it comes to the markets since many factors can affect overall return on investment. Which market is being traded? Is a trend or non-trend strategy being used? What is the time frame for the system, intraday, daily or weekly? Here are some general guidelines for realistic returns that we’ve seen over the years.

Be cautious when returns seem wildly unrealistic. High returns usually come with high risk, leverage, aggressive position sizing, or unusual market conditions.

Trade Frequency

It’s important to examine trade time periods. Count the total number of trades on the track record and divide by its time period to calculate the number of trades made per week, month and year.

This will help you see the average length of each trade. Is it two days or two weeks? Are there too many or too few trades for your taste?

A strategy that trades once per month is very different from a strategy that trades several times per day.

Ask yourself: Could I follow this?

Average Winner and Average Loser

A track record should show how much the average winning trade makes compared to the average losing trade.

A strategy can have a lower win rate and still be profitable if winners are much larger than losers.

A strategy can also have a high win rate and still be dangerous if losses are large.

To calculate profit loss, take the average winning trade and divide it by the average losing trade.

In the example below, for every $2.4 dollars you stand to gain, you risk $1:

- Average winner: $523
- Average loser: $218
- Profit/Loss Ratio = 2.4

It's important to keep in mind that a profit/loss ratio is only one component to consider when evaluating a trading system. A trading system could have a poor profit/loss ratio of 1:2 (for every $1 you make you lose $2), but if you win enough trades overall compared to the number of trades you lose, it could still be profitable

Profit Factor

The profit factor is a great gauge that combines both profit/loss with the number of overall winners versus losers as outlined above. In other words, the profit factor is a ratio that considers every trade of the track record over time. It shows, on average, how many dollars you make for every dollar you lose.

To calculate profit factor, multiply the number of winning trades by the average dollar amount for each winning trade. Do the same for losing trades. Then divide the winning dollars by the losing dollars to get your profit factor.

For example, let's say out of 100 trades, the system wins 50% of the time. The average winning trade is $10, and the average losing trade is $5. For winning trades we get: 50 x $10 = $500. For losing trades we get: 50 x $5 = $250. Now divide $500/$250 = 2.00. This system consistently makes $2 for every dollar it loses. In short, that means this system looks pretty good.

It is one useful metric, but it should not be the only one.

Required Account Size

How much money is used to derive the track record in question? Is it $10,000, $25,000, or maybe $500,000? If the track record account size is large, could you realistically take the same trades with a smaller account? If not, then don't expect to make the same returns. You want to compare apples to apples

Always ask: Was this track record based on an account size similar to mine?

Drawdowns

Drawdowns refer to periods of time where money lost on losing trades exceeds winners. On a chart you'd look for declines from peaks to troughs. Drawdowns help you determine overall risk to reward. In a nutshell, during draw downs, you lose money.

Ask:

- How large were the drawdowns?
- How long did they last?
- Could I emotionally handle that?
- Would I quit at the worst possible time?

Leverage

Some track records for options, forex, and futures markets factor in leverage. “Leverage” is the use of financial instruments or borrowed capital, such as margin, to increase the potential return of an investment. If you use leverage to make an investment and the investment moves against you, your loss is much greater than if the investment had not been leveraged. In the futures market, you may receive a margin call and be required to deposit additional funds to your account in order to avoid exceeding acceptable margin levels. Leverage magnifies both gains and losses significantly. If the track record you are evaluating uses leverage, keep in mind that risk is greatly increased. Only you can decide if that system is too risky for you.

Consecutive Losses

Every strategy has losing streaks.

The question is:

Can you follow the system after three, five, or ten losing trades?

That is where many traders fail.

Chapter 9

What Type of Trader Are You?

Before choosing any trading program, you need to understand yourself. Answer the questions below and keep track of your responses.

1. **How much time can you realistically spend on trading each week?**

A. Less than 1 hour
B. 1–3 hours
C. 3–7 hours
D. 7+ hours

2. How do you usually react when a trade goes against you?

A. I get very nervous and want to exit quickly
B. I can handle small losses but dislike uncertainty
C. I can follow a plan if I understand the risk
D. I am comfortable with higher volatility if the opportunity is strong

3. What is your current trading experience level?

A. Beginner
B. Some experience, but inconsistent
C. Intermediate and actively learning
D. Experienced and comfortable with multiple strategies

4. What is your biggest trading goal?

A. Learn the basics and avoid costly mistakes
B. Create a more structured approach
C. Find consistent trading opportunities
D. Pursue more aggressive growth opportunities

5. What frustrates you most about trading?

A. I do not know who to trust
B. I do not have a clear plan
C. I miss trades or enter too late
D. I struggle with discipline or risk management

6. How involved do you want to be in trade decisions?

A. Very little; I want simple guidance
B. Somewhat involved; I want to understand the logic
C. Actively involved; I want to evaluate setups
D. Very involved; I like studying markets and strategies

7. Which statement sounds most like you?

A. I want education and support before I risk real money
B. I want a rules-based strategy that is easier to follow
C. I want timely trade ideas with clear structure
D. I want more advanced strategies and am comfortable with risk

Your Trader Profile

Mostly A's: The Cautious Learner

You may be newer to trading or more protective of your capital. Your best fit may be education-first programs, lower-frequency strategies, or services that provide strong onboarding and support.

You likely need clarity, patience, and a strategy that does not require constant screen time.

Mostly B's: The Structure Seeker

You may have some experience but need a clearer process. Your best fit may be a rules-based strategy with defined entries, exits, and risk parameters.

You likely want to stop guessing and start following a more disciplined plan.

Mostly C's: The Active Opportunity Trader

You may be ready for more timely trading ideas and market-based setups. Your best fit may be alert-driven strategies, options programs, or sector-focused trading services with clear guidance.

You likely want opportunity, but you still need structure and support.

Mostly D's: The Advanced Growth Trader

You may be more experienced and comfortable with volatility, options, futures, or active strategies. Your best fit may be more aggressive programs, advanced technical strategies, or specialized market approaches.

You likely value performance potential, but you still need disciplined risk management.

Not Sure Which Profile Fits You?

That is normal.

Many traders are a combination of profiles.

That is why choosing a strategy based only on a sales page can be risky. A strategy may look exciting but still be a poor fit for your personality, risk tolerance, account size, or schedule.

Want help identifying which type of trading strategy may fit you best?
Schedule a complimentary FFR Trading strategy session:

Call 800-883-0524 or 737-292-4425
or

Schedule a No Obligation Call

Chapter 10

Investor or Trader?

One of the most important questions you can ask is: Am I really an investor, a trader, or somewhere in between?

Investors

Investors tend to prefer a “hands off” or passive approach to making money. They want to put their money into real estate, stocks or futures and wait for returns. Many investors like long-term strategies to pull money from the markets. There is not necessarily a defined “exit price” to an investment. Investors don’t have time or don’t want to make time to learn the nuances of the markets. Investors don’t care too much about the inner workings of a trading strategy. Some argue that investors tend to have more consistent returns over the long haul. Investing is also less stressful since investors are removed from the day-to-day operations of trading.

It’s relatively easy to get started in investing. Open a brokerage account. Find a mutual fund you like and add your funds. Since investments tend to be long-term there are fewer commission fees. It can be easy to lose interest as an investor simply due to lack of involvement in the markets

Traders

Traders tend to prefer a hands-on, active approach to the markets. They think in the short term and have a defined trading strategy with clear entry and exit criteria. Their philosophy might be explained as “The buck stops with me.”

Good traders are constantly learning and are open to improving their strategies. Traders tend to be independent thinkers, entrepreneurs and have a rebellious streak. Traders spend hours studying the markets and adapting to an ever-changing economic landscape. Traders pay more commission fees than investors since they are actively trading.

Traders need more discipline, more structure, and more emotional control.

Day Traders

Otherwise known as "intraday" trading, day trading is the term used when trades are usually entered and exited within the same trading day. Day traders usually end the day flat so they have no worries about overnight news affecting any of their open trades.

Good day traders have the ability to make quick decisions. They tend to see smaller profits than longer term traders, but not always. Day traders must watch the markets all day for good trading opportunities.

Day trading requires a solid knowledge of time zone considerations which vary by each market. For example, forex trading times are quite different than U.S. stock market trading times or futures trading times

Swing Traders

Swing trading is considered to be short to intermediate trend following. In general, trades may last from one to thirty days.Like day trading, there are time zone considerations, but swing traders aren’t glued to their trading screens every minute the market is open like day traders are. Swing traders risk overnight news that could hurtor help any of their open trade positions. Swing trading can be done part-time, but swing traders need to be disciplined and study the markets.

Otherwise, swing traders will make poor trading decisions, or lose interest in the markets altogether due to lack of trading frequency

Position Traders

Position trading, or long-term trading, is almost like investing, but does not have quite as long of a time frame. Position trading is also referred to as trend trading. For example, when the trend shifts from sideways to up, position traders establish a position and buy and hold until the trend comes to an end. Trades can last months or years.

Position trading is less stressful than other styles since fewer trades take place. Like swing trading, position traders are susceptible to overnight bad news.

Position trading can easily be done part-time but requires lots of patience. There is no instant gratification like there is with day trading.

The key is not choosing the most exciting style. The key is choosing the style you can actually follow.

Chapter 11

Trading Psychology: Are You Cut Out for This?

Trading is not just about charts, indicators, earnings, or market news.

It is also about psychology.

Before choosing a trading strategy, ask yourself:

- Do I panic after losses?
- Do I become overconfident after wins?
- Do I trade because I am bored?
- Do I take trades that do not match my plan?
- Do I exit winners too early?
- Do I hold losers too long?
- Do I increase risk after losing because I want to “make it back”?
- Do I blame the market instead of reviewing my decisions?
- Do I follow instructions well?
- Can I stick with a strategy during a normal drawdown?

These are not easy questions, but they matter.

A good strategy can still fail in the hands of someone who cannot follow it.

That is why FFR Trading emphasizes education, onboarding, support, and realistic expectations.

A strategy should not only look good on paper.

It should fit the person using it.

Chapter 12

The Recency Effect: Why Traders Quit Too Soon

The recency effect is the tendency to place too much importance on what happened most recently.

In trading, this can be dangerous.

After a few winning trades, a trader may feel invincible.

They increase risk.
They ignore rules.
They overtrade.
They become careless.

After a few losing trades, a trader may feel defeated.

They stop following the plan.
They skip good setups.
They exit too early.
They quit right before the strategy recovers.

Both reactions are emotional.

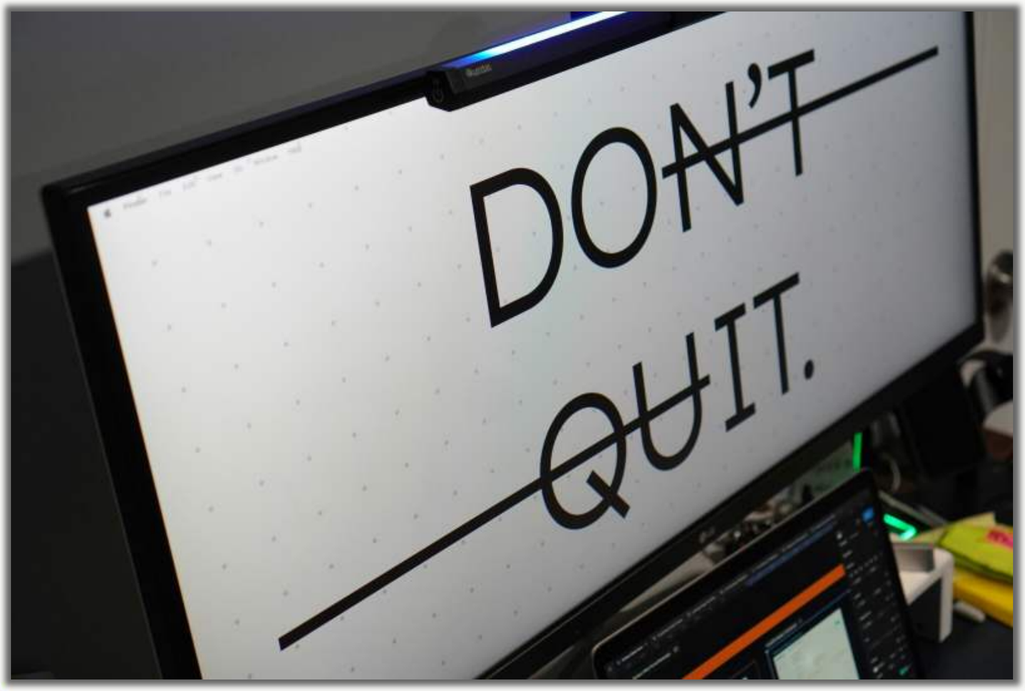
A trader who understands the recency effect is better prepared to stay disciplined.

Before subscribing to any program, ask:

- What losing streaks are normal?
- How should I respond during drawdowns?
- How long should I evaluate the strategy?
- What expectations should I have before starting?

The goal is not to avoid every loss.

The goal is to avoid making emotional decisions because of the last few trades.



Chapter 13

Keep It Simple

Many traders assume that the more complicated a strategy sounds, the better it must be.

That is not always true.

Complexity can create confusion.

A good strategy should be understandable.

You should be able to explain:

- What market it trades
- Why it enters
- Why it exits
- What risk is involved
- What account size is recommended
- How often it trades
- What type of trader it fits

If a strategy cannot be explained clearly, it may be difficult to follow consistently.

Simple does not mean unsophisticated.

Simple means understandable.

And when real money is involved, understanding matters.

Chapter 14

Due Diligence: Questions to Ask Before You Buy

Before joining any trading program, ask these questions about the trader or Company.

- Who is behind the strategy?
- What is their background?
- How long have they been trading?
- Are they accessible?
- Is there a support team?

Questions to ask about the strategy:

- What market does it trade?
- What is the methodology?
- Is it technical, fundamental, seasonal, AI-driven, event-based, or rules-based?
- How often does it trade?
- What is the typical holding period?
- What are the entry and exit rules?

Questions to ask about performance:

- Is there a track record?
- Is it real, hypothetical, backtested, or model-based?
- Does it include losses?
- Does it include drawdowns?
- Are the results recent?
- Are the results consecutive?
- What account size was used?

PERFORMANCE HISTORY OVERVIEW

Weekend Winners Trade Alerts
*Historical Profit Results**

Historical trade results are based on a $10,000 account size and an average allocation per trade of approximately $1,200 (Non-compounded)

Start Date:	1/23/2025	Monthly Avg $:	$860	Win %:	85%
End Date:	4/1/2026	Monthly Avg %:	9%	Loss %:	15%
Avg Trade Length:	3.7	Annual Avg $:	$10,323		
Net Profit:	$12,246	Annual Avg %:	103%	Trades Won:	58
Avg Net Per Trade:	$180			Trades Lost:	10
Gross Profit:	$16,842.00	Largest Win:	$1,551	Total Trades:	68
Gross Loss:	$ (4,596.00)	Avg Win:	$290	Avg Trade Cost:	$233
		Largest Loss:	-$750		
Return on Capital:	122%	Avg Loss:	($460)	Profit Factor:	3.66

Disclaimer: Past performance can't promise future success and trading incurs risk of loss. (See Disclaimer below)

Disclaimer: Past performance can't promise future success and trading incurs risk of loss.

Question to ask about risk:

- What is the recommended account size?
- How much is typically risked per trade?
- What has the worst drawdown been?
- What kind of losing streaks are possible?
- Is leverage used?

Questions to ask about support:

- Is onboarding included?
- Can I ask questions?
- Is there a phone number?
- Is there ongoing education?
- What happens after I subscribe?

FFR Trading Insight

Most traders do not need more hype.

They need better questions.

At FFR Trading, we help prospects and clients understand the differences between trading programs so they can make a more informed decision.

Feeling overwhelmed? You do not have to figure this out alone.
Schedule a complimentary strategy session:

Schedule a No Obligation Call

Chapter 15

Real-Life Scenarios

Scenario 1: The Excited Beginner

A new trader sees a promotion claiming massive returns. The sales page looks exciting, but there is no clear methodology, no support, and no realistic discussion of risk.

The trader buys quickly, does not understand the strategy, takes a few losses, and quits frustrated.

Better Approach

Before buying, the trader should have asked:

- What is the strategy?
- Is there a real track record?
- What account size is needed?
- What support is included?
- Does this fit my experience level?

Scenario 2: The Busy Professional

A busy professional wants to trade but cannot watch the market all day. They join a fast-moving day trading service and miss most alerts.

Even if the service is legitimate, it is not a good fit.

Better Approach

This person may need a lower-frequency swing trading, options, ETF, or position-style strategy that fits their schedule.

Scenario 3: The Overconfident Trader

An experienced trader joins a new strategy and immediately increases position size after a few winning trades. When a normal losing streak appears, the losses are much larger than expected.

Better Approach

The trader should have followed recommended position sizing, reviewed risk guidelines, and respected the possibility of drawdowns.

Scenario 4: The Skeptical Prospect

A prospect has been burned before and is hesitant to trust another trading company.

That skepticism is understandable.

Better Approach

Instead of buying quickly, the prospect should speak with someone who can explain the strategy, answer questions, discuss risk, and determine whether any program is actually a good fit.

Chapter 16

What Makes FFR Trading Different?

FFR Trading is not simply another trading company.

We operate more like a trading support office and strategy-matching resource for individual traders and investors.

Our goal is to help people better understand available trading programs, evaluate whether a strategy may fit them, and receive support before and after they subscribe.

We work with experienced independent traders and strategy developers across markets such as stocks, options, ETFs, futures, and commodities.

Our approach is built around:

- Education
- Due diligence
- Strategy fit
- Risk awareness
- Onboarding
- Ongoing support
- Realistic expectations
- Structure over speculation

Most people do not struggle because they lack ambition.

They struggle because they do not have the right structure, the right support, or a trusted way to evaluate trading strategies before putting real money at risk.

That is why FFR Trading exists.

Chapter 17

Your Next Step

You have now learned how to spot red flags, evaluate trading programs, think about track records, understand risk, identify your trader profile, and ask better questions before choosing a strategy.

The next step is to decide where you are right now.

Are you ready to explore strategies?

Or do you want to learn more first?

Both are completely fine.

Ready To Stop Guessing And Start Trading With Structure?

At FFR Trading, we help traders and investors evaluate strategies, understand their options, and find programs that may better fit their goals, experience level, time availability, and risk tolerance.

Choose the next step that fits you best.

Option A

I Want To Explore Strategies

Schedule a complimentary strategy session with FFR Trading.

On this call, we can help you think through:

- Your trading goals
- Your experience level
- Your risk tolerance
- Your available time
- Your preferred markets
- Which type of strategy may fit you best
- Whether any FFR Trading programs may be appropriate for you

Book Your Complimentary Strategy Session:
Call FFR Trading at 800-883-0524 or 737-292-4425
OR

Schedule a No Obligation Call

Option B

I Want To Learn More First

Watch a short video or case study explaining how FFR Trading works, who we work with, and how we help traders evaluate different programs.

Watch The FFR Trading Overview:

Final Reminder

The markets can create opportunity, but they can also punish guesswork.

Before choosing any trading program, make sure you understand the strategy, the risk, the support, and whether it truly fits you.

You do not have to figure it out alone.

FFR Trading is here to help you move from confusion to clarity, from guessing to structure, and from emotional decisions to a more disciplined process.

Compliance Disclaimer

Trading involves risk and is not suitable for all investors. Past performance is not indicative of future results. No trading strategy, alert service, education program, or software can guarantee profits or eliminate risk.

Testimonials, examples, case studies, and historical results, where provided, are for informational purposes only and may not be representative of all client experiences. Individual results will vary.

FFR Trading provides educational and informational resources and helps clients understand available trading programs. Nothing in this ebook should be considered personalized investment, financial, legal, or tax advice. Always consult with a licensed financial professional before making trading or investment decisions.

How to Avoid...

In "How to Avoid Getting Burned in the Markets," FFR Trading empowers traders to navigate the overwhelming landscape of stock tips, alerts, and market predictions with clarity and confidence. This essential guide teaches you how to evaluate trading programs, identify red flags, and choose strategies tailored to your goals and risk tolerance. Arm yourself with the right questions and insights to protect your investments and make informed decisions in the complex world of trading.