DAY TRADING STRATEGY







Day trading or **intraday trading** is suitable for traders that would like to actively trade in the daytime.

Day traders take advantage of price fluctuations in-between the market open and close hours.

Day traders often hold multiple positions open in a day, but do not leave positions open overnight in order to minimize the risk of overnight market volatility.





Benefits of day trading

- There is no overnight risk. By definition, intra-day trading requires no trade is left open overnight.
- Limited intra-day risk. A day trader only opens short-term trades that usually last around 1 to 4 hours.
- Time flexible trading. Day trading might suit people who desire flexibility with their trading. A day trader might enter 1 to 5 positions during the.



Drawbacks of day trading

- It requires discipline. Similar to other short-term styles, intra-day trading requires discipline. Traders should utilise a pre-determined strategy, complete with entry and exit levels, to manage their risk.
- Flat trades. This is when some positions do not move within the day, which is to be expected.