

THE ULTIMATE GUIDE TO TRADING BOOKS

**149
BOOKS**
RECOMMENDED
TO IMPROVE
YOUR TRADING
RESULTS

BETTERSYSTEMTRADER.COM

BETTER 
system trader

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Introduction

Trading is hard. We're all in this to make money but such a small percentage of us actually do.

People often approach the markets with very little education or knowledge, spending thousands of dollars on courses that provide very little true value. An alternative to trading courses is books, with many trading books written over the years.

Books are an affordable way to absorb knowledge and advice by people who are experts in their field. Being exposed to new ideas and concepts is incredibly important because even one simple idea or tip can have a dramatic impact on your trading results. Unfortunately, some books are of poor quality or low content value, wasting our precious time and money.

To alleviate this problem we've scoured the internet, checking hundreds of websites and asking other trading experts which books they recommend. By only reading books recommended by the experts you have a better chance of being exposed to quality information and concepts to improve your own trading.

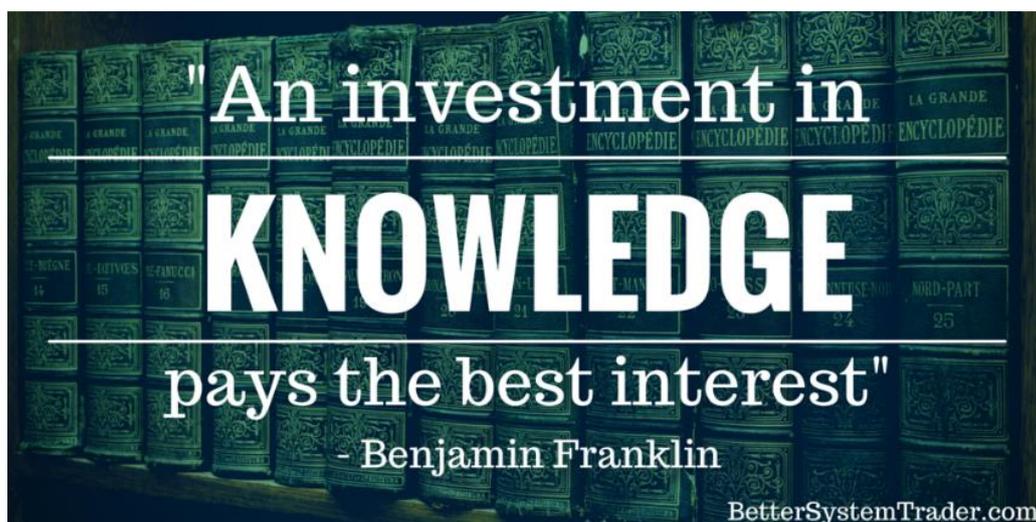
This guide contains a list of books recommended by the experts. Where possible we've included the recommendation source and Amazon ratings and reviews so you can see what others are saying. We've even split the book into sections to make it easier to find and included a link to the book on Amazon if you want to research it further or purchase it.

We hope you find this guide helpful and it takes your trading to the next level. If so, please click to share:



Regards,

Andrew.

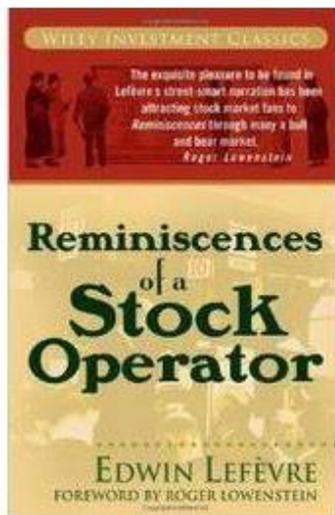


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Classics

Timeless classics that still apply today





Reminiscences of a Stock Operator Paperback – January 17, 2006

by Edwin Lefèvre (Author), Roger Lowenstein (Foreword)

★★★★☆ 425 customer reviews

Amazon Link

[Reminiscences of a Stock Operator - Edwin Lefèvre](#)

Recommendation

<http://www.minyanville.com/business-news/editors-pick/articles/trading-book-Reminiscence-of-a-Stock/1/14/2013/id/47283?page=full>

"It's still on my bedside table, and I pick it up every so often to read a few pages," Goelz says of Edwin Lefèvre's thinly veiled biography of the infamous speculator Jesse Livermore and his time on Wall Street in the early 1900s. "If you think algorithms and the speed of news have changed the game, then you're mistaken. Just read this book."

Reminiscences of a Stock Operator traces Livermore's fictional counterpart Lawrence Livingston from the age of 14 into adulthood, as he cuts his teeth in so-called "New England bucket shops," embraces his supreme talent for numbers, amasses a million-dollar fortune, and continues to lose and win it back several times over on Wall Street throughout the first two decades of the 20th century.

Reminiscences is widely considered a timeless compendium of trading wisdom, with generations turning to tried and true nuggets such as:

"A battle goes on in the stock market and the tape is your telescope."

"I never argue with the tape. Getting sore at the market doesn't get you anywhere."

"Speculation is a hard and trying business, and a speculator must be on the job all the time or he'll soon have no job to be on."

<http://jbmarwood.com/16-best-trading-books-time/>

Jesse Livermore, also known as the 'boy plunger', is considered to be one of the best traders of all time, winning and losing many millions of dollars during the Great Depression and surrounding years. This classic book is both educational and a great read.

<http://decodingwallstreet.blogspot.com/p/best-trading-books.html>

Reminiscences of A Stock Operator, by Edwin Lefevre: 10, the best book ever written about speculation.

http://www.forbes.com/2008/01/28/graham-buffett-crescenzi-pf-edu-in_id_0128soapbox_inl.html

For pure entertainment, this book is hard to beat. It was first published in 1923 as a novel. Lefèvre follows the life and times of Larry Livingston, a fictitious name for Jesse Livermore, one of Wall Street's shrewdest traders.

Hugely entertaining, this is an insider's view of the stock market in the wild, unregulated days of the late 1800s and early 1900s. Livermore was a speculator who made and lost several fortunes. He never considered himself an investor and didn't mind being long or short, so long as he was right. Correctly assessing that he would never catch the top or bottom, he would wait for a trend to develop and then jump in. In today's market he'd be called a momentum investor.

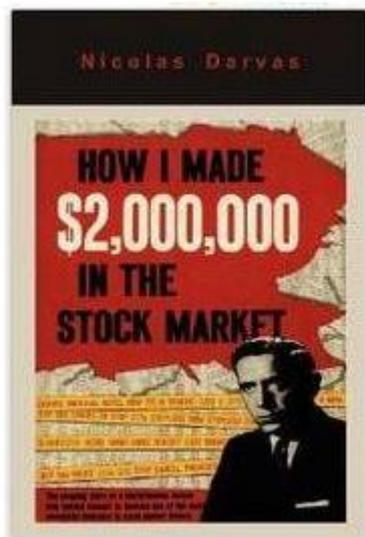
What keeps this book so popular after 84 years? Livermore's advice on exploiting fear, greed and the herd mentality are just as relevant today as they were then.

<http://www.stocktradingtogo.com/2008/08/08/twenty-must-read-investing-books/>

This book is a true page turner. It is a breath-taking recount of how a young boy managed to amass one of the largest fortunes by speculating despite going broke a few times in his career. He has timeless advice for investors("I've always made my money from sitting, not thinking") which will help your trading for years to come.

<http://www.businessinsider.com/the-most-important-finance-books-2013-12?op=1>

"First published in 1923, Reminiscences of a Stock Operator is the most widely read, highly recommended investment book ever. Generations of readers have found that it has more to teach them about markets and people than years of experience. This is a timeless tale that will enrich your life—and your portfolio."



How I Made \$2,000,000 in the Stock Market Paperback

– September 8, 2011

by Nicolas Darvas (Author)

★★★★☆ 292 customer reviews

Amazon Link

[How I Made \\$2,000,000 in the Stock Market - Nicolas Darvas](#)

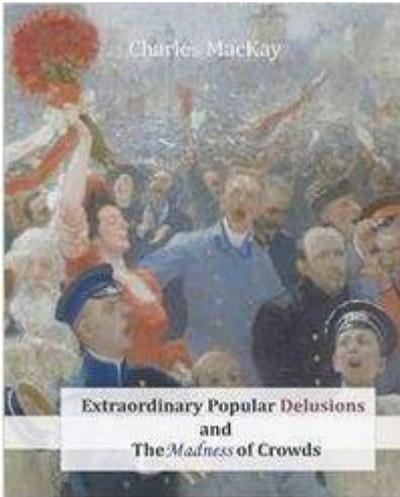
Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

This book should really be called, “How I Made \$18,000,000 (adjusted for inflation) in the stock market,” because that is how much it would be in today’s dollars. That would be phenomenal for anybody, but for someone who did it while traveling the globe, in a pre-internet, computer, iPad, Smart phone world.....while working as a professional dancer? Well that is just epic. His “Darvas Box” system, though crude and in need of adjustment to factor in today’s HFT, is still a foundation of a solid trading style/discipline.

<http://decodingwallstreet.blogspot.com/p/best-trading-books.html>

How I Made 2,000,000 In The Stock Market, by Nicolas Darvas, very good reading for a book that was written over 30 years ago; its an investment biography from a Wall Street outsider



Extraordinary Popular Delusions and The Madness of Crowds Paperback – October 22, 2013

by Charles MacKay (Author)

★★★★☆ 145 customer reviews

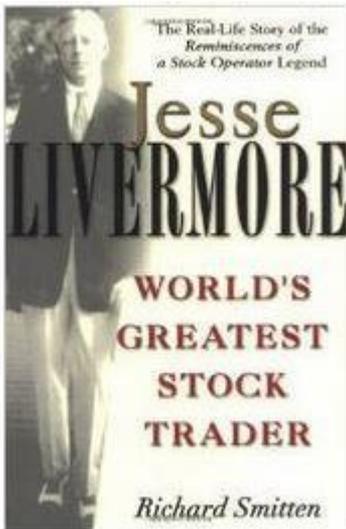
Amazon Link

[Extraordinary Popular Delusions and The Madness of Crowds - MacKay, Charles](#)

Recommendation

<http://jbmarwood.com/16-best-trading-books-time/>

Charles MacKay's classic book was first published in 1841 but retains its allure for its eloquent portrayal of bubbles and manias. After reading this you'll understand how economic bubbles happen and why they really are nothing new.



Jesse Livermore: World's Greatest Stock Trader

Paperback – October 15, 2001

by Richard Smitten ▾ (Author)

★★★★☆ ▾ 41 customer reviews

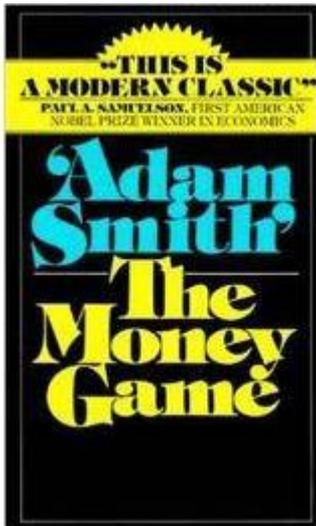
Amazon Link

[Jesse Livermore: World's Greatest Stock Trader - Richard Smitten](#)

Recommendation

<http://emini-watch.com/free-stuff/top-trading-books/>

This is my favorite book about the life of a real trader, Jesse Livermore. Reading the book you get a real feel for the swings in equity that Livermore went through on his way to achieving massive wealth. The myth that Livermore committed suicide broke is also finally resolved. I couldn't put this book down.



Money Game Paperback – August 12, 1976

by Adam Smith (Author)

★★★★☆ ▾ 41 customer reviews

Amazon Link

[Money Game - Adam Smith](#)

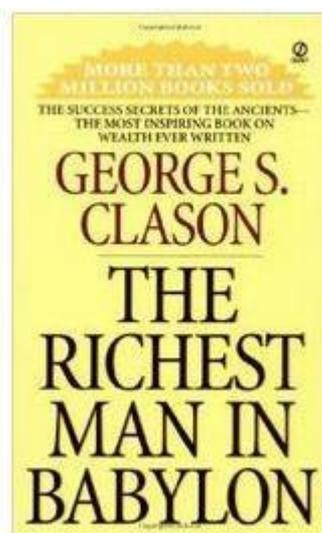
Recommendation

http://www.forbes.com/2008/01/28/graham-buffett-crescenzi-pf-edu-in_id_0128soapbox_inl.html

First published in 1967, Smith's classic is another that has withstood the test of time. It's set in the late 1960s, and Smith portrays an era that's darn close to today's marketplace—markets at all-time highs, gunslinger portfolio managers and a cavalier attitude toward risk. It's fast, funny and very entertaining.

Smith covers such topics as mass psychology, fundamental analysis, technical analysis, equity valuations, mutual funds and more.

In Smith's game, money is how you keep score, and if you're making money, you're winning the game. History is a great teacher, and Smith's book provides many lessons that can be applied by each new generation of investors.



The Richest Man in Babylon Mass Market Paperback –

January 1, 2002

by George S. Clason ▾ (Author)

★★★★☆ ▾ 1,294 customer reviews

#1 Best Seller in Business Ethics

Amazon Link

[The Richest Man in Babylon - George S. Clason](#)

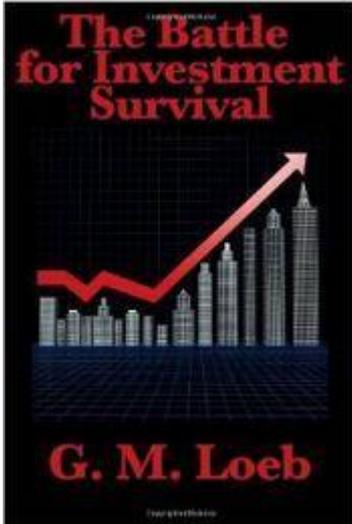
Recommendation

<http://einvestingforbeginners.com/2013/07/08/top-investing-books/>

This book is an investing classic. A very quick read, entertaining, and informative. The book gives you exactly the right mindset you need to be a successful investor. You can be the best stock picker in the world, but if you don't learn the lessons presented in this book you will never be wealthy.

The lessons from this book are always relevant, as you'll quickly realize there is no secret to wealth. The same way people have been getting wealthy during the babylon times is the same way people get rich today. The Richest Man in Babylon teaches important lessons while keeping the reader entertained with timeless stories.

I hope you don't take this recommendation lightly. As an investor, you need 1this book like a tour guide needs a map. At \$6.37, you have no excuse.



The Battle for Investment Survival Paperback – March 25,

2014

by G. M. Loeb (Author)

★★★★☆ 44 customer reviews

Amazon Link

[The Battle for Investment Survival - G.M. Loeb](#)

Recommendation

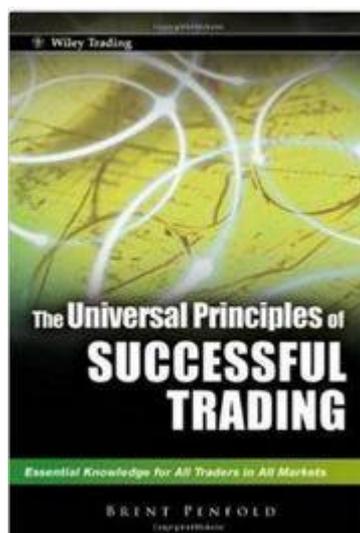
<http://stockcharts.com/articles/journal/2013/10/pivotal-books-in-the-25-year-trading-life-of-a-stock-market-investor.html>

This reading is just as the name implies. It's a war out there, and my belief is that investors cannot lose their focus or relax once they've taken a position. Gerald Loeb's book has also stood up through the years and is worthy of your time.

General

All-purpose trading books covering a number of areas





The Universal Principles of Successful Trading: Essential Knowledge for All Traders in All Markets

Hardcover – July 26, 2010

by Brent Penfold (Author)

★★★★☆ 37 customer reviews

Amazon Link

[The Universal Principles of Successful Trading: Essential Knowledge for All Traders in All Markets - Brent Penfold](#)

Recommendation

Brent gives you the opportunity to sit down with some really great traders and learn from their good and bad experiences. This should be an invaluable experience for the reader. --**Larry Williams**, *Trader*

Unlike most trading books, The Universal Principles of Successful Trading covers the key principles of trading success. It even has a money management chapter-a topic which most books neglect. I recommend reading this book cover to cover several times. It will change your mind about what's important in trading. --**Van K. Tharp, Ph.D.**, *Trading Coach and President, Van Tharp Institute (www.vantharp.com), and Author of The Definitive Guide to Position Sizing*

Brent Penfold has successfully provided readers with a blueprint for trading success. Not only does he cover such vital topics as trader psychology and effective money management, he also presents interviews with many successful traders and market researchers and his probing questions and their answers offer insights into their specific trading styles and psyches...a "how-to" book from start to finish. --**Tom DeMark**, *Founder, Market Studies, LLC*

This is one of the best books on trading to come along in a long time and I predict it will become a classic. The book covers just about every aspect necessary to become a successful trader. His discussion and conclusions on the highly promoted Gann and Fibonacci methodologies might indeed surprise you. He made over 16,000 observations of Fibonacci ratios to derive his conclusions. This section alone is well worth the price for the "wanna-be" traders who are looking for techniques that work. In summary, read this book. You will be richly rewarded for your time and effort. -**John Hill**, *President, Futures Truth Co.*

Brent has compiled all the ingredients in this book. He has experience, intelligence, and knowledge that he has tapped from traders all over the world. It is so refreshing to read a book written by a "true trader" such as Brent. --**Mark D. Cook**, *Pro Trader and Creator of the Cook Cumulative Tick Indicator*

In my opinion trading education is delivered in two styles: quantitative and qualitative. The vast majority of information in the trading universe is quantitative-"hard-coded" information that can be replicated by the

majority. However, successful trading only comes about by an understanding of qualitative learning-how you can readily teach someone to learn to lose when it goes against everything we're brought up to believe. Brent's "Just One Piece of Advice" section is one of the best attempts to get this qualitative message across. Take it. Read it. Then read it again and again. --**Nick Radge**, *Trader and Adviser (AFSL 288200) and Author of Adaptive Analysis (www.thechartist.com.au)*

This book cries out to be placed in any trader's library. Brent does a superb job of outlining, exploring and evaluating the current state of position sizing algorithms. As successful traders know, money management is one of the three pillars of trading success. He also provides a unique trading plan. A great book! --**Ray Barros**, *Professional Trader and Fund Manager and Author of The Nature of Trends*

This book is a "must-read" for anybody approaching the world of trading but also for skilled traders. I've read many books but this is the one I wished I had found when I was starting this adventure. Brent addresses exactly what a trader should really focus on. --**Andrea Unger**, *Winner of the World Cup Championship of Futures Trading® 2008 & 2009*

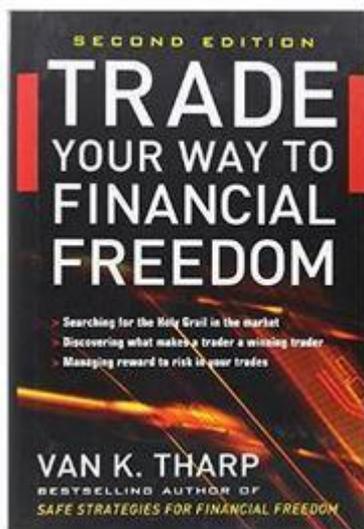
Normally when asked to review a book, I will skim through it and make a few comments. With this book, I just kept reading-I couldn't stop! Brent has an amazing ability to tell it like it is. His "Just One Piece of Advice" section is brilliant, and worth the price of the book many times over. If you have a genuine deep desire to be a consistently profitable trader and want to learn what traders really need to know as opposed to what most think they need to know, do yourself a favor and read this-please! --**Stuart McPhee**, *Trader and Author of Trading in a Nut Shell*

In my 25 years in the market I have read and seen just about every trading book there is. Very few get to the crux of trading like Brent has. Get it. Read it. This is not your typical trading book, this is a comprehensive book written by a real trader for traders, everyday people who are serious about becoming successful traders. --**John (JR) Robertson**, *Director, I-Deal Financial Group*

Crawling in the right direction beats running in the wrong direction every time and *Universal Principles of Successful Trading* will definitely get you heading in the right direction. Straight forward language, simple concepts and emphasis given where emphasis is needed. I wish this book was around when I started out because to master the markets now all you have to do is master this book. --**Alan Hull**, *Trader and Fund Manager and Author of Active Investing*

When Brent asked me to review his new book *The Universal Principles of Successful Trading* I was both excited and curious. Having read his first book and recommended it to many of my clients I knew to expect something big. Brent is one of the very few authors who actually puts into practice the strategies he espouses, which lends great credibility to his words. He provides the most comprehensive approach to the various strategies of money management I've ever seen. A must read for anyone serious about trading. --**David Montuoro**, *Futures Broker and Director, Belmont Securities*

Concise, to the point, and relevant for gaining the trading skills and strategies needed to maneuver in today's marketplace, Brent provides a clear road map on how to emulate the elite traders who consistently win over the long-term. Forget the hype you hear about trading and get this book. Read it, read it and read it again. And then study it until your eyeballs drop out. Brent keeps it real and if you can too then you may just find yourself in the exclusive 10 percent winner's circle! This book is destined to become a trading classic. --**Steve Mater**, *CFD Business Development, MF Global*



Trade Your Way to Financial Freedom Hardcover – 1 Dec

2006

by Van K. Tharp (Author)

★★★★★ 20 customer reviews

Amazon Link

[Trade Your Way to Financial Freedom - Van K. Tharp](#)

Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

Yes the title is cheesy and sounds like something from a late-night infomercial, but this book has one of the best overviews of the different types of methodologies you can use to make money in the markets. But more importantly, it shows you how to go about formulating a methodology for trading in the markets. The information on risk and position sizing alone makes the book worthwhile.

<http://www.vantharp.com/Van-Tharps-Favorite-Books.htm>

Trade Your Way to Financial Freedom, 2nd Edition. New York: McGraw-Hill, 2007. If you really want to understand systems and how to approach the markets, then this book is also a must read.

<http://en.tradimo.com/help/recommended-reading-top-six-trading-books/>

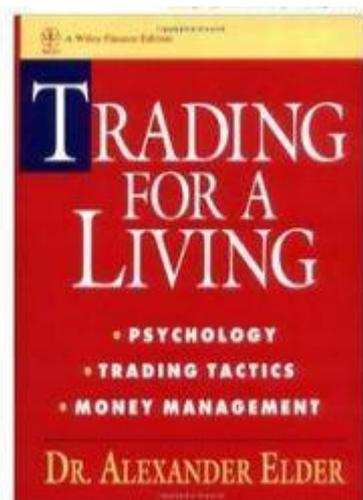
Considered a must have for traders, this book explores the essential elements of developing profitable strategies and techniques that can be applied to any market. Focussing on risk and reward, this book helps readers to evaluate their own trading methods to develop an achievable expectation of their trading career.

<http://www.stocktradingtogo.com/2008/08/08/twenty-must-read-investing-books/>

This is a gem that encompasses investor psychology and system construction. While it may not give you a “Holy Grail” (an unbeatable method to the markets) for trading, it will give you the basics you need to construct a winning system. There is something for everyone in this book.

<http://www.tradebullet.com/resources/books/>

Your own strengths, style, and personality



Trading for a Living: Psychology, Trading Tactics, Money Management Hardcover – March 8, 1993

by Alexander Elder (Author)

★★★★★ 276 customer reviews

Amazon Link

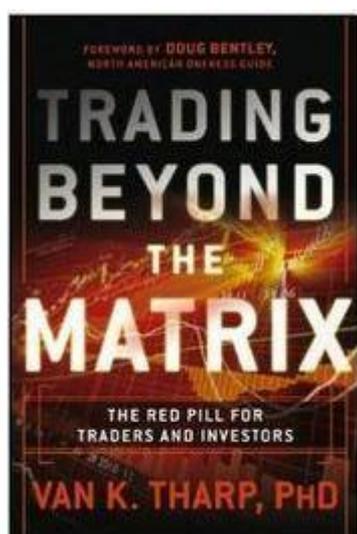
[Trading for a Living: Psychology, Trading Tactics, Money Management - Alexander Elder](#)

Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

This is the “gateway” book that every new trader seems to come through on the road to trading, but I have to say, I have never been a fan of Dr. Elder. It stems for my suspicion that he makes (and has always made) more money from writing about trading and putting on overpriced seminars on trading, than he has from actually trading. In this book he espouses a multiple time frame method that is rudimentary at best and his nod to trading psychology is done better and in more depth by Douglas. The only interesting aspect of this book is his explanation of how trading is NOT a zero sum game, but that is really only worthy of a blog post at most.

“I have to say after reading Dr. Elders book for the second time, I am even more impressed with the wealth of knowledge and understanding of what makes the markets move. I prefer the triple screen method that is presented. This book covers all of the basic knowledge for the beginner as well as the experienced trader. If you are new to trading you will find this an excellent source to build your dreams on. I believe study is the key to success in any endeavor. This book is easy to read and you will be amazed at the insight you will gain as to the day to day operation of the markets. I think it is important to decide on what method makes the most sense to your trading style and then learn all you can about it. The more knowledge you have the better decisions you make. I find the hardest part being money management. I have to control my urge to follow my gambling impulse to bet the farm on what looks good in the charts. Even though I know it is a sure way to loose in the market. This is a game of the most interesting kind that changes on a moment by moment basis. What a great way to make money. My word of advice on any trade where you have the slightest doubt of why you are in it is to GET OUT IMEDIATLEY ! . If you do not know why you are in a trade and what you expect to happen and why, then you are guessing. If guessing is what you like to do go to Las Vegas and have a great time. Best to you all in trading. If anyone has a real-time quote service they are proud to have please let me know who they are. Thanks” – Chuck Kelly (Amazon review)



Trading Beyond the Matrix: The Red Pill for Traders and Investors Hardcover –

February 26, 2013

by Van K. Tharp (Author)

★★★★☆ 63 customer reviews

Amazon Link

[Trading Beyond the Matrix: The Red Pill for Traders and Investors - Van Tharp](#)

Recommendation

<http://www.vantharp.com/Van-Tharps-Favorite-Books.htm>

Trading Beyond the Matrix: The Red Pill for Traders and Investors. Cary, NC: Van Tharp 2013. I can say without a shadow of a doubt that this is my favorite, individual book that I've written. My goals with Trading Beyond the Matrix were to write the ultimate psychological book, and to show the key inputs and outputs of successful traders: what people did and how they did it, then the results were. It's my belief that if someone thoroughly studied all of the information in this book and had the discipline to follow through on the actions, they would be successful in the markets.

"I am amazed that Dr. Tharp was willing to put so much information into a book. He has checklists for all the critical points in his Tharp Think with examples of how people have applied them. If you want to know how top traders think, read this book. I has the information in tabular form, so you can get it quickly. Only only that, Tharp has a complete checklist of everything that you need to put into a business plan for your trading. The checklists and the last chapter alone are worth more than the price of the book.

More importantly, it is clear that many people can't follow the key principles of trading. So, to help you, Dr. Tharp has given a step by step program of how you can transform yourself so you can be a great trader - from getting rid of conflicting beliefs to releasing charged feelings that keep those beliefs locked in place. Until now, the only way you could get this information from Tharp was to take one of his expensive workshops or buy his \$800 home study course. Now its all here in this book. I can't believe he did this!

What's amazing is that some people are reading this book and not getting that. It seems they read to the Internal Guidance part and turn off to the whole book. That just proves a couple of the statements of the book: 1) that whatever you believe, you are right; and 2) spiritual beliefs are at the top of the belief hierarchy.

In my opinion, transformation section of the book is the dessert. It really shows clearly how to raise your

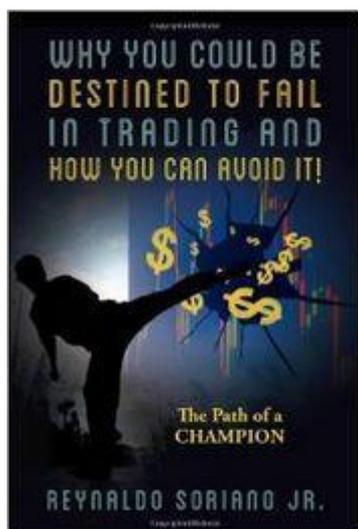
consciousness and become happier. What's that worth? And if you don't think it is worth a lot, look at the case studies. You can see that when you raise your consciousness you can begin to see the markets exactly as they are without the biases that Tharp talks about in his other books.

This book is an absolute gem. Buy it now and read it over and over again until you really get it. I would give it ten stars if I could.” – shiloh8 (Amazon Review)

“This book is worth of reading again and again. It can change your life in a way you only could dream about.” – Maria (Amazon Review)

“It was quite some time ago since I've read my last Van Tharp book. In my opinion Van Tharp has written 1 good important book and that's Trade Your Way to Financial Freedom. In his later books he's mostly repeating his earlier material ("the mindset is vital", position sizing is everything, his R-multiples). In this las book he doesn't add that much new stuff (even the stupid tiger cartoons are present here again).

I guess it depends on what you're looking for. If you're a technical (system) trader this book might be helpful, but I would suggest going back to Trade Your Way to Financial Freedom and leave his newer books for what they are.” – Straddle1985 (Amazon Review)



Why You Could Be Destined To Fail In Trading and How You Can Avoid It!: The Path of a Champion Paperback – September 25,

2012

by Reynaldo Soriano Jr (Author)

★★★★★ ▾ 11 customer reviews

Amazon Link

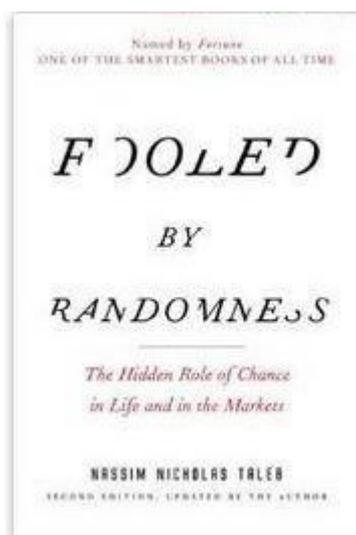
[Why You Could Be Destined To Fail In Trading and How You Can Avoid It!: The Path of a Champion - Reynaldo Soriano](#)

Recommendation

<http://www.estetrader.com/recommended-books-to-read/>

Learn How To Avoid The Major Mistakes Retail Traders Make and Learn How To Become A Consistent, Profitable Trader!

“If you want to understand what type of trader you are this book will help you do that. It will also give you the necessary steps in order to shift the way you think in order to mentally be trade the market in any condition. This book will give you the mental edge you need to in order to successfully execute your trading plan and to remove the hesitation and indecision that all too many traders experience. Its well written easy to understand and I highly recommended it to anyone whether you're a beginner or have been trading for years. I definitely learned a lot and has been one of my best decisions.” – Nathan Morace (Amazon Review)



Fooled by Randomness: The Hidden Role of Chance in Life and in the Markets (Incerto) Paperback – August

23, 2005

by Nassim Nicholas Taleb ▾ (Author)

★★★★☆ ▾ 638 customer reviews

Amazon Link

[Fooled by Randomness: The Hidden Role of Chance in Life and in the Markets \(Incerto\) - Nassim Nicholas Taleb](#)

Recommendation

<http://www.stocktradingtogo.com/2008/08/08/twenty-must-read-investing-books/>

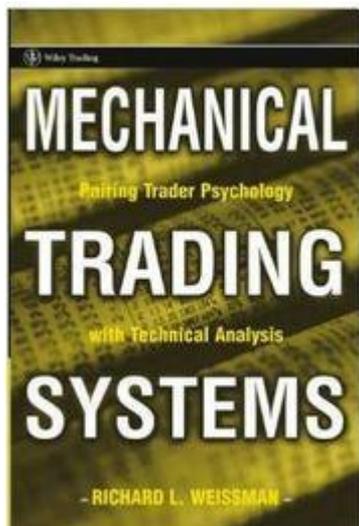
This book, which would go along well with “The Black Swan”, explains the author’s thoughts about how randomness plays a larger role in our lives than we expect. For traders, this would imply that risks are usually larger than we expect. Also, it would mean that some things in the financial world aren’t exactly what they seem.

<http://www.businessinsider.com/the-most-important-finance-books-2013-12?op=1>

This book contains musings on random events and its effects on the market (and life in general) by a professional trader, Nassim Taleb. There are thoughts here which I found quite profound concerning the nature of inductive logic (reasoning from events to rules), as well as interesting examples and explanations of how we allow ourselves to be fooled by random phenomena.

Taleb is particularly fascinated by what he describes as the Black Swan Problem. We see lots of swans. All of them are white. We infer that all swans are white. Unfortunately we have never been to Australia, where the swans are black as well. If we build our trading systems on such principles will the appearance of a black swan wipe us out?

The style of writing here is collection of literate musings and digressions which I rather liked but, judging by Amazon reviews, it appears to irk some readers.



Mechanical Trading Systems: Pairing Trader Psychology with Technical Analysis (Wiley Trading) Hardcover – December 3, 2004

by Richard L. Weissman ▾ (Author)

★★★★☆ ▾ 22 customer reviews

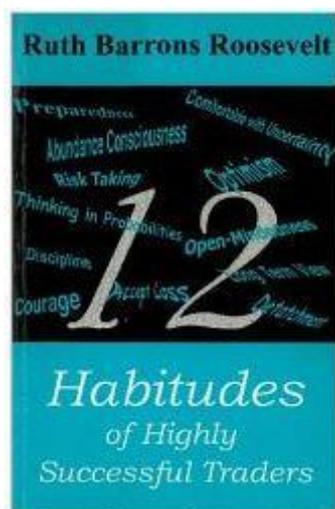
Amazon Link

[Mechanical Trading Systems: Pairing Trader Psychology with Technical Analysis \(Wiley Trading\) - Richard L. Weissman](#)

Recommendation

<http://www.thinkscripiter.com/resources/>

Mechanical Trading Systems: Pairing Trader Psychology with Technical Analysis examines the development process for choosing and using mechanical trading systems in conjunction with trader psychology. This book discusses the advantages and disadvantages of mechanical trading systems; the dangers in system development and how to avoid them; the optimal methods for back-testing trading systems; position sizing and other risk quantification tools; and methods of improving rates of return on investments without significantly increasing risk. Most importantly, through a detailed examination of various types of unsuccessful trader personality traits (e.g., fearfulness, greed, and impatience), the book recommends different types of trading systems for a diverse array of trader types. This is my favorite book on mechanical trading.



12 Habitudes of Highly Successful Traders [Kindle Edition]

[Ruth Barrons Roosevelt](#) (Author)

★★★★★ (1 customer review)

Amazon Link

[12 Habitudes of Highly Successful Traders - Ruth Barrons Roosevelt](#)

Recommendation

<https://whatheheckaboom.wordpress.com/2013/10/13/book-review-of-twelve-habitudes-of-highly-successful-traders-by-ruth-barrons-roosevelt/>

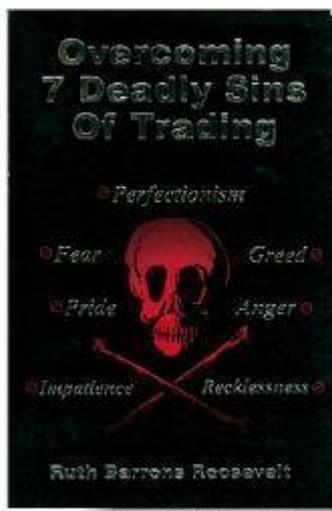
As regular readers of this blog will know, I am a sucker for books published by Traders Press. They always give me the impression that their books have more substance, less fluff.

This is a trading psychology book. It's a thin volume, but it goes through 12 keys areas in the psychology make-up of a successful trader. Each of those 12 aspects are what Ruth calls a 'habitude'. Her definition being: "When an attitude becomes a habit, we could call it a habitude. An attitude that has become habitual, then, is a habitude."

Three things that I like the best from the book are:

1. Nobody knows the future. That's why you don't wait for certainty until you take a position, you need to take timely entries.
2. Trade what you see. When you hear yourself saying, "I don't believe this," you'd better believe it and act upon it
3. Don't try, do.

All in all, this book is a pretty good read.



Overcoming 7 Deadly Sins of Trading

Paperback – December 1, 2003

by Ruth Barrons Roosevelt (Author)

★★★★★ ▾ 1 customer review

Amazon Link

[Overcoming 7 Deadly Sins of Trading - Ruth Barrons Roosevelt](#)

Recommendation

If you want to be successful in trading you must overcome the desires of the ego and the quest to be right. You must give up your own endless pursuit to prove you are a trading god and submit to the powers that are price and volume.

Here are some of the more common "sins" that will cost you money in the market until you learn to overcome them.

Perfectionism: There is no perfection in trading as far as making money on every trade or having a perfect system. All you can hope to be perfect at, is following your system, rules, and trading plan. A winning trade should be measured as one in which you followed all your preset guidelines. Even the best traders only average about a 50%-60% win rate at best over long periods of time. The key is having bigger winners than losers, not being perfect. Like in baseball where a .300 hitter can get into the hall of fame. A .500 trader in the market can become wealthy if his wins are much bigger than his losses.

Fear: Faith in your system is the only way to overcome your fear of trading. You must complete enough back testing on your system until you know that you have a valid edge over the market in the long term. You must see opportunity in trading and just accept that there will be possible losses. You must take your systems trade signals each time and if you can't overcome your fear of loss and failure then perhaps trading is just not for you. Traders are entrepreneurs not employees they get paid only when successful there is no guaranteed paycheck.

Pride: We are not our trading account and staring at our profit and loss too much is a major detriment in one's trading. Traders must cut losses at their predetermined stop, not pridefully hang on trying to prove they are right. We must separate ourselves from the trading. A person's value is not tied to a trade or performance record. If we followed our system then we can't view that as a personal loss. The market was just not conducive to our system that we followed with discipline.

Impatience: Wait, take your entry signal when it is time and not a tick before your system triggers the trade. It's important to let our profits run as far as they will go and not prematurely take them until the trend has run its course. We need to give our trades room to breathe and not cut our loss until the system confirms we are wrong and it is time.

Greed: Traders should not chase a trade when it is too late. We must take our profits off the table when it is time and we should never allow a winner to turn into a loser. If this happens you have nobody else to blame but your greed. Over trading and trying to make more money when our system does not say it is time is born of greed and usually ends with a negative p&l statement.

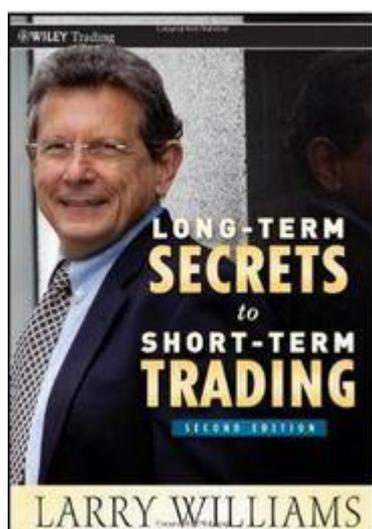
Anger: Do not get mad at yourself. Learn from your mistakes and move on. Every mistake gets you closer to learning what you need to do to become consistently profitable. Do not get mad at the "market" it is a voting machine and not an entity. Accept your losses and begin again.

Recklessness: Trading too big of a position size is risky, reckless, and completely unnecessary. Only enter appropriately sized trades with preplanned stop losses and then trailing stops to lock in profits while they are there. Follow your system and rules and if you find yourself hoping and wishing the market would stop moving against you instead of making decisions based on facts, you should exit that trade immediately.

We need to first realize what trading "sins" we are guilty of, then we can decide to repent and no longer commit them.

The good trader will realize that any single trade is only one in a long string of other trades and will move on to the next trade knowing that his system will outperform in the long term. He will have complete faith in his trading methodology and risk management. He walks by faith in his system's edge not by the last trade that lost, but by the knowing that he's back tested his system enough to know the long term outcome.

The good trader is humble and knows that he cannot outsmart the whole market and that trying to do so is futile. His system simply gives him one small advantage that he can exploit time and time again if he's patient and waits for the right entry signal. He is happy with the profits he earns and has no desire to put on a huge trade and swing for the fences. He does not get angry because he has no one to get angry at. He is very careful in his trading and follows his trading plan 100%. The stock market giveth and the stock market taketh away, he loves every minute he gets to participate in the financial system that is the stock market." - Great little psychology trading book we can all relate to, By Steve Burns



Long-Term Secrets to Short-Term Trading

Hardcover – December 6, 2011

by Larry Williams (Author)

★★★★☆ ▾ 11 customer reviews

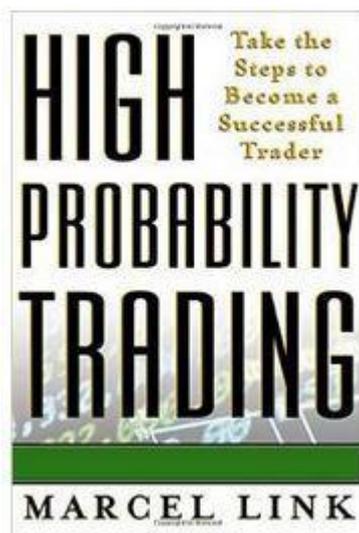
Amazon Link

[Long-Term Secrets to Short-Term Trading - Larry Williams](#)

Recommendation

<http://stockcharts.com/articles/journal/2013/10/pivotal-books-in-the-25-year-trading-life-of-a-stock-market-investor.html>

Tom Peters was a lecturer when I was in graduate school, and I found that his research on excellence challenged me on a personal level to be the very best I could be. I know this sounds like a military ad, but it had an impact. The other book is by Larry Williams who is an extraordinary and well-documented trader, author, lecturer, politician, and yes, winner of the World Trading Championships multiple times. But the reason I respect him so much is that he set out to teach his 20-something daughter to trade stocks, and she herself subsequently won the trading championship. I am now endeavoring to tutor my own 20 year-old son in a similar fashion and emulate Larry, so I have a special soft spot in my heart for his many achievements. And for what it's worth, he's also an exceptionally nice person as well!



High probability trading : take the steps to become a successful trader Hardcover – April 7, 2003

by Marcel Link (Author)

★★★★☆ 157 customer reviews

Amazon Link

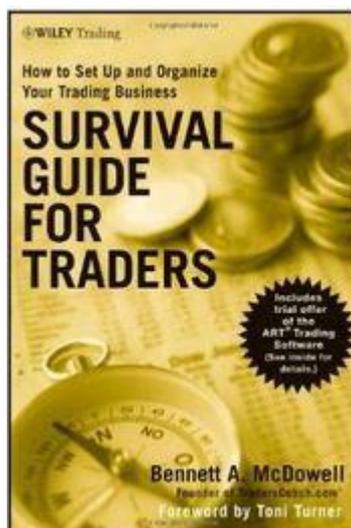
[High probability trading: take the steps to become a successful trader - Marcel Link](#)

Recommendation

<http://www.tradebullet.com/resources/books/>

A common denominator among most new traders is that, within six months of launching their new pursuit, they are out of money and out of trading. High-Probability Trading softens the impact of this "trader's tuition," detailing a comprehensive program for weathering those perilous first months and becoming a profitable trader.

This no-nonsense book takes a uniquely blunt look at the realities of trading. Filled with real-life examples and intended for use by both short- and long-term traders, it explores each aspect of successful trading.



Survival Guide for Traders: How to Set Up and Organize Your Trading Business

Hardcover – November 22, 2011

by Bennett A. McDowell (Author), Toni Turner (Foreword)

★★★★☆ 29 customer reviews

Amazon Link

[Survival Guide for Traders: How to Set Up and Organize Your Trading Business - Bennett A. McDowell](#)

Recommendation

"There is a Japanese proverb, 'He who is well prepared has won half the battle.' To help you fully prepare for your battles with the market—especially for new traders—I can think of no better resource than my friend Bennett's latest book Survival Guide for Traders."—Steve Nison, CMT, President, Candlecharts.com; author of Japanese Candlestick Charting Techniques

"Bennett McDowell is a leader in teaching traders a step-by-step approach to creating a trading business. Survival Guide for Traders is a must for all traders serious about both part-time and full-time trading. I will be adding this to my recommended reading list."—Leslie Joufflas, founder of TradingLiveOnline.com

"Survival Guide for Traders is a must-read for anyone who wants to launch a home trading business. Get great insights into what is needed to achieve real trading success by leveraging Bennett's many years of trading wisdom as condensed into this valuable resource."—John Gromala, VP of Sales and Marketing, NinjaTrader

"Ben is an experienced trader and instructor. In this Survival Guide for Traders, he's included a wealth of tips to make a trader more profitable, as well as aware of pitfalls to watch for."—Larry McMillan, President, McMillan Analysis Corp.; author of Options as a Strategic Investment

"This book looks at all the necessary components of a trading business and shows you how you can set up for success."—Jayanthi Gopalakrishnan, Editor, Technical Analysis of Stocks & Commodities

"Bennett McDowell is an experienced guide through critical subjects like assessing your financial standing, organizing your trading business, gauging risk, and smoothing the bumps on the road to success."—Stanley Dash, VP of Applied Technical Analysis, TradeStation

"Survival Guide for Traders shows traders effective ways to build a strong and lasting foundation for their careers. Read it, re-read it, and take full advantage of the fountain of information in these pages. This book belongs in every trader's library as a timely and compelling guide to success."—Toni Turner, from the Foreword



Trend Commandments: Trading for Exceptional Returns Hardcover – June 24, 2011

by Michael W. Covel (Author)

★★★★☆ 159 customer reviews

Amazon Link

[Trend Commandments: Trading for Exceptional Returns - Michael W. Covel](#)

Recommendation

<http://www.ritholtz.com/blog/2011/08/trend-commandments-trading-for-exceptional-returns/>

Michael W. Covel's latest book, Trend Commandments is the follow up to previous bestsellers, Trend Following and The Complete TurtleTrader. In Trend Commandments, he introduces a 360-degree view of real-life traders, their successes and methodologies.

Markets move in trends, and that is how these traders derive their profits. Filled with bite-size concepts and illustrations, Covel shows how you why you can ignore the nonstop financial crises and instability by applying the right techniques.

Trend Commandments delivers real insights developed from 15 years of behind-the-scenes research.

"An outstanding book for anyone who wants to become rich by trading markets. Highly recommended!" – Marc Faber, Managing Director, Marc Faber Ltd., and Editor, "Gloom Boom & Doom Report"

"If you are even thinking of a career in trading, put down all the other books. Buy this one. Read it. Now you can start your career." –James Altucher, Managing Director, Formula Capital

"A rapidly moving, non-technical, and outside-the-box effort that smartly captures the essentials of trend following." –Peter Borish, Chairman and CEO, Computer Trading Corp

"Covel offers a breezy rumination on what is right about trend following and what is wrong about conventional trading approaches." –Jack Schwager, Author of Market Wizards and Schwager on Futures series

"Trend Commandments is definitely one to add to your financial bookshelf." –David Stendahl, Signal Financial Group

“I’m certain you’ll be a successful trader if you follow the ideas Covell outlines in Trend Commandments.” – Steve Sjuggerud, DailyWealth

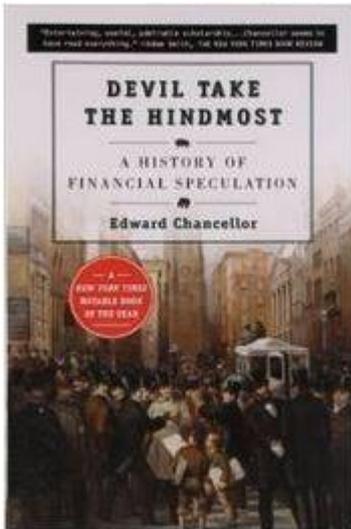
“Trend Commandments is essential reading for those who have the desire to thrive and survive in an era of fast-paced trending markets.” –Jim Puplava, CEO, Chief Investment Strategist, PFS Group

“Covell challenges readers to...question their beliefs about market ‘truths’ ingrained in them for years. Forewarned, you just may never see the world the same way again.” –Mebane Faber, Cambria Investment Management

History

Learning from past events





Devil Take the Hindmost: A History of Financial Speculation

Paperback – June 1, 2000

by Edward Chancellor ▾ (Author)

★★★★★ ▾ 92 customer reviews

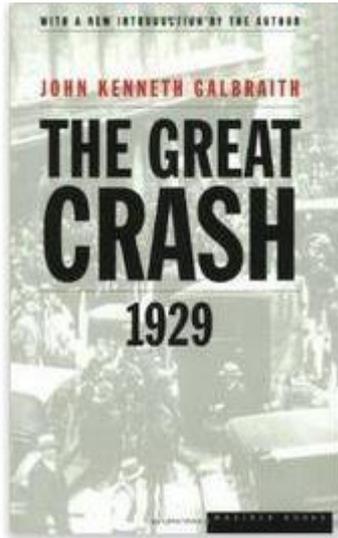
Amazon Link

[Devil Take the Hindmost: a History of Financial Speculation - Edward Chancellor](#)

Recommendation

<http://emini-watch.com/free-stuff/top-trading-books/>

This extraordinary book chronicles the history of market bubbles from Tulip Mania in 1637 to LTCM's bust in 1998 – putting trading and financial speculation in a historical context. It made me feel that I was part of a long tradition of speculators.



The Great Crash of 1929 Paperback – April 30, 1997

by John Kenneth Galbraith (Author)

★★★★☆ 154 customer reviews

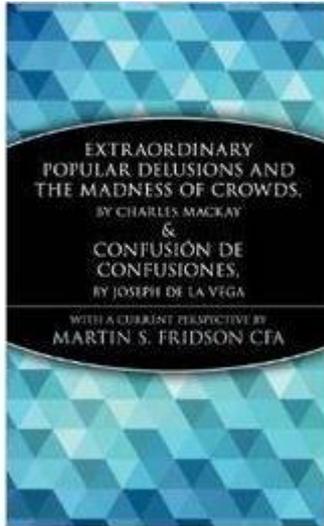
Amazon Link

[By John Kenneth Galbraith - The Great Crash 1929](#)

Recommendation

<http://www.stocktradingtogo.com/2008/08/08/twenty-must-read-investing-books/>

A brilliant recount of the events leading up to and after the financial meltdown in 1929.



Extraordinary Popular Delusions and the Madness of Crowds & Confusión de Confusiones (Wiley Investment Classics) Hardcover – December 28, 1995

by Charles Mackay (Author), Joseph De La Vega (Author), & 1 more

★★★★☆ ▾ 21 customer reviews

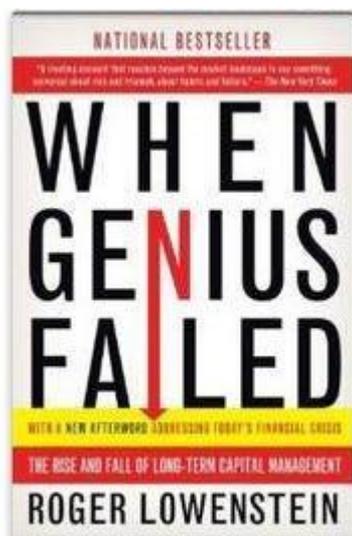
Amazon Link

[Extraordinary Popular Delusions and the Madness of Crowds & Confusión de Confusiones \(Wiley Investment Classics\) - Charles Mackay](#)

Recommendation

<http://www.stocktradingtogo.com/2008/08/08/twenty-must-read-investing-books/>

Tulipomania, the South Sea bubble and the Mississippi Land scheme are covered in this book, showing how herd mentality worked to create bubbles in past eras. It may serve as an interesting read as well as a guide for dealing with future bubbles.



When Genius Failed: The Rise and Fall of Long-Term Capital Management Paperback – October 9, 2001

by Roger Lowenstein ▾ (Author)

★★★★★ ▾ 340 customer reviews

Amazon Link

[When Genius Failed: The Rise and Fall of Long-Term Capital Management - Roger Lowenstein](#)

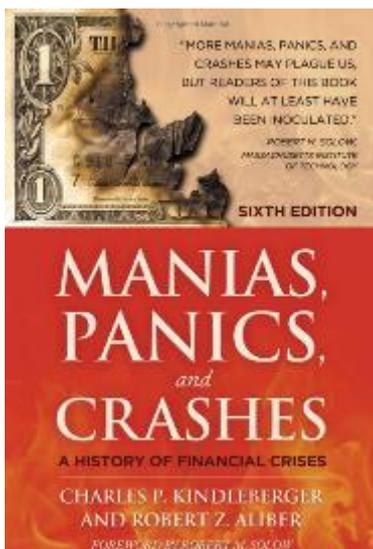
Recommendation

<http://www.stocktradingtogo.com/2008/08/08/twenty-must-read-investing-books/>

A scintillating narrative of how one of the darlings of the hedge fund world rose and how it fell. A reminder for traders to keep their minds focused on risk and their circle of competence.

<http://www.businessinsider.com/the-most-important-finance-books-2013-12?op=1>

"In this business classic—now with a new Afterword in which the author draws parallels to the recent financial crisis—Roger Lowenstein captures the gripping roller-coaster ride of Long-Term Capital Management. Drawing on confidential internal memos and interviews with dozens of key players, Lowenstein explains not just how the fund made and lost its money but also how the personalities of Long-Term's partners, the arrogance of their mathematical certainties, and the culture of Wall Street itself contributed to both their rise and their fall."



Manias, Panics and Crashes: A History of Financial Crises, Sixth Edition Paperback – September 27, 2011

by Charles P. Kindleberger (Author), Robert Z. Aliber (Author), & 1 more

★★★★☆ 42 customer reviews

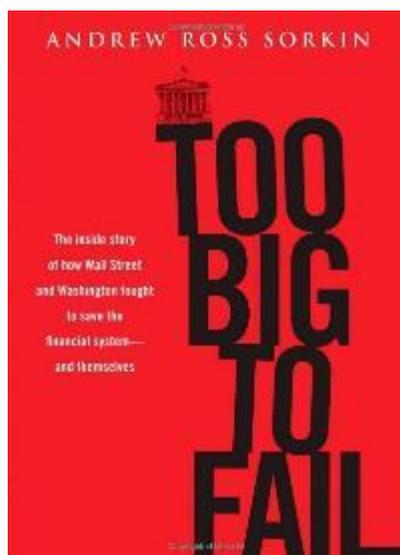
Amazon Link

[Manias, Panics and Crashes: A History of Financial Crises, Sixth Edition - Charles P. Kindleberger, Robert Z. Aliber](#)

Recommendation

<http://www.businessinsider.com/the-most-important-finance-books-2013-12?op=1>

"Selected as one of the best investment books of all time by the Financial Times, Manias, Panics and Crashes puts the turbulence of the financial world in perspective. Here is a vivid and entertaining account of how reckless decisions and a poor handling of money have led to financial explosions over the centuries. Covering topics such as the history and anatomy of crises, speculative manias, and the lender of last resort, this book has been hailed as "a true classic . . . both timely and timeless." In this new, updated sixth edition, Kindleberger and Aliber expand upon the ideas presented in the previous edition to bring the history of the financial crisis up-to-date. It now includes two new chapters that provide an in-depth analysis of the causes, consequences and policy responses to the first global crisis of the 21st century, the Financial Crisis of 2007-2008. In addition, these new chapters also cover significant crises of the last fifteen years."



Too Big to Fail: The Inside Story of How Wall Street and Washington Fought to Save the Financial System--and Themselves Paperback –

September 7, 2010

by Andrew Ross Sorkin (Author)

★★★★☆ 441 customer reviews

Amazon Link

[Too Big to Fail: The Inside Story of How Wall Street and Washington Fought to Save the Financial System--and Themselves - Andrew Ross Sorkin](#)

Recommendation

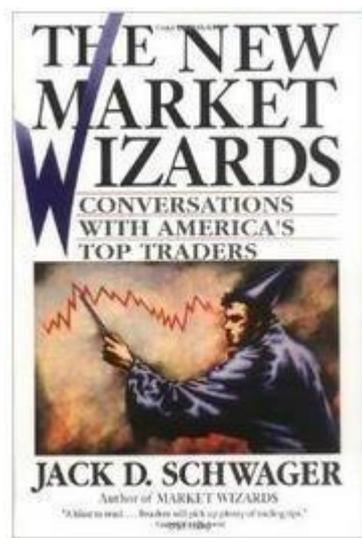
<http://www.businessinsider.com/the-most-important-finance-books-2013-12?op=1>

"In one of the most gripping financial narratives in decades, Andrew Ross Sorkin—a New York Times columnist and one of the country's most respected financial reporters—delivers the first definitive blow-by-blow account of the epochal economic crisis that brought the world to the brink. Through unprecedented access to the players involved, he re-creates all the drama and turmoil of these turbulent days, revealing never-before-disclosed details and recounting how, motivated as often by ego and greed as by fear and self-preservation, the most powerful men and women in finance and politics decided the fate of the world's economy."

Interviews

Learn from the experience and knowledge of other traders





The New Market Wizards: Conversations with America's Top Traders Paperback – January 12, 1994

by Jack D. Schwager (Author)

★★★★☆ 130 customer reviews

Amazon Link

[The New Market Wizards: Conversations with America's Top Traders - Jack D. Schwager](#)

Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

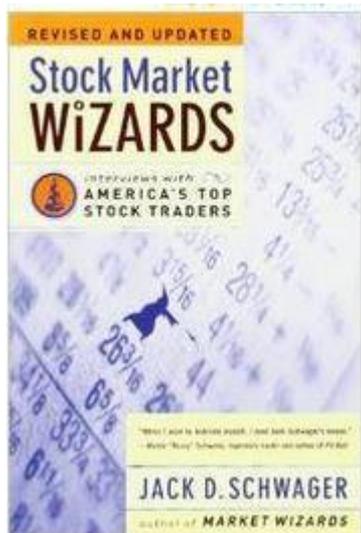
The Market Wizards Series - Chances are you will find these books on the shelf of any serious trader. They are without a doubt the most comprehensive collection of interviews with superstar traders ever published (Market Wizards, The New Market Wizards, Stock Market Wizards, and Hedge Fund Wizards). However, their dirty little secret is that although they capture perfectly a moment in time, they are extremely dated and will give you almost no insight into today's markets or how to trade them. Their value now is in showing how even the greatest traders initially struggled and often blew up (repeatedly) before becoming successful. They are like benign candy, enjoyable to consume, but won't help or hurt you.

<http://www.vantharp.com/Van-Tharps-Favorite-Books.htm>

Schwager, Jack. The New Market Wizards. New York: Harper Collins, 1992. There are a lot more than 16 great traders and Schwager presents some more of them in this classic book. I personally think the William Eckhardt's interview alone is worth the price of the book.

<http://decodingwallstreet.blogspot.com/p/best-trading-books.html>

The New Markets Wizards, by Jack Schwager, 9, a good book but not so good as the original; still a must have in every trader's bookshelf; Linda Raschke interview is probably my favourite.



Stock Market Wizards: Interviews with America's Top Stock Traders Paperback – April 15, 2003

by Jack D. Schwager (Author)

★★★★☆ ▾ 64 customer reviews

Amazon Link

[Stock Market Wizards: Interviews with America's Top Stock Traders - Jack D. Schwager](#)

Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

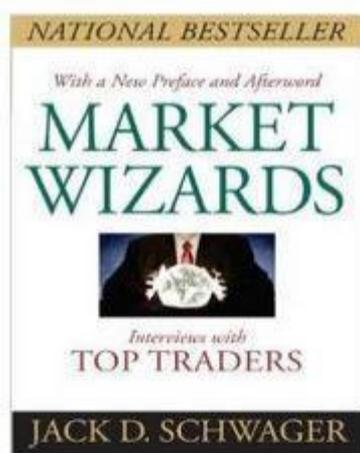
The Market Wizards Series - Chances are you will find these books on the shelf of any serious trader. They are without a doubt the most comprehensive collection of interviews with superstar traders ever published (Market Wizards, The New Market Wizards, Stock Market Wizards, and Hedge Fund Wizards). However, their dirty little secret is that although they capture perfectly a moment in time, they are extremely dated and will give you almost no insight into today's markets or how to trade them. Their value now is in showing how even the greatest traders initially struggled and often blew up (repeatedly) before becoming successful. They are like benign candy, enjoyable to consume, but won't help or hurt you.

<http://decodingwallstreet.blogspot.com/p/best-trading-books.html>

Stock Market Wizards, by Jack Schwager, 5, not so good as the first two; Mark Cook interview is very good and probably is worth the cover price by itself

<http://www.daytradetheworld.com/trading-blog/top-10-stock-market-books-you-should-read>

The author only chose to interview the best traders for this book. That's why it would be such a great buy for you. It doesn't contain any strategies, but it does explain in detail what investors are doing in the stock market. Positive: This latest edition is an improvement because it is much easier to read than the last one. Great interviews make it worth buying. You will not learn strategies that you can use in your trading because the people interviewed did not want to give too much away.



Market Wizards, Updated: Interviews With Top

Traders Paperback – January 17, 2012

by Jack D. Schwager (Author)

★★★★☆ 224 customer reviews

Amazon Link

[Market Wizards, Updated: Interviews With Top Traders - Jack D. Schwager](#)

Recommendation

<http://www.minyanville.com/business-news/editors-pick/articles/trading-book-Reminiscence-of-a-Stock/1/14/2013/id/47283?page=full>

The original Market Wizards published in 1988 -- and, for that matter, its follow-ups The New Market Wizards (1992) and Stock Market Wizards (2001) -- offers a glimpse into the minds of dozens of past decades' most successful traders. Author Jack D. Schwager set out to find the ultimate secret to each trader's success; through in-depth interviews he learned that each trader operated by a unique method tailored to suit his or her personality. Again and again, regardless of how these master traders did it, Schwager found a combination of firm methodology and the right mental attitude yielded the greatest trading success.

The book drives home that fact that there are as many -- if not more -- ways to make money from trading as there are markets to trade in, and that the true secret to trading success lies within the individual. Markets are a collection of individual action, thus, they are a representation of human psychology. Mastering them not only requires talent and hard work, but also a commitment to a single method of trading, which a trader must refine and adapt over time.

<http://jbmawood.com/16-best-trading-books-time/>

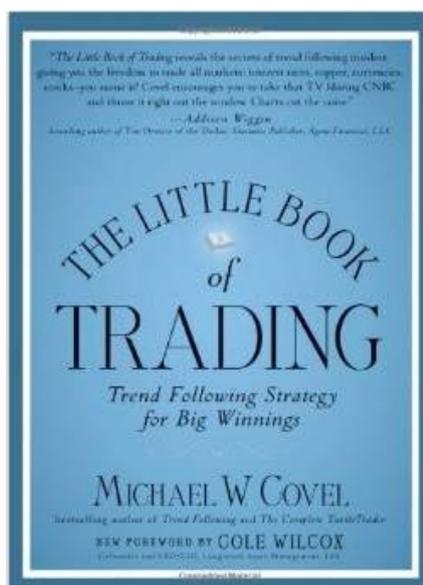
The Market Wizards series by Jack Schwager includes the original Market Wizards, New Market Wizards and Hedge Fund Wizards. The books contain invaluable interviews with some of the greatest traders of the last 30 years. Schwager is the author of a number of other books, however, his original Market Wizards has never been bettered.

<http://decodingwallstreet.blogspot.com/p/best-trading-books.html>

Market Wizards, by Jack Schwager, 10, a short cut to trading mastery; fantastic interviews with the best traders of the 80's and early 90's; a must have to read once a year; Ed Seykota's and Richard Dennis's interviews are probably the best; Gary Bielfeldt interview is my favourite because it underlines a very important message: we only need one well timed and well sized trade to get wildly rich

<http://www.stocktradingtogo.com/2008/08/08/twenty-must-read-investing-books/>

This book is a collection of interviews of a group of successful traders in the 1970s/80s. Their experiences are interesting to hear and traders may draw useful lessons from them. However, some of them were successful only because they were in the right place at the right time. The 1970s were a great commodity bull market and some of them profited from it. Nevertheless this is a classic to read and enjoy. Jack's latest book, Hedge Fund Market Wizards, is also a fantastic read.



The Little Book of Trading: Trend Following Strategy for Big Winnings (Little Books. Big Profits)

Hardcover – January 4, 2013

by Michael W. Covel (Author)

★★★★☆ ▾ 108 customer reviews

Amazon Link

[The Little Book of Trading: Trend Following Strategy for Big Winnings - Michael Covel](#)

Recommendation

<http://www.newtraderu.com/2015/04/01/little-book-trend-following>

One of my favourite trading/investing books out of the couple hundred I have read, a must have for any serious trader. An excellent addition to your trading library, possibly an instant classic.

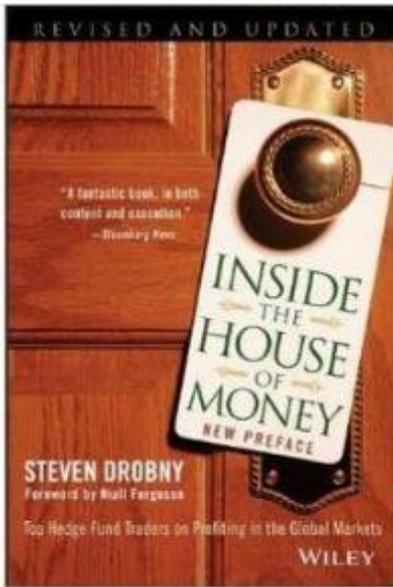
“The Little Book of Trading reveals the secrets from trend-following insiders giving you the freedom to trade all markets: interest rates, copper, currencies, stocks -- you name it! Covel encourages you to take that TV blaring CNBC and throw it right out the window. Charts cut the noise.” —Addison Wiggin, Best-selling author of *Demise of the Dollar*; Executive Publisher, Agora Financial, LLC

*“In *The Little Book of Trading*, Michael Covel has collected many gems of wisdom from some of the great traders of our time. After reading this book and piecing together all of the commonalities therein, you’ll begin to understand what it takes to be successful in the markets. Ignore these key truths and one day you’ll watch your account disappear.”* —Van K. Tharp, Ph.D., President, The Van Tharp Institute.

*“Michael Covel’s unique insight into trading is invaluable. Both novice and experienced traders can benefit from Michael’s thorough knowledge of markets around the globe. *The Little Book of Trading* is a must read for serious investors.”* —Louis G. Navellier, Chairman and Founder, Navellier & Associates, Inc.

*“Imagine being in the circle of trust of some of the greatest traders of all time, knowing what made them successful and having them share heartfelt advice. Though the eyes of Michael Covel in *The Little Book of Trading*, you will truly feel this experience.”* —Murray A. Ruggiero Jr., Contributing Editor, *Futures Magazine*; VP Research and Development, TradersStudio Inc.

*“Michael Covel’s *Little Book of Trading* is a must-read guide to help you succeed in the shark-infested waters of the investment world.”* —From the Forward, Cullen O. Roche, Founder and CEO, Orsus Investments, LLC; Proprietor of Pragmatic Capitalism



Inside the House of Money: Top Hedge Fund Traders on Profiting in the Global Markets

Paperback – December 16, 2013

by Steven Drobny (Author), Niall Ferguson (Foreword)

★★★★☆ ▾ 16 customer reviews

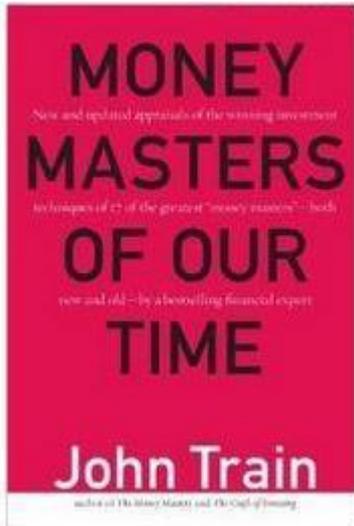
Amazon Link

[Inside the House of Money: Top Hedge Fund Traders on Profiting in the Global Markets - Steven Drobny](#)

Recommendation

<http://decodingwallstreet.blogspot.com/p/best-trading-books.html>

Inside The House Of Money, by Drobny, an interesting set of interviews with some top traders.



Money Masters of Our Time Paperback – May 13, 2003

by John Train ▾ (Author)

★★★★☆ ▾ 14 customer reviews

Amazon Link

[Money Masters of Our Time - John Train](#)

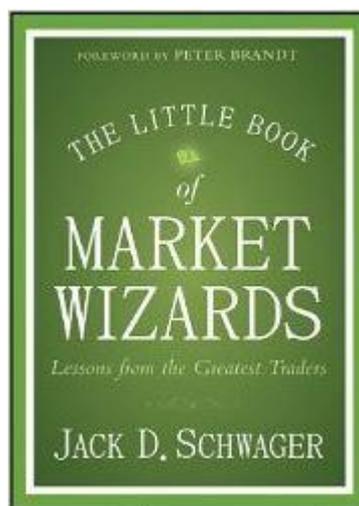
Recommendation

http://www.forbes.com/2008/01/28/graham-buffett-crescenzi-pf-edu-in_id_0128soapbox_inl.html

In the only compilation book on the list, financial writer Train profiles several notable investors: Warren Buffett, Paul Cabot, Phil Caret, Ben Graham, Mark Lightbrown, Peter Lynch, John Neff, Richard Rainwater, Jimmy Rogers, Julian Robertson, George Soros, Michael Steinhardt, John Templeton, Ralph Wanger and Robert Wilson.

Among this list you'll find growth investors, value investors, short-sellers, commodity experts and international players. You'll gain solid insights and knowledge from the experience of each and learn what makes them tick.

If you wish to learn more, most have been written about in other works—some included on this list. Train also provides a nice summary of common practices among the group, which is very useful.



The Little Book of Market Wizards: Lessons from the Greatest Traders (Little Books. Big Profits) [Kindle Edition]

[Jack D. Schwager](#) (Author)

★★★★★ (40 customer reviews)

Amazon Link

[The Little Book of Market Wizards: Lessons from the Greatest Traders - Jack D. Schwager](#)

Recommendation

<http://www.sharesinv.com/articles/2014/07/09/the-little-book-of-market-wizards-%E2%80%93-lessons-from-the-greatest-traders/>

Whether you're an active trader, or simply want a better understanding of how to succeed in today's markets, you'll benefit from the wisdom and insight renowned "Traders' Hall of Fame" award winner. Now, Jack Schwager hands you the strategies of the most sought after traders. Through his bestselling Market Wizards books, Schwager has probed the minds of the world's most respected investors, studying their personal traits and learning the secret techniques that have turned them into investment role models. Now a professional investor and successful fund manager in his own right, Schwager shares his own secrets, along with those of his prominent "Wizards".

This book will enable you to master the fine art of trading as you discover and apply the key methods and traits shared by the world's most acclaimed traders. Find critical, yet often overlooked factors for understanding:

- * How to avoid losing faith during down markets, and confidently pull profits in any market condition
- * The dangers of overtrading – how to react when no position is the right position
- * The value of "self-analysis" for finding a trading method that fits your personality and goals
- * The real risk in volatility
- * How to develop the habit of "disloyalty"
- * Why you must learn how to change directions, and how to do it quickly

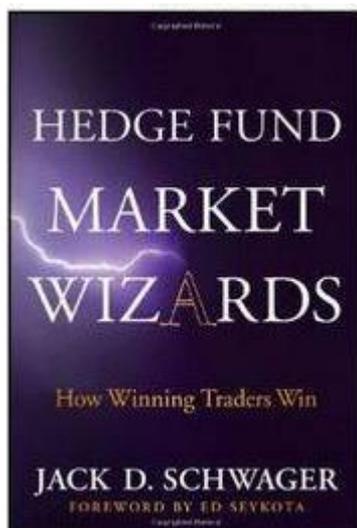
Plus, the keys to developing discipline, good money management skills, and avoiding the risks inherent in second-guessing your own system – all learned from the market wizards themselves and revealed here for you.

<http://www.valuewalk.com/2014/02/little-book-market-wizards-lessons-greatest-traders/>

What differentiates the highly successful market practitioners—the Market Wizards—from ordinary traders? What traits do they share? What lessons can the average trader learn from those who achieved superior returns for decades while still maintaining strict risk control? Jack Schwager has spent the past 25 years interviewing the market legends in search of the answers—a quest chronicled in four prior Market Wizards volumes totaling nearly 2,000 pages.

In *The Little Book of Market Wizards*, Jack Schwager seeks to distill what he considers the essential lessons he learned in conducting nearly four dozen interviews with some of the world's best traders. The book delves into the mindset and processes of highly successful traders, providing insights that all traders should find helpful in improving their trading skills and results. Each chapter focuses on a specific theme essential to market success and describes how all market participants can benefit by incorporating the related traits, behaviors, and philosophies of the Market Wizards in their own trading. The book is filled with compelling anecdotes that bring the trading messages to life, and direct quotes from the market greats that resonate with the wisdom born of experience and skill.

Stepping clearly outside the narrow confines of most investment books, *The Little Book of Market Wizards* focuses on the value of understanding one's self within the context of successful investing. For an in-depth view of the art of investing and how to adopt the practices of top professionals, Schwager's *Little Book* is one of the best, most entertaining guides out there.



Hedge Fund Market Wizards: How Winning Traders Win Hardcover – May 29, 2012

by Jack D. Schwager (Author), Ed Seykota (Foreword)

★★★★☆ 79 customer reviews

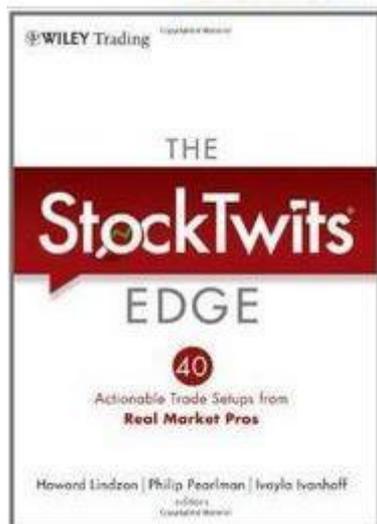
Amazon Link

[Hedge Fund Market Wizards: How Winning Traders Win - Jack D. Schwager](#)

Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

The Market Wizards Series - Chances are you will find these books on the shelf of any serious trader. They are without a doubt the most comprehensive collection of interviews with superstar traders ever published (Market Wizards, The New Market Wizards, Stock Market Wizards, and Hedge Fund Wizards). However, their dirty little secret is that although they capture perfectly a moment in time, they are extremely dated and will give you almost no insight into today's markets or how to trade them. Their value now is in showing how even the greatest traders initially struggled and often blew up (repeatedly) before becoming successful. They are like benign candy, enjoyable to consume, but won't help or hurt you.



The StockTwits Edge: 40 Actionable Trade Set-Ups from Real Market Pros Hardcover – July 5, 2011

by Howard Lindzon (Editor), Philip Pearlman (Editor), Ivaylo Ivanhoff (Editor)

★★★★☆ ▾ 23 customer reviews

Amazon Link

[The StockTwits Edge: 40 Actionable Trade Set-Ups from Real Market Pros - Howard Lindzon, Philip Pearlman, Ivaylo Ivanhoff](#)

Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

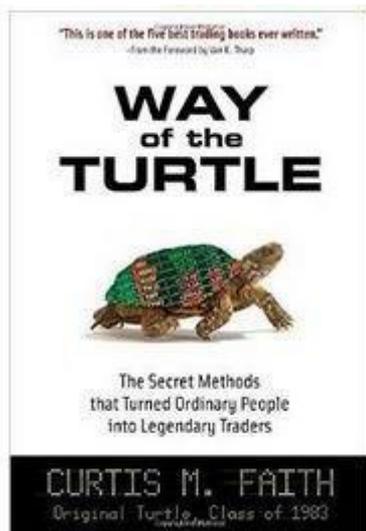
Okay, before you accuse me of trying to kiss the ass of my blog overlords at StockTwits, let me just tell you that I was recommending this book publicly, way before I ever resurrected this blog, let alone was asked to join the network. This is the book I wish was written when I started trading 30 years ago. The irony though is that it could not really have been written until just recently. It is the “Market Wizards” for the retail trader, and more importantly, each chapter is written by someone who currently has an active presence on social media. Plus it’s the only place you will ever see @The_Real_Fly write two whole pages without saying “fuck!”

"Howard Lindzon has tapped into a unique talent pool: He has 'crowd-sourced' the task of figuring out who the up and coming traders and fund managers are via social media. Unearthing the next Stevie Cohen via social leverage is a fascinating concept. Kudos to Lindzon for figuring this out long before most of Wall Street even knew what the hell Twitter was." —Barry Ritholtz, President of Fusion IQ, author, *Bailout Nation*

"The perfect book for traders, whether new or existing. It is fast, fun, and smart; with something for anyone who wants to understand how their trading peers can help them secure their financial future." —Paul Kedrosky, Entrepreneur, editor, *Infectious Greed*

"I affectionately regard my friend Howard Lindzon as the Larry King of social media. He and his talented team at StockTwits created an online Grand Central Station for active traders. This book showcases some of the many talented traders you will find on the 'stream' daily. For those interested in learning a variety of ideas on how to trade stocks, The StockTwits Edge is a great resource." —Mark Minervini, Stock Market Wizard, 1997 U.S. Investing Champion

"I wake up, I have coffee, I exercise, I read, I write, I go on StockTwits to get stock ideas, I then make money with them. I eat. I sleep. Repeat." —James Altucher



Way of the Turtle: The Secret Methods that Turned Ordinary People into Legendary Traders Hardcover –

March 9, 2007

by Curtis Faith (Author)

★★★★☆ - 126 customer reviews

Amazon Link

[Way of the Turtle: The Secret Methods that Turned Ordinary People into Legendary Traders - Curtis Faith](#)

Recommendation

<http://www.minyanville.com/business-news/editors-pick/articles/trading-book-Reminiscence-of-a-Stock/1/14/2013/id/47283?page=full>

It's an age-old question: Are good traders taught or are they born? In the early 1980s, trading guru Richard Dennis decided he was going to find out, explaining to his longtime friend and fellow trader William Eckhardt, "We're going to raise traders just like they raise turtles in Singapore." Thus began one of the most renowned -- and profitable -- trading experiments of all time.

Way of the Turtle follows the success of a group of 23 people plucked from all walks of life and trained by Eckhardt and Dennis in a short two weeks, who went on to earn an average return of over 80% per year and profits of over \$100 million. Only 19 years old at the time, the littlest "Turtle," Curtis M. Faith, is regarded as the most successful of this group. In his book he details the entire experiment, including a secret methodology that has since been exposed. This system combines different breakout techniques tailored with specific money management rules such as pyramiding, correlation limits, and position size control in tight markets, to name but a few. But don't be mistaken: Way of the Turtle isn't so much a how-to-trade guide as it is a meditation on taking risk -- in any market.

<http://jbmarwood.com/16-best-trading-books-time/>

Not as good as Trend Following in terms of depth but still an informative and educative trend following book. Curtis Faith's book deserves its place in the list of best trading books as it details the exploits of the famous Turtle Traders mentored by Richard Dennis in the 1970's.

<http://en.tradimo.com/help/recommended-reading-top-six-trading-books/>

Super trader, Richard Dennis, embarked on an experiment to turn normal people into profitable traders in an attempt to prove whether great traders are born or made. Nicknamed turtles, these ordinary people were trained in a system of Dennis's own design in just under two weeks before letting them loose on a real

live account of Denis's own money. This extraordinary story tells of how one such turtle turned \$1m into over \$30m in the space of just four years.

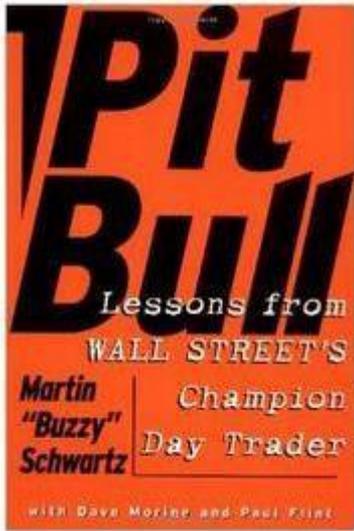
<http://www.vantharp.com/Van-Tharps-Favorite-Books.htm>

Faith, Curtis: *Way of the Turtle*. New York : McGraw-Hill, 2007. I was so impressed by it that I asked to write the foreword and I did. First, it paints a very clear picture of what is necessary for trading success. Curtis says in very concise terms that it's not about the trading system. Instead, it's about the trader's ability to execute the trading system. Secondly, it probably has the most lucid description of how some of the principles of behavior finance apply to and influence trading that I've ever read. The third aspect is that I really like Faith's emphasis on game theory and using it to explain how a trader should think.

All of this together with a number of stories about Curtis' experiences as a Turtle make it a very valuable read.

<http://decodingwallstreet.blogspot.com/p/best-trading-books.html>

Way Of A Turtle, by Faith, 8, the true story of Richard Dennis's turtles experiment; very good for systematic traders.



Pit Bull: Lessons from Wall Street's Champion Day Trader

Paperback – March 24, 1999

by Martin Schwartz (Author)

★★★★☆ 118 customer reviews

Amazon Link

[Pit Bull: Lessons from Wall Street's Champion Day Trader - Martin Schwartz](#)

Recommendation

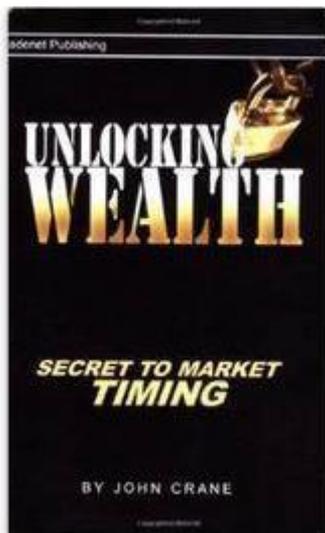
<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

Extremely dated, but still the only full auto-biography (I believe) of a “Market Wizard.” It is a look into the mind and process of an extremely disciplined trader who is still putting up crushing numbers to this day. And despite the fact that he shares James Altucher’s somewhat dubious scatological advice regarding “cleaning out the plumbing” before starting the day, it’s a good read.

Market Timing

Identifying the best times to be in and out of the market





Unlocking Wealth: Secret to Market Timing Paperback

– January 5, 2007

by John Crane (Author, Illustrator), Tradenet (Editor)

★★★★★ ▾ 7 customer reviews

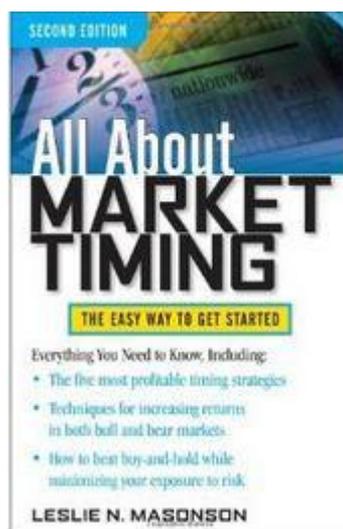
Amazon Link

[Unlocking Wealth: Secret to Market Timing - John Crane](#)

Recommendation

<http://emini-watch.com/free-stuff/top-trading-books/>

This is the follow up to John Crane's "Advanced Swing Trading" book. The first book was good but this is great – clearer explanations of the methodology and more chart examples. This is one of the most elegant futures trading methodologies I've seen.



All About Market Timing, Second Edition

(All About Series) Paperback – March 22, 2011

by Leslie Masonson (Author)

★★★★☆ 16 customer reviews

Amazon Link

[All About Market Timing, Second Edition \(All About Series\) - Leslie Masonson](#)

Recommendation

“This Book Presents Strategies That Prove That Market Timing Works

I am a long time investor and I found that buy and hold is an approach that has not worked for me and many of my friends. Markets have their ups and downs, and if one can somehow miss most of the declines, then overall you can reap the rewards of investing. Although many financial advisors and so-called experts get upset when I bring up the topic of market timing in investment meetings that I attend, I know that they have not investigated its usefulness, otherwise they would not have tried to keep me quiet.

I thoroughly enjoyed Mr. Masonson first edition of this book published in 2003. I have benefited from its sound strategies, and have told all my investing friends about that book and bought copies for my family members. Now, that book has been revised with all the strategies updated through late 2010 I can review them again and select the ones that meet my needs.

Masonson provides backtesting on number of the strategies using his TradeStation software showing all the key statistics. He provides two very profitable moving average strategies using the NASDAQ. The original Value Line 4% is updated with adjustment that produces more consistent results. All these strategies beat buy and hold with less risk. Masonson also covers in detail the Best Six Months Strategy, the presidential cycle strategy, and a strategy for the NASDAQ based on a fixed percentage move that triggers buy and sell signals.

This second edition has a much welcomed and expanded chapter on ETFs, as that is Masonson's recommended investment option along with low-cost index funds. He also provides market timing resources such as newsletters and websites that investors can use for guidance in case they do not want to do it themselves.

If you are an open-minded person who has not been happy with your own investment results or your financial advisor's performance over the past decades, then I highly recommend that you read this well-written, factual and eye-opening book.” - Market Timing Works, By Jerald Douma

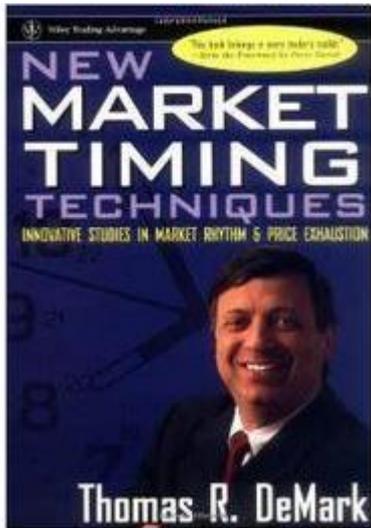
“If you are a self-directed investor looking for an alternative to Buy and Hold, look no further than All About Market Timing. Les Masonson has written the definitive text on market timing that is comprehensive and

conclusive. Bull and bear markets of the past century are analyzed. Eye-opening proof is given, showing how difficult it is to achieve a decent return by staying invested 100% of the time, and how simple market timing strategies would have preserved investors' gains and saved them from huge losses. Six common arguments in favor of Buy and Hold are dissected and debunked through research. It is proven that market timing not only reduces risk but is also a more conservative approach than Buy and Hold. After this initial information is given, Mr. Masonson presents a chapter on how to determine market trend, a prerequisite to investing. Four easy-to-use indicators are presented and fully explained. Two chapters follow that describe different investment vehicles - mutual funds and ETFs - and the pros and cons of investing in them. These chapters are comprehensive, giving the reader ample information on fund types, fund families, leveraged and inverse funds as well as how to purchase them.

The heart of the book begins in Part II with a comprehensive collection of market timing strategies that have been fully backtested over long time periods by professional market analysts and Mr. Masonson himself. Where other research has ended, Mr. Masonson has continued it through 2010, confirming recent success of these strategies. The timing strategies presented have been done on the Dow, S&P 500 and the Nasdaq with an enormous amount of variables. The information is so conclusive that one can't ignore its validity. Included in this part of the book is a chapter on calendar-based investing, including monthly performance, best consecutive 3 months, winter vs. summer, best 6 months. A chapter on the 4-year presidential cycle follows, with data regarding predictable patterns the stock market has formed based on it. There are an incredible number of strategies presented from numerous market professionals with many different variables, backtested on the major market indices, producing astounding results. This chapter alone is worth its weight in gold!

The chapter on moving average strategies is fantastic and easy to implement. The three major indices were tested against a wealth of different moving average lengths over many different time periods. The research is again encapsulated for the reader in a conclusion at the end of the chapter, highlighting the most valuable information. Additional chapters follow, presenting the Value Line 4% strategy, based on weekly figures from the Value Line Composite Index, which is continued through 2010. Mr. Masonson also compares it to a 3% filter. He not only compares them with a long-only investment strategy but also with a long-short strategy. The last market timing strategy presented in the book is based on the Nasdaq with a 6% filter, using not only weekly data, but daily data as well. He then compares his findings on the Nasdaq to the Value Line tests and determines the winning strategies as well as the inferior ones. At the end of the book the reader is given a chapter of market timing resources. Perhaps the best quality of this amazing book is the conclusion at the end of each chapter in which Mr. Masonson summarizes the information and reviews the most important information gained, leaving the reader with a sense of direction.

All About Market Timing is an amazing book. This is a MUST-READ for self-directed investors. The quality and quantity of research presented is all-encompassing, mind-blowing and totally conclusive. Buy and Hold is archaic. Do you want some fantastic alternatives? Look no further! THIS is the text to read." - Mind-Blowing Book on Market Timing, By Shauna



New Market Timing Techniques: Innovative Studies in Market Rhythm & Price Exhaustion Hardcover – July

17, 1997

by Thomas R. DeMark (Author)

★★★★☆ 84 customer reviews

Amazon Link

[Professional Stock Trading: System Design and Automation - Thomas R. DeMark](#)

Recommendation

<http://emini-watch.com/free-stuff/top-trading-books/>

Tom DeMark specializes in developing trading indicators and set-up patterns and works for some major trading houses. His focus on extensive back-testing has enabled him to develop unique methods that you won't find anywhere else. There's almost too much to take in with this book.

Money Management

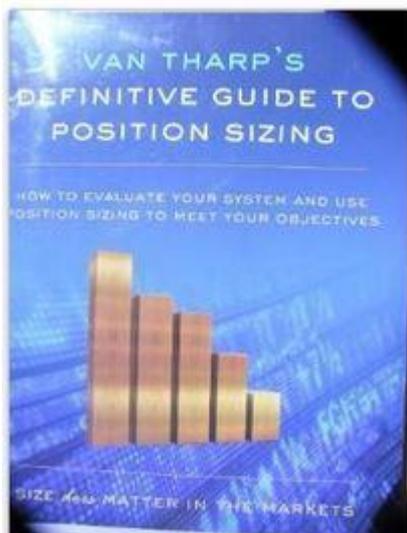
Money management and position sizing strategies to
enhance returns and control risk

Risk is good.



**Not properly managing your risk is
a dangerous leap. - Evel Knievel**

BetterSystemTrader.com



Van Tharp's Definitive Guide To Position Sizing Hardcover – 2013

by Van Tharp (Author)

★★★★★ ▾ 4 customer reviews

Amazon Link

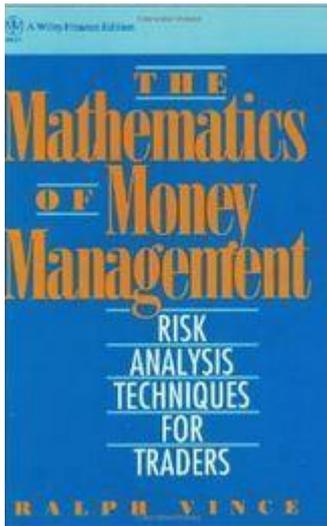
[Van Tharp's Definitive Guide To Position Sizing - Van Tharp](#)

Recommendation

<http://www.vantharp.com/Van-Tharps-Favorite-Books.htm>

The Definitive Guide to Position Sizing Strategies: How to Evaluate Your System and Use Position Sizing to Meet Your Objectives. 2nd ed Cary, NC: IITM, 2013. I think this one is a new classic. It includes how to measure the quality of your system objectively, no matter what style of trading you have or what instruments you trade. It includes everything you could possibly want to know about how to use position sizing, depending upon the quality of your system, to meet your objectives. It's that simple and I've very excited about it.

"At first, I was reluctant to buy this book, due to it's price. But I'm sure glad I did! This is one of the best books on trading that I've ever read. You'll find insights here that you'll find nowhere else. This is a MUST READ book for anyone with an interest in trading." – bmistiaen (Amazon Review)



The Mathematics of Money Management: Risk Analysis Techniques for Traders Hardcover – April

17, 1992

by Ralph Vince ▾ (Author)

★★★★☆ ▾ 13 customer reviews

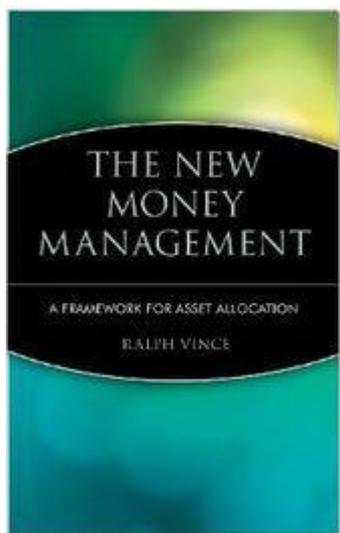
Amazon Link

[The Mathematics of Money Management: Risk Analysis Techniques for Traders - Ralph Vince](#)

Recommendation

<http://stockcharts.com/articles/journal/2013/10/pivotal-books-in-the-25-year-trading-life-of-a-stock-market-investor.html>

Ralph Vince is one of the great minds in the area of optimal bet size, asset allocation, money management and risk analysis. Having said that, his four books come with two prerequisites. First, you have to be well along the path as a seasoned investor before you tackle his material. Secondly, you'll need lots of strong coffee unless you're an insomniac. It's heavy reading but with big payoffs.



The New Money Management: A Framework for Asset Allocation Hardcover – April 3, 1995

by Ralph Vince ▾ (Author)

★★★★☆ ▾ 4 customer reviews

Amazon Link

[The New Money Management: A Framework for Asset Allocation - Ralph Vince](#)

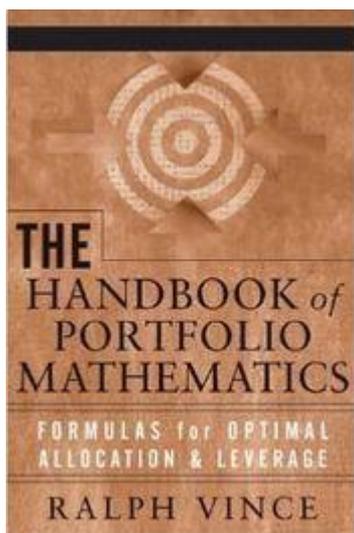
Recommendation

<http://jbmarwood.com/16-best-trading-books-time/>

Money management is possibly the most important component of successful trading. In *The New Money Management*, Ralph Vince, gives his own take on the subject including the coverage of 'optimal f ' and 'risk of ruin'. This book is the most comprehensive I have read on the subject of money management. It isn't cheap, however.

<http://stockcharts.com/articles/journal/2013/10/pivotal-books-in-the-25-year-trading-life-of-a-stock-market-investor.html>

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The Handbook of Portfolio Mathematics: Formulas for Optimal Allocation & Leverage

Hardcover – May 25, 2007

by Ralph Vince ▾ (Author)

★★★★☆ ▾ 9 customer reviews

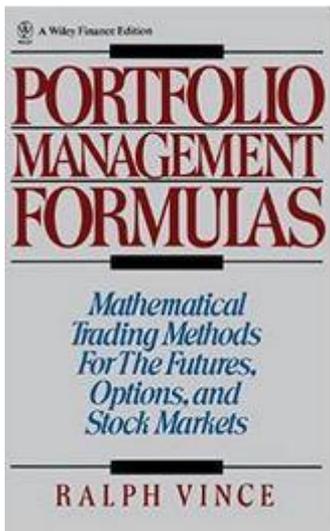
Amazon Link

[The Handbook of Portfolio Mathematics: Formulas for Optimal Allocation & Leverage - Ralph Vince](#)

Recommendation

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Portfolio Management Formulas : Mathematical Trading Methods for the Futures, Options, and Stock Markets Hardcover – October 19, 1990

by [Ralph Vince](#) (Author)

★★★★☆ 7 customer reviews

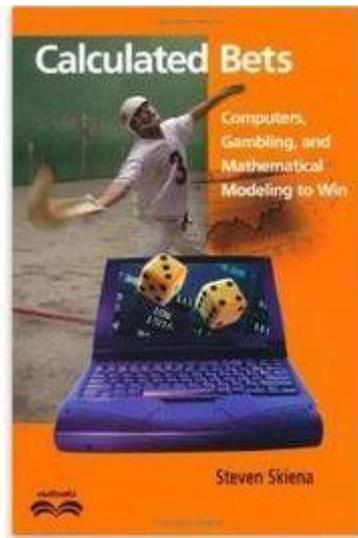
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Calculated Bets: Computers, Gambling, and Mathematical Modeling to Win (Outlooks) Paperback –

August 6, 2001

by Steven Skiena (Author)

★★★★★ 12 customer reviews

Amazon Link

[Calculated Bets: Computers, Gambling, and Mathematical Modeling to Win \(Outlooks\) - Steven Skiena](#)

Recommendation

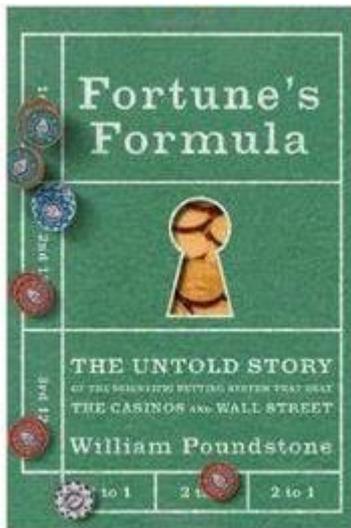
<http://www.businessinsider.com/the-most-important-finance-books-2013-12?op=1>

If you've ever dreamed of creating a computer system to beat the bookies or the stock market (and who hasn't?) then Steven Skiena's book is for you. Skiena describes his own (and his team's) efforts to create an automated system which would place winning bets on jai alai, a Basque game which is also played in parts of France and some cities in North America. The book describes the game itself (a game with similarities to tennis, squash and rugby fives), the convoluted methods by which tournaments are held (a sort of round robin) and the pari-mutuel gambling system which is used to place bets on the outcome.

To create the perfect system, Skiena and his team needed to model the tournament structure, the effects of player skill on match outcomes, and (since this the odds are offered using a pari-mutuel system) the betting habits of the general public. They then needed to identify bets which would (on average) be profitable.

The team succeeded, the program they developed ultimately succeeding in returning about 500% on its initial gambling stake in a single year. (The bad news, as Skiena points out, is that it would not be possible to use such a system to bet large amounts of money on jai alai, since such bets would significantly depress the odds available).

A must read for anyone seriously interested in "beating the system".



Fortune's Formula: The Untold Story of the Scientific Betting System That Beat the Casinos and Wall Street

Paperback – September 19, 2006

by William Poundstone (Author)

★★★★☆ 110 customer reviews

Amazon Link

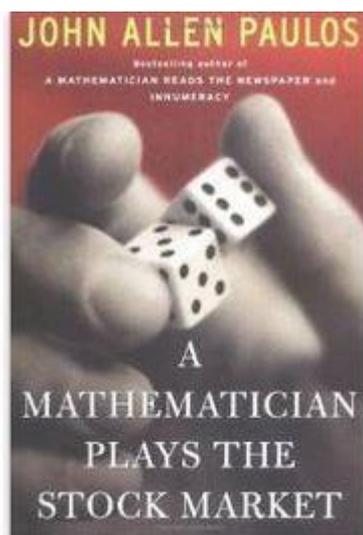
[Fortune's Formula: The Untold Story of the Scientific Betting System That Beat the Casinos and Wall Street - William Poundstone](#)

Recommendation

<http://www.businessinsider.com/the-most-important-finance-books-2013-12?op=1>

If you can survive reading the title, this book is actually an anecdotal history of the Kelly Criterion — a formula which identifies how much should be wagered on a risky undertaking. A surprising cast of characters is involved, from underworld figures to physicists and mathematicians, and from 1738 (not a misprint) to the present day.

This isn't a mathematical enough treatment for me, but it's well worth reading to find out how people have tried and succeeded (or failed) in exploiting Kelly's (and Bernoulli's) work.



A Mathematician Plays The Stock Market Hardcover –

May 13, 2003

by John Allen Paulos (Author), John Allen (Author)

★★★★☆ ▾ 100 customer reviews

Amazon Link

[A Mathematician Plays Stock Market by Paulos, John Allen, John Allen \[Basic Books,2003\] \[Hardcover\] - John Allen Paulos](#)

Recommendation

<http://www.businessinsider.com/the-most-important-finance-books-2013-12?op=1>

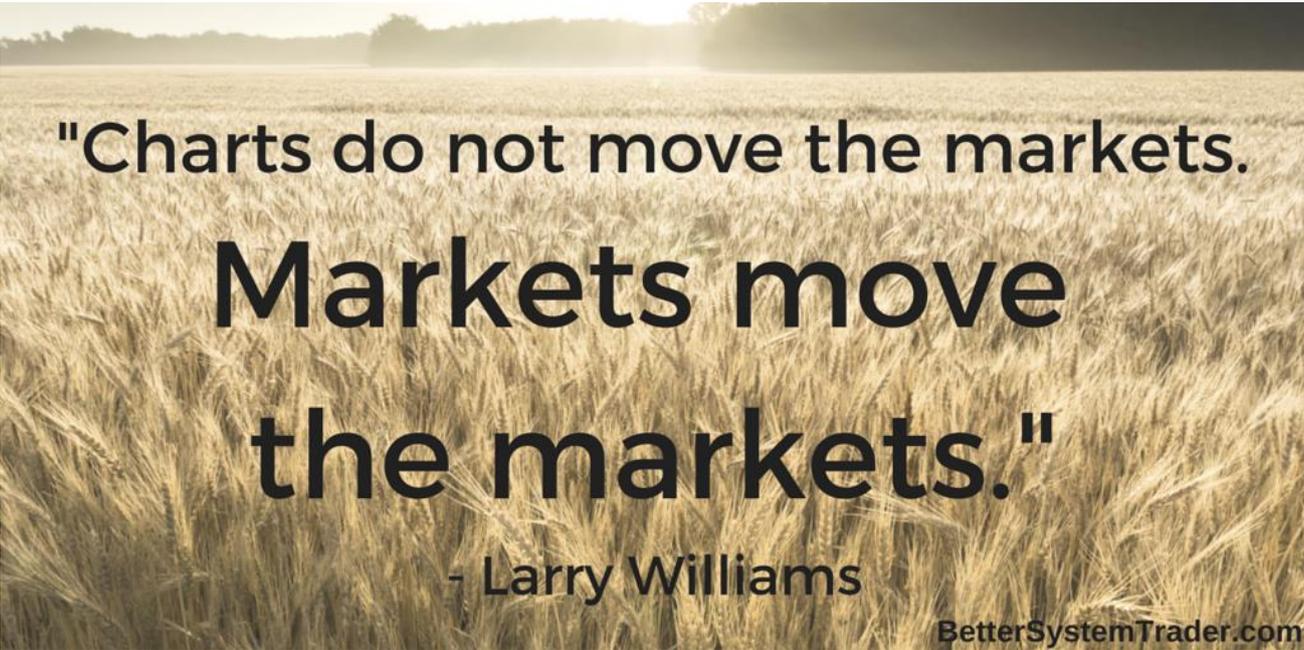
Paulos lost money on the WORLDCOM crash, and uses this as a jumping off point for explaining the mathematics behind the stock market. There are good qualitative explanations of many of the numbers and theories used in attempting to predict the price of stocks. I especially liked his description of the Efficient Market Hypothesis Paradox (if everybody believed in it, the Efficient Market Hypothesis would no longer be true) and its imaginary opposite, the Sluggish Market Hypothesis.

Another good point he makes is that the criteria for success of a trading system is not whether it makes money. That's only a necessary condition. A successful trading system must make more money than simply investing in treasury bills, or buying an index fund.

The book covers in outline such subjects such as technical analysis, beta, portfolio theory, etc.

Although there are some excellent nuggets of information here, I found the writing style distracting. I was also disappointed that another book by the same author (Once upon a number : the hidden mathematical logic of stories) covered much of the same ground with the same examples.

Seasonality

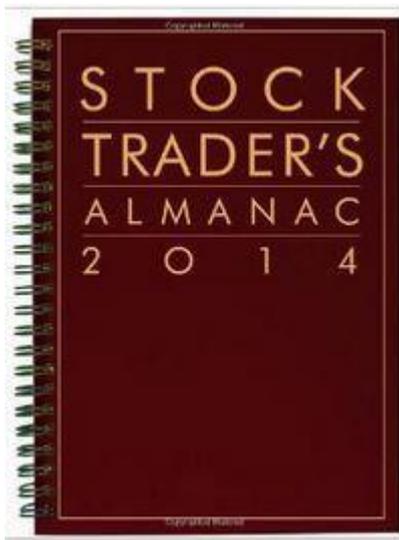


"Charts do not move the markets.

**Markets move
the markets."**

- Larry Williams

BetterSystemTrader.com



Stock Trader's Almanac 2014 Spiral-bound –

September 30, 2013

by Hirsch (Author)

★★★★☆ 48 customer reviews

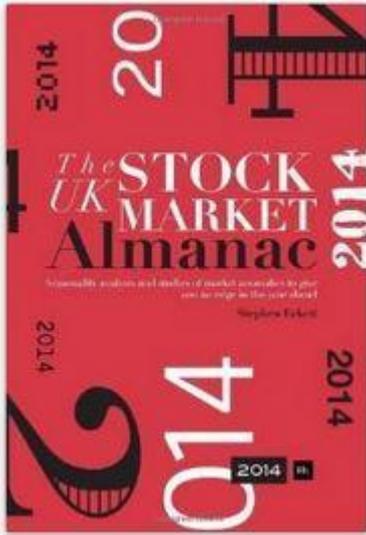
Amazon Link

[Stock Trader's Almanac 2014 - Hirsch](#)

Recommendation

<http://stockcharts.com/articles/journal/2013/10/pivotal-books-in-the-25-year-trading-life-of-a-stock-market-investor.html>

A successful life as a trader is made up of a series of successful days. I have shared this easy-to-read book, written by multiple authors, with many students to help instill in them the importance of productive routines. Along those same lines, the annual Stock Traders Almanac is a calendar, organizational handbook and statistical marvel that will increase the likelihood that you'll make more profitable trades.



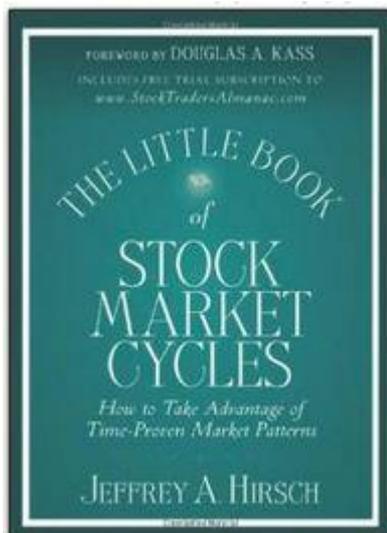
**The UK Stock Market Almanac 2014:
Seasonality Analysis and Studies of Market
Anomalies to Give You an Edge in the Year
Ahead by Stephen Eckett (2013) Hardcover**

Hardcover – 1000

[Be the first to review this item](#)

Amazon Link

[The UK Stock Market Almanac 2014: Seasonality Analysis and Studies of Market Anomalies to Give You an Edge in the Year Ahead - Stephen Eckett](#)



The Little Book of Stock Market Cycles Hardcover

– August 7, 2012

by Jeffrey A. Hirsch (Author), Douglas A. Kass (Foreword)

★★★★☆ ▾ 27 customer reviews

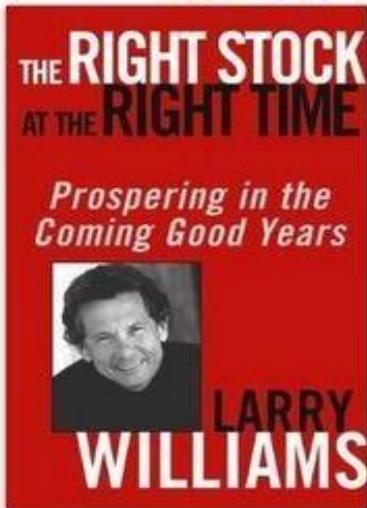
Amazon Link

[The Little Book of Stock Market Cycles - Jeffrey A. Hirsch and Douglas A. Kass](#)

Recommendation

"The Little Book of Stock Market Cycles is ideally suited for fans of the Hirsch almanacs as well as for those who have never been exposed to seasonal statistics and who have a hunch that they may have missed something useful." (SeekingAlpha.com, August 2012)

'...a nice primer on cycle research and an excellent starting point for further research...he has given us an insightful collection of market observations and plenty of food for thought. I recommend you add it to your winter reading list.' (ForexPros, November 2012)



The Right Stock at the Right Time: Prospering in the Coming Good Years Hardcover – May 2, 2003

by Larry R. Williams ▾ (Author)

★★★★☆ ▾ 26 customer reviews

Amazon Link

[The Right Stock at the Right Time: Prospering in the Coming Good Years - Larry R. Williams](#)

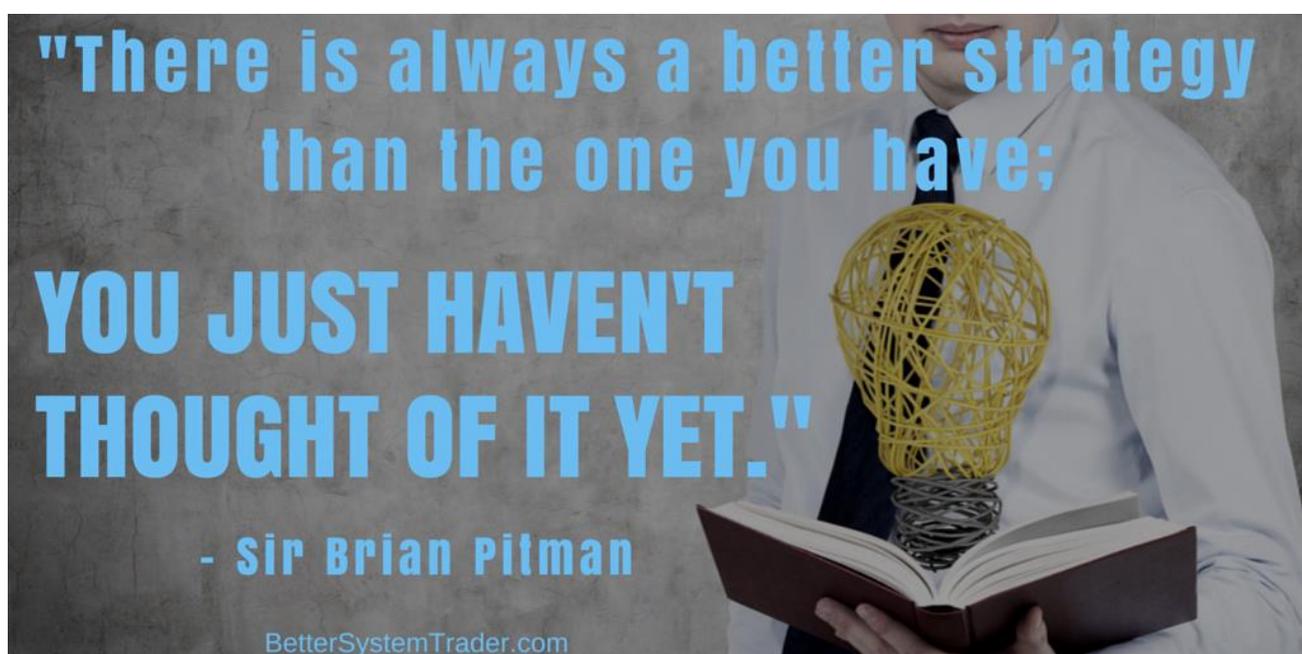
Recommendation

<http://www.stocktradingtogo.com/2008/08/08/twenty-must-read-investing-books/>

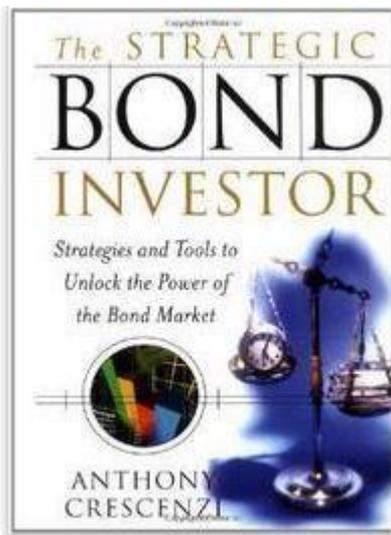
Larry Williams reveals some of his observations of cyclical tendencies in the stock market. It may serve as a ray of light for investors battered by bear markets.

Strategies

Strategies for all markets



Bonds/Fixed Income



The Strategic Bond Investor : Strategies and Tools to Unlock the Power of the Bond Market Hardcover –

June 14, 2002

by Anthony Crescenzi ▾ (Author)

★★★★☆ ▾ 19 customer reviews

Amazon Link

[The Strategic Bond Investor - Anthony Crescenzi](#)

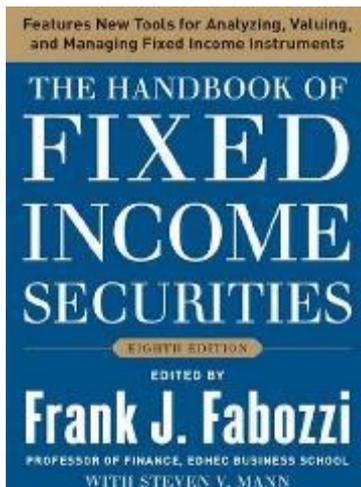
Recommendation

http://www.forbes.com/2008/01/28/graham-buffett-crescenzi-pf-edu-in_id_0128soapbox_inl.html

Crescenzi, a frequent media commentator, has written a fixed-income bible that merits a place on any serious investor's bookshelf. He really understands the bond market and in plain language provides illuminating explanations of different types of bonds and how they perform in different types of markets.

Crescenzi demystifies yield curves and other indicators that can be used to predict the direction of the economy. Economic reports are examined, including how they can influence bond prices and profit opportunities. Important topics like risks, credit ratings, liquidity and pricing are also covered.

The book makes liberal use of charts, tables and diagrams and provides investors with the tools they need to participate in today's bond markets. Very well organized, the book correctly conveys that bonds can be every bit as exciting as stocks these days.



The Handbook of Fixed Income Securities, Eighth

Edition Hardcover – January 6, 2012

by Frank J. Fabozzi (Author), Steven V. Mann (Author)

★★★★☆ ▾ 11 customer reviews

Amazon Link

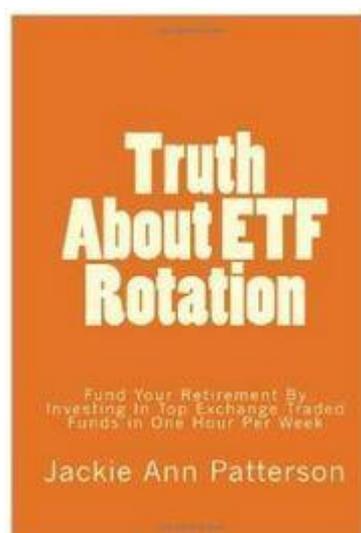
[The Handbook of Fixed Income Securities, Eighth Edition - Frank J. Fabozzi](#)

Recommendation

<http://www.businessinsider.com/the-most-important-finance-books-2013-12?op=1>

"For decades, The Handbook of Fixed Income Securities has been the most trusted resource in the world for fixed income investing. Since the publication of the last edition, however, the financial markets have experienced major upheavals, introducing dramatic new opportunities and risks. This completely revised and expanded eighth edition contains 31 new chapters that bring you up to date on the latest products, analytical tools, methodologies, and strategies for identifying and capitalizing on the potential of the fixed income securities market in order to enhance returns. Among the world's leading authorities on the subject, Frank J. Fabozzi, along with Steven V. Mann, has gathered a powerful global team of leading experts to provide you with the newest and best techniques for taking advantage of this market."

ETFs



Truth About ETF Rotation: Fund Your Retirement By Investing In Top Exchange Traded Funds in One Hour Per Week (Beat The Crash) (Volume 1)

Paperback – December 20, 2012

by Jackie Ann Patterson ▾ (Author)

★★★★☆ ▾ 28 customer reviews

Amazon Link

[Truth About ETF Rotation: Fund Your Retirement By Investing In Top Exchange Traded Funds in One Hour Per Week \(Beat The Crash\) \(Volume 1\) - Jackie Ann Patterson](#)

Recommendation

"The book is short but provides internal links to additional material. The overall strategy is near the end of the book. I suggest reading the strategy first, then reading the rest of the book from the beginning and you will better appreciate the beginning information. I have read some other information from her on the net as well as a You Tube presentation and it is all consistent. She suggests using a long period ROC for her ranking system but a shorter period RSI ranking might be better for the latter stages of a bull market. I suggest expanding on her universe of ETFs to investment sectors and other geographic regions but I agree with her choice of core ETFs--apparently I use the same brokerage firm. I very much like her strategy because it includes subtle elements of market timing. She has definitely thought about avoiding the pain of a future market crash. Overall a quick and useful read. I think you could easily implement her strategy at any time vice waiting for a major pull back. I suggest reading Leslie Masonson's books on market time and sector rotation for additional background as well as The Ivy Portfolio by Mebane Faber (I think the definitive book on ETF investing). After reading it, I am glad I read the book and would likely buy and read her next book." - Investing made safe, By Rich

"Anyone who manages their own portfolio as I do should read Jackie's "Truth about ETF Rotation." Sure I have diversified my mutual funds, but when should I really get into or out of that small cap fund? And, if I am rotating funds, logically I should be using ETFs. Jackie shows in this super tight little book the advantages of using an ETF rotation strategy over buy-and-hold of my diversified portfolio. She also considers bonds, commodities, real estate, inverse funds, cash, and stop losses in this strategy. Her research is rigorous and comprehensive. After reading this book I will be able to implement the strategy in my portfolio." - Truth

About ETF Rotation - Fund Your Retirement by Investing in Top Exchange Traded Funds in One Hour Per Week (Beat The Crash), By Ann

"I thought this book was pretty good. It got me thinking about ETF rotation and caused me to develop my own rotation strategy based off some of her ideas. She also puts her money where her mouth is and uses the strategy in her IRA account, which she posts statements for." - Liked it, By Amazon Customer

"Great read. There are lots of books on ETF rotation. I found this to be an easy read with documented back testing. The author also has a web site with real time returns posted." - Good read for folks looking at rotation strategies. By Lotus-Eater

"I wanted to review some ideas I had some time ago and went looking on Amazon for books on this subject. Ms. Patterson's book is a great little read on the subject covering enough of the basic ideas to give folks who haven't considered ETF rotation a good start, as well as including through her web site access to some basic Excel spreadsheets to allow readers to do some playing and thinking about what might work for their own needs.

I appreciated that Ms. Patterson paid attention (at least at a high level) to the impact of taxes as well as creating your own benchmark index to measure against.

An excellent little read. Well worth the cost on Kindle and the hour or two it takes to go through it the first time." - Excellent quick read, By Mark Knecht

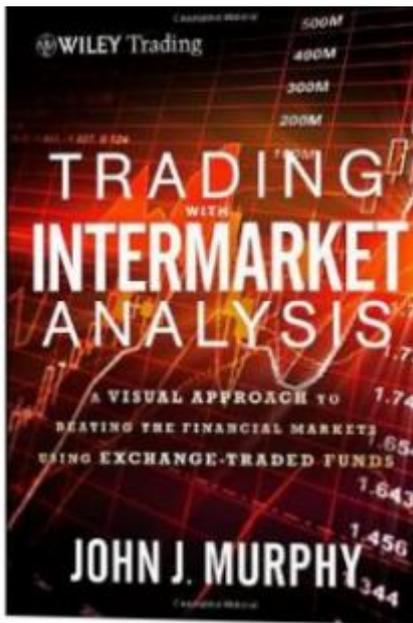
"Gives the reader a simple plan for evaluating and investing in ETF's. Easy to implement and easy to follow instructions. Doesn't take long to read and is full of backtesting and various charts with all the results you could want. It certainly got my attention to try this method to see how well it will work.

I would have liked for the book to include the various families of funds that could be an alternative to the authors suggested ETF model. Some like Vanguard and Schwab could make this approach easy and cheap.

This is a first in a series of ebooks that will follow the authors approach to investing." - Simple approach to investment strategy using ETF rotation., By Jeff S. May

"Love the simple and straight forward approach in trading sectors. Can be implemented on any trading software that is on the market." - Good practical trading book, By DOCAMAZON

The ETF Rotation strategy discussed in this book is similar to the works of Gerald Appel, Mebane Faber, and Michael Carr. The system has good results and is unique compared to those other authors. It is well-written, and fairly consistent in addressing the target audience at their skill level. \$9.99 is a little steep, and despite the author promoting her website and other services, there are some freebies that sweeten the deal. I recommend the book when it's on sale." - Good Book for Beginner and Intermediate Traders Needing a Realistic Strategy, By Travis W Smith



Trading with Intermarket Analysis: A Visual Approach to Beating the Financial Markets Using Exchange-Traded Funds

Hardcover – November 28, 2012

by John J. Murphy (Author)

★★★★☆ ▾ 28 customer reviews

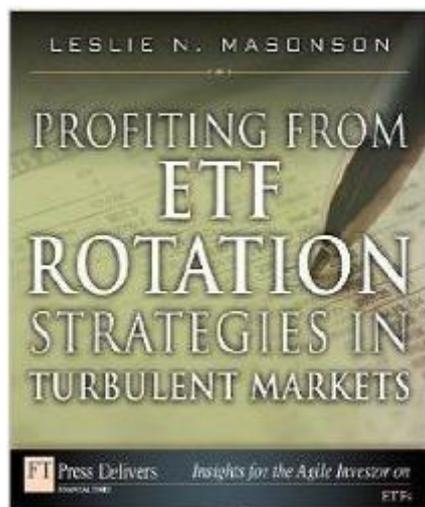
Amazon Link

[Trading with Intermarket Analysis: A Visual Approach to Beating the Financial Markets Using Exchange-Traded Funds - John J. Murphy](#)

Recommendation

<http://stockcharts.com/articles/journal/2013/10/pivotal-books-in-the-25-year-trading-life-of-a-stock-market-investor.html>

This book will give you guidance as how best to approach the markets and will describe those key relationships that'll help shift the probabilities your way.



Profiting from ETF Rotation Strategies in Turbulent Markets (FT Press Delivers Insights for the Agile Investor) [Kindle Edition]

[Leslie N. Masonson](#) (Author)

★★★★☆ (11 customer reviews)

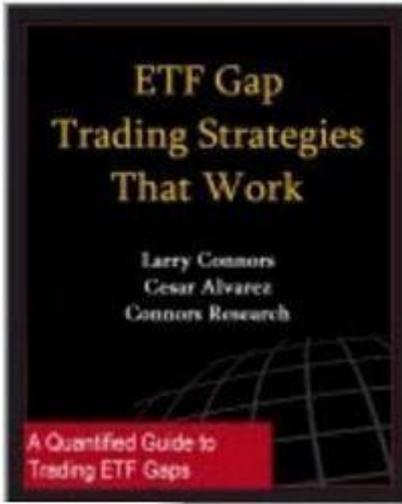
Amazon Link

[Profiting from ETF Rotation Strategies in Turbulent Markets \(FT Press Delivers Insights for the Agile Investor\) - Leslie N. Masonson](#)

Recommendation

"Les Masonson has done it again by providing the investment public with a new and essential book that is absolutely required reading for anyone seeking to invest in today's volatile markets. I have read his previous book, "Buy Don't Hold", which provided a sound investment plan. Now, in "Profiting From ETF Rotation Strategies", Mr. Masonson provides a simple and easy to understand strategy on how to gain exposure to the market and its potential gains, while minimizing one's exposure to the oft times heartbreaking losses. For someone who has been investing in the markets for some time now, I particularly appreciate Mr. Masonson's efforts to save investor's money on fees and commissions whenever possible, by recommending ETFs that one can purchase commission free from certain brokerages, thereby enhancing returns over the long-term

The heart of Mr. Masonson's book is the method whereby an investor uses disciplined rules to purchase select ETFs at moments in time when there is the greatest opportunity for gain, and more importantly, exit them before a substantial correction. In this simple and elegant book, Mr. Masonson refutes the dated and failed theory of "buy and hold", while at the same time providing investors with a tool kit that provides the information needed to participate in the stock market in a rational and profit oriented manner. I am reminded of the famous Warren Buffet quote: "Rule number one in investing is: don't lose money. Rule number two is: refer to rule number one." For investors, such as myself, who respect the risks associated with investing in the stock market, "Profiting from ETF Rotation Strategies" is both mandatory and enjoyable reading." - Simple and Elegant E-book on ETF Investing, By Steven Toboroff



ETF Gap Trading Strategies That Work (Connors Research Trading Strategy Series) [Kindle Edition]

[Larry Connors](#) (Author), [Cesar Alvarez](#) (Author), [Connors Research](#) (Author)

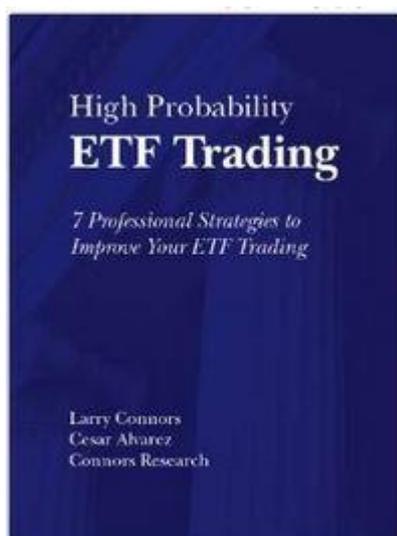
★★★★★ (1 customer review)

Amazon Link

[ETF Gap Trading Strategies That Work \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research, Matt Radtke](#)

Recommendation

"Gaps in ETFs show that there is a big market move underway because ETFs are diversified trading vehicles. Some of these gaps are significant and this book explains how to trade those gaps. It's a quantified trading strategy that defines when and how gaps should be traded. The results of an extensive back test are included so you can decide how to incorporate these strategies into your trading. Not all gaps are important and this book shows you how to avoid trading low probability price action. That helps you allocate limited trading capital. The results are impressive and the strategies are tradable - a rare combination in a book." - Impressive results and tradable strategies, By Mike Carr, CMT



High Probability ETF Trading: 7 Professional Strategies To Improve Your ETF Trading

Hardcover – May 26, 2009

by Larry Connors (Author), Cesar Alvarez (Author), & 1 more

★★★★☆ 26 customer reviews

Amazon Link

[High Probability ETF Trading: 7 Professional Strategies To Improve Your ETF Trading - Larry Connors, Cesar Alvarez, Connors Research](#)

Recommendation

"After having traded stocks for over 10 years, I've recently begun trading ETFs more and more because I simply find them easier to trade, less risky and more flexible. In generally, I've done okay adapting my stock trading methods to ETFs trading. But I was disappointed at the lack of professional level education available that would enable me to improve my profitability. Then along came Larry Connors' book, "High Probability ETF Trading." It is a collection of eight well-thought out strategies that are laid out in a clear and concise manner. It is written in a way that all trading books should be written -- you quickly read it and then apply it. There are indicators that these strategies employ are all readily available through standard chart packages. All the rules are black and white with no subjective judgment required. If you trade ETFs are planning to in the future, all I can say is that you must own this book." - All trading books should be like this one, By Trader in L.A.

"Larry Connors and Cesar Alvarez' new book, "High Probability ETF Trading," can be considered a continuation of the research Connors published in his earlier books, most recently in "Short Term Trading Strategies That Work." Written for short-term traders, the format is similar to his other books:

1. An introduction that lays out a trading philosophy;
2. General rules for setting up the trade, e.g., only take long trades when the S&P 500 Index is above its 200-day moving average;
3. Specific and simple entry and exit rules for a number of different trading systems;
4. Charts showing the entries and exits on various ETFs, with a step by step description of each part of the trade: setup, entry, and exit;
5. Trade results for these systems; and
6. Thoughts on scaling in and out of trades, as well as thoughts on money management.

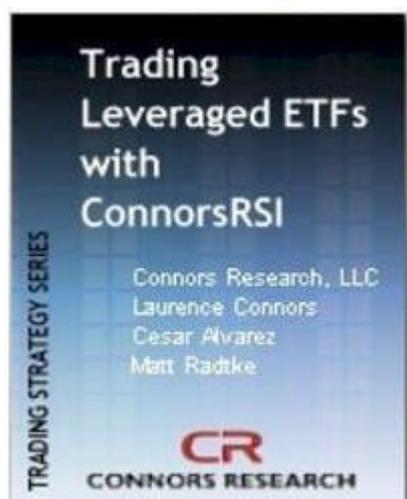
Readers of "how-to" books generally worry about whether the published trades were "cherry-picked" to make the systems look better than they really are in practice. Connors and Alvarez point out the introduction to "High Probability ETF Trading" that the systems' rules are robust, not curve-fitted, and backed by years of statistical test results.

I know from reading his earlier books that Connors seeks to develop strategies with a high probability of success. He and Alvarez hit the mark in this new book, which describes various strategies they developed and tested on various non-leveraged ETFs. Some of the strategies, like RSI 25, were developed years ago and described in Connors' earlier books. Other strategies are brand new, like RSI 75 for shorting.

Unlike in Connors' earlier books, this book discusses both standard and aggressive entries. "Aggressive" entries are second buys that are scaled in when the ETF becomes more oversold (for a long entry) or overbought (for a short entry). For example, buy the first unit when the 4-period RSI is below 25. Buy the second unit if the 4-period RSI is below 20.

As an investment advisor, I have neither the time nor the temperament to wade through books with chapter after chapter of musings, personal thoughts, and disjointed ideas. What I appreciate most about this book, as with Connors' other books, is that the authors lay out their strategies in a no-nonsense, nuts-and-bolts fashion: "If this and this, then do that."

I've traded Connors' strategies for years and they work. No one trade will make you rich but the consistent small winners add up. I highly recommend reading "High Probability ETF Trading" if you are a short-term trader looking for strategies that will help you make money." - By Dave S.



Trading Leveraged ETFs With ConnorsRSI (Connors Research Trading Strategy Series) [Kindle Edition]

[Larry Connors](#) (Author), [Cesar Alvarez](#) (Author), [Matt Radtke](#) (Author), [Connors Research](#) (Author)

★★★★★ (2 customer reviews)

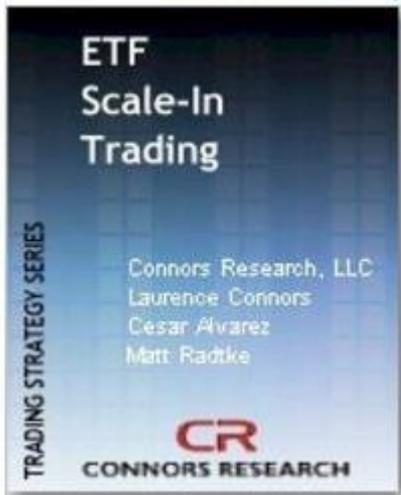
Amazon Link

[Trading Leveraged ETFs With ConnorsRSI \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research, Matt Radtke](#)

Recommendation

"Leveraged ETFs offer potential gains far greater than that available with traditional ETFs. Leverage also increases the level of risk. That means a well-defined strategy is essential for success with leverage and this book provides a quantified and tested strategy. The strategy is easy to follow and the results show that risk is managed. This might be the first book demonstrating how to use leveraged ETFs the way they were intended to be used which is as a short-term trading vehicle. This strategy avoids the tracking error problem built into leveraged ETFs." - Trading leveraged ETFs the right way, By Mike Carr, CMT

"Interesting book on one of the newer assets available to traders. This book has a great set of detailed strategy instructions for traders. I was given a review copy of this book by the publisher." - Interesting book, By David J. Kosmider



ETF Scale-In Trading (Connors Research Trading Strategy Series) [Kindle Edition]

[Connors Research](#) (Author), [Matt Radtke](#) (Author), [Cesar Alvarez](#) (Author), [Larry Connors](#) (Author)

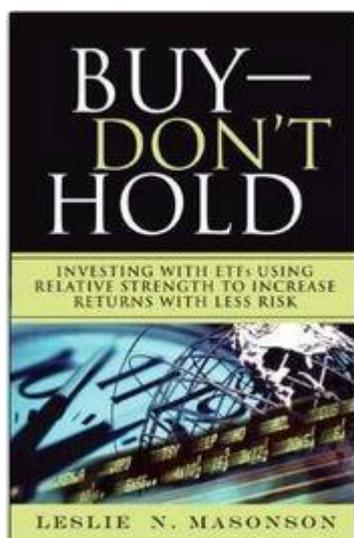
★★★★★ (1 customer review)

Amazon Link

[ETF Scale-In Trading \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research, Matt Radtke](#)

Recommendation

“Traders often freeze when they see a loss in their account and this leads to even larger losses in many cases. The problem is simply that many traders don't think about how to manage trades, whether the trade is a win or a loss. This book addresses trade management, one of the most important aspects of trading. As the data shows, managing a trade correctly can improve performance. Finding winners is a difficult task for traders - this book explains how to maximize the gains on a simple trading strategy and the rules are clear which means they can be applied to any trading strategy.” - Improve your results by managing trades, By Mike Carr, CMT



Buy--DON'T Hold: Investing with ETFs Using Relative Strength to Increase Returns with Less Risk (paperback)

Paperback – November 4, 2013

by Leslie N. Masonson (Author)

★★★★☆ 64 customer reviews

Amazon Link

[By Leslie N. Masonson Buy--DON'T Hold: Investing with ETFs Using Relative Strength to Increase Returns with Less Risk \(pap \(1st First Edition\) \[Paperback\]](#)

Recommendation

<http://onlinebooksclub.com/Buy-DON-T-Hold-Investing-with-ETFs-Using-Relative-Strength-to-Increase>Returns-with-Less-Risk/p1006817706/>

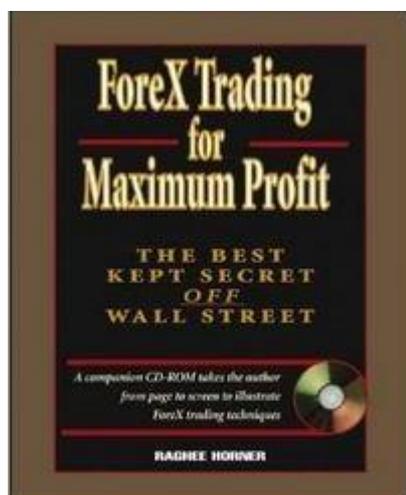
“Masonson is a master Almanac Investor. In Buy—DON’T Hold, he shows investors and traders how to buy and sell the right ETFs at the right time with proven strategies, technical tools, and indicators.” --Jeffrey A. Hirsch, Editor-in-Chief, Stock Trader’s Almanac

“Masonson not only shows you when to be in and out of the market, but also which ETFs to buy and when to sell them. This is a complete investing program that all investors can benefit from. I expect the vast majority of readers will agree with me that this book is a ‘Strong Buy.’” --Price Headley, CFA, CMT, Founder of BigTrends.com

“The author provides investors with a step-by-step investing plan that focuses heavily on protecting principal, while at the same time offering a systematic approach that will help investors meet their goals and stay on the right side of the market. Buy—DON’T Hold offers an effective strategy that can make a huge difference in an investor’s bottom line.” --Paul Merriman, Founder of Merriman, a Seattle-based investment advisory firm; Editor of Fundadvice.com and the Sound Investing podcast

“Masonson is a highly regarded stock market researcher who provides investors with his discerning perspective on an ETF investing strategy using relative strength. In this succinct and sharply focused book, Masonson develops a logical and easy-to-use strategy with all the necessary steps to maximize returns while ably managing risk.” --Nelson Freeburg, Editor of Formula Research, a financial newsletter that develops systematic investment models for stocks and bonds

Forex



ForeX Trading for Maximum Profit: The Best Kept Secret Off Wall Street Hardcover – December 27, 2004

by Raghee Horner (Author), Jeffrey Alan Brandzel (Editor)

★★★★☆ 73 customer reviews

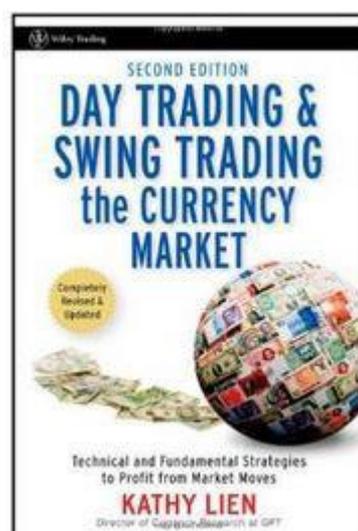
Amazon Link

[ForeX Trading for Maximum Profit: The Best Kept Secret Off Wall Street - Raghee Horner](#)

Recommendation

<http://www.tradebullet.com/resources/books/>

An in-depth how-to look at Forex trading using the methods, analysis, and insights of a renowned trader, Raghee Horner. As the fate of the dollar against foreign currency generates both anxiety and opportunities, currency trading has been drawing much interest and a growing following among traders in the United States. The Forex market is particularly attractive for investors because it trades with no gaps and has unlimited guaranteed stop-losses. The liquidity of the Forex market and worldwide participation makes for more reliable and longer lasting trends as well. Raghee Horner has become legendary not only as a top Forex trader but as a master teacher of trading systems and techniques. Drawing on her winning tools and methods, including classic charting techniques, this book enables a trader or investor of any skill level to understand how the Forex operates and lays out a blueprint for getting starting in this little-understood but high-potential trading vehicle.



Day Trading and Swing Trading the Currency Market: Technical and Fundamental Strategies to Profit from Market Moves Hardcover – December

3, 2008

by Kathy Lien ▾ (Author)

★★★★★ ▾ 21 customer reviews

Amazon Link

[Day Trading and Swing Trading the Currency Market: Technical and Fundamental Strategies to Profit from Market Moves - Kathy Lien](#)

Recommendation

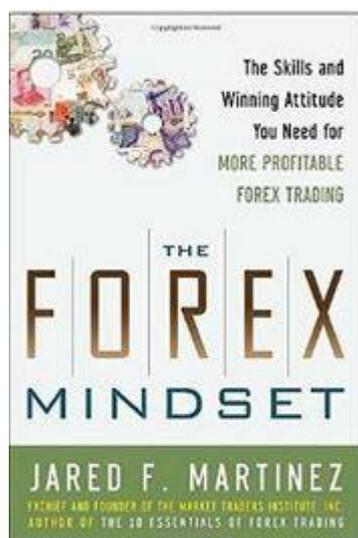
"I thought this was one of the best books that I had read on FX. The book should be required reading not only for traders new to the foreign exchange markets, but also for seasoned professionals. I'll definitely be keeping it on my desk for reference. The book is very readable and very educational. In fact, I wish that Kathy's book had been around when I had first started out in FX. It would have saved me from a lot of heartache from reading duller books, and would have saved me a lot of time from having to learn things the hard way. I look forward to reading other books from her in the future." —Farooq Muzammal, Head of Foreign Exchange, MAREX Capital

"Kathy's book is an indispensable tool for Forex traders, whether you are a professional or novice. It not only lays the groundwork for an in-depth understanding of Forex trading, it also contains numerous fundamental and technical strategies . . . I suspect that many traders will be keeping Kathy's book within arm's reach for many years to come." —Eddie Kwong, Executive VP/Editor in Chief, Tradingmarkets.com

"In Day Trading the Currency Market, Kathy Lien provides traders with unique, thoughtful, and profitable insight on trading this exciting market. This book should be required reading for all traders, whether they are novices to Forex or experienced professionals." —Cory Janssen, cofounder, Investopedia.com

"There are aspects to trading currencies that are different from trading equities, options, or futures. In this book, Kathy Lien provides deep insight into all the mechanisms that take place in the currency markets. Any currency trader will gain more confidence in their trading after reading this book." —Jayanthi Gopalakrishnan, Editor, Technical Analysis of Stocks & Commodities

"Kathy has done a brilliant job with this book. She speaks directly to traders and gives them guidance to improve their performance as Forex traders. I took some notes and ideas from the book myself that are going to be very useful for my business." —Francesc Riverola, CEO and founder, FXstreet.com



The Forex Mindset: The Skills and Winning Attitude You Need for More Profitable Forex Trading Hardcover – July 14, 2011

by Jared Martinez (Author)

★★★★☆ 20 customer reviews

Amazon Link

[The Forex Mindset: The Skills and Winning Attitude You Need for More Profitable Forex Trading - Jared Martinez](#)

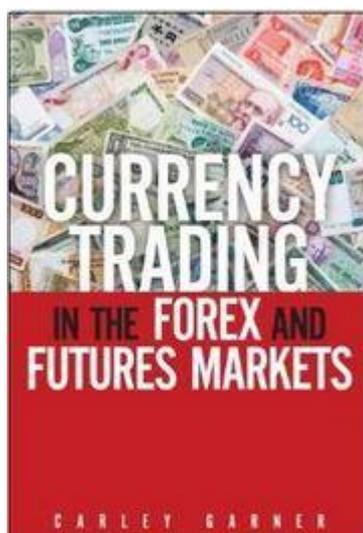
Recommendation

http://www.traderplanet.com/star-awards/competitor_review/2014/1838/

In this book, author Jared Martinez details the vital psychology behind forex trading. Martinez traded the forex market for a decade through the 1980's and 90's before he discovered the secret to being a successful trader is actually 10% skill and 90% emotional intelligence. Martinez delves into human nature and market behavior and shares with readers how to use the public's forces of fear and greed to make personal gains in the market. One of the best parts about the book is that it not only covers details about trading successfully, the lessons on controlling your emotions and taking control are really applicable to any area of your life.

Key lessons include: Protecting your trades, how the greed and fear of others controls the market, finding a balance in your trades, understanding how your head and heart works together in your trading success, why intellectual intelligence has little to do with emotional intelligence, ways to ensure that your subconscious doesn't work against your trading goals.

Emotional intelligence is a state in which you exercise positive self-control over negative, damaging emotions. Emotional intelligence allows you to tap into the right information within your brain that gives you the discernment to engage in proper human connections with the right influential people who will enhance your life. At trading, emotional intelligence helps you tap into the appropriate information within your left brain that gives you the correct logical information, while severing ties to the right brain, which influences erratic, fearful, destructive, or negative actions. Staying tapped into the left brain during the trade will enhance your trading results.



Currency Trading in the Forex and Futures

Markets Hardcover – January 29, 2012

by Carley Garner ▾ (Author)

★★★★☆ ▾ 15 customer reviews

Amazon Link

[Currency Trading in the Forex and Futures Markets - Carley Garner](#)

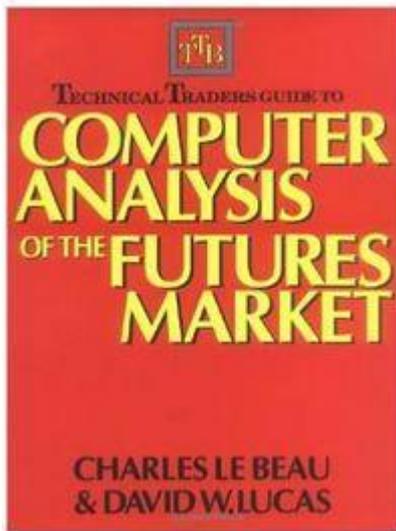
Recommendation

“Carley Garner is a smart trader and broker; she understands the markets and the importance of educating traders. Her new FOREX book is a good addition to her other efforts, A Trader’s First Book on Commodities and Commodity Options. Taking on FOREX is not easy, but Carley nailed this one. MrTopStep.com gives it a big thumbs up.” —Danny Riley, President, MrTopStep.com

“Once again, Carley Garner demonstrates her ability to boil down complex concepts for individual traders. This book will put budding currency traders ahead of the curve with its unique blend of the basics and some refreshingly unexpected material.” —Karris Golden, Traders Press®

“It’s not easy to write about a complex topic like currency trading in words that anyone can understand. In that respect, Carley Garner hit a home run with this book. She clearly spells out the advantages and potential pitfalls to trading FOREX today. It’s a must-read for any investor considering exploring currency trading.” —Frederic Ruffy, Market Strategist, Trade Alert, LLC

Futures



Technical Traders Guide to Computer Analysis of the Futures Markets Hardcover

– December 1, 1991

by Charles Lebeau (Author), David Lucas (Author)

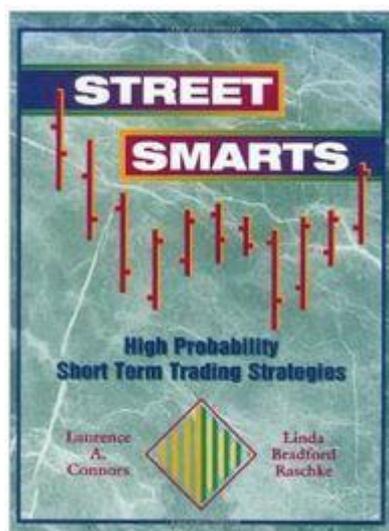
Amazon Link

[Technical Traders Guide to Computer Analysis of the Futures Markets - Charles LeBeau and David Lucas](#)

Recommendation

<http://www.vantharp.com/Van-Tharps-Favorite-Books.htm>

LeBeau, Charles and David W. Lucas. The Technical Trader's Guide to Computer Analysis of the Future's Market. Homewood, IL: Irwin, 1992. I've been associated with Chuck for a long time and he's a presenter in our systems workshop. And the reason he is a presenter is this book. It probably does the best job of any book up to it's publication date of taking apart systems into components and showing you how to logically think about and develop systems.



Street Smarts: High Probability Short-Term Trading Strategies Hardcover – January 1, 1996

by [Linda Bradford Raschke](#) (Author), [Laurence A. Connors](#) (Author)

★★★★☆ 53 customer reviews

Amazon Link

[Street Smarts: High Probability Short-Term Trading Strategies - Linda Bradford Raschke and Laurence A. Connors](#)

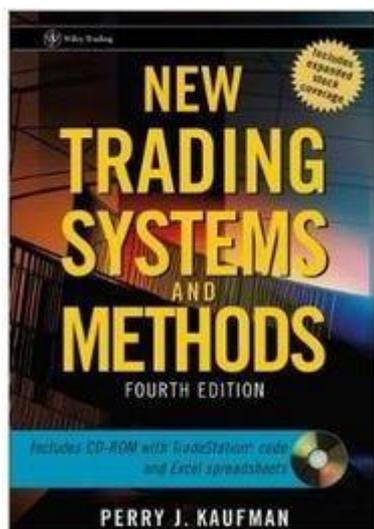
Recommendation

*** (out of 4 stars) ... excellent!, Commodity Traders Consumer Report, March 1996 -- Commodity Traders Consumer Report, March 1996

“First of all let me state that you must already have a certain concept of trading and trading terminology to benefit from this book. You must also understand and believe the importance of chart reading as a trader to fully understand what the authors are saying. I believe some of the negativity written about this books is because the readers didnt understand trading concepts as applied to chart reading or disregard chart reading altogether as a valid tool to trading.

With this said, I have to say that the book was beneficial for me as a short term trader. It helped me find patterns that I would've otherwise overlooked before reading this book. Let me also add that the turtle soup and turtle soup plus one does not really apply 100%, per say, to the fast momentum stocks I screen for. However, reading those strategies helped fine tune my entry and exit strategies when I enter a trade. It did so by helping me look for intraday swings and the probabilities of possible price action for next day trading based on what happened to the price at the close. If anything, the book helped me alot because it opened my mind to other trading possibilities and thus form ideas for myself.

Like another reader said, the authors are not mechanical traders. Thus these patterns and strategies should not be taken mechanically. Instead one should trade cautiously using discretionary stops. The book will only teach you about patterns in the market that have a high probable outcome. It's up to the individual to trade the patterns and use protective stops in the case the anticipated move goes wrong. “ – T. Villarubia (Amazon Review)



New Trading Systems and Methods (Wiley Trading)

Hardcover – February 28, 2005

by Perry J. Kaufman (Author)

★★★★☆ ▾ 26 customer reviews

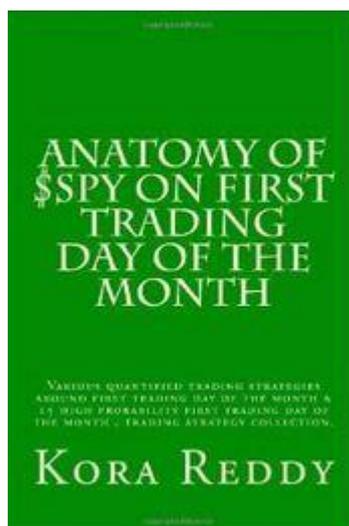
Amazon Link

[New Trading Systems and Methods \(Wiley Trading\) - Perry J. Kaufman](#)

Recommendation

<http://www.tradebullet.com/resources/books/>

For more than two decades, futures traders have turned to the classic Trading Systems and Methods for complete information about the latest, most successful indicators, programs, algorithms, and systems. Perry Kaufman, a leading futures expert highly respected for his years of experience in research and trading, has thoroughly updated this bestselling guide, adding more systems, more methods, and extensive risk analysis to keep this the most comprehensive and instructional book on trading systems today. His detailed, hands-on manual offers a complete analysis, using a systematic approach with in-depth explanations of each technique. This edition also includes a CD-ROM that contains the TradeStation EasyLanguage program, Excel spreadsheets, and Fortran programs that appear in the book.



Anatomy of \$SPY on First Trading Day of the Month: various quantified trading strategies around first trading day of the month Paperback –

November 4, 2013

by Kora Reddy (Author)

★★★★☆ 12 customer reviews

Amazon Link

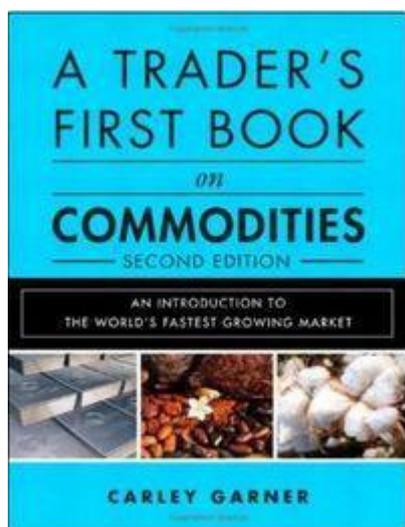
[Anatomy of \\$SPY on First Trading Day of the Month: various quantified trading strategies around first trading day of the month - Kora Reddy](#)

Recommendation

“This is a rare trading book in that it shows readers the statistics and probabilities of a simple winning trading system with an edge. The book examines the performance of simply buying the \$SPY (S&P 500) Exchange Traded Fund at the end of the day on the last day of the month and holding it through the first day of the month. Many have seen the phenomenon of the first day of the month being an up day most the time probably due to capital in flows into money managers that have to put it to work. While this is not a perfect strategy it is a historical winning strategy and it is researched using one of my favorite trading vehicles the \$SPY ETF.

I like the \$SPY for its overall smooth moves since it is diversified across 500 stocks and tends to trend as equities trend as an asset class. This book has all the metrics for how \$SPY trades the first day of the month with other factors as well including its position as compared to the most popular moving averages, how the previous day performed, and the percent of the previous days move among other things which can refine the trading of the first day of the month even more. The author could have written this book for me as it is very similar to how I go about back testing trading ideas and I will be using this book to create a real trading strategy for this historical pattern. Of course you still have to manage risk and be disciplined to reap the potential benefit of this edge and it is not a stand alone system but will fit in very nicely as one of many other systems.” - Steve Burns (Amazon review)

“It is crucial to have a trading system that has a statistical edge. Kora Reddy certainly has shown us in this book how one can thoroughly backtest an idea and know exactly what the winning probability is. The author did a thorough backtesting of the first trading day of the month phenomenon which has been known for years. Statistically he proves that there are a number of scenarios that have a high winning probability. Especially for novice traders and people who are interested in the backtesting topic, the author explained clearly the important backtesting metrics used in the book. The table format is very easy for readers to see the outcome of each and every scenario listed in the book. I highly recommend anyone trading and investing in the market should have a read of the informative book.” V. Wang (Amazon review)



A Trader's First Book on Commodities: An Introduction to the World's Fastest Growing Market (2nd Edition) Hardcover –

December 29, 2012

by Carley Garner ▾ (Author)

Amazon Link

[A Trader's First Book on Commodities: An Introduction to the World's Fastest Growing Market \(2nd Edition\) - Carley Garner](#)

Recommendation

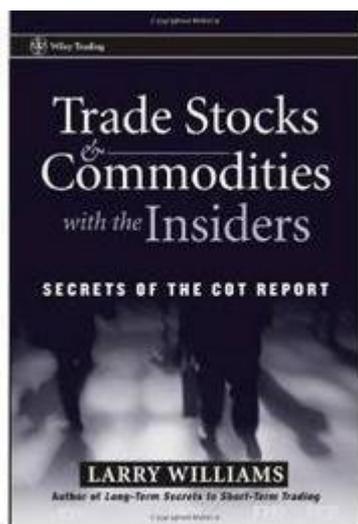
“As an industry insider and active trader, Carley provides excellent perspective in trading commodities. She simplifies the process and explains in detail how to gain access to the markets and how to avoid the common mistakes for novice traders. This is a must read and one that has shelf life as an important resource in commodities trading.” —Stephanie Link, CIO, The Street

“This easy-to-read introduction to futures trading provides a comprehensive overview while being honest about the risks. If you are as hard working as Carley is, it will surely whet your appetite to read more about the incredible business of trading commodities!” —Linda Raschke, LBRGroup/FuturePath

“As a 35-year veteran of the CME/CBOT trading floor, I can tell you...those who think they can begin trading commodities without knowing the less talked about topics that Carley discusses in A Trader’s First Book on Commodities are sadly mistaken. Anyone who trades their own account, or would like to, should read this book.” —Danny Riley, MrTopStep.com

“I own and operate one of the longest running independent brokerage firms in the industry. Take it from me, there is a lot more to futures trading than studying charts and reading the news; this book delivers what most commodity books are missing. Carley goes a long way toward shortening the learning curve for anybody that is serious at getting involved in the futures and options markets. A Trader’s First Book on Commodities is a must have for newbies or experienced traders looking for a fresh perspective.” —Matt Zaner, Zaner Group LLC

“Carley does a masterful job connecting the rich history of commodity trading with the modern day trading markets. It’s not easy trading any market, but this book gives any trader a chance to advance their knowledge. While times have changed, the art of trading commodities has not; this piece is a must have for a trader getting started.” —Bob Lang, Contributor, TheStreet.com, and Founder, ExplosiveOptions.net



Trade Stocks and Commodities with the Insiders: Secrets of the COT Report

Hardcover – September 12, 2005

by Larry R. Williams (Author)

★★★★☆ 29 customer reviews

Amazon Link

[Trade Stocks and Commodities with the Insiders: Secrets of the COT Report - Larry R. Williams](#)

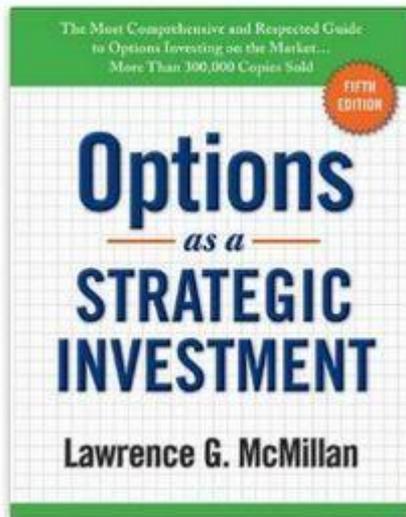
Recommendation

<http://emini-watch.com/free-stuff/top-trading-books/>

Trade Stocks & Commodities with the Insiders by Larry Williams

Larry Williams filled a gap in the market with this book exclusively about Commitment of Traders. He doesn't reveal all his secrets in this book but if you want to understand the Commitment of Traders Report, this is a must read. The information is more geared towards swing trading futures than day trading.

Options



Options as a Strategic Investment Hardcover – August 7,

2012

by Lawrence G. McMillan (Author)

★★★★☆ 28 customer reviews

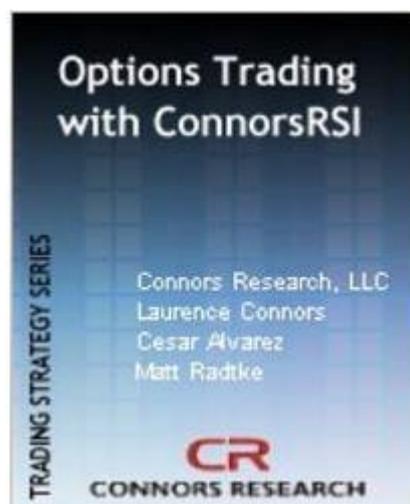
Amazon Link

[Options as a Strategic Investment - Lawrence G. McMillans](#)

Recommendation

<http://www.minyanville.com/business-news/editors-pick/articles/trading-book-Reminiscence-of-a-Stock/1/14/2013/id/47283?page=full>

Options as a Strategic Investment by Lawrence McMillans is great resource to help novice investors wrap their heads around the world of options investing. It covers the basics of how options work, and offers numerous strategies for a variety of different markets. The newest edition of this guide showcases a variety of options trading products now available, as well as contains a section on volatility trading. If you're thinking of using puts and calls, read this book first.



Options Trading with ConnorsRSI (Connors Research Trading Strategy Series) [Kindle Edition]

[Connors Research](#) (Author), [Matt Radtke](#) (Author), [Cesar Alvarez](#) (Author), [Larry Connors](#) (Author)

★★★★☆ (3 customer reviews)

Amazon Link

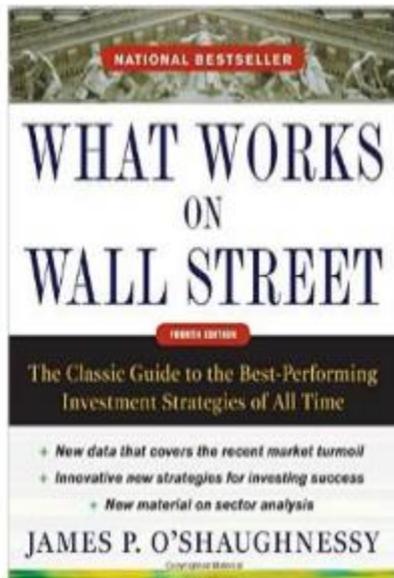
[Options Trading with ConnorsRSI \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research, Matt Radtke](#)

Recommendation

“Options are among the most difficult markets to trade. Many traders like the idea of the low prices on many options contracts, but few can successfully and consistently time their trades. Connors provides a "turn key" strategy that any trader could implement the day after they read this book. In addition to being detailed, this book stands out as the only options book I've ever seen with test results. You not only get a complete trading strategy, but also a high level of confidence in the strategy based on the historical performance.” - A high probability and back tested options trading that works, By Amber Hestla, Options Strategist

“Options traders need to get the direction of the trend correct and they need to time the trade correctly in order to minimize the cost of the time premium (if they are buying) or maximize the time premium when selling. Most authors describing an options strategy fail to provide test results, either because the strategies are untested or because the test results don't support their idea. This book provides trading rules and back tested results. Because stocks and ETFs show a high degree of correlation in the short term, there is no need to provide test results for dozens of options series - if the strategy works on SPY it should be expected to work just as well on other indexes which move with SPY 90% or more of the time. This book is the only book I know of that tests an options strategy that is quantified and reproducible. It's the perfect book for small traders trying to understand options or experienced traders looking for high probability signals.” - Quantified options strategy with real test results, By Mike Carr, CMT

Stocks



What Works on Wall Street, Fourth Edition: The Classic Guide to the Best-Performing Investment Strategies of All Time

Hardcover – November 14, 2011

by James O'Shaughnessy (Author)

★★★★☆ 31 customer reviews

Amazon Link

[What Works on Wall Street, Fourth Edition: The Classic Guide to the Best-Performing Investment Strategies of All Time - James O'Shaughnessy](#)

Recommendation

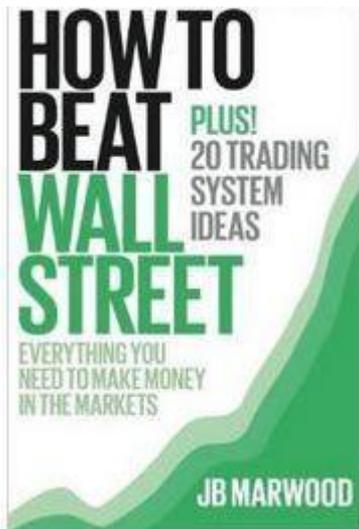
<http://stockcharts.com/articles/journal/2013/10/pivotal-books-in-the-25-year-trading-life-of-a-stock-market-investor.html>

Both of these two books will give you guidance as how best to approach the markets and will describe those key relationships that'll help shift the probabilities your way.

<http://einvestingforbeginners.com/2013/07/08/top-investing-books/>

This book gives you specific methods to analyze individual stocks and companies. Through extensive research and testing, O'Shaughnessy showed how superior gains can be made and have been made by value investors in the stock market. The amount of sheer data in What Works on Wall Street is fascinating, and the book took Wall Street by storm as a best seller in the 90's.

O'Shaughnessy also defends the importance of the rarely used P/S ratio, and of course backs it up with more raw data and case studies. If you are a numbers guy like I am and love to see how ratios and indicators have shaped the performance of stocks, pick up this book today.



How to Beat Wall Street: Everything You Need to Make Money in the Markets Plus! 20 Trading System Ideas Paperback – November 18, 2013

by Mr J B Marwood (Author)

★★★★★ 23 customer reviews

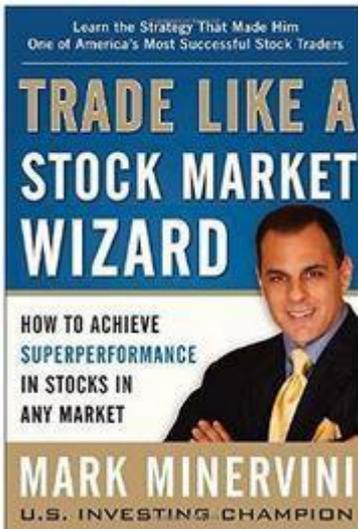
Amazon Link

[How to Beat Wall Street: Everything You Need to Make Money in the Markets Plus! 20 Trading System Ideas - Mr J B Marwood](#)

Recommendation

<http://jbmarwood.com/16-best-trading-books-time/>

It would be stupid to write a list of the best trading books without mentioning my own book. In many ways, HTBWS is an accumulation of all the books on this page. All the secrets and techniques from these classics helped shape my book, which I have tried to put together in a concise way.



Trade Like a Stock Market Wizard: How to Achieve Super Performance in Stocks in Any Market Hardcover – April 11, 2013

by Mark Minervini (Author)

★★★★☆ 103 customer reviews

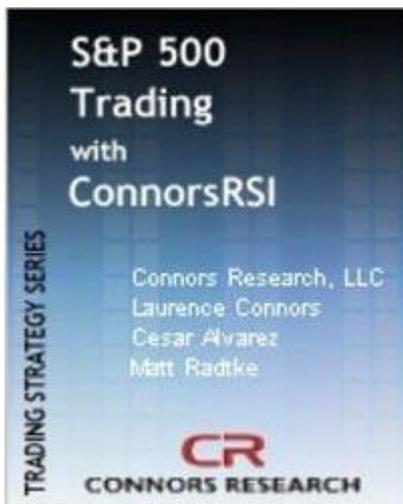
Amazon Link

[Trade Like a Stock Market Wizard: How to Achieve Super Performance in Stocks in Any Market - Mark Minervini](#)

Recommendation

<http://www.daytradetheworld.com/trading-blog/top-10-stock-market-books-you-should-read>

This stock market books teaches you how to do technical analysis and apply it in a real-world setting. It also provides you with strategies and knowledge that make it a must-have in your stock market book library.



S&P 500 Trading with ConnorsRSI (Connors Research Trading Strategy Series) [Kindle Edition]

[Larry Connors](#) (Author), [Cesar Alvarez](#) (Author), [Matt Radtke](#) (Author), [Connors Research](#) (Author)

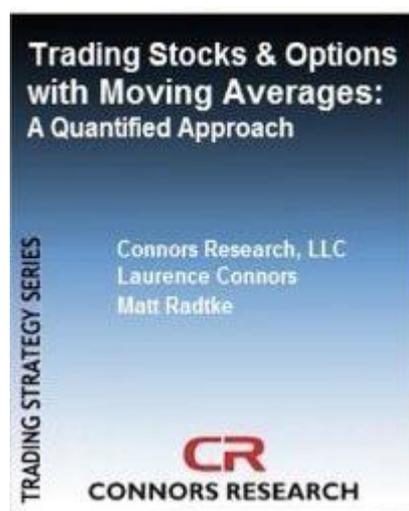
★★★★☆ (2 customer reviews)

Amazon Link

[S&P 500 Trading with ConnorsRSI \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research, Matt Radtke](#)

Recommendation

"ConnorsRSI might be the first new indicator released in years. At least it might be the first new indicator that works that has been released in years. It includes the direction of the trend along with the strength and duration of the trend in its calculation. The result is an indicator that spots oversold and overbought extremes. This book puts the indicator into a strategy that can be traded and includes detailed test results showing the strategy would have been profitable. Using indicators everyone else uses is unlikely to be profitable. This book demonstrates unique insights into the market can be profitable with a disciplined strategy." - A new indicator for trading success, By Mike Carr, CMT



Trading Stocks and Options with Moving Averages - A Quantified Approach (Connors Research Trading Strategy Series) [Kindle Edition]

[Larry Connors](#) (Author), [Matt Radtke](#) (Author), [Connors Research](#) (Author)

★★★★☆ (3 customer reviews)

Amazon Link

[Trading Stocks and Options with Moving Averages - A Quantified Approach \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research, Matt Radtke](#)

Recommendation

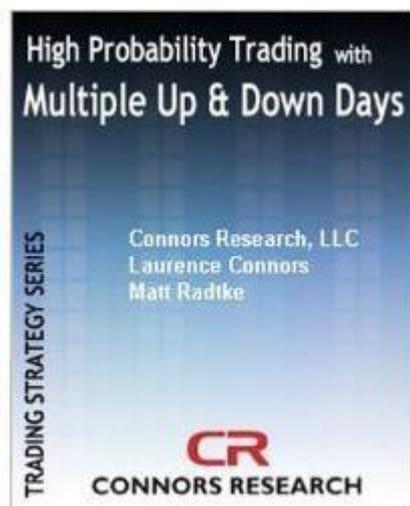
"Connors Research does an outstanding job measuring a strategy's effectiveness. The thing I like about all the strategies is that they will test a wide range of parameters. If the logic is correct you should not see a large variance in returns when the inputs change. Meaning, it should not matter greatly if the moving averages are a 5/10 period, or 10/20 period. If the underlying logic is sound, you have a robust indicator even if the inputs (moving averages in this case) are not optimal for the ever changing markets. Connors Research offers both mean reversion strategies as well as trend following strategies.

Trading Stocks and Options with Moving Averages is a mean reversion strategy that offers clear rules on how to use moving averages for profitable trades. The essence of this strategy is to find stocks that have corrected too far too fast within the context of a larger uptrend, and capitalize on the overreaction. The strategy includes both entry and exit of the trade.

One of the hallmarks of Connors Research strategies is the high win percentage, typically around 70%. The trader needs to know their own trading style and determine if they would rather enjoy a 75% win rate and have fewer trade signals, or be happy with 68% win rate and have more trades.

This strategy searches for volatile stocks, and then buys them while everyone is selling. It takes courage and a sound strategy to do this with confidence. The trader will also need a flexible database to screen and filter stocks within these parameters. TradingMarkets.com has a free market screener that has many of the indicators needed." - "Buy The Dip" with 75% accuracy, By Lance McDonald, CMT

"This book shows how to identify deeply oversold trading opportunities with moving averages. That's a unique idea - MAs are usually applied to trend following systems. By using MAs as the basis of a mean-reversion trading strategy you get a unique insight into the market. This strategy identifies low-frequency, high probability trade signals and can be used with other trading strategies to take advantage of oversold markets." - Unique insight to prices that gives you an edge, By Mike Carr, CMT



High Probability Trading With Multiple Up and Down Days (Connors Research Trading Strategy Series) [Kindle Edition]

[Larry Connors](#) (Author), [Matt Radtke](#) (Author), [Connors Research](#) (Author)

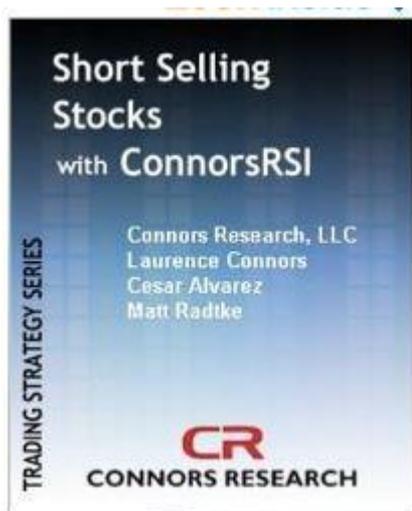
★★★★★ (1 customer review)

Amazon Link

[High Probability Trading With Multiple Up and Down Days \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research, Matt Radtke](#)

Recommendation

"One of the paths to market success is to look at the same data every one has access to and see it in a different way. That's what this book does - multiple down days and multiple up days are used to define the direction of the short term trend. This is an indicator and a trading strategy and the strategy comes with objective rules, detailed results and examples that can be immediately applied to the markets. This book could also provide readers with new ideas for testing weekly or intraday time frames, another possible path towards successful trading." - A new way of looking at the trend, By Mike Carr, CMT



Short Selling Stocks with ConnorsRSI (Connors Research Trading Strategy Series) [Kindle Edition]

[Larry Connors](#) (Author), [Cesar Alvarez](#) (Author), [Matt Radtke](#) (Author), [Connors Research](#) (Author)

★★★★☆ (2 customer reviews)

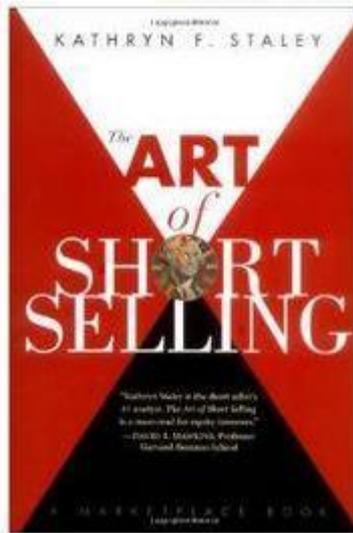
Amazon Link

[Short Selling Stocks with ConnorsRSI \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research, Matt Radtke](#)

Recommendation

This is a unique book with detailed strategies that work for short selling, an area that has been largely neglected in the literature of technical analysis. Traders will be able to place trades on the short side immediately after reading this book. They will also have a detailed understanding of how to design a trading system that offers potential rewards based on mechanical rules and can then develop their own short selling strategies based on the ideas in the book." - First time I've seen a winning system for short trades By Mike Carr, CMT

"Gives good additional information to their first book on short term trading. Adding info on option trading was very useful." - Good additional info, By Michael Young



The Art of Short Selling Hardcover – December 23, 1996

by Kathryn F. Staley ▾ (Author)

★★★★☆ ▾ [28 customer reviews](#)

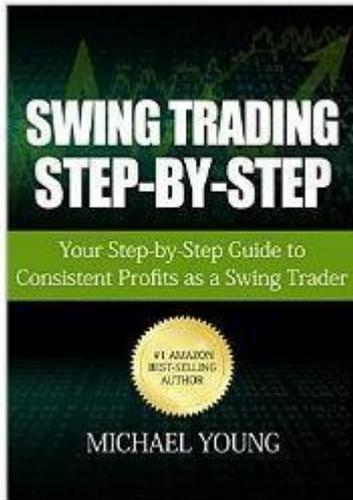
Amazon Link

[The Art of Short Selling - Kathryn F. Staley](#)

Recommendation

<http://www.minyanville.com/business-news/editors-pick/articles/trading-book-Reminiscence-of-a-Stock/1/14/2013/id/47283?page=full>

Goetz and his team are quick to notice a poor understanding of how to sell short among their new trainees. Kathryn F. Staley's *The Art of Short Selling* offers a dexterous explanation of an incredibly profitable but oft misunderstood discipline that no novice trader should be without. Staley gives insight into the key signals for when a stock's price is going to drop, where these signals are found, and how to utilize these signals to make a profit. Short selling, however, remains incredibly risky, and a few missteps can yield an irrevocable loss. Having a good foundation in the practice is a must, and Staley's guide is a fantastic resources to build one.



Swing Trading Step-by-Step: Your Step-by-Step Guide to Consistent Profits as a Swing Trader [Kindle Edition]

[Michael Young](#) (Author)

★★★★☆ (9 customer reviews)

Amazon Link

[Swing Trading Step-by-Step: Your Step-by-Step Guide to Consistent Profits as a Swing Trader - Michael Young](#)

Recommendation

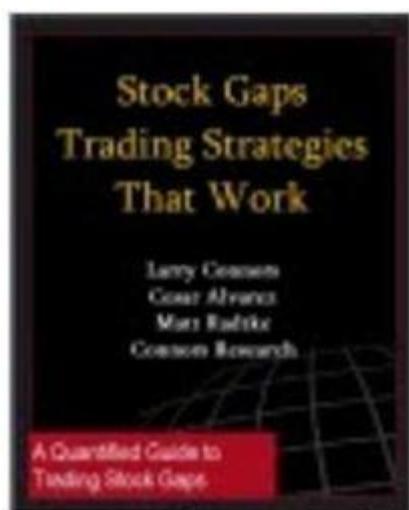
"I have read other books on swing trading and this guide covers in a few quick pages what the others took far too many pages to cover. The step by step guide is just that, it gives the upside and downside to different methods and the charts provided keep the reading light and easily graspable.

A must read for anyone wandering into the swing trading methodology, well worth the read for anyone who invests at all!" - Best Swing Trading guide I have seen By Ellen McConnell

"One of the best most complete guide to swing trading I've read so far. The charts we're really necessary. The best part of this book was the section on money management and how it coincides with your level of risks and also when to avoid trading altogether. It's amazing the amount of money needed in order to have just a chance at swing trading. The analysis is difficult, but practicing with paper trading is an excellent tip for getting better. This book really helped me understanding swing trading that much more." - good content, great advice and tips By C Swan

"This is a very good on Swing Trading, it's well written and effectively communicated. I learned a lot about Swing Trading from this step-by-step guide. The use of diagram by the writer assisted me to better understand the material. Chapter 5 was very in depth in the explanation of the market price stages. In addition, the writer devoted a chapter on how to spot a swing trading opportunity. A+++++" - A+++++ book By Deneil C.

"Swing trading is an alternative to day trading. To practice swing trading you need strategy, disciplined money management and leaving emotions out of your trading. You learn that all stocks move within four pricing stages and you need to know and understand them. It also covers knowing the psychology of the crowd. Its a great introduction to swing trading." - Start here, By Christine



Stock Gap Trading Strategies That Work (Connors Research Trading Strategy Series) [Kindle Edition]

[Larry Connors](#) (Author), [Cesar Alvarez](#) (Author), [Connors Research](#) (Author), [Matt Radtke](#) (Author)

★★★★★ (1 customer review)

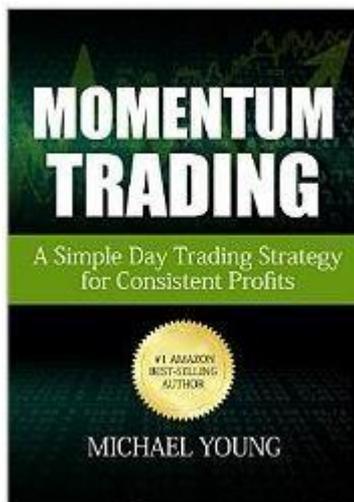
Amazon Link

[Stock Gap Trading Strategies That Work \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research, Matt Radtke](#)

Recommendation

"Gaps have been widely studied and the conclusions tend to be mixed - some authors show great trading results with gaps and other show gaps have little value for traders. As he does in all his work, Connors defines exactly how to take action on gaps and he provides data showing that action could be profitable for disciplined traders.

Volatile markets create a large number of gaps. This book tells traders how to profit from that fact and the test results provided show the strategy works in bull and bear markets. That makes this the right book for traders nervous about when the next bear market will start. If you trade gaps, it really won't matter because you can profit in up or down markets." - High Probability Gap-based Trading Opportunities, By Mike Carr, CMT



Momentum Trading: A Simple Day Trading Strategy for Consistent Profits [Kindle Edition]

[Michael Young](#) (Author)

★★★★☆ (16 customer reviews)

Amazon Link

[Momentum Trading: A Simple Day Trading Strategy for Consistent Profits - Michael Young](#)

Recommendation

"This is an excellent overview of moment trading. I enjoyed reading my this book in it's entirety. I especially loved chapter 5 which provided a step by step strategy on how to implement the moment trading. In this chapter the writer also included a diagram and a graph to illustrate his points more clearly, which I appreciated a lot. This ebook educated me on the risks associated with momentum trading, possibility of things going wrong and what to do should this happen. A lot of information packed in a short ebook. A+++++" - A great overview, By Deneil C.

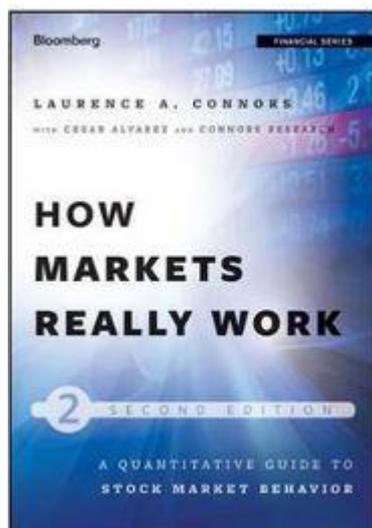
"This is my kind of trading! You need to do some research before practicing this, but as a day trader I think this is exactly what I need. This book is excellent, telling you not only what to do, but when to do it. It covers everything you need to know about Momentum trading. I recommend this book to everyone researching the practice of momentum trading." - Great Information, By Christine "Save A Stray"

"I really like this momentum trading. It's different from day trading, but has similar concepts and rules. I don't think it's for me because I don't want to spend so much time preparing and watching the market in order to make something happen. It's a strategy that I can use along with more familiar and relaxed methods that allow you to hold a position long term. I enjoyed learning about this cool strategy." - Good overview, By C Swan

"If you are an aspiring trader who enjoys living on the edge then Momentum trading IS FOR YOU! In Momentum trading, traders focus on stocks that are moving significantly in one direction on high volume. This style offers the most potential for big profit since it is powered by Momentum, the single most significant factor driving stock prices. However, without a proper understanding of the technique, sufficient knowledge of the risks and a willingness to take an occasional loss, momentum trading can get the best of even the most seasoned traders. The author does an excellent job illustrating the differences between Momentum and Trend & Swing trading. Another Thumbs Up for this information packed eBook by Michael Young." - TRADING FOR RISK LOVERS, By TexasT "Tonya Bilbrey"

"Young delivers again with an outstanding guide on Momentum Trading! Momentum Trading has time constraints and more than likely open and close trading positions on the same day. Momentum Trading is often confused with trend trading, and swing trading. This guide tells you how to accurately select your stocks, what optimum trading time consist of, the importance of volume, strategies, the open market, exit levels etc; This guide provided very detailed information, with some graphs, and great examples, Young even identified the warnings and risk to let the trader know what to look out for. Reading this guide is a must read in my opinion, highly recommended!!" - Great Guide! A+, By C. James "Cris-Style"

"This guide is the ultimate as far as learning about momentum trading goes. Momentum trading is not the same as day trading and I would definitely look into more information before getting started with momentum trading but this book is the perfect starting point for getting your feet wet. Michael Young did very well breaking down the differences between regular swing trading and momentum trading as momentum trading is more intricate. I will give this book 5 stars I learned so much." - 5 stars! By Chasity Platts



How Markets Really Work: Quantitative Guide to Stock Market Behavior Hardcover – March 6, 2012

by Larry Connors (Author), Cesar Alvarez (Contributor), & 1 more

★★★★☆ ▾ 27 customer reviews

Amazon Link

[How Markets Really Work: Quantitative Guide to Stock Market Behavior - Larry Connors, Cesar Alvarez, Connors Research](#)

Recommendation

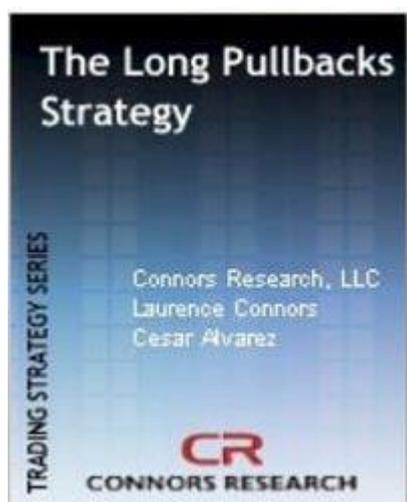
"Those who want to improve their trading of the markets in the very short run would benefit from this book." (Seeking Alpha, March 21st, 2012)

"The original "How Markets Really Work" has long been one of my favorite trading books of all time. It came out shortly after I began doing a lot of my own quantitative research. The concepts in the book were simple, effective, and, for me, inspiring. I referred back to that book many times over the next few years and my copy is filled with highlights and notes.

Upon reading the second edition I have not been disappointed. Larry reviews all of the edges he identified in the first edition and shows how they have evolved since. I enjoyed placing my books side-by-side and going through the first several chapters. Additionally, he's added a few more chapters which should make the second edition a worthwhile purchase for anyone who already owns the first. One of these chapters discusses Larry's research with regards to the 2-period RSI indicator, another looks at historical volatility and its impact on individual stock returns, and the third shows a nice example of a rotational system that could be built using the ideas in the book.

I often say a trading book is worthwhile if you can get at least one good idea from the book that you can apply to your trading and improve your returns. Two good ideas make for a very good book. "How Markets Really Work" has a bundle. For traders who enjoy system building or quantitative research you have a goldmine of ideas here which make for excellent starting points. But even traders who don't conduct their own market studies would be well advised to have an understanding of the concepts presented in this book. And the fact that it's written in such simple terms is a real plus. It's perhaps one of the few quantitative books that requires almost no knowledge of math.

Anyway, it's long been an inspiration to me, and now that there is a second edition I suspect it will be an inspiration to many new traders as well. " – Rob Hanna – Quantifiable Edges



The Long Pullbacks Strategy (Connors Research Trading Strategy Series) [Kindle Edition]

[Larry Connors](#) (Author), [Cesar Alvarez](#) (Author), [Connors Research](#) (Author)

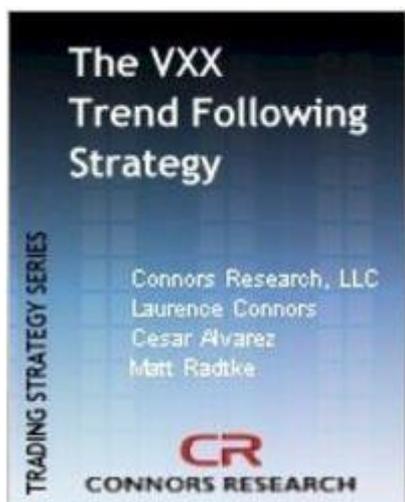
★★★★★ (2 customer reviews)

Amazon Link

[The Long Pullbacks Strategy \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research](#)

Recommendation

“Trading is often reduced to simple statements like "buy the dips." That's a strategy that works if you know how to spot the difference between a dip and the beginning of a decline. The Long Pullbacks Strategy provides detailed rules that have a history of success. It also provides historical results that show the rules have worked in any market environment. The value of this book is simply that it explains when a dip is a buying opportunity and when you should avoid buying.” - Buy the dips with a quantified strategy, By Mike Carr, CMT



The VXX Trend Following Strategy (Connors Research Trading Strategy Series) [Kindle Edition]

[Connors Research](#) (Author), [Matt Radke](#) (Author), [Cesar Alvarez](#) (Author), [Larry Connors](#) (Author)

★★★★★ (2 customer reviews)

Amazon Link

[The VXX Trend Following Strategy \(Connors Research Trading Strategy Series\) - Larry Connors, Cesar Alvarez, Connors Research, Matt Radtke](#)

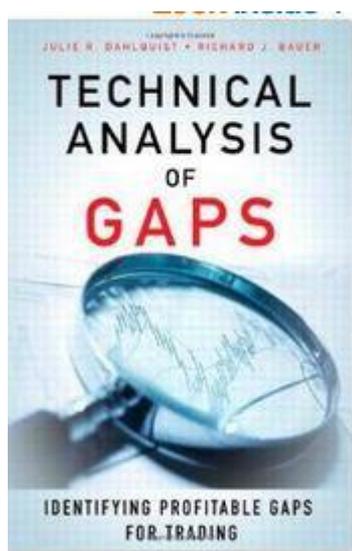
Recommendation

“Connors Research offers both mean reversion and trend following strategies, but the VXX Trend Following Strategy is (obviously) the latter. The hardest part about this strategy is to understand the VXX symbol that you are trading. The VXX simply holds a portfolio of VIX (Volatility Index) futures. You will want to dig in and understand what you are buying and this book takes several pages to walk you through the VXX.

There are several strengths to this strategy. The first is that you only need to follow one trading symbol, VXX. Second, the trade entry rules are extremely straight forward and you will be able to set this up in any free trading/charting platform. Third, this strategy takes both long and short trades. To be “long” you are betting on the price to go higher and to be “short” means you are betting on price to go lower. You must understand this concept as the VXX has a downward bias and 85% of the trades will be “short”. Since the VXX is negatively correlated to the stock market, when the VXX is going lower, the stock market is going higher. So, most of the trades will be when the VXX is declining in price. The one downside is that the VXX has only been around since 2009, so there is not a decade of data to back test, but the results are compelling enough to stay engaged and not abandon the strategy.

It is typical to see trend following strategies with a Win Rate of 30% and still be profitable, but this is emotionally difficult for the trader. The VXX Trend Following Strategy has a Win Rate of 45% (depending on what moving average variation you use.) This is more than acceptable for a trend following system if you have the emotional strength to take the trades, and with an Average Gain per trade around 3%, the trader should feel more confident with each trade.” - Volatility and trend are your friends, By Lance McDonald, CMT

“Volatility is talked about a lot but few people explain how to turn talk into action. The VXX Trend Following Strategy provides rules that define exactly when to trade SPY based on volatility. The book is one of the very few that actually tells you how to trade volatility. Precise rules and back tested results allow you to trade with confidence. This is a valuable book that could pay for itself with 2 or 3 trades.” - Stop talking about volatility and start profiting from volatility, By Mike Carr, CMT



Technical Analysis of Gaps: Identifying Profitable Gaps for Trading Hardcover – June 18, 2012

by Julie Dahlquist (Author), Richard J. Bauer (Author)

★★★★☆ 27 customer reviews

Amazon Link

[Technical Analysis of Gaps: Identifying Profitable Gaps for Trading - Julie Dahlquist and Richard J. Bauer](#)

Recommendation

“Finally! We now have a book that deals exclusively with price gaps. Read how to identify them, trade them, and measure their returns. The authors challenge conventional wisdom regarding the usefulness of gaps on heavy or light volume. Find out if days that contain a high number of gapping stocks will offer clues to the market’s overall direction. I thank Julie and Richard for addressing my forty-five-year-old curiosity: What does it mean when prices gap above or below moving averages?” —Ralph J. Acampora, CMT, Director, Technical Analysis, Altaira Limited

“Technical and quantitative market analysts who use or are considering using price gaps either in discretionary or systematic trading strategies will want to study, not just read, Technical Analysis of Gaps: Identifying Profitable Gaps for Trading by professors Julie Dahlquist and Richard Bauer. It adds momentum to the trend of rigorous evidence-based literature. Traders will learn which gaps contain the best profit potential and which contain none. It made me realize how little I knew about this important area of technical analysis.” —David Aronson, CMT, President, Hood River Research, and author of Evidence-Based Technical Analysis

“Technical Analysis of Gaps summarizes the authors’ comprehensive research on stock price gaps. In it, they describe surprising results in gap behavior that dispel many Wall Street myths. They show practical methods for taking advantage of gaps and profiting from their appearance. This book is a classic. In my opinion, it is the final, complete treatise on the subject of stock market gaps.” —Charles D. Kirkpatrick II, CMT, Kirkpatrick & Company, Inc., and coauthor of Technical Analysis: The Complete Resource for Financial Market Technicians



Profiting from Dividend Momentum [Kindle Edition]

[Nick Radge](#) (Author)

★★★★★ (12 customer reviews)

Amazon Link

[Profiting from Dividend Momentum - Nick Radge](#)

Recommendation

“Nick has put his mechanical systems based trading methods into another fine piece of work. This time round focusing on the momentum that can enter a dividend paying stock prior to a dividend being paid. There is no denying that Nick loves to back test, and the back test results of this strategy came as a surprise. They are rather good! Also, what i found quiet interesting was what happened when the index filter was added. Anyways, definately a book worth reading, and would be a very easy strategy to follow.” - A worthy read, By Donald Duck

“An excellent addition to any active investors armoury. Written in an easy format with no "fluff".

Definitely value for money.” - Easy to understand and implement., By Neil Mackechnie

“THE SYSTEM SEEMS TO BE VERY EASY TO IMPLEMENT AND ALSO VERY INTERESTING.

I AM GOING TO TRY AND USE THE SYSTEM IN THE NEW YEAR .I AM VERY CONFIDENT THAT IT SHOULD WORK AND GIVE GOOD RESULTS” - THE EASY DIVIDEND TRADING SYSTEM, By jack bloch

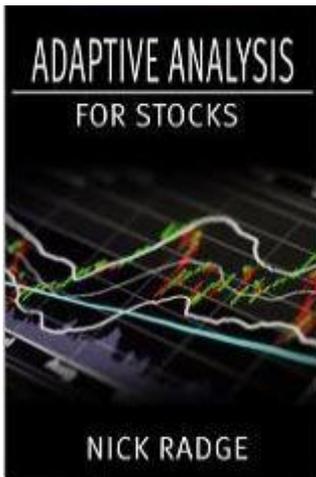
“This is a great book with a well tested strategy. I read it and will implement it. Nick Radge says.... Read It.... Validate It. Do It.” - Great Book!, By Kandoi

“Nick Radge is that rare educator who is also a full time trader.

His books leave nothing to the imagination and strategies are fully disclosed,warts and all!

A characteristic of successful pro traders is their ability to produce robust,elegant systems and Nick excels here.

A valuable addition to one's toolbox and an excellent effort by Mr.Radge overall.” - A Seasoned Pro, By m moosa



Adaptive Analysis for Stocks [Kindle Edition]

[Nick Radge](#) (Author)

★★★★★ (2 customer reviews)

Amazon Link

[Adaptive Analysis for Stocks - Nick Radge](#)

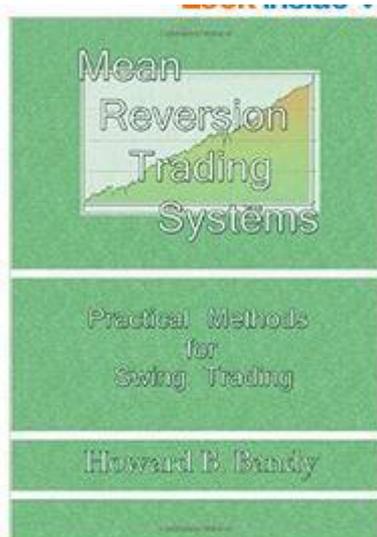
Recommendation

"I haven't finished the book yet, but the best thing about it so far is that Nick Radge gives a balanced analysis of the strengths and weaknesses of using Elliott Wave analysis.

I find the theory potentially lucrative, but it is not a magic pill, and it is quite confusing trying to decide if a certain wave pattern replicates the theory, or not.

Mr. Radge explains day-to-day uses for the theory down to earth terms.

For me that's helpful." - Helpful on Elliott Wave Theory, By Bruce Clark



Mean Reversion Trading Systems Perfect

Paperback – January 15, 2013

by Dr Howard B Bandy ▾ (Author)

★★★★★ ▾ 7 customer reviews

Amazon Link

[Mean Reversion Trading Systems - Dr. Howard B. Bandy](#)

Recommendation

Hi Howard,

Thank you so much! I am really enjoying Mean Reversion Trading Systems and Quantitative Trading Systems, and am reading, studying, and applying it every night after work. I know it will take time, but your books make the road easier. I'm so glad you wrote this new book as well.

In fact, your work is the main reason I've been able to create and test a handful of trading systems so far, and I truly appreciate what you have done. Not just for me, but for any lay-person who like me has a new life skill thanks to you.

--David

Dear Howard,

This year I got some books from you and it surprises me every day to find new things in it. Today I read something about optimization and backtesting. My head is about to burst, but I think you got it, so it must be possible for others...

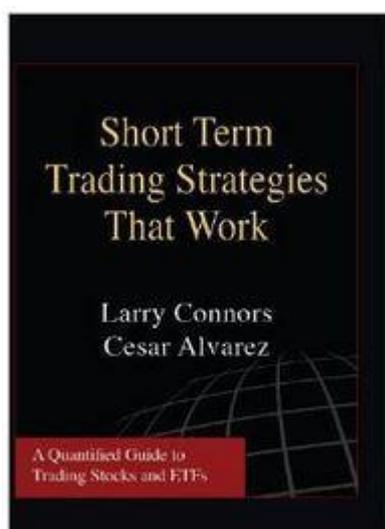
Thank you for your books!

I wish you and your family merry Christmas and keep the fire burning.

best regards from Bavaria, --Peter

Fantastic books. Really precise on the definitions and biases. I do like maths and stats, so I think your books are superb. I have to thank my friend though, as he recommended them to me.

--Joyanta



Short Term Trading Strategies That Work

Hardcover – November 1, 2008

by Larry Connors (Author), Cesar Alvarez (Author)

★★★★☆ 70 customer reviews

Amazon Link

[Short Term Trading Strategies That Work - Larry Connors and Cesar Alvarez](#)

Recommendation

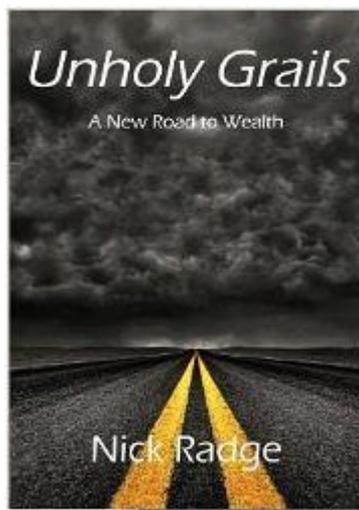
“Larry Connors has years of trading experience and has once again put that experience to paper with this book. I was just a few pages into it when his message hit home. As a result, I have already improved my methods to become better at what I do. --Michael Kahn, CMT, Columnist for Barrons Online, Editor, Quick Takes Pro newsletter

Short Term Trading Strategies That Work is a worthwhile book to read if you're a short term trader. It is simple and relies on respectable tested research. It can only add money to your net worth. --Victor Sperandio, CEO and President of Alpha Financial Technologies LLC; Profiled in The New Market Wizards

You'll keep this book on your trading desk at all times because the quantified strategies presented have a very high probability of success. --Kevin Haggerty, former Head of Trading for Fidelity Capital Markets --Kevin Haggerty, former Head of Trading for Fidelity Capital Markets

Short Term Trading Strategies That Work is a worthwhile book to read if you're a short term trader. It is simple and relies on respectable tested research. It can only add money to your net worth. --Victor Sperandio, CEO and President of Alpha Financial Technologies LLC; Profiled in The New Market Wizards

You'll keep this book on your trading desk at all times because the quantified strategies presented have a very high probability of success.” --Kevin Haggerty, former Head of Trading for Fidelity Capital Markets --Kevin Haggerty, former Head of Trading for Fidelity Capital Markets



Unholy Grails - A New Road to Wealth [Kindle Edition]

[Nick Radge](#) (Author)

★★★★★ (30 customer reviews)

Amazon Link

[Unholy Grails - A New Road to Wealth - Nick Radge](#)

Recommendation

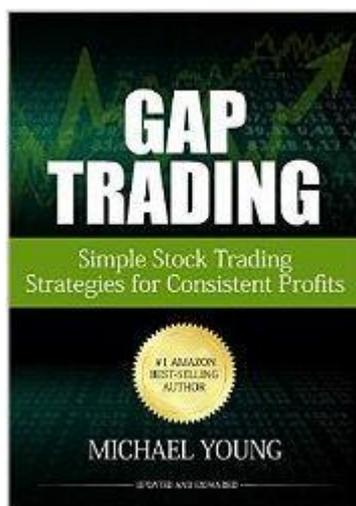
“Most new traders generally go looking for the holy grail of trading. That system that just prints money, they believe it exists and will look relentlessly for it. However there is no holy grail of trading. The closest thing a trader can get to a holy grail in trading is a robust mechanical trend following system with limited draw downs that the trader can deal with without emotions causing them to over ride the system.

Nick Radge as written a great book on this very topic 'Unholy Grails', this is a great addition to any trend following trader's library regardless of your specific method for trend following. What Nick does is take the reader through how he builds mechanical trend following systems that beat the market. His momentum based strategies are based primarily on catching a market wave and riding it for over sized profits. Not through predictions but through back tested mechanical systematic strategies based on momentum that have historically been shown to beat the market during a trend and over the long term. In between these trends the system is designed to limit equity draw downs by automatically stopping out of losing trades when certain parameters are hit. His key message in the book is to create a system based both on simplicity and robustness. His systems allocate the investors account into 20 equal increments to manage risk without diluting returns.

He measures his systems through the metrics of return, risk, and also reliability. Nick does a great job of giving the reader charts demonstrating the historical equity curves of both profits in dollars and percentage of equity draw downs during markets that are not conducive to profits. Nick has placed charts in the book showing the returns of each system year by year based on historical information using the systems entry and exit metrics for its watch list.

Nick has some excellent interviews with very successful traders in the back of the book and how they successfully manage their trading systems in real accounts with real money. He also covers the misconceptions about trend following traders and explains the truth about what they do.

This is just an excellent addition to trend following literature and is a perfect complement to Michael Covel's writings. I highly recommend.” - Steve Burns (Amazon Review)



Gap Trading: Simple Stock Trading Strategies for Consistent Profits (Updated and Expanded) [Kindle Edition]

[Michael Young](#) (Author)

★★★★☆ (43 customer reviews)

Amazon Link

[Gap Trading: Simple Stock Trading Strategies for Consistent Profits \(Updated and Expanded\) - Michael Young](#)

Recommendation

"Gap trading involves high risk, so reading this book is definitely helpful to getting tips on the strategy of how to do it properly.

This book sets out the three factors underlying why gaps occur and the four different types of gaps (being continuation gaps; breakaway gaps; exhaustion gaps; and common gaps). It's important to know what the different types are (and which gaps get filled and why) because that helps you understand gap trading strategy. Namely, it helps you decide HOW to trade the different types of gaps.

Michael Young also reviews how to MINIMIZE RISK when gap trading. This includes how to watch chart patterns, how to use stop orders to limit losses, how to use volume as an indicator, whether one should wait after a gap has formed, being aware of company fundamentals, technical trading level, outside influences that affect stock prices and testing out gap trading).

There are two bonuses in this book (which is, again, why I gave it 5-stars. You're getting more than the step-by-step strategy - you're also getting free tools!

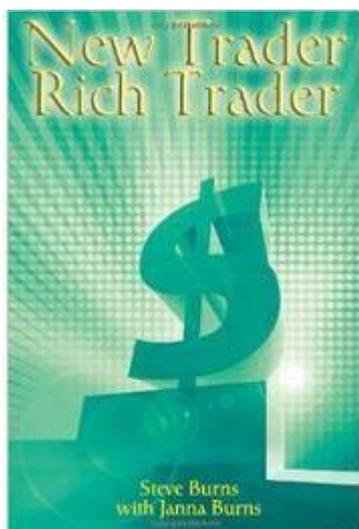
BONUS 1: Free Trading Toolkit

BONUS CHAPTER 2: Sets out how to effectively test a trading strategy using a demo account, a super important feature when testing out any new trading philosophy or strategy.

5 stars and highly recommended for those interested in starting gap trading!" - How to gap trade...Step by step guide!, By Carla

"Easy step by step how to construct a complete gap trading strategy to help you make profits in the stock market. Understanding this theory you will have an advantage over the majority of traders and investors who try to trade based on strategies, etc...A better understanding of Rhythmic movements of the markets." - Simple Concise Read, By ladyp

"I thoroughly enjoyed this book. Another excellent work of Michael Young. This book provided me with the knowledge needed to understand this stock trading strategy called Gap Trading. The illustrations better helped me to understand the difference between the four types of Gap. I feel like I'm equipped and ready to enter into the stock trading market. Thanks to the author. A++++" - A great strategy explained! By Deneil C.



New Trader, Rich Trader: How to Make Money in the Stock Market Paperback – May 15, 2012

by Steve Burns (Author)

★★★★☆ 44 customer reviews

Amazon Link

[New Trader, Rich Trader: How to Make Money in the Stock Market - Steve Burns](#)

Recommendation

“New Trader, Rich Trader is an impressive work on the vast array of trading literature available in the world. The book is full of information that every beginning and intermediate trader can and should use to better their trading results. Trading can be one of the most rewarding and nerve racking things anyone can do. I've made and lost tons of money in the market, I've had the hair pulling experiences of watching profits turn into losses, and the exciting experience of coming back from those losses, and making massive profits. I've shorted BP, and I've gone long stocks that have jumped up hugely, and I've had the reverse happen as well.

When I started I watched half my money vanish in the matter of a month or so. With this book, I'm quite certain that that wouldn't have been the case. Steve Burns is showing himself to become part of the ranks of other great writers of the market , like Michael Covel and Dr. Alexander Elders. This book has simple rules and instructions, basic things that aren't so basic that anyone who follows them will see better results, and get to skip that horrible and painful couple of years of suffering losses.

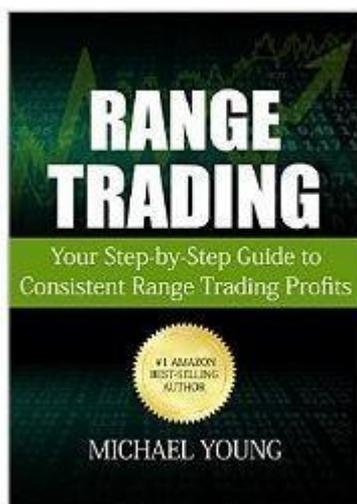
I highly recommend it.” - A Must For Would Be Traders, By: Amazon Customer

“New Trader Rich Trader is an unbelievable book and resource for all walks in the trading/investing life and markets. It is a book I WISH I had available when I began trading for a living 12+ years ago.

Steve delivers to you a story- one many can relate to where you need a hand to lead and teach you HOW TO FISH , not just feed you one fish and then you starve. He delves into all the main and necessary aspects of great trading. A delightful,entertaining and enlightening read- a must for all desks!

Thanks Steve.

J in NY” = A Must Must Must Read, By: J Trader for 12= years



Range Trading: Your Step-by-Step Guide to Consistent Range Trading Profits [Kindle Edition]

Michael Young (Author)

★★★★★ (4 customer reviews)

Amazon Link

[Range Trading: Your Step-by-Step Guide to Consistent Range Trading Profit - Michael Young](#)

Recommendation

"I am very impressed with this book. The writer did a good job of explaining Range Trading and how it works by also using diagrams to help with conveying the material. Like all other aspects of trading, Range involve risks, which the writer touched on in Chapter 4. In Chapter 5, the writer provided some guidelines as to how one can reduce/minimize those risks. A+ rating!!!" - Very interesting... A+, By Deneil C.

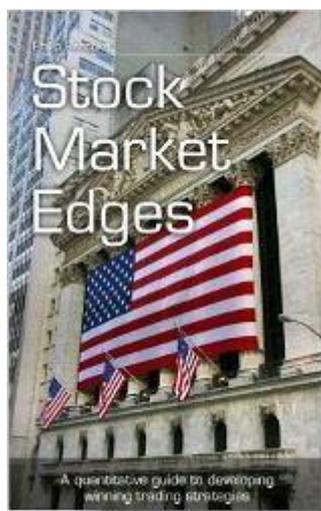
"If you are interested in range trading, this is a good place to start. It explains what range trading is and why it works. It also tells you how to maximize profit and minimize risk. Complete with examples and charts, I found it very informative." - I liked it. By Christine

"Range Trading is a strategy used by investors in Forex trading when there is a lack of direction in the market. In other words they have no clearly defined up or down trend. Determining major support and resistance levels allows a trader to define exit (resistance) and entry (support) points. The fact that stocks never move up, down or in a straight line continuously makes Range Trading a very attractive & successful strategy. Several pricing concepts must be considered to develop an effective strategy:

- Buy above the level of support
- Sell below the level of resistance
- Expect a small loss before position profits

There are three basic steps involved in executing this strategy; identifying range, timing your entry and managing risk. Young's practice of using charts and examples is very effective in the discussion of Range Trading. As always his knowledge of the subject is very apparent to readers. Excellent job!" - FOREX MARKET STRATEGIES, By TexasT "Tonya Bilbrey"

"This is a really interesting and consolidated way of trading. It seems like profits can really be made. This book has plenty of graphs and charts showing how quickly money can be gained or loss. The chapter highlighting risk management was very helpful and clear. Determining the entry and exit points is the toughest part and takes careful decision making. This is a strategy where stop loss positions are a must. I like the fact that you can go long or short using this style and if you're out of range you loss nothing. It might be hard to find stock that is in a range trading spot and trusting that it will continue is risky. But I learned from this book that most stock hit this low and high range mode at some point. I'll be paying more attention to this aspect of trading definitely." - Well written and understandable, By C Swan



Stock Market Edges: A quantitative guide to developing winning trading strategies [Kindle Edition]

[Philip Reschke](#) (Author)

★★★★☆ (39 customer reviews)

Amazon Link

[Stock Market Edges: A quantitative guide to developing winning trading strategies - Philip Reschke](#)

Recommendation

"I have always thought a quantitative approach to trading was the only way to go but I have been struggling to build strategies that had a consistent edge. This changed after I read Stock Market Edges.

Stock Market Edges test 10 different patterns/indicators across 6 different markets. The findings are incredible - several of them gives one an edge on many of the markets, even after estimated trading costs.

I am using MultiCharts/Interactive Brokers as my primary trading platform so developing strategies based on some of the edges was easy. My findings were impressive. I have finally been able to build a strategy with a consistent edge across both the QQQ and the SPY.

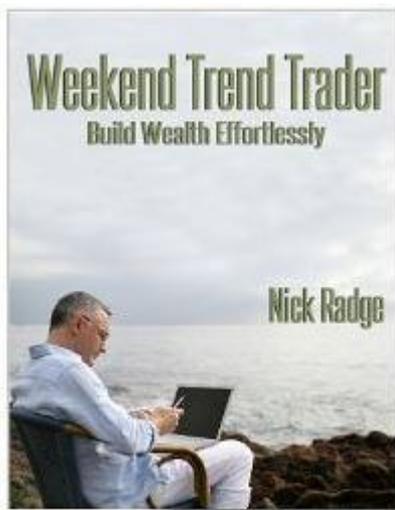
Thanks to writing this one of a kind book. I learned a lot and now believe that I can make it as a trader. Highly recommended." - This stuff works- Seriously !, By E Chun

"It is a very solid book for traders learning quantitative trading strategies and, of course, their edges. The author went through many of the most important technical indicators and explained his observation and rationale in good details.

There is no certainty that you can beat the market by reading a book. But it can be a good start." - A great reading for novice traders, By capbleu

"I have for a long time been searching for a book that goes beyond theoretical explanations of how to trade the markets. This book takes a different approach by performing various test to identify specific market edges that can be incorporated into my trading strategies or serve as the foundation for new ones.

The tests in Stock Market Edges are performed across various stock markets and the findings are interesting. I particular like the edges identified on short-term up up and short-term down days and ADX and the sample strategy in the summary chapter. It is interesting how well it performs." - Excellent stock market trading book, By LAI WING YI



Weekend Trend Trader [Kindle Edition]

[Nick Radge](#) (Author)

★★★★★ (26 customer reviews)

Amazon Link

[Weekend Trend Trader - Nick Radge](#)

Recommendation

“Loved it.

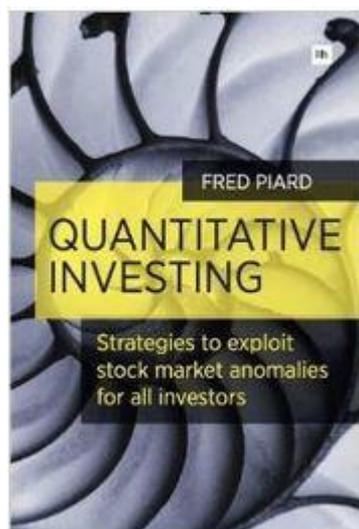
If you are interested in a USA based strategy, with full rules disclosed that makes fantastic money with minimal effort, buy this book.

Actually if you like mechanical trading strategies, try his book "Unholy Grails" for even more systems that work great in both USA and AUS. You wont be disappointed. “ - Dale (Amazon Review)

“The book is precise in its description of the portfolio manager. The rules are simple and easy to implement. Thanks got such great information in a short concise book. I'm going to give it a try. “ Rick D. Schoeling (Amazon Review)

“Weekend Trader gives a part time investor a great tool without hours or days of research. Great information and guidance for such a small cost.” - Tom (Amazon Review)

“Some new concepts I haven't heard before! Definetly worth every cent! Would recommend to anyone that is interested in trading.” - Mike Popovich (Amazon Review)



Quantitative Investing: Strategies to exploit stock market anomalies for all investors

Paperback – August 26, 2013

by Fred Piard (Author)

★★★★★ 16 customer reviews

Amazon Link

[Quantitative Investing: Strategies to exploit stock market anomalies for all investors - Fred Piard](#)

Recommendation

"I expected yet another bloated book on investing, but was pleasantly surprised.

Mr. Piard starts with a simple explanation of each of the technical parameters used later to measure the performance of the discussed strategies.

Then he explains the basics behind the generic strategies (market timing, momentum, pair-switching).

The rest of the book is a pure treasure for a novice investors like me:

- The author is explaining how the simple strategies work and how to exploit them in plain English, with specific examples and performance measurements of the simulations based on historic data.

- He is then showing a step-by-step examples on optimizing each of them and explains alternatives for different types of investing stiles, each backed by hard data on changes in performance.

- In the later chapters he explores combining those strategies and is drawing conclusion on what works best and why.

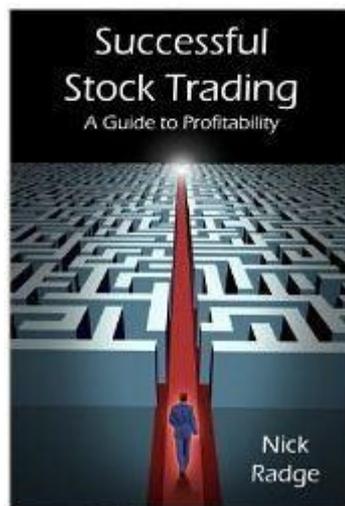
The work he presents shows impressive performance in terms of both return and drawdown reduction.

The thing I liked most though is that the book's style. It's very clean, with great explanations, simple math and lots of hard data/examples. I'm a slow reader, but finished it in a day.

Unlike many other equity investment books, it is perfect for using as a reference material.

Definite 5 from me." - Perfect Reference Material, By Alexander Popov

"If you've tried TA and failed, like me, this is a book that will show you how to make long term profits through simple strategies." - excellent, By P. Wood



Successful Stock Trading - A Guide to Profitability [Kindle Edition]

[Nick Radge](#) (Author)

★★★★★ (7 customer reviews)

Amazon Link

[Successful Stock Trading - A Guide to Profitability - Nick Radge](#)

Recommendation

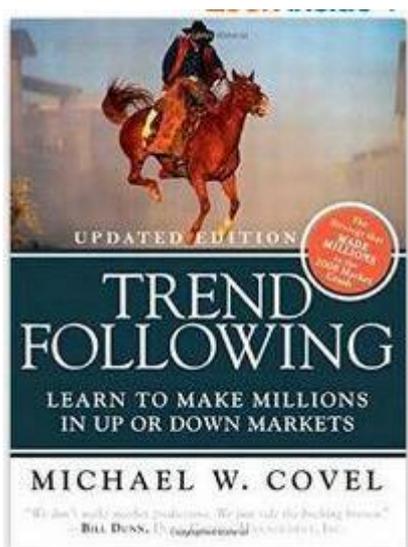
"Nick Radge is the only person who I have come across who is a trend following trader, has a long and successful track record, and has decided to write a book about trading. It is exceedingly rare to even find someone with two of these characteristics.

After trading for seven years myself, I am able to cut through who profoundly understands trading. Radge is able to condense some of this deep understanding into just over 50 pages, which meant that I ended up highlighting huge sections of the book (more so than most full sized books).

I would recommend this book to new traders starting out. Unfortunately, most new traders are not interested in learning about boring topics such as position sizing and risk management, but would rather proceed directly to making money quickly, which is impossible. In the end, this book will likely resonate with experienced traders, who need this lesson the least." - Concentrated Wisdom, By Danny Merkel

"Plainly to the point writing, no sales pitch just good solid advise from a guy who practices what he preaches and puts it out there for anyone to see" - Sensible, By Nigel Oxford

"Excellent Book! The book is short, to the point, and very clearly written. Mr. Radge does a super job of making the most important, seemingly complex aspects of trading (making money) simple. Also, what a value! Mr. Radge, in my opinion, is one of the extremely rare individuals who gives you much more than he asks- his great insight for basically free. The world needs more people like him! Thank you!" - Great Value!, By Tape Reader



Trend Following (Updated Edition): Learn to Make Millions in Up or Down Markets Paperback – February 25, 2009

by [Michael W. Covel](#) (Author)

★★★★☆ 303 customer reviews

ISBN-13: 978-0137020188

ISBN-10: 013702018X

Edition: 1st

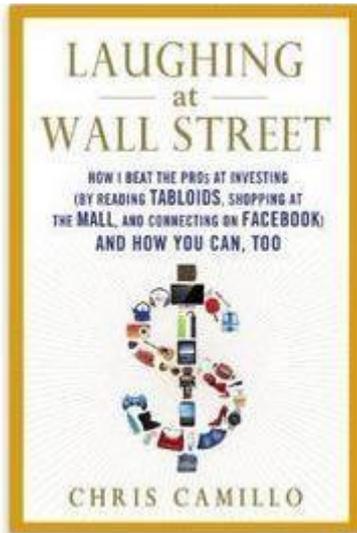
Amazon Link

[Trend Following \(Updated Edition\): Learn to Make Millions in Up or Down Markets - Michael Covel](#)

Recommendation

<http://jbmarwood.com/16-best-trading-books-time/>

Easily one of the best trend following books out there if not the best. Michael Covel's book is completely persuasive and full of detailed examples of trading strategies and the trend following funds that use them. There's a section on trend following performance and a segment about trend following stocks. A lot of my current trading ideas are based on some of the ideas from this book.



Laughing at Wall Street: How I Beat the Pros at Investing (by Reading Tabloids, Shopping at the Mall, and Connecting on Facebook) and How You Can, Too Hardcover – Bargain Price, November 8, 2011

by Chris Camillo (Author)

★★★★☆ 152 customer reviews

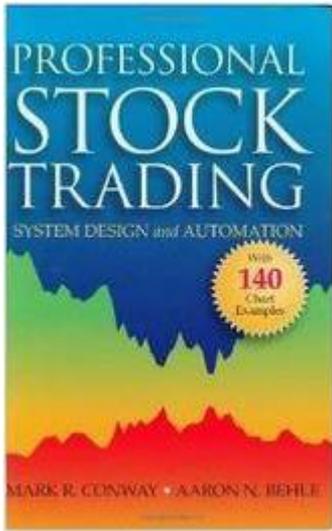
Amazon Link

[Laughing at Wall Street: How I Beat the Pros at Investing \(by Reading Tabloids, Shopping at the Mall, and Connecting on Facebook\) and How You Can, Too - Chris Camillo](#)

Recommendation

<http://jbmarwood.com/16-best-trading-books-time/>

I could be wrong but I don't think many have read this one. Laughing at Wall Street details how small time investor Chris Camillo turned \$20,000 into over \$2 million in just a few years and he did it with a really unique strategy that looked at social media and popular trends. A great book for modern times and shows why it's so important to be original.



Professional Stock Trading: System Design and Automation Hardcover – July, 2002

by Mark R. Conway (Author), Aaron N. Behle (Author)

★★★★☆ 33 customer reviews

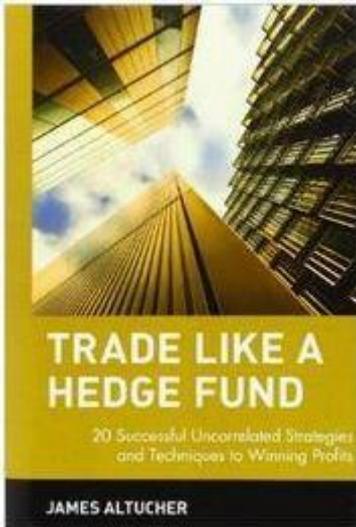
Amazon Link

[Professional Stock Trading: System Design and Automation - Mark R. Conway](#)

Recommendation

<http://emini-watch.com/free-stuff/top-trading-books/>

Although Mark Conway is currently under a cloud, this book is still excellent. A complete swing trading methodology is described with detailed TradeStation EasyLanguage code for 6 different set-up patterns plus exits and money management. A great book if you want to see EasyLanguage in action.



Trade Like a Hedge Fund: 20 Successful Uncorrelated Strategies and Techniques to Winning Profits Hardcover – March 8, 2004

by James Altucher ▾ (Author)

★★★★☆ ▾ 38 customer reviews

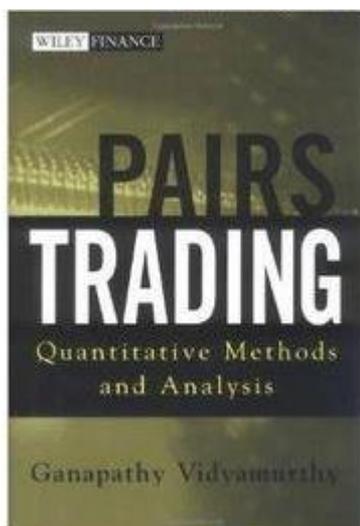
Amazon Link

[Trade Like a Hedge Fund: 20 Successful Uncorrelated Strategies and Techniques to Winning Profits - James Altucher](#)

Recommendation

<http://www.tradebullet.com/resources/books/>

"If you want factual advice based on real research, this is a must-read."



Pairs Trading: Quantitative Methods and Analysis

Hardcover – August 30, 2004

by Ganapathy Vidyamurthy (Author)

★★★★☆ 21 customer reviews

Amazon Link

[Pairs Trading: Quantitative Methods and Analysis - Ganapathy Vidyamurthy](#)

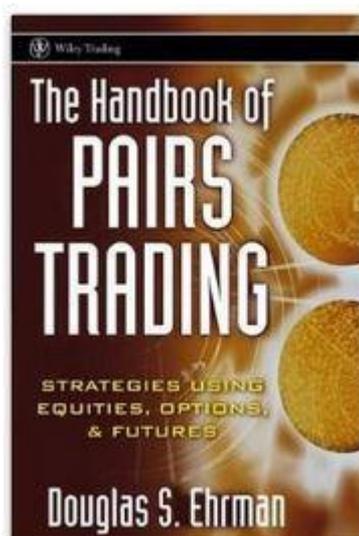
Recommendation

<http://www.tradebullet.com/resources/books/>

Comprised of three information-packed parts, Pairs Trading presents an in-depth look at the various aspects of these strategies and provides quantitative tools to assist in their analysis. The first part of this comprehensive resource sets the context for the rest of the book by introducing preliminary material on some key topics, including time series, factor models, and Kalman filtering.

“This book is small and has around 200 pages with very large font. The math is very simple to follow compared with most of the other quantitative finance books out there. In the beginning of my masters program I thought that statistics was nothing more than mumbo jumbo (as I assumed that the way to succeed in finance was via probability theory, numerical analysis, stochastic calculus, and PDE's). Overall, this book changed my outlook on statistics and how analyzing time series accurately via statistics can help you put together a good trading strategy. Please note that this book is a short refresher and only provides the reader with new ideas. I don't think that if anyone had a successful trading strategy they would be disclosing their recipes and algorithms in a book. “ – JC (Amazon Review)

I totally have to disagree with the first reviewer. I would rather say the opposite: the book is mathematically too simple in many places. But on the other hand it is not a statistics book. The book tries to explain complicated matters in a simple way. If you have no idea about stochastic processes, ARIMA-models, cointegration, stationarity,... then this book might not be the right one for you. But honestly: then pairs trading might not be the right thing for you either. Pairs trading is based on statistical concepts. This book only gives a brief idea of what statistical concepts are of use for pairs trading and how to apply them. If you really want to go into pairs trading, you will have to get much deeper into statistics than this book does or can do. In my opinion the book does a brilliant job in giving you a link between statistical models, pairs trading and financial models (like the APT). I also bought the book "Trading Pairs" by Mark Whistler, and I must say I was rather disappointed, as, to my opinion, the book does not tell you what pairs trading is really about, but the book by Ganapathy Vidyamurthy does.



The Handbook of Pairs Trading : Strategies Using Equities, Options, & Futures [Hardcover] [2006] (Author) Douglas S. Ehrman Hardcover –

2006

[Be the first to review this item](#)

Amazon Link

[The Handbook of Pairs Trading: Strategies Using Equities, Options, and Futures \(Wiley Trading\) - Douglas S. Ehrman](#)

Recommendation

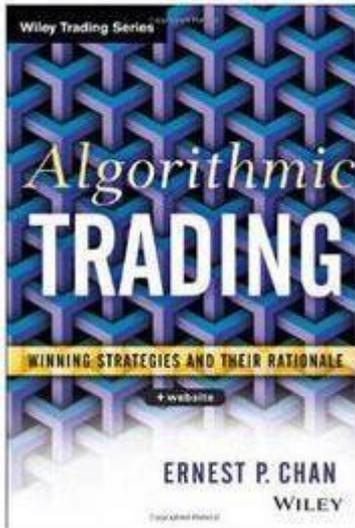
Pairs trading—and other market-neutral strategies—have been around since the organization of listed markets. Once used only by large institutional investors and hedge funds, this approach has recently been adopted by many individual traders looking to take money out of the markets.

In *The Handbook of Pairs Trading*, financial professional Douglas Ehrman combines his extensive knowledge and experience within this field to provide you with the tools and techniques necessary to successfully begin managing your own pairs trading portfolio.

Divided into five parts, *The Handbook of Pairs Trading* explores pairs trading from a variety of angles, each with the joint goal of illustrating both the general tenets of the strategy and presenting the particular approach that Ehrman believes to be superior to all others. In the first three parts, Ehrman explores the elements that make up the trading of equity pairs and the requisite skills that accompany that endeavor. You'll receive a brief history of this discipline, and then learn about some of the most important features of pairs trading, including market neutrality, arbitrage, and technical analysis. After exploring each of these three major components independently, Ehrman spends time pulling them all together—through Unified Pairs Trading Theory—so you can begin to integrate pairs trading into your own investment or trading style.

While pairs trading is easiest to understand when considering equities, the discussion of options, futures, and currencies in the final two parts gives you an expanded collection of tools by which to manage your portfolio. Here, Ehrman explores the application of Unified Pairs Trading Theory to these alternate asset classes and securities types, and takes you step by step through a series of trade examples across various asset classes—to both highlight the nuances of each and to solidify your understanding of the theory.

The Handbook of Pairs Trading clearly explains the theory and practice of this important discipline, and breaks down its strategy so you can gain a firm understanding of the underlying dynamics of pairs trading. Filled with in-depth insight and expert advice, *The Handbook of Pairs Trading* is a comprehensive resource for those looking to implement this proven and profitable trading strategy.



Algorithmic Trading: Winning Strategies and Their Rationale Hardcover – May 28, 2013

by Ernie Chan (Author)

★★★★☆ 23 customer reviews

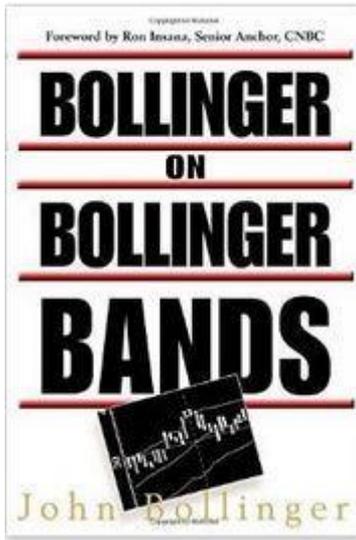
Amazon Link

[Algorithmic Trading: Winning Strategies and Their Rationale \(Wiley Trading\) - Ernie Chan](#)

Recommendation

<http://www.quantstart.com/articles/Top-5-Essential-Beginner-Books-for-Algorithmic-Trading>

This is the second book by Dr. Chan. In the first book he eluded to momentum, mean reversion and certain high frequency strategies. This book discusses such strategies in depth and provides significant implementation details, albeit with more mathematical complexity than in the first (e.g. Kalman Filters, Stationarity/Cointegration, CADF etc). The strategies, once again, make extensive use of MatLab but the code can be easily modified to C++, Python/pandas or R for those with programming experience. It also provides updates on the latest market behaviour, as the first book was written a few years back.



Bollinger on Bollinger Bands Hardcover – August 17, 2001

by John A. Bollinger (Author)

★★★★☆ 62 customer reviews

Amazon Link

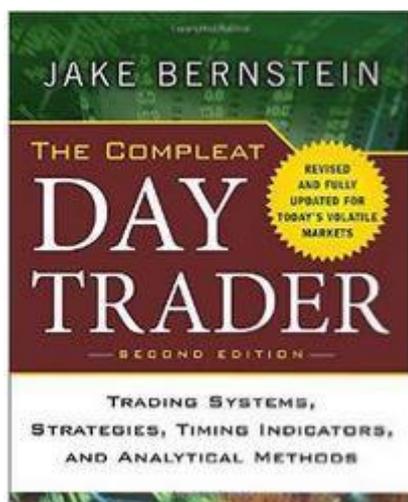
[Bollinger on Bollinger Bands - John A. Bollinger](#)

Recommendation

Get the word from the Master! ... the indicator discussion is heaven for tech junkies. -- John Sweeney, editor, Technical Analysis of Stocks & Commodities

John explains the Bands in detail, from the Squeeze to the Walk to the relationship between Bands and other indicators. -- Steve Achelis, Author of Technical Analysis from A to Z

This book is a wonderful, easy-to-understand explanation of his famous baby. -- Bill Griffeth, CNBC TV Anchor



The Compleat Day Trader, Second Edition

Hardcover – December 13, 2010

by Jake Bernstein ▾ (Author)



▾ 8 customer reviews

Amazon Link

[The Compleat Day Trader, Second Edition - Jake Bernstein](#)

Recommendation

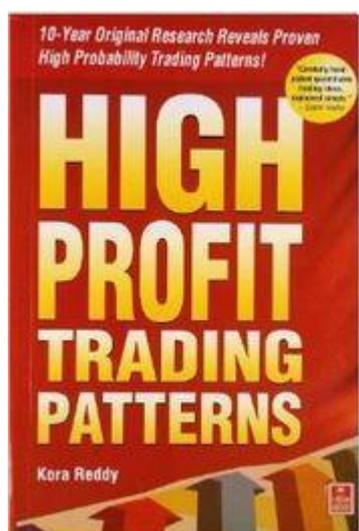
“Highly readable print and clear illustrations add to the clarity of presentation by Mr. Bernstein. This McGraw Hill publication is well produced. In fourteen chapters and just over 200 pages, the author has presented his Day Trading methodology in a simple, readable format with copious illustrations. This book is worth each of the 3500 pennies it cost and is easily readable and digestible in one weekend.

Given the specificity and clarity of everything else in the book, I am not sure I agree with the author's decision not to include a brief discussion of Futures and Forex trading terminology so the charts and tick pricing would be easily grasped by the reader.

As the author says, day trading is the ultimate financial game given its challenge, its promise and the fact that it can be won; and the book shows how, as the author set out to do. ‘Having been educated in clinical psychology and having worked in clinical setting’ the author shows his expertise in his expose of the Psychology of Day Trading in Chapter 12, which may be read at any time.

The author is commended for his careful mention of the fact that ‘High-frequency trading, flash trading, and dark pools have given a distinct and possibly unfair advantage to institutional day traders’. He also says that ‘The so-called flash crash on May 6, 2010, is an extreme example of what can happen in today's markets.’ The author believes that day traders who know their craft (and they will after reading this book!) can benefit handsomely from present and future volatility.

The author has illustrated a simple ‘Setup, Trigger and Follow-Through’ model using moving averages, momentum and Gaps. The discussion on Moving Average Channel illustrating Support and Resistance is well presented. As the author says ‘The simple fact of the matter is that if calculated correctly and implemented with discipline, they work’. However, the discussion on MACD is not covered as well or clearly as the rest of the indicators. Although the author should be commended for including realistic charts as examples, the discussion on page 27 is unconvincing; the author himself says ‘further research will be necessary’. The car analogy (page 93) in the context of momentum and energy leaves something to be desired! I never can understand why authors of well written books eschew simple physics and math to explain momentum. After all momentum here is the rate of change of price and a simple pendulum example which slows down as it reaches its positive (right extreme) and then reverses direction to do the same at the negative (left extreme) is not that hard an example for readers to understand.” - Day Trade - Here's How, By Ramal Murali



High Profit Trading Patterns Paperback – April

30, 2012

by Kora Reddy (Author)

★★★★★ 2 customer reviews

Amazon Link

[High Profit Trading Patterns - Kora Reddy](#)

Recommendation

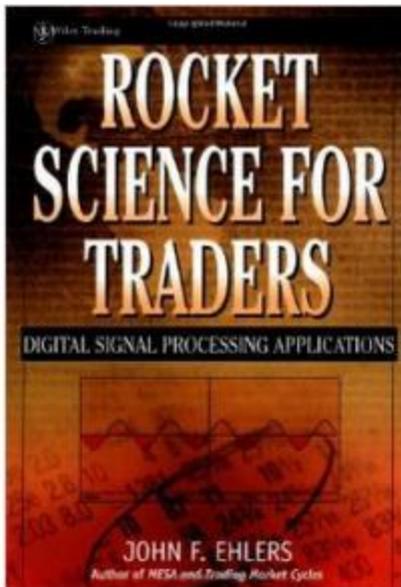
“While like so many other trading books this one covers the basics of chart types, entries and exits, and basic market structure that is only the beginning. Kora Reddy's book is different from so many other trading books because it actually shows the back tested performance of trading different quantitative price patterns over the past decade in the Indian Nifty with their performance statistics for winning percentage and profit factors. The author also explains the risk of ruin, draw down and the basics of money management while trading. Kora also shares 12 trading rules that can help new traders begin work on their own trading plan to but it all together. I really have enjoyed using Kora Reddy's Past Stat website and all his quant work. I am a big fan of all his work including this book.” - Quantitative Trading Of the Nifty, By Steve Burns

“While there are many books available on trading with various subjects like technical analysis, Elliott wave theory and so on, this is the book that gets down to the business of actually showing you the results quantitatively. Not some random head and shoulder pattern or an A-B-C wave, this one uses prices alone. I firmly believe prices alone can predict future prices. Rest all is noise, most of the indicators used on street like MACD, RSI cannot really be used for making trading strategies.

The best part about this book is not only does the author give you the results on a platter but it also tickles your brain to do a what if analysis. The chapter on judging your trading system is also very well written. That is all there is to trading. More you complicate, lesser is the effectiveness.

Concepts like day of the week have been used again and again to prove that some days are better than others. Although I believe these things can change over a course of time but what stops you from changing. So my mantra after reading this book for all traders just starting out is stop drawing random lines, just get dirty and put it down in a spreadsheet.

Thanks Kora for writing this book, for tickling the grey cells.” - One of the best books written, By Nitesh Gupta



Rocket Science for Traders: Digital Signal Processing Applications Hardcover – July 20,

2001

by John F. Ehlers ▾ (Author)

★★★★☆ ▾ 20 customer reviews

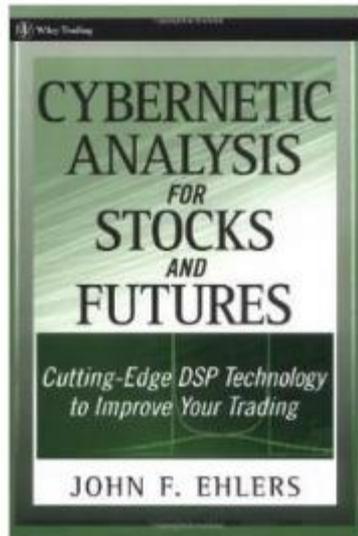
Amazon link

[Rocket Science for Traders: Digital Signal Processing Applications - John F. Ehlers](#)

Recommendation

<http://emini-watch.com/free-stuff/top-trading-books/>

John Ehlers is one of the most brilliant contributors to modern technical analysis and trading. His books focus on applying digital signal processing techniques to the financial markets. This book, among other things, introduces the Hilbert Sine Wave – without which I would not be able to trade.



Cybernetic Analysis for Stocks and Futures: Cutting-Edge DSP Technology to Improve Your Trading Hardcover – March 29,

2004

by John F. Ehlers ▾ (Author)

★★★★★ ▾ 17 customer reviews

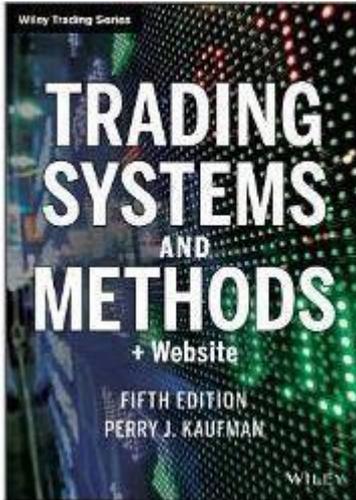
Amazon link:

[Cybernetic Analysis for Stocks and Futures: Cutting-Edge DSP Technology to Improve Your Trading - John F. Ehlers](#)

Recommendation:

<http://emini-watch.com/free-stuff/top-trading-books/>

In this book John Ehlers introduces even more ground-breaking trading ideas based on digital signal processing. If you're not mathematically inclined you might find this hard going. The book builds on ideas introduced in "Rocket Science for Traders" and this time there is code for TradeStation and eSignal.



Trading Systems and Methods, + Website by Kaufman, Perry J. (2013) Hardcover

Hardcover – 1111

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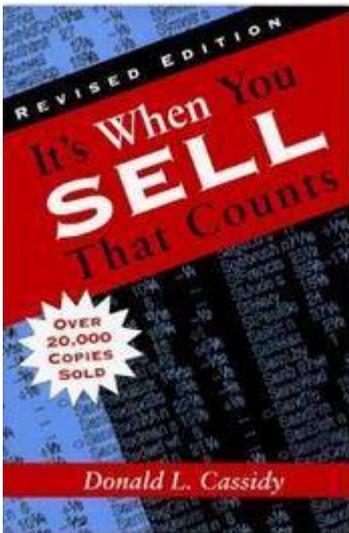
Amazon Link

[Trading Systems and Methods, + Website by Kaufman, Perry J. \(2013\) Hardcover - Perry Kaufman](#)

Recommendation

<http://jbmarwood.com/16-best-trading-books-time/>

I picked this up at the library years ago at a time when I was working as a day trader and struggling to make ends meet. It was Perry Kaufman who first persuaded me that trading systems are crucial if you have difficulty holding on to your trades or with the emotional side of trading.



It's When You Sell That Counts by Cassidy, Donald L., Cassidy, Don, Cassidy, Donald (1996) Hardcover Hardcover – 1101

by Donald L., Cassidy, Don, Cassidy, Donald Cassidy (Author)

[Be the first to review this item](#)

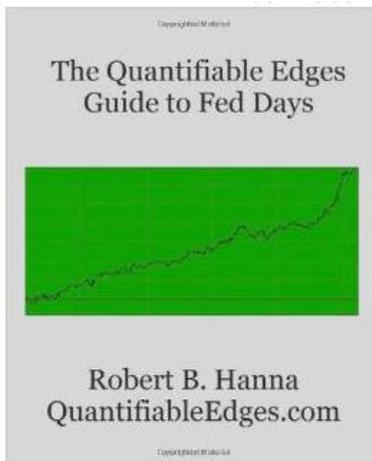
Amazon Link

[It's When You Sell That Counts - Donald L. Cassidy](#)

Recommendation

<http://stockcharts.com/articles/journal/2013/10/pivotal-books-in-the-25-year-trading-life-of-a-stock-market-investor.html>

There is a good deal of garbage written about exit strategies, and I believe this is the most complex discipline for investors to grasp. In my seminars, I offer up a number of selling methodologies because no one size fits all investors. Having said that, I think Donald Cassidy's two books present the essential building blocks for a customizable system that's workable for most investors.



The Quantifiable Edges Guide To Fed Days

Paperback – June 10, 2010

by [Robert B. Hanna](#) (Author)

★★★★★ 1 customer review

Amazon Link

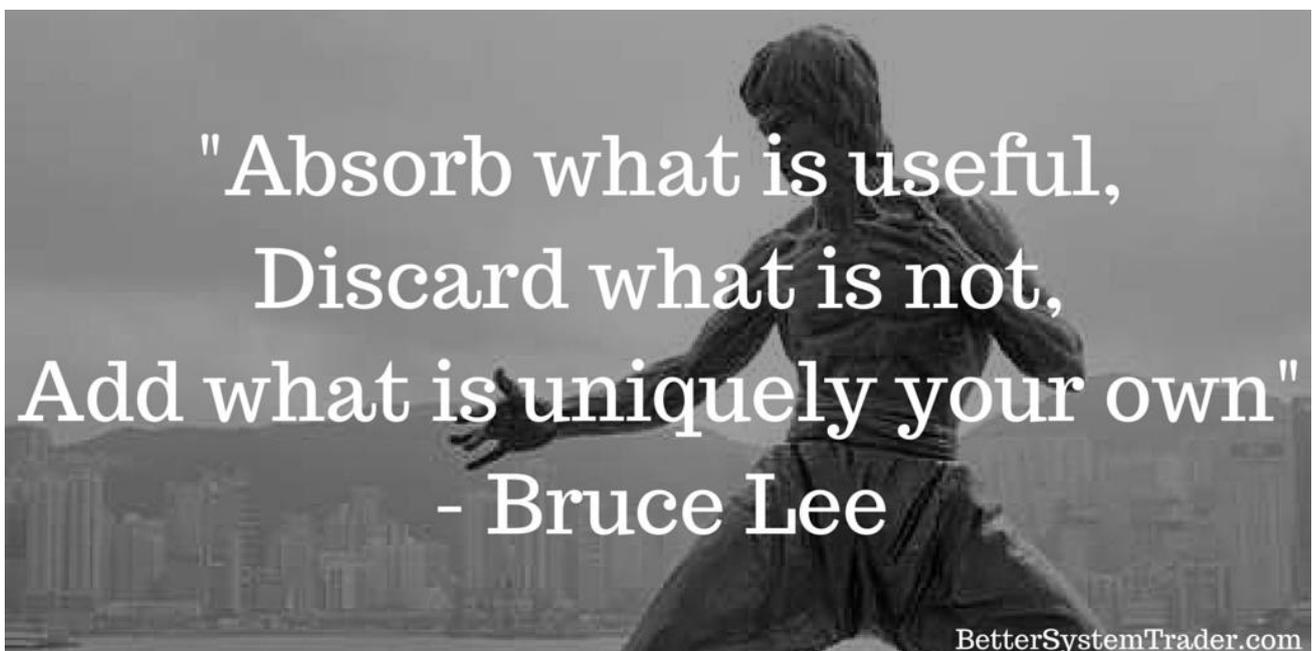
[The Quantifiable Edges Guide to Fed Days – Rob Hanna](#)

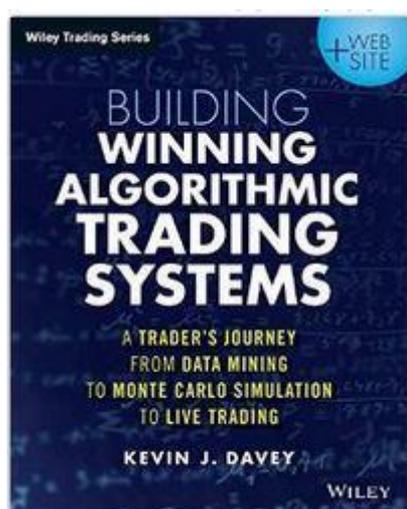
Recommendation

“Too bad there are not more books like this in the trading space. All of the systems are backed with hard data and solid statistics. The author doesn’t mince words and waste your time with a bunch of trading wisdom. He presents his data and findings in a simple to understand and thorough format. This book is the real deal.” – E Moore (Amazon Review)

System Design & Validation

Tips and tricks on the process of system design and
validation





Building Algorithmic Trading Systems, + Website: A Trader's Journey From Data Mining to Monte Carlo Simulation to Live Trading

(Wiley Trading) Paperback – July 21, 2014

by Kevin Davey (Author)

★★★★☆ 24 customer reviews

Amazon Link

[Building Algorithmic Trading Systems, + Website: A Trader's Journey From Data Mining to Monte Carlo Simulation to Live Trading \(Wiley Trading\) - Kevin Davey](#)

Recommendation

"Winner, 2014 Trading Book of The Year - Superior Trading And Resource (STAR) Award" - TraderPlanet.com

"Kevin Davey has a unique understanding of systems and the markets I have only seen in a few people over the years. 90% of trading books written today are useless. This book impressed me. This book is a must read for anyone who is interested in trading using a systematic approach. I put this book on my list of the top 50 most useful books on trading of all time." - Murray A. Ruggiero, Jr. - Chief Systems Designer at Tuttle Tactical Management, Contributing Editor of Futures Magazine, Author of "Cybernetic Trading Strategies" and "Using Easy Language 9.X."

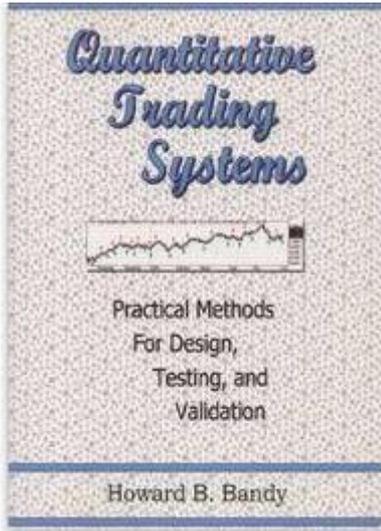
"This is a great book to get a much better understanding of what is really involved in system development and help on your journey from someone with a lot of real-life trading experience. For those already working with systems, it may challenge some of the approaches you use and help you to become a better system developer and trader. From my perspective, the chance to look over Kevin's shoulder and see the concepts and full code from some systems he has been using in his own trading alone would be of far more value than the cost of the book." —Tim Rea, Proprietary systems developer/trader; 1st place winner, World Cup Championship of Futures Trading® 2011

"Part Reminiscences of a Stock Operator and part Market Wizards, Kevin Davey has written a superb book for the modern trader. Not only does Kevin provide a step-by-step plan on how to develop algorithmic trading strategies but he actually reveals the strategy he used to win The World Cup Championship Of Futures Trading® along with two additional euro currency systems. I have no doubt this will become a popular and often referenced book amongst traders. Readers will find Kevin's humble and engaging voice easy to follow and grasp. They will also find his personal journey from aerospace engineer to beginner trader, to a championship winning trader and finally to a full time professional trader insightful, entertaining, and inspiring. Wiley should also be congratulated for recruiting a real trader who trades real markets with real money to write a trading book for people aspiring to become real traders. I highly recommend this book

to anyone who is serious about developing a successful and sustainable trading career.” —Brent Penfold, professional trader and author of *The Universal Principles of Successful Trading* (Wiley 2010)

“Few trading books on the market today are written by those who actually make their living from trading and those that are frequently suffer from being unintelligible to the layman. Kevin Davey has the authenticity of a real trader and the ability to distill complex ideas into a format that is easy to read and, at times, brutally honest. For those aspiring to trading success, Kevin gives a step by step guide on how to approach systems development as well as outlining many of the pitfalls to avoid and throughout the book he provides a wealth of information and tools that will prove invaluable to novice or expert alike.” —Michael Cook, Founder, Katmai Capital Advisors; World Cup Championship of Futures Trading® 2007

“Of all the trading books that I’ve read, this book takes the cake. Kevin Davey brings us a realistic perspective in an industry full of dreamers. I suggest that all traders drop what they’re doing and read the incredibly valuable lessons summed up in this book. This book is the quickest path for a new trader to stop dreaming and start succeeding.” —Peter Hagen, Citracado Capital, LLC



Quantitative Trading Systems Hardcover – 2007

by Howard B Bandy ▾ (Author)

★★★★★ ▾ 10 customer reviews

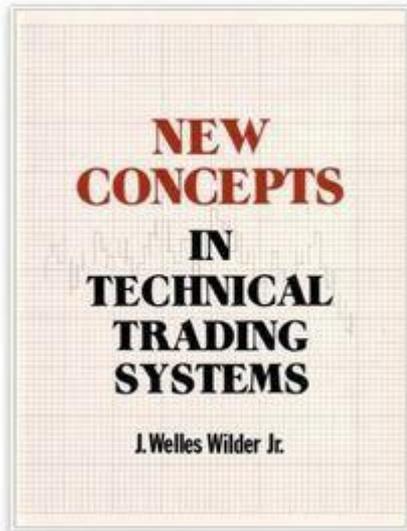
Amazon Link

[Quantitative Trading Systems, 2nd Edition - Howard B. Bandy](#)

Recommendation

<http://jbmarwood.com/16-best-trading-books-time/>

This book, by Dr Howard Bandy, is designed for Amibroker but it also contains brilliant insight into system design as well as detailing the AFL code for a number of trading system examples. The code can be easily adapted for other trading programs.



New Concepts in Technical Trading Systems

Hardcover – June, 1978

by J. Welles Wilder (Author)

★★★★☆ 28 customer reviews

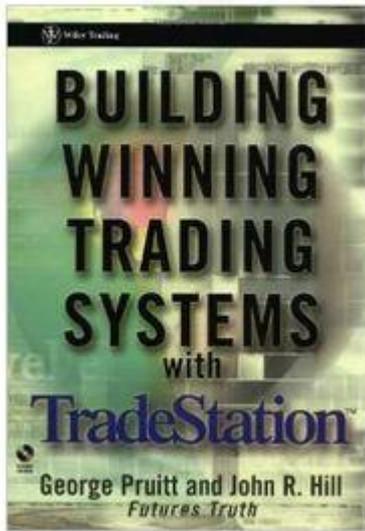
Amazon Link

[New Concepts in Technical Trading Systems - J. Welles Wilder](#)

Recommendation

<http://www.vantharp.com/Van-Tharps-Favorite-Books.htm>

Wilder, Wells. *New Concepts in Technical Analysis*. Greensboro, NC: Trend Research, 1978. This is the oldest book on my list and I've included it because it is the original presentation of some of the classical tools of trading including ADX, ATR, and many other classics. If you are not familiar with these concepts, now is the time to start and this is the book to start with.



Building Winning Trading Systems with TradeStation (Book & CD-ROM) Hardcover – December 10, 2002

by George Pruitt (Author), John R. Hill (Author)

★★★★☆ 12 customer reviews

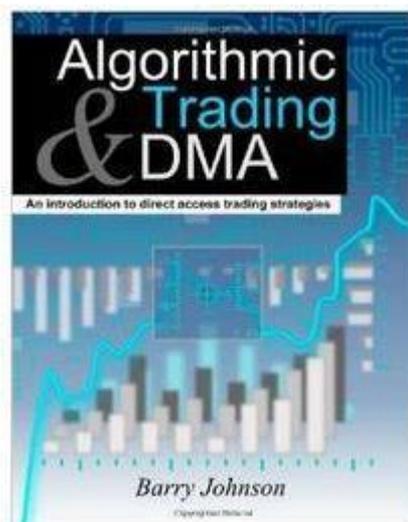
Amazon Link

[Building Winning Trading Systems with TradeStation \(Book & CD-ROM\) - George Pruitt](#)

Recommendation

<http://www.tradebullet.com/resources/books/>

TradeStation systems traders will discover a virtual gold mine of knowledge, guidance, and the benefit of vicarious experience from the two foremost experts on the subject in this valuable new edition to trading systems literature. Includes CD-ROM and real-world examples.



Algorithmic Trading and DMA: An introduction to direct access trading strategies

Paperback – February 17,

2010

by Barry Johnson (Author)

★★★★☆ 39 customer reviews

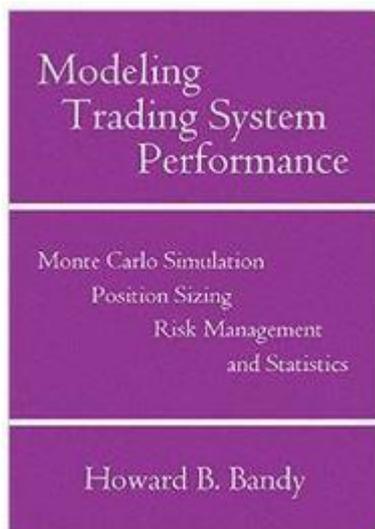
Amazon Link

[Algorithmic Trading and DMA: An introduction to direct access trading strategies - Barry Johnson](#)

Recommendation

<http://www.quantstart.com/articles/Top-5-Essential-Beginner-Books-for-Algorithmic-Trading>

The phrase 'algorithmic trading', in the financial industry, usually refers to the execution algorithms used by banks and brokers to execute efficient trades. I am using the term to cover not only those aspects of trading, but also *quantitative* or *systematic* trading. This book is mainly about the former, being written by Barry Johnson, who is a quantitative software developer at an investment bank. Does this mean it is of no use to the retail quant? Not at all. Possessing a deeper understanding of how exchanges work and "market microstructure" can aid immensely the profitability of retail strategies. Despite it being a heavy tome, it is worth picking up.



Modeling Trading System Performance Perfect

Paperback – May 11, 2011

by Dr. Howard B. Bandy ▾ (Author)

★★★★★ ▾ 4 customer reviews

Amazon Link

[Modeling Trading System Performance - Dr. Howard B. Bandy](#)

Recommendation

I am one of the early reviewers of Dr. Bandy's book, Modeling Trading System Performance. His approach to system development, begun in his earlier book Quantitative Trading Systems, and carried through in MTSP is clear and straightforward. Everything he says is backed up with enough detail so you can use your own data and do it yourself.

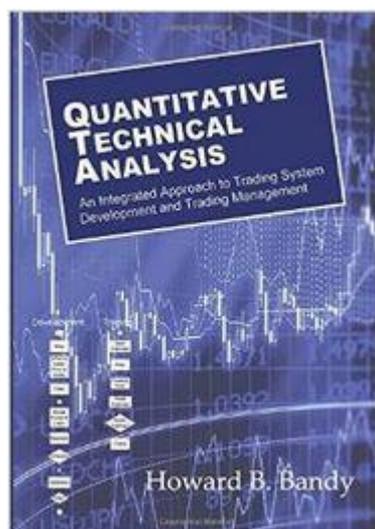
The sections on system health are priceless. His use of Monte Carlo Simulation and distributions to compute risk is outstanding. Connecting system health and position sizing is brilliant. This book is easily the most important book on trading system development I have ever read.

--Charlie J

I received the 3 books rather quickly, thank you for that. I have used them and your paper on "Developing Robust Trading Systems" to develop two mean reversion systems I was working on a few months ago. I have turned these systems from quite ordinary to outstanding in tradability. The most important element in achieving this was defining my own objective function which neglected CAR and position sizing. I then applied position sizing using the techniques in MTSP which resulted in out of sample results in terms of MaxDD and CAR that I am more than happy with.

Thank you Howard for sharing your knowledge, it has completely change the way I approach system development.

Kind regards, Ross --Ross



Quantitative Technical Analysis: An integrated approach to trading system development and trading management Paperback – January 24, 2015

by Dr Howard B Bandy ▾ (Author)

★★★★★ ▾ 5 customer reviews

Amazon Link

[Quantitative Technical Analysis: An integrated approach to trading system development and trading management - Dr Howard B Bandy](#)

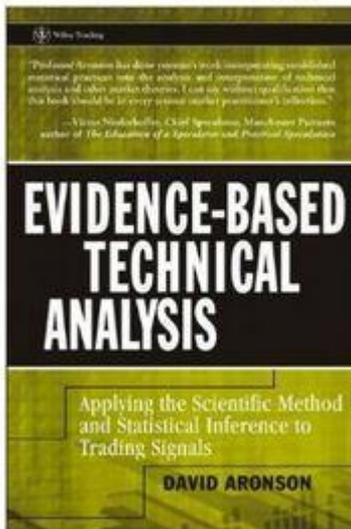
Recommendation

"I've read this book and find it extremely good. I have about 25 years of successful trading experience trading for myself. In the early years it was long-term trend trading, then short-term trend trading, but more recently short-term reversion to the mean trading. I have read all of Dr. Bandy's books. They are all excellent and if I were to recommend something to someone who wants to begin trading, I would recommend reading all of Bandy's books in order and read nothing else. I say this as I look at my bookshelf with four shelves of trading and investing books (more in the garage). I could toss all of them, but keep Bandy's. Although a retired engineer, I found the book a bit of a stretch in math and programming, but given the time and effort, I could get through it. Every one of Bandy's books has in addition to the big learning experience, some glimmers of small unknown things (I thought unknown) which I have experienced in my trading. There are also little glimmers of things I did not know, of which I am grateful. If you are not a person with an engineering/science/math/programming background, this book will be a stretch. But most traders lose money; Bandy's books could put you on the path to profitable trading. If trading were easy, everyone doing it would be rich. Trading is a zero sum game (actually due to commissions, slightly less than a zero sum game).....for you to make money, you have to be smarter than the guy on the other side of your trades. This book has nothing about get-rich trading methods. Instead it is a rigorous mathematical examination of trading and developing trading methods. Buy it. It is worth the money!" - bhiker (Amazon review)

"Another great book by Mr. Bandy. I very much appreciate his ability to lay out a solid facts and numbers approach to building trading systems in a way that is also very accessible. I believe he has developed a method that will do what he says is the purpose of writing this book...to build confidence in something that you will trade. To me one of the most valuable thing he teaches is how to also know when a system is broken.

Overall a nicely led discussion of a path to developing a system with confidence for those willing to apply themselves." - kbg (Amazon review)

"Excellent guide for people that want to make statistically sound trading decisions" - Christiaanse (Amazon Review)



Evidence-Based Technical Analysis: Applying the Scientific Method and Statistical Inference to Trading Signals Hardcover – November 3, 2006

by David Aronson (Author)

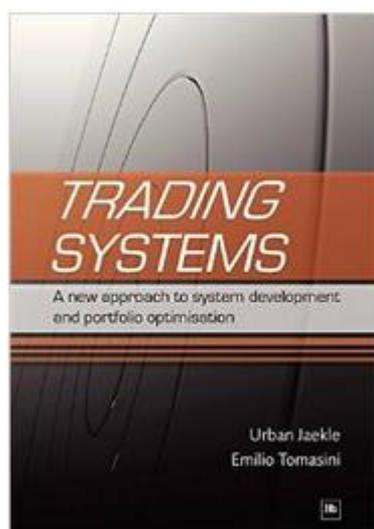
★★★★☆ 65 customer reviews

Amazon Link

[Evidence-Based Technical Analysis: Applying the Scientific Method and Statistical Inference to Trading Signals - David Aronson](#)

Recommendation

"...his book is well written and contains a great deal of information that is of value...." (The Technical Analyst, May/June 2007)



Trading Systems: A New Approach to System Development and Portfolio Optimisation

Paperback – October 1, 2009

by [Emilio Tomasini](#) (Author), [Urban Jaekle](#) (Author)

★★★★☆ ▾ 23 customer reviews

Amazon Link

[Trading Systems: A New Approach to System Development and Portfolio Optimisation - Emilio Tomasini](#)

Recommendation

“If you are reading this review, you likely have read many other trading books about trading systems. By now, you likely know that most of these books present skeletal descriptions of buy and sell rules, lots of backtesting results, figures of cumulative profit over time, and a chapter or two on money management. Some of these books are great. Some are not. This is a great book, but this book does not belong to this category of trading books.

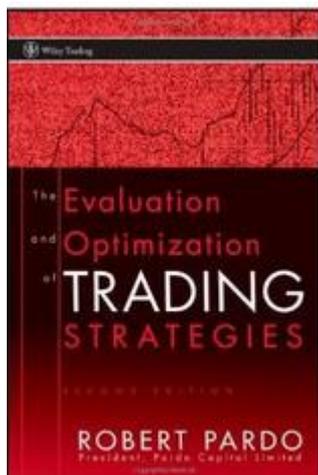
This is not a book showing exciting buy and sell rules, a book about trading psychology or money management. This is a book on how to develop trading systems in a robust and systematic manner. This is a book on how to use optimization as a useful tool, and not merely as a means for curve-fitting. This book describes the nitty-gritty stuff most authors gloss over (stop loss sizing, trailing stops, profit target selection, etc). This book is a highly practical approach to engineering employed in trading system development.

Readers with a background in physics or engineering will feel at home. The authors start with a very simple moving average crossover system, and then slowly add complexity. At each step, the authors perform a sensitivity analysis to both a) verify that the added complexity is worthwhile, b) choose optimal (higher return) parameters, and c) most importantly, choose parameters that are robust to the ever-changing complexities of the markets. Finally, using the completed system, the authors perform a robustness test over many instruments and time frames.

If you are looking for a book to copy a system out of and make millions, this is not for you. If you are at least somewhat experienced, and know that trading system development is more than just buy and sell rules, this book should be very helpful. Do not buy this book for the automated system it describes - buy this book for the robust system development process it presents.

My only gripe is that there is no discussion regarding backtesting vs forward testing. There is an excellent chapter describing walkforward optimization. But, the authors stop just short, and do not compare the out-of-sample backtest results with the results from forward testing.

Highly recommended. I buy many books from Amazon, but this is the first review I have written. I was that impressed." - Process-Robust System Development (finally!), By Serac



The Evaluation and Optimization of Trading Strategies

Hardcover – February 8, 2008

by Robert Pardo (Author)

★★★★☆ 11 customer reviews

Amazon Link

[The Evaluation and Optimization of Trading Strategies - Robert Pardo](#)

Recommendation

<http://cotstimer.blogspot.com/2008/03/thinking-about-robert-pardos-new-book.html>

Thinking About Robert Pardo's New Book

Not long ago I got a copy of The Evaluation and Optimization of Trading Strategies, Robert Pardo's revised version of his classic 1991 book on trading system development, Design, Testing and Optimization of Trading Systems. It's giving me lots of ideas on how to optimize my trading system based on the Commitments of Traders reports. I've already implemented a couple of basic concepts, like limiting testing to setups with at least 25 trades and excluding setups that use a moving average period of more than 35 to 45 weeks. (The latter is because a setup won't be reliable if it uses more than 10 percent of the available degrees of freedom based on the total weeks in the dataset.) But my main goal is to develop some walk-forward testing for my system based on Pardo's ideas. Stay tuned. Highly recommended book!

<http://www.tradingsystemlife.com/Trading-Books-The-Evaluation-and-optimization-of-trading-strategies.html>

I recommend 'The Evaluation and Optimization of Trading Strategies' to everyone who wants to learn how to build trading systems. It is an outstanding book that any serious system trader should own and study.

Overall well worth reading - The quality of the content and the experience that Robert Pardo brings to the book is worth many times the price you will have to pay to buy it.

<http://www.beck-shop.de/Pardo-Evaluation-Optimization-of-Trading-Strategies/productview.aspx?product=733175>

"The testing process is key to a profitable trading method and Bob Pardo brings order and sanity to it. He shows the reader how to navigate the minefield of optimization and offers walk-forward testing as a way to change a static system into a dynamic one.

-Perry Kaufman author of New Trading Systems and Methods, Fourth Edition

"Will your system work in the future? In this book Bob Pardo shows you exactly how to construct a trading system and then take the most important walk of them all-the walk forward test-to find out if your system is really worth trading. Now you can know before you trade!

-Larry Williamsauthor of Trading Stocks & Commodities with the Insiders: Secrets of the COT Report, and Long-Term Secrets to Short-Term Trading

"How to evaluate likely future trading system performance is not just a question-it's the question, and Pardo's 1992 Design, Testing, and Optimization of Trading Systems was a milestone work in the field. Now his approach has been updated and expanded to reflect technological change as well as many insights gained along the way. A must read for anyone who takes trading seriously.

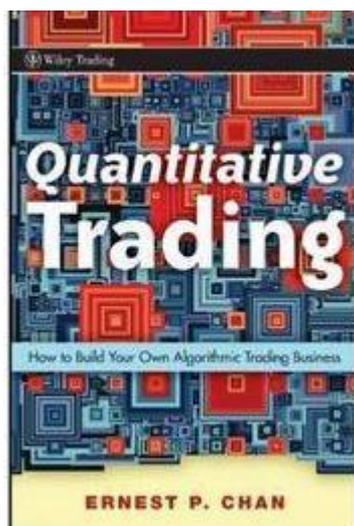
-Bruce DeVaultPresident, Quantevo-Algorithmic Trading Developmen

"Ask serious system developers for their recommended reading list, and Bob Pardo's book is likely to be among the first mentioned. This book is the real deal; a serious work that seeks to teach you what to look for and what to avoid in your quest for workable trading methodologies. Best of all, it helps you achieve the kind of objective, critical thinking necessary for mechanical trading success. Seekers of magical holy grails would be advised to look elsewhere, but for earnest professional trading aspirants, this is a most rewarding read.

-Art Collins author of Beating the Financial Futures Market: Combining Small Biases Into Powerful Money Making Strategies

"This book is the definitive book on designing, testing, and using trading systems. There is no better book on the market.

-Courtney smith Courtney Smith & Co., Inc.



Quantitative Trading: How to Build Your Own Algorithmic Trading Business Hardcover – November 17, 2008

2008

by Ernie Chan (Author)

★★★★☆ 35 customer reviews

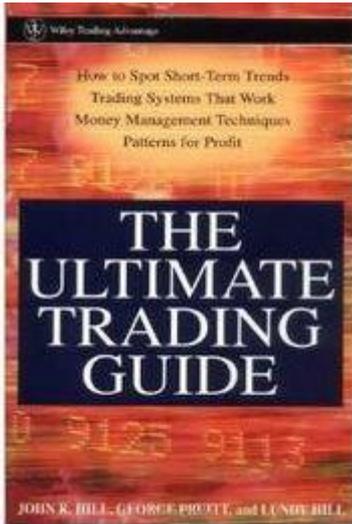
Amazon Link

[Quantitative Trading: How to Build Your Own Algorithmic Trading Business \(Wiley Trading\) - Ernie Chan](#)

Recommendation

<http://www.quantstart.com/articles/Top-5-Essential-Beginner-Books-for-Algorithmic-Trading>

Quantitative Trading by Ernest Chan - This is one of my favourite finance books. Dr. Chan provides a great overview of the process of setting up a "retail" quantitative trading system, using MatLab or Excel. He makes the subject highly approachable and gives the impression that "anyone can do it". Although there are plenty of details that are skipped over (mainly for brevity), the book is a great introduction to how algorithmic trading works. He discusses alpha generation ("the trading model"), risk management, automated execution systems and certain strategies (particularly momentum and mean reversion). This book is the place to start.



The Ultimate Trading Guide Hardcover – January 15, 2000

by John R. Hill (Author), George Pruitt (Author), Lundy Hill (Author)

★★★★☆ 20 customer reviews

Amazon Link

[The Ultimate Trading Guide - John R. Hill, George Pruitt, Lundy Hill](#)

Recommendation

<http://www.tradebullet.com/resources/books/>

Provides traders with the tools needed to develop systems based on sound logic, including explanations of: the principles behind trading systems, how various systems operate, the tools and background for developing computerized trading systems, and short-term market timing techniques for any market. DLC: Speculation.

Technical Analysis

Charts and other tools to analyse the markets

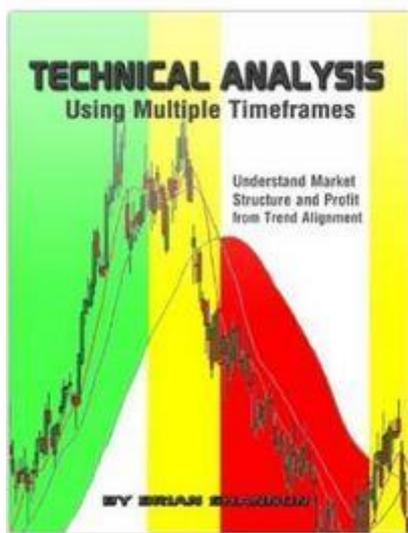
"All you need is

ONE PATTERN

to make a living."

- Connors & Raschke

BetterSystemTrader.com



Technical Analysis Using Multiple Timeframes

Hardcover

by Brian Shannon (Author)

★★★★☆ 19 customer reviews

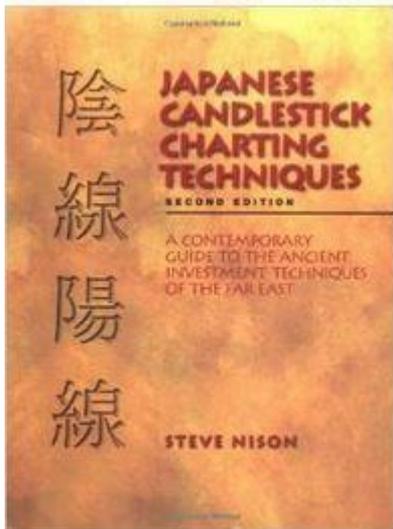
Amazon Link

[Technical Analysis Using Multiple Timeframes - Brian Shannon](#)

Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

When I originally wrote this post, I committed a grave error in failing to mention one of the best books out there on technical analysis, *Technical Analysis Using Multiple Timeframes* by Brian Shannon. All I can say is that sometimes we take things that are so a part of our lives, like our wives, for granted, and Brian's book has been a constant part of my life as a trader. The way he illustrates the power, and simplicity, of using multiple time frames in trading methodology will make you shake your head and wonder why it didn't dawn on you sooner. A must have addition to any comprehensive trader's library.



Japanese Candlestick Charting Techniques, Second Edition

Hardcover – November 1, 2001

by Steve Nison (Author)

★★★★☆ 127 customer reviews

Amazon Link

[Japanese Candlestick Charting Techniques, Second Edition - Steven Nison](#)

Recommendation

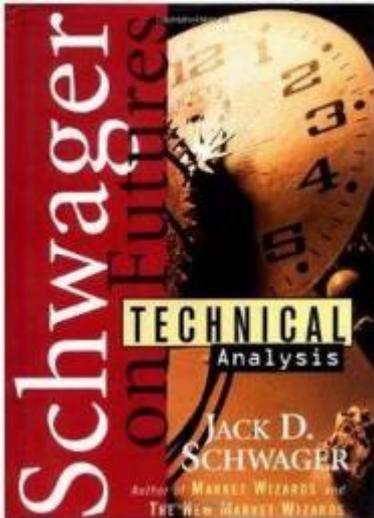
<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

There are a lot of books out there on candlestick charting, but almost all of them are derivative of Nison's tome. It goes through and explains the basic concepts, as well as the most relevant patterns related to candlestick charting. Unless you really need to know about the "three-drunk-salarymen-rolled-by-the-hooker-in-the-Shinjuku-train-station" pattern, this book is all you will ever need for candlesticks.

<http://www.stocktradingtogo.com/2008/08/08/twenty-must-read-investing-books/>

Japanese Candlestick Charting Techniques by Steven Nison

This book introduces candlestick charting, which some investors may find useful in their trading. It sure helps to make charts more visual!



Schwager on Futures: Technical Analysis Hardcover

– December 15, 1995

by Jack D. Schwager ▾ (Author)

★★★★☆ ▾ 14 customer reviews

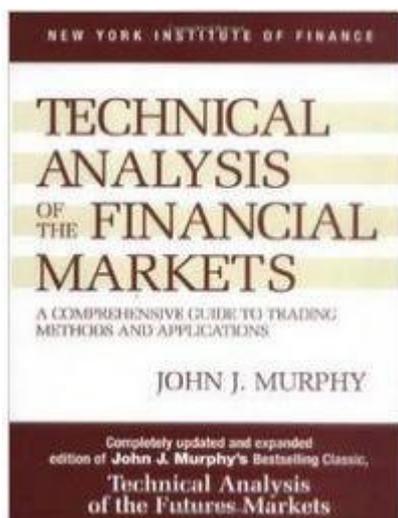
Amazon Link

[Schwager on Futures: Technical Analysis - Jack Schwager](#)

Recommendation

<http://decodingwallstreet.blogspot.com/p/best-trading-books.html>

Schwager on Futures - Technical Analysis, by Jack Schwager, 6, probably the best Technical Analysis book I have ever read; but I am not a pure technical trader.



Technical Analysis of the Financial Markets: A Comprehensive Guide to Trading Methods and Applications (New York Institute of Finance) Hardcover

– January 1, 1999

by John J. Murphy ▾ (Author)

★★★★☆ ▾ 173 customer reviews

Amazon Link

[Technical Analysis of the Financial Markets: A Comprehensive Guide to Trading Methods and Applications \(New York Institute of Finance\) - John J. Murphy](#)

Recommendation

<http://www.minyanville.com/business-news/editors-pick/articles/trading-book-Reminiscence-of-a-Stock/1/14/2013/id/47283?page=full>

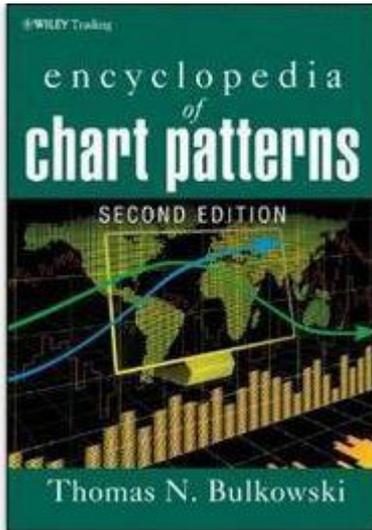
This thick, technical tome is less a casual beach read and better suited for coffee-fueled highlighting and copious margin notes. John J. Murphy's *Technical Analysis of the Financial Markets* has earned its place as one of the foremost references for learning the ins and outs of complex charting techniques. It's not only been cited in Federal Reserve studies, but is also used as the primary source in the Market Technicians Association testing program. A recently updated edition is suited better to modern technologies and markets, and includes coverage of intermarket relationships, stock rotations, and candlestick charting.

<http://en.tradimo.com/help/recommended-reading-top-six-trading-books/>

Rated as one of the best technical analysis books for technical tools, indicators, charting patterns, and stocks, this publication goes one step further to give great examples and explanations. There are hundreds of technical analysis books on the market, however this one comes up time and again for traders' preferred reading.

<http://www.daytradetheworld.com/trading-blog/top-10-stock-market-books-you-should-read>

If you are a technical trader, you must fully understand technical analysis. John J. Murphy's text is one stock market book that provides you with an understanding of stock charts and indicators. Positive: The New York Institute of Finance published it, so it is written well and easy for you to understand. Therefore, it is one of my favorite texts about technical analysis. Negative: The author didn't do any back tests to make sure that the information can be used in the real world.



Encyclopedia of Chart Patterns Hardcover – May 2, 2005

by Thomas N. Bulkowski ▾ (Author)

★★★★☆ ▾ 45 customer reviews

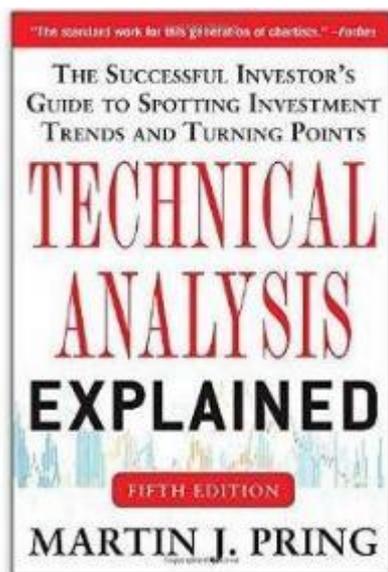
Amazon Link

[Encyclopedia of Chart Patterns - Thomas N. Bulkowski](#)

Recommendation

<http://www.stocktradingtogo.com/2008/08/08/twenty-must-read-investing-books/>

An extremely detailed work that rivals “Technical Analysis of Stock Trends” and should provide traders with a complete understanding of chart patterns. The hard work is to apply the knowledge.



Technical Analysis Explained, Fifth Edition: The Successful Investor's Guide to Spotting Investment Trends and Turning Points Hardcover –

January 8, 2014

by Martin J. Pring (Author)

★★★★☆ 5 customer reviews

Amazon Link

[Technical Analysis Explained, Fifth Edition: The Successful Investor's Guide to Spotting Investment Trends and Turning Points - Martin J. Pring](#)

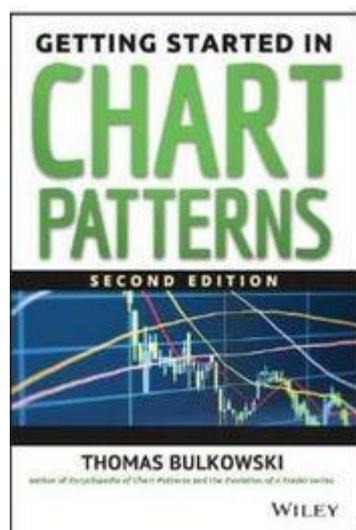
Recommendation

<http://decodingwallstreet.blogspot.com/p/best-trading-books.html>

Technical Analysis Explained, by Martin Pring, 5, while it is not a top book on technical analysis has some very good chapters on trading cycles and seasonalities.

<http://www.daytradetheworld.com/trading-blog/top-10-stock-market-books-you-should-read>

This is such a good stock market book that it has been named a “Bible of Technical Analysis.” As a technical analyst, Martin J. Pring is an expert at giving you detailed information. If you are going to be a serious or professional technical analyst, you must read this book. With so much information in one place, you may begin to feel overwhelmed. It does not contain fundamental analysis. You would need to read this text and the “Liberated Stock Trader Book” to receive technical analysis and fundamental analysis.



Getting Started in Chart Patterns Paperback –

April 14, 2014

by Thomas N. Bulkowski (Author)

★★★★★ 11 customer reviews

Amazon Link

[Getting Started in Chart Patterns - Thomas N. Bulkowski](#)

Recommendation

<http://www.investing.com/analysis/book-review:-bulkowski,-getting-started-in-chart-patterns-214963>

Thomas Bulkowski is probably the best known chart pattern researcher. Among his credits are the Encyclopedia of Chart Patterns and the three-volume Evolution of a Trader. In this second edition of Getting Started in Chart Patterns (Wiley, 2014), a book originally published in 2006 and newly revised and expanded with updated statistics, he introduces more than forty chart formations. Better yet, he explains how to trade using them.

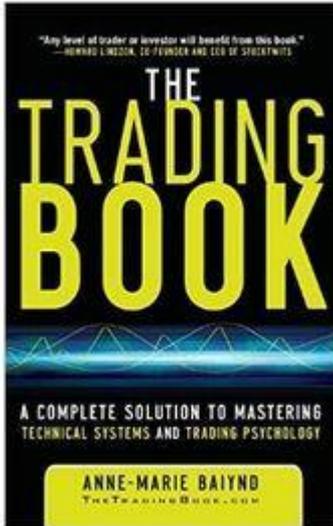
Although the title indicates that the book is for novices, it is equally valuable—perhaps even more valuable—for more experienced pattern traders. Without continually reviewing, testing, and revising pattern trading strategies, it's all too easy to trade yesterday's market.

In two action-packed chapters Bulkowski explores trendlines and support and resistance. He considers support and resistance to be “the most important chart patterns” because “they show how much you are likely to make and how much you are likely to lose on each trade. That's like playing poker and knowing the hands of your opponents. You won't always win, but it helps.” (p. 35)

In the next two chapters he offers ten buy signals and ten sell signals. For each he explains how to identify the pattern and serves up trading tips. In some instances he also includes sections on measuring success and case studies.

Especially valuable are his chapters on special situations and busted patterns. Among the special situations are dead-cat bounces, gaps, and spikes and tails. My personal favorites are busted patterns. Bulkowski explains the general principle: “A busted pattern occurs when price breaks out in one direction, fails to move more than 10% before reversing and breaking out in the opposite direction.” The best performance, he's found, comes from rectangles with downward breakouts. “They bust, and price shoots up through the pattern, rising an average of 61% above the top of the rectangle.” (p. 252)

Bulkowski can always be counted on to deliver a lively blend of pictures and number-crunching. This book is no exception.



The Trading Book: A Complete Solution to Mastering Technical Systems and Trading Psychology

Hardcover – June 23, 2011

by Anne-Marie Baiynd (Author)

★★★★☆ 30 customer reviews

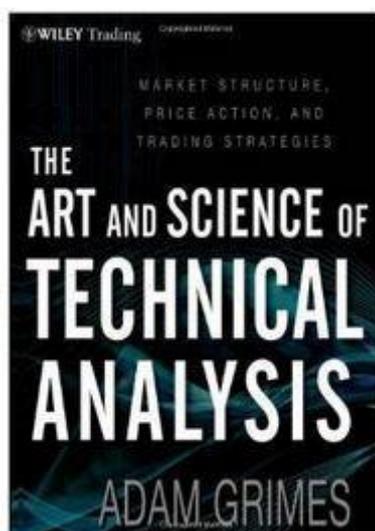
Amazon Link

[The Trading Book: A Complete Solution to Mastering Technical Systems and Trading Psychology - Anne-Marie Baiynd](#)

Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

I like Anne-Marie, but if she had asked me if it was a wise choice to add another trading book to the world, I would have advised against it. I would have been wrong. I was amazed at the scope of material that this book was able to cover, and do so in a meaningful way. Anne-Marie's economical (and often humorous) style takes you right to the core of each concept, doing away with irrelevant and superfluous information. I don't think it is hyperbole to say this is an instant classic for the beginning/intermediate trader.



The Art & Science of Technical Analysis: Market Structure, Price Action & Trading Strategies

Hardcover – July 3, 2012

by Adam Grimes (Author)

★★★★☆ 41 customer reviews

Amazon Link

[The Art & Science of Technical Analysis: Market Structure, Price Action & Trading Strategies - Adam Grimes](#)

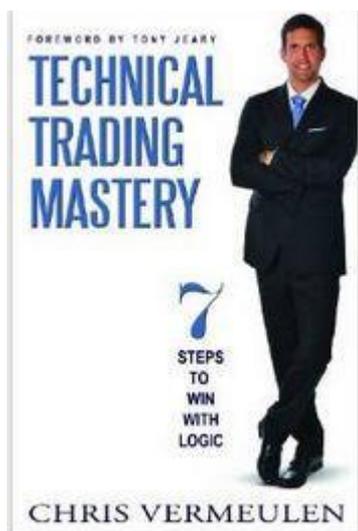
Recommendation

“One of best trading book to have it. I'm a self-learner daily trader & already faced upside & downside worse scenario (good & bad positions already). been reading several trading books quiet long enough and finally found the right book for me. It turn me out to write a good review 1st time as ever. Because it's my sincerely appreciation to author Adam Grimes how much this book is very helpful to me by sharing his Skills & Knowledge. His book show me the ideas how to approach closer to market Action/reaction and I pick up with my own style by combing base upon my past experiences. It become my bright light up. There many trading strategy books out there with different ideas, different point of view approach & different strategies play. Each author has their own professional skills by sharing their knowledge. What so ever, Adam's skills & strategy are more likely me. My point of view is; whoever reading trading books, it's better to understand ourselves 1st what's your style and then better adapt to create your own strategy playbook. wishing Good luck to all readers .” – joeshane (Amazon Review)

“I am a longtime inconsistent trader. I stumbled across Adam's blog from the website abnormal returns. The blog is different than the others in the way Adam looks at the world, and way generous way he shares information. I looked forward to reading the book, and wasn't disappointed. Adam doesn't sugar coat the length and difficulty of the learning process. He emphasizes consistency and discipline. The trading strategies and risk management chapters are excellent. The charts are clear and show both winning and losing trades. I really feel this book will make me a more consistent trader. Adam also offers a free online trading course which I would recommend for new traders or those that feel they could use some guidance.” – Al Cooper (Amazon Review)

“This IS a technical analysis book. This is NOT the typical technical analysis book where the much the info is free on the internet anyway.

Like other trading books, this book does explain and show setups. However, Grimes does a solid explanation in showing why a setup may work in a certain timeframe in a certain market. If you're looking to get to that next step, this book can do you no wrong.” – L. Zhang (Amazon Review)



Technical Trading Mastery: 7 Steps To Win

With Logic Paperback – February 1, 2014

by Chris Vermeulen (Author)

★★★★☆ 6 customer reviews

Amazon Link

[Technical Trading Mastery: 7 Steps To Win With Logic - Chris Vermeulen](#)

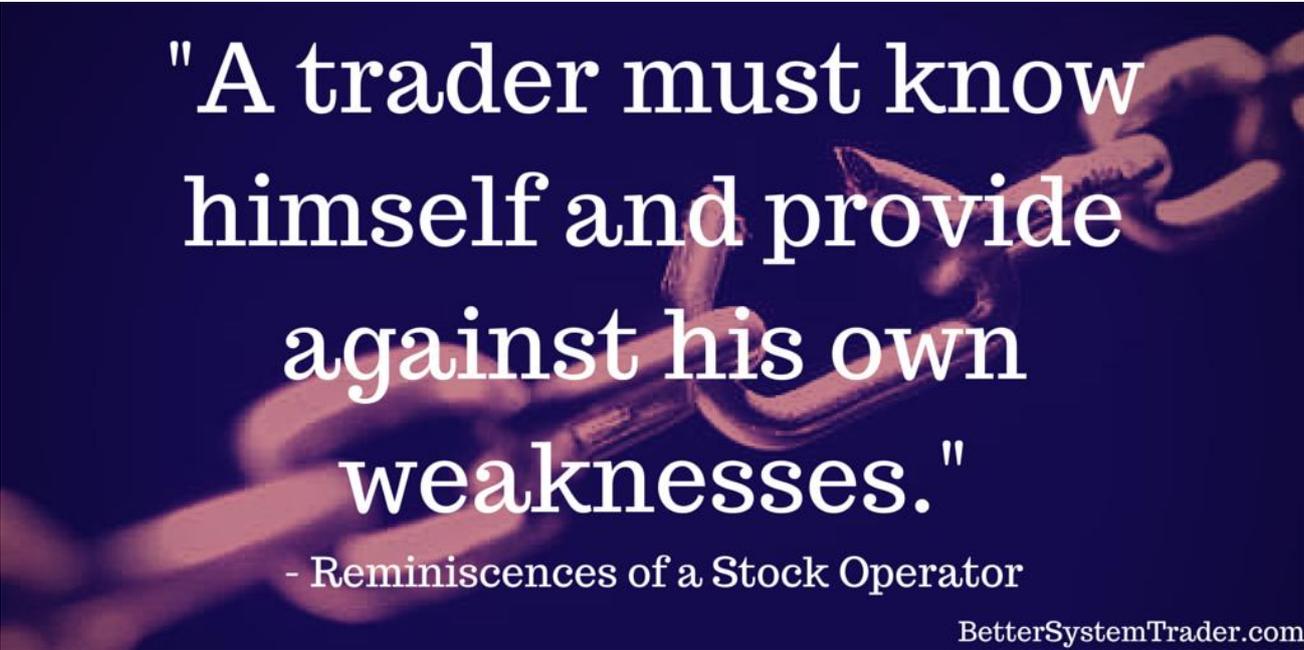
Recommendation

"I've studied technical analysis for years, so Chris's book was a reminder to have a plan, know myself, and stay focused. The stock market is a complex arena, and Chris keeps trading simple. The book is easy to read, and I recommend it for beginners, and for those more experienced traders, like myself." - Good read, By CAG

"As a technical trader, there are many facets to learn which can be very confusing. It takes time to grasp it all. Trading is a skill that you must keep refining in order to become successful. This book gave me some new ideas, cleared up some misconceptions, and reinforced the concept of keeping it simple. The chapters on cycles was of special interest to me which I am implementing to improve my timing. I have bought and read many trading books and this was one of the better ones." - Easy to Understand, By Sharon Sacks

Trading Psychology

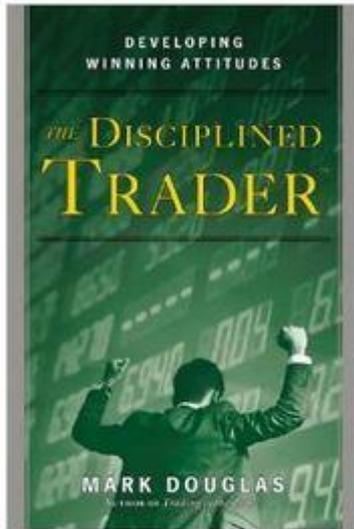
Internal factors that can impact results



"A trader must know himself and provide against his own weaknesses."

- Reminiscences of a Stock Operator

BetterSystemTrader.com



The Disciplined Trader: Developing Winning Attitudes

Hardcover – April 1, 1990

by [Mark Douglas](#) (Author)

★★★★★ 161 customer reviews

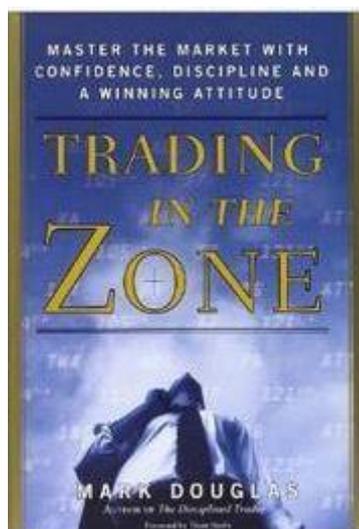
Amazon Link

[The Disciplined Trader: Developing Winning Attitudes - Mark Douglas](#)

Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

The Disciplined Trader & Trading In The Zone – These are the definitive books on trading psychology. I know traders who went from perpetual losers to consistent winners after reading these books. The way Douglas climbs into the psyche of a trader is scary, and there is a good chance you will wonder aloud how he managed to plant the hidden camera and microphones that he used to take notes on your trading deficiencies.



Trading in the Zone: Master the Market with Confidence, Discipline and a Winning Attitude Hardcover – January 1, 2001

by Mark Douglas ▾ (Author)

★★★★☆ ▾ 388 customer reviews

Amazon Link

[Trading in the Zone: Master the Market with Confidence, Discipline and a Winning Attitude - Mark Douglas](#)

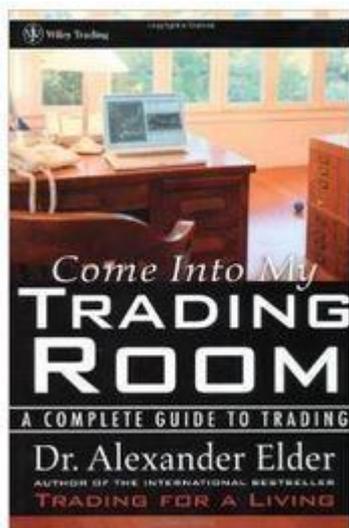
Recommendation

<http://bclund.com/2012/03/13/20-books-every-trader-should-know/>

The Disciplined Trader & Trading In The Zone – These are the definitive books on trading psychology. I know traders who went from perpetual losers to consistent winners after reading these books. The way Douglas climbs into the psyche of a trader is scary, and there is a good chance you will wonder aloud how he managed to plant the hidden camera and microphones that he used to take notes on your trading deficiencies.

<http://en.tradimo.com/help/recommended-reading-top-six-trading-books/>

This is one of the most recommended books in the trading industry. It deals with the basic elements of psychology and explains how we are shaped by our beliefs and these beliefs inevitably find their way into our trading. A great book for self reflection, understanding the inner workings of our minds and letting go and accepting that we do not know what will happen in the markets.



Come Into My Trading Room: A Complete Guide to Trading Hardcover – April 19, 2002

by Alexander Elder (Author)

★★★★☆ 156 customer reviews

Amazon Link

[Come Into My Trading Room: A Complete Guide to Trading - Alexander Elder](#)

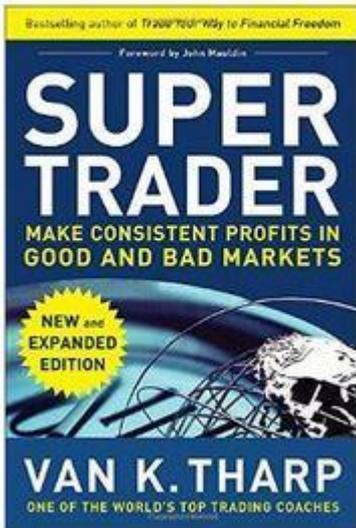
Recommendation

<http://jbmarwood.com/16-best-trading-books-time/>

I find good trading psychology books to be hard to come by. Though they are well received I personally do not think much of Trading in the Zone or the Naked Trader as they both have a fair amount of filler material. Come into my trading room, however, by Dr Alexander Elder, is a good balance of science and intuition.

<http://en.tradimo.com/help/recommended-reading-top-six-trading-books/>

Often noted as a trading bible, Come into my Trading Room focuses on money management and how to approach trading from a professional standpoint. This book takes you through trading elements crucial to psychology and a disciplined mind set, giving the reader an insight into how to become a successful trader.



Super Trader, Expanded Edition: Make Consistent Profits in Good and Bad Markets Hardcover – December 3, 2010

by Van Tharp (Author)

★★★★☆ ▾ 24 customer reviews

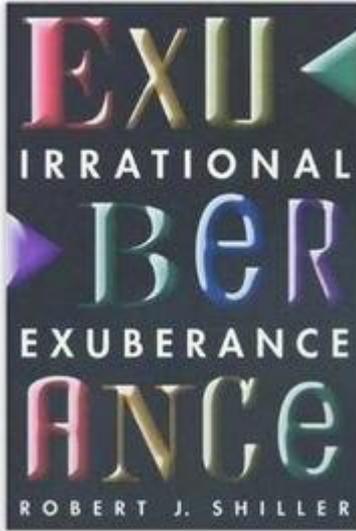
Amazon Link

[Super Trader, Expanded Edition: Make Consistent Profits in Good and Bad Markets - Van Tharp](#)

Recommendation

<http://www.vantharp.com/Van-Tharps-Favorite-Books.htm>

Super Trader: Make Consistent Profits in Good and Bad Markets. Expanded Edition New York: McGraw-Hill, 2010. Transform yourself from a mild-mannered investor into a proactive trader who outperforms the markets!



Irrational Exuberance Hardcover – March 15, 2000

by Robert J. Shiller ▾ (Author)

★★★★☆ ▾ 133 customer reviews

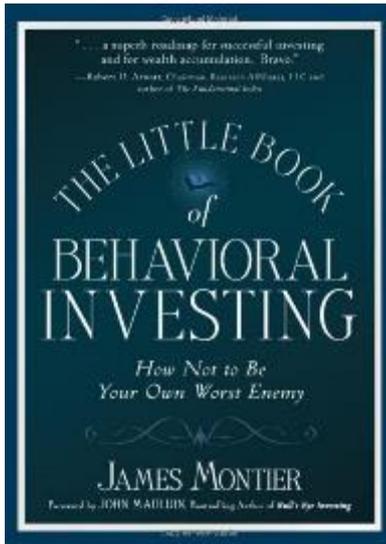
Amazon Link

[Irrational Exuberance - Robert J. Shiller](#)

Recommendation

<http://www.investopedia.com/articles/basics/03/050803.asp>

Named after Alan Greenspan's infamous 1996 comment on the absurdity of stock market valuations, Shiller's book, released in Mar 2000, gives a chilling warning of the dotcom bubble's impending burst. The Yale economist dispels the myth that the market is rational and instead explains it in terms of emotion, herd behavior and speculation. In an ironic twist, "Irrational Exuberance" was released almost exactly at the peak of the market.



The Little Book of Behavioral Investing: How not to be your own worst enemy Hardcover – January 26, 2010

by James Montier (Author)

★★★★☆ 45 customer reviews

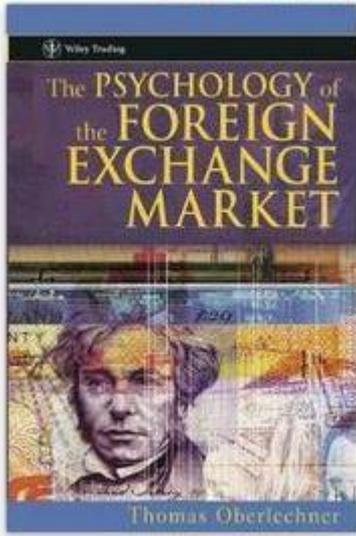
Amazon Link

[The Little Book of Behavioral Investing: How not to be your own worst enemy - James Montier](#)

Recommendation

<http://www.businessinsider.com/the-most-important-finance-books-2013-12?op=1>

"Bias, emotion, and overconfidence are just three of the many behavioral traits that can lead investors to lose money or achieve lower returns. Behavioral finance, which recognizes that there is a psychological element to all investor decision-making, can help you overcome this obstacle. In *The Little Book of Behavioral Investing*, expert James Montier takes you through some of the most important behavioral challenges faced by investors. Montier reveals the most common psychological barriers, clearly showing how emotion, overconfidence, and a multitude of other behavioral traits, can affect investment decision-making."



The Psychology of the Foreign Exchange Market

Hardcover – November 30, 2004

by Thomas Oberlechner ▾ (Author)

★★★★☆ ▾ 4 customer reviews

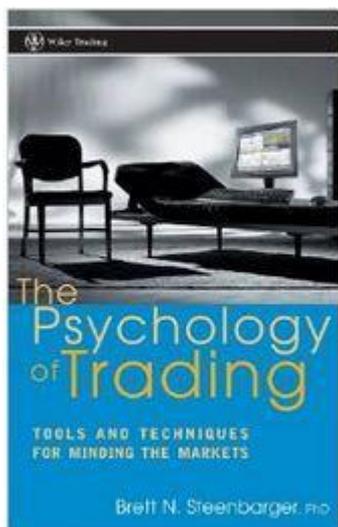
Amazon Link

[The Psychology of the Foreign Exchange Market - Thomas Oberlechner](#)

Recommendation

<http://www.tradebullet.com/resources/books/>

For the practical-minded reader interested in financial trading, this book will hold up a mirror to help examine yourself. Much of trading, after all, is psychology! As one expert points out in this book, "traders don't just bring their money to the market, they also bring themselves!" It is chilling to read, for instance, about how market trends may just be held up by rumor. How traders use metaphors to make sense of the vast markets (eg, using likening it to warzone or to a lover or to a bazaar or to a casino, etc), is also discussed and may help sort out your own mental algorithms for simplifying financial decision-making.



The Psychology of Trading: Tools and Techniques for Minding the Markets Hardcover –

December 23, 2002

by Brett N. Steenbarger (Author)

★★★★☆ 52 customer reviews

Amazon Link

[The Psychology of Trading: Tools and Techniques for Minding the Markets - Brett N. Steenbarger](#)

Recommendation

"I am a full-time, intensely dedicated trader. I can say that many individual paragraphs in this book contain more useful information, advice, and insight than the TOTAL of all other books I've read on trading. First: the author is SMART, VERY experienced with trading, and the perfect combination of an original thinker and a well-informed intellectual in his field. He has an obvious gift for psychology and therapy, and a real hook for trading. Although the book is literally overflowing with all sorts of gems, the center of it, and the brightest gem of all surrounds the concept of "brief therapy." Through 10 or so excellent therapy stories he shows us several ways to "get outside ourselves" and observe what we're really up to; and then how to cleverly "shift" who we are to more productive patterns. He does all this both within and beyond the particulars of trading. This book can help you achieve a clarity directly appropriate to trading in DAYS, that without it--and if you were quite perceptive!--would have seemed like a lifetime's work. I can't recommend this book highly enough; and I've never written a review and don't plan to write another--AND, I'm kicking myself because I'd really prefer that other traders DIDN'T read it! " – Determined Trader (Amazon review)

"If one rates books of this nature based on the number and frequency of exciting thoughts and ideas they produce in the reader's mind, The Psychology of Trading has to be near the top of the heap. Through examples and anecdotes, the author brings to light important topics in way which combines the personal with the professional.

A favorite mantra of traders is that one must be disciplined to have a chance at success in the markets. This is all well and good, but it's oftentimes easier said than done. Dr. Steenbarger's book takes the reader beneath the surface to explore reasons why discipline breaks down - why traders who know exactly what they are supposed to be doing, still fail to do it.

Unlike some other books, in this one the author does not just pour out a list of all the things that traders can do wrong, and the various mental issues which come in to play. He actually takes a proactive approach, one which helps the reader see that there are things which can be done to overcome one's difficulties. The

reader is not left to feel like their emotions are a bad thing, but rather helped to see that they can be put to good use, not just in trading, but in life as well. “ – John Forman (Amazon Review)

“The Psychology of Trading is one of those books where you will make a lot of discoveries about yourself and about your life, if you are paying attention, that all tie into trading.

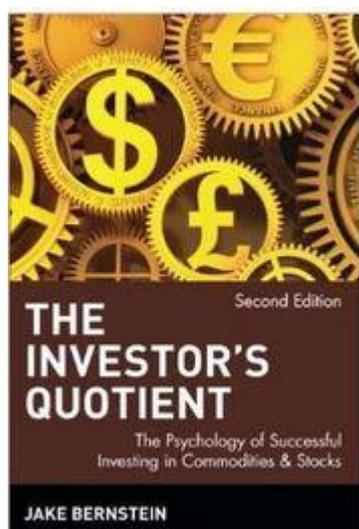
Steenbarger is a psychologist specializing in "brief therapy" and also an active trader. The book has chapters that discuss an in-depth story of a patient, and draw lessons from that story about life, cognition, and trading.

It is an awesome book. I have read Douglas and I have Ari Kiev's book which I will read one of these days, but I can't see how it can top Steenbarger's.

Steenbarger says that we have many personalities, and he shows you how you can identify which personality is doing what, and trigger the "Observer" in you, a part of you that is watching and that can see the truth of what you are doing and why you are doing it. This isn't as Zen as it sounds. And Steenbarger has technique after technique in each chapter, so it isn't a bunch of generalizations and observations. The first technique (which I have done for some months now and read that Larry Connors and Linda Raschke also do and you probably do too) is to keep a detailed trading journal with your thoughts, feelings, what is happening, why you are taking a trade, etc.

The second technique is to exercise in the morning (he does stretching and some calisthenics) and then talk out loud and explain each of your trading plans. Something about talking out loud and explaining your plans lets your brain process differently and he says you can identify what is really good, find holes and see potential traps or things you haven't thought through.

I am on the fourth chapter and I just love this book.” – Applying What I Read (Amazon review)



The Investor's Quotient: The Psychology of Successful Investing in Commodities & Stocks

Paperback – April 10, 2000

by Jake Bernstein (Author)

★★★★★ 14 customer reviews

Amazon Link

[The Investor's Quotient: The Psychology of Successful Investing in Commodities & Stocks - Jake Bernstein](#)

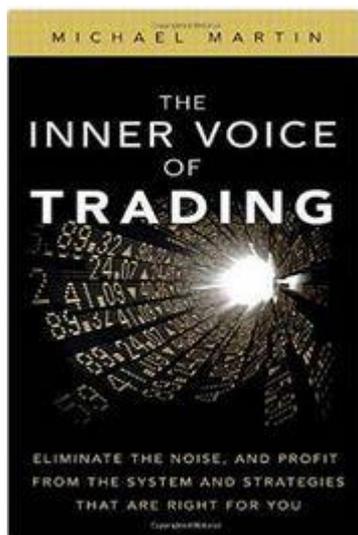
Recommendation

“Wow--I am truly impressed with the quality and content of this book! Fortunately, the short profile quiz in the book identified me as a trader who already has strong self-discipline and a good working understanding of trading psychology and as someone who might not need to read further chapters, but I was still able to pick up pointers and solutions to the remaining problems that plague me (getting out of a position too soon, or getting out too late--both problems falling in a class called "non-specific fear or greed"). Friends of mine who have weaker self-discipline clearly exhibit many of the psychological problems that Bernstein describes as common amongst traders, especially a strong aversion to using stops for money management/loss control. I find many of his repair techniques to be similar to those used in neuro-linguistic programming (NLP) to treat other behavioral/psychological problems, and I appreciate his respect for many different trading styles and systems; unlike many other writers, who say that their system is the ONLY system or ONLY way to consistently profit, Bernstein stresses that ANY trading system/methodology or lack thereof will work so long as the trader has the psychology and discipline to execute it. Bernstein of course advances his own trading rules, some of which I don't agree with but which are not wrong--just not my style. Whatever *your* trading style, I'm sure you'll benefit from learning how to better implement it, so read this book! Needless to say, this is one of the few books that I've decided shall have a permanent place on my trading library shelf. It is at once detailed and scientific in content, yet easy to read and understand and will be re-read in times of trading weakness.” – Amazon customer

“It is the Trader and not the System that brings success. These are Mr. Bernstein's words and I echo them. After attempting to analyze repeatedly what was "wrong" with my system, I finally asked the winning question: maybe I should find out what was going on with me that put me on the wrong side of the trade. I purposely bought this book one evening and spent the nite reading it. Sleep well worth losing. I finally figured out my particular method of self-sabotage and have begun to see changes in my handling of trades and of people and situations. Mr. Bernstein's wisdom and experience is an invaluable resource that everyone who wants to achieve success or increase his rate of return, should read and act on. “ – A Customer (Amazon review)

“if you are allowed to buy only one book that deals with the psychology of trading, this will be it. what is excellent about this book is it gives you an idea on how to improve yourself using psychology. in the first few chapters of this book, mr bernstein links the science of psychology to the 'science' of investing. exploring the various branch of psychology, then comparing psychology to our trading behaviour to show how it is linked. after that, mr bernstein goes on to tell you the many ways in which we can use what is learned in the science of psychology to improve, correct and/or enhance our trading. 200 odd pages of relevant materials and wise words on how you can go about doing it. the author is a very good and methodical teacher. bringing out each aspect of our trading, showing us how we can look for weaknesses and improve. ie he talks about our personal beliefs, how our childhood can affect our trading style, our relationship with broker/spouse/family, our methods, or even certain specific problems like not able to cut losses etc. analysing each aspect, allowing us to understand how it can affect our trading, and then show us how we can correct/improve. he even teaches the reader how best to read books! after reading this book, you should learn much about yourself and the kind of trader you are. you will also learn the best way to help yourself, to improve on any weaknesses. if there is a degree on trading, this is the definitely one of the main texts. i will also confess that my trading has improved tremendously since reading this book, from annual loser to annual winner. this book is highly recommended. it will also stand the test of time, i strongly believe it will still be as relevant 300 years from now! “ – bok (Amazon review)

“Prior to reading IQ, I was a futures trader that had met with moderate success. My technical analysis and systems were sound. I knew my trading systems inside and out. I knew their strengths, weaknesses and rules, but their real time application was just not measuring up to my models. The difference was me -- my trading psychology. This book completed the circle for me as it showed me that real success in trading depends on the individual and not so much on any one trading system.” A Customer (amazon review)



The Inner Voice of Trading: Eliminate the Noise, and Profit from the Strategies That Are Right for You Hardcover – September 28, 2011

by Michael Martin ▾ (Author)

★★★★☆ ▾ 73 customer reviews

Amazon Link

[The Inner Voice of Trading: Eliminate the Noise, and Profit from the Strategies That Are Right for You - Michael Martin](#)

Recommendation

<http://www.signalfinancialgroup.com/Reviews/Martin.php>

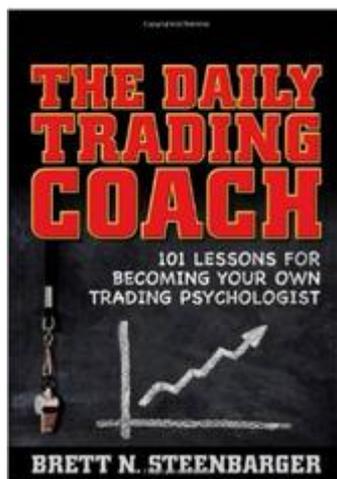
Michael Martin's book, "The Inner Voice of Trading," does a superb job of addressing the psychology of trading — the weak link facing most traders. The book is well-written as it offers facts, stories and practical insight appropriate for traders of all levels who have been lead astray by emotions.

As a quant trader, I especially enjoyed the chapter, "You are the Black Box," as it delves into the emotions surrounding systematic trading. Some people can follow systems, while others cannot. In the end it comes down to matching trading style to trading personality. My suggestion is ... if you have read all the major technical trading books and you are still struggling, even a little bit, then "The Inner Voice of Trading" is calling you.

<http://allsonatural.com/cqi/it/pdf-The-Inner-Voice-of-Trading-Eliminate-the-Noise-and-Profit-from-the-Strategies-That-Are-Right-for-You/libro-1726450753/>

"In The Inner Voice of Trading, Michael Martin recounts his own quest to become a successful trader, illuminating his journey with engaging trading episodes. Join Martin at his trading desk as he provides important insights into the art and science of balancing thoughts and feelings—and catching the big one." — Ed Seykota

"Some people trade and either don't or can't teach; some people teach and have never traded; Michael Martin can teach extremely well and is an experienced trader. This rare combo is a necessity to those who want to succeed in the markets. Read and learn!" —Victor Sperandeo, Founder, Alpha Financial Technologies, LLC



The Daily Trading Coach: 101 Lessons for Becoming Your Own Trading Psychologist Hardcover –

March 23, 2009

by Brett N. Steenbarger (Author)

★★★★☆ 37 customer reviews

Amazon Link

[The Daily Trading Coach: 101 Lessons for Becoming Your Own Trading Psychologist - Brett N. Steenbarger](#)

Recommendation

<http://seekingalpha.com/article/245501-brett-steenbargers-daily-trading-coach>

In writing *The Daily Trading Coach: 101 Lessons for Becoming Your Own Trading Psychologist*, by Brett Steenbarger, it was the author's stated intention to "... give you the tools to become your own coach, so that you can guide your own professional and personal growth." I would have to say that I think he did a quite good job of that. The tools for just about any situation are in there.

Will they all fit psychological trading challenge of yours or mine? Probably not all, because that simply is not possible, but he does provide enough general principles and specific recommendations for personal exploration and action that it will at least be a good starting point.

If nothing else, it would be worth reading the book just to understand Dr. Steenbarger's observation that if you were going to set up a learning situation in a laboratory specifically to make an animal anxious and ineffective, it would look much like the stimulus-reward relationships that occur in the financial markets. Of course, his suggested "work-arounds" for the markets' "crazy-making" rewards, punishments, apparent patterns, unpredictability, changeability, and chaos are invaluable for those who travel these waters. But, still, sometimes it is helpful just to get some validation that, yes, this is a strange place indeed.

<http://forexwins.com/forex-recommended-books/3-forex-psychology/the-daily-trading-coach-101-lessons-for-becoming-your-own-trading-psychologist-wiley-trading/>

This is another great book by an author who has studied trading psychology in great depth. Each Chapter of the book is different. You can read it in any order.

The main value of this book is that it provides valuable lessons about life in general. It tells how the same psychology is depicted on the markets' charts and is handled differently by various types of traders, who react differently to those charts.

I believe this is a great book on trading psychology. We highly recommended it for anyone who still wonders if their trading is worth continuing. Before you make the decision to quit unsuccessful trading or carry on mixed results trading, it's better to re-evaluate everything through the tips shown in this book.

If you enjoyed this
guide, please
spread the word:



<https://twitter.com/bettersystrader>

<http://www.bettersystemtrader.com>

BETTER A line graph icon consisting of a blue line with circular markers connecting several points on a grid of grey dots. The line starts at the bottom left and trends upwards with some fluctuations.
system trader