

How To Grow A Small Trading Account

People often ask me how do I get a small trading account of 1k and 2k to reasonable trading account. Let's face it we have seen a lot of internet marketers and brokers selling millionaire traders who have grown large accounts. This however has not worked out so well for many traders who simply have gone bust trying to do it. However, we do know Marty Schwartz turned \$10,000 to a million Dollars, we also know Paul Tudor Jones turned an initial \$50,000 stake to \$16 Billion in assets under management. So how is it that there are vastly conflicting ideas on the subject?

The answer lies in the difference between myth and reality.

The Myth That You Can Turn \$1,000 To \$1m.

The sad scenario is people are still gullible to believe that their small stake can grow within a few months to enable retirement and Jet Skiing in the Bahamas and when they discover it isn't true they seek to corrupt others and spread fear. So I am going to tell you exactly how brokers create the million dollar traders.

The first step the broker takes is open a dummy account or what is known as a test account in his own firm for our million dollar guy. This test account is real account but the broker simply rigs the account so orders do not trigger and positions can remain open for ever and balances can get topped up, after all he is the broker, after a few months of the trader taking insane risks and never ever been stopped out he makes a million really quickly, whalaa! You have your million dollar trader.

Step two, they circulate this all over youtube and other social media, this gets shared on, eventually our million dollar trader gets lots of subscribers and the broker gets lots of accounts, end of the story. Putting things into perspective, this is easy for a broker and the million dollar guy to do but unfortunately it won't work that way for you.



The Reality Of Growing A \$1,000 account

Growing a small account in real-time often involves for most people trading micro and mini lots hoping the market is going to offer them a generous pay out. This is clearly not working for anyone, I am sure everyone will agree, this is not a great idea. Ever wonder how Ray Dalio turned \$2000 from caddying to the largest hedgefund in the world? Most people would rather not think about that they would rather listen to the myth believer who followed broker marketing.

In reality, you need a broker who would not be offended that you are smarter and better than he is, yes this is an industry run by spoilt children who throw their toys out of the pram when they lose. Do your homework, I would not attempt to recommend anyone. The other aspect is, you have to accept it is a high stakes business.

In the end, you need to make trading worthwhile, or you will go bored losing and winning small trades here and there. In my book the [Guerrilla Trader](#), I talk about the high stakes business of trading, you would be wise to adhere. In any case, you have to put more on the table, in my video blog [Trading Titans](#), I show trade after trade, reinforcing it is not about taking insane risk it is about measured calculated risk with the right position size at the time.



Let's not joke around, you have 3 trades, to make it count, so targeting, location all come into play. Naturally as a beginner, you can forget that you are going to be able to do this unless someone shows you exactly what to do and explains the method behind it. Most professionals would start with a **Market Profile** TPO chart to help determine statistical value which would aid trade location.

As you can see this is not for the faint of heart and the reason why many traders find it easy to follow a guru who would give them a prescribed playbook, that he knows doesn't work but if selling that playbook pays the bills, who cares?

It is pretty obvious you can grow a small account quickly in fact, you don't have a choice, trading is a game of probability, the more you stay playing the more your odds of winning reduce.

Take trader A who makes 100 trades vs trader B who makes 20, if trader A makes all 100 trades, then it would be likely that by the sheer number of trades he is making he would have an occurrence of losing 5 trades in a row to ruin, even if that as a rare possibility. Trader B on the other hand if he makes 20 trades has a lower probability of losing 5 trades in a row. There is of course other factors as to why the traders lose in the first place but in the interest of keeping the simple, I would say less is better, with this information some of you may be thinking how do I maximise from this logic? I have helped many traders grow small accounts to tradeable mid-sized accounts, it doesn't take a lot of time just a willingness to have an open mind.

So as you can see adjusting your core thinking processes will give you new logics to launch from. If you want more information or help growing a small trading account then visit www.marketprofile.org, or you can also like us on Facebook www.facebook.com/cmtradersclub