

TRADER'S STORY

Get to know your fellow traders. YTE speaks to trader **Filip Torteovski**



H 1. How and when did you first become interested in the markets?

My first professional job was in accounting and my boss got me to read a book called 'Rich Dad Poor Dad' on the very first day. Initially I thought, wow, you're going to pay me to read a book on how to become financially independent? To this day, I'm still not sure why he did it, but I'm forever grateful that he did, as he opened my eyes to the world of investing and share trading. From there, we would paper trade stocks for fun, which was also a great learning experience. Eventually, while still at that office, I ended up buying my first actual share.

2. And then what happened?

I met a fellow who worked in the same building as the accounting practice that I was with. He was working in funds management. Coincidentally we started talking one day and he had a share trading software on his laptop screen. I asked what it was all about, and needless to say, we clicked instantly. I bombarded him with questions, one of which was how can I get started doing what he was doing. He advised that if I was serious about trading and becoming a trader then I really should get some formal education. He had studied at Wealth Within, and as a result, I took his recommendation and enrolled in the Diploma of Share Trading and Investment with Wealth Within.

After completing the course I received an email they sent out to past students looking for staff and so I jumped at the chance, as I realised that accounting was not where I wanted to be anymore. I attained the position and stayed for around two years, learning everything I could before going out on my own trading full time, which I did over two and half years. It's funny how things can turn full circle as in the last year I have managed to team back up with the same fellow in funds management who advised me to get a good education, and I have joined him part time in funds management as a portfolio manager.

3. How have you been able to learn and educate yourself about the markets?

After completing the Diploma of Share Trading and Investment, I went on to complete the Advanced Diploma at Wealth Within, both of which have really given me a solid set of foundations from which I trade. Trading is like anything in that you first need a good education and then you need to gain experience. So from gaining my education, like anything out there, time in the markets has not only taught me many a lesson, but it also gave invaluable real life experience, which I guess only comes from actually being in the market.

4. Did you make mistakes when first starting out?

I'd love to say no, but like every other person out there that's ever traded shares, yes of course, I have made plenty. That happens when you are learning, however, the important thing is to learn from them.

5. Would you define yourself as a discretionary trader, a mechanical trader or a combination of both?

In the early days, being a trader, you could say that my approach was much more mechanical and I think it needed to be, however as time has passed and I gained experience, my approach has become more discretionary. Perhaps this has been as a result of becoming much more comfortable with the markets, however they unfold, and understanding better who I am as a trader.

6. Who have been some of your mentors and role models? What impact have these people made on you personally as well as on your trading style?

First and foremost, I would say the whole team at Wealth Within was great, both during and after my studies. I have learnt so much from Dale Gilham, Janine Cox and Jennie Houston, especially Dale, as he really assisted me in finding my own way as a trader. Rather than giving me a rigid system, they helped me develop into my own style and this allowed me to become an independent trader.

7. Can you give us a brief overview of your trading style?

Being an independent trader gives me flexibility, because how I trade depends quite a bit on the instrument I am trading and the market at the time. For example, I may trade a derivative differently to how I trade stocks, and how I trade stocks short term will be different to how I might trade them longer term. Further to that, a strategy that works well on one stock may not do so well on another, so I guess you could say that my style is not locked into one way of doing things. So whilst my trading is fluid it is also quite structured in how I approach it and how I develop my strategies for each market or stock I trade.

8. Is there any one trade (win or loss) that had a profound effect on your development as a trader? If so, what did you learn from the trade?

To be honest, there hasn't been one trade that stands out. I must say however that I am (in a weird way) thankful for some of the losses I have had, as I have learned my best lessons from these losses.

9. Can you tell us about your best and worst trades?

It's normal here for me to perhaps measure this question in monetary terms. However, as mentioned earlier, I have had my real 'aha' moments when encountering some of my worst trades, so I would not trade that for anything as they have helped me identify areas in my trading that needed fixing. Win or lose, to me, my best trades are when I follow my rules and my worst trades are when I don't.

10. Would you classify yourself as a short-term or a long-term trader? What advice would you offer to people getting started as traders on the relative merits or otherwise of each?

Again, it really depends on the instrument and plan I have in mind. I have traded both short term and long term portfolios so I would not put myself in one camp exclusively. In terms of offering advice to people getting started, I would say that both (long term and short term) strategies have their place. When

starting out I would suggest that it is safest to go with more of a longer term approach, as it is easier and comes with less stress. I have found the shorter the time frame you trade over, the faster the game becomes and the propensity to take losses becomes much more and this increases stress and complexity to trading.

You really do need to have your psychology down pat when trading short term and that comes with not only understanding yourself as a trader, but also as a person. This of course takes knowledge, time and experience and so trading short term when you start out is not really a smart way to go.

11. What markets do you trade and which markets do you prefer? Do you have a favourite, and why?

At the moment I trade ASX stocks and have traded CFDs. I have also been working on getting some strategies together on some of the futures markets, as I think this is an area I could head into in the near future.

12. What makes your trading style different from others? What sets you apart from other traders?

13. As individuals we all have different personalities and I really believe that once you can conquer and understand yourself, you will have a real chance at becoming successful at trading. A lot of traders don't get this, which explains why so many struggle. Therefore, even though I may use tools which other traders use, it's how you perceive these tools and the information they give you through your individual set of eyes that separates you from the rest. I have not created anything special that I use to trade; I keep things simple and use tools and information that have been around for centuries. I guess in a way, I just have my own spin on things.

14. Do you have a favourite trading rule?

This is the beauty in how I trade, in that I use whatever works in that particular situation. My rule depends on what I am trading, and the market conditions.

15. Ed Seykota says, "Everybody gets what they want from the markets." What do you 'get' from the markets?

Trading gives me a great sense of fulfillment. Sometimes you get that gut feeling when you know you are doing something you should be doing, which is what I get with trading.

16. How has trading affected your lifestyle?

In the beginning I lost a lot of weekends and good nights out, as I would be either studying my course or analysing the market whilst my mates would hit the town. However, I wouldn't change it for the world and if anything, all the hard work has now allowed me more freedom than ever, which is what attracted me to trading in the first place. As a young trader I have choices other people my age don't, I can choose to work for a boss, to trade for my income, or both.

17. What books, seminars and courses have you read or attended and which would you recommend?

I would definitely recommend the accredited courses at Wealth Within. I'm glad that fellow recommended them to me when I was just starting out, as it meant that unlike others, I didn't waste time going down the wrong road, or the long hard road. Apart from that, I would recommend Jesse Livermore's book, *Reminiscences of a Stock Operator*. I was lucky enough to receive it as a birthday present, and I must say, it was quite an interesting story and has some wonderful words of wisdom that have helped me.

18. What does the future hold for you?

I am really enjoying what life is presenting at the moment, and I have some pretty big goals with family and all the normal things we desire, and I know trading will help me get them. The past few years have been pretty good and so hopefully there's more of the same to come. 