

TRADER'S STORY

Get to know your fellow traders: YTE speaks with beginner trader and stay-at-home mum **Sharon Kneen**.

Sharon Kneen is married, with two children aged four and six. She is a qualified teacher and gymnastics coach, but is currently enjoying her role as a stay-at-home mum caring for her family.

Sharon's trading journey is fascinating in its simplicity. She uses a mechanical trading system and sticks unfailingly to the rules of the system, buying on buy signals and selling on sell signals, with pleasing results achieved in a little over one year.

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

In December 2008 my husband and I decided to give the share market a go, since it had had a huge decline associated with the global financial crisis. We chose a few blue chip stocks to begin with; then I read 'A Step-by-Step Guide to Buying and

gave me a lot of insight – although some of it went well and truly over my head, as it still does. I decided after a month or so that I would like to give the CFD package a go, so I upgraded and started trading CFDs. At the same time I switched to CBS as my broker, because I could then trade both equities and CFDs out of the same account and use the equities as collateral. Again, I sent emails and made phone calls to clarify anything I was unsure of. Both Share Wealth Systems and CBS have been very helpful.

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

It's trial and error for me. Lots of emails, phone calls and reading the online forum. I don't do any market research – I just use the system.

Did you make mistakes when first starting out?

I made a few mistakes – changed some settings and forgot to change them back, hit the buy button instead of the sell button, etcetera. It has been fun though!

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

I am a medium-term trader – I think the average hold time is around eight weeks with this system. It really depends on how much time you have. I don't have much time and currently spend about 15 minutes per day on my trading activity.

Selling Shares Online' by Kel Butcher. The book had been given to us by our financial planner. A mechanical system mentioned in the book took my interest, so I contacted Kel to ask further questions. I then contacted Sharefinder (now Share Wealth Systems) for a demonstration. My husband also sat through an online demo. We signed up and bought the SPA3 package.

And then what happened?

It was quite easy to set up the system and get started. I sent emails or made phone calls to clarify anything I was unsure of. I followed the rules religiously and read the forum posts, which

I am completely mechanical. I know very little about shares, technical analysis, or much else to do with the markets. Some of the things people discuss on the forum are completely foreign to me.

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?

The only mentors or role models I have are the people at Share Wealth Systems.

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

I run a scan. I look for any sell or lighten signals on my current holdings. I look for any pyramids or new buys if I have positions to fill. I execute the trades – usually at around 11.45 each day, or I set a market order if I'm not going to be home. I turn off the computer and race around with my kids!

Is there any one trade (win or loss) that sticks in your mind that had a profound impact or effect on your development as a trader? If so, what did you learn from this trade?

There are no trades that really stick in my mind. What I do remember is when I first started and bought a few blue chip

stocks. The plan was to hold on to them for the long term. How things have changed! I now buy and sell stocks all the time. The results I have achieved to date outweigh what I would have achieved with a buy and hold strategy, which was my original intention.

Can you tell us about your best and worst trades?

I just follow the signals. Some are small winners, some are big winners, some are small losers, and some are bigger losers.

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

YTE **magazine**.com



I am a medium-term trader – I think the average hold time is around eight weeks with this system. It really depends on how much time you have. I don't have much time and currently spend about 15 minutes per day on my trading activity.

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

I trade only stocks and CFDs on the ASX, which suits me fine at the moment as I am a very new trader. As I grow in confidence I may investigate other markets. I'm quite happy where I am at the moment.

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

I think many people are very emotional about the stocks they hold. I am purely mechanical. I have absolutely no emotional attachment to any of the shares I buy. I don't research, I just follow the signals. I don't look back once I have closed a position – I just look forward to the next opportunity. I just trust the system. I am still learning, but so far I think I am doing okay.

Do you have a favourite trading rule?

Green = Buy.
Red = Sell.

A friend of ours says it can't be that easy, but it really is. Once you are set up, it is so easy to just follow the signals.

Ed Seykota says “Everybody gets what they want from the markets”. What does Sharon Kneen get from the markets?

Fun! I love running the scans, I love seeing sells, I love seeing new buys, I love seeing the portfolio growing and, although I don't like seeing it fall, I understand it is all part of the process. I just follow the rules and keep learning as I go. It is great fun! I often wonder why people make trading so complicated and why they are always so serious about this stuff.


How has trading affected your lifestyle?

It has certainly given us something different to talk about. We have friends who have played around with the share market and we love talking about the system with them. It also makes us feel a little more confident that we are doing something positive towards our future – early retirement would be nice!

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

The only book I have read about the markets is 'A Step by Step Guide to Buying and Selling Shares Online'. I haven't attended any courses or seminars; however, I have attended a few webinars and user group meetings through Share Wealth Systems and watched many of their training videos.

What does the future hold for Sharon Kneen?

Of course I'd like to see my portfolio continue to grow; I'd also like to continue investing in property. Ultimately, I want to give my children my time. I want to take them to school, help out in their classrooms, pick them up and take them to swimming or gymnastics. I don't want to work five days a week and miss out on my children growing up. I hope investing in the share market will help provide a secure future for our family. 

YourTradingEdge staff (www.YTEmagazine.com)

YTEmagazine.com