



# The Dualities of Trading

Kyle Williams



# Risk/reward ratio vs win rate

- Understand they are play off each other to get profitability
- Let's look at the extremes
  - 1% win rate but 1000 to 1 r/r (lotto ticket approach)
  - 99% win rate but 0.1 to 1 r/r (I'm never wrong approach)
- You need a healthy mix of BOTH
- Find where on this spectrum you and your strategy are



# Longs vs shorts

- Natural bias per style or per ticker/play
- It's not shorts fault your longs aren't going up. It's not longs fault your shorts aren't going down.
- In many cases, longs and shorts can make money in the same stock in the same day.
- In my opinion, the correct way to view this funds/companies/institutions vs the traders (long or short bias)
  - Companies they are getting their stock price up to unlock more dilution
  - A fund wanting to manipulate a stock up or down to their agenda



# Fundamental vs Technical analysis

---

- Trader's interests/style gravitate to one or the other initial
- Time frames:
  - Technicals can generally be more short term focused
  - Fundamentals more long term to play out
  - Examples: FFIE, RIVN







# Entries vs Exits



- Entries
  - Can avoid or welcome unwanted emotions
  - Leading reason for best or worst risk/reward
  - Depending on style: can have more patience or non at all
- Exits
  - Locks in the actual loss or gain (lagging for r/r)
  - Can easily open the door to fear or greed
  - Final resort of risk management (no one blew up exiting a position when they should)
- Secret: (you need both to trade profitably)

# Thank you!

X: @traderkylec

Instagram: @kyle\_cwilliams

Youtube: Kyle Williams

Email: kyle@clovertrading.io