

Best Stock Trading Books You Should Read – Course Catalog

Why Read Books on Trading

Trading is no different than any other profession. When you were going to school at any grade level you likely had books that covered all tops of topics.

For me, I had actual hardback books that I would have to take to and from school. Well think of all the books you needed to consume for school, well at a minimum you need to read at least that many when it comes to trading.

Course Catalog – How This Post Is Unique

The one key difference between the classroom is that you are not given a proctor or list of stock trading for beginners books to read to take you through the journey of becoming a trader.

You can, of course, go the route of becoming a certified market technician which will give you course materials, or you can signup with any number of trading educators you can find around the web.

Another option may be turning to a [writing service](#) that can provide a brief summary of any book. It will allow you to save some time and have a third-party give an objective opening.

But if you want to take the self-taught route, you will have to figure out which books to read and in what order.

This is where I feel this post will be slightly different than

the others you will find on the web.

I will lay out in order the best trading books you should read to give you a roadmap of sorts.

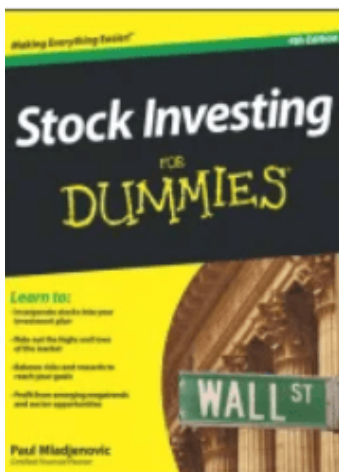
A. The Basics

In the beginning, you are likely trying to figure out where to start. This feeling will never quite go away to be honest. You will just cast a more narrow net, but go deeper as you progress in your career.

So, for just starting out you will want to get a handle on the markets in general.

#1 – Stock Investing for Dummies

These books are still a great resource for gaining a ground-level understanding of various topics. The dummies series has great books related to the topic of trading as well.



Stock Investing for Dummies

Let me be the first to say this book is simply meant to provide you with some insight into investing. It is not meant for you to pick up and start using to trade right away.

However, the book gives you a complete view into the world of

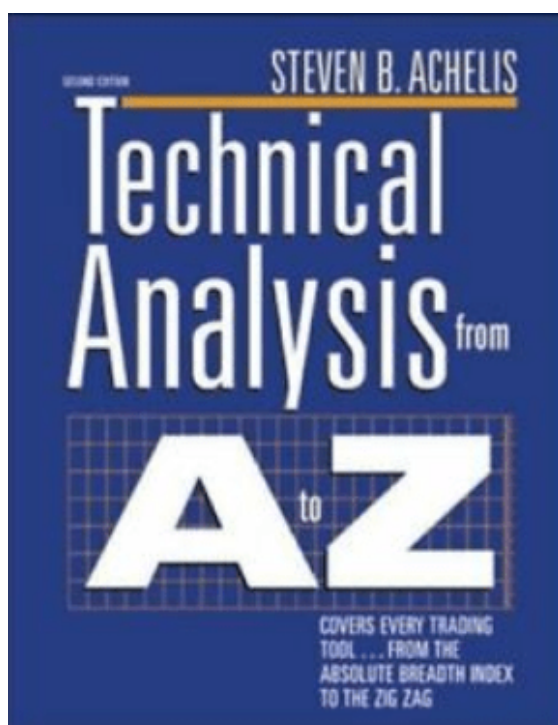
investing in stocks. The author Paul Mladjenovic who is a certified financial planner and has been in the business since the early 80's gives you a wealth of information for you to dissect.

The book has over 25 chapters for you to digest, so there is no shortage of information. The topics range from the essentials of stock investing to how to pick stocks.

After reading this book, your head may feel like it's going to pop off, but you will have a much better handle on the investing world.

The best thing about this book is you can pick it up used from [Barnes and Noble for as low as \\$2.37](#).

#2 – Technical Analysis of the Financial Markets



Technical Analysis A to Z

Now this book is going to be a lot to process and is a dry read; however, it is a necessary evil. Within this book, you will gain exposure to additional indicators beyond simple

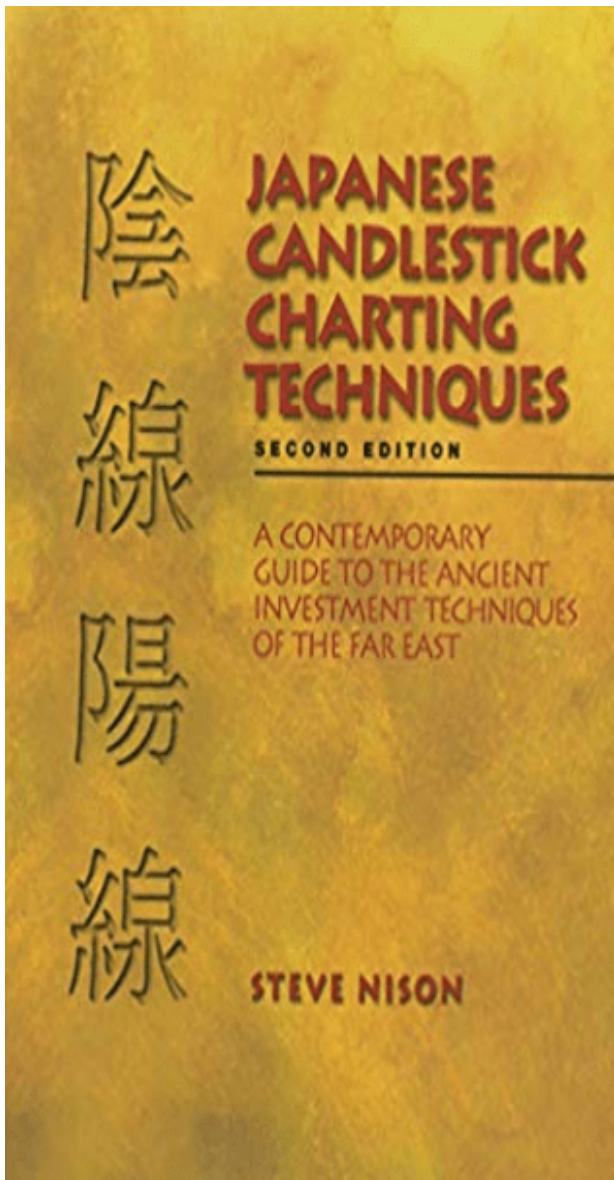
moving averages and popular oscillators discussed in the stock investing for dummies book.

You will now begin to learn about tools like the absolute breadth index and other indicators available in professional trading platforms.

The goal of reading this book is to familiarize yourself with technical analysis and to assess which indicators best fit your trading style.

You can also pick this one up for [less than 10 dollars on Amazon](#).

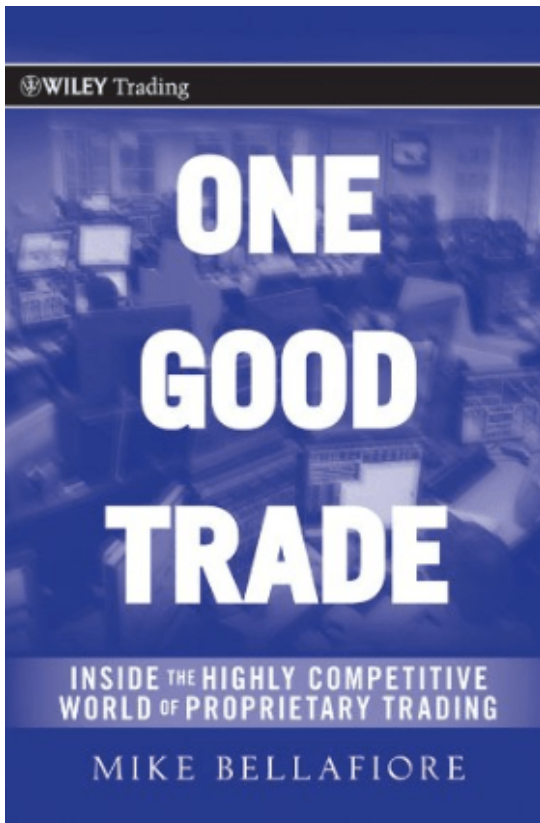
#3 – Japanese Candlestick Charting Techniques: A Contemporary Guide to the Ancient Investment Techniques of the Far East, Second Edition



Japanese Candelstick Charting Techniques

If you look across the web and YouTube you will notice that the most popular charting type is the candlestick. You will want to learn how to master this form of analysis on the chart in order for you to better understand the makeup of the market. The [book by Steve Nison](#) gives a great introduction to the basic candlestick patterns and then goes into more advanced patterns.

#4 – One Good Trade



One Good Trade

Now that we have covered the basics of stock investing, we need to start getting into how to place trades. Remember, you are looking for books on how to trade – not invest.

These are two very different approaches. Investing is more of a passive method for generating income while trading is where you are an active participant in the market seeking to reap gains.

Well, the next book is a classic written by Mike Bellafiore titled '[One Good Trade](#)' who is one of the co-founders of SMB Capital.

The book has 13 chapters and covers what it means to be a trader. I feel it's good to go right into it, so you have a feel for what it means to be a trader. This book is very unique because you can hear not from an academic but from someone that has built a successful prop trading firm.

What you will notice right away is the book touches upon real-life experiences and people in order to help you see what it

means to trade for a living.

B. Fundamental Analysis

Now for those of you that are looking for books covering financial ratios and long-term investing, this is beyond the scope of this article. Since the title of this post is stock trading, we are discussing books that require active trading.

Fundamental analysis requires a much longer-term view of the markets and is not so concerned with time trades.

C. Mimic the Winners

Like anything else in life, you want to find those that are doing extremely well and follow their lead. Below are a number of books that can help you identify these trading gurus, so you can mirror their success.

#5 – Market Wizards – Interviews with Top Traders

Now this series of books are simply timeless. The series written by author Jack D. Schwager gives you a front-row seat into his interviews with successful traders to better understand their techniques.

On the surface, this sounds simple, but imagine trying to convince someone to share their approach to trading after it has made them wildly successful. This, my friend, had to be a serious challenge.

Jack has written a number of [wizards books](#) that cover everything from old school futures traders to the modern-day hedge fund managers.

To see the full list of wizards books, perform a search for Jack D. Schwager on Amazon.

NATIONAL BESTSELLER

With a New Preface and Afterword

MARKET WIZARDS



Interviews with
TOP TRADERS

JACK D. SCHWAGER

Market Wizards

#6 -Momo Traders: Tips, Tricks, and Strategies from Ten Top Traders

This [book](#) is for those of you that are interested in trading penny stocks. I purposely listed this further down the list, so you have a greater grasp of the markets and trading before delving right into these types of setups.

D. Trading Psychology

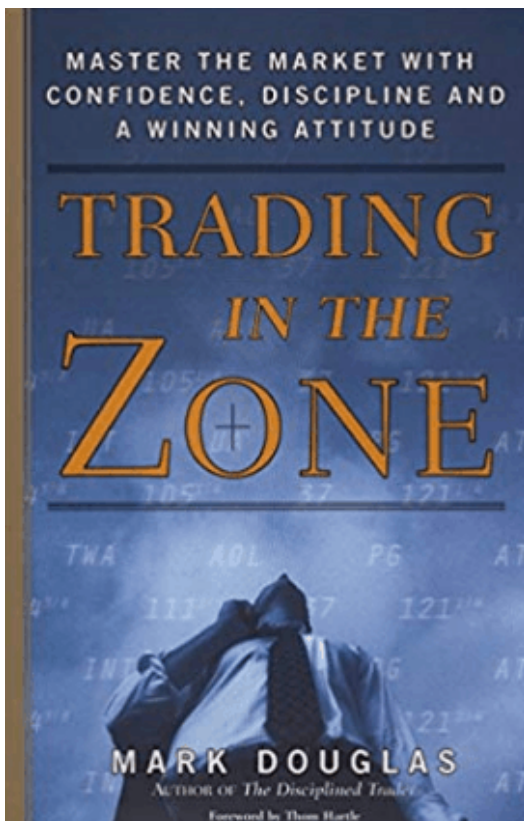
Beyond all the technical books and complicated strategies, you also need to have a handle on trading psychology. This is essentially you keeping your head on straight when trading the markets.

It goes without saying the hardest part of trading is not falling victim to mental sabotage as you navigate the markets.

To help with this, I recommend you read the following books:

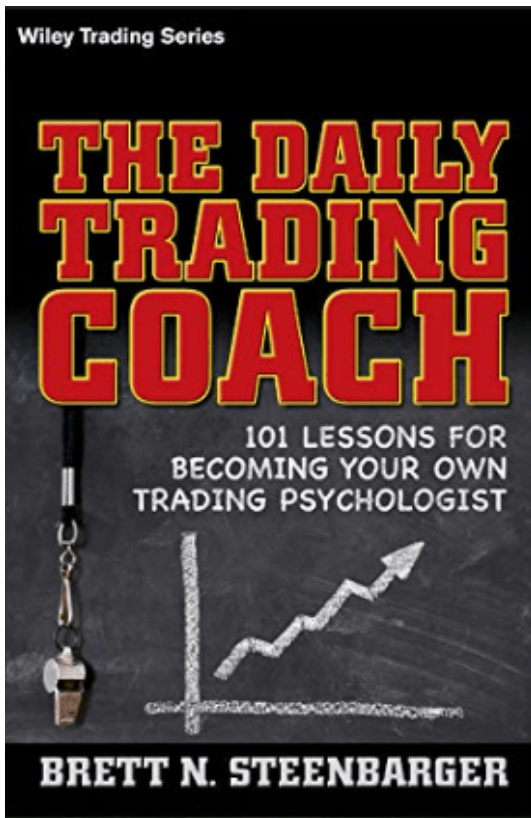
#7 – Trading in the Zone

Without a doubt one of my favorite [books on trading](#). Author Mark Douglas stresses the point of accepting the risk on each trade. You cannot control the outcomes, but you can accept the risk and trade to your plan.



Trading in the Zone

#8 – Daily Trading Coach



Daily Trading Coach

Dr. Steenbarger is one of the most sought-after leaders in the trading world. He has conducted extensive research working with top traders around the world.

Well in '[The Daily Trading Coach](#)' Dr. Steenbarger gives you a play-by-play of how to police yourself and your trading behaviors. This is essential if you are going to go beyond identifying the setups but keeping your emotions in check.

How Can TradingSim Help?

Once you are done reading these books, come over to [Tradingsim](#) where you can practice the strategies and techniques to help you develop a winning strategy.