Business & Computer Science

Brunswick School Department Dynamics of the Stock Market Types of Trading

Essential Understandings	 Different types of trading must be decided. Trading decisions are based on different factors. A big factor in trading is the ability to handle stress.
Essential Questions	 What is scalping? What is day trading? What is swing trading? What is long term buy and hold?
Essential Knowledge	 Scalping involves trading to catch small, quick price movements during volatile trading. To actively participate in scalping, traders must be able to trade during the most volatile times of the trading session. A trader must have the ability to cut losses quickly without thinking twice. The goal of a day trader is to catch price movements that occur during any single day. Swing trading involves trading with a time-frame of several days, weeks, or months between the opening trade to the closing trade. Long term buy and hold investment is suited for a trader who wants to try and profit from a long term price appreciation in their investment.
Vocabulary	 Terms: long term buy and hold, price appreciation, capital available, scalping, day trading, swing trading
Essential Skills	 Identify different types of trading. Describe various types of conditional orders once the initial position is opened and when profits have been made.
Related Maine Learning Results	
Sample Lessons And Activities	 Read the article "Exploring Stock Trading Strategies" and answer the questions related to the article.
Sample Classroom Assessment Methods	 In groups, create an instructional pamphlet describing different types of trading.
Sample Resources	 Other Materials: Stock Market Simulation Game