Trading and Investing: How does it work and what is the difference?

Travail Personnel 2022/2023
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Introduction

Trading and investing are complex and often confusing topics, but they are important for anyone who wants to invest in the stock market and make a profit. So, this year I will be writing about it. This topic is very interesting to me because I want to be an investor in the future and want to share my findings with the people who read this paper. I will very shortly introduce what I will write about and how I came to write about it.

As mentioned before, I wish to become an investor, but I also needed to write a paper on a topic that has something to do with what I want to do when I grow older. With this in mind, I decided to kill two birds with one stone and wrote a "travail personnel" about investing and trading because the two come as a package. So, after checking some websites about financial instruments (most of them were trusted financial information websites), I wrote my overview, which I now present. My "travail personnel" will describe what trading and investing is and how works. First, I will put things into context by introducing the stock market and the stocks themselves. Then, I will write about trading followed by investing and tips to help you do so. I will then conclude with what I have learned through this work and resume all my opinions in a paragraph or two.

Please notice that: I used Chat-GPT to find a few sources to work with and make my texts clearer and more fluent as well as paraphraser.io/plagiarism-checker to make sure that noting is plagiarized.

1. The stock market

1.1. What is the stock market?

A stock market is a form of aftermarket where shareholders can sell their shares to investors who wish to purchase them. This trading occurs on a stock exchange, like the Nasdaq or the New York Stock Exchange. In the past, traders would physically visit the exchange floor to conduct trades, but today all trading is done online.

When news people say, “the market was up today,” typically they are referring to the performance of the Standard & Poor’s 500 or the Dow Jones Industrial Average. The Dow includes 30 significant firms, whereas the S&P 500 is made up of about 500 large publicly traded corporations in the United States. These monitor the stock collections' performance and display how they fared both on the trading day in question and over the course of time.

The Dow and the S&P 500, though frequently referred to as "the market," are stock indexes. These indexes represent several the biggest U.S. corporations, but they do not represent the entire market, which consists of thousands of publicly traded corporations.

Naturally, a brokerage account is a prerequisite for stock investment. Here are eight more tips for stock market investment to help you get started.

1.2. How does the stock market work?

A broker or investor can swap equities for cash or vice versa on the stock market. Anyone who wants to purchase stock may do so by visiting the location and doing business with the stockholders. While sellers may be anticipating their stocks to decline or at least not gain significantly more, buyers anticipate their stocks to increase.

Consequently, investors can bet on a company's future through the stock market. The price at which investors are willing to buy and sell determines the overall value of the company.

While the price of a stock may change on any given day depending on supply and demand for shares, over time the market judges a firm based on its financial performance and potential. The stock of a company that is expanding in terms of sales and earnings will probably climb, whereas the stock of a company that is contracting will probably fall, at least initially. However, in the near run, the market's supply and demand alone play a significant role in how well a stock performs.

Private companies may decide to support their operations by selling stock and raising cash after determining which equities investors favor. They will carry out an initial public offering, or IPO, by selling shares to investors through an investment bank. Investors can then choose to sell their equity at a later date on the stock market or buy more whenever the stock is traded publicly.

The important thing to remember is that stock prices are determined by how investors believe a company's operations will develop over time. Thus, the market is forward-looking; according to some experts, the market foresees occurrences that will occur between six and nine months from then.

2. Stocks

2.1. What are stocks?

Stocks, often known as equities, are financial instruments that grant stockholders ownership stakes in public companies. It represents a genuine investment in the company, and if you hold all the company's shares, you have complete influence over its management. The collection of stocks that may be purchased and sold by the general public on a number of different exchanges is referred to as the stock market.

The source of stocks are public corporations that issue stock to raise money for their operations. Investors that are confident in the companies’ future success purchase those stock issues. Any dividends and price increases for the shares are distributed to the shareholders. If the company runs out of money, it can also see their investment decline in value or disappear totally.

2.2. Understanding Stocks

Corporations issue stock to raise money, and those who hold shares are called shareholders. The number of shares a shareholder has compared to the total number of shares determines how much of the company's assets and earnings they own. Even though shareholders may not physically own the corporation, the law sees the corporation as a legal person that can be taxed, sued, and own property. This legal separation between corporate property and shareholder property can protect both parties from liability. If the corporation goes bankrupt, a judge may order the sale of all its assets, but the shareholder's assets are not at risk. Similarly, if a major shareholder goes bankrupt, they cannot sell the company's assets to pay their debts.

2.3. What Is the Difference Between Stocks and Bonds?

The two primary stock categories are common and preferred. The owner of common stock often has the right to vote at shareholders' meetings and to receive any dividends the company pays out.

Unlike common stockholders, preferred stockholders often do not have voting privileges but do have a stronger claim to the company's assets and profits. For instance, preferred stockholders get dividends before common stockholders and are given priority in the event of a company's bankruptcy and liquidation.

Bonds and stocks diverge in a number of ways. Bondholders are owed money by the company and are therefore entitled to interest payments in addition to principal repayment. In the event of bankruptcy, creditors are given priority over other stakeholders and will be compensated first if a company needs to liquidate assets.

However, in the event of bankruptcy, stockholders frequently receive nothing, suggesting that stocks are fundamentally riskier investments than bonds.

2.4. How Do You Buy Stock?

Stock exchanges like the Nasdaq or the New York Stock Exchange (NYSE) are where equities are often bought and traded. Following an initial public offering (IPO), a company's stock is made accessible to investors for purchase and sale on an exchange. In most cases, investors will utilize a brokerage account to buy shares on the exchange, which will list the asking price or the selling price. Among other things, the market's supply and demand considerations affect the stock's price.

2.5. How Can You Earn Income from Owning Stock?

Investors can earn money from owning stocks in two ways: through dividends and capital gains. Dividends are payments in cash made by companies to their shareholders out of their profits. For instance, if a company declares a $5,000 dividend and has 1,000 outstanding shares, each shareholder would receive $5 for each of their shares. On the other hand, capital gains refer to the increase in the stock's value over time. If a shareholder sells a share for $10 and the stock rises to $11, the shareholder makes a capital gain of $1.

2.6. Is It Risky to Own Stock?

Every investment has some level of risk. If market circumstances worsen, stocks, bonds, mutual funds, and exchange-traded funds could all lose value. When you invest, you decide how to use your financial resources. Market conditions or corporate actions, including whether to grow into a new industry or merge with another company, could impact your investment's value to rise or decline.

2.7. What Is Shareholder Ownership?

Trading refers to the buying and selling of financial instruments, which includes assets assigned with monetary values that can rise or fall and be traded in either direction. There are many different financial assets and markets that can be traded, such as stocks, shares, funds, and more. In this text, we will focus on trading shares/stocks.

When someone owns shares of a corporation, they possess a portion of the company's stocks, but they do not own a third of the corporation if they hold 33% of its shares. The corporation is the legal owner of the firm's assets, and shareholders own the shares issued by the corporation. Owning shares gives you the right to sell them to someone else, earn dividends, and participate in shareholder meetings. If you own the majority of a company's shares, you have more voting power and can influence the company's direction by choosing the board of directors.

The board of directors is responsible for enhancing the corporation's value and often appoints qualified managers or executives like the CEO to run the company. Common shareholders do not control the company's management. Being a shareholder means that you are entitled to a share of the company's profits, and your share increases with the number of shares you own. However, some companies reinvest their profits into expanding the business instead of paying dividends, which affects a stock's value.

There are two primary stock categories: common and preferred. Common stockholders have the right to vote at shareholder meetings and receive dividends if the company pays them out. In contrast, preferred stockholders do not have voting privileges, but they have a stronger claim to the company's assets and profits. Preferred stockholders are given priority when it comes to dividends and in the event of a company's bankruptcy and liquidation.

Corporations can issue new shares to raise additional cash, but this process dilutes the ownership and rights of existing shareholders. On the other hand, corporations can engage in stock buybacks, which benefit existing shareholders by causing their shares to appreciate in value. [1]

3. Trading

3.1. What is trading?

Trading involves buying and selling financial instruments to make a profit. These instruments can include a variety of assets with fluctuating monetary values that can be traded in any direction. Some examples of these assets are stocks, shares, and funds, among others. There are numerous financial markets available for trading, each with a wide range of instruments to use.

There are various financial assets and markets that you can trade, such as the S&P500, FTSE 100, global currencies like the US dollar or euro, and commodities like cattle or oil. However, I will only be discussing trading shares/stocks since it's the main focus of my work.

3.2. How does trading work?

Trading involves buying and selling assets to make a profit when the market price moves in the right direction. When there are more buyers than sellers, demand increases and prices rise. When there are more sellers than buyers, demand decreases and prices fall.

There are two ways to trade assets: over the counter (OTC) or on an exchange. In an OTC transaction, the trader and broker agree on the purchase and sale price of an asset. Exchanges, on the other hand, are organized marketplaces where certain types of commodities can be directly traded, such as listed futures and options on the Intercontinental Exchange (ICE).

	OTC (over the counter)	Exchange
Definitions	Trading happens between two parties and often involves a dealer network	Trading happens directly on the order book of the exchange – there's no middleman
Locations	No central, physical location – only a virtual network of participants	Actual, physical location
Timings	24/7	Specific exchange hours
Contracts	Customized	Standardized
Risk	Counterparty risk, assets can be more volatile, and since OTC can sometimes be traded on leverage, it means there's risk of losing more than your deposit	Higher cost, fixed hours, and you can trade on leverage in some cases (options and futures)

Many retail traders prefer to trade their OTC derivatives, like spread betting and CFDs, as they are easier to access than those listed on central exchanges. Individual investors typically use brokerage firms to invest on their behalf through exchanges. [2]

4. Investing

4.1. What is investing?

Investing is a way of using your money or capital to generate additional income or profit over time. As stated by Investopedia, it involves buying assets, such as stocks, bonds, mutual funds, real estate, and commodities, with the anticipation that their value will increase and provide financial returns.

Investing is a prevalent approach for individuals to increase their wealth over a long-term period. People often invest for their retirement, to reach specific financial objectives, or to secure their future financially.

However, investing carries a level of risk. The value of investments can decrease, resulting in a loss, which is why it is crucial for investors to conduct extensive research and analysis of potential investments, as well as creating a diversified portfolio.

Various factors, such as inflation, interest rates, and geopolitical events, can affect investments, which is why investors need to stay informed of market changes and make informed decisions based on their understanding of the underlying economic fundamentals.

In conclusion, investing can be a complex but potentially rewarding practice that requires an in-depth knowledge of financial markets, risk management, and the ability to make informed decisions.

4.2. How does it work?

Investing involves using money to purchase assets with the aim of making a profit in the future. Assets can range from stocks, bonds, real estate, and other financial instruments. The basic concept is to invest in an asset that is expected to increase in value over time. Investors can hold onto their assets for a long period or trade them frequently to take advantage of short-term fluctuations.

Investing requires a certain level of risk-taking because there's no guarantee that an asset's future value will increase. Before making any investment decisions, investors must consider the potential risks and rewards. Research and analysis can help determine the best investment opportunities, and diversification is essential to spread out risk.

Investing offers several benefits, including growing one's wealth, funding retirement, and achieving financial goals. However, it requires patience, discipline, and a long-term perspective. Investors must be prepared to weather market volatility and not get swayed by short-term fluctuations.

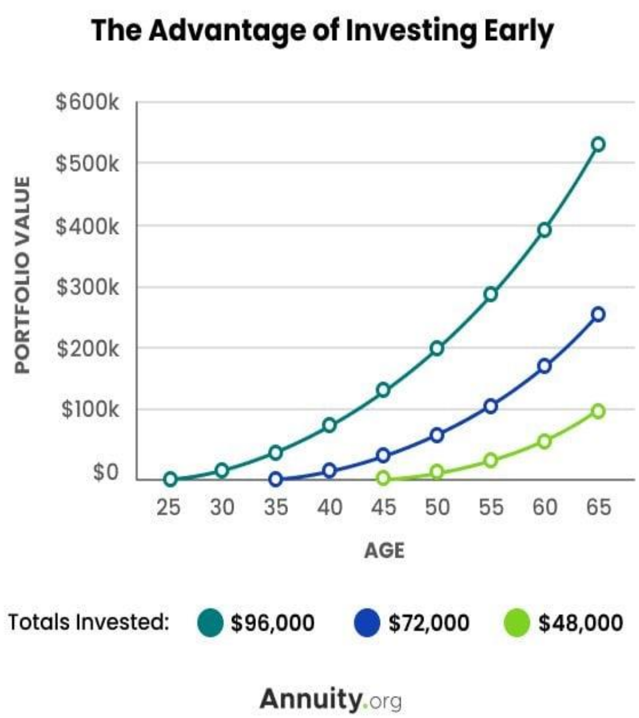
Investing can be a powerful way to reach your financial goals. However, it takes knowledge and skills to succeed. It's crucial to seek out trusted sources of information and advice when making investment decisions.[3]

4.3. Tips for beginners on how to invest in the stock market:

4.3.1 Steps To Take Before Investing

One of the first steps towards financial stability is creating an emergency fund that can cover unexpected expenses. Typically, financial experts recommend saving an amount equal to three months of expenses. Additionally, having disposable income at the end of each month may indicate that investing the surplus cash is a viable option. However, investing requires a long-term commitment, both financially and psychologically, and you should ensure that you are ready to take on this commitment. Retirement accounts, such as a 401(k), 403(b), or IRA, are the most common investment options for most Americans. It is recommended that you enroll in your employer's retirement plan if offered, and if not, consult a financial advisor to discuss other retirement plan options.

4.3.2 When is the best time to start investing?



The Advantage of Investing Early

Investing early can be advantageous because it allows more time for investments to grow and generate returns. By starting early, one can take advantage of compound interest, which is the ability for an investment to earn interest on the initial amount as well as on any interest earned. Over a long period of time, compound interest can significantly increase the value of investments. This is why it's important to start investing as soon as possible to maximize the potential for growth and returns.

To start investing, it is essential to have a solid financial foundation that allows you to invest your funds without financial stress. Developing an annual budget, managing expenses, and reducing debt are critical initial measures. These actions will help safeguard your financial security, making it possible to proceed towards investing.[4]

Trying to time the market and finding the perfect moment to invest is often useless. It's impossible to accurately predict when the best time to invest is. Furthermore, investing is usually a long-term effort, which means that there's no single ideal time to start.

As Keady points out, it's crucial to not just think about investing, but to actually take action and begin the investment process.[5]

4.3.2.1 Buying the right investment

Picking the right stock to invest in is easier said than done. While past performance can be a helpful indicator, predicting a stock's future performance is challenging. To succeed in investing in individual stocks, one must be ready to conduct a thorough analysis of the company and manage the investment carefully.

According to Dan Keady, CFP and Chief Financial Planning Strategist at TIAA, professionals scrutinize companies' statistics with much more rigor than individual investors can manage. As a result, it is difficult for individuals to consistently outperform the market over time.

When analyzing a company, it is crucial to consider its fundamentals, such as earnings per share or price-earnings ratio.

4.3.3 Avoiding individual stocks for beginners

According to Keady, it is common for people to only discuss the stocks that have done well and overlook the poorly performing ones they possess. This results in unrealistic expectations and attributing success to luck rather than skill. Furthermore, it's not always possible to avoid market downturns. To generate regular profits, it's essential to recognize the forward-looking market growth that hasn't yet been factored into the stock's price. It's important to remember that for every seller, there is also a buyer who is equally assured of making a profit.

4.3.4 Create a diversified portfolio

Investing in an index fund has many benefits, one of which is immediate diversification. By investing in a fund that tracks a wide range of stocks, such as the S&P 500, you own stocks in hundreds of companies across various industries. This diversification reduces the risk of any one stock significantly impacting the overall performance of the portfolio. This can ultimately improve your overall returns. On the other hand, investing in only one individual stock can be risky because all your money is concentrated in one investment, and its performance determines your returns.

A broadly diversified portfolio can be created easily by buying an exchange-traded fund (ETF) or mutual fund. These products come with diversification built-in, so you don't have to do any analysis of the individual companies held in the fund. This can save time and effort in researching and selecting individual stocks.

4.3.5 Stay committed to your long-term portfolio

Keady says investing should be a long-term activity. He also says you should divorce yourself from the daily news cycle.

By skipping the daily financial news, you'll be able to develop patience, which you'll need if you want to stay in the investing game for the long term. It's also useful to look at your portfolio infrequently, so that you don't become too unnerved or too excited. These are great tips for beginners who haven't managed their emotions when investing yet.

4.3.6 Avoid short-term trading

The investment strategy should align with your investment goals. Those who seek short-term growth may have unrealistic expectations and often lose money due to competition against high-powered investors and sophisticated computers. Frequent buying and selling may incur taxes and other fees, even with a zero trading commission. Investing in the short term may also result in not having enough funds when needed. As an advisor, Madsen is cautious of taking too much market risk with investments intended for less than two to three years.

4.3.7 Keep investing over time

It can be tempting to invest all your money at once and believe that the job is done. However, those who truly accumulate wealth do so gradually by consistently adding money to their investments. This means having a solid savings plan in place where a portion of your income is set aside to be invested in the stock market over time. By doing so, you'll have more funds available to invest and be able to grow your wealth more rapidly.

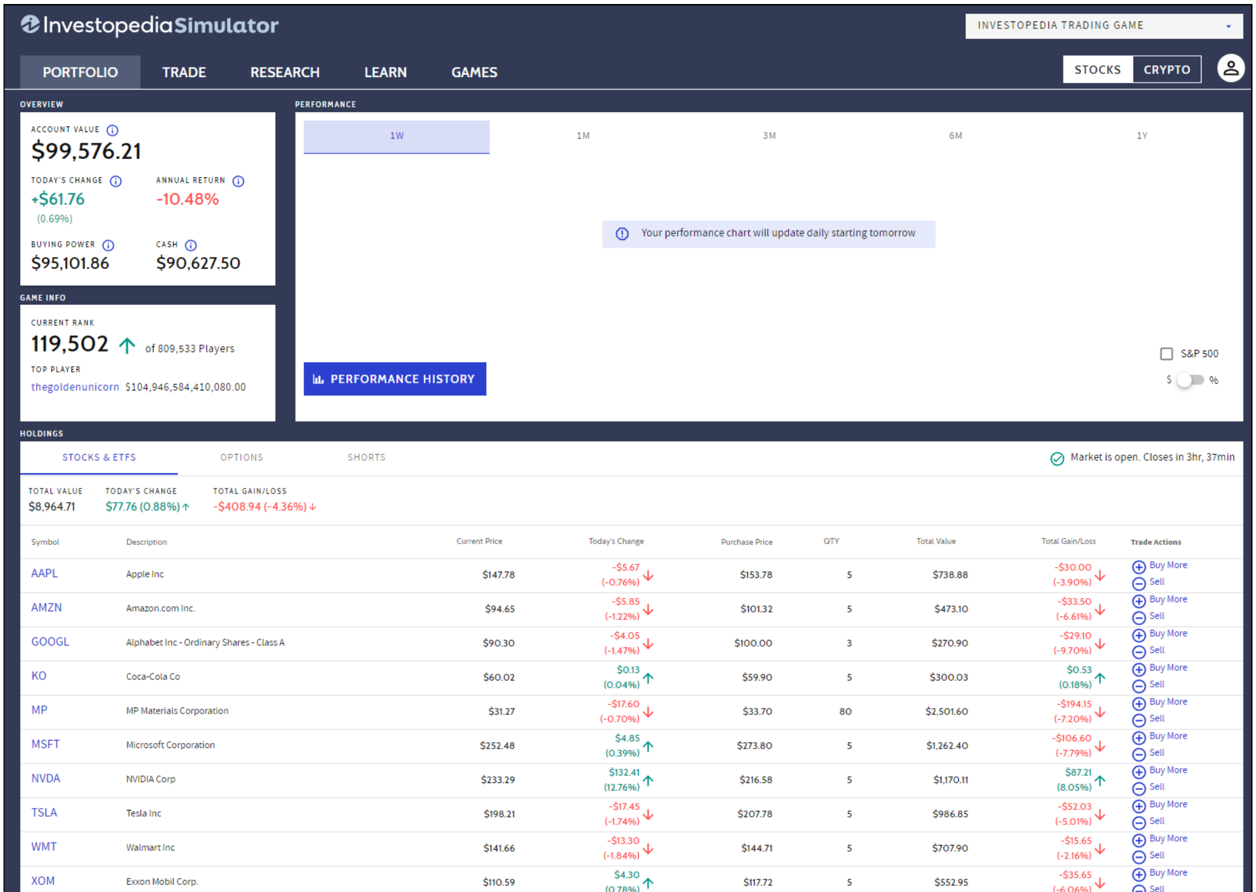
4.3.8 Try a stock market simulator before investing real money

A safe and low-risk method to start investing is by using a stock simulator, which allows you to trade with virtual currency and does not involve any real money. This way, you can practice and learn about the market without risking your savings. You can also assess your reactions to gains and losses without actually experiencing them. According to Keady, this can help overcome the notion that one can outsmart the market, and it is helpful because it allows you to pick the best stocks and execute trades at the right time. By using a stock simulator, you can also determine whether investing in stocks is suitable for your investment goals.

4.4. My personal experience with a stock market simulator: Goal: How to use it and testing tips for investing.

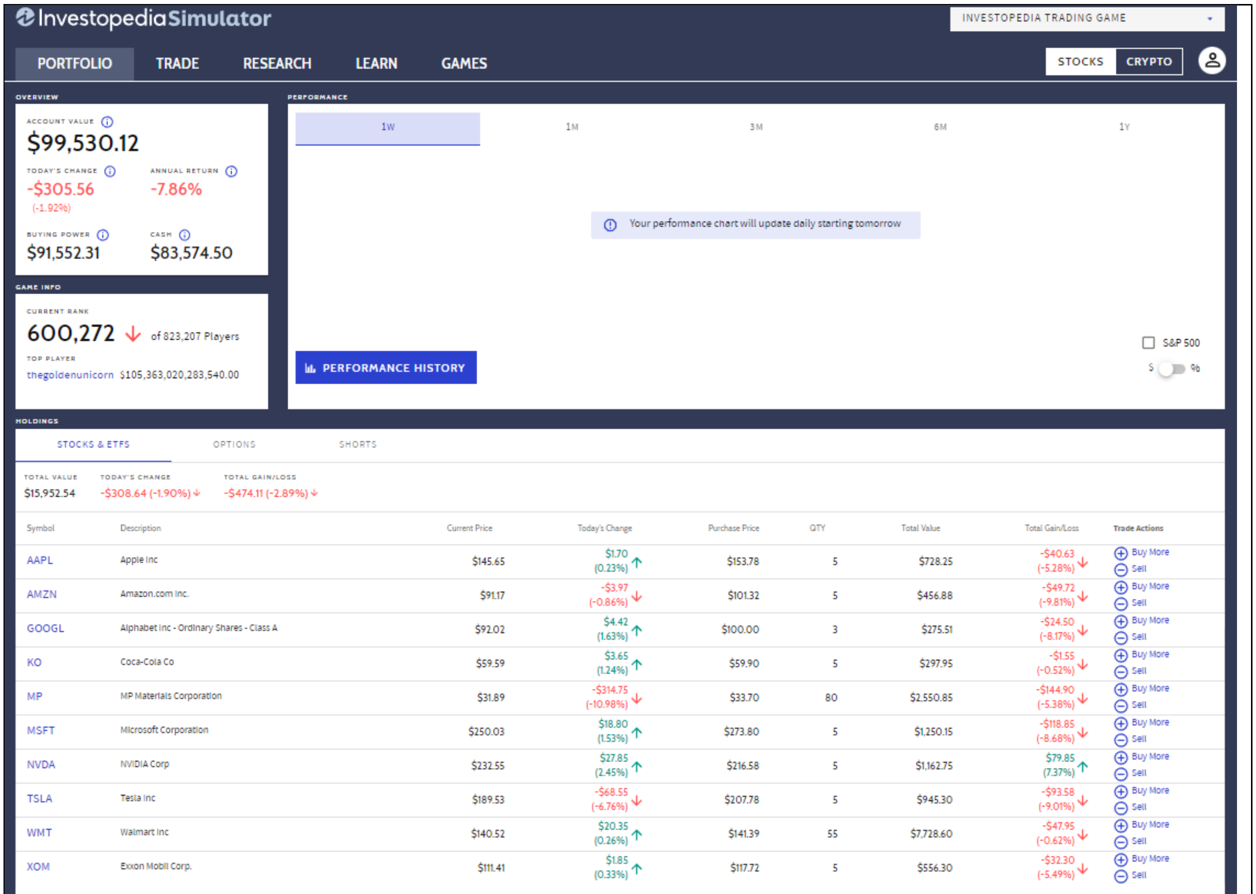
My goal for the observation is to see how an investing/trading platform works and test investing for myself because a person is only allowed to trade and invest in stocks at the age of 18 or higher (I am 14 at the time of writing). But if a person learns how to do so earlier in life, they might not have as many difficulties later.

Using some of the tips from the text document above, I tried the "Investopedia – Stock simulator" and applied some of the other tips as well. I invested in some major companies and bought more as time went on. Moreover, I tried to diversify my portfolio as much as I could, but so that it could all still fit on a screenshot for comparison. Approximately every week and a half, I took a screenshot of my portfolio to compare it with the previous one. As visible on the pictures below, it is good to keep a select few shares in a long-term portfolio. The ideal time to wait is until retirement. But in my case, I only had three months and after two of them my wait has paid off, since most of my shares now bring in some money.



Date: 20/02/2023

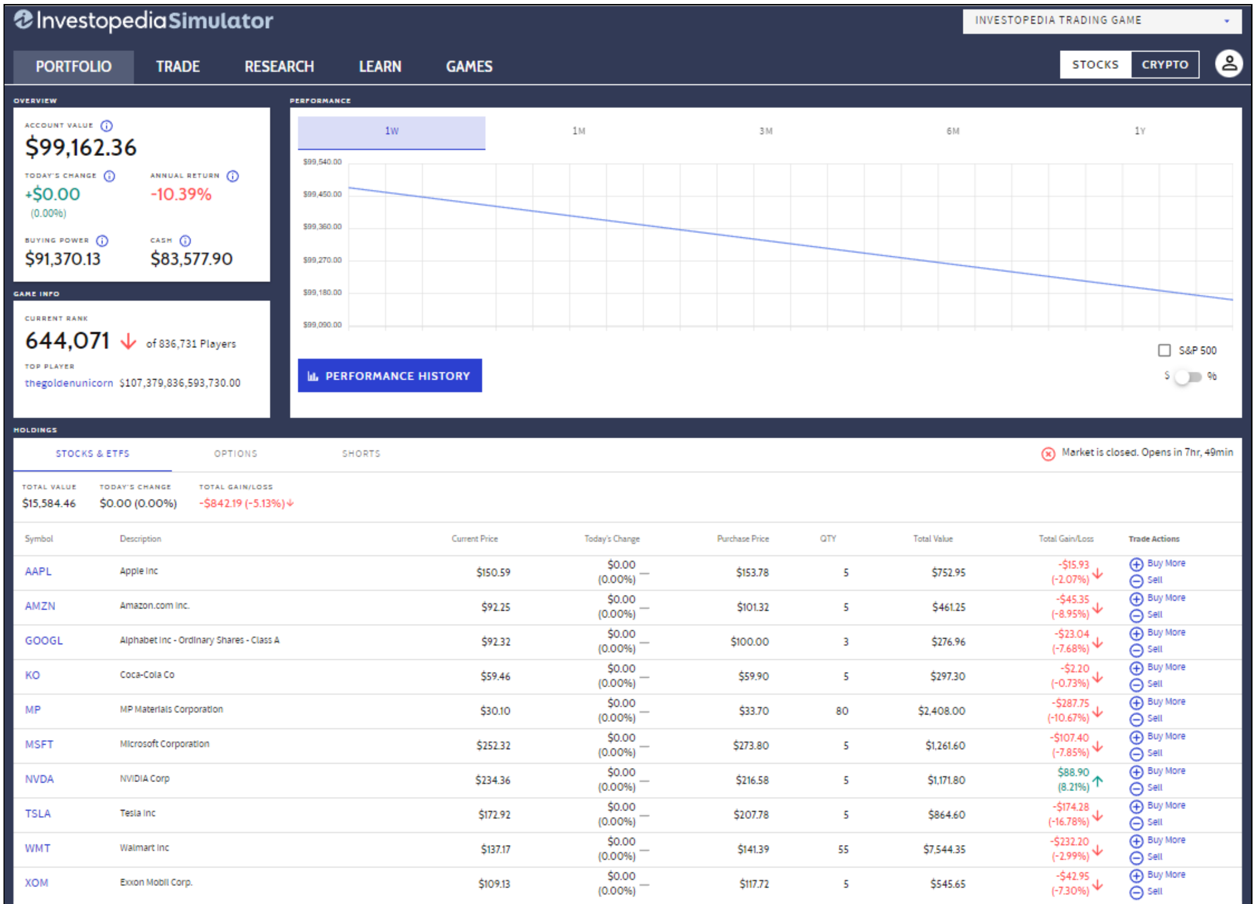
Symbol	Today's change	Purchase price (per share)	Total Gain/Loss
AAPL	- 0,76 %	153,78$	- 3,90 %
AMZN	- 1,22 %	101,32$	- 6,61 %
GOOGL	- 1,47 %	100,00$	- 9,70 %
KO	+ 0,04 %	59,90$	+ 0,18 %
MP	- 0,70 %	33,70$	- 7,20 %
MSFT	+ 0,39 %	273,80$	- 7,79 %
NVDA	+ 12,76 %	216,58$	+ 8,05 %
TSLA	- 1,74 %	207,78$	- 5,01 %
WMT	- 1,84%	144,71$	- 2,16 %
XOM	+ 0,78 %	117,72$	- 6,06 %



Symbol	Description	Current Price	Today's Change	Purchase Price	QTY	Total Value	Total Gain/Loss	Trade Actions
AAPL	Apple Inc	$145.65	$1.70 (0.23%)	$153.78	5	$728.25	-$40.63 (-5.28%)	Buy More Sell
AMZN	Amazon.com Inc.	$91.17	-$3.97 (-0.86%)	$101.32	5	$456.88	-$49.72 (-9.81%)	Buy More Sell
GOOGL	Alphabet Inc - Ordinary Shares - Class A	$92.02	$4.42 (1.63%)	$100.00	3	$275.51	-$24.50 (-8.17%)	Buy More Sell
KO	Coca-Cola Co	$59.59	$3.65 (1.24%)	$59.90	5	$297.95	-$1.55 (-0.52%)	Buy More Sell
MP	MP Materials Corporation	$31.89	-$314.75 (-10.98%)	$33.70	80	$2,550.85	-$144.90 (-5.38%)	Buy More Sell
MSFT	Microsoft Corporation	$250.03	$18.80 (1.53%)	$273.80	5	$1,250.15	-$118.85 (-8.68%)	Buy More Sell
NVDA	NVIDIA Corp	$232.55	$27.85 (2.45%)	$216.58	5	$1,162.75	$79.85 (7.37%)	Buy More Sell
TSLA	Tesla Inc	$189.53	-$68.55 (-6.76%)	$207.78	5	$945.30	-$93.58 (-9.01%)	Buy More Sell
WMT	Walmart Inc	$140.52	$20.35 (0.26%)	$141.39	55	$7,728.60	-$47.95 (-0.62%)	Buy More Sell
XOM	Exxon Mobil Corp.	$111.41	$1.85 (0.33%)	$117.72	5	$556.30	-$32.30 (-5.49%)	Buy More Sell

Date: 03/03/2023

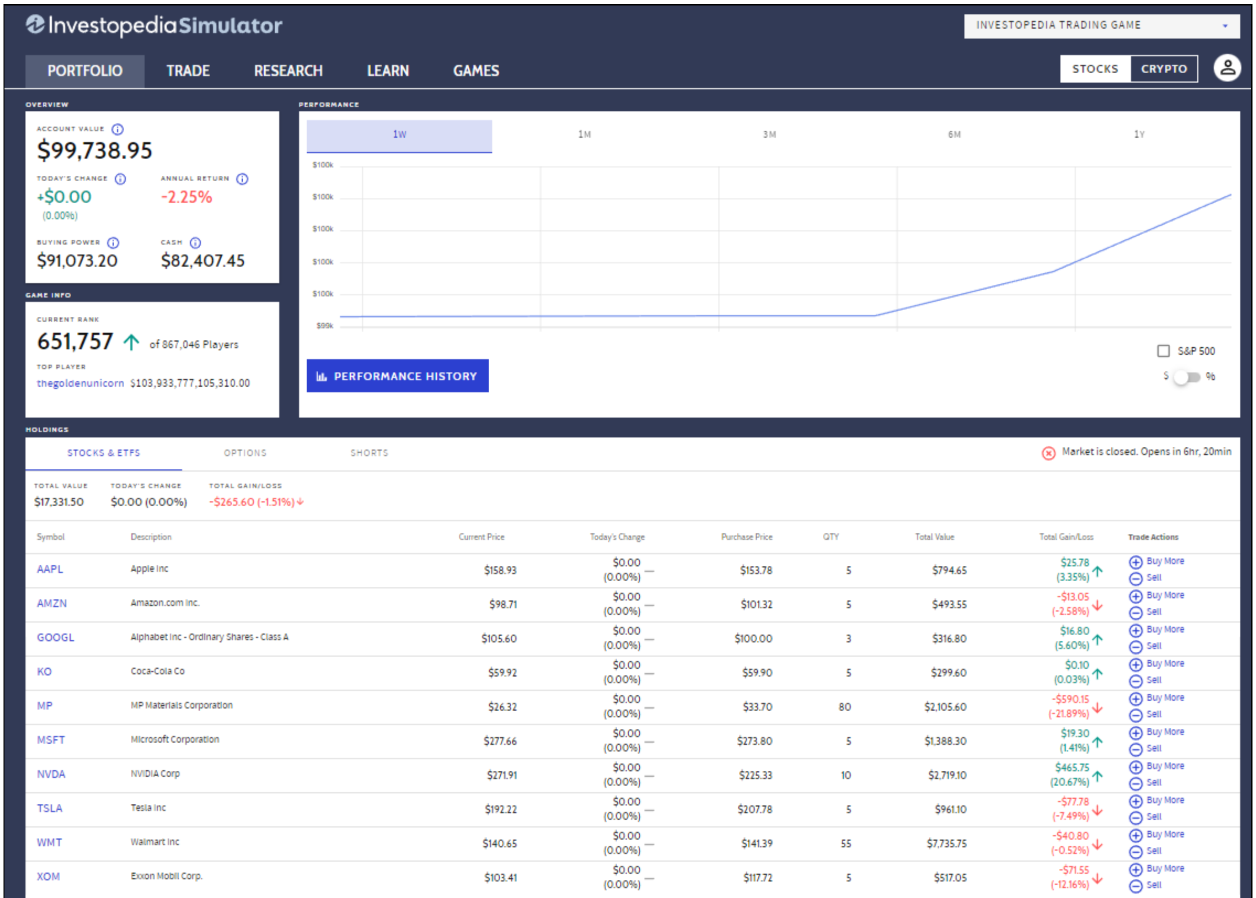
Symbol	Today's change	Purchase price (per share)	Total Gain/Loss
AAPL	+ 0,83%	153,78$	+ 0,45 %
AMZN	- 0,56 %	101,32$	- 2,15 %
GOOGL	+ 0,92 %	100,00$	- 4,45 %
KO	- 0,29 %	59,90$	- 0,81 %
MP	+ 6,75 $	33,70$	+ 6,25 %
MSFT	- 18,90 $	273,80$	- 2,22 %
NVDA	- 2,44 %	216,58$	+ 3,47 %
TSLA	+ 12,10 $	207,78$	+ 1,82 %
WMT	+ 0,38 %	144,71$	+ 0,92 %
XOM	- 4,30 $	117,72$	- 1,03 %



Symbol	Description	Current Price	Today's Change	Purchase Price	QTY	Total Value	Total Gain/Loss	Trade Actions
AAPL	Apple Inc	$150.59	$0.00 (0.00%)	$153.78	5	$752.95	-$15.93 (-2.07%)	Buy More Sell
AMZN	Amazon.com Inc.	$92.25	$0.00 (0.00%)	$101.32	5	$461.25	-$45.35 (-8.95%)	Buy More Sell
GOOGL	Alphabet Inc - Ordinary Shares - Class A	$92.32	$0.00 (0.00%)	$100.00	3	$276.96	-$23.04 (-7.68%)	Buy More Sell
KO	Coca-Cola Co	$59.46	$0.00 (0.00%)	$59.90	5	$297.30	-$2.20 (-0.73%)	Buy More Sell
MP	MP Materials Corporation	$30.10	$0.00 (0.00%)	$33.70	80	$2,408.00	-$287.75 (-10.67%)	Buy More Sell
MSFT	Microsoft Corporation	$252.32	$0.00 (0.00%)	$273.80	5	$1,261.60	-$107.40 (-7.85%)	Buy More Sell
NVDA	NVIDIA Corp	$234.36	$0.00 (0.00%)	$216.58	5	$1,171.80	$88.90 (8.21%)	Buy More Sell
TSLA	Tesla Inc	$172.92	$0.00 (0.00%)	$207.78	5	$864.60	-$174.28 (-16.78%)	Buy More Sell
WMT	Walmart Inc	$137.17	$0.00 (0.00%)	$141.39	55	$7,544.35	-$232.20 (-2.99%)	Buy More Sell
XOM	Exxon Mobil Corp.	$109.13	$0.00 (0.00%)	$117.72	5	$545.65	-$42.95 (-7.30%)	Buy More Sell

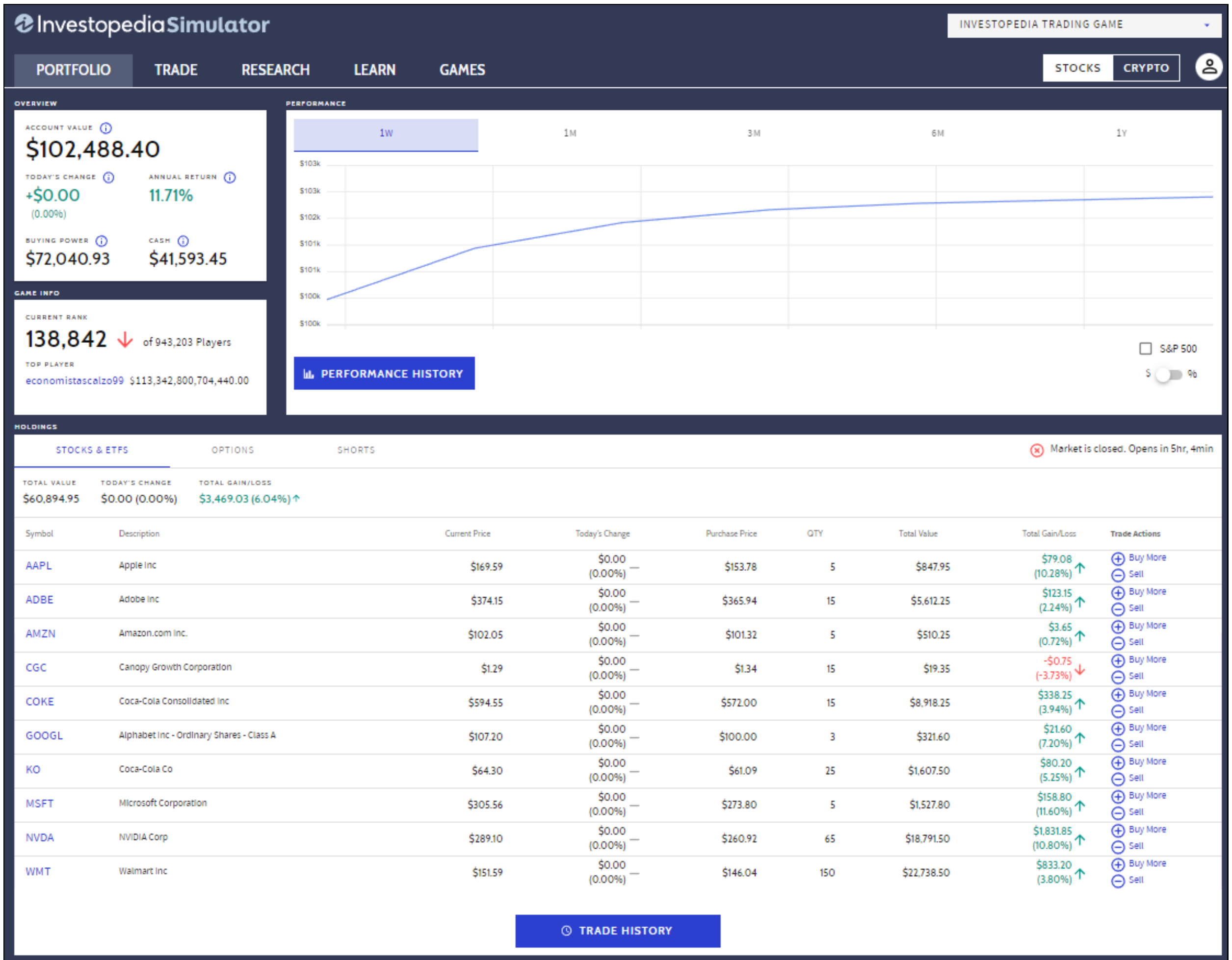
Date: 15/03/2023

Symbol	Today's change	Purchase price (per share)	Total Gain/Loss
AAPL	---	153,78$	- 5,28 %
AMZN	---	101,32$	- 9,81 %
GOOGL	---	100,00$	- 8,17 %
KO	---	59,90$	- 0,52 %
MP	---	33,70$	- 5,38 %
MSFT	---	273,80$	- 8,68 %
NVDA	---	216,58$	+ 7,37 %
TSLA	---	207,78$	- 9,01 %
WMT	---	144,71$	- 0,62 %
XOM	---	117,72$	- 5,49 %



Date: 24/03/2023

Symbol	Today's change	Purchase price (per share)	Total Gain/Loss
AAPL	---	153,78$	- 2,07 %
AMZN	---	101,32$	- 8,95 %
GOOGL	---	100,00$	- 7,68 %
KO	---	59,90$	- 0,73 %
MP	---	33,70$	- 10,67 %
MSFT	---	273,80$	- 7,85 %
NVDA	---	216,58$	+ 8,21 %
TSLA	---	207,78$	- 16,78 %
WMT	---	144,71$	- 2,99 %
XOM	---	117,72$	- 7,30 %



Date: 28/04/2023

Symbol	Today's change	Purchase price (per share)	Total Gain/Loss
AAPL	---	153,78$	+ 10,28 %
ADBE	---	365,94$	+ 2,24 %
AMZN	---	101,32$	+ 5,60 %
CGC	---	1,34$	- 3,73 %
COKE	---	572,00$	+ 3,94 %
GOOGL	---	100,00$	+ 7,20 %
KO	---	59,90$	+ 5,25 %
MSFT	---	273,80$	+ 1,41 %
NVDA	---	216,58$	+ 20,67 %
WMT	---	144,71$	+ 3,80 %

4.3.9 Analysis and conclusion

The comparison of screenshots above shows the development of my investing portfolio's worth and the worth of the companies' shares that are in it. Thanks to it, I have noticed that the development of shares, which I believed to be profitable at the time, wasn't ideal at the start of this experiment. I thought that I would lose my money because most of the shares I owned were decreasing in value. But, as the prices of shares rose and fell, I realized that some companies would drag my portfolio's worth down and some would increase in price like Apple (AAPL) or Nvidia (NVDA). So, I sold the ones that made no profit (TSLA; MP; XOM) and looked for new replacements which I found some time later by searching for shares that did well for other people and investing in them.

I found out one of the reasons why Tesla shares have plummeted. The reason being that Elon Musk is too preoccupied with Twitter which he bought and became owner and CEO of. During his time as the leader of the platform, there has been a lot of confusion and disorder as he has introduced and frequently overturned many new policies.[6] As for Exxon Mobil, a petroleum and chemical manufacturing company, I haven't found anything, so I suspect that the recent pressure on oil and gas companies has been high from the global energy markets and the growing focus on renewable energy sources.

On the other hand, Apple and Nvidia are doing well because they are trusted companies that have been around for some time now and have a solid customer base and stable finances.

Conclusion

I conclude my work very simply this year by describing how I worked, what I learned and what I think of the topic in general and how this document can help.

Working on my travail personnel for about four months starting towards the end of December by searching for sources was simple until the first week of my February holidays, when I started writing my text with which I was halfway finished after that time. The hard part about that week was the many distractions, which made me succumb to temptations of that time. Then, I continued to work on it throughout the month of March and late April. I finished it towards the deadline.

With this, I have learned more than just what stocks are and how to work with them. The most important thing I learned through this year's "Travail Personnel" is the importance of time management. I say this because I think that my time was very poorly managed, since I had to finish writing this last-minute and under massive pressure. So, the lesson I take away from writing this document is to plan every section of my "Travail Personnel" as soon as I have the topic and hold on to that plan.

This year, the topic of the Stock market, trading and investing, is a complicated one, but very interesting nonetheless and this paper is likely to clarify some misconceptions about the topics discussed above. My opinions on both trading (short- to mid-term strategy) and investing (mid- to long-term strategy) is that it isn't as simple as the media might make it seem. You can win big, but also lose it all. If you try to time the market, you are more likely to lose money because shares are too volatile to be able to be timed.

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[1] https://www.investopedia.com/terms/s/stock.asp#citation-1

[2] https://www.ig.com/uk/trading-need-to-knows/what-is-trading#trading

[3] https://www.thebalance.com/what-is-investing-3305883

[4] https://www.annuity.org/personal-finance/investing/

[5] https://www.bankrate.com/investing/stock-market-basics-for-beginners/

[6] https://www.theguardian.com/technology/2022/dec/27/tesla-stock-drops-lowest-close-years-elon-musk

Bitcoin picture: https://pixabay.com/photos/money-bitcoin-financial-currency-6990721/