

Hard work or talent



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Hard Work or Talent? Trading for quite a long time has seen people lose heavily while others gain enormously on the opposite side of the divide. It is with this understanding that an argument arises as to what is the major contributor of this remarkable success. Some take the side that success in trading is more dependent on the hard work of the trader more than their talents. Both sides of the argument have their backing and have references to indicate the intricacy of the matter. The position held in this paper is that success in trading is decided by talent rather than hard work of a trader. Looking into the history of the US trading market there are a number of individuals whose reputation has span over years while others have popped into the market lately and made it big within a short time span. Making it big in this respect is related to how much one has made or makes in trading deals and the factors that surround their continued successes in making the right choices, deals and bets for that matter. Two characters are to be discussed and offered as examples in supporting the view that talent is the one that matters not hard work.

Ken Griffin is the first one to consider and he is the Managing Director/CEO of Citadel Investment Group (Traderslog 2008). Considering its large size, it is important to study a few trends of its CEO. He started trading stock options and funds in his college days. Later developed the fund mentioned above with 4.2 million dollars (Traderslog 2008). Today it stands to be the one of the largest in the world with current management portfolio of 13 billion dollars.

John Arnold is the other trader whose mastery of his business is given credit by a cross-section of huge and reputed players (Demon 2009). Taking his background for instance in Enron as a trader it is clear that his fortunes in

this line of business were destined for success after scooping over 750 million dollars for the company. He was handsomely rewarded with 8 million dollars bonus. He used the bonus to start his own hedge fund by the name Centaurus Advisors, LLC. Soon he was making billion dollar bets in energy related trading and to the surprise of many he trades few times a year in the most awkward moments of the market. Last year he made slightly less than a billion dollars. In the few times he has spoken he says that he buys things at the time when they are below fair value and sell when he believes they are way above it according to Demon (2009). This simple concept relies more on talent i. e. his innate understanding of concepts rather than his hard work in operating in the markets.

The two players discussed above offer a good example that a trader's success is hooked to their talents than their hard work. Others have worked hard and even dedicated more time and resources but their successes, predictions and fortunes have not been close to matching those of Arnold and griffin.

Works cited

Demon, Telis. 2009. The Wunderkind Gas Trader: John Arnold Has Made Billions as an Energy Trading Phenom. But the Rules of His Game are about to Change. 27 September 2010..

Traderslog. 2008. Ken Griffin. 27 September 2010..