

The winner is also a grinner

Flip Byrnes

Plant trees and haul rocks in Sydney's recent wet weather, or make \$300,000 in eight weeks? The decision was an easy one for Maroubra resident Dave Limburg, winner of the 2007 CMC Markets Trading Competition.

Mr Limburg, a former landscape gardener, traded in his plants to become a full-time trader two years ago. He reaped the rewards of that decision last month, winning \$100,000 in the competition for making a 441.8 per cent return on investment. The closest competitor earned a 408.05 per cent return.

The competition, designed by online trading company CMC Markets, was to create awareness for trading product CFD (Contracts for Difference), introduced in Australia in 2002.

Running over a two-month period from April to May, the winner was determined not by their profit, but by their ROI (return on investment). The competition attracted more than 440 people from across Australia, who invested a minimum of \$5000 to enter. Mr Limburg invested about \$40,000, returning almost \$200,000 in the competition before scoring the \$100,000 winner's bonus. The Starlight Foundation also benefitted from a \$30,000 donation from the competition.

Mr Limburg had been dabbling for about eight years in the stock market while developing Peaceful Landscapes, a Japanese design-influenced landscape gardening company. But a knee injury was the catalyst for turning in the



David Trew, the managing director of CMC Markets (left), presented a cheque to Dave Limburg, the winner of the CMC Markets Trading Competition last month.

trowels and taking up trading full-time.

Mr Limburg applied the same strategy to the competition that he employs for daily trading. "I look for price breakouts on the daily chart in strongly trending stock and ride them till I see some signs of weakness," he said. He would usually hold trades for two or three days, but would make a quick getaway if he felt the trade wasn't working.

Along with the wins, he also suffered losses. During one trade, he said, "I held on during a downswing, expecting it to finish and rally again. It didn't! I should have pulled the pin a lot earlier."

While enjoying the highs of trading, did the losses ever get to him? "I have learnt that losses are part and parcel of

trading. I learnt a consistent return will generally produce a better long-term outcome than a quick sharp jump in equity," he said.

As for what is next for this tradesman-cum-trader, he will continue trading in CFDs and put these recent profits into property. "I'll buy a house and keep that money locked up and safe. I'm looking around the Inner West, maybe Newtown. It's been a pretty crazy couple of months," he said.

For any would-be investors hoping to emulate his success, Mr Limburg had a few words of caution. "Read heaps and take on small trades; don't get too heavily involved at first. And don't listen to other people's advice," he said.