



SPONSOR

LOGOUT | MY ACCOUNT

HOME BOXING SUBSCRIBE MAGAZINE REAL ESTATE CAREERS COLUMNS DIVERSIONS DIRECTORY EVENTS CLASSIFIEDS

SPONSOR



LATEST NEWS

SIGN UP FOR MORNING CALL

Enter your e-mail address to get top trader business & lifestyle news via email...

MOST POPULAR

Trader Monthly's Women in Trading

As algorithms transform trading, women are leading the Quant revolution.

Black Monday

We've detailed one of the darkest days in history – in the words of those who lived it.

TraderTV

Videos of Trader Talk, our Wall Street Boxers, our events.

Trader Bowl 2007

Battle for Wall Street bragging rights and Super Bowl tickets.

BEST OF THE WEEK

CAREERS

Company: *The Hagan-Ricci Group*
Position: **Fixed Income/Rates Algorithmic Trader – NYC**
City: New York

EVENTS

AlgoFX 2007

« Jr. Trader

This is your posting: make changes here

ASK THE DOCTOR

Dr. Alden Cass answers reader questions about trading psychology & strategies

Hi Doc:
Recently, while trading currencies, I made 33 profitable trades in a row. I felt on top of the world. Then I made 30 unprofitable trades in a row. I felt like I didn't know anything. I stopped trading them for a month and now I'm ready to get back at it. How should I handle my thought process/fear now?
- Mr. X

Hi Mr. X:
Remember the "Seinfeld" episode that introduced the world to "Even Steven?"

The phenomenon you experienced adds a new twist to that phrase. Your success/failure ratio was almost even. Some may categorize you as a streaky trader whose success is cyclical in nature.

Every trader finds it tough to stomach long droughts and many even start doubting the disciplined strategies that made them successful in the past. Patterns and trends do change, so you often need to sit out a few rounds just to see what kind of monster you are working with.

For traders like you, I do recommend taking brief breaks after a really long slump, but I don't think yours had to stretch on for one month. Don't ignore the sector for too long, even if you are sitting out for a few days. Follow the trends when you are not trading the sector and learn from hypothetical mistakes while trading another sector.

I believe that every trading day is the beginning of a new season. Focus your mindset not on short-term successes or failures, but rather on your monthly or even bi-monthly performance. Don't micro-manage your performance in the short term because it's where you finish at the end of the year that counts.

Judging by your trading success over that time frame, you still had a winning percentage and you will likely be in the black at the end of the year. Stay bullish about your performance and remain disciplined with the strategies that have made you successful over time. Don't change your swing to accommodate a down period in performance.

Finally, don't think too much about the money you are losing during a slump because it will impact your risk appetite. "Don't aim – just throw the ball!"

Let me know if this helps.

Regards,
Dr. Cass

Submit your own question to Dr. Cass: stockdock28@aol.com

Dr. Alden M. Cass, President of Catalyst Strategies Group, is a licensed clinical psychologist who works with traders and risk managers to help them achieve financial, corporate, and personal goals. See full profile, or visit his website, <http://www.catsg.com/>

alden cass

6/14/05

Scan this blog:

Next post » **The Fear Factor**

Previous post « **Trust Your Instincts**



SPONSOR

AlgoFX 2007 is the only industry event addressing the latest in Algorithmic trading and electronic connectivity for the FX asset class.
Date: Dec 4
City: New York
[READ MORE ▶](#)

CLASSIFIED
ULTIMATE 2628SF CONDO LOFT!!!
85 North 3rd Street, Apt.501-502
Price: \$2,102,000
City: Brooklyn
[READ MORE ▶](#)

POLLS

Would you compete in a charity boxing event?

- Yes
- No

COPYRIGHT © 2007 DOUBLEDOWN MEDIA, LLC. ALL RIGHTS RESERVED. TRADER MONTHLY, 240 WEST 35TH STREET, 11TH FLOOR, NEW YORK, NY 10001
ABOUT US | ADVERTISE | ADVERTISERS DIRECTORY | SUBSCRIBE | FOR MARKETERS | CONTACT US | CUSTOMER SERVICE | TERMS & CONDITIONS
DOUBLEDOWN MEDIA NETWORK: CORPORATELEADERDAILY.COM , DEALMAKERDAILY.COM , PRIVATEAIRDAILY.COM , TRADERDAILY.CO.UK