

Best Practices in Trading Psychology

Brett N. Steenbarger, Ph.D.

www.traderfeed.blogspot.com

www.leadingrenewal.blogspot.com

Best Practice #1: Maximize Positive Experience

- ▶ Happiness
- ▶ Fulfillment
 - ▶ Energy
- ▶ Relationships

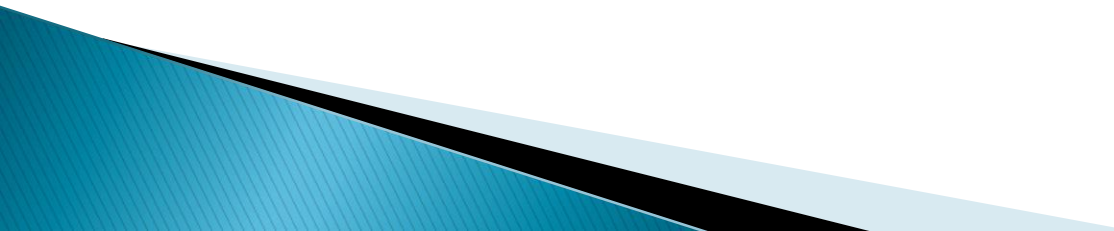
Best Practice #2: Go Deep

- ▶ **Understanding vs. Prediction**
 - ▶ **Themes and Setups**
 - ▶ **The k-NN Research**

Best Practice #3: Breadth of View

- ▶ **What you trade is as important as how you trade**
 - ▶ **Stalking multiple opportunities**
 - ▶ **Trading multiple time frames**

Best Practice #4: Position Management

- ▶ **Why volume and volatility matter**
 - ▶ **Earning cash flow during trades**
 - ▶ **Holding core positions**
- 

Best Practice #5: Keeping Score

- ▶ **Performance stats that matter**
- ▶ **How to use performance stats**
 - ▶ **Tracking what you do well**

Best Practice #6: Enhanced Journaling

- ▶ Using journals to track opportunities
- ▶ Using journals to track good trades
 - ▶ Using journals to track mistakes
- ▶ *The Role of Community in Journaling*

Creating an Optimal Trading Process

- ▶ Research/idea generation
 - ▶ Preparation
 - ▶ Teamwork
- ▶ Review/goal setting
- ▶ Personal management
- ▶ Q&A