

# **Introduction to Trading Psychology**

## **A Practical Guide to Improve Your Trading Psychology**

**by**

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Figure 2.1 – Red Pill or Blue Pill Decision

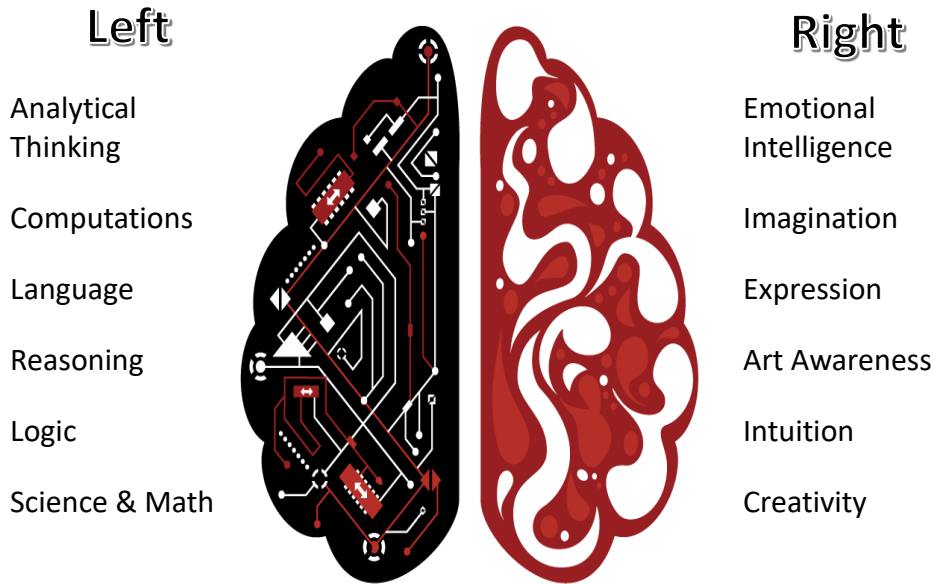


Figure 3.1 – Left Brain vs. Right Brain Characteristics  
(The Left & Right Brain Theory)

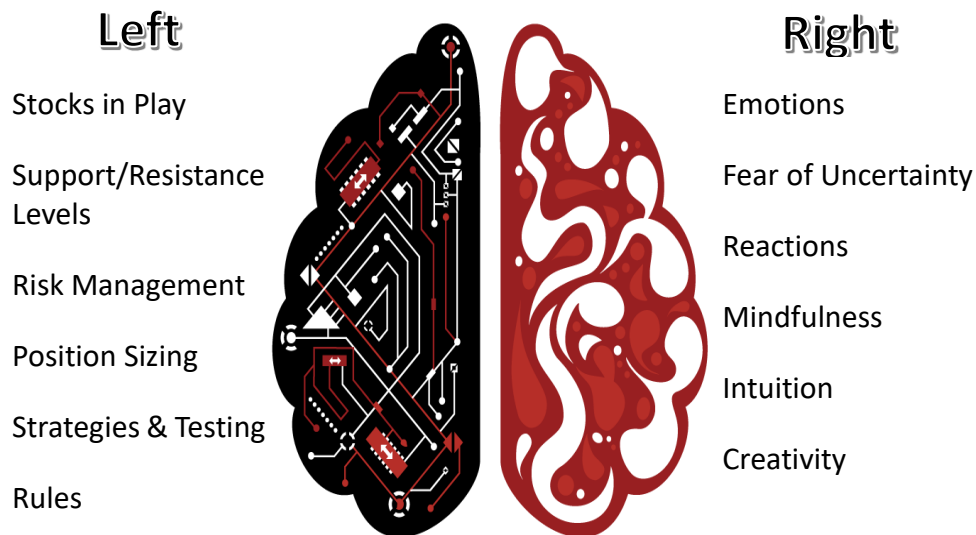


Figure 3.2 - Left Brain vs. Right Brain  
(Application for Traders)

# Psychology Analysis

## **Psychology of the Trade:**

- **Pre-Market Situation:**
- **My Pre-Market Thoughts:**
- **My Thoughts on the Market:**
- **Prior to the Trade:**
  - Focus:
  - Confidence:
  - Anxiety:
  - Calmness:
  - FOBW:
  - Hesitation:
- **During the Trade:**
  - Focus:
  - Confidence:
  - Anxiety:
  - Calmness:
  - FOBW:
  - Self-Sabotage:
- **After the Trade:**
  - Discipline:
  - Courage:
  - Patience:
  - Impartiality:
  - Satisfaction:
  - Competence:

Figure 3.3 – Trading Journal (Psychology Analysis)

## **Self-Awareness Review**

### **Physically:**

Hours of Sleep:

Physical Training Yesterday:

Alcohol:

Food:

### **Mentally:**

Alertness:

Focus Rating:

Physical Rating:

Emotional Capital:

Awareness:

### **Implementation of Improvement Areas:**

- 

**What did you do Yesterday that helped you improve as a trader?**

- 

Figure 3.4 – Trading Journal (Self-Awareness Review)

## Trade Analysis

(1) **Trade Plan:**

•

(2) **Indicators:**

•

(3) **Confirmations:**

•

(4) **Risk Management Plan:**

•

(5) **Profit Target Analysis:**

•

(6) **Stop Loss Placement:**

•

(7) **Entry Execution:**

•

(8) **Trade Management Execution:**

•

(9) **Psychology:**

•

(10) **What was Good:**

•

(11) **What was Bad:**

•

(12) **What could I Improve:**

•

(13) **Rules Broken:**

•

(14) **Stock Information:**

•

Figure 3.5 – Trading Journal (Trade Analysis)



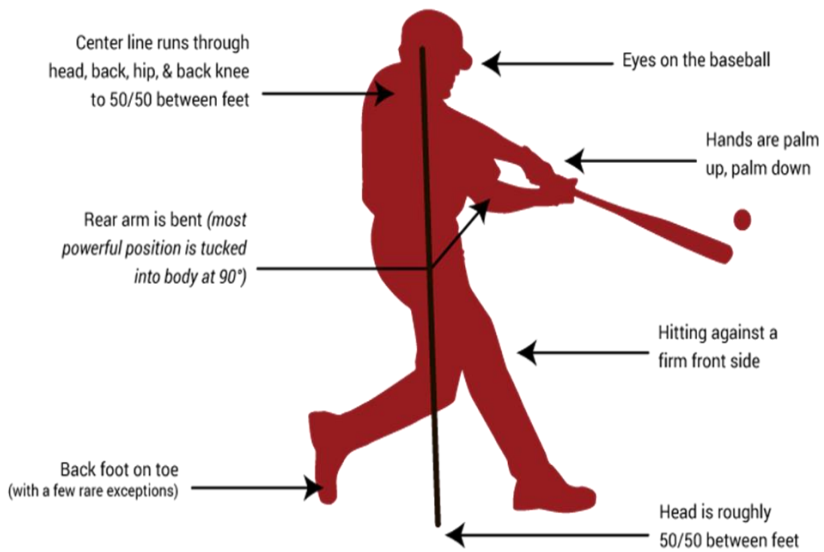


Figure 7.1 – Proper Mechanics for a Baseball Player

<b>Sample 1</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Win %	45%
Trade																					# of Violations	3
Violation						V	V	V														
<b>Sample 2</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Win %	60%
Trade																					# of Violations	4
Violation												V	V	V						V		
<b>Sample 3</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Win %	65%
Trade																					# of Violations	3
Violation																		V	V	V		
<b>Sample 4</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Win %	70%
Trade																					# of Violations	2
Violation																			V	V		
<b>Sample 5</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Win %	60%
Trade																					# of Violations	0
Violation																						
Winning Trade																						
Losing Trade																						

Figure 8.1 – Strategy Sets (Combined)

<b>Set 35 (Profit)</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Win %	75%
Trade																					# of Violations	0
Violation																						
<b>Set 23 (HOD Scanner)</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Win %	86%
Trade																					# of Violations	0
Violation																						
<b>Set 18 (BLOD Scanner)</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Win %	69%
Trade																					# of Violations	0
Violation																						
Winning Trade																						
Losing Trade																						

Figure 8.2 – Strategy Sets (Specific Strategies)

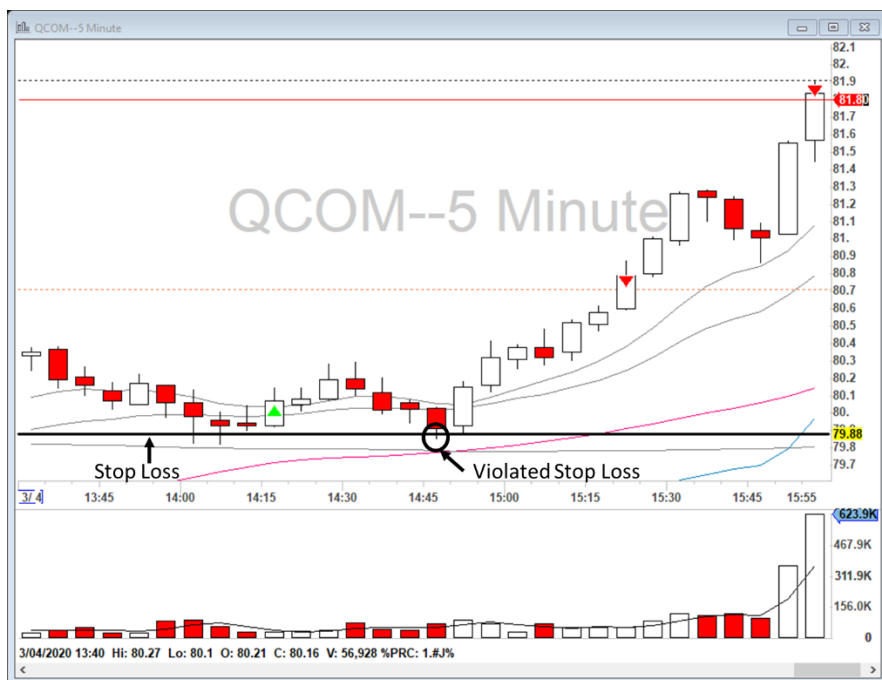


Figure 11.1 – Rewarded for Violation of Stop Loss



Figure 11.2 – Punished for Violation of Stop Loss

# **Self-Awareness Review**

## **Physically:**

Hours of Sleep:

Physical Training Yesterday:

Alcohol:

Food:

## **Mentally:**

Alertness:

Focus Rating:

Physical Rating:

Emotional Capital:

Awareness:

## **Implementation of Improvement Areas:**

- 

**What did you do Yesterday that helped you improve as a trader:**

- 

Figure 15.1 – Trading Journal (Self-Awareness Review)

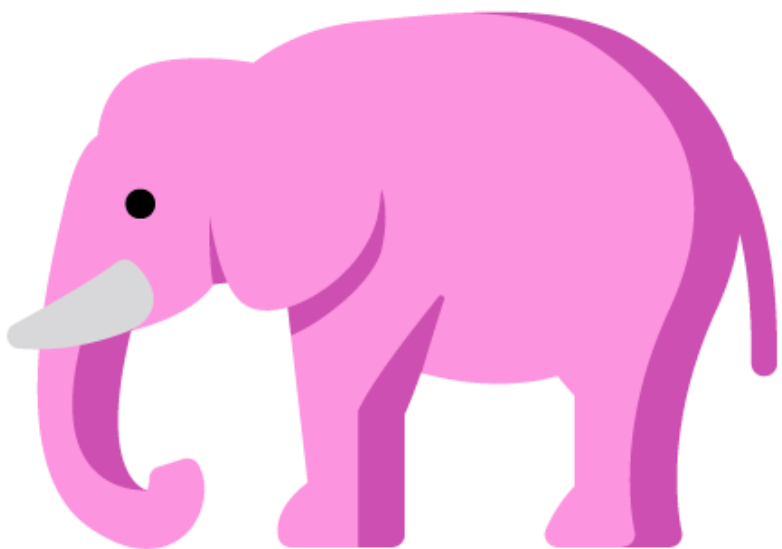


Figure 16.1 – Pink Elephant Exercise

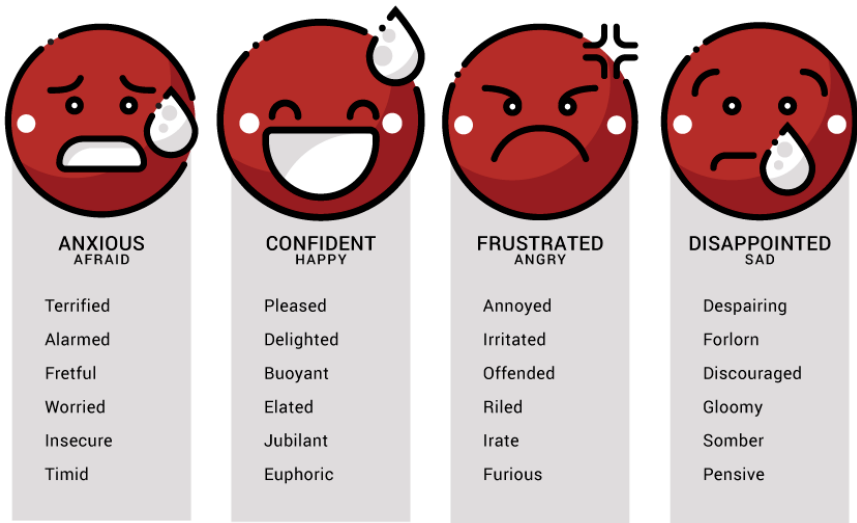
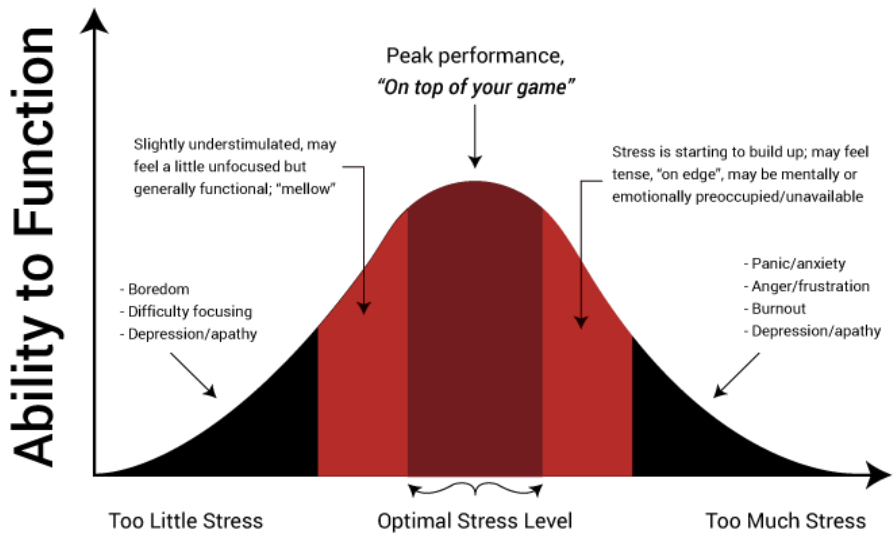


Figure 18.1 – Emotional Reaction Chart



Figure 19.1 – Rule 2 in *How to Day Trade for a Living*





## Current Amount of Stress

Figure 20.1 – Optimal Stress Curve

If the image is difficult to read, you may access it at the following link: <https://bearbulltraders.com/go/day-trading-business-plan/>

