

# TraderMind



SESSION  
ONE

HIGH PERFORMANCE TRADING

[www.highperformanceglobal.com](http://www.highperformanceglobal.com)

## Introduction and Welcome

Welcome to the Tradermind Program, an intensive training in trading psychology and performance.

Over the next six weeks you will be learning about some of the key aspects that are a part of a successful traders mindset and developing practical strategies and techniques to improve your own trading including:

- Preparation and planning for success
- Evaluation and analysis of trading performance
- Uncovering your motivations
- Discovering the power of beliefs, attitudes and perceptions
- Dealing with losses, setbacks and errors
- Managing emotions including building confidence and overcoming fears
- Dealing with risk and uncertainty
- Making good trading decisions
- Using mental rehearsal and visualisation techniques

The aim of the program is to help you to improve your trading performance, to take it to a new level. In order to do this I encourage you to immerse yourself fully into the program, engaging in the activities and exercises throughout the webinars, being active in the question and answer sessions, listening again to the webinar and completing all the exercises fully, and lastly in implementing the suggested follow-up actions which are most appropriate to you.

Becoming a successful trader is a transformational process and part of that transformation is changing your mindset. For those of you who are already accomplished traders I am certain that you will be able to gain new insights and strategies that will enable you to achieve greater success or sustain higher performance for longer.

Steve

## Get Ready!

How will you know that this program has been useful for you?

What will you be doing differently in your trading?

## Mindfulness Relaxation Training

Learning to relax and gain a 'mind quiet' state is a great skill to have as a trader as it can help you to balance your state and help the mind to focus more easily. For many people 'internal chatter' can be a significant source of distraction from their trading performance.

Practise the 'Mindfulness Meditation' exercise that you have learnt regularly, ideally at least once a day, maybe prior to trading as a part of your pre-trading preparation.

### *Mindfulness Meditation*

1. Sit comfortably in a chair keeping your back naturally straight up-right and placing your feet in front of you with legs open naturally from your hips.
2. Close your eyes and reduce external stimulation.
3. Inhale very slowly through your nose and imagine the air entering and filling your lungs.
4. When your lungs are full hold your breath for five seconds and imagine this clean air travelling to parts of your body, down to your toes, picking up all tensions and toxins.
5. Slowly release the air through your nostrils and notice the natural relaxation. Imagine breathing out all toxins and tensions.
6. Pause for a second or two.
7. Repeat the process seven times or more, Gradually feel your breath spreading outward into your arms and legs until it reaches the tips of your fingers and toes.

At this point you will feel very mind quiet and you can if you want to add some visualisation and affirmation processes.

### *Visualisation*

Use vivid, positive images of you trading well. Use as many senses as possible and see, hear and feel yourself trading at your best. Be the way you would like to trade and do those things that show how good you can be.

### *Affirmation*

Affirmations are short positive statements that support a behaviour, a way of thinking or feeling, or a goal that you desire. For power they should be short, start with an I (personal) be in present tense and be positive (state what you want/will be doing not what you don't want or are avoiding)

Finishing your mindfulness training with a positive affirmation or a strong statement of direction makes your intention firm and positive.

Source: Creative Coaching by Jerry Lynch

## What Type of Trader Are You?

	Trained Trading Psychology and Discipline	Untrained Trading Psychology and Discipline
Strategy With Positive Expectancy/Good Skills and Knowledge	1	2
No Strategy/Untrained Skills and Knowledge	3	4

Look at the four quadrants and identify where you would put yourself?

What is the evidence for your selection?

What is the key focus for future action?

## Trading Strategy

What is your edge/competitive advantage?

Does your trading system have a positive expectancy?

Calculating expectancy:

*(%winners x average winner) – (%losers x average loser)*

*e.g. 60% winners with average winning trade of \$100*

*40% losers with average losing trade of \$100*

$$(0.6 \times 100) - (0.4 \times 100) = \$60 - \$40 = \$20$$

*Expectancy measures both frequency (how often) and magnitude (how much)*

Are you trading in your niche?



### *Strengths*

- What do you naturally enjoy in trading?
- What do you naturally do well in trading?
- What do significant others perceive in you as a trader?

### *Interests*

- What are you naturally interested in – markets/technical/fundamentals?

### *Motivation*

- What are you most passionate about in trading/the markets?

### *Performance*

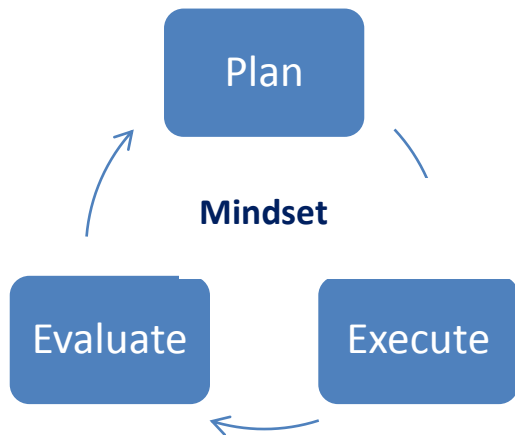
- What do you feel you can be best at based on your experience to date?

### *Results*

- Where do you feel you could be most profitable?
  - What Do You Notice?
  - Are You Currently Acting In Line With Your Findings? Where? Where Not?

How Could You Utilise Your Strengths, Interests, Skills and Talents More Effectively?

## The Performance Cycle



### *Performance Cycle Self-Assessment*

Rate yourself in each of the areas out of 10, where 10 is the best you feel you could possibly be (note that a 10 now may be very different from a 10 in the future as your potential and perception of what is possible may change)

<i>Category</i>	<i>Rating /10</i>	<i>Specific Action(s) To Raise Score By 1</i>
<i>Preparation</i>		
<i>Execution</i>		
<i>Evaluation</i>		
<i>Mindset</i>		
<i>Total Score/40</i>		

In each section if you could raise your score by one what would you be doing differently?

## Preparation

### Planning and Preparation

Research, analysis of markets, technical, fundamentals, news, overnight market moves etc

### Rehearsal

Taking time to *mentally rehearse* and program at a subconscious level your intentions and plans for the trading day. See below for further information on visualisation and mental rehearsal. Also good to rehearse your 'What If' scenarios – see below.

I also encourage traders to use this time to replay past good trading experiences – especially if they are having challenges/drawdown at the time.

### Eventualities

'*What If*' scenarios. Contingency planning. A very powerful addition to your preparation routine.

### Positive State

Do you *feel* ready to trade?

'*Check In*' 1-10. Where are you?

What is your current preparation routine?

How can you enhance/develop this based on what you have learnt?

### *Visualisation and Mental Rehearsal*

Visualisation and Mental Rehearsal are one of the most heard of, and most popular mental training techniques, used widely and with great success in sport in particular, but what are they and how can they improve trading performance?

It is important to recognise that all of us make pictures in our minds. We may do it so quickly and automatically (unconsciously) that we're not aware of it most of the time. These pictures become the focus, and targets for our minds – we move towards that which we picture and think about most often and with most intensity – like a guided missile. However, most of us use it negatively, and imagine bad things that could happen!

To succeed at any activity you need to have a clear mental picture of what you want to achieve. Through visualisation, you can imagine yourself successfully having or doing what you want even though it hasn't happened yet. Visualisation and mental rehearsal simply involve creating images/sounds/feelings related to a desired outcome. (It is interesting to hear people say 'I can't/can see myself doing that – think see...believe...achieve – the seeing comes first.)

Visualisation has a measurable physiological impact on the body. Neurologically, and at a cellular level, the mind cannot not tell the difference between a real experience and an imagined one. The neural pathways are activated in a visualised experience just as in the real one. This has been seen in action through brain imaging (FmRI scans).

Think about when you have had a nightmare, a real fright. Was the fear any different to in reality? No. Your heart was pounding, you had clammy hands, and maybe you have jerked an arm or leg in a dream...your body responds just as though it was real.

With visualisation it is possible to programme in desired skills, behaviours, and emotional responses prior to doing them, grooving in at a cellular level, creating or strengthening a neural pathway in the brain and developing muscle memory (How skills/habits are developed). The great thing about visualised practise though is that you can do it perfectly every time.

Mental rehearsal enables you to practise and get trading time in even when you can't get access to the markets – accelerates your progress/can be rehearsed with different market conditions/new trading size etc Able to condition specific trading behaviours Utilise unconscious powers to create positive results for yourself

### *Pre-Trading Mental Rehearsal*

Mental rehearsal – before you trade here is a powerful visualisation sequence that you can run through:

1. 2-3 minutes mind calming
2. First replay some trading highlights to build the success circuits and feelings; second see yourself trading really well for the coming trading session, imaging yourself flawlessly executing your trading strategy; thirdly run through some 'What If' scenarios, imaging events that could occur in the markets and how you would deal with them; finally end with a positive trading image, seeing yourself executing a great trade, or replaying a successful trade from the past. Utilise all your senses.
3. Return and refocus.

## Flawless Execution

Flawless execution is based around doing the right thing, at the right time for the right reasons.

Use the framework of the '5 Step Trading Process' to identify what the key thoughts, feelings and actions (processes) are for each stage.

<i>Stage</i>	<i>Thinking, Feeling. Doing</i>
<i>Observation/Monitoring</i>	
<i>Spotting Opportunity</i>	
<i>Entry</i>	
<i>Management</i>	
<i>Exit</i>	

*The 'High Performance Hub'*

When you are in the hub what do you notice?

What helps you to be in the hub?

What takes you out of the hub? When does your discipline go?

How do you get back into the hub?

## Evaluation

*“If you don’t know why you won or lost it was probably luck.”*

*Frank Dick, UK Athletics Coach*

### *Designing Your Trading Evaluation Process*

1. Decide on what you will measure – what will be useful for you to know about your trading?
2. Decide on how you will capture the data.
3. Decide on the time frame on which you will evaluate.

### *Sample Headings/Categories*

1. Outcome : P&L
2. Performance Metrics
3. Trader Processes/Decisions
4. Market Conditions
5. Summative Evaluation
  - What has gone well?
  - Where are the areas for improvement?
  - What action will be taken?

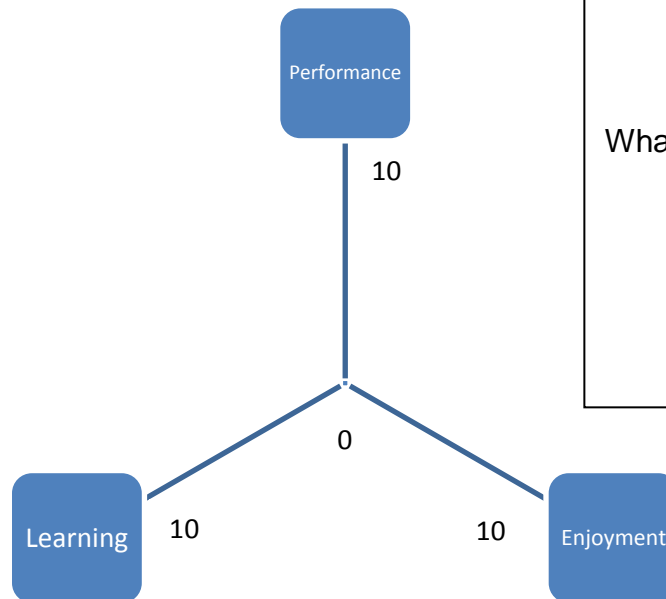
### *Two Trading Essentials*

1. Trade log/journal – every trade logged and recorded
2. Periodic review of trades

## Performance, Learning, Enjoyment

Rate /10 on the scales where you feel you are in terms of your:

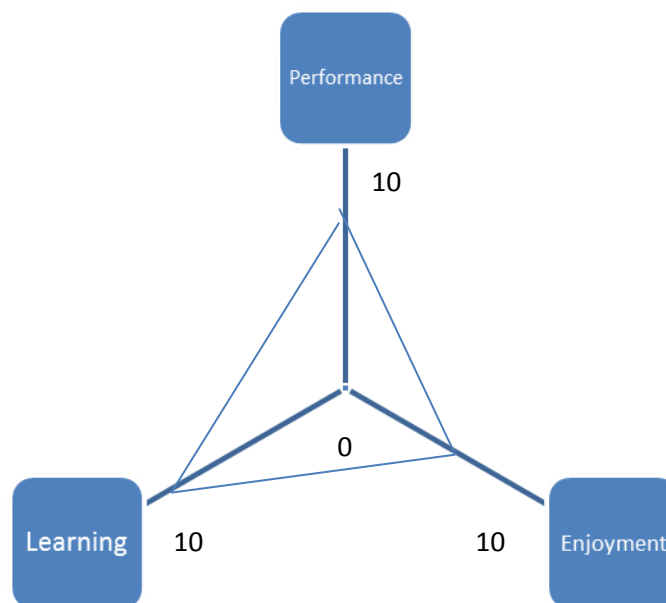
- Trading performance
- Learning and development as a trader
- Enjoyment of trading



What do you notice?

What action can you take?

Join the scores on the scores on the scales together – see example below.



## Raising Your Game – Taking Action

During this session we have covered a lot of information. For some of you it may have given new insights and ideas, for other reminders but I am sure that for all of you there will be some areas in which you can take action to raise your game.

Here are my suggested follow-up tasks. Please select the ones that you feel are most appropriate and will be most useful to you, and of course feel free to take any actions that I have not listed below but which you feel will raise your game.

### *Session 1 Possible Follow-Up Tasks*

- Work on developing your trading strategy – what is your edge? What is your strategies expectancy? Are you trading in your niche?
- Preparation – ensure you have a solid and consistent preparation routine that ensures that you enter the markets ready and focussed. Consider adding ‘What If’ scenarios and ‘Mental Rehearsal’ if you are not doing these already.
- Execution – when you are trading become aware of when you are in/out of the hub and what your thinking/feeling/doing is. Also, look at the 5 stage trading process to help you to clarify your decision making.
- Evaluation – key aspects are to ensure you have a trade log/journal and a periodic review process.
- Performance, Learning, Enjoyment – are there any actions to take here?
- Mindfulness training – practise the technique from today’s session. Aim for 5 minutes per day between now and next week.

What action(s) will you take?

What are the benefits of taking this action(s)?

What happens if you do not take action(s)?

When will you take the action(s)?

If you have any questions or want any help in implementing your actions please get in touch via [info@highperformanceglobal.com](mailto:info@highperformanceglobal.com) using 'Tradermind Coaching' in the subject heading box.

Until next week....

Steve



- 1-1 Trader High Performance Coaching
- Biofeedback/Emotional Control Training
- Group Training/Seminars/Webinars
- Trading Team Development
- Trading Coaching/Leadership

*“Steve has an amazing ability to help traders achieve much better results.”*

*Lex Van Dam, Million Dollar Traders, Hedge Fund Manager Hampstead Capital*

*“The impact of the coaching has been that I am more at ease and confident. I am making better trading decisions. This has led to a leap in P&L as the result of consistent good trading is positive P&L over time.”*

*Trader, FX Forwards, Deutsche Bank*

*“Exceeded my target for up days and getting more up days. Up money since I started the coaching. Win lose ratio is higher. Greater consistency. Made me more aware of what I am doing. Made me focus more on trading strategy and discipline. Taking more trades – not missing out as much. Stopped doing silly trades – frustration. Got new ‘tools’ to use.”*

*Senior FX Trader, Treasury Trading, BP*

*“Steve Ward has being instrumental in helping not only my own personal trading but also the trading of hundreds of Trade with Precision clients. He has a unique skill in helping traders understand exactly what they should be focussing on in order to trade to the best of their abilities. I highly recommend Steve to all traders who wish to succeed to the highest level.”*

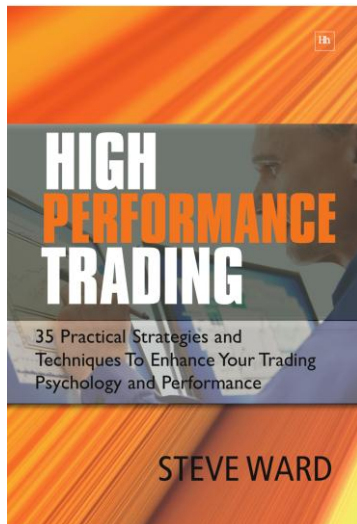
*Nick McDonald, Trade With Precision*

*“I invested a lot of time on trading techniques. A fellow trader got me onto Steve Ward's mentoring. Now I am trading bigger than ever before, and I can handle it without being fearful. I make the same points as before but I can handle the size now”*

*Tom Hougaard, Which Way Today*

*“Steve's seminars are always a hit with our delegates being both informative and engaging. He presents what can be challenging topics in a very easy to understand way and he is an expert at providing people with practical techniques and strategies that actually make a difference to their trading and investing.”*

*Delme Thompson, Head of Training, London Stock Exchange*



*Practical and useful approaches, strategies and techniques that can be integrated into trading to improve current performance*

- Traders magazine

March 2010

*Reading this book should certainly help to achieve improvements in discipline and consistency and ultimately personal and trading success.*

- Your Trading Edge

February 2010

*This book has a lot to offer when it comes to developing a trader's mind and performance...offers some very accessible suggestions.*

- CMC Australia, November 2009

## High Performance Trading

High Performance Trading provides proven practical techniques and strategies to help traders of all abilities, experience levels and styles to enhance their trading performance and psychology.

Based on practical coaching and training interventions, personal experiences, the latest research and feedback, and advice from leading traders, trading coaches and trading psychologists, this book offers something for everyone who wants to become a better trader.

- Discover how to avoid the common pitfalls of trading and how to take the practical steps that can set you up for trading success
- Strengthen your trading discipline as you discover the art of flawless execution
- Develop and hone your mental edge through learning to think like a successful trader
- Programme yourself for trading success with powerful mental conditioning techniques
- Develop unshakeable focus and concentration and learn how to get into the trading zone
- Understand how to achieve and sustain a core of trading confidence
- Learn how to utilize simple techniques to manage your emotional states
- Build resilience to cope with trading stresses and pressures and manage losses, setbacks and errors
- Move towards greater consistency and success in your trading performance

*"I would wholly recommend this book in the library of any trader, both novice as well as advanced."*

*Lex Van Dam, Hedge Fund Manager*