





**B**eing honest may be an underrated trait in a trader but it's the bedrock on which any further improvement can happen. In many studies, it's been shown that traders are actually unaware of their performance which creates a continuous delusion. Being honest means accepting truthfully that a system or trader is below par & then starting a series of changes to correct that.

Regular record keeping and reviewing past performance help in identifying blind spots and to focus on areas of improvement.

***“Being honest is not easy but an absolute must”***





With my  
checklist for  
tomorrow  
complete, I think  
I should  
sleep well  
today.





A trader's decision making process is directly proportional to the degree of homework done beforehand. This includes all the scenarios & the actions to be taken in those situations.

A properly done homework eliminates decision fatigue during market hours creating the difference between winning & losing trader.

***“Good preparation leads  
to trading success”***







They say Maths is the language of Universe. Well, then stats may be the 1<sup>st</sup> derivative. It's absolutely critical for all traders to be aware of their numbers like Win%, Profit/Loss, expectancy, Position size, Portfolio volatility, Equity curve, Correlation of holdings, Average drawdowns, Time to new equity high etc.

These are a few simple examples but important to understand what to expect from your system.

*“Maths & Stats provide the required objectivity and the data to understand cause & effect relationship”*





By doing the same task over and over again, you develop discipline and with discipline you sharpen your muscle memory. Thereafter, it is nothing but a natural flow.



**D**iscipline is the bedrock of any system / method of a trader. It is like a muscle - if you can't be 100% disciplined start small & increase gradually building on it. The more disciplined one is, the better the outcome.

Discipline also gives lot of freedom to think & ideate as there is less procrastination of necessary tasks.

*“Discipline commands the maximum weightage in a trader’s life”*







**F**lexibility is one of the greatest traits to have as a trader. There should be no confusion that Principles are rigid but opinions are to be loosely held. Even the rules need to be slightly flexible and evolving.

One forms a thesis & suddenly whack - the market behaves opposite! In such a situation the skilful trader aligns to new / unexpected market behaviour.

*Flexibility of mind helps a trader to be like water & go with market flow.*





Son, I know last few days have been tough. Why don't you meet your trading mentor ?



**T**rading at times can be a lonely exercise creating it's own ebbs & flows. A trader can get very easily carried away by the chain of thoughts which can be biased. A trading mentor not only guides & helps but also keeps one grounded.

*“A query or an idea at times can become an obsession of mind which trading mentor can help explore better”*