

## Avoiding Emotional Trading

- **How are you today?? Are you feeling upset, angry, discouraged, or anxious???** If so, then back up, take a deep breath, and **close your brokerage application**. The market will always be around; it's better to skip a day of trading rather than to lose money. Do something fun today or relax with those around you!
- **Are you getting greedy with your trade right now??** You're past your profit taking point! **Take profits now!** Don't let an emotional attachment of profit control you. You're winning right now, take it when you can. Winning these small trade after small trade will grow your account over time.
- **Did you lose your last trade? DON'T revenge trade!!** Move on to a different stock or ETF! There are so many different opportunities in the market. Why stick around? The market doesn't care about your emotions, and your need for vengeance will only be at your own expense!
- **Is a stock rocketing or plummeting?** It looks tempting to enter, but **don't chase!!!** What you're feeling is FOMO (Fear of Missing Out). Don't you remember the last time you lost BIG when you chased?? Don't make the same mistake again. You can be early on the next big trade; don't try to pick up the bread crumbs.
- **Are you risking more than 10% of your portfolio into a trade because you're trying to gain back losses??** **Don't put in more than 10% of your portfolio!!** It's just your emotions speaking. Imagine if you lost again after putting in 30% of your portfolio. You would be taking even greater losses! Take your time to build up your account and recoup any losses. There is always another tomorrow, no need to rush.
- **Is your portfolio in major loss today? Stop trading.** If you're not careful with your capital here, you will end up losing all of it. It's best to walk away, and start new another day. It is the most dangerous when you take a major loss because you start to panic and you make things worse.
- **Is your portfolio in major profit today? Stop trading.** This is your chance to step away from the market in the green. Why risk losing all of it? You're excited and overconfident. Your judgement is impaired and you have a false sense of invincibility. Enjoy the rest of your day!