

Forks in the Road

By Ryan Litchfield



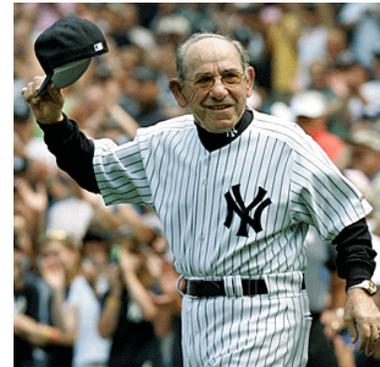
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When you come to the fork in
the road...

Take it...

-- Yogi Berra



Take It

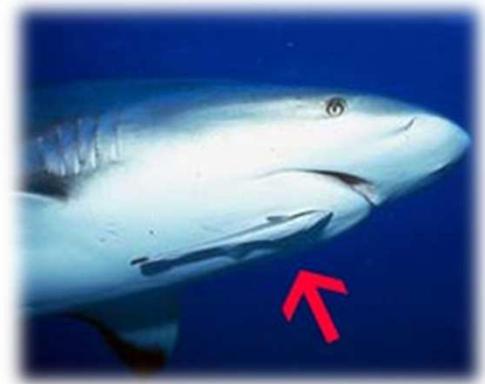
- Cultivating the whole brain trading
 - Training your Intuition
 - Play your Qs – validate your thought process
- Do both – and document why
 - Take pressure off
 - Split stops
 - Find out where the best decisions are coming from
 - Justify your action (written and verbal)
 - Unfunded at first and then very small positions
 - Build data and confidence

Whole Brain Trading

- Reprogramming
- The current loops are very strong
- Very hard to 'yank' them out
- Best to replace
 - Demo and reconstruction
- Implant them the way they were laid down
 - With emotion and repetition

No Contest

- This is not a fair fight
 - You are way outgunned
 - Can't win
 - Profitable coexistence
- So don't fight
 - Not personal
- Learn by experience (that you can survive)
- 'One lot' John _____



Repetition

- Repetition is the mother of skill
- Perfect Practice
- Analysis
 - Most folks are not patient or honest enough
 - Actually most folks are not analytical
 - We just try again (harder / more determined)

Humility

- Teachable
- Accept where you are
- Accept who you are
- Accept the rules
 - Line upon line
 - New turf
 - New game
 - New rules

Yea, But...

- I did...
- Yes from a learning standpoint
- But it is more than info
- Emotions - your best friend and worst enemy
- This class is not the 'emotion' class
- It is the application class
- We want the right emotions – right?

Calm & Confident

- Observer is calm and neutral at first
- As they get drawn into the game they may take sides and then it gets personal
- Gone is the objective observer
- Welcome the RABID fan
- You just crossed over – Point of no return

Entries Exits and Reversals

Entries – Pivot Points

- Back stabbing
- If I had only bought when I sold...
- Two separate positions – But what if?...
 - It documents your tendencies
 - Documents fades and market
 - Need to capture the WHY... written or wave file

Exits

- Set Up Stops
 - Adjust stop to position size
- Split Stops
 - Three way stops
- All or Nothing
- 50% rule

Reversals

- Whipsaws
 - Ok... What – Gut- So what - now what?
 - Do I still want to be in?
 - Can I get back in?
 - Am I chasing it?
 - Am I thinking too much?
 - Act on intuition? (can be unfunded)
 - Don't act on anxiety

Now the Yucky Stuff

That really counts!!!

Money Ball

- Do the math
- Gotta know the truth
 - What is real / works
 - What I need to do – not want to do
- Greatest turnaround in baseball
- Facts, Stats, Truth vs. What I think it should be



Analysis

- Logs – and reps!!!
- Date / day of week / time of day
- Market direction - bias
- Energy inventory
- Trade Setup Quality
 - R/R/R (entry – stop - target)
 - Type of trade setup (double bottom...)
- Impact of stops

What do you want to know?

- When do I make the best trades?
- What strategies work the best for me?
- What is the right trade size?
- What stocks do I seem to know best?
- What is the best time to trade?
- What does it feel like when I am in the zone?
- When do I need to quit?

Forks in the Road?

- Take it
 - Find out what is down each road
 - Play both sides – multiple horses in the race
 - Don't fight it – no contest
 - Be an remora
- Train the brain through experience and the right emotion
- Develop your intuition - learn what you can trust
- Analyze - enough data – find the truth

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