     In my previous post [Series 1 : My Personal Investing Journey](https://connect.fg.rbc.com/blogs/skimblog/2018/01/19/my-personal-investing-journey) I said I would cover the mindset of investors in detail.  This post will basically introduce you how to maintain a healthy mentality while you have your money invested.

**No Regrets**

[](https://i.imgur.com/OG2hHwW.jpg)

     You obviously don't want a tattoo like that (if you do, think again... and *100 times* more).  Having no "big" regret is important to keep your mind away from sadness.

     You will have bad trades in your life, and you need to know that no one can ever profit from investing 100% of the time without illegal action like [this](https://www.investopedia.com/terms/i/insidertrading.asp).Even Warren Buffet [regrets investing in IBM instead of Google or Amazon](https://www.cnbc.com/2017/11/30/how-amazon-became-one-of-warren-buffetts-biggest-investment-regrets.html).

     What I learned from investing and my research on investing is that **there is always going to be*should've, could've, and would've***(I'm going to refer to this as SCW).  If you get too caught up on those SCW moments, it is neither good for your mental health, nor for your investing strategies.  You may not take a risk at all and miss opportunities (making bigger SCW moments), or you may get too greedy, and [hold to lose ton of money](https://www.google.ca/search?rlz=1C1GGRV_enCA756CA757&ei=Vf5oWqyGE5m6jwSA4qngBg&q=dot+com+crash&oq=dot+com+crash&gs_l=psy-ab.3..0l10.1143.3078.0.3302.13.11.0.2.2.0.112.889.10j1.11.0....0...1c.1.64.psy-ab..0.13.894...46j0i67k1j0i131i67k1j0i131k1j0i46k1.0.3qiBYwtqG7A).

**Greed We Don't Need**

[](http://i0.kym-cdn.com/photos/images/original/000/695/129/c33.png)

     Being greedy is generally bad; not just in investing but in your life as well.  I truly admire Buddhist Psychology, and this has helped me keeping myself content for long.  Many people think of greed in investing is selling for high, but it can also be applied in buying too low.

     Wait, isn't buy low and sell high the investing 101?  Yes it is, but if you get too greedy, you can *miss opportunities* to either enter or exit - result in regrets (bigger SCW moments).

     Let's say stock is trading at $10.  You can try to buy it at $9, but if no one sells it for $9 you ended up not owning that stock.  The stock goes up to $20 the next day, and you regret not buying it at $10.

     Let's say stock is trading at $10 again.  You decided to buy, and the next day the stock goes up to $20.  You think the stock is going to[go up tomorrow again](https://www.google.ca/search?q=hot+hand+fallacy+in+basketball&rlz=1C1GGRV_enCA756CA757&source=lnms&sa=X&ved=0ahUKEwjm2MP7y_HYAhVmxoMKHZepBM4Q_AUICSgA&biw=1280&bih=933&dpr=1) and do not sell.  It goes down to $8 the next day and you regret not exiting.

**Plan?**

     You may notice already that no matter what you do, there will always be regrets except few lucky moments (e.g. my HBC exit at $13.5).  It is REALLY tough to be absolutely happy all the time unless you are [him](http://https/www.google.ca/search?rlz=1C1GGRV_enCA756CA757&biw=1280&bih=933&tbm=isch&sa=1&ei=bQJpWqa6DOXQjwTJ0LbADg&q=buddha&oq=buddha&gs_l=psy-ab.3..0i67k1l2j0j0i67k1j0l5j0i67k1.6248.6938.0.7062.6.6.0.0.0.0.103.453.5j1.6.0....0...1c.1.64.psy-ab..0.6.452...0i10i67k1.0.1kfSwchu5MM).  That is why you need to be *aware* of two aspects I mentioned above when you invest.

     There is also a way to be content with your trades, and it is : **do your own research, and have your own plan.**

     Many people told me to have plan before you invest.  The more specific, the better.  If you have a specific investing plan (entry price, exit price, risk tolerance, and duration), no matter what happens, you have less to complain and regret about.  If trade did not go the way you expected after following your plan, it simply means your strategy needs to be improved or did not work for that time or stock.

     You can really generate income from investing if you think like a house in casino.  Have you heard of "*house always wins*"?  Using probabilities, house (owns casino) always play games they have slight edge on (e.g. 52% chance dealer wins).  If you have set up an investing strategy that makes you win (profit) 70% of the time, you can make serious money.  You obviously need to set appropriate cut loss (sell at 5% loss or 10% gain).  Let me explain this using simple mathematics.

     Let's say you have an investing strategy that profits you 70% of the time.  You also sell at 10% gain, and at 5% loss no matter what happens.  You invest $100 in 10 stocks.

You can make $55 every time you trade 10 times!

Obviously this is assuming that you can find stocks that go up 10% in 70% chance.  However, the point I am trying to make is **the importance of the strategy.**

     If you improve your strategy and your strategy can find stocks that go up 20% in 70% chance, you can make $110 every time you trade 10 times!

**Conclusion**

     You see, your math skill from high school you complained about is not entirely worthless!  You can use them to make money  .

     Keeping the mindset above is also easier said than done, and this is why many people still make mistakes and are unhappy with their investments more than they should have.  I hope one day you can master controlling your mind, and be successful in investing and in living a healthy life.