起床状态不好。恶心。

有可能是手机的辐射。

马上立下列准则：

1. 晚上睡觉手机关机
2. 进入闭关修养状态，没事不开微。
3. 休养生息为主。其他事情放一下。
4. 远离电子产品的辐射
5. 不要用脑太多，以适当为准。
6. 增加运动，pick up 游泳，病好了以后。
7. 保持心情舒畅，听点舒缓的音乐。
8. 喝水
9. 避免各种恶性刺激。

Monday, July 10, 2017

Rarely traded knowing today would be a weak session.

Markets massively weaker with lots of stocks ending on the lows.

Wind is changing. Now there is a need for a major correction. Going downhill.

**Some choronology:**

Japan May 26-may31 – only beef was available. Food ingestion since here was not healthy. Garnered a lot of resentment from people there. Japan had good weather which made me relatively content by offsetting some of that food heat.

Jun 11 flight to Taiwan. This is a bad decision. Had a bad heart condition for the whole duration of the stay there. Heart started palpitate really fast. Had to run it off. Could not go outdoors to exercise as it was raining.

Once came back to Shenzhen, was overzealous in exercising, weather was humid and hot and was not conducive to health.

6.17 changed the flight to fly back earlier. Very bad time in tw this time around.

6.25. Birthday, overeating on both meals, one in Guangzhou and one is Shenzhen. Felt not good especially the seafood in SZ. This is when things started going downhill, but daily exercises continued which did not help.

6.29 Had lunch at 韩式冷面王， had too much Kimchi+ fried rice + beef, 大热, turned into a bad fever.

6.30: from this date, had various fever, cold, coughing. Part of it was from eating while looking at wechat.

7.10 woke up at 4 with a bad headache and nausea. Seemingly caused by phone on sofa -> shutting phone while sleeping.

Go into extreme low key mode to dilute any resentment which is quite high. The resentment is from everywhere. Most people end up with some level of resentment which is not good.

Overeating has been bad.

In Taipei way too much beef was eaten and this shifted the physical health towards the negative direction. Overly concentrating on watching is not good. One more week would deal more damage to physical health due to the food there.

Weather is too hot and wet here.

Need northern weather.

Retract from all sources of resentment, dilute these.

Keep distance from people to reduce level of resentment.

Too much fire has built up in the system (from the Japan era, Japan+Taiwan food was 大热)

Food and climate is conducive to health, extremely hot and humid, need to eat very 清淡 to be healthy.

Go back to the 2010 method of living. There was no wechat. Life was better.

Swimming is needed to bring body temperature down.

Some evening bike riding could be beneficial.

7.11.2017

As days normalize, illness is recovering a bit albeit slowly. June’s negative impact is recovering a bit.

Today’s trading was rather aggressive, about 80 trades done. Trading pnl was not so good, mainly due to the weakness of the index going into the close. All out bullishness is still not here, it is just haphazard breakouts in various sectors. Env protection stocks crashed. Other small stocks did really poorly. Coal crashed. Market is hardly sustainable except for a few consumer stocks.

**7.12**

Markets difficult to trade. Markets are way weaker than before. Big caps plunged today. Some artful trading is needed in order to keep afloat, instead of easy money which was the case in May and June.

Make sure to pile up position after 11 and making general pm returns.

Today’s am position buildup was too quick which resulted in a lot of stress.

The trade pnl went back to flat at day’s end but that volatility on the mental state was not needed and was not productive.

Cut fut’s unsuccessful trading position at day’s end, bringing the position back to 16#. Fut level basically went back to where it began yesterday. Make sure to add pos only when the level is at week’s low. Today the position of entrance was based on overly optimistic estimates of the index. Tomorrow’s pm is a time to add position.

Following the new regulation regarding GC, now 3 day is used in the calculation of Thursday GC. But this is merely an acknowledgment of the fact that cash will be locked up for 3 days for the weekend.

This while positioning needs to be conservative since markets clearly are confused about the direction. There is a lot of fear and risk cutting among various market participants. They cut CYB like madness for Monday and Tuesday and today they started to cut main board. As long as these fears linger around we won’t see a big rally. Keep positioning light and well diversified.

Jul 13

Big issues with trading

1. Small lot size results in more brokerage fees at 5 per trade
2. A little bit hurried in trading, trading pnl is bad
3. Stocks are performing not well, especially the previous strong stocks are underperforming the broader index
4. A lot of am buying yielding bad mtm pnl the next day.
5. Ptf turnover is high with a lot of trading cost without much compensation
6. Today’s trading cost is -1k rmb. Paid 3148 in fees this week.

Solutions

1. Slow down while trading
2. Focus on less 标的. Only representing the key pillars of the index. In other words only do major sector trading. Focus on key representative stocks in each sector.
3. Trading starts at 11am, no pre-11 trading allowed until further notice. Can do a bit of panic trading at AM close but no aggressive trading.
4. Focus mostly on pm pull to weekly mid trading or no trading at all.
5. Only sectors that are represented in the A50 are allowed.

工建

保险: For T trading.

银行： 招商, this sector is important as foreign money like low valued Chinese banks.

券商：

Steel

Increase position of banks.

Add exposure to insurers.

Add exposure

银行(38%) 招商

保险 (15%) 中国人寿

券商(9%)

酒类 (7%)

工建 (5%)

家电 (3%)

7.14.2017

Some thoughts on rebalancing.

A lot of recent trades have been incorrect. Like buying rising stocks.

Several rules need to be written in stone.

1. Never buy any stock that is currently up (having a positive return), wait until a down day to buy.
2. Never buy a falling stock during the early AM session. It is a real drop that this begets further drops, even if there is a pm rebound, the next day would see some bad price action.
3. A lot of cutting has been anti-rule and incorrect. Cutting at lows at the bottom of the day.
4. Don’t cut when stock is losing, don’t buy when stock is winning. Prolong trading horizon. Take more calculated risk on big caps.
5. Focus purely on big caps. Small caps have their blood drawn out already. Not worth investment at the moment. Losing a lot on a few small caps now.
6. Look at the strategy that made you money in the earlier months. Full position, cutting high closer to switch into low closers. Let mtm take care of itself. The change to current trading style is because the position is half or even less and it is eager to pick up position to avoid loss. The second reason is because of changes in stock composition which is 不审.
7. Overtrading: Trading size is twice what it was before. A lot of am chasing which doesn’t make sense. Buying rising (chasing or buying low prematurely) both fail. Should focus purely on buying pm lows. There was buying of changjiang dianli in the early am which didn’t work because you didn’t wait until the pm panic. Buying of 招商

**After market:**

Today activity level has been reduced to the lowest. Ptf performed decently. Market is very strong and big caps are clearly in bull market again. The earlier part of this week was plagued by heavy overtrading which yielded no trade pnl. The reason for this overtrading was because general positioning level was cut; following the cut, it was easy to be overeager in position building, and this often led to immature position building. A lot of trades were entered in the AM; regardless of whether they were entered during a bull or bear session, the sharpe across all AM purchases were extraordinarily low and these added trading stress and did not offer commensurate return for the effort put in.

This week ptf gained 1% but the big caps gained 3%. The issue is mispositioning in small caps in the earlier part of this week. Lost money on 创业环保 and 三花智控 which were two small caps that were held and which was heavily sold. From this point onwards, small caps would no longer be in the target pool of stocks.

I will revert to a multi-day trading paradigm where day to day negative correlation would be the dominant driver for trades, which means buying those closing on the lows and reducing position on the ones closing on the highs. Day trading should be kept to a minimum since these don’t generate any pnl, focus on MTM pnl which means the outcome of previous trades.

Multi-day trading paradigm worked well in June. The advantages of such a system includes that there is less trading pressure since you take MTM as given and you are less aggressive on the trading positions. You can chiefly focus on the PM and on the close where you do daily rebalancing and it is nice and simple.

Reducing trading pressure is one key thing since it is not wise to sacrifice quality of life for trading. This requires that you have a battle-hardened time-tested set of rules for rebalancing and trading. Random trading that depends on anything other than a pre-defined set of rules is discouraged since these introduce unnecessary variability in emotions etc.

The earlier part of this week was characterized by fatigue after trading, higher volume than usual trading and bad performance. Once you slow down and start to undertake the multi-day trading paradigm again, trading will become easier and less tiring. So you need to understand that position reduction was the reason for the eagerness to trade, and the eagerness trade caused overtrading in both the AM and the PM, causing unnecessary fatigue.

The solution is to trade as little as possible, in key spots only. Focus on PM trading.

Watch more Japanese dramas during market open to work on Japanese. It would be beneficial to spend some time in japan every year due to the excellent climate (northern) and clear seasons. Taipei is inferior in this aspect, the weather is dry and wet and people have a distinct darker and uglier complexion than Japanese.

7.15

Markets in a state of division. Big caps are continuing to break new highs while small caps testing lows. The general PM strength calls for more aggressive positioning in the PM session in general. You should have nominal/symbolic position increases in the PM to get accustomed to trading more frequently than before. On Thursday, towards the end of the market a mistake was made selling at swing lows, this was understandable but won’t be acceptable going forward. Strict accumulation-dissemination needs to be practiced in the afternoon.

Look at the effort/return from both sides.

Monetary input: about 600 in red packets, 1000.

Result of each red pocket? The effect is quite instantaneous. Not much news after. She knows there would be maximum one red pocket a day and there wouldn’t be any return after that.

Receives that red pocket -> disappears.

There needs to be reciprocity in a relationship.

She made mistakes in handling certain delicacy in situations.

One would feel that he is being used if one keeps getting rejected at his own demands.

First, what does she know about you specifically?

Physical: height/weight/age/university/job/family.

She knows nothing. She doesn’t need to know.  
Wants: she wants money. Takes sweet talking to get what she wants.

How to sweet talk?

1. Creating confusion and hope
2. Mess around the situation
3. Refuse physical meet. Just test it. Physical meet is an actual test of what she thinks.
4. She bullshits in saying that next time she will take you out, hoping that you will keep devoting.

When a girl asks about details and specifics, that is interest. The more detailed the more interest. The information asymmetry on this kind of platform shows pretty clearly. Hubei is not a trustworthy place.

Interesting things to notice about this relationship:

1. It is built on a virtual platform.
2. The intention of going on this platform is to make money, and there has been many efforts to solicit money on many occasions, including red pockets. Money has been heavily involved in the relationship.
3. Her bottom line is not to meet so she’s not willing to provide what I actually need.

**Judging others’ interest**

1. From previous life experience: previous choice/experience etc.
2. Whether they are interested in your personal characteristics. The more interested they are, the more poignant the questions will become. The one that criticizes a product are the ones that are most possible to buy.
3. Look at how she tries to get money. Basically she is trying to set up a friendly atmosphere for you to conjure up hopes and expectations. In this situation, always look directly at what you have done and what you have received.
4. Objectively speaking, she has paid 0 in this relationship, goal is purely money making, and she got 1600 from you. She doesn’t follow you and there is no actual investment.
5. How she tries to scam on each occasion? On 7.15, she is hungry and she tries to get money. She tried to paint a future with words. She said she would give you tea and she would invite you to dinner. In actuality, she knows nothing about you and those are pretty bad story telling.

The new form of internet communication hasn’t had sufficient academic interest in analyzing it, but it is very interesting.

First of all, motivation. Few are broadcasting out of boredom, most consider money to be a primary motivation. Viewers are a source of income. A lot of girls treat this very strictly. They would lose popularity as a result of avoiding all off-line communication. Ji yecui was a primary example of that. She draws a very clear line between online and offline. She made good money from it before graduating from college, maybe 100k. It is already good money for people that age.

A lot of people uninstall after they realize that the broadcasters are there to make money without wanting to make any concession. Off-line meet is offside to them. They actively try to scam as much money from the situation as possible. Of course, no one would be willing to be scammed naturally. As scams go, a potential favorable situation needs to be drawn out in order to carry out the scam. First step is to create confusion about the state of the relationship and create hopes for the other side.

Always look at what you actually get from a relationship in concrete. You were putting in money and getting some communication benefits. Now she wants more money and cannot satisfy what you want.

You might want to believe that 1. She is more protective of herself which makes her more worthwhile 2. She doesn’t think the relationship is mature enough for the meet which means she wants to take it slow and let the relationship mature better. Think about 4 years ago when you banged that chick, one box of chocolate and few days of chatting was already enough to get her. Now it is much more difficult, you paid about 1.6k without even having a meet. She should not accept those red pockets if she doesn’t judge it mature to meet.

She makes it clear to keep a big distance from you.

She makes a lot of fake promises including meeting you next time she comes, giving you tea.

The hard signs (objective)

1. The desire to meet, if there is no such a desire, then its fake
2. How much personal details they know about you. Your age, job, height, weight, interest, family

Inflow/outflow patterns.

This means how much you are putting into the relationship vs. getting out of it. This is objective.

Input: continuous cash outflows.

Inflow: none. Meet attempts are thwarted for about 4-5 times.

**What to do?**

If you are not being rigorously judged, then it is not serious. Better quality people are usually abroad. Rich family is definitely needed. Self respect is also a big thing.

Don’t forget the time you put in at another girl from Chungking. You didn't know what she is called.

The common attributes for these people is they live in poverty and don’t have money to travel. You should spend more time travelling abroad and the quality of the people is much better because people are richer when they can travel, and the group is automatically higher. That's why attractive girls are constantly travelling and living in 5 star hotels.

Investing in travelling to good destination is definitely important.

7.16

今天首次4人会。多人优点是更多观点的对撞和信息量的增大，而且单人可以更加放松，不需要一直专注。 境界能力千差万别。

需要注意的一点是要保持绝对低调。不要得罪任何人。让周围的愤恨降到最低值。出去玩的话也要保持飞常低调。降低虚拟事物在生活中的分量。投资中有一条是如果仓位亏损则降仓， 生活中是何物造成困扰则降低exposure.

未来的一些侧重点。第一是增加旅游. 二是更上一层楼，过滤掉不需要的人和事。消除周围人的恨意。不要轻易出手，不要轻易给人希望。不要欠任何感情债。这些都是很耗元神的。保元是立命之本。

侧重点要回到如何更加优秀的让资产增长。这是唯一的重点，也是核心竞争力。专一投机的优秀思想对我影响深刻。当我听到一些不是很优秀的思想的时候，难免嗤之以鼻，包括期货期权翻倍速度。没有深刻理解投资之道。

再一个是共享资源，让总体utility提升，群体的信息量，幸福感这些都是造福的事，可多做。

养混元之气。接地气。

完全回到之前的无忧无虑状态。炼精化气，炼气化神，炼神幻虚。

Anything that takes too much effort is not worth it.

You can feel pretty clearly what the situation is about.

Apply occam’s razor to all situations.

Any assumption will increase the probability of falsehood.

If something doesn’t advance, you should drop it the same way that you drop a stock when not performing well. Nothing deserves benefit of the doubt.

Always look for investment by the other party. Esp. monetary as this usually means a lot.

1. Trust only your gut instincts and feelings
2. Never give the benefit of the doubt or wishful thinking.
3. Objectively look at input and output. Look at monetary flows first. Second look a conversation flows.