

## Title:

So You Want To Become A Futures Day Trader

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## Summary:

You wake up one morning with a really BAD idea - you have decided to start making your living by becoming a futures day trader. BUT how can this be such a bad idea, don't people get rich day trading futures? Where did that idea come from?

## Keywords:

futures day trader, trading psychology, trading method, trading plan

## Article Body:

You wake up one morning with a really BAD idea - you have decided to start making your living by becoming a futures day trader. BUT how can this be such a bad idea, don't people get rich day trading futures? Where did that idea come from? Did you see one of those 'work' for 10 minutes a day and make \$4200, 'get rich quick never lose' hype system ads? Or did you visit a chatroom, and the 'resident guru' made it all sound so easy? Maybe, the title of this article should have been - How To Die A Painful Death Chasing A Carrot.

Get real. IF systems like that really were available, or if day trading really was that easy, wouldn't everyone be a rich day trader instead of being a statistic in the 90 percent of all day traders fail club? IF you can't be truly realistic regarding this, truly believing and understanding the odds against you THEN you do not have a chance. You would really be best off 'giving up' on this idea about day trading, and save yourself a lot of pain and money.

Over the last nine years, I have known and worked with many traders, and over this time have seen the unrealistic expectations, and problems with their approach towards trading, where people who possibly had a chance to be successful were actually done before they started. I have thought about writing a book about this. The book would not be about how to day trade, but instead, it would be about how to learn how to day trade - the key word being learning NOT trade.

It Can't Just Be About The Money

How can learning any new skill start with a total focus on the end result,

instead of how you plan to achieve that result. That would be no different than trying to put the roof on a house before you built the walls, or expecting to receive your college degree the day that you begin classes. Talk about unrealistic expectations - these are impossibilities - as are any get rich quick trading schemes. Yet many come into day trading as what I refer to as a job replacement 'trader', this is a 'trader' who tells me the following: I know I need to spend the time making a trading plan and 'properly' paper trading it before I start trading real money, but I can't, I just got laid off from my job and need to trade now to make some money. There is another statistic for the 90 percent club.

When I meet a new trader who has some interest in what I am doing, this is probably the most frequently asked question: how long is it going to take me to be profitable with your method? This 'trader' has never traded real money yet, or has been losing at whatever 'trading' that they have done, yet what they want to know is how long will take to be profitable with a new method. My answer to questions like these is to first ask my own question: what are you planning to do to learn this method, how can you possibly become profitable with any method before you learn it? I can remember one specific 'trader' that I talked to 2-3 times before joining our group. In the conversations this trader told me how many thousands of dollars he had spent on trading systems, methods, and trading groups - it was almost like he was 'bragging' about it? He never learned how to trade, and he had never traded profitably. BUT once again the same question came up - how long is it going to take? I told the 'trader' my thoughts regarding this, while also saying that if this was the major concern that they would probably never learn it, and they really shouldn't join the group. The 'trader' assured me that this time it would be different BUT it wasn't - they never studied the training materials, but I would get an email every couple of days asking me when I thought they should start trading real money. And there is another statistic for the 90 percent club.

Trading just can't be about the money, especially from the beginning, but really at any point in your trading career. Trading is about the process; that process being learning a method and the related trade setups, the creation of what I refer to as a base setup plan. Does it seem logical, that you actually need 'something' to trade before you get rich trading it? After this is done, start paper trading this plan in order to gain enough screen time and repetition that you can make adjustments - learning your mistakes and misreads that you make in real time execution. Accomplish this, and then begin to keep profitability records of your paper trading, first trading for profitability, and then trading for proficiency where you concern yourself with the percentage of profit potential you are gaining, not simply whether you make a profit.

How long is this going to take to do? Who knows, but there sure aren't any

shortcuts. Actually, it probably won't ever happen. Paper trading to a proficient level really is a very difficult thing to accomplish, as 'traders' aren't willing to work hard enough, and with the necessary commitment, as there is no financial reward from paper trading. Furthermore, since there is also no financial risk, paper trading is quite often turned into a game and becomes of a waste of time, and creation of bad habits that become too hard to change. But skip the process altogether, because you want to start making all of that money that caused you to decide to become a day trader to begin with AND - another statistic for the 90 percent club.

### Introduction To Trading Psychology

I would guess that most everyone has had experience with some kind of real time performance stress before. Maybe it was a college final, or maybe it was related to athletics, maybe you had to give a speech, or maybe you were in a theatrical performance. Whatever the case may be, for myself, as well as anyone else I remember talking to, nothing was even similar to the 'feelings' that were 'brought on' by day trading real money real time. My background included athletics, and I can remember pitching in a state final baseball game, and I can remember last second free-throws in tournament basketball games - it was a piece of cake when compared to starting to trade real money. Nothing can prepare you for risking your money on an unknown outcome, of which you have no physical control, while watching price bars that all of a sudden have seemed to start 'ticking' at the speed of light - with your heart racing and the inability to sit still and the dry mouth and the sweaty palms and the feeling like you are going to puke - etc etc etc. Doesn't that sound like fun - I will bet that get rich trading scheme didn't mention any of this?

IF you are going to get through these emotions known as trading psychology, and all the different fears and forms that it can take on, it is going to be involved with your preparation, repetition, and understanding of that base setup plan, along with the knowledge that you have been able to paper trade it proficiently. No, it's not the same as real money, and you will still have to become used to executing real time BUT at least you do have the confidence in knowing that what you are going to trade does work, and on a level in excess of simple profitability. It will take time for these emotions to leave you, and maybe some never will, but that is all right. It is not necessary to eliminate all emotion to be able to profitably trade, it is necessary to control them, and being able to have the self trust that although you can't 'know' what is going to happen, you can 'know' what you are doing and that you will act as closely as possible to the intended 'plan'. Does going through a learning process that includes paper trading still sound like a waste of time? No problem - there is still plenty of room in the 90 percent club.

## Work Ethic And The Fear Of Failure

Again I am thinking about that question - how long is it going to take to profitably trade your method? I don't know, are you really going to work your hardest? The fear of failure can take on many manifestations. What I have seen quite frequently, is how this fear is related to the 'traders' sense of self esteem and self worth - that failing at this, failing at anything, will make them 'less' of a person, and they can't risk allowing this to happen. Consequently, they never work their hardest at learning to trade. They won't put it all on the line, they always hold something back. Why? Because by doing this there will always be a 'built in' excuse for failing - IF I had really tried my hardest THEN I am sure that I could have done it. The result is obviously the same, but at least they don't have to blame themselves or take a 'hit' on that precious ego. Is failing at learning to do something, and being a failure really the same thing? In my way of thinking, trying your very hardest and not being able to do something is just the way it goes some times. We aren't going to be able to do everything we try, no matter how hard we work at it. Failure on the other hand is what I described - failing because you didn't 'step up' and try your hardest, instead you 'held back' trying to protect yourself. You want to learn to day trade, check your ego at the door before you start - or you too can join the 90 percent club.

## Do You Still Want To Make Your Living Day Trading?

Have I talked you out of becoming a day trader - do you still think this is a great 'get rich quick' way of making your living? Although it wasn't my intentions to change anyone's mind, if this is what has happened, then I am glad. Yes, trading can be 'lucrative', and yes, you can get 'rich' trading, but you have such a long road to travel before this can occur. Many people 'say' they know this, but they don't really 'believe' it. They think that they will be different, they think that they will be the one that 'bucks' these odds BUT then they won't go about it differently. If nothing else, it should be very clear, that if 90% of all day traders lose, then to have a chance at being successful, you obviously are going to have to approach this differently than the vast majority does. Go for it BUT focus on the process, have reasonable expectations of what is really involved, and then do what is necessary to learn how to trade - that 90% club is far too big.