

The Subtle Trap of Trading: Why So Many Smart People Don't Make Money Trading - And How To Get On The Right Track In Less Than Two Hours

The Mistakes That Traders Make That Bring Ruin

1. Under-estimating what it takes to be successful in trading
2. Over-estimating your abilities as a trader
3. Over-estimating your emotional control
4. Starting off un-educated, and thinking that you can "learn as you go"
5. Ignorance of how trading and the markets actually work
6. Treating trading like a hobby or sport, rather than as a business
7. Starting off under-capitalized
8. Using money that isn't truly risk-capital
9. Over-confidence
10. Being in a hurry to make money, to hit the home run
11. Thinking too short term
12. Guessing at what the charts and patterns mean, then acting on that guess
13. Trading without a plan
14. Having unrealistic expectations for trading
15. Over trading your account (both in size and frequency)
16. Not defining the trade your going to take
17. Not defining the risk / reward for each trade
18. Not using stops
19. Wanting to be right instead of making money
20. Listening to others (deviating from your methodology or system)
21. Trading the opinion of others (e.g. market direction)
22. Trading hunches
23. Trading markets that you don't understand
24. Risking money on systems that you don't fully understand
25. Trading only fundamental news without adequate analysis
26. Using too many oscillators or indicators
27. Not paying attention to previous market action, ignoring the history
28. Overspending on computers and software
29. Trading around the clock (another form of overtrading)
30. Having a fear of losing money
31. Lack of money management
32. Thinking that you can 'beat the market' if you just analyze it enough
33. Assuming that paper trading alone will successfully lead to profitable trading
34. Using the wrong methodology for your level of expertise or emotional style
35. Not understanding your own 'emotional style'
36. Not asking questions to ask gain understanding when starting out.
37. Changing systems and markets frequently without 'mastering' any of them
38. Not documenting their trades, or at least inadequately so
39. Not reviewing trades after the fact to learn from one's mistakes