



8 QUICK REMINDERS BEFORE SETTING YOUR TRADING GOALS

Ready for another year of making pips?

It is important every year to consider some basic disciplines for trading the Forex Market.

For both Forex newbies and those traders with more experience out there, here are a few things you should remember before you set new trading goals for 2015.

FOR THE NEWBIES:

1. FOREX TRADING IS NOT AN AVENUE FOR MAKING QUICK MONEY.

Hate to burst your bubble so early, but this is something that you have to learn right off the bat.

It's possible to make fast money, but odds are probably 99.99999% that you are NOT in the less than 1% camp of naturally born, financial wizards who can sustain a 100% gain a year for an entire career, let alone even for more than one year.

Fact is, Forex trading is more like a business, and it's a long, grinding business of highs and lows.

You put up Capital, you make and lose money while you improve your skills, and you SLOWLY learn to be consistently profitable.

2. ONLY TRADE MONEY YOU CAN AFFORD TO LOSE.

One of the most common newbie mistakes is risking money they can't afford to lose.

You need to take out the fear of losing money so you can focus on your trading skills.

If you don't have enough capital yet, you can start with small accounts or try trading a demo account.

3. YOU WILL BE A VERY, VERY BAD TRADER IN THE BEGINNING AND THAT WON'T CHANGE UNTIL YOU KEEP A TRADING JOURNAL.

Because you are new, you will likely make a lot of trading mistakes that takes experience to overcome. Even a simple, well-kept trading journal could speed up the improvement process by showing you what's working and what isn't, and if you are making the right changes.

What's not measured cannot be managed.

4. DON'T HESITATE TO ASK FOR HELP.

No trader is an island.

All pro traders were once newbies. If you subscribe to the PREMIUM SERVICE you can ask me for an alternative view.

FOR THE MORE EXPERIENCED TRADERS:

1. NEW IS NOT ALWAYS BETTER.

Before you explore new strategies this year, take a second look at your old ones and check if a simple adjustment in stop losses, position sizing, or indicator settings would have changed the outcome of your trades.

I don't believe that "new is always better" Also, check your journal to see if you consistently executed your strategy.

Even the best strategies can't be made profitable with poor execution.

2. SET REALISTIC EXPECTATIONS.

Just because you caught a 200:1 reward-to-risk trade last year does not mean that you should aim for a 1,000% gain in your account this year.

Set your goals and expectations based on your average performance, available time for trading and capital limitations.

3. WINNING CAN BE AS DANGEROUS TO YOUR ACCOUNT AS LOSING.

Psychologically similar to how losing streaks can make you fearful of taking trades, winners can also cause psychological damage by making you overconfident.

This can lead to lack of preparation and over trading, which is worse than being too fearful because you are most likely taking unnecessary risk.

No matter how big your wins are, remember to be consistent with the final point:

4. FOCUS ON THE PROCESS, NOT THE PROFITS.

All the points above can be summarized into this one.

Forex trading is a marathon, not a sprint.

Like any worthy endeavor, becoming consistently profitable requires consistent practice and self-development.

You are kidding yourself if you think it requires anything less than that.

Don't be distracted by one time profits and losses.

Keep your eyes on the prize, and stay focused on doing the right things, the right way, at the right time.

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