

## How To Deal With Invisible Fences In Your Trading?

I was watching a rerun of “Sex and the City.” If you are not familiar with the series, it is about 4 single women living in Manhattan and what they went through in their daily lives.

In any case, these city girls went to suburbia for a party. They were passing by a house and saw a dog. One of them gestured for the dog to come to her. The dog came to a certain point and then went back. She was stunned by what had happened. She could not figure out why the dog retreated when he seemed to be interested. She started to take it personally. Then one of her friends explained that there was an invisible electronic fence around the house...

So what does this have to do with trading?

I was wondering...have you noticed your own invisible fences when you are trading? Have you had situations where you intended to do something, went for it and then backed up? Then you wondered what happened? You might have gone through different feelings such as frustration, anger and resentment. At times, you may have thought that you were not good enough or that trading was not the right thing for you to do.

Does this sound familiar?

If so, you are not alone. The truth is that we all have these invisible fences in our minds, but may not realize it. Some might refer to these fences as our “programming.” It is similar to the operating system of a computer. We are hoping that the programs will work perfectly, however we are not sure of the details...

The 800-pound gorilla is: how do we recognize these hidden programs or invisible fences?

Do the following scenarios sound familiar?

- You have a hard time making decisions.
- You think that your problems are bigger than you.
- You are playing not to lose.
- You are blaming the markets, your system or other things for your losses.
- You like to get the results that you want, however, you are not willing to go the distance.

- When obstacles come up, you focus on the challenge instead of the opportunity.

If you have said yes to any of these, you do have some hidden fences. There is a saying, "How you do anything is how you do everything." The impacts of these fences are demonstrated in all areas of your life.

How do you deal with these invisible fences after you recognize them?

### **1. Start making decisions.**

This might be stating the obvious. However, nothing works better than practice.

For instance, if you have had a huge loss in your trades, you might be too gun-shy to pull the trigger. The way to handle it is to start with small positions and take small profits. When you start having profits, it becomes easier to pull the trigger.

### **2. Always know that you are bigger than your problems.**

When challenges arise, know that you can handle them. You might not know how. The key is to have an attitude of "I can do it!" When you approach it with that attitude, ideas will come to you and doors will open.

I have a client who lost a lot of money in one deal. He was really frustrated. Instead of giving up, which might have been the normal reaction, he kept an open mind and knew he was bigger than his losses. He did not take it personally. He persevered and figured out how he could make more money. I am really happy to say, not only did he replace all of his losses, he made a lot more money!!!

Michael Jordan said: "Obstacles don't have to stop you. If you run into a wall, don't turn around and give up. Figure out how to climb it, go through it or work around it."

### **3. Always play to win.**

There are two ways of trading. One is playing to win and the other is playing not to lose. There is a difference.

When you are playing not to lose, you are coming from a defensive place and when you are playing to win, you are coming from an offensive place.

It is all about what you are expecting. There is a saying: "If you think you can or if you think you cannot, you are right."

**4. Take responsibility for your own results.**

It is always easier to blame the markets, systems or others for your losses. When you do that, you become a victim of your circumstances and you are not in charge.

However, when you take responsibility, you are in control. The truth is that there are times when you cannot control the situation. The only thing that you are in control of is your reaction to that situation. Your reaction is the difference between being a super star trader or not.

**5. Be committed to your outcome.**

Think about it. Are you willing to pay the price necessary to achieve the outcome that you want?

Why do you think Tiger Woods is at the top of his game? One of the reasons is that he is truly committed. Even though he is one of the best, if not the best golfer, his routine is merciless. Rain or shine, he is out practicing and trying to learn something new.

There is a saying: "Successful people are willing to do for a short period of time what most people won't... So they can do for the rest of their life what most people can't."

What kind of commitment do you have toward your outcome?

**6. When faced with challenges, focus on the opportunities.**

In other words, look at the glass as being half full. When you are trading, do not only focus on the risk. You have to look at the risk reward ratio. Then you can accept or reject it based on your criteria.

What happens is that when we have a few losses in a row, instead of focusing on the risk reward ratio of the next trade, we focus on not losing. By focusing on not losing, we will lose even more.

There is a universal law which says, "What we focus on expands."

If you focus on losing, you will have more losses because that is your expectation. If you focus on winning, you will find more trades that are profitable.

The choice is yours. What are you going to concentrate on?

We all have invisible fences. The important thing is first to recognize them. By recognizing them, you have won half the battle. Next is to do something about it.

**Taking action is the key to your trading success!**

Here is to Making Trading Success Your Habit™,

*Nazy Massoud*

PS. For more Mental Edge tips on how to have more profitable trades and a FREE report about "The 3 Biggest Psychological Triggers That Can Make Or Break A Trader", go to [www.MentalEdgeTrading.com](http://www.MentalEdgeTrading.com).