

# The Monthly – January 2022

An archive of the completed month plus highlighted member content

## Overview

- Thoughts on a Weekend Afternoon - Quick Access Links
- Factor Member Private Twitter - Evergreen & Educational
- Spotlight Links - To Watch & Read
- PDF download of this Monthly

## January Numbers

- Tweets posted on our Private Member Twitter: 161
- Updates and Special Reports posted on the Member site: 7
- Videos/interviews posted on the member site: 1

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## Thoughts on a Weekend Afternoon Quick Access Links

### January

- [Thoughts on a Weekend Afternoon, January 1-2, 2022](#)
  - [Thoughts on a Weekend Afternoon, January 9, 2022](#)
  - [Thoughts on a Weekend Afternoon, January 15-16, 2022](#)
  - [Thoughts on a Weekend Afternoon, January 21-22, 2022](#)
  - [Thoughts on a Weekend Afternoon, January 29-30, 2022](#)
-

## Factor Member Private Twitter Evergreen & Educational



**FactorMembers** @factor\_members · Jan 3

...

Don't know about you, but my expectations about individual trades is generally inversely correlated with the outcomes.

The really big trades are often the ones in which I have minimum expectations

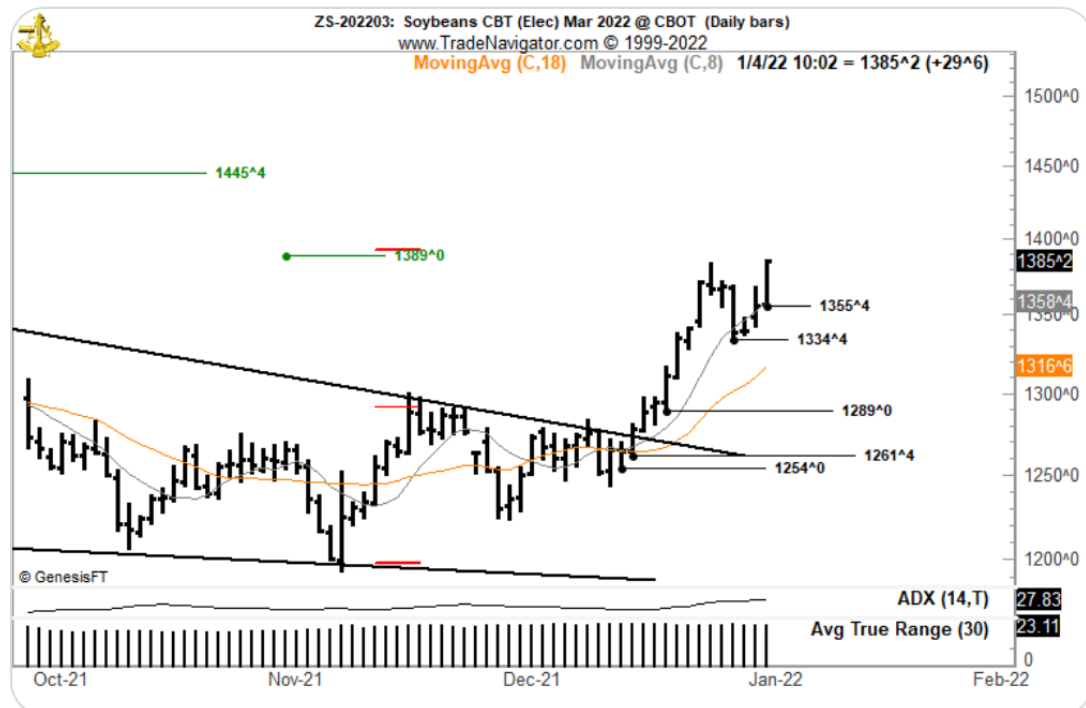


**FactorMembers** @factor\_members · Jan 4

...

Active/Aggressive Trade Management

The price call-outs are the progression of pivots used to advance stops. The 1355 low is viable to protect because mkt is now fast approaching 1389 target. So, rather than taking profits at 1389 I have the option of using 1355 at pivot



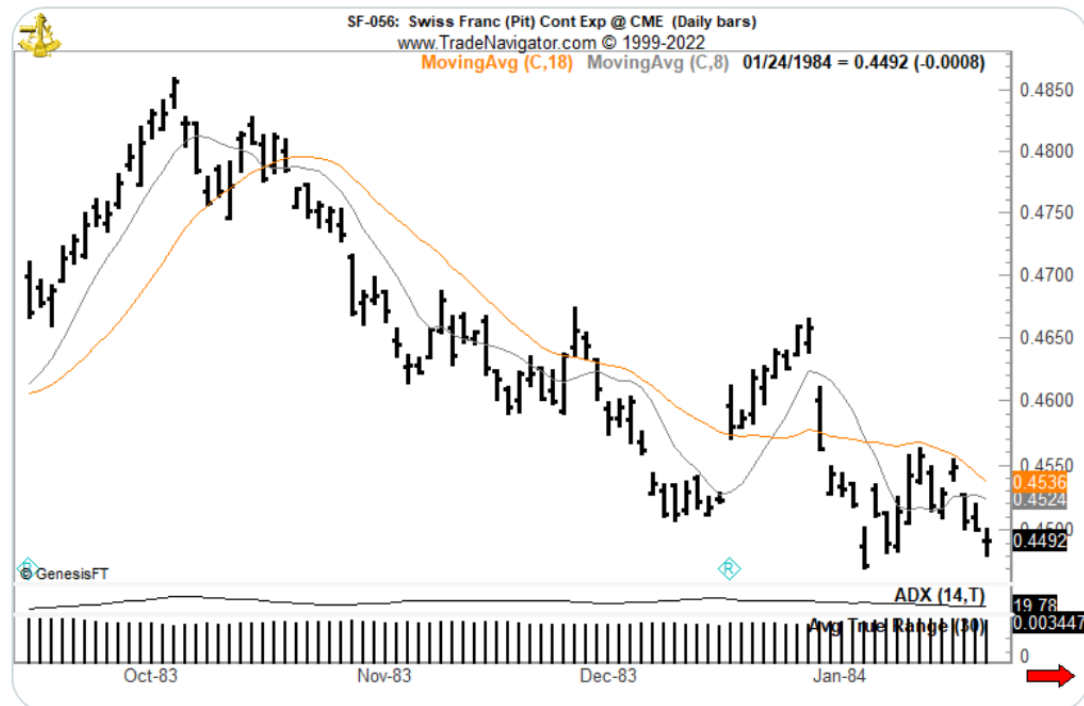


**FactorMembers** @factor\_members · Jan 4

...

So many traders today freak out about over-night gaps. They don't know what overnight gap risk really is.

Here is chart of Swiss Franc from 1983. Overnight-gap risk was never a big concern to me. Gaps are reality of trading. I traded for 30 yrs before 24-hr Globex



**FactorMembers** @factor\_members · Jan 4

...

I've met only a handful of traders who I believe had a trading edge on their next trade -- RARE territory

Vast majority of career traders (myself included) have a slim edge that only is realized over large number of trades





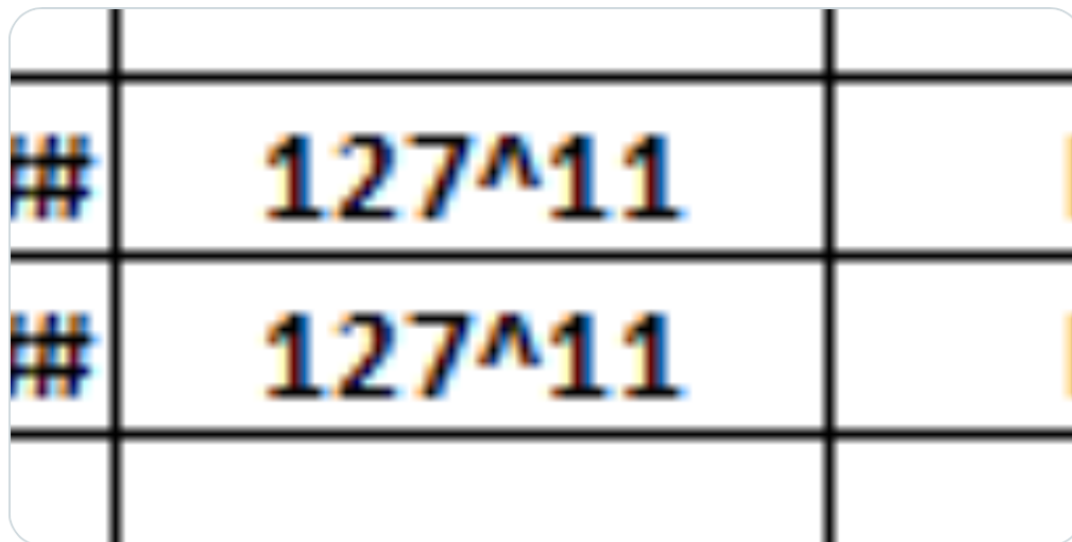
**FactorMembers** @factor\_members · Jan 4

...

What does 100% position mean?

My trade has two tranches - each 50% with approx 30 BPs of initial risk (60 BP total)

So, a 100% position had an initial risk of 60 BPs -- exact amount changes from time to time, but has been 60 BPs since 2021



ZNH22	10-Yr Notes	1/3/22	\$	129*26	4	130*20	33		#	127*11	Major down trend	12-wk H&S failure				\$ 7,920	NA	
ZNH22	10-Yr Notes	1/3/22	\$	129*26	5	130*13	27	130*09	1/4	#	127*11	Major down trend	12-wk H&S failure				\$ 9,900	NA



**FactorMembers** @factor\_members · Jan 4

...

Need to make something REALLY super clear

In no way would I ever suggest that the way I trade is best for anyone but myself

But I completely believe that the way I trade is best for me

Could my rules be improved? Probably. But I have never sought optimization



**FactorMembers** @factor\_members · Jan 4

...

Protective open stop loss orders - I use three ways to guard open positions

24 hr. stops - in liquid markets (major FX units, Gold, Notes)

Day session only stops - in less liquid mkts (grains, Silver)

Alerts - in mkts that run stops badly. Alerts go to all devices







**FactorMembers** @factor\_members · Jan 4

...

Hypothetical (actually real life experience at one time for everyone)

You are carrying trades in five markets


You have protective stops in for four trades

One of the markets has a HUGE move against you


Guess which market it is in??????????


Can you relate?????????


### Member follow-up question/comment

**Alan Lattanner** @highsierratrader · Jan 4  
Replying to @factor\_members  
Corollary (recent experience). Stop set; add to position; check stop (ok); stop triggers; only 1/2 sold. ??? Did not adjust size. Doh 🤔

**FactorMembers** @factor\_members · Jan 4  
Been there, done that

**Long & Right** @Ramblin\_Rebel13 · Jan 4  
Replying to @factor\_members  
I check every early morning and before I go to bed to make sure my stops are set and haven't been cancelled by IB for some stupid reason. I do it b/c of the horrible feeling one time from losing 5 digits because I was lazy and decided to skip checking one night. Stupid mistake.

**eddchiang** @eddchiang · Jan 4  
Replying to @factor\_members  
Yes. It's always the one where I DONT have a stop loss bc I assume the market won't move that far back

**J\_McIntosh** @J\_McIntosh · Jan 5  
Replying to @factor\_members  
Always the one without a stop, because "I don't need a stop for this one"  
🤔 The market is a cruel mistress sometimes, but also teaches the lesson needed usually (even if it is a second or third revision)

**Ed Dasso** @EdwardDasso · Jan 4  
Replying to @factor\_members  
Ya, the one you felt most confident about, and maybe bent some rules for- bigger size, loose stop, over ambitious target...

**Rashid Garuba** @ARashidGaruba · Jan 4  
Replying to @factor\_members  
The one without the stop.. after all, it's the one you were SURE of.. do least worried about..





**FactorMembers** @factor\_members · Jan 4

...

Factor Member Q & A

Q:

Does it bother you [me] to be stopped out of a trade and then have to buy back in at a higher price?

A:

Short answer - NO! It bothers me a lot more to take a big loss



**FactorMembers** @factor\_members · Jan 4

...

I'm into "possibilities" not "probabilities"

Possibility for \$EURUSD is perfect storm

-January Effect high???

-Pennant correction after complex H&S top

-7-Yr continuation H&S

-50-Yr TL coming into play

Of course, Jan Low cannot yet be ruled out





**FactorMembers** @factor\_members · Jan 5

...

On all markets I strive to be agnostic. Alternative possibility.

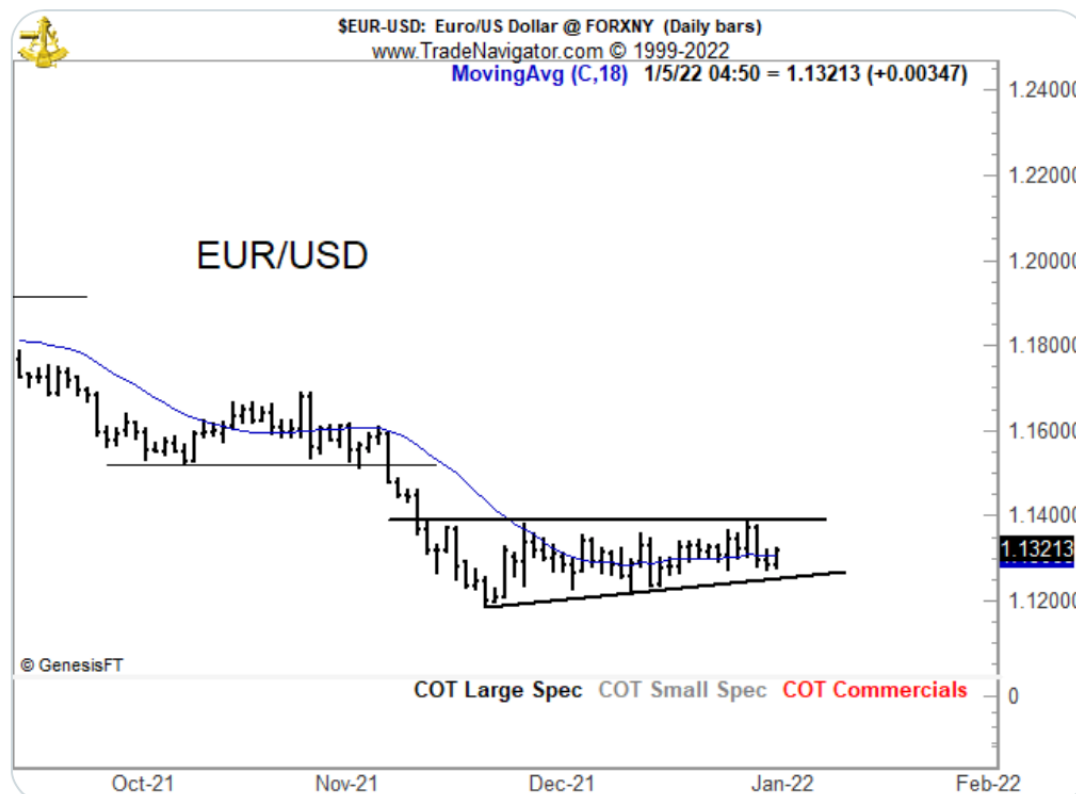
EURUSD at historical support zone

USDx horrifically overbought will massive Commercial short position

January Effect - could be a low

Small ascending triangle bottom??

I'm prepared to go in either direction





**FactorMembers** @factor\_members · Jan 5

...

Factor Member Q&A

Q. How do you reenter a trade if you've been stopped out?

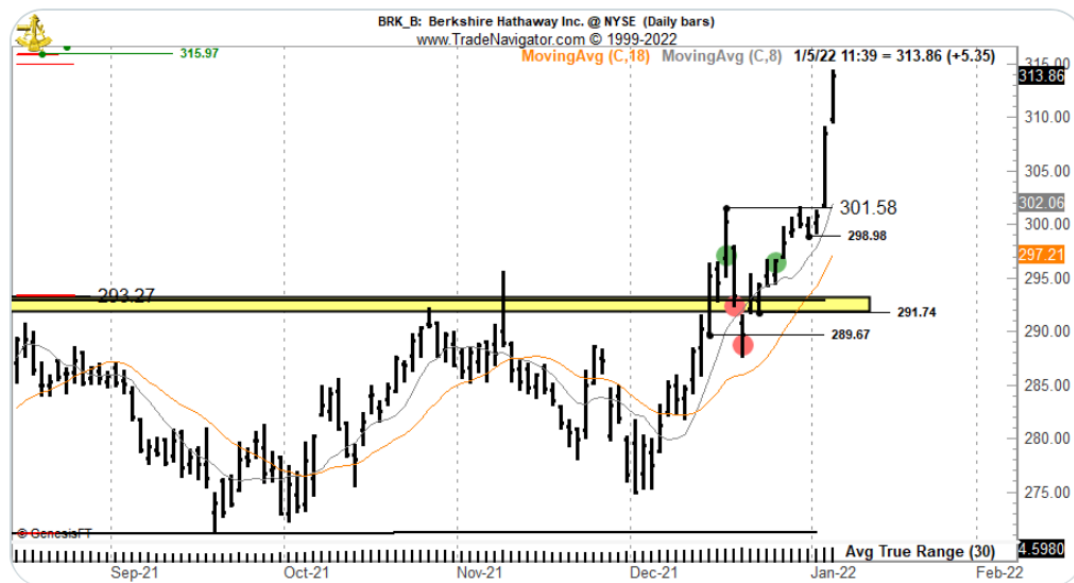
A. BRK.B example. 100% long on Dec 16 stopped 50% Dec 17, 50% Dec 20

B. Reenter rule

-New close at ATR level or

-New high

Bot close on Dec 27 for 50% position. Did not have order in to buy new high



**FactorMembers** @factor\_members · Jan 6

...

There is nothing fancy or pretty or sophisticated or scientific about the way I trade

Basically, I throw lots of mud against the wall hoping that a clump will stick every so often

That's my trading plan



**FactorMembers** @factor\_members · Jan 6

...

Rules for an O'Neil Cup and Handle

- Bullish continuation pattern at intermediate stage of trend above 200 DMA
- 7 to 65 weeks in duration
- U shaped Cup corrects 12-33% of price
- Handle must not exceed 50% of Cup or 10-15% of price





**FactorMembers** @factor\_members · Jan 7

...

A common saying I heard many times in the Chicago Board of Trades days was this:

Trendlines are made to be broken



**FactorMembers** @factor\_members · Jan 7

...

Factor Member Q&A

Q. Peter, how do you know when to quickly move stops as you did today in Sugar or to keep stops looser

A. I guess. Sometimes I guess right, but sometimes I guess wrong. But when I guess I also act



**FactorMembers**

@factor\_members

...

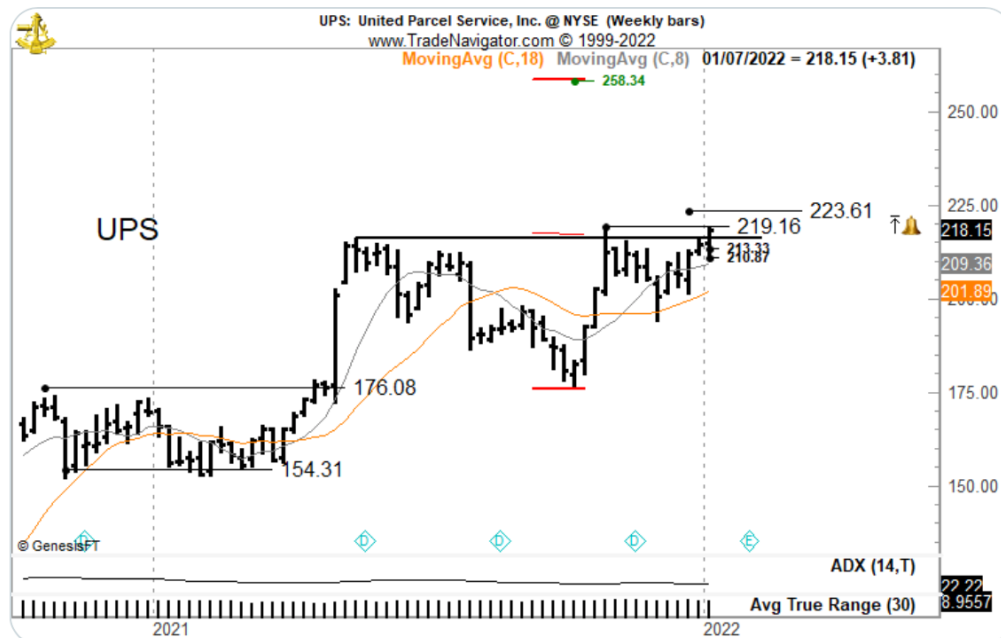
1 of ?

Constructing a trade **\$UPS**

8-month pattern, so 100% of daily ATR for breakout

$219.16 - 4.45 = 223.61$  or daily close above 221.39

Assume 223.61



7:00 PM · Jan 9, 2022 · Twitter Web App





**FactorMembers** @factor\_members · Jan 9

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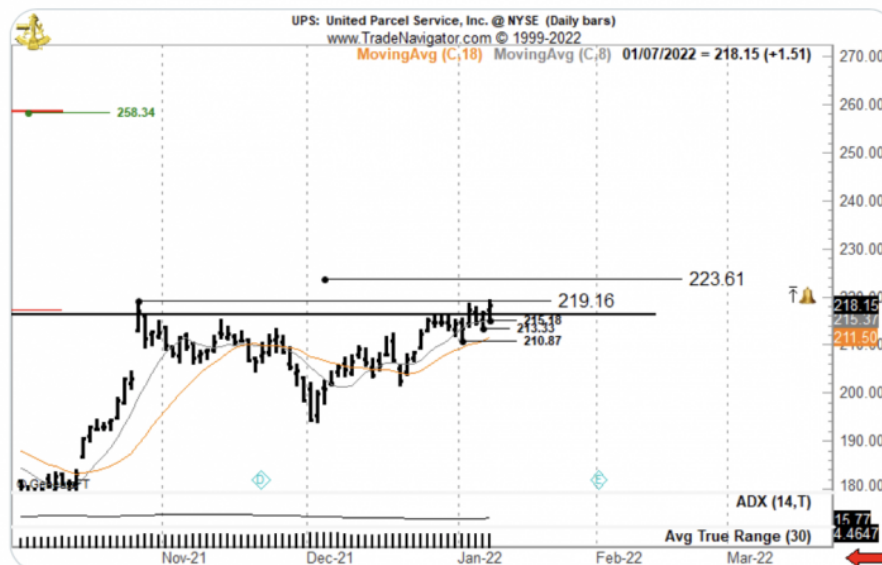
Replying to @factor\_members

Risk on trade = 50 BPs or \$5,000 per \$1MM nominal capital (\$2,500 per tranche)

On 100% position (two tranches)

Risk 50% to 213.19 (may change to 214.98 LDR), 240 shares

And 50% to 210.74 (LWR), 195 shares



1 11



**FactorMembers** @factor\_members · Jan 9

...

So entry order is buying 435 shares at 223.61 stop with 223.64 limit

1 12







**FactorMembers** @factor\_members · Jan 9

...

At same time I enter protective stops to be triggered by entry stop order - this order just shows the 240 share tranche (notice "Triggered by" instructions)

Buy/Sell

Quantity: 240 of Symbol: UPS at

Order Type: ☐ MIT: at or above ☐ LIMIT: at or above ☐ MARKET: the current price ☒ STOP: at or below 213.19 ☐ STOP with LIMIT (between prices)

Duration: ☐ Day ☒ GTC ☐ Mon 01/10/2 <>

Time: ☒ Any Time ☐ On Close ☐ On Open

ACCOUNT: Factor Cash Acct

After Trigger: Long 435

Trade Action: REDUCE Long

New Position: Long 195

Auto Exit: None

Submit Order When: ☒ Submit this order when the selected order fills: Buy 435 'UPS' at 223.61 STOP with a 223.64 LIMIT (TIF = < ) ☐ Move this order with the triggering order

Confirm with me before submitting order

Submit Order When: ☐ Selected order starts to partially fill ☒ Selected order completely fills

Order Cancels Order ☒ Triggered By Order ☐ Triggered by Condition ☐ Trailing Stop ☐ Contingency

1



15



**FactorMembers** @factor\_members · Jan 10

...

The liquidity of Eurodollar futures is unlike any other market -- just unbelievable liquidity

Even in the Dec '24 contract liquidity is many multiples greater than other liquid markets such as S&Ps and Gold **\$GGE\_F**

Position	Daily P&L	Last	Change	Bid Size	Bid	Ask	Ask Size	High
Transmit	Time in Force	Quantity	Type	Lmt Price	OCA Group	Destination	Status	Action
		99.325	-0.020	2,374	99.305	99.310	3,650	99.32
		99.065	-0.030	1,906	99.065	99.070	4,284	99.09
		98.790	-0.030	5,058	98.790	98.795	1,198	98.82
		98.590	-0.030	819	98.590	98.595	4,073	98.62
		98.380	-0.030	1	98.380	98.385	11,135	98.41
		98.210	-0.040	222	98.210	98.215	8,770	98.25
		98.100	-0.050	1,683	98.100	98.105	2,416	98.15
		98.040	-0.050	564	98.040	98.045	4,289	98.08
		98.000	-0.050	2,905	97.995	98.000	838	98.03
		97.960	-0.055	5,110	97.955	97.960	317	97.99
		97.985		408	97.925	97.930	2,904	98.01
		4585.00	-82.75	32	4585.00	4585.25	36	4681.7
		1794.70	-2.70	13	1794.60	1794.80	13	1802.0





**FactorMembers** @factor\_members · Jan 11

...

Thanks for this comment. Do any other members feel the freedom to be transparent within the Factor Community about the human challenges of market speculation? Please reply in this thread.

**William Nichols** @BillyDymes · Jan 11

@factor\_members "I am fortunate that I have trading peers to speak to that will be honest with me. They knew what I was going through..." (Peter in Unknown Wiz's). I've been a member of this for less than a month, my favorite thing is that now I don't feel so alone in this.

[Show this thread](#)

## Member follow-up question/comment



**Vishal Karir** @vishalkarir · Jan 11

Replying to @factor\_members

Yes, it's the single toughest puzzle in the trading game. One you never fully solve but can keep getting better.



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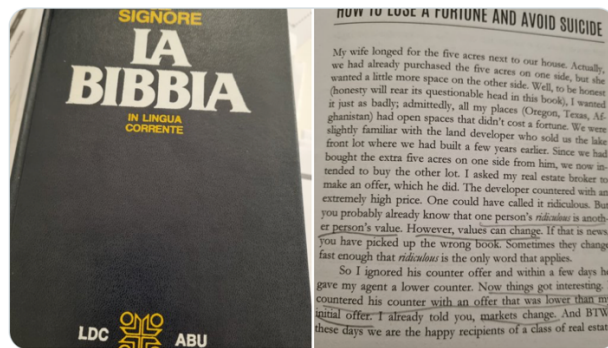


**Enrico Racioppi** @raciops · Jan 11

Replying to @factor\_members

This is my emotional stop loss, always on my desk.

I recommend to deeply read/understand/use it.



2



3







**FactorMembers** @factor\_members · Jan 11  
Is that my friend Mark Ritchie's book?



1 2



**Enrico Racioppi** @raciops · Jan 11  
Yes it is.

1



**William Nichols** @BillyDymes · Jan 11  
Replying to @factor\_members

Sometimes when I'm either ecstatic or despairing I talk to my wife about it. She tries to listen but doesn't even understand the words, and if I try to explain what I'm talking about, she gets overwhelmed and just nods. With friends/fam I get CNBC platitudes or black stares.

1 1



**William Nichols** @BillyDymes · Jan 11

At this early stage, euphoria and despair are both frequent. I'm always either having some grand epiphany or getting my teeth kicked in. Sometimes both.

1



**Juan Pecantet** @jpecantet · Jan 11  
Replying to @factor\_members

Trading is difficult. Peter is the best mentor you can get.

1 2



**William Nichols** @BillyDymes · Jan 11

I don't have anyone else. Its just me, my library, and the market over here.

1



**eddchiang** @eddchiang · Jan 11  
Replying to @factor\_members

FOMO is a real problem for me. Sometimes it works to chase to market but many times I ended up getting stopped out at a low price.

1 2



**William Nichols** @BillyDymes · Jan 12

Yeah, and it happens in so many ways. Chasing missed entries on good trades. Trading formations that are not supposed to be part of my thing (usually because I see one that worked and get FOMO next time I see that formation. Or pushing stops away when my pet breaks my heart.

1





**Chill Lax** @ChillLaxTrader · Jan 11

Replying to [@factor\\_members](#)

10 years ago Peter told me, before the Atlanta Bootcamp, that I didn't need to read more books. Even after the bootcamp, I still thought I need to read more books. But now, I know he is right all along, it's mostly about human challenges, a battle with myself.

Thank you, Sir!



1



1



**FactorMembers** @factor\_members · Jan 11

Hi Paul



1



**Game & Watch** @Co\_Located · Jan 11

Replying to [@factor\\_members](#)

To sit tight and wait for completion of pattern is challenging in the cases where I have strong directional opinion. "Do I really have to wait and get in at a worse price than now??" 🤔



1



3



**Paolo Foschiano** @Foschiano · Jan 12

This is the main challenge also for me.



2



**Richard Bargh** @richbargh · Jan 11

Replying to [@factor\\_members](#)

Always good to have a strong, positive community. You get that here 😊



1



**atman** @simulatedlifegg · Jan 11

Replying to [@factor\\_members](#)

Absolutely.



1



**Thorsten Frings** @ThorstenFrings1 · Jan 11

Replying to [@factor\\_members](#)

When entering a trade makes me excited - then one of the two is the case:

- (too) big size

- no clear plan when and how to exit



2



**Peter George** @gpr789 · Jan 11

Replying to [@factor\\_members](#)

Following Peter and reading his market views and trading strategies is so helpful in my trading journey.



1



**Pedro Andrade** @pfandrade · Jan 11

Replying to [@factor\\_members](#)

I do follow / subscribe several pro traders. But Peter is the one I will keep, for he gives the best insight and zero BS.



1



**Mike Gyulai** @mikegyulai · Jan 11

Replying to [@factor\\_members](#)

This is one of the few communities of market speculators who can separate trading decisions from trading outcomes.

A single bad outcome does not equate to a bad trade—and vice versa.

Edge occurs over a series of good trading decisions. No one decision or outcome is definitive.



1



**Erik** @FlowersForZeta · Jan 11

Replying to [@factor\\_members](#)

Mentorship+community is very helpful



2





**FactorMembers** @factor\_members · Jan 11

...

There is a key principle here. If I look back at a chart representing a trade a year afterwards and cannot quickly understand the reasoning behind the trade (entry or exit, profit or loss) then that is a problem



**JK** @jonbking · Jan 11

Replying to @factor\_members

To me it means looking back in a year and saying it made sense



**FactorMembers** @factor\_members · Jan 11

...

There are various battle fronts a discretionary rules-based trader must engage

A big one is when every bone in your body wants to take profits in an open trade out of fear that a market reversal will erase the gains

But your rules say, "not yet"

Do you relate?? Comments??

## Member follow-up question/comment



**Andrew Greig, CFA, CMT** @awgreig · Jan 11

...

Replying to @factor\_members

very difficult I follow my rules i felt I should have scaled back hard due to Fed Minutes but followed stops. This time I would have save some coin. But longer term better to follow rules



4



**Enrico Racioppi** @raciops · Jan 11

...

Replying to @factor\_members

I follow the rules. The only exception is the bond mkt, where there is only 1 rule: the FED. With a 10yrs move of 0,7 to the target, and less than 2 weeks at the Fed meeting, to my eyes we could have a move similar to mid January 2021. Road of less regret for me.



1



**Enrico Racioppi** @raciops · Jan 11

...



Enrico Racioppi @raciops · Jan 11  
and from the archive "after a mkt shake out, buy stocks that held up well" better with "Height 10%/15%".



Enrico Racioppi @raciops · Jan 12  
\$BTCUSD- interesting wedge forming in BTCUSD?



Enrico Racioppi @raciops · Jan 12  
too early but peculiarly the possible tp of the wedge means also the possible re-gain of the parabola move.

Peter @pingkind · Jan 11  
Replying to @factor\_members  
I find it way easier to follow the rules when position is small.

William Nichols @BillyDymes · Jan 12  
Amen

Game & Watch @Co\_Located · Jan 12  
Replying to @factor\_members  
Psychologically this one "I would like to get out a bit earlier" looks like the twin of my "I would like to get in a bit earlier than the signal". I realise your solution might be applicable to my problem, so adding small portion early.

10yequivalent @10yequivalent · Jan 11  
Replying to @factor\_members  
Take partial profit?

FactorMembers @factor\_members · Jan 11  
That's how my trading has evolved, although it is difficult to establish/implement rules that accomodate all possibilities

10yequivalent @10yequivalent · Jan 11  
Ah thanks Peter. In your experience, what kind of scenarios or threshold trigger the establishment of a new trading rule?

FactorMembers @factor\_members · Jan 11  
A rule for the sake of a rule makes no sense and can paint oneself into a corner

For me rules flow best from principles and "best practices"

Creating too many rules too quickly can create more problems than it solves





**Chris Khachaturian** @ChrKhachaturian · Jan 11

Replying to [@factor\\_members](#)

Yes ever so often you self torment yourself with these thoughts. You havent quite moved your stop to break even but are showing a good profit but you know there's more to the move.

1

2



**FactorMembers** @factor\_members · Jan 11

I guess I have come to the conclusion (after 46 years of trading) that almost every trade comes with a set of "coulda/woulda/shouldas"

1

3



**Chris Khachaturian** @ChrKhachaturian · Jan 11

I suppose experience, staying power in the game, gut feel, and just knowing it's a series of data points helps to catch a big wave once in a while. In those situations you described. I'd say Rarely so you have to know when to trust those cues and stick with it.

1

1



**FactorMembers** @factor\_members · Jan 11

Great irony here. In fact, the trades I most trust at the front end of the trade are often the big disappointments -- I do not trust my gut feel bc guts are too influenced by emotions

1

1



**Game & Watch** @Co\_Located · Jan 11

This is interesting. I think if it's the emotions/hopes that leads to the gut feeling then yes same for me, but if there is something else more described as a clarity or sudden insight that leads to the gut feel, then I think it is more likely to be trusted.



**Chris Khachaturian** @ChrKhachaturian · Jan 11

Replying to [@factor\\_members](#)

The KISS principle to rules is what I always try to revert myself to and keep in front of mind when looking at exploring adding new rules/practices

1

1



**FactorMembers** @factor\_members · Jan 11

My problem is that I often get the SS confused and it becomes Keep It Stupid Simple

2



**Saxton Pope** @saxton\_pope · Jan 12

Replying to [@factor\\_members](#)

All of the time! What has helped me is to have pre defined targets and take a partial profits on the trade. Another "exit" signal is my own emotion if i get too proud of how well the trade is going its usually time to exit/tighten stops as r/r changes the closer i get to target

2

3



**FactorMembers** @factor\_members · Jan 12

Good advice on using pre-determined targets for taking partial profits.

As a general rule whenever I have started thinking how smart I am for a particularly profitable trade the market is planning to serve me some humble pie

2



**Philippe** @Yukidamwatt · Jan 12

Replying to [@factor\\_members](#)

My rule is to never get emotional, when you are there your position is often too big, mistakes and deceptions are not far away...

1



**Fibonacci's Ghost** @Super\_DaveO · Jan 11

Replying to [@factor\\_members](#)

If I am feeling "impulsive" over a TP or even a buy zone. I allow my self a 10% of position size order to keep me from obsessing. Nobody ever went broke taking profits or being too patient of a buyer.

1



**Jim Goold** @GooldJim · Jan 12

Replying to [@factor\\_members](#)

This is the biggest battle I face in my trading - closing winning trades too quickly despite having set clear rules for my strategy I end up at times trading my P/L rather than my strategy.

1





**FactorMembers** @factor\_members · Jan 12

...

Market should have kept going under downsloped boundary. I remain bearish but am taking defensive action [\\$SB\\_F](#)



3



16



**FactorMembers** @factor\_members · Jan 12

...

By the way, this is an example of my philosophy of "strong opinions, weakly held" whereby I can have a strong opinion of a market/chart one day and flip that opinion/position within days

I do not believe in getting married to a trade or even a market opinion







**FactorMembers** @factor\_members · Jan 12

...

A few years ago Real Vision taped a lengthy five-part series on how Peter approaches trading. The series is on the Factor Member's website. I recommend watching or rewatching. Enjoy! -- JO [peterlbrandt.com/factor-knowled...](https://peterlbrandt.com/factor-knowled...)

The screenshot shows the Factor Members website. At the top, there's a navigation bar with "THE FACTOR REPORT" logo, a "Become Factor Member" button, and links for "Public Blog", "About Peter L. Brandt", "Support", and "Login". Below this is a secondary navigation bar with "Member Portal >>>" (circled in red), "Private Twitter Alerts", "Factor Reports", "Knowledge Center", "Factor Past Content", and "Member Services". A third bar contains icons for "RISK MANAGEMENT", "PROCESS OF TRADING", "CLASSICAL CHARTING", "HUMAN ELEMENT", "MULTI-MEDIA ROOM", "MISCELLANEOUS DOCUMENTS", "REAL VISION SERIES" (circled in red), and "EVERGREEN THOUGHTS". The main content area features three articles from the "Real Vision Video Series with Peter Brandt":  
1. "EPISODE FIVE - THE PROCESS OF TRADING" (January 10, 2018): Includes a list of episodes (One to Five) and a "Read More" link.  
2. "EPISODE FOUR - THE HUMAN ELEMENT" (November 25, 2017): Includes a list of episodes (One to Four) and a "Read More" link.  
3. "EPISODE THREE - CLASSICAL CHARTING & TECHNICAL ANALYSIS" (November 11, 2017): Includes a list of episodes (One to Three) and a "Read More" link.

**LINK at the bottom of this Monthly**



 **FactorMembers**  @factor\_members · Jan 13 ...

Some analysts claim their approach always has a grasp on what a market is doing and where it is going. Frankly, I think this is a bunch of bunk

More often than not a chart will completely defy understanding from a classical charting perspective

 4       23      

 **FactorMembers**  @factor\_members · Jan 13 ...

I may have a very strong opinion on a market and it may be performing exactly like I think it should

But if I do not get the type of signal I want I will miss an expected move

That the way the cookie crumbles

 **FactorMembers**  @factor\_members · Jan 13 ...

A very strong opinion about a market is NEVER enough reason for me to take a position. It is essential I have a classical charting reason and defined risk to establish risk. Admittedly, sometimes I may define (errantly) a chart more liberally when I have a strong view



### Member follow-up question/comment

 **Sarjan Zaveri** @SarjanZaveri · Jan 13 ...



Replying to @factor\_members

Quick question: you've said that you typically risk .60bp for each trade and jame your stops when you reach 70% of target. Target is 2% of equity. So does that mean that you have trades each year that give you 4X gains so that makes a .6bp trade a 200bp trade?

 2       2   

 **FactorMembers**  @factor\_members · Jan 13 ...

Much more complicated than that - no quick answer.  
I set targets based on pattern, not 2% of equity  
I do not consider R/r (reward to risk)  
I begin moving stops quickly - the 3DTSR at 70% of target is just one mechanism for moving stops

 **FactorMembers**  @factor\_members · Jan 13 ...

Do you want to know your character, emotional and behavioral flaws? -- I mean really know them, the good, the bad and the ugly -- then become a trader.

We get a reminder everyday







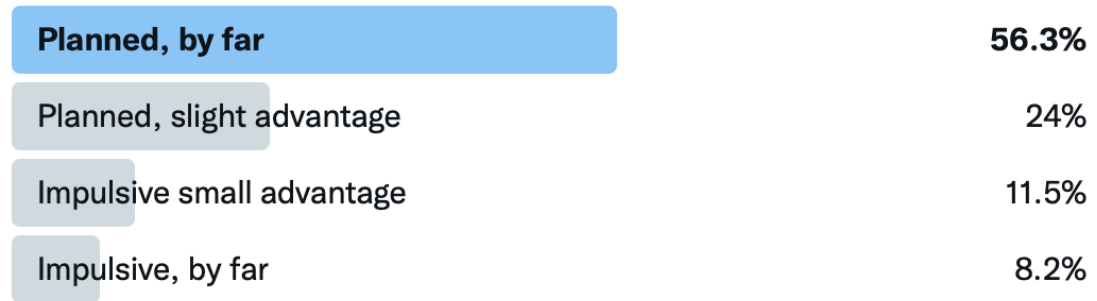
**FactorMembers** @factor\_members · Jan 14

...

### Factor Members Poll

Please answer

Comparing trades in the past 12 months that were "planned" trades (orders entered in advance) vs. "impulsive" trades (market orders in response to price action), which orders produced the best outcomes



183 votes · Final results



**FactorMembers** @factor\_members · Jan 17

...

The expectation and the need to be right on the next trade or series of trades is a major deterrent to trading success



**FactorMembers** @factor\_members · Jan 21

...

I've learned a lot about myself as a trader. One thing I learned about myself is that on big volatile days like today I am better off not entering any new trades. Too easy to get whip-sawed and quickly and carelessly lose money



**FactorMembers** @factor\_members · Jan 21

...

Consider this brilliant advice



**stack owl** @stackowl · Jan 21

Replying to @factor\_members

my ex boss always said Fridays are for taking profit or cutting losses or doing nothing



**FactorMembers** @factor\_members · Jan 24

...

Always remember -- overwhelming greed puts in market tops and overwhelming fear puts in market bottoms





**FactorMembers** @factor\_members · Jan 25

...

### Factor Member Q&A

Q. Peter, it really gets me down if I bail out of a trade, then the trade goes my way. How do you deal with it?

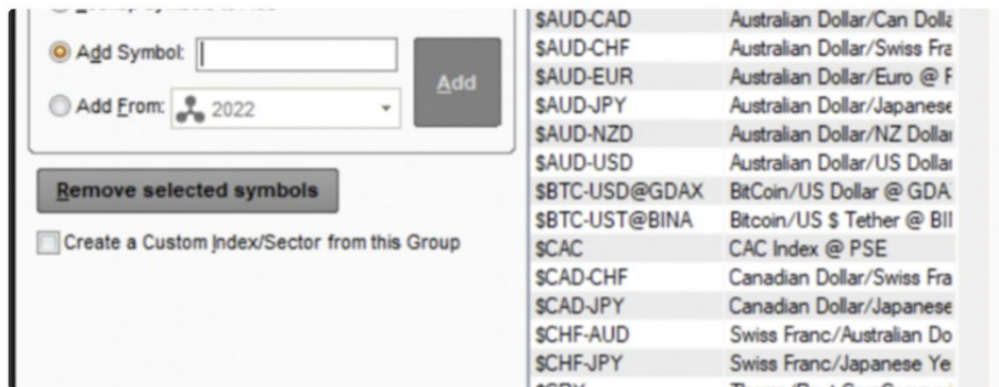
A. I don't have the luxury to entertain regret. Regret is not welcome in my abode. There will always be a better trade set up in the future.



**FactorMembers** @factor\_members · Jan 26

...

📢 Join Peter as he talks through his weekly symbol list, Futures and Forex Markets Thursday, January 27, 2022 at 12:30p (MST) click link to register -- JO [peterbrandt.com/factor-chart-s...](https://peterbrandt.com/factor-chart-s...)



Factor Weekly Chart Scroll – Futures and Forex Markets – January 27, 2022 at 12:30p MST

January 26, 2022 / by Peter Brandt

Join Peter as he talks through his weekly symbol list – Futures and Forex Markets

- Thursday, January 27, 2022 at 12:30p (MST)
- Up to 90 mins long
- If time allows we'll end with a few member questions
- This webinar will be recorded and added to the website by Saturday morning (MST)

## LINK at the bottom of this Monthly



**FactorMembers** @factor\_members · Jan 27

...

Early in my trading it seemed that when I trusted a chart the trade failed (and I lost \$) but when I distrusted a chart (and remained flat) the trade worked

Things go much better when I distrust ALL charts but take ALL trades





**FactorMembers** @factor\_members · Jan 28

...

Commentary

Any trade that loses less than 20 BPs is -- IMO -- a successful trade.



**FactorMembers** @factor\_members · Jan 31

...

Hey Factor Members, do any of you have any brief words of wisdom for Vitaliy? Please chime in.



**Vitaliy Kurlik** @KurlikVitaliy · Jan 31

Replying to @factor\_members

Hi everyone, I have zero knowledge in trading and learning now so if anyone wants to give me few recommendations or perhaps become my teacher I would be pleased: )

## Member follow-up question/comment



**Andre Antunes** @andre\_antunes · Feb 1

...

Replying to @factor\_members

Besides @PeterLBrandt, I'd study William O'Neil, @markminervini, @Quillamagie Once you find a setup you'd like to trade, become a master of it be4 trying other setups- to become a master do deep dive, see @PradeepBonde. I don't follow DT, but maybe check @jtraderco @InvestorsLive



**Enrico Racioppi** @raciops · Jan 31

...

Replying to @factor\_members

1- try another job  
2- have money on your account to cover expenses for 3/5 years.  
3-use paper trading  
4-find your hedge: first emotional and on top of it technical.  
5-develop a serious routine.  
6-develop your trading process.



3



**Rui** @KnowledgeAthlet · Feb 4

...

Replying to @factor\_members

I keep a regular log of all my thoughts and decisions (on Roam Research). If I type in a symbol on my log, I can see how my thoughts have evolved over time, kind of like having a conversation with myself. My biggest mistakes have been from not following my process which has...



3



**Rui** @KnowledgeAthlet · Feb 4

...

generally happened when I've had a string of successful trades happening in a row. [twitter.com/KnowledgeAthle...](https://twitter.com/KnowledgeAthle...)

Keeping the log has helped me stay more disciplined about my trades, understand and analyze my thought process. I've used a modified version of this [medium.com/@ruizhidong/wh...](https://medium.com/@ruizhidong/wh...)



**Rui** @KnowledgeAthlet · Feb 2

"I didn't lose that kind of money simply because of a faulty analysis... [I]t was the psychological distortion accompanying a series of successes, drawing my ego into the market position and setting me up for the disastrous loss." - Jim Paul in What I learned losing a million \$\$\$  
[Show this thread](#)




**Simon Twiss, CMT** @SimonTwiss · Jan 31

Replying to [@factor\\_members](#)

Some great insights here already. Be in touch with your emotions, stick to the plan.

Always have a plan: time frame, entry, exit, pattern, stops (what could go wrong), targets (what could go right). 1/2

 1
 
 1
 

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**Simon Twiss, CMT** @SimonTwiss · Jan 31

Do your own work, consider other peoples opinions and critically analyse how it compares to yours.

Each trade is just another brick in the wall, don't let one trade upset the rest.

Detach – physically step back from the screen take a breath and see rule number one. 2/2



 1
 

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**Alan Cooper** @pqrsdoc · Jan 31

Replying to [@factor\\_members](#)

I liked trade your way to financial freedom, trade like a casino, thinking in bets, and trading in the zone. Good luck, and give yourself a few years to get it right.



 2
 

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**Daniel Weller** @diweller1 · Jan 31

Replying to [@factor\\_members](#)

Not to be a suck up, but Diary of a Commodity trader was instrumental bc it concisely detailed the elements to consider in building your own trading system. Feel free to DM with any questions. Good luck!



 1
 

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**Jeremy Sweckard** @sweck3 · Jan 31

Replying to [@factor\\_members](#)

If a style like Peter's is of interest, then go back to 2014, read each Factor Report, set your chart calendar back to the date of the report, and walk through day by day. All real trading happens from the right edge of the chart.



 1
 

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**Richard** @NDGRAIN · Jan 31

Replying to [@factor\\_members](#)

Be patient and discipline. It's gonna time. Singles!



 1
 

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**Sandor Zemleni** @Zemleni · Jan 31

Replying to [@factor\\_members](#)

Read the book of Peter: Diary of a Professional Commodity Trader



 1
 

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**JK** @jonbking · Jan 31

Replying to [@factor\\_members](#)

I said it recently, but each trade you make, you should be able to go back in a year and justify your entry based on something systematic. If you're about to enter a trade that won't make sense looking back in a year, even if it is a winner, it's poor practice.



 3
 

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**atman** @simulatedlifegg · Jan 31

Replying to [@factor\\_members](#)

scrutinize every trade after you closed to improve your entry/exit/size - and reflect often



 1
 

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**ir @iraziearth** · Jan 31

Replying to [@factor\\_members](#)

1. Don't risk more than 1% of your capital on any one trade.
2. Don't bother with paper trading. Live money is a totally different thing.

In fact, I think paper trading gives inexperienced traders a false sense of confidence.

 2
 
 4
 

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**William Nichols** @BillyDymes · Jan 31

I agree with this, so I 'paper trade' by placing live trades that are SMALL. 5 bp or 1/2 of 1/10 of 1% of risk per trade. Paper trading can have the same problems as play-money poker or handling unloaded guns. You unknowingly train yourself to act as if the risk isn't there.



 2
 





**oli** @olsten123 · Jan 31

...

Replying to @factor\_members

First question is what type of trader do you want to be - day / long term / fundamental and macro / chart based etc and or what products?



1



1



**Vitaliy Kurlik** @KurlikVitaliy · Jan 31

...

Day trading it's my goal



3



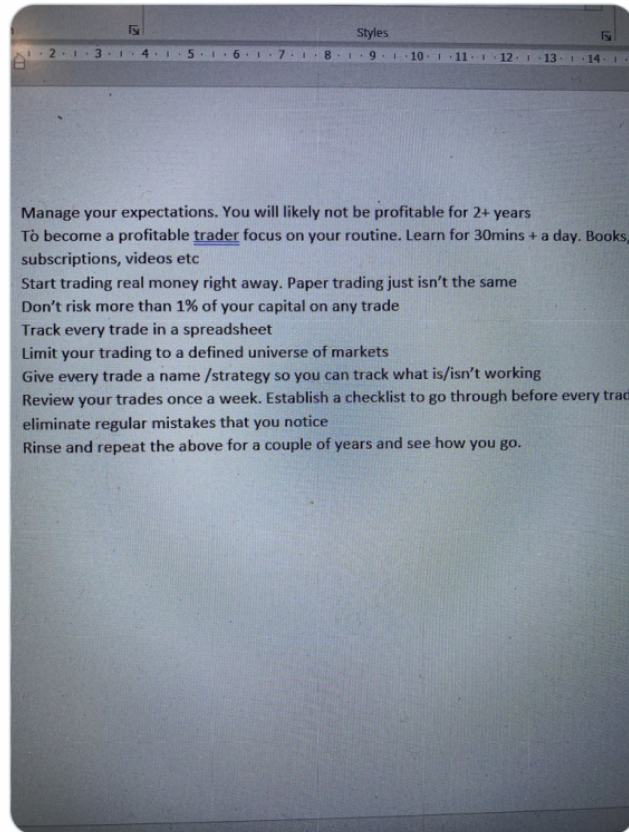
[Show replies](#)



**Richard** @Investatweet · Jan 31

...

Replying to @factor\_members



2







**Andrey Supranonok** @ASupranonok · Jan 31

Replying to @factor\_members

I would recommend to read @Dr\_A\_Elder book "The New Trading for a Living" its probably one of the well thoughts book for beginners and it touches all most important aspects of trading, psychology and discipline.



2



**Wilson** @Sockpuppet\_Doug · Jan 31

Replying to @factor\_members

Trading is a long game. Even if you make bank, you'll want to make more. Be patient - it's an essential virtue that will help you keep your winnings and survive difficult environments. Most traders don't make it. Some make a lot but then give it back. A few keep it.



1



2



**Wilson** @Sockpuppet\_Doug · Jan 31

You're going to make a lot of mistakes (sorry). But that's ok. It's rare that a day goes by where I don't make some kind of mistake. Learn from them. Document your most painful lessons. They're your friends. The fatal mistakes are the only ones that you cannot afford to make.



1



2



**Wilson** @Sockpuppet\_Doug · Jan 31

Question yourself but trust your process: Nobody knows what's going to happen next. Regardless of what the experts on your feed are saying will happen, nobody really knows. A good process and clear mindset will keep you in the game.



2



2



**Wilson** @Sockpuppet\_Doug · Jan 31

Trading is a job. Treat it as such. Most of the work is not the trading itself, it's developing daily, weekly and monthly plans and then having systems to effect those plans. The trading itself is mostly just order entry. Regardless, it's real work that often gets short changed.



2



**jp boileau** @jp\_boileau · Jan 31

Replying to @factor\_members

Read how to Make Money in Stocks Bill O'Neil and a must read [peterlbrandt.com/wp-content/upl...](https://peterlbrandt.com/wp-content/upl...)



3



**Carl** @ShorthouseCarl · Feb 2

Replying to @factor\_members

Reading market wizards was an eye opener to me. The mentality of what it takes to be a trader. And each has their own individual journey. And focus on risk management.



1



2



**Jeremy Sweckard** @sweck3 · Jan 31

Replying to @factor\_members

If your interested in focusing on stocks, I'd probably start with a level 1 Investor's Business Daily course. They're definitely legit and there's a great community of long term operators that offer meetups, etc.



1



3



**FactorMembers** @factor\_members · Jan 31

IBD is one of the very few services I pay for to receive. Highly recommended. IBD is a legit firm



4





**FactorMembers** @factor\_members · Jan 31

...

For those who have read (will read) Mark's book, here is a link to the Real Vision interview between Mark 1 and Mark 2, also referred to by friends as Mark the Greater and Mark the Lesser [youtube.com/watch?v=rDclvU...](https://www.youtube.com/watch?v=rDclvU...)

**FactorMembers** @factor\_members · Jan 31

I highly recommend this book by Mark Ritchie available on my Amazon affiliate page [amazon.com/dp/0964695200?...](https://amazon.com/dp/0964695200?...)



## LINK at the bottom of this Monthly



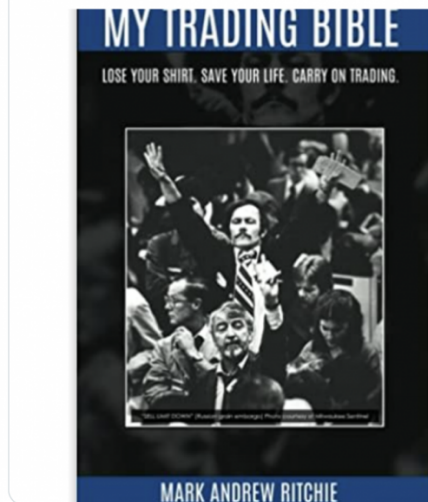
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**FactorMembers** @factor\_members · Jan 31

I highly recommend this book by Mark Ritchie available on my Amazon affiliate page [amazon.com/dp/0964695200?...](https://amazon.com/dp/0964695200?...)



5 24



**FactorMembers** @factor\_members · Jan 31

...

There are a few of you in this Factor community who remember the meeting of career traders in 2014 at the Broadmoor Hotel -- we will always remember the talk given by Mark

8

[LINK: Learning How to Lose \(w/Mark Ritchie and Mark Ritchie II\)](#)





**FactorMembers** @factor\_members · Jan 31

...

For those following the Mark Ritchie conversation today

My swing trading strategy with active and aggressive trade management largely evolved from a modeling project in 2012/13 between myself and some of the Ritchie clan  
See here:

LINK: [A Brief Introduction to Probability Theory and the Random Distribution of Results: Understanding the Concept of Sequencing in a Trading Operation](#)

- Factor Member Private Twitter tweet count for this month: 161
  - Are you following our private Twitter? We highly recommend you do
    - [Steps for access](#)
- 





## Spotlight Links To Watch & Read



Factor Weekly Chart Scroll, Futures and Forex Markets – January 27, 2022

### Watch

- [Factor Weekly Chart Scroll, Futures and Forex Markets + Q&A - January 27, 2022](#)
- [Learning How to Lose \(w/Mark Ritchie and Mark Ritchie II\) - Real Vision \(YouTube\)](#)

### Read



- [My Trading Bible: Lose Your Shirt. Save Your Life. Carry on Trading.](#) (Contains an affiliate link to our Amazon Store)

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Original post: <https://www.peterlbrandt.com/the-monthly-january-2022/>

