

## Factor Members Private Twitter Feed - September 26, 2023

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**FactorMembers**    
@factor\_members



The unrealized profits of my current open trades - if covered now - would end my drawdown and post a career high NAV  
But cutting losses quickly is only half of the requirement to achieve benchmark performance  
The Pareto concept depends upon taking small losses **AND** letting winning trades run.  
Perhaps all my existing positions will become popcorn trades. That is the risk I run. Yet, my trading rules do not yet demand covering the trades



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The entire math behind my trading does NOT work without allowing some 50 BP profits to turn into 100 BP profits and some 100 BP profits to turn into 200 BP profits.



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Allowing profits to grow while at the same time preventing popcorn trades is a delicate and VERY imperfect balance. Perhaps others have figured out the secret to this -- but I have not. I have rules for covering profitable trades prior to reaching targets. These rules include using an 8 DMA and the 3 day trailing stop rule. I consider giving back profits to be part of trading



**Mahesh** @mahesh2511 · Sep 26

Replying to @factor\_members

Is it wise to close trades if they show big profits so NAV is up or letting trades run could see those profits disappear. This has happened to me so many times. This would mean breaking my rules.  
Any advice on this would be appreciated.  
Thank you