



**ENGINEERED
TRADING
MINDSET
FOR SUCCESS**

**FEAR OF LOSING
TRANSCRIPT #2**

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RightMindTrader.com Academy

Engineered Trading Mindset Fear of Losing #2

Fear of Losing – Underlying Psychology

Welcome to Session 2 in which we delve into some of the psychological aspects that can underpin the fear of losing.

I'm Les Meehan, founder of the RightMindTrader.com Academy and in this training session I want to explore 5 specific areas of your psychology that your Pale Rider of the fear of losing will try to use to bring death to your profit potential.

The problem is the Pale Rider of the fear of losing, like the other 4-Horsemen of fear, knows that the emotional drivers of the fear of losing are not restricted to only what is going on during your actual trading but will have deeper roots.

Deeper Roots

If these deeper roots are not understood and gradually resolved the consequence is that at some future point in time your Pale Rider will find a way to feed them so they sprout anew and begin again to negatively impact on your profit potential.

Let's grab our metaphorical shovel right now and dig down to uncover the first of the 'deep roots' of this session which is...

1. The need to protect what we have.

You learned that at a very early age we all learn the concept of 'possession' and understand the notion of what is ours and what is not.

As we continue to develop through our infant years we also learn the concept of 'relative value' and the need to protect the things that we perceive as ours.

It also doesn't take long for this concept of relative value to become a full psychological 'emotional value system' which we use constantly to evaluate the things we possess, the things we need, or simply new things we desire.

Once an item has been evaluated, we assign an emotional value it and later use it to evaluate other similar things.

Normally, when something is new to us we assign it a higher value than perhaps it will have once we have owned it for a while.

This, reassessment of emotional worth or value is quite normal since over time we often change our attitude to the things we have.

Any parent with fashion conscious teenagers will see this value reassessment process in action on an almost daily basis.

Once we have assigned emotional value to something it makes sense that our most highly valued things then become our most emotionally cherished and prized possessions.

We are then likely to develop a strong desire to protect these things we value so highly and also develop a strong fear of losing them.

It makes sense that the higher the emotional value placed on something, the stronger will be the need to protect your ownership of it.

Simultaneously, with a strong need to protect may also come a strong fear of losing that something.

It is quite easy to relate the previous discussion to materialistic things and to understand how we give value to the objects we own.

However, the more interesting thing about this, and that is likely to be impacting your trading more, is that we appear to also use this internal 'emotional value system' for non-materialistic things.

These non-materialistic things are for example, self-worth, self-esteem, self-confidence and many others of our personal characteristics, qualities and important values.

In fact, we all have core-values and personal traits which we deem to be very important to us and so place a high emotional value on them.

I have already discussed at length in session 1 of this module how fear is involved when a trade is in profit so let me focus a little now on when you have a losing trade.

The way we value both the physical and psychological things indicates why it is usually so emotionally painful when you have a trade that is losing.

Any emotional hurt you experience when losing is unlikely to just be about the value of the money being lost in a trade; more importantly it will also be about the deeper emotional value of the various aspects of Self that are being affected too.

Most people will have a much higher emotional value assigned to their core values and character traits than they do for the amount of money in a losing trade.

The bottom line is you are not just losing money in a trade, you are also losing more important things like pride, self-esteem, confidence etc. that money cannot buy and which hurt the most when attacked by your Pale Rider of the fear of losing.

It should be no surprise now to understand that although you may think you are trying to protect only your money during a losing trade that you are also unconsciously trying to protect what you value most about yourself.

Unfortunately, this often leads to behaviours and actions that you hope will protect you but that ultimately, and more often, loses money rather than protects it.

Now you understand that these deeper aspects exist and are being used against you by your Pale Rider of the fear of losing, it should help you to grasp why the fear of losing may be impacting on you the way it does.

The second 'deep root' that can have an influence on your fear of losing and which your Pale Rider will almost certainly want to use against you is...

2. The need to feel safe and secure.

According to Abraham Maslow's Hierarchy of Needs (Fig. 1) outlined in his 1943 paper entitled 'A Theory of Human Motivation', one of the basic needs of all humans after the need for air, water, food and shelter is the desire and need to have a sense of safety and security.

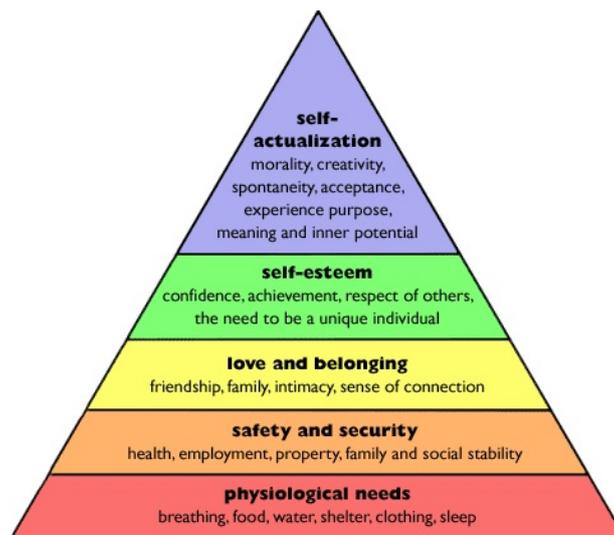


Figure 1 Hierarchy of Needs - Maslow 1943

Maslow considered this need for safety and security to be so important that it is the next level above food and water in his hierarchy of needs indicating how essential a sense of security is for most people.

When you have a losing trade your Pale Rider will connect you to this need for safety and security and make it very clear that in your current circumstances you feel anything but safe and secure; especially as regards your money.

But as we have learned already, it may not only be the safety of your money that is at stake here.

When you do not feel safe or something is threatening your security, and for most of us money is part of our life security system, we feel fear.

More specifically, we feel the fear of losing; of losing what we have, our money, our possessions, and our pride and so on.

We seem to have our need for safety and security from birth and young babies will express this need by crying until soothed and made to feel safe by a parent or caregiver.

Many of the symptoms of fear discussed throughout this course will manifest when your sense of safety and security is challenged.

It is important to be aware of these when trading as the desire to 'seek shelter' from any perceived emotional storm will be very strong.

The next 'deep root' we need to be fully aware of is...

3. Your own competitiveness.

Now many of you may be leaping up shouting "I'm not competitive!" and I understand what you mean but the fact is being a human being means living in a competitive environment.

We compete at many different levels and in many different situations almost daily and this is normal and necessary.

It is when your competitive nature is highly developed to the extent that everything is a competition and that winning is the only focus that things can become unhelpful to your trading.

For example, it may be the desire to win that stops you closing an obviously losing trade; or more likely the fear of losing.

When you find yourself feeling that you must win at all costs then you know your Pale Rider is dealing you a mighty blow and trying to destroy your ability to think rationally.

Competitiveness is like all strong human emotional drivers, if it is controlled it can be powerful and help you succeed.

However, if your Pale Rider seizes the reins of your competitive nature and wrenches them from your grasp, then you will be out of emotional control and your trading will likely suffer accordingly.

So you can maintain control, really get to know how your competitive nature functions and when and where it manifests in your trading and how it may be adding to your fear of losing.

Remember, the fear of losing is often the flip-side of the desire to win coin.

Of course, you should also use the techniques in this course to help you combat any tendency to allow your Pale Rider of the fear of losing to use your competitive nature against you.

The fourth of our 'deep roots' is...

4. Your personal reward system.

We learned about our natural 'dopamine fuelled' motivation reward system and how you will have been exposed to some form of reward system from your parents and other caregivers, but what I am

referring to here is your own personally developed reward or 'feel good' behaviour system.

There are many times in life when you have a need to feel good about yourself and as part of that process you will have created ways that make your 'feel good' physiological state come forward; you will want to change your emotional colour scheme and self-reward is often a part of that process.

As an example of a popular reward process, and which has been christened 'retail therapy', is the shopping behaviour used by many people as an escape from their problems and to help them feel good for a short time.

It is usually instilled in us as young children that you don't get rewarded for losing; rewards are for winners and this can feed your fear of losing.

The feeling that you will not gain your deserved reward if you allow a trade to lose may be strong enough to keep you in a losing trade in the hope it will become a winner.

Understanding how you define 'reward' and how your own reward system functions will allow you to know when you are trading simply to gain a 'reward' to 'feel good' rather than trading to maximise profit potential.

Your fear of losing a potential reward will be used against you by your Pale Rider.

The fifth 'deep root' to dig out and learn more about in relation to your fear of losing is...

5. Impact of losing on your self-image

I discussed earlier that the fear of losing impacts at a deeper level than simply losing money and the influence of this on your trading behaviours and activities must not be underestimated.

Very few people like to lose and although many people can be 'good losers' for most it can be a difficult experience.

The fact that we have had to compete in almost all aspects of our lives from a very early age as part of our survival development (the common expression 'the survival of the fittest' springs to mind)

indicates that winning and losing is part of what makes us who we are.

Unfortunately, not everyone is a winner, at least not often enough, and consistently being made to feel less than others or even inadequate negatively impacts on one's self-image and all the factors associated with self-image.

A large part of how not being the winner affects you will also be related to how your caregivers reacted toward your apparent lack of success.

So, when you are trading and things aren't going well for you expect all the old 'baggage' that has come from years of feeling inferior or a loser to come flooding back as the flood-tide of related emotion is released by your Pale Rider of the fear of losing.

You can easily test how much your self-image is involved in your fear of losing, and your trading in general, by going and telling your spouse or loved one how much money you have lost on a single trade and check how it makes you feel (I know many traders who could never do this seemingly simple thing).

Being blunt - losing sucks, even for non-competitive people, and your Pale Rider of the fear of losing is one of your biggest trading enemies that need to be dealt with using the collection of techniques in this course if you are to become the trader you dream about.

Summary

OK, these are just five of the aspects of your deeper psychology that can be influencing your fear of losing and providing some of the 'dark weapons' needed by your Pale Rider of Profit Death.

Let me take this time to summarise these aspects once more.

1. Protect what you have.

The desire to keep what we value and be afraid to lose it

2. The need to feel safe and secure.

One of the basic human needs recognised by psychology. When you feel insecure you feel fear.

3. Competitiveness

It can feel good when we win and terrible when we don't and this feeds the fear of losing.

4. Your Personal Reward System

The desire to want a 'reward' from the market for your efforts can have the flip-side of fearing losing and gaining nothing not even recognition for your time.

5. Impact on Self-Image

With self-respect and self-esteem being only two of the factors involved. Losing often makes you feel less of a person and less of the real you.

Moving forward...

You now have a deeper understanding of some of the psychology unpinning your fear of losing and I'm confident that by this stage of the programme you will be able to appreciate just how far you have come in your knowledge and ability to deal with your 4-Horsemen of trading fear.

I just want to encourage and remind you to: be patient, be determined and be bold in continuing your journey to the trading life you want.

In the next session I will show you how all of these factors are impacting on your trading so join me there in session 3 very soon!!

Journeying Farther & Further - Journeying Together

For most traders, trading as an activity can be a singularly solo, and perhaps even lonely, journey toward your future dream of financial freedom and ultimate happiness.

The programme you have just taken will have moved you along on your trading development journey of discovery that will have a positive impact on your trading – and possibly on your entire life and those around you.

Most journeys have a point of departure and a point of arrival – or do they?

Certainly, the journey you have been on in this programme has a clear departure point – that is to increase your development as a trader - and it has a clear objective to provide the tools to help you...

...but it doesn't have a clear destination because it is but one positive stepping stone forward!

Why?

Because your trading psychology has many facets and needs and this programme is only one aspect – albeit a crucial aspect - of your whole trading psychology development to improve your daily trading experience.

Now African wisdom says:

“To journey far, travel with others.”

So, to travel farther and further with your trading I invite you now to continue our journey together towards a new objective and your own desired destination.

FREE 1-On-1 Coaching Session

Begin the next part of your success discovery trading journey now by setting your next big objective, which I strongly believe should be, to have a COMPLETELY FREE 30 minute...

[Trading Behaviour Strategy Coaching Session](#)

...directly with me.

This is the logical next step on your journey to realising your trading profit potential and creating the abundant life of your dreams.

Let me be your personal development guide on the next exciting exploration into your trading psychology.

To find out more about your next trading journey watch my complimentary '[TBA](#)' video that will explain how we will analyse your current trading behaviours to uncover any success blocks lurking in your unconscious mind.