

Trading Stress & Anxiety Program

Practical Course Workbook

Exercises to start mastering your trading stress and anxiety.

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Trading Stress & Anxiety - Workbook

Welcome to your 'Trading Stress & Anxiety' program workbook designed to guide you through my 'Relaxed Trading Formula' so you can gain greater self-awareness of the factors contributing to your trading stress and anxiety – and do something about them!

Work through each of the strategies one at a time and simply answer the questions to discover your personal trading stress & anxiety drivers.

Later, you can use the techniques in Strategy #5 to eliminate your trading stress and anxiety.

First, a reminder of my Relaxed Trading Formula...

$$C_r \sqrt{(C_n + S_n)} - N_e \sqrt{N_s} = P T_r$$

Of course this is **not a real mathematical formula** (I don't know about you but that would scare me too much), but rather I created it to illustrate in a fun and symbolic way how the 5 Strategies in this course influence each other.

Let me remind you what each of the symbols represents:

- C_n represents the 'negative **C**auses' of your stress and anxiety
- S_n represents the various 'number of **S**ources' of your stress and anxiety
- C_r represents the 'real **C**onsequences' of a trading loss (not the imagined ones)
- N_s represents the '**N**egative **s**ymptoms' of your stress and anxiety (what you actually feel in your body)
- N_e the negative symptoms are caused by your '**N**egative **e**motions'
- P represents the '**P**rofit' increase possible when you trade with the right mindset
- T_r represents your '**r**elaxed **T**rading' mind and physiological state free from trading stress and anxiety

So, each symbol simply represents one aspect of your trading mindset and physiological state (basically, how you are feeling during trading). These elements combine to create either a positive and useful trading state conducive to trading well and gaining profits; or a destructive one that is based on emotional trading and that usually ends in taking unnecessary losses.

The Relaxed Trading Formula Walkthrough

Before we deal with the individual 5 Strategies, let me just walk you through the parts of the formula so you can be familiar with how it represents your real world trading.

Causes and Sources of S & A

The causes and sources of your trading stress are grouped since they can't be separated – each cause must have one or more original sources. So, this group is shown in the formula as:

$$(C_n + S_n)$$

The various negative causes and the number of sources have created your trading stress and anxiety and each of these is dealt with in Strategy #1 and #2 below.

Consequences

Your stress and particularly your anxiety are made worse by your imagination that may be conjuring up in your mind all sorts of wild and dire consequences of taking a loss in your trading.

This will also be fuelling your fear of losing (and probably the other three common trading fears as well) and this will also add to your stress levels.

The more you can stay grounded on only the real consequences of your losses (which for many traders won't be anywhere near as bad as your imagination leads you to believe), the less your stress and anxiety will be ramped up.

This awareness of only real consequences is shown in the formula as:

$$C_r \sqrt{\quad}$$

Because being aware of the real consequences, rather than any imagined 'doomsday' ones, can reduce your stress and anxiety I have indicated this calming effect using the 'root' symbol because the higher C_r is the lower will be the stress caused by $(C_n + S_n)$ the causes and sources.

We work with the real consequences aspect later in Strategy #3.



Negative Symptoms – Mental and Physical

Your stress and anxiety will be experienced in your mind as negative thinking and felt in your body as physical symptoms. These negative symptoms are dealt with in Strategy #4 and shown in the formula as:

$$N_s$$

Your mind and body are of course totally linked so what you think affects what you feel and what you feel affects what you think. This 'mind/body' connection is well proven and so when you are feeling your stress and anxiety it will tend to promote more, rather than less, intensity of those negative symptoms.

Negative Emotions

The physical symptoms are also driven by your negative emotions such as anger, frustration, etc., and we deal with these in Strategy #5. These are represented in the formula by the symbol:

$$N_e$$

If you can control your negative emotions this will reduce the negative physical symptoms and so this is shown in the formula with the 'root' symbol as before (causes and sources) like this:

$$N_e \sqrt{N_s}$$

Left Side of the Formula

It makes sense that if you reduce any negative emotions, to reduce the physical symptoms, then this will take away the effect of the causes on your trading. This subtraction of the negative emotions and symptoms from the stress causes completes the left side of the formula like so:

$$C_r \sqrt{(C_n + S_n)} - N_e \sqrt{N_s}$$

The left side of the formula contains all of the 5 Strategies we will work with later.

Right Side of the Formula

Of course, there must be some benefit to reducing your trading stress and anxiety and reducing any associated negative thinking and physical symptoms and the benefits are represented by the right side of the formula after the 'equals' sign.



When you can trade stress and anxiety free you will be more in control of your mind and body but more importantly you will be in control of your trading decisions and actions.

This will avoid emotional trading and reduce (according to psychologist Mark Douglas) up to 95% of your trading errors which logically will lead to higher profits shown on the right of the formula as:

P

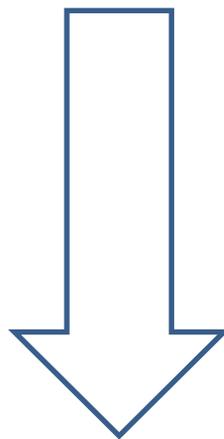
It makes sense therefore that the more relaxed and emotionally controlled you are when trading, the more likely you are to stay in control of your decisions and actions and so remain disciplined as you trade. The level of your trading relaxed and confident mindset is indicated in the formula as:

T_r

This is positioned as a 'power' over the profit because your profit will grow as your relaxed and controlled trading mindset increases.

OK, that completes the Relaxed Trading Formula walkthrough so now you understand how the 5 Strategies fit together and influence each other.

In the following pages of this workbook, let's explore each one of the 5 Strategies individually so you can move toward the goal of being a more relaxed and confident trader.





Strategy #1 - Trading Scenarios That Cause Your Trading Stress & Anxiety

Each time you trade you are likely to experience specific stages of the trading session in a more or less set order. For example, trade setup planning will always come before trade execution when you 'fire the trigger'.

Each of these 'trading stages' or scenarios will have its own 'emotional impact' on you and initiate a mix of both positive and negative reactions in your mind and body. Each of these stages will contain specific 'triggers' that switch on the various emotions you will feel.

It is these 'emotional triggers' that are the causes of your stress and anxiety.

To discover your own emotional triggers, complete these easy steps:

1. Think now about one of your typical trading sessions in which you remember feeling trading stress and anxiety.
2. Replay that session in your mind in each of the various stages you have in your trading sessions e.g. research, trade setup, trade execution, trade exit, post-trade analysis.
3. Become aware of when you first felt any stress or became aware of 'consequences' thinking and what exactly triggered it.
4. Write in the box below specifically what caused the stress and anxiety during each stage of the session.

My Trading Stress and Anxiety is Caused When...

Stage:
Causes:

Stage:
Causes:

Stage:
Causes:

Stage:
Causes:



Strategy #2 - Where Does Your Trading Stress & Anxiety Come From?

For most people stress and anxiety can be traced back to past experiences that have left behind in your memory some emotional trigger for the stress.

For example, a person who grew up in a 'competitive' family may have negative memories of being chastised or ridiculed for not 'winning'. Consequently, as an adult these childhood experiences still buried deep in the memory could re-emerge in situations perceived to be competitive or challenging (some people view trading as a 'competition' between man and markets) and produce undue stress and anxiety and/or fuel the fear of losing.

To help you discover any of your own past experiences that might be contributing to your current trading stress & anxiety answer follow these steps to complete the box below.

1. Reflect on your own upbringing and past experiences.
Pay particular attention to situations that you remember were emotionally stressful or caused you to feel anxious or fearful of what might happen.
2. Write a list of the 3-5 situations/experiences you remember most clearly.
3. Now, replay that experience as clearly as you can and note down the specific thing that was most stressful about it.

Use a sentence like: "It was stressful/anxious because..."

My Trading Stress and Anxiety Originates From...

Experience:
Stressor:

Experience:
Stressor:

Experience:
Stressor:

Experience:
Stressor:

Experience:
Stressor:



Strategy #3 - The 'Big Picture' Perspective of the 'Real' Consequences

We all have pretty active imaginations and can picture whatever we like in our mind. Unfortunately, what we choose to imagine can just as easily be positive as negative but we humans tend toward the negative most often and this results in us usually imagining things far worse than ever come to reality.

To reduce the anxiety that any negative 'But what if...' thinking produces and to discover the real consequences of taking a losing trade, take an honest 'Big Picture' view of what losing a trade really means.

1. Ask yourself "What are the real consequences of each trading loss (and not the ones provided by my vivid imagination)?"
2. Use your past experiences as evidence of what a losing trade means in reality and not the nightmare you may have imagined.
3. Now write your real consequences in the box below.
4. For each one ask the question: "Is this really true?"

The Real Consequences of losing a trade are...

1.

2.

3.

4.

5.



Strategy #4 - First Physiological Signs of Your Trading Stress & Anxiety

Stress and anxiety can manifest in many different ways and each will have very definite physical symptoms.

You can become aware of the symptoms that surface in your own body by being mindful of the first sensations of stress and anxiety.

1. The first step is to ask yourself “What is the first thing I feel when stress has started?”
2. Write a list of the various symptoms you experience in the box below and try to arrange them in the order in which they appear in your body.
3. Identify the very first physical sensation of each symptom (this might not be as obvious as you think so think carefully)

In the next strategy I will teach you how to take steps to overcome these symptoms before they have a chance to get too strong and negatively impact your trading.

The First Physiological Signs of My Trading Stress and Anxiety are...

Symptom:
First sensation felt:



Strategy #5 – Deep-Mind Techniques to Reduce Trading Stress & Anxiety

So you can get started toward being a more relaxed and confident trader, let me share two powerful ‘deep-mind’ techniques with you.

The first is about dealing directly with stress and the second will help with any negative “What if...” thinking that is contributing to your anxiety.

Technique #1: Stress Resolution Method

You now know your stress will have been triggered by something that is either in your mind (a fear based thought for example) or that has occurred in your immediate environment or surroundings (like a trade turning the wrong way).

To reduce the stress feelings follow these easy steps:

1. The fastest way to reduce your stress is by the tried and trusted ‘slow deep-breathing’ method. Aim to breathe in for 5-7 seconds and out for the same time.
2. You can increase the effectiveness of this slow deep breathing by combining it with a ‘power pose’. Power poses have been proven to reduce cortisol, your body’s stress chemical, by over 20% in just 2 minutes.

If you are sat down, lift yourself up in your seat so your back is straight and you head/chin slightly up and put your hands behind your head.

Better still is to stand up, feet shoulder width apart and slightly turned out, back straight, head and chin slightly up, and place your fists on your side (very like a defiant child does). Now do the slow deep breathing and stay in the power pose for two minutes.

You may be tempted to not use these methods or to cut things short when you do them – but don’t!

Continue until you definitely feel calmer and more relaxed or **your trading will suffer!**

Technique #2: Stress and Anxiety Thinking Pattern Change

Your anxiety is increased because of what you think about; so a simple way to stop this is to break your anxiety thinking pattern.

During your trading, when you become aware of ‘future consequences’ thoughts and start to feel anxious about taking a loss follow these easy steps:

1. Review the results of Strategy # 3 to ground yourself in the reality of taking a loss.
2. Draw on your past evidences that what you are imagining simply isn’t true.
3. Challenge the very thoughts you are having and look to prove they aren’t true with the question:
“Is that really what will happen when I lose a trade?”
4. Make a conscious effort instead to recall in your mind the past times when what happened next wasn’t anywhere near as bad as you had imagined beforehand.
5. To help break the ‘anxiety spell’, take a deep breath and do a ‘Shrug of the Shoulders’ and say something like: “OK, what will be will be and I can accept that now.”



Technique #3: From Associated To Dissociated State

As mentioned in #2 above, any negative emotional reaction such as anxiety is increased because of what you think about; so here is simple to do but more advanced technique.

When you are feeling the stress and anxiety, and these are being fed by what you are thinking/seeing in your mind, you are said to be in an 'associated' physiological state.

Learning to change from an 'associated' to a 'dissociated' state will disconnect you from the drivers of the stress/anxiety and this will reduce/remove the negative thinking/feeling cycle that you had been experiencing.

You can also use this fast technique during your live trading because once you get the hang of it, it only takes a few seconds to do.

Follow these easy steps and practice a few times until you can do it easily:

1. Notice the image/movie/sounds you have in your mind related to the stress/anxiety. What do you see connected to this?
2. Be aware where you notice this image/movie in your mind-space. Is it in front-centre, big and bright and close to your face or does it appear different than this? How and where does it appear?
3. Now in your mind, push the image away from you into the far distance and (as would be normal in reality when something moves away from you), make the image smaller and smaller. If there are any sounds, make them go quieter as the image moves away.
4. As you push the image away, turn the brightness down like on a TV so the image gets darker and watch as it turns black and white like an old photo or movie.
5. Make a conscious effort to make the image go farther again and get really small until it is just a dark dot on the horizon of your mind.
6. You are now dissociated from the feelings so now quickly count 1, 2, 3, 4, 5 out loud to 'break state' and re-engage your logical brain.
7. Check in with how you now feel with the stress and anxiety in the distance.
8. If necessary, repeat steps 2 to 6 until you no longer feel the stress or anxiety.

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.