

# Day Trading University

## Part 4. Winning Trading Psychology

### WHAT IS WINNING TRADING PSYCHOLOGY?

Trading is a mathematical game. No matter how good you are, you will have winning and losing streaks.

It's often the human emotions that get in the way of our success as traders.

The most common being FOMO (Fear of missing out) and Greed.

A winning psychology is the ability to consistently apply your edge, regardless of the last trade result and what you and other people feel.

A great example of this is our weekly trades in discord where we often will take the same exact Fibonacci legs everyday and we can have 5+ winning/losing streaks.

The goal is to trust your edge and let it work overtime.

Here is a detailed video guide on how to deal with draw downs and winning streaks:

<https://youtu.be/9pGmOE4pUBc>



### HOW DOES RISK/REWARD PLAY A ROLE?

Like I mentioned above, trading is mathematical. The key to stay positive throughout a draw down is understanding Risk/Reward (R/R)

Simply put, if your average winner > average loser you will be profitable. With a 2:1 R/R, you only need a 34% win rate to be profitable. That means only 34/100 trades actually hitting your target.

That is the key that keeps me going and allows me to move on from losing trades without it taking a huge mental toll. In fact, for some of my trading systems I achieve a 6:1 R/R and I only need to win 15% of the time or 15/100 trades to earn a profit.

Here is my Risk/Reward table from my books as a reference. You should have this printed out and close to your trading station.

R/R	1.5	2	3	4
Wins	41	34	26	21
Losses	59	66	74	79
Total	100	100	100	100
WR %	41%	34%	26%	21%

Also here is a video guide:

<https://youtu.be/TVZ1mzP0zSs>



## MY SECRET WEAPON – AUTOMATION

- \*The biggest issue I see with traders is self-sabotage. Whether it's fomo or greed, we often let emotions take over and ruin our results.
- \*This is why automation is so key. You need to have some type of trading where you can "set and forget"
- \*Every night throughout the week, using our triggers, I set up multiple orders that have an entry, stop loss and target
- \*The broker takes over and when I come back I now I have a fixed result. I will either lose a set amount of money or I will end with a profit.
- \*When you can do this effortlessly it will take the human emotions out.

Here is video I did on setting up automating orders: <https://www.youtube.com/live/ObNuRyXvGJ0?feature=share>

Also, here is our first day trading university lesson on automation as a reference: <https://tradingwarz.com/mp-files/3956.pdf>

## EXAMPLE OF WINNING PSYCHOLOGY

April Fibonacci Results over \$4,000 in profits but only a 36% win rate. How is this possible?

The Risk/Reward used in this Fibonacci system is a 3:1. All of these trades were called out live in discord with a \$400 risk and a \$1200 target.

Notice even with large losing streaks we ended profitable. The key is using a 3:1 R/R we only need a 26% win rate to end profitable.

Date / Time	Leg	Symbol	R/R	Max R	Max Fib Targ	0.9 Poke Out	Anchor Stop R	ACTUALS \$\$	R/R
								\$4,011	10R
3-Apr	full range	/MES	-1	-1		no	-1	-428	-1.1
4-Apr	premarket	/MES	-1	-1		no	-1	-390	-1.0
4-Apr	Morning Leg	/es	-1	-1		no	-1	-390	-1.0
4-Apr	Opposing Leg	/es	-1	-1		no	-1	-390	-1.0
5-Apr	full range	/es	3	5	-0.786	no	2	1190	3.0
6-Apr	full range	/MES	3	6	Full ext	no	2	1190	3.0
10-Apr	full range	/es	3	3.8	-0.5	no	2	1190	3.0
11-Apr	full range	/es	3	3.8	-0.5	no	2	1224	3.1
12-Apr	premarket	/MES	-1	-1		no	-1	-455	-1.1
12-Apr	full range	/MES	3			no	2	1100	2.8
14-Apr	premarket	/MES	-1	-1		no	-1	-410	-1.0
14-Apr	full range	/MES	-1	-1		no	-1	-400	-1.0
17-Apr	full range	/es	3	3.8	-0.5	no	2	1116	2.8
18-Apr	premarket	/MES	-1	-1		no	-1	-410	-1.0
19-Apr	premarket	/MES	-1	-1		no	-1	-410	-1.0
20-Apr	premarket	/MES	-1	-1		no	-1	-410	-1.0
20-Apr	full range	/MES	-1	-1		no	-1	-410	-1.0
21-Apr	premarket	/MES	-1	-1		no	-1	-400	-1.0
21-Apr	full range	/MES	-1	-1		no	-1	-410	-1.0
24-Apr	full range	/es	-1	-1		no	-1	-410	-1.0
25-Apr	full range	/MES	3	6	Full ext	no	2	1200	3.0
26-Apr	full range	/MES	-1	-1		no	-1	-400	-1.0
27-Apr	full range	/MES	3	6	Full ext	no	2	1164	2.9
28-Apr	premarket	/mes	-1	-1		no	-1	-400	-1.0
28-Apr	full range	/mes	3	3	-0.272	no	2	1160	2.9



**Broker Statements: Notice how winners are much larger than losers!**

15:44:42	MES Jun16'23 @CME	SLD	8	4207.25	4.96	1160.08
12:15:03	MES Jun16'23 @CME	BOT	8	4178.00	4.96	

11:17:33	MES Jun16'23 @CME	BOT	15	4143.00	9.30	-412.35
10:30:01	MES Jun16'23 @CME	SLD	15	4137.75	9.30	

11:16:03	MES Jun16'23 @CME	BOT	14	4142.00	8.68	-437.36
10:35:12	MES Jun16'23 @CME	SLD	14	4136.00	8.68	

15:59:08	MES Jun16'23 @CME	BOT	14	4122.50	8.68	1242.64
10:30:05	MES Jun16'23 @CME	SLD	14	4140.50	8.68	



## EXCLUSIVE SALE & PERKS

Since you've taken the time to read this document and are serious about learning to trade and better educate yourself, here is an exclusive offer for 2 months FREE in my discord with the purchase of any of my 3 books: <https://tradingwarz.com/day-services/>

Normally it only comes with 30 days access but for the duration of the course, I will keep this active. 60 Days with a great community plus access to our Premium indicators and Scanners for LIFE!

Just email [rich@tradingwarz.com](mailto:rich@tradingwarz.com) once you've purchased and we will manually add an extra month with no additional charge

You can also join the TW Army and lock in for lifetime at \$4.99/month this gives access to special BONUS TOP picks every day, exclusive giveaways and is a great way to support the community.

Join here: <https://www.youtube.com/channel/UCVNiVH8UKQXBRr4j3jXUzBA/join>

## CRITICAL RESOURCES

TradingWarz Resources page: <https://tradingwarz.com/resources/>

Full Video Tutorials & Trade of the week

Trading Tools – Scanners, Tracker, and Indicators

Charting Platform Discounts: **Tradingview & Trendspider**

TradingWarz Twitter: [https://twitter.com/TradingWarz?ref\\_src=twsrc%5Egoogle%7Ctwcamp%5Eserp%7Ctwgr%](https://twitter.com/TradingWarz?ref_src=twsrc%5Egoogle%7Ctwcamp%5Eserp%7Ctwgr%)

TradingWarz YouTube	<a href="https://www.youtube.com/channel/UCVNiVH8UKQXBRr4j3jXUzBA">https://www.youtube.com/channel/UCVNiVH8UKQXBRr4j3jXUzBA</a>
Fibonacci King Playlist	<a href="https://youtube.com/playlist?list=PLFAKby4qxtHVXUxudppWUtGrsqHZZiRV">https://youtube.com/playlist?list=PLFAKby4qxtHVXUxudppWUtGrsqHZZiRV</a>
Complete Beginners Playlist	<a href="https://youtube.com/playlist?list=PLFAKby4qxtHVu2YhSXP92Kn-M7FOtWjS">https://youtube.com/playlist?list=PLFAKby4qxtHVu2YhSXP92Kn-M7FOtWjS</a>
Futures Trading Playlist	<a href="https://youtube.com/playlist?list=PLFAKby4qxtHWRDI2VtXBy3ZBzuQvOBiYF">https://youtube.com/playlist?list=PLFAKby4qxtHWRDI2VtXBy3ZBzuQvOBiYF</a>
How to trade \$SPY For A Living Series	<a href="https://youtube.com/playlist?list=PLFAKby4qxtHWrVBZSrLzzjmx3UyunOkU">https://youtube.com/playlist?list=PLFAKby4qxtHWrVBZSrLzzjmx3UyunOkU</a>
Options Seminars & Recaps	<a href="https://youtube.com/playlist?list=PLFAKby4qxtHVTAZwGHytQ7RHuqwkQtMW">https://youtube.com/playlist?list=PLFAKby4qxtHVTAZwGHytQ7RHuqwkQtMW</a>
LIVE Trading with Rich	<a href="https://youtube.com/playlist?list=PLFAKby4qxtHXyV9aCp6BzyJnoxMmh7G7p">https://youtube.com/playlist?list=PLFAKby4qxtHXyV9aCp6BzyJnoxMmh7G7p</a>
Broker Tutorials	<a href="https://youtube.com/playlist?list=PLFAKby4qxtHUo1W6WHzpfPdpCE_nOJPOT">https://youtube.com/playlist?list=PLFAKby4qxtHUo1W6WHzpfPdpCE_nOJPOT</a>

