

Contents

Preface	xi
Acknowledgments	xiii
Introduction	xv
CHAPTER 1 The Nature of Stress: What Is Stress and Why Is It a Problem?	1
The Fight-or-Flight Alarm	2
Differences in Stress Responses	5
Personality Factors	7
The Stages of Stress	8
Taking It Step-by-Step	10
CHAPTER 2 The Emotions of Stress: What Negative Emotions Are Experienced as a Result of Stress?	13
Fear and Greed	14
Guilt	21
Worry	23
Anger	24
Euphoria	27
CHAPTER 3 The Dangers of Trading under Stress: How Do Attempts to Handle Stress Create Problems for the Trader?	29
Trading Despite Stress	30
Avoiding the Stress	34
Creating a Social Persona	39
	vii

Competing to Win	44
Being Indecisive	51
CHAPTER 4 How Fear Inhibits Mastery: Can You Learn to Lessen the Central Emotion of Fear?	53
<hr/>	
Responding to Fear	54
Disciplining for Success	55
Relinquishing the Need to Be Perfect	57
Maintaining Psychological Energy	59
Starting with a Clean Slate	62
CHAPTER 5 The Consequences of Negative Emotions	63
<hr/>	
Greed and Risk Management Errors	64
The Difference between Confidence and Arrogance	70
Mistakes of Insecurity	71
Why Not to Avoid Negative Feelings	78
How Negative Emotions Lead to Impulsive Behavior	80
CHAPTER 6 Personalities and Stress	87
<hr/>	
List Makers (Analytical Thinkers)	89
Intuitive Thinkers	92
Optimist/Pessimist/Realist	94
Are You Confident or Insecure?	96
Make the Most of Your Personality	97
A Winning Personality	98
CHAPTER 7 Ego and Obstinacy	101
<hr/>	
A Stubborn Nature	102
Refusal to Accept Commands	105
Difficulty with Management	106

<i>Contents</i>	ix
CHAPTER 8 Fear and Failure	111
Afraid to Win	112
Failing to Commit	115
Moving Forward	119
CHAPTER 9 Perfectionism and Paralysis	123
The Problem	124
Finding a Solution	124
What about You?	128
CHAPTER 10 Failing to Manage Risk	131
Risk Management for a Vision	132
The Psychology of Risk	136
The Importance of Self-Analysis	137
Asking the Right Questions	139
Assessing Your Attitude toward Risk	140
Looking for the Positive	142
Relaxation and Risk	143
Taking Responsibility	144
CHAPTER 11 Failure to Dig Deeper	147
Discerning the Importance of Data Analysis	149
Too Much or Not Enough?	151
Gathering the Information	152
Reducing Stress	155
CHAPTER 12 Failures in Shorting	159
Reluctance to Short Stocks	160
Stress and the Short Squeeze	162
Steps of a Good Short Seller	164

CHAPTER 13 Learning to Live with Stress	171
Learning to Observe	172
Creating New Life Principles	178
Reframing Negative Thoughts	179
Choosing an Objective	182
Defining New Priorities	183
CHAPTER 14 Exercises and Practical Applications	185
The Most Basic Stress Busters	187
What to Do When You Have a Breakdown	188
Importance of Commitment	196
Index	199