ROB BOOKER | MAN vs. MARKET

Another little book about trading by Rob Booker.
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MANVERSUSMARKET.COM

This Ebook is dedicated to my friend and the best seminar companion I ever had.

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"Why is this happening to me?" I asked.

"Rob," said Maxwell Fox, "the world is just reflecting back what you are projecting out to it."

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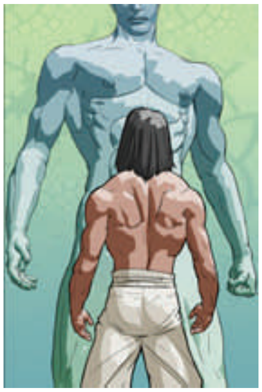
Max, thanks for teaching me.



Is it Man vs. Market? Or something else entirely?

IT'S YOU AGAINST THE MARKET. That's what they'll tell you. You'll read about it on the message boards, at the Expos, and you can't get away from the sense that there is a mysterious entity which means to seriously harm you, to get you, that wants your entire account and wants to leave you in ruins.

It's the market. It's tens of thousands of traders, all against you.

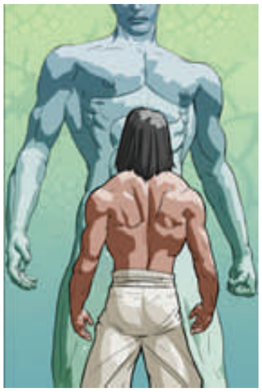
All wanting you to lose.
All because it's a zero-sum game, and because your loss is their win.

The market is selfish. It's demanding. It's never closed.

It's impossible to understand fully. It's bigger than you are. It wants to take from you. It's Goliath. And let's be honest: you're not David.

Is any of that true? And if it is true, what chance do you ever have of making money?

It's Man vs. Market. You against everyone else. Or is it?



Who's out to get you?

IT'S COMMON KNOWLEDGE THAT THE ENTIRE MARKET — ALL TRADERS, BROKERS, FINANCIAL PROFESSIONALS, DEALING DESK OPERATORS AND CUSTOMER SERVICE REPRESENTATIVES — ARE ALL OUT TO GET YOU. After all, who are these people, anyway? We don't know their names, so it's much easier to ascribe to them all sorts of intentions. But if we stop for a moment, what do we see?

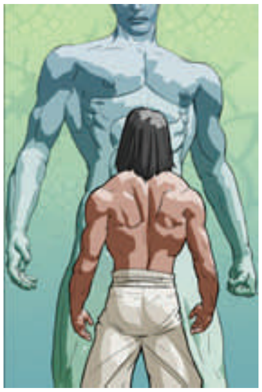
Go to a message board. What do you see?

There are persistent pessimists and bossy know-it-alls.
There are uniformed opinion givers and there are naïve newbies.
There are mechanical purists, technical junkies, programming geniuses, mellow moderators, and prolific posters.

Are any of these people out to get you? *I mean, seriously*?

Do any of them want to hurt you? The worst you can say about any of them is that they are afraid. At their best, they are profitable sometimes and unprofitable at other times. But they are, almost all of them, enormously generous people. They are sympathetic to your plight, considerate of your questions, and willing to spend time inside of a community for the betterment of the group.

Even if they wanted to cause you harm, could they do it? Individually, certainly not. But even as a mass of traders, how would they organize to harm you? When's the last time a group of these people on a forum got together to intentionally push the EUR/USD to your stop loss?



Does your broker want to harm you?

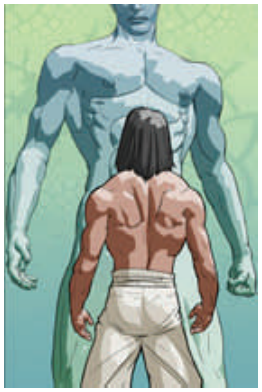
ARE YOU TRADING AGAINST ALL THESE PEOPLE?

Why is the terminology always about trading against someone else? Where is that someone else? Who is that? Is it your dealer? Is it the trader on the other side of the trade? What is the other side of the trade anyway? How many people are on the other side of your buy order on the EUR/USD?

What about "no dealing-desk" style brokers? Do they represent a safer way to trade? They "pass through" your trade to a liquidity provider. Who's that? It's a dealing desk! So, now, you're even one more step removed from the dealing desk. Is that less reprehensible? And why is there so much talk about the adversarial relationship between you and your broker, anyway?

Why does it have to either be your broker trying to get you, or another trader trying to get you, or the entire market trying to get you? Think about it for a sec: if they were really all out to get you, and ganged up thinking about you, they'd just send a hit man over and he'd blow you away while you were eating all the marshmellows out of a box of Lucky Charms.

That's not how it works. So is it Man versus Market?



A higher level of living and trading.

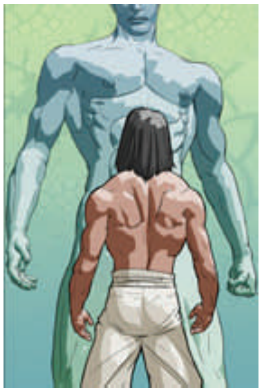
NO. IT'S MAN VERSUS HIMSELF.

It's not you against the market. It's you against yourself. The biggest chjallenge in all of this business of trading is to cultivate five positive beliefs that most losing traders lack. None of these tendencies has anything to do with what the rest of the market wants for you, or wants for itself, or is plotting against you. For gosh sakes, it doesn't have to be so adversarial.

When you reduce the practice of trading for a living to battling your own tendency to self-destruct, then you move to another level completely. Not just a higher level of trading, but a higher level of living.

Here are the five beliefs to cultivate:

1. You are complete. You're not lacking anything.
2. Everything good and bad is temporary.
3. Focus on your risk, not your method.
4. Not trading is more important than trading.
5. It doesn't matter.



You are complete.

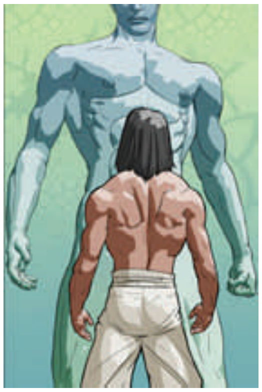
YOU ARE COMPLETE. YOU'RE NOT LACKING ANYTHING.

You're not missing out on something that you are going to be able to get by trading. You don't lack something. You are not less than what you are supposed to be because you can't trade for a living yet. If you want something, by all means work hard for it. But you're likely to find it inside of yourself, not someplace else. Never lose control of your life because you feel that you lack.

Don't ever believe that if you only had something outside yourself, that you'd finally be what you were supposed to be.

Find a successful trader. Look at them even from a distance. Does she look like she needs you, or the market, or a DVD trading course about Swedish Fishsticks? Hell no. Every successful trader I've known is reasonably happy to correspond with other traders. But they have no interest in copying anyone. They are true to themselves.

You already have what you need. You always did. The market is only going to reflect back to you what you believe about yourself.



Everything bad and good is temporary.

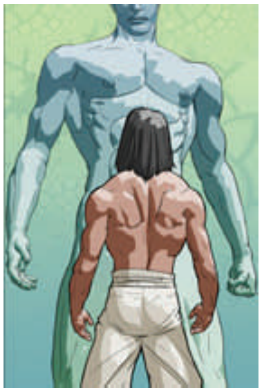
No matter what happened in your trading account today, good or bad, it's temporary. It can't and won't last.

If you find a trading method that works for you, then celebrate the good times and throw a party for your trading friends. Trading methods are like college boyfriends and girlfriends: they're hot for a time, but you're likely to find something else interesting eventually, and you should enjoy the time together that you have now, and not try to make it all into something it's not.

Appreciate a good trading method (notice I didn't say system) while it lasts, and don't let what you don't have spoil what you do have.

As a trader, it's perfectly ok to live for the moment. You have to live in the moment for the market, because you really don't know what is going to happen next, ever. Loss, gain, euphoria, heartbreak, failure and success are all temporary. Fleeting. You've never "figured it out." You can only figure out you.

Because all things, people, emotions and experiences are temporary, be free to make the most of every part of your life. All of it.



Focus on your risk, not your method.

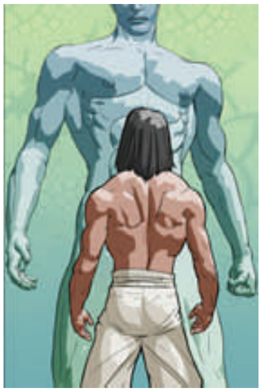
LEARN HOW TO TRADE YOUR WAY OUT OF A MESS. AND LEARN TO MANAGE YOUR RISK SO YOU ALWAYS HAVE MARGIN AVAILABLE TO DO THAT OUT-OF-MESS TRADING.

It really doesn't make any difference what trading strategy you use. It just doesn't make any difference. Really. People spend their entire lives searching for the perfect method for entering and exiting trades, or filtering out the "bad" trades, and they end up sad, depressed, hopeless, and broke.

Why? Because all these methods are temporary. None of them work permanently. And so people get disenchanted with so-and-so's trend following system, or moving average crossover magic.

What if you learned to take really small trades to start with? So that you didn't care if you bought or sold, and you just worked your way out of a bind if you took a trade that went against you? And what if you added to the trade if it went in your favor? And then learned to trade your way out of any mess?

What if you never worried again about whether a trade (or life experience) was a success or failure to start with? What if that didn't matter, because you never committed too much at the start?



Not trading is more important than trading.

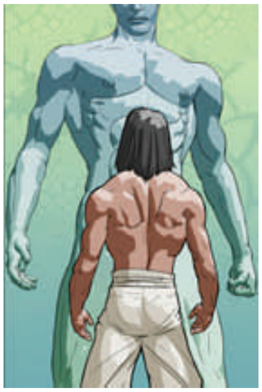
WHAT'S SUSTAINABLE IN THE LONG TERM? OBSESSIVE ATTENTION TO THE MARKET, OR A BALANCED LIFE OF REFLECTION?

Try to cultivate a habit of not doing. On a regular basis I am shocked to see how I fall into the same pattern of wanting to be busy with the act of planning trades, taking trades, closing trades, planning more trades, and so on.

While I'm happy to hear you're just as much of a currency nerd as I am, I have to ask, does the endless planning and making trades make you a better trader? Are you more successful because of that? If you can answer yes, then by all means, push back and argue.

But before you put forward all that effort to argue with me, why not just consider that after 10 years of being obsessed with the market, and pouring over your charts endlessly, you are going to miss loads of time with your family, or with your friends, and with the rest of the whole damn world. Be free to take a break.

Conserve your energy. You're not going to miss anything by not trading. But you might miss something by trading too much.



It doesn't matter.

MOST THINGS DO NOT MATTER.

Say it when you wake up. Say it 100 times in front of the mirror. Say it until you realize that nothing that happens today is going to be the biggest deal in the whole world.

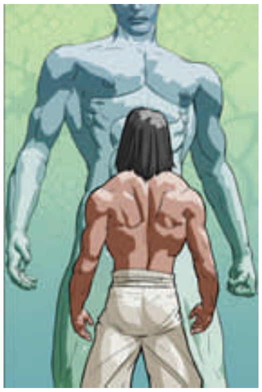
Obsessive worrying is unattractive. It drives people, profits, and potential opportunities away from you.

Few things really matter. Your family. Your kids. Your partner. Your happiness and your needs.

If you have a really good trade, then guess what? It doesn't really matter. What peace did it buy you that can last forever?

If you have a really terrible trade, then guess what? It doesn't matter either.

If you have a bad experience, or a good experience, a bad bowl of clam chowder, a breakup, or you're diagnosed with Acute Trading Proficiency Disorder, it doesn't matter. None of that stuff is permanent. If you worry about it, it doesn't make anything any different. If you worry about it or not, it's all still the same to the universe.



Conclusion.

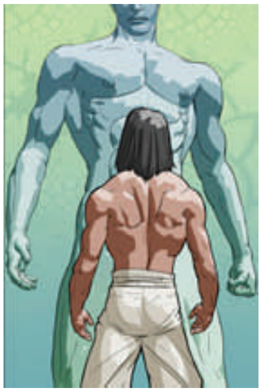
WHAT MATTERS ISN'T WHAT OUR TRADING ACCOUNTS BECOME, BUT WHAT WE BECOME AS WE TRADE OUR ACCOUNTS.

I have, over time, acquired a deserving reputation for being a self-promoter, stating the obvious, having a little too much fun with all of this trading business, and who knows what else.

But I do know a lot of profitable traders who have been able to sustain their performance over time.

I have no real personal agenda with all this writing and speaking other than to try to do what I was meant to do. Trading isn't what I was meant to do. It's provided a lifestyle that I enjoy. But as I sit here, looking out over Darling Harbour in Sydney, Australia, I'm reminded that I really don't know much of anything, that the journey is better than the destination, that you should start writing your own ebooks and teach yourself, and that every moment you spend in this life with good people is precious.

It's not all about entries and exits. It's about who you are in the long term. What are we all doing about that?



About this ebook.

Why I wrote this ebook.
I wrote this ebook as part of an effort to raise money for a charitable cause — bringing farming supplies to an impoverished area of India. With your help, we raised over $24,000 through GlobalGiving.com and the United Nations Food and Agricultural Organization pitched in expertise to make good things a reality. Thank you for giving.

Learn more at **http://robbooker.com/giving.**

Who is Rob Booker?
I'm a currency trader and author of the books *Adventures of a Currency Trader* and *The Currency Trader's Handbook*.

On the web at: **http://robbooker.com** and **http://piptopia.com**.

Copyright Information
 Kristian sat next to me in high school creative writing in 1989, by the way, and his art has been inspiring people ever since then.