

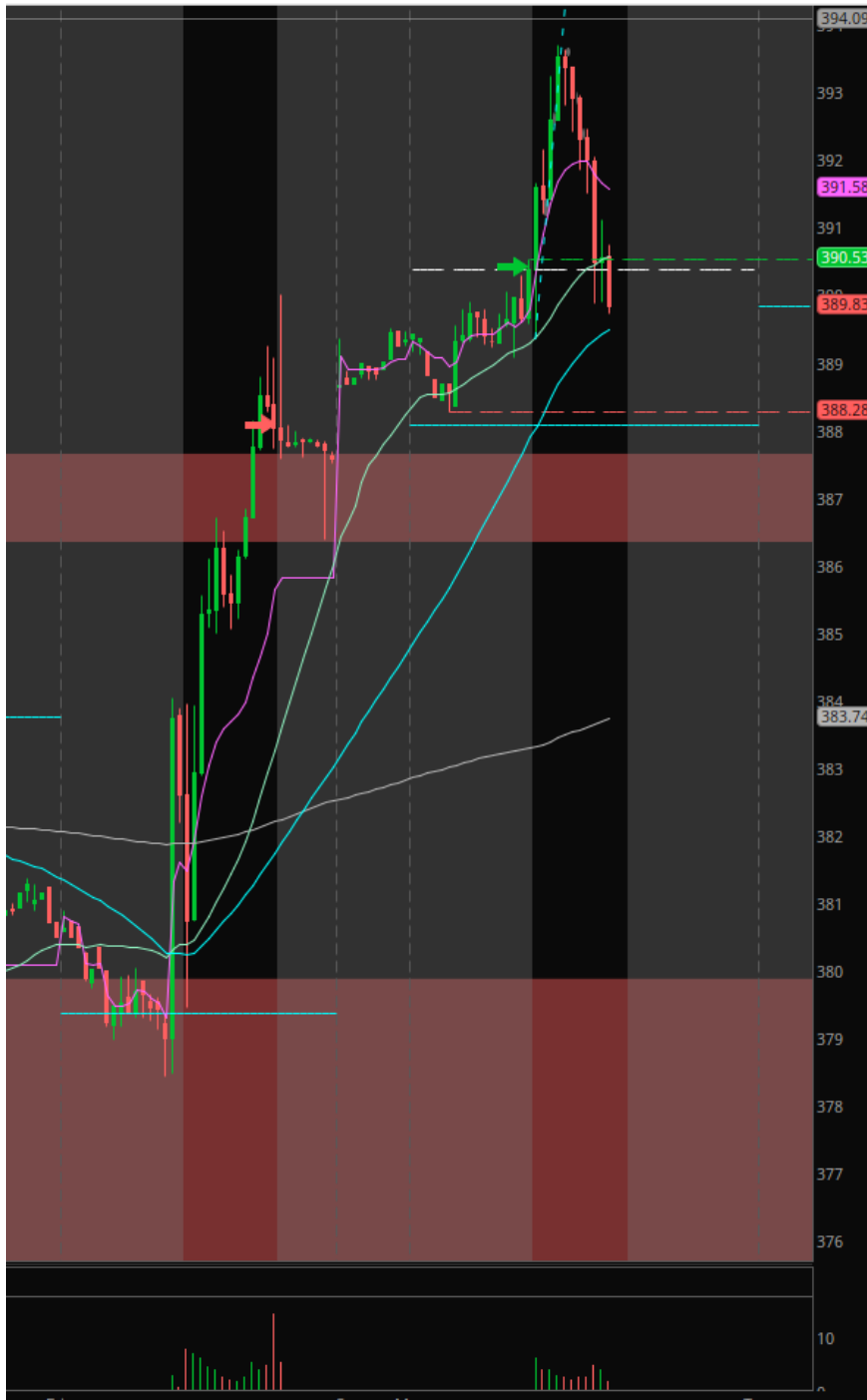
January 9th, 2022 (-\$45) DRC

By disciplined_daytrader · January 9, 2023

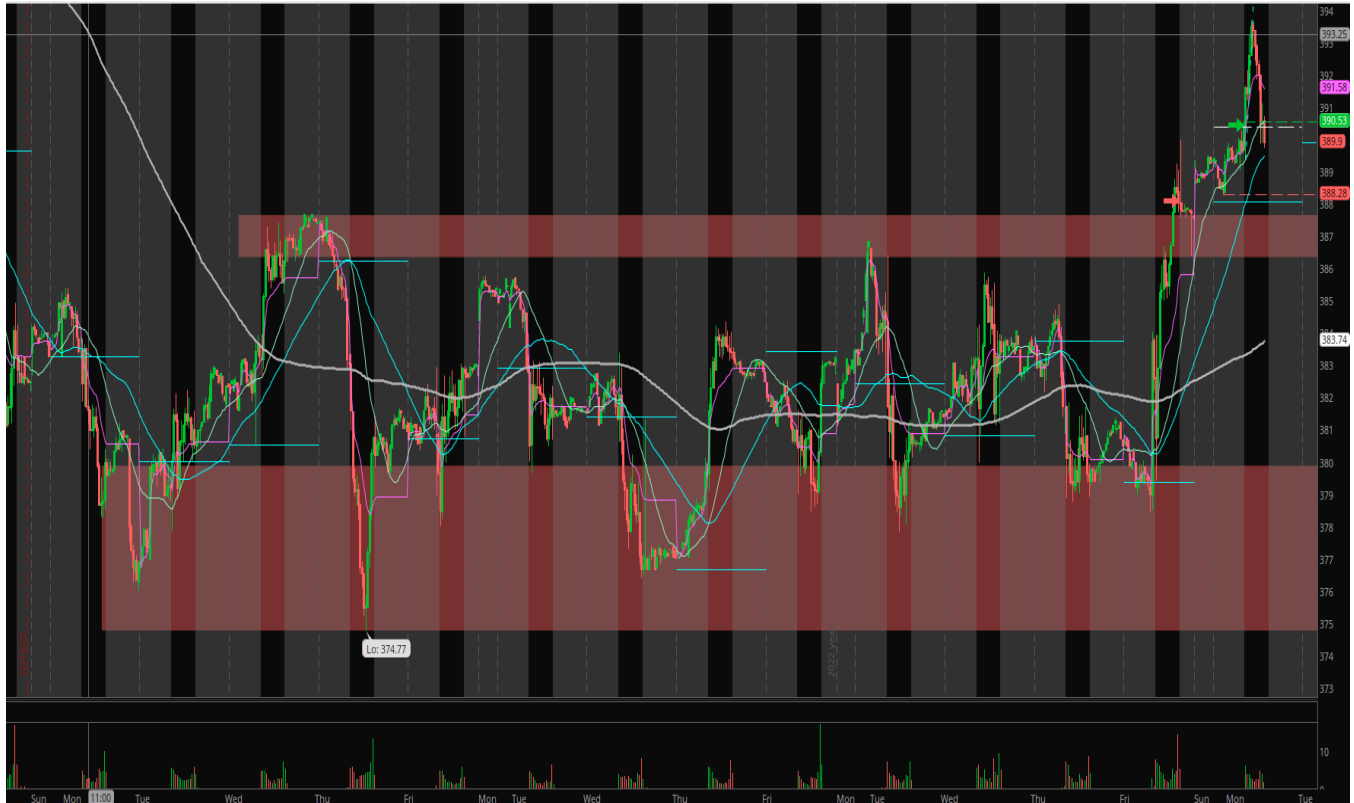
TL;DR

This blog post recounts a trading loss of \$45 on January 9th, 2022, highlighting the pitfalls of shorting during a frontside move. The author reflects on the mistakes made, emphasizing the importance of avoiding impulsive trades and maintaining discipline after profitable days.

2d:30m



30d:30m



-This trade was pretty stupid. Firstly NEVER SHORT A FRONTSIDE MOVE. We just broke out of the range here and I had flashbacks to the last time we had a nice move which was the CPI all the way back in november and the very next day we gapped down and sold off a lot so I thought "hmm maybe that will happen again" but it didnt. There was really no reason to take this trade and even more of a "dont do it" because we were in a range beforehand so the people stuck in that range were going to sell or buy once today hit and those people bought much more than they sold so I ended up losing 45 dollars. I think this style of trading and this whole trade in general was extremely reckless. I need to be very careful to not give back all my nice profits the day after I have a good day just because I get a little overconfident.

How do I avoid this in the future?

1. Never take a trade off of a hunch
2. Dont short the frontside...idiot

FAQ

What was the main mistake made in the trade?

The main mistake was shorting during a frontside move, which is generally considered a risky strategy. The author recognized this as a reckless decision influenced by overconfidence.

How much money was lost in the trade?

The author lost \$45 on this particular trade.

What lesson did the author learn from this experience?

The author learned the importance of not taking trades based on hunches and the need to avoid shorting during a frontside move.

What does 'frontside move' mean in trading?

A frontside move refers to a price movement that is trending upward, where traders typically buy rather than short. Shorting during this phase can lead to significant losses.

How can traders avoid similar mistakes in the future?

Traders can avoid similar mistakes by sticking to their trading plan, not acting on impulsive decisions, and being cautious after profitable days.