

Trading is game of skill and discipline

I know you're feeling a lot of emotions when trading options. You're probably excited when you see those **green candles** and depressed when you see those **red candles**. You might even feel tempted to buy more when the price goes up or sell everything when the price goes down. But let me tell you something, that's not a good way to trade. You need to manage your emotions and stick to your strategy.

First, don't invest more than you can afford to lose. Options are risky and volatile, so you should only use money that you don't need for your basic needs or emergencies.

Second, have a clear plan before you enter a trade. Know your entry point, exit point, stop loss and profit target. Don't let greed or fear make you deviate from your plan.

Third, don't check the price every minute. That will only stress you out and make you overreact to every little movement. Set some alerts or notifications for when the price reaches certain levels and then focus on other things in your life.

Fourth, learn from your mistakes but don't dwell on them. Every trader makes bad trades sometimes, but the important thing is to analyze what went wrong and how to avoid it in the future. Don't beat yourself up or give up on trading because of one bad trade.

Fifth, celebrate your wins but don't get cocky. Every trader makes good trades sometimes, but the important thing is to be humble and grateful for your profits. Don't think that you're a genius or invincible because of one good trade.

Options trading is like playing chess with a blindfold on while someone throws darts at your face.

You have to guess what moves your opponent will make and how they will affect the value of your pieces. Sometimes you get lucky and capture their queen, other times you lose your rook and end up in checkmate.

Options are contracts that give you the right to buy or sell an underlying asset at a certain price by a certain date. They can be used to hedge your risk, speculate on the market direction, or generate income from premiums.

But they also come with high fees, volatility, and complexity. You have to understand the Greeks (delta, gamma, theta, vega, rho), implied volatility, time decay, intrinsic and extrinsic value, and more.

And even if you do everything right, you can still lose money due to factors beyond your control such as market crashes, black swan events, or margin calls.

Trading options is not for the faint of heart or the inexperienced. It's a risky and rewarding game that requires skill, strategy, and luck.

If you are new to trading options, you might be wondering how to control your emotions when making decisions. Trading options can be exciting, rewarding, but also stressful and challenging. Emotions such as fear, greed, hope, and regret can cloud your judgment and affect your performance. Here are some tips on how to manage your emotions while trading options.

Create personal rules, Before you enter a trade, you should have a clear set of rules that guide your actions. These rules might include how much risk you are willing to take, what kind of market conditions you prefer, when to enter and exit a trade, and how to handle losses and profits. Having personal rules can help you stay disciplined and consistent.

Trade the right market conditions, Not every market situation is suitable for trading options. Some markets might be too volatile, too quiet, or too unpredictable for your strategy. Instead of forcing trades that don't fit your criteria, you should wait for the right opportunities to arise. This way, you can avoid unnecessary stress and frustration.

Lower your trade size, One of the main reasons why traders get emotional is because they risk too much money on a single trade. If you put a large portion of your capital at stake, you will feel more anxious and nervous about the outcome. To reduce this pressure, you should

lower your trade size and diversify your portfolio. This will help you cope with losses better and avoid overconfidence after wins.

Establish a trading plan and trading journal, A trading plan is a document that outlines your goals, strategies, risk management techniques, and performance indicators. A trading journal is a record of all your trades, including the reasons why you entered and exited them. Having a trading plan and a trading journal can help you control your emotions by keeping you focused on your objectives and allowing you to review your actions objectively.

Relax, Trading options can be mentally exhausting if you do it for long hours without breaks. To prevent burnout and emotional fatigue, you should take some time off from the markets regularly. You can also practice some relaxation techniques such as meditation or breathing exercises. These methods can help you calm down and clear your mind.

Trading options can be fun and profitable if you know how to control your emotions while doing it. Following these tips, you can learn to become more rational, confident & successful as an option trader.

You need to have a lot of skill & knowledge to make money in this game.

First of all, you need to understand what options are. Options are contracts that give you the right, but not the obligation, to buy or sell an

underlying asset at a specified price and time. Sounds simple enough, right? Wrong! Options have a lot of factors that affect their value, such as the price of the underlying asset, the volatility of the market, the time until expiration and the interest rate. These factors are called "the Greeks", because they are named after Greek letters like delta, gamma and theta. Don't ask me why they chose Greek letters; maybe they thought it would make them sound smarter.

Secondly, you need to have a strategy for trading options. There are many different strategies you can use depending on your risk appetite and market outlook. For example, if you think the price of an asset will go up in the future, you can buy a call option that gives you the right to buy it at a lower price later. If you think the price will go down in the future, you can buy a put option that gives you the right to sell it at a higher price later. You can also combine different options to create more complex strategies like spreads and straddles.

Thirdly, you need to have discipline and patience when trading options. Options trading is not for the faint-hearted or the greedy. You need to be able to handle losses and manage your emotions when things don't go your way. You also need to be able to wait for the right opportunities and exit your positions at the optimal time. Don't chase after every shiny object or follow every tip from some random guy on Reddit or Twitter.

Follow these basic principles and keep learning from your mistakes (*and trust me, there will be many*), then maybe one day you will become an options trading legend like Warren Buffett or Elon Musk (*or maybe not*).

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