

The Talking Trading Podcast

Did you know that Louise Bedford and Chris Tate run their own Talking Trading podcast? It features expert trading information and interviews to fuel your profits, squash your fears and drive you towards exceptional trading habits. Get an edge in the markets to propel you towards the success you deserve.



This transcript is from the following episode of Talking Trading:

<https://talkingtrading.com.au/trading-burnout/>

Trading Burnout – What’s that?

Interview with Chris Tate and Louise Bedford

on <https://www.talkingtrading.com.au/>

[00:00:04]

I'm watching my middle-aged friends lead their middle-aged lives while they're getting spectacularly devoured by burnout. Burnout is when your brain gets fried, your sleep gets interrupted, and you just can't think clearly. Even your appetite can be affected. And often you turn to vices that are both insidious and evil simply to get through the day. Usually people experiencing burnout also shut other people out.

[00:00:29]

If you've ever said to yourself, I can't trade another day, I can barely get out of bed, I'm so sick of all of this. I have to hide under the donor for a century or two. You may be suffering from burnout. Maybe you can relate. It's easy to take on too much.

[00:00:46]

Yes, we do need a bit of stress, but not too much, because you can overcook things, and then you can make a gruesome mistake or even give up altogether.

[00:00:56]

I'm Louise Bedford, bestselling author of four books on the Australian share market and director of tradinggame.com.au today, Chris Tate, my business partner, and I are going to discuss burnout, what it is, how to notice when you're suffering from it, and what you can do so that you don't collapse under the pressure. Welcome, Chris. Tell us a bit about your background. I'm Chris Tate. I'm the author of The Art of Trading.

[00:01:22]

And along with Louise, I share the dubious responsibility of tradinggame.com.au. I suppose my contribution to this discussion will come from not only as a trader and someone who's traded for several decades, but also someone who's been a high performance athlete and who has seen how burnout affects people in different walks of life. So let's define burnout. People toss the word around very, very casually, but what I mean it to mean is a complete meltdown, often physically, but definitely emotionally, where no light or joy can seep through the cracks. I'm telling you this because if you're beginning to suffer from it, you can stop its relentless move forward.

[00:02:10]

When you're in the middle of it, it's harder to recognize. Yes, we can tolerate a certain amount of stress as a trader, but when it's extreme, then we really can't handle it over the long term. Evolution didn't prepare us for that sort of stress. There isn't the fight or flight type of mechanism built into us for that. We're not built for trading and enduring stress over the long term.

[00:02:33]

So it's important that you recognize your signals before they really take you over. Chris, have you ever felt burnt out as a trader? I think anyone who's done any activity at a high level for any length of time has felt like tossing it all in and going and sitting on a towel on a des island at some stage. I think that's just a natural progression that everyone will experience at some stage. So the question is not only how is it recognized, but how is it dealt with when it occurs?

[00:03:05]

I actually trained a guy who was a Vietnam War veteran. He was an option trader, and he brought in this massive box of papers for me at one stage and he said, I don't even know what trades I'm in. And I said to him, oh, my goodness, because there was so much there. He was totally perplexed about where to even begin. And he told me that in the war that he fought in, that was less stress than the box that was sitting in front of him and what that was doing to his head.

[00:03:35]

Chris, what do you think the difference between burnout and depression is? The

interesting thing about burnout is that it didn't really appear in the literature until about 1974, and it's not actually a term that's officially recognized in any sort of handbook of mental illness. So whilst the two are related, they're not identical twins, and there are very distinct differences between the two. People who are burnt out still tend to be fairly vital and energetic. They're still able to enjoy things.

[00:04:05]

People suffering from depression lose joy in all activities of their life. People who are burnt out, they rarely lose weight and they very rarely report thoughts of suicide. Theirs is more of a feeling of being overwhelmed, and they have a more realistic feeling of guilt. If they feel guilty at all about what's occurring, any indecisiveness they have, they tend to attribute just to an overwhelming sense of fatigue or malaise. So it's important to be able to distinguish between the two.

[00:04:38]

Depression is a very, very serious medical condition, and it tends to be characterized by changes in appetite, sleep patterns, and most disturbingly suicidal tendencies. Individuals suffering from burnout rarely report those sorts of symptoms. Yeah, that is getting really serious when you're looking at that suicide threat for me as well. I think if your only goal is making money, then it's really easy to get burned out if you either achieve your objective or if you miss out on achieving your objective. You see, I think traders need more than just that money as a goal.

[00:05:17]

Whenever my goal is money, I know I've got a problem and I won't have the energy to drive through. My goals have to hit other hot buttons. I think that one of the things that I've worked on personally is my personal mission statement. And part of my personal mission statement has within it inspiring by leading by example, and that's very, very important to me. I think sometimes when we get away from those core values, it's quite easy to get burnt out.

[00:05:46]

I've personally been burned out a couple of times in my life. Most noticeably when I left my corporate job to become a full-time trader, my whole body shut down. I got promoted to a level in my career where I was flying all the time. The work was impossible to finish. I did not see any progress.

[00:06:04]

I was like some sort of hamster, but I couldn't run fast enough in that spinning wheel to get anywhere. And I think day traders end up with the same types of feelings. Everything happens in a compressed timeframe, and it really can send you batty. For me, my whole body objected to the pressure. My arm stopped working, and my whole life ground to a halt.

[00:06:27]

Chris, do you think that burnout is inevitable for traders? I think absolutely. Without some form of a structured system of relief, it is inevitable. And the thing

I'll relate it to is the notion of playing sport. One of the joys of playing sport is that if you begin to fatigue during a season or you begin to burn out, you know that the season ends with trading.

[00:06:53]

The season never ends because markets now are open virtually around the clock every day of the year. And so without some form of careful break, careful planning, you're going to be caught on the same treadmill as everybody else. And the issue with trading is that you can't continue to perform at the same level every day. There will be days when you are fatigued, when you're tired. So eventually in your activities, you do actually begin to slow down a plateau.

[00:07:28]

This is where the need for some form of break comes in, some form of stepping back. One of the problems I think traders face is that they're very egocentric. You have to be egocentric to think that you can actually win at this game. But part of that sort of psychology is the belief that the market can't exist without you. Unfortunately for everybody who's rather fragile egos, the market will go on without you.

[00:08:00]

There will be opportunities that occur without you, trends that occur without you. Profits will be made without you. People will be ruined without you. Your participation is not essential to the market, but your removal from the market at various stages is actually essential for your own. Wellbeing, you need some form of rest and recuperation.

[00:08:21]

Otherwise you do simply grind yourself into dust. It's so true. I do remember there's another trader that both of you and I are friends with, and he said to me way back when, he said, so, when have you taken a break from the markets? And I looked at him like, what do you mean? Because I'd been trading at that stage continuously for about twelve years, and I'd never even taken a holiday from the market.

[00:08:43]

And it was almost like I could not comprehend the question. It was very perplexing. I think one of the unfortunate parts about being a human is that you have to test boundaries. You have to work out what level of stress you can handle and work out what level of anxiety that you can take. You're not going to know the answers to these questions until you're tested yourself.

[00:09:07]

When you're going through stress, you get sucked into its world and you can barely recognize what's important to you. I personally don't work well if I don't have some time to reflect and ask myself some deep questions. Some of the deep questions that I like to ask is, what in the hell do you think you're doing? Or is this really worth the outcome? They're very empowering questions, and for me, sleep

is really important.

[00:09:36]

I can't trade all night and function all day. I need time out. And Chris, what about spouse issues? Sometimes spouses can make their expectations about you working, make it seem like you're doing no work if you're gazing out the window and contemplating your next trade. I think fire gazing has become something that people equate with laziness now.

[00:10:01]

Somewhere a contemplative trader is being stared at right now by their spouse and they're staring daggers at them. And that spouse is thinking that that trader should be working. What would your advice in this situation be, Chris? I think in some ways this is actually the fault of the trader since they've not adequately communicated to their spouse what they're actually doing. When you're a trader, you feel like it's you against the world.

[00:10:29]

You feel like a sole practitioner, you're the only person there, but you're not actually, you're part of a unit. And part of your job is to communicate that to other people within your unit. If you lack sufficient respect for them to communicate that to them, and to explain what you're doing, then this is really reflective of your own problems and your own issues. It may be that you don't actually know what you're doing. You're actually winging it and you can't actually communicate this.

[00:11:00]

It's very hard to tell somebody you have no idea what you are doing and you're just making it up as you go along. Or you simply lack sufficient respect for them to involve them in the decision-making and explain to them what is happening so they understand what your work ethic and what your work mantra is. It's a good point, actually. I think men struggle with this with their female counterparts because some guys feel that they have to protect their women from the realities of earning money, but they don't realize that their women actually do want to know. They want to know what that bloke is facing, if they are the breadwinner, if they're the trader at the household.

[00:11:40]

And I think that setting expectations is extremely important. So let's go through some of the physiological symptoms of stress. Chris, maybe you could, from your research, give us some of the specific stress warning signs and symptoms. I think one of the things we have to be a little bit careful with looking at stress and it's various symptoms, is that we don't have this great plethora of things, much like late infomercial in the US. Which says that if you suffer from any one of the following 812 symptoms, you need our pill.

[00:12:16]

I've seen that everybody's going to suffer from something on that list the symptoms. Of stress that people look for are actually quite precise, and they

include things like memory problems in ability to concentrate, poor judgment. People tend to only see the negative in terms of physical symptoms. People tend to report an increase in aches and pains, any form of GI, upset, dizziness, nausea, chest pain, rapid heartbeat. But the one I would come back to as the prime precursor is simply memory problems.

[00:12:55]

And this is in many ways reported as a cognitive symptom, but it's actually an outgrowth of a physiological symptom. When you're under stress, it is functionally impossible for your short-term memory to work effectively. Simply, the biochemistry of your brain prevents this from occurring. So if it's a working memory issue, isn't it? It is.

[00:13:18]

You simply can't take it in. You simply can't get, effectively, the brain's ram to work simply because of the chemicals you're being flooded with. So if this is an experience of yours, along with things like agitation, feeling overwhelmed and a sense of isolation, then you do actually probably have many of the markers that would indicate that you're under distress. I think we need to make a delineation here. Stress is not a bad thing in and of itself.

[00:13:55]

Stress causes people to perform at their best in many situations. If you've ever performed in any form of sport or on stage, stress is an energizing experience. It is something that switches you on to perform. Distress is completely opposite. You're simply being overwhelmed by what's occurring and you can either cope emotionally, psychologically or physiologically.

[00:14:26]

I think one of the things that you mentioned that you just touched on there is a good one to bring out isolation. Often when you're in a burnout situation, you don't have energy to hear about other people's problems. You think the world is against you and doesn't understand you. And you think that no one has ever been through what you're going through right now. I think some of our traders that have been through a burnout situation, one of their key symptoms is when they walk in the door and the kids are clambering all over them and they're looking for attention.

[00:15:00]

They just think, oh, my goodness, I just want some time alone. I don't really want to talk to my children. And that can be a warning sign. One of the other things I think people experience when they are getting burnt out is that you can feel that your sense of identity is being threatened. Sometimes when we get to the top of the tree, the view is not what we expected.

[00:15:24]

We failed to set a new goal. We don't give ourselves credit for how far we've come now. I've actually just finished a book that Chris Tate loaned me and Chris tell everybody about Chris Tate because I think that this is something that astronauts

do face as well. The book Louise is talking about is An Astronaut's Guide to Life on Earth. Chris Hadfield who is a Canadian astronaut who has gained some no small measure of fame courtesy of his broadcasts from the International Space Station.

[00:15:56]

Now, in terms of Hadfield's background, he is a quintessential overachiever. At the age of nine he decided that he was going to be an astronaut. And his mother effectively said to him, well, that's all well and good, but bad luck on account of we live in rural Canada and no Canadians ever been an astronaut. And Hatfield Ben set out the steps that he was going to undertake to become an astronaut. He became a fighter pilot.

[00:16:24]

He undertook a degree in mechanical engineering. He became a test pilot. So he had process and ideas as to how to do it. But one of the things he mentions in his book is that astronauts reach a pinnacle in their career. And their pinnacle is that they become an astronaut.

[00:16:44]

They travel in space, they then come back down to Earth and they're left with a sense of emptiness because there is now nothing else. Their single life aim has been fulfilled. How do you trust that they have nothing left? They have nothing to go on with. Hatfield found that he could defeat this problem simply by taking joy in all the things that he did in his daily life.

[00:17:15]

He relates one story in his book where one of the proudest achievements he undertook in a particular year was building a deck with his neighbor. And that was one of the crowning achievements of that year. This was despite being what was referred to as Capcom. Capcom is the individual at mission control who relays messages to astronauts on the space shuttle and the International Space Station. It's an enormously important position and it was before his last trip into space.

[00:17:46]

But he took joy in all the little things he did, all the little achievements that were completely distinct and different from his life as an astronaut. And one of the things he mentions is that your time being an astronaut is actually very fleeting. You're in space for such short periods of time, but you train for decades. And he said one of the major problems he noticed was that after the last space shuttle accident when the shuttle was grounded, there were large numbers of astronauts who were well qualified to go into space and had spent their entire lives training for this event. But they couldn't now go.

[00:18:26]

And they couldn't now go for a simple reason. They were too tall to travel on the Russian spaceship that now carried astronauts to the International Space Station. So their professional career in life was ruined by simple quirk of their own height. And he watched how they struggled and the difficulties they had. And he said to

himself he never wanted to be one of those astronauts who simply spent their life sitting on the porch looking back at what they were, not what they were doing.

[00:19:00]

And what they were about to do with their lives. The other part that I just loved about that book is he talks so much about over preparation. Everything that he did, it was just so overpreparation oriented, like he was going to an Elton John concert and he had a chance to meet Elton John and he prepared because he could play the guitar. He actually prepared the guitar track as well as singing Rocketman because he thought, just on the off chance, now that Elton John knows that I'm an astronaut, maybe he'll pull me up on stage and we'll sing together. And which song would he want to sing with me?

[00:19:36]

He'd probably want to sing Rocket Man. Now, the interesting thing is that Chris had never got a chance to sing on stage because Elton John didn't do that, but he was ready and I just love that. Another thing that is a symptom of burnout and something to detect in your own behavior is that often we'll turn to vices. Now, I always think I do need more good vices because I simply do not have enough. But there are subversive vices that some of them seem like fun to begin with, but they can have a negative effect.

[00:20:08]

There's sleep, sex, drugs, alcohol, all the good parts of life. And when we're trying to quiet that frantic voice in our minds, often we'll take an illicit substance and we'll get like a positive feedback loop that is created and we'll crave more of that substance to get the same buzz. One of Chris and my friends is an orthopedic surgeon and he said the reason why people drink is to quite undoubt their voice, their inner voice. And I think that is quite a valid thought there. The other part about burnout is that we become very susceptible to the straw that broke the camels back.

[00:20:49]

You know, when people say it's just stress, they're woefully underestimating the situation. Stress can kill you. This is serious stuff. This can totally end your life prematurely. And if you're noticing that things are going well and you add it on all of these plates and you're spinning them, spinning them, spinning them, but then one extra thing happens and you just lose the whole lot.

[00:21:16]

That can be a precursor to burnout. Something else to keep in the back of your mind is that if you feel guilty for having downtime and sitting down and just thinking or going on a little mini sabbatical, that can be a problem. You know, we live in such a plugged in worlds now. We can't get away from technology. It's everywhere.

[00:21:40]

It even follows us on our phone. Often that means that we don't have time to just

unwind and just get away from everything and just be with ourselves. And it does sound Zen, but it is something to be aware of if you're constantly feeling guilty because you're thinking, oh, no, I could just do with a few hours off and you feel bad about that, then that can be a concern. Another concept that I think I've learned from my traders in the Mentor program is that when they're on the brink of burning out, they find that victories seem very hollow and quite meaningless. That's a real problem because if you're forgetting to pat yourself on the back, you don't create that endorphin feedback loop where you've done well and you feel good, therefore you want to do well again.

[00:22:31]

It's a very chemical oriented concept, but it is actually very specific. And if you're finding that your accomplishments don't feel you with joy anymore, you're probably on the brink of burnout. Another one that I think is an interesting one, because it is a little bit counterintuitive, is that sometimes you think you're being productive, but you're not, and you're just spinning your wheels. One of the things that I find that I value with you, Chris, is that I'll come up with 500 ideas being like more of a natural optimist. And then because, Chris, you're not that natural optimist, I think you're more of a realist, perhaps even sometimes a pessimist.

[00:23:14]

You weed down those ideas and you find, say, the top five that you feel I should be focusing on. And that is a really good thing, I find sometimes when I'm not working as closely with you, because there's been some times where for months you've been doing something else and we haven't been working as closely. I am spinning my wheels. I'm doing more and more and more, and I'm not achieving the same results. It's interesting how that works.

[00:23:39]

What do you think of that, Chris? I think that this comes back to the isolation issue of traders, in that traders tend to isolate themselves. And one of the advantages we found in the Mentor program is that isolation disappears naturally because you're surrounded by, like-minded, people. Being isolated in any environment, be it social work, emotional, is very debilitating for people. We are herd animals.

[00:24:14]

We rely upon others. Without the sort of consort and advice of others, we begin to struggle. It very much is the notion that no man is an island. And the unfortunate thing with trading is that you actually do it by yourself, because you have to. It's your money.

[00:24:38]

You have to make the decisions. You can't engage any form of group think, but that doesn't mean that you can't meet up with people and go, dear God, you won't imagine what I did today because someone else will go, you reckon that was stupid? The thing about traders is everybody thinks they're doing everything for the first time. Nobody is Robinson Crusoe. Everybody has made every mistake you've made before.

[00:25:01]

And so it's a well worn path. And without understanding that you tend to isolate yourselves from others. However, I would put in a caveat here, and the caveat is Internet forums. Internet forums, by and large, are full of dickheads they're full of people who really should have been drowned at birth, but unfortunately, they're still with us. You will not get the support you need from that sort of environment.

[00:25:32]

You actually need to sit down with people over a beer and talk about things, not type things on a screen, because it lacks that reality that face to face communication has. It lacks that empathy and understanding. They have shown, though, in terms of a higher functioning person in a smaller group of some sort of barrier to entry, like some sort of gate jump over that's where you can have a good mastermind online. So the lady who wrote Susan Kane, her name was the lady who wrote the book called Quiet, she actually investigated that because I think it has given the ability for introverts to be able to express their views. But the only time that it was considered to be productive was if people paid their way into a smaller group or had to jump over some sort of barrier.

[00:26:24]

So it's interesting to see how General Forums tend not to bring out the best in people. Now, what I want to do is to talk about what we can do if we're in the middle of a burnout crisis. You see, you might be listening to this, you might have recognized quite a few of these symptoms. And I do think that it's something that you need to consider early, if you possibly can. So I want to talk about some of the solutions that we can offer you based on our research.

[00:27:00]

We've got a combined 50 years of trading experience, but also I've got a psychology degree and Chris has worked with elite athletes and has been an elite athlete himself. So I've made a list of six points and I think that I'd like to run through those, but then I want Chris's input. Firstly, one of the things that I've found that has really helped me is to make a list. Now, it can be a list that will involve get out of bed, tick it off, clean teeth, tick it off, drive to cafe, tick it off, do a list where you're putting down even the infinitesimal details that you can actually tick off and feel good that you've accomplished something. I do think that there are two forms of the way people think about their lives.

[00:27:46]

We are either stagnating or we are in progress. And if we feel that we're stagnating as a person, it can be very, very difficult. It can actually strip you out of all possible positive feelings. So if you're making progress, even if it's ticking off things on a list, that can really help, number two is to set a little goal, be accountable, and then remember to give yourself a pat on the back. Now, if you don't have somebody that you can share your goal with, I suggest you find somebody.

[00:28:18]

Find a friend, ask them to check on you in relation to that goal. It can even be that they diarise it in their Google Calendar, and that way they can say, hey, on the 21st, you told me that you will have done this by then. Have you done it? Now, if you work out with a friend at the gym, you'll know how much easier it is to actually get up out of bed and to get yourself to the gym if you think that you're going to let your friend down. This concept is very, very similar.

[00:28:52]

The third concept is, if you need it, seek help from a psychologist. Now, I know it can be a hard step to admit that you do need help and to seek a higher authority to be able to help you through, but I can tell you it will shortcut your progress. It will just make you feel that you've got somebody else that understands it and that will give you specific strategies based on your personal situations. Number four, and this is something that I've really been very aware of, is to chase your personal energy. Think about what brings you energy in your life.

[00:29:28]

When do you work best, morning or night? When do you get your kicks? What gives you a thrill? Now, before we started, Chris Tate and I started talkingtrading.com.au with Caroline Steven, who's our financial journalist. A friend of mine noticed that I was at a low Ebb, and he said to me, look, you know what you need to do.

[00:29:49]

Your typical way of being able to get yourself out of a funk is to take your eyes off yourself and put them on other people and find something that you can do to assist other people. And frankly, that was the beginning of talkingtrading.com.au. By thinking about other people's needs rather than just my own, that gives me energy. So work out what your hot button is and chase that personal energy for yourself. The fifth point is to allow yourself time to recover.

[00:30:20]

Do you know, often we'll see traders in the middle of a burnout crisis. They force themselves back into the fray and they say, all right, I was trading hourly FX charts, and I will just push on through, even though I'm feeling like crud and I've got all these vices that I'm turning to and that I'm feeling isolated. And they push themselves beyond that which a human should be able to cope with, I think. Give yourself some time to recover, because if you don't, you might find that you exacerbate this situation right into a depression. Number six is find an unreasonable friend.

[00:31:00]

Now, Chris Tate and I have said a lot of times on our catchups that it's interesting that our true friends, our real friends, we can count on one hand. It's the type of person who you know will be with you through thick and thin, you know that they'll be there even if you're having a funk, and they'll. Give you specific suggestions, and they won't let you worry. That's a really important tool. And if you don't have

an unreasonable friend, it's about time you search for one, find somebody and set the expectations up from a very early stage in the friendship and the relationship.

[00:31:38]

Now, Chris, you've got a big background with athletes. I'd really like to hear from you about the lessons that we can learn from athletes to be able to help ourselves get through burnout. I think before talking in depth about athletes, I want to return momentarily to the notion of symptoms of burnout. And this is two things I noticed when I was competing at a high level. There is a statement in athletics of any sort of any sport that rather dogmatically, says there's no such thing as overtraining there's, just under recovery.

[00:32:14]

And it's a little bit harsh, but there is a kernel of truth in it. And in terms of noticing burnout, there are two metrics you can observe as a trader, which we used to observe as athletes, and they're very, very simple, and modern technology makes them so much simpler than they used to be. In my days of writing things down on the slate after we got out of the arc, the two issues are first, problems with sleep. There are innumerable little trackers now that will track your sleep patterns. My wife has a thing called a fitbit that you snap over your wrist that tracks your sleeping patterns.

[00:32:56]

As we said, one of the symptoms of burnout is problems with the quality of sleep. And if you can begin to track that and see what the metrics are, then you begin to get a sense of tracking your own emotional equity of where you are psychologically. The second thing we used to track was resting heart rate on waking. That used to be done the old-fashioned way of grabbing yourself on the wrist, getting a watch and counting. Now, with smartphones, you can simply download an app, put your thumb on it, and away you go.

[00:33:35]

This comes back to the notion that trading is a high-performance endeavor. Therefore, you actually need metrics. These metrics extend beyond what your metrics for trading are. They can be about yourself, about your own performance, because you're the most important unit in the machinery of trading. And if you break, everything breaks.

[00:34:00]

But when we look at burnout in athletes, it is actually functionally identical to any other walk of life. But there are some differences. If you're competing in a sport at a sufficiently high level to be feeling burnout, then you have an advantage. And that advantage is you are surrounded by others. There are other people around you who can guide and assist you.

[00:34:29]

As a trader, that doesn't happen. You can get to a very high level of productivity and profitability, but still have no one around you. As an athlete, you have this

advantage. You also know as an athlete that your season comes to an end. There is an endpoint.

[00:34:48]

Competitive seasons really only go no longer than six months. Trading goes for twelve months. It also goes for 24 hours a day, probably six and a half days a week now. So there is no downtime, there is no getting away from what's occurring. As an athlete, you build up to a competitive season.

[00:35:09]

You have your competitive season, then you wind down. So everything you do is structured by a calendar so you can actually see what's occurring and you can make it through to the end of the season. We don't have that luxury as traders. So this becomes a discipline issue. You need to force yourself to break at some point in the year.

[00:35:31]

Living in Melbourne, I can see no reason why people would spend July in Melbourne. I get out. I don't understand why you would do that. It's too cold, it's hard. So you have a natural excuse to get on a plane and bugger off to Hawaii for four weeks or anywhere else.

[00:35:52]

And whilst you're there, you don't take anything with you. Because, as I said before, the market will get by without you and it will still be there when you get back. But the basic aspect of burnout in athletes is the same as traders. You get this chronic physical and emotional exhaustion and you have no sense of accomplishment. I used to find that the moment I lost joy in actually training as opposed to competing, then I was beginning to struggle.

[00:36:24]

I was effectively engaging under recovery. I wasn't giving myself any form of break. And the love of what you're doing just disappears and you begin to dread it. And as you begin to dread it, things hurt more, you're slower, you're more prone to make mistakes. I think dread is something that people underestimate as well.

[00:36:44]

Because if you really do have a sense of dread, listen to what you are dreading something that you can get over and done with, like your taxes. Get it done or delegate it, if possible. But that sense of dread, people just don't listen to that internal concern of theirs and they push on through. People who compete at high levels and high level traders have the same personality types. We exist in the same universe.

[00:37:10]

You want to be the best that you can, and this is going to sound somewhat arrogant and egotistical, but you don't want to be like everybody else, because by nature, everybody else is ordinary. The unfortunate thing about that is that you're

primed in some ways to be selfdestructive, where you just push through injury, illness, aches, pains. It's the same with trading. You'll push through collapsing interpersonal relationships, you'll push through destroying your bank account, you'll push through driving yourself to the brink of giving up, because that's simply the personality type that you are. It's true.

[00:37:53]

I actually think traders have to be quite careful about what they take on because often the thing that they take on, they want to be the best at. So if they take on too many things, they're spreading themselves too thin. But the interesting thing is that just as traders will terminate their careers early, so too will athletes. There was some very good research done in 2008 and Sweden that looked at burnout in athletes, people who had given up their careers early when they had no need to. And it's very much this notion of snatching defeat from the jaws of victory.

[00:38:28]

You're almost there, but something breaks. And what the athletes reported was severe and profound physical fatigue and mental fatigue. And they reported that the notion of being a 24-hours-a-day athlete who were living and breathing their sport along with external obligations were simply too much. Now, that sounds profoundly familiar to traders who live as 24 hours a day traders. And these people progressively lost their motivation for the sport.

[00:39:00]

And it left them unable to train. And they only performed because they thought they were a circus animal. And they had to. They weren't performing for the joy of it. The thing about all athletes is that we would all do the same thing even if there was no money involved.

[00:39:18]

It's not done for the money, it's done for the game. And so once that disappears, external motivations don't work. And it's similar to traders. External motivations cease to work because you're doing this for yourself. There's no other reason as to why you don't take being a trader.

[00:39:37]

It is simply very, very hard. And so without that internal motivation, you begin to struggle. But as I mentioned, athletes got over their burnout issues in ways that are slightly different to what traders have access to. And this is, again, a function of being in a slightly different environment. Athletes, by and large, have very strong support networks.

[00:40:01]

We used to have coaches, museums, psychologists, God knows what, people hanging around and they could spot and see difficulty and would act upon those difficulties. Traders don't have that. We are very much Johnny on the spot. So, as Louise said, you have to surround yourself with a network which includes an unreasonable friend because a coach is an unreasonable friend. Many of my

coaches I would not consider friends.

[00:40:24]

They were some of the biggest assholes I'd ever met. To quote from a book I once read which was written by an Australian member of the Special Air Service in Vietnam when he was doing his basic training. He described the people who took him through his basic training as a greater shower of pricks he had never encountered. And coaches are supposed to be like that. Your unreasonable friend is supposed to be like that.

[00:40:51]

Athletes also are primed to have a sense of control that is brought back to them because it's simply the environment trading because of its isolation and you're competing against or you have the view you're competing against the market leaves you feeling overwhelmed and lacking in any form of control. But what they found with athletes is that people who are optimistic tend to be inoculated against stress, and athletes, by and large, are optimistic. Otherwise you wouldn't do it. There was certainly no reason I would ever give you the ring. Not feeling optimistic?

[00:41:33]

Tell people about your sporting background because they're wondering what sports you're talking about. I began, okay, many, many, many years ago as a very, very young teenager. I once wandered into the Forum Cinema, and I watched a very well cut Chinese gentleman called Bruce Lee beat the living crap out of people. And I thought that was fabulous. So for the next decade and a bit, I was heavily involved in taekwondo and competed at a national and international level.

[00:42:05]

And even today, I still hit the pads twice a week because it's simply a form of stress relief. But at the same time, I played district rugby, I swam for the state, did all those sorts of things that people who have too much time on their hands tend to do. And so in many ways, that gave me an ability to be inoculated against the stress of trading, because trading is not stressful. Having a career and try and kick your head off is stressful. Trading is really quite simple in many respects.

[00:42:36]

And as I said, you've got this support network. You've got all these people around you. I was always a member of a club or a team, and so it was shared experience. Traders don't have a shared history because you're doing your own trades. You're not doing someone else's.

[00:42:56]

This may be different if you work for a proprietary trading firm or a fund of some sort, but as the archetypal individual trader, you're out there on the spot by yourself. As an athlete, you're not. You're surrounded by people, which in some ways is a good thing. But as we found lately with modern athletes, it's a very, very bad thing, because some of them, when they finish their sports, don't even know

how to register their cars. They don't know how to get the phone put on.

[00:43:29]

They're unable to deal with any form of rejection. Their life skills are just nonexistent. They have no life skills. Having thrown many an AFL footballer out of a pub when I worked as a bouncer, I can tell you that their life skills match their intellect, and their intellect was at the level of a sponge. So in terms of athletes, we share some of the same things.

[00:44:00]

But athletes have an advantage, and you need to seek out what that advantage is. And the advantage is in having others around you. It is that shared experience and the ability to retain a sense of control. And you can get your sense of control back simply by saying, I'm not going to trade anymore. For a period of time I'm going on holiday, I'm going to sit on the beach somewhere, I'm going to drink out of coconut, I'm going to do all of these things.

[00:44:26]

The market will be there when I get back. So it's drawing from one field and applying it to another so that you can actually get the best out of both. So really, either you're going to shut down that stress or your body will shut it down for you. I believe that everybody has a stress tank and it's a different size for each person. So you really have to self select when it comes to choosing the right occupation for you.

[00:45:00]

You can always handle things if you know that they're going to end. But trading is not like that. It's ambiguous. It's a grind. And that's why we have to be super careful about how much stress we allow into our lives through the trader screen.

[00:45:11]

If you don't get the balance right, you'll keep chasing the dollars and you'll forget to spend time with your children and those that you love. All of the top traders that I know are not just money motivated past the point of looking after their family and some creature comforts. Something else is driving them to achieve. If it's just money, it's a hollow victory. One of the things that I've found that's helped with my own stress levels as a trader is once a month I make sure I get a massage.

[00:45:41]

Now, I know it just sounds like, oh, how lovely. How do you think that I'm going to fit that into my life? Because I'm so busy. Do you know what? I'm busy too.

[00:45:49]

And Chris, you do this as well, don't you? So it's not just for the ladies, it's for the blokes. Sometimes I might even get my nails done. Chris, I think another thing that you do very well is that you manage to dissipate stress through hitting people and through gym work. I think that that is a typically male type of way of handling things, but you've got me into lifting weights as well.

[00:46:16]

Is there any specific things that you'd like to give us advice in relation to this? One of the things that's always intrigued me about exercise as a health modality is that recently the American Psychological Society bemoaned the fact that it's well known the psychological and emotional benefits of exercise. But there are actually very, very few practicing psychologists who recommend exercise as a therapeutic treatment. And I find that without particularly my twice a week pad sessions, that I start to come apart at the seams. But because I hit the pad so early in the morning, what it forces me to do is to not look at the computer as the first thing I do.

[00:47:07]

The first thing I do in the morning is get up, have a cup of tea, wrap my hands, get in the car and go. So I'm divorced from this constant need to be attentive to what's happening. So I get a psychological break. I also get the health benefit of doing it, of doing something different, of being physically active. And one of the best activities I could ever prescribe to anybody, and yes, I am biased towards combat sports, is that you find somebody who can teach you how to hit the pads.

[00:47:41]

And I don't recommend one of these \$15 an hour peanuts that pass themselves off as personal trainers in most commercial gyms. You can go now to long established boxing clubs, and they will welcome anybody in, particularly women, because it is not only a physical skill, it's a cognitive skill. Trying to hit something in combination whilst fatigue is enormously taxing. And it's very, very difficult. And for 30 minutes, 45 minutes, an hour, you're effectively having a series of Zen moments where you are nowhere else but where you are.

[00:48:21]

You're not thinking about anything else, you're not thinking about your positions, you're not thinking about what the Dow did. You're simply trying to perform the activity you're undertaking as best you possibly can. The same is true of weightlifting if you're doing weightlifting properly. And I'm not talking about lifting the foo foo silver weights that most men lift. I'm talking about lifting seriously.

[00:48:44]

You cannot do that unless you're in the moment, because you will get hurt. And as someone who recently dropped a barbell with a considerable amount of weight on themselves, I can attest to the fact that a lack of attention does actually breed injury. It sure does. My gosh, you did yourself beauty with that time, too. How much did you have on there?

[00:49:07]

120 kilos? 130. Oh, my goodness. So you're forced to be in the moment. So you need these breaks, you need these things to do.

[00:49:17]

And if they have a cognitive load to them, all the better. I think the other thing to consider that each time where you hover somewhere over the stress to burn out continuum, you get closer to knowing what you do best. You can flirt with the pressure and then go into it and then back away from it, because the second time you experience it, you recognize it and you know how far you can push yourself. I think our culture frowns on naps and daydreaming, but I know that that's also what I need to replenish. I need the physical side, I need the let's burn some energy side, but I also need the very much relaxed side, which is part of the massages and part of just looking out a window and looking at a tree.

[00:50:01]

You know, sometimes I'll just imagine that I'm a leaf on a tree and I'm looking to see what that leaf can see, like a meditation type of concept. Chris, any last words? I think we need to come back to the notion that when you do anything properly and you're striving to do something better every day, there will be moments of stress, but stress is not distress. And hopefully part of what we've spoken about is enabling you to see the difference between the two and to understand that there are things you can pay attention to. There are metrics you can measure that will show whether you are distressed.

[00:50:46]

And dealing with burnout can have some very, very simple solutions, one of which is simply stepping away. Just leave something alone. So it's important to note that if you will feel stressed as a trader at times, but that's not an excuse to drop your bundle. What we're talking about is the notion of distress of your world coming apart, of everything coming unfrayed, both emotionally, psychologically, cognitively, physically, and that's the issue that we've been addressing and attempting to give you solutions too. My solutions are slightly different to Louise's because I feel the need to burn energy at a great rate.

[00:51:40]

And being a bloke, I have too much testosterone in my brain. So I like to hit things, I like to pick things up. I like to be very physically engaged. So each of you will have to find those individual, idiosyncratic things that work for you. Just as each trading system is idiosyncratic, everybody's response to their own distress should be idiosyncratic and reflect what they need from life.

[00:52:12]

I guess most people have two speeds today fast as hell and collapsed. And if that's the only two speeds that you know, you're not being fully productive. If you're on the brink of burning out, recognize it and pull back. Use some of the techniques we've discussed in this recording and not only will you live to trade another day, you'll also enjoy it so much more as well.

[00:52:49]

It's our goal to help you focus on the intricacies of trading so that we can fill your profits. You're going to love what we've got in store for you. So until we chat again, happy trading.