

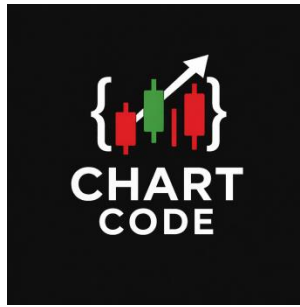


CHART CODE ACADEMY

Decode The Market Code

Fear & Greed

The Two Emotions Destroying Your Trades

How fear and greed destroy trading accounts, and the **practical techniques** that build the **mental discipline** behind consistent results.

A FREE STUDY RESOURCE BY CHART CODE

Chart Code Academy — Stock Market Training Institute

Deepak Kevadia — Founder & Mentor, BSE NISM Certified

Boisar · Palghar · Maharashtra, India

www.chartcode.in | +91-95121 00588 | chartcode.in@gmail.com

TRADING PSYCHOLOGY

Fear & Greed: The Two Emotions Destroying Your Trades

Why Psychology Is the Hardest Part of Trading

Most traders spend months studying chart patterns, indicators, and strategies — and then lose money because of their emotions, not their analysis. This is one of the most important and under-discussed truths in trading: **your mindset is your most important trading tool.**

In a 2021 study of retail traders, over 70% of losses were attributed not to bad strategy, but to poor execution driven by emotional decision-making. The two emotions responsible for most of this damage are **fear** and **greed**.

Understanding Fear in Trading

Fear manifests in several ways in a trader's day:

- **Fear of losing** — Causes traders to exit winning trades too early, cutting profits short.
- **Fear of missing out (FOMO)** — Causes traders to enter trades late, chasing price after the ideal entry has already passed.
- **Fear after a loss** — Causes traders to become hesitant and miss the next valid setup because they are still affected by the previous loss.
- **Fear of being wrong** — Causes traders to hold losing trades far too long, hoping the market will turn, refusing to accept a stop-loss.

THE HARD TRUTH

Every single losing trade you have ever held too long was an act of fear — fear of accepting you were wrong. Cutting losses quickly is not weakness; it is professional discipline.

Understanding Greed in Trading

Greed is equally destructive but often feels like confidence in the moment:

- **Overtrading** — Taking too many trades to "make more money," resulting in poor-quality setups and increased transaction costs.
- **Moving targets** — When a trade is working well, greed causes traders to keep extending their target, only to watch the trade reverse and give back all profits.
- **Over-leveraging** — Taking positions far too large relative to account size because of the desire for big gains, leading to catastrophic losses when wrong.

- **Revenge trading** — After a loss, taking an impulsive, oversized trade to "win back" the money immediately. This almost always results in a second, larger loss.

5 Practical Techniques to Control Emotions

1. Trade with a Written Plan

Before the market opens, write down: your watchlist, entry conditions, stop-loss level, and target. If a trade does not meet all your pre-defined criteria, you do not take it. A written plan removes in-the-moment emotional decisions.

2. Use a Hard Stop-Loss — Always

Place your stop-loss the moment you enter a trade. Not a mental stop — an actual order in the system. This removes the emotional choice of "should I exit now or wait a little longer?" The market decides, not your fear.

3. Define Your Maximum Daily Loss

Set a daily loss limit (e.g., 1.5% of your account). If you hit that limit, you stop trading for the day — no exceptions. This prevents revenge trading spirals that can wipe out a week's profits in a single afternoon.

4. Keep a Trading Journal

After every trade, write down: your entry reason, exit reason, and — most importantly — your emotional state. Over time, you will see patterns: "I always overtrade on Monday mornings" or "I always exit too early when I'm nervous." Awareness is the first step to change.

5. Reduce Position Size During Losing Streaks

When you are in a losing streak, your emotional state is compromised. Cut your position size in half. This gives you time to rebuild confidence without the pressure of large losses, while keeping you active in the market.

REMEMBER

Professional traders do not have better strategies than most retail traders. They have better emotional discipline. A mediocre strategy executed with perfect discipline will always outperform a great strategy executed emotionally.

Building Long-Term Mental Resilience

Trading psychology is not something you fix in a week. It is a continuous practice. The most successful traders treat every trading session as a performance — like an athlete preparing for competition. They review their performance, identify emotional leakage, and continuously refine their mental approach.

At Chart Code, we dedicate an entire module of our Advanced Trading Course to psychology — because no amount of technical knowledge will save a trader who cannot manage their own mind. Controlling emotions like fear and greed is essential for consistent trading success. With the right mentorship and structured **trading classes in Palghar**, you can develop discipline and a winning mindset. Chart Code focuses not just on strategies but also on building strong trading psychology.

Get in Touch

Trading psychology is taught as a full module of the Advanced Trading Course at Chart Code, offline in Boisar or live online anywhere in India. Have a question? Our certified trainer personally responds to every query.

CHART CODE ACADEMY

Website: www.chartcode.in

WhatsApp / Phone: +91-95121 00588

Email: chartcode.in@gmail.com

In person: Boisar, Palghar, Maharashtra 401501

Online: live sessions from anywhere in India

© 2026 Chart Code Academy. Educational content only, not investment advice.