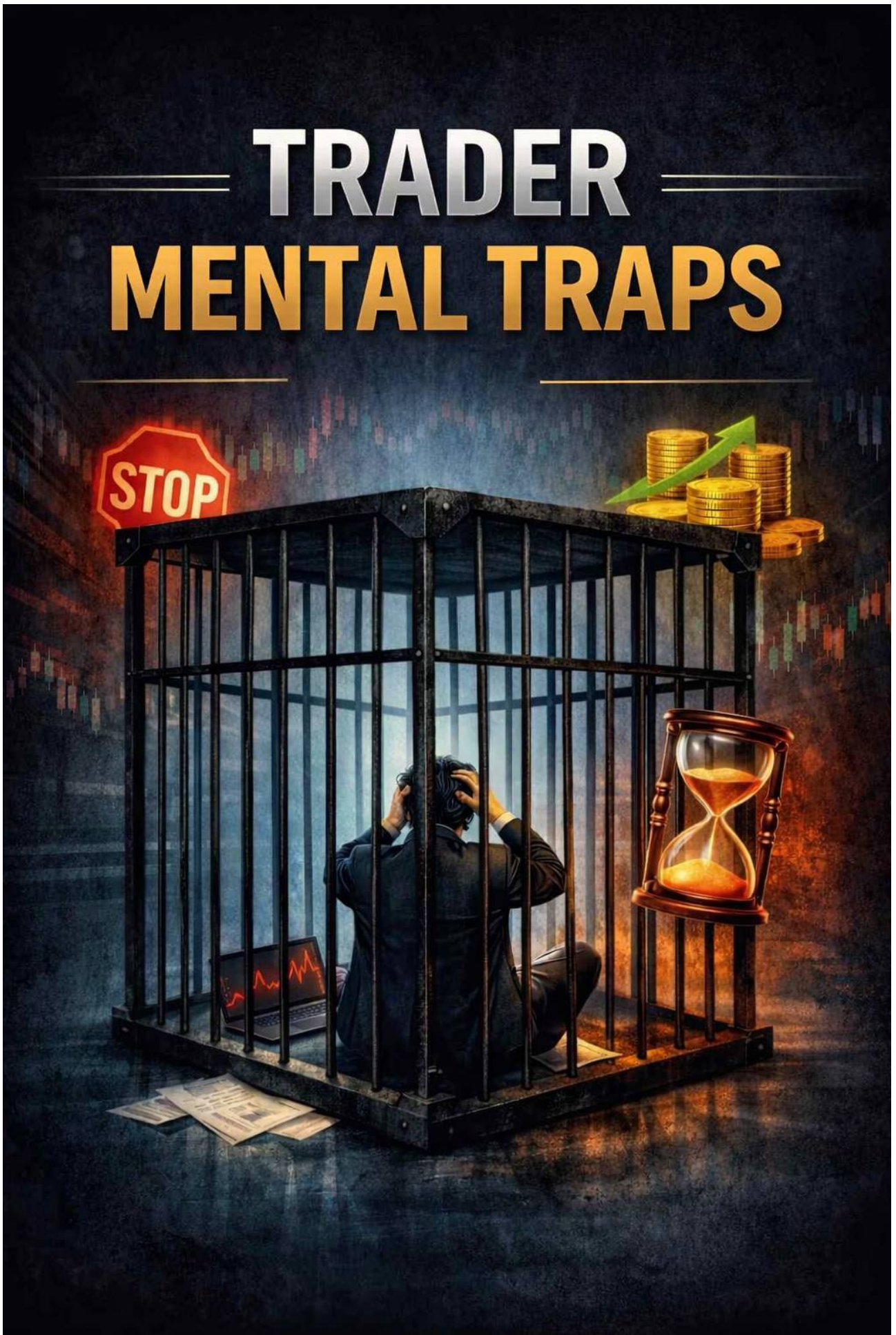


TRADER

MENTAL TRAPS



THE 3 MOST COMMON MENTAL TRAPS IN TRADING

(and how to recognize them before they cost you dearly)

INTRODUCTION

Have you ever closed a trade in the green and immediately opened another, bigger one, thinking, "Now I'm in the zone, now I understand how it works"?

Or have you ever held a losing position for too long, hoping the market would turn, only to see it sink—and with it, a portion of your account, but also your confidence?

If you answered yes to any of these questions, you're not alone. And you're not "badly suited" for trading.

You're human.

And the truth that few have the courage to tell you is this: **"The market is not your real enemy. Your mind is."**

Because the market is unpredictable, of course. But it's the same for everyone; what changes from one trader to another isn't the screen they're looking at, but what happens inside them as they watch it.

And it's precisely within the mind that the most important games are played out.

In this guide, I won't talk about strategies, or give you buy signals or magic indicators. I'll show you something rarer and more valuable: **the 3 most common mental traps that destroy traders** (and the concrete signs to spot them before they cause damage).

This isn't academic theory. It's what I experienced firsthand when I started trading 10 years ago, and it's what I see every day in those who enthusiastically start trading and burn their first accounts, and also in those who have been trading for years but continue to repeat the same mistakes without understanding why.

Because awareness is the first step. And often it's the only one missing.

Read carefully, and the next time you open a position, observe: what's the trap I'm falling into?

Let's get started.

TRAP #1 – OVERCONFIDENCE

“The illusion of control after a success”



What it is:

After a series of winning trades (or even just a big profit), the trader begins to feel invincible. He underestimates the risk, overestimates his own abilities, and begins to make more aggressive decisions.

How it manifests:

- You increase the size of your position without any objective reason
- You stop sticking to your stop loss ("I'm in profit anyway")
- You start making "gut" trades instead of following a plan
- You think, "This market is easy."

Signs to recognize it:

- You've doubled (or tripled) the size of your trades after one or more successful trades
- You check your portfolio dozens of times a day with excitement
- You realize you've abandoned your trading plan

What to do:

- Get back to your plan. The plan is your only anchor. Before each trade, ask yourself: "Am I following the strategy or am I following my emotions?"
- Set a maximum daily trade limit. When you reach it, turn off your monitor. Stop.
- Keep a trading journal. Write down every trade, but above all, write down your mental state before and after each trade. After 3-4 days, review your emotional states and look for common ground.

TRAP #2 - LOSS AVERSION

"The pain of losing is greater than the joy of winning."



What it is:

Research confirms it: the pain of a loss is psychologically twice as intense as the joy of an equivalent gain. In trading, this translates into irrational behavior: you close winning trades too early (for fear of losing them) and hold on to losing ones too long (to avoid accepting the loss).

How it manifests:

- You close a profitable trade without respecting your take profit because you think, "If the market turns, I'll lose everything."
- You hold a losing position open well beyond your stop loss, hoping for a miracle.
- You avoid making a trade (which according to your strategy should be made) simply for fear of making a mistake.

Signs to recognize it:

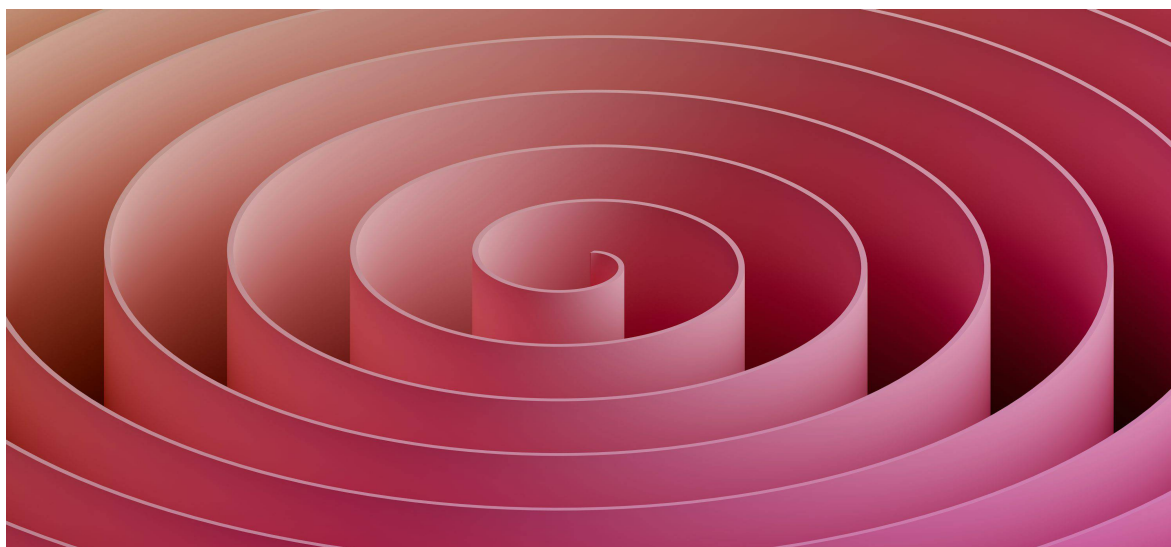
- Your profit/loss ratio is unbalanced: many small gains, few large losses (or the opposite).
- After a loss, you feel empty for hours.
- You check your account more often when it's in the red.

What to do:

- Accept losses as the cost of doing business. No trader in the world always wins. A managed loss is a victory.
- Use strict stop losses and never move them. The rule is: stop loss on entry, stop loss on exit. Never change them.
- Think in terms of statistical expectation. A single trade doesn't count. The average of 100 disciplined trades counts.

TRAP #3 – REVENGE TRADING

The "I have to make up for it" spiral



What it is:

After a significant loss, traders feel the immediate need to "get back" their losses. They open impulsive positions, often doubling their size to quickly recover. It's one of the main causes of account wipeouts.

How it manifests:

- Immediately after a loss, you open a new trade without analyzing it.
- You increase leverage to "recover what you lost."
- You completely ignore your strategy because "now I just have to get back."
- You feel at war with the market: you want to beat it at all costs.

Signs to recognize it:

- You place more trades after a loss than after a gain.
- You notice that your biggest losses always cascade.
- After a bad trade, you feel a physical urge to get back in.

What to do:

- The timeout rule. After a loss greater than a threshold you set (e.g., -5% on the daily), shut down everything. Take a break of at least 30 minutes, or better yet, stop for the whole day.
- Separate your ego from your account. A loss isn't a personal failure. It's a given. Analyze it as such.
- Get back to your plan. Before every trade, reread your trading plan. If the trade doesn't follow the plan, it doesn't happen.

CONCLUSION

These three traps—overconfidence, loss aversion, and revenge trading—are responsible for the majority of lost accounts. Not because those who fall victim to them are stupid or incompetent, but because no one teaches them how to manage them.

The good news is that they can be recognized, managed, and transformed into awareness.

If you haven't already, subscribe to my YouTube channel. That's where I share practical content, mental strategies, and everything you need to transform your approach to trading.

And if you'd like to learn more, you can find all my contact information at www.capitalmente.com.

Thanks for reading this far. And remember: next time you trade, observe your mind. Recognize the trap. Choose differently.

Happy trading, and happy awareness.

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