

ReadySetCrypto Trading Edge Masterclass



Module Three: Finding Your One Thing

Module Three

Finding Your “One Thing”

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Finding Your One Thing?

Since 2004 I've been helping other traders surmount their own challenges, and it's something that I really enjoy because we face many of the same common liabilities that I've brought to your attention; we're all human and many of us were brought up in the same social construct. Many of the emails that I receive on a daily basis sound like a carbon copy of my own experiences.

Just this morning I answered a question that took me back to my own development. It went something like this:

"Doc, I have ten options positions in play, five on BTC, another five on ETH, and I'm becoming concerned because "Mr. X" just published a forecast calling for the price to drop another 5,000 points. I'd like to use short futures to hedge against the drop, and then use long futures to dollar-cost average into a longer-term position because "Mr. X" felt that it would bounce soon after. What do you think?"

My head was spinning by the time I got to the end of their note and was not really sure how to answer their question as posed. But this is similar to how I used to trade when I started, a thousand plates spinning in the air. If you'll indulge me for a moment, I'll relate some of my own experience.

When I decided to conquer markets for a living, I put all doubt out of my mind and felt that if I worked hard enough, success was inevitable. I joined multiple discussion groups, spend thousands on high-ticket education, spent hours studying after work every night, and even spent hours lost in thought on my bicycle on the weekends just thinking about trades. To say that I was "immersed" would be an understatement.

And I took action, "massive action." At any given time I had dozens of trades in play. Most of these were options trades on different equities. Calendars, bull put spreads, iron condors, broken wing butterflies, long calls, short puts, you name it. I was "in the tornado" and could quote you chapter and verse on the characteristics on any strategy. I had never pursued something so hard in my entire life.

But....I was not making money. I was slowly eroding my trading capital. I was seeing the same retail syndrome of "eating like a bird and crapping like an elephant" with small winning trades and big losing trades.

It was frustrating as hell; I could not have worked harder nor dedicated myself more to this task, but my results were pathetic. Something had to change, and NOW! Without knowing it, I made perhaps the best decision of my career, by ceasing ALL trading activities, and doing a serious self-audit.

Clearing the Decks

By trying and trading everything in sight in a massive push to improve my station in life, I had actually accomplished the opposite.

I had become a **Jack of All Trades and A Master of None.**

It's OK to be a generalist at many occupations, but not in the live markets where you're up against the very best in the world every day, every moment. There is no "minor league," there is no "apprenticeship." There is no possible way that I could become world-class at every stock and every strategy, right out of the gate.

But what if I picked one chart, one strategy, one timeframe?

So that's what I proceeded to figure out...perhaps if I narrowed my focus down to ONE THING, I could master that one strategy and start to build consistent performance, kind of like digging and pouring a footer for a house before laying the foundation. I figured that it might be boring, but I was willing to put in the work.

And I couldn't have been more wrong about my expectations! It was not boring in the least, because I started to find consistent success. And before I knew it, I was a sought-out expert on this one strategy! I found out the joy that occurs when you go DEEP and see the things that few others will, because the game slows down for you.

It was about six months after this "one thing" decision that I put in my notice to quit my job and trade full-time for a living.

Certainly my effort and activity and commitment to this venture had a certain bearing on my ability to accomplish my goal, but I would not have gotten to this point without my decision to pare down my efforts to become the "tip of the spear" by FINDING MY ONE THING.

Introduction to Curly's Law

How did it occur to me to “Find My One Thing?” I’m not sure...perhaps it was a class I took in college, maybe it was covered in a seminar that I took at work....or maybe it was actually embedded in my subconscious from a movie that I saw in 1991, “City Slickers.”

“City Slickers” is a movie about a group of uptight New York 30-somethings that head out west for a two-week vacation to herd cattle on a ranch. Mitch is the main character in the movie (played by Billy Crystal) and plays the lost-in-life, stressed-out New Yorker looking for something. There he meets the toughest man he’s ever met, Curly the cowboy, played by Jack Palance (who earned an Oscar for the role).

Mitch is scared to death of Curly, but finally gathers the courage to chat with him on a ride....during which, Curly provides a little gold for us all:

[Curly and Mitch ride side-by-side, talking....]

Curly: Do you know what the secret of life is?

Mitch: [shrugs] No..what?

Curly: This. [holds up one finger]



Mitch: Your finger?

Curly: One thing. Just one thing. You stick to that and the rest don't mean shit.

Mitch: That's great....but what's the "one thing?"

Curly: [smiles and points at Mitch] That's what *you*'ve gotta figure out.

If you haven't seen the movie, it's well-worth searching for, and for those looking for a quicker hit, this scene alone can be found on YouTube.

One thing. Just one thing.

That's what you've gotta find.

I want you to find YOUR ONE THING.

I want you to focus on mastering YOUR ONE THING.

And by doing that, you will progress faster than you would imagine.

(And by the way, you can use this same concept for ANYTHING in life. Most of us mistake "activity" for "progress." Learn to slow down if you want to speed up, regardless in whatever you want to accomplish)

Finding Your “One Thing”

Right now you probably feel just like Mitch... *“That’s great, but how do I find my One Thing?”*

Well, that’s what YOU’VE gotta figure out!

Yes, I’ve had students ask me, *“Doc, what should my “one thing” be?”*

It’s going to be different for everyone. Your job, should you decide to accept it, is to figure that out.

Go Speed Dating

Look, I’ve never done this but I’ve seen others do it....”speed dating” is where a whole bunch of people get together, and meet up for five minutes at a time. The idea is to figure out if there is “chemistry” between you. If there is, you exchange phone numbers and go on a date later....and if there is no chemistry, no harm, no foul, move on to the next person when the whistle blows.

And I want you to think about this when it comes to your own “One Thing.”
EXPERIMENT. Don’t get heavily committed. In fact, I would recommend finding a virtual or simulated trading interface (testnet!) that you can trade “paper” money on, which gives you the essence of trading that strategy without the financial risk.

Some of the variables that you can experiment with are:

- Different underlying instruments. Will you trade BTC or ETH or XRP or? It’s a great idea to specialize on ONE to begin with!
- Different trading instruments. Will you trade SPOT currency, options, or futures?
- Different trading strategies
- Different technical chart setups
- Different timeframes. Are you a longer-term swing trader or short-term scalper?

Slow The EFF Down

Seriously, slow down. Don’t be in a race. You have the rest of your life to get this right. Your job right now is NOT to make money! Yes, read that again!

Your job is NOT to make money right now. Your job is to FIND A STRATEGY that you will excel at, and build a trading edge! (We’ll cover what a trading edge is in the next module)

Find the “Rage to Master”

Have you ever become so engrossed in something that you lose all track of time? You look up at your watch, almost like you’re coming out of a trance, and you’re shocked that HOURS have gone by. It’s common to get “lost” in a book which is a real page-turner. And you gamers that are trying to level-up know what I mean..how did it get to be 3am?

Brett Steenbarger is an author and a trading coach for a professional trading firm, and is a name that you should get to know. One of his sayings is “Find the Rage to Master.”

My hope is that you’ve already felt this way before about **something** in your life to this point.

For you to EXCEL at your “One Thing,” you must MASTER it. And in order for you to surmount the various roadblocks and obstacles that will present themselves (and there will be many) you will need to have the enthusiasm and passion to keep at it.

Moving your efforts to another strategy just because you lose your first trade means that you didn’t have the RAGE TO MASTER to begin with, and your efforts will be doomed from the start.

You must find that RAGE from within that means that you will never quit, that “never say die” attitude.

But it’s so important to start with something that RESONATES with you, that “One Thing.” If it doesn’t come from within, if you can’t internalize it, then it will never be “yours” and you will never acquire the Rage to Master.

Now it’s OK to “borrow” something from another program or from a mentor to get started. I mean, if you don’t know what you’re doing with respect to trading, then you’re just going to fall back on all of those messages that you’ve learned from TV commercials, which won’t help. So borrow what you must from as many sources as you need to, but as soon as possible you need to make that strategy or approach “yours.” And you do that by making changes to it and experimenting, which we’ll address in Module Six.

Bored with your strategy? Move to something else. NEVER plug away at a strategy because someone else told you to, or recommended it. You and the strategy/approach need to “find each other” so that you’ll have the burning passion necessary to get past the tough parts when you have setbacks.

Summary - Finding Your One Thing

What I'm asking you to do before you take another step in your trading career:

- Stop the madness and slow down for a minute. Evaluate what you're doing.
- Find a method that fascinates you, one that might get you where you want to be, and one that you want to work on. This is your "One Thing."
- Narrow down your "One Thing" to just that....ONE. THING. Don't try to work on a bunch of strategies or instruments at once. You must slow down to hasten your progress.
- This "One Thing" must come from YOU. This is NOT something that you'll do to please someone else, and this is not a choice that you'll make by asking others. "What should my One Thing be?"

Once you figure out your One Thing, everything else in your trading career will start to make sense, and the price will "slow down" for you. It won't take long for you to become an expert in that setup if you're focusing yourself on one thing only.

Now from here, we need to build up your Trading Edge, which we'll do in the next module.

Homework and Next Steps

Please complete the following tasks before moving to the next module:

- ☐ Watch the associated video for this module.
- ☐ Do an inventory of all of your instruments/assets/strategies; do any of them stand out as your “One Thing” or your favorite?
- ☐ If not, start by selecting the one Asset that you will focus on. It should be the most liquid, heavily traded asset in your chosen market class. (i.e. Bitcoin for cryptocurrency, the S&P500 for equities, the EUR/USD for Forex, etc)
- ☐ Select a timeframe that you will focus on. The longer the timeframe, the longer the potential hold time for the trade, and the fewer the setups that you’ll see. Conversely, the shorter the timeframe, the more noise and false setups that you’ll see, but the more probability that you’ll have of seeing multiple trade setups regardless of time of day.
- ☐ Select an instrument to use. It could be spot, futures, options, etc. Make sure that you have experience with that instrument first before selecting it as your primary “go-to” instrument.
- ☐ Select a strategy to use. This is the technical setup for entry, rules for in-trade management, and exits.