

and a half to eight percent while my most aggressive client lost about 25%.

I gave up the business about two years ago because I wasn't enjoying myself and I was financially secure enough to 'retire'. At the same time, there was a possibility my mum might need a bypass, after suffering a heart attack while undergoing surgery for an aneurism in her brain. I felt the stress of coping with her illness and possible consequences were good reasons to retire.

My retirement from trading lasted until about the end of that year. Mom got well; I was 55 years old and I didn't know what to do with myself. I found I was too young to retire. So, I decided to go back and trade on my own account. I returned 67% that year - one of my best years. I decided to return to funds management and talked to a few friends and investors who had been in my previous funds. I decided to do it differently. In the fund management industry you tend to be assessed on 'your last trade' and this leads to traders/fund managers chasing short-term results. And it's not only the traders... I lost a fund once because the bank changed treasurer and he decided that they were no longer going to outsource. The fund was doing well. In fact it was a very good year and yet they just shut it down. Hence, I wanted something that would provide more security. My current fund has a five-year lock out period and no distribution until the end of the five years. However, if within the five years, the fund loses more than 30% of its capital from a defined starting point, the fund automatically stops. The objective is to return 20% net of fees. The performance fee is levied only if I achieve the Hong Kong Prime Rate plus one percent. There is no management fee. The fund started off badly but has recovered well.

CP: What is a typical trading day like?

RB: Weekends are my heavy duty days. I work most of Saturday and half of Sunday. I create scenarios on what the market could do in the coming week. I usually create three scenarios - bull, bear and sideways - for each instrument that may have a possible trade. I define that by looking for two things - a market in its zone and some sort of setup.

First, I go through the charts of all the instruments I trade, looking to see if an instrument is in a zone. I don't consider the trend or anything else at this point. I then look for setups. Anything that does not qualify is tossed out.

If any instruments remain, I do my analysis starting with the trend. What is the trend and where are we in the trend? An uptrend that's just starting and an uptrend that's been progressing for some time present very different risks. I will then work out whether I want to take a position, the risk and the position size. All this assumes that some scenario is going to play out during the week. Sometimes the work is wasted because the market does something very different. But if the market does as thought, then I am half way home.

CP: What happens during the week?

RB: I am not an intraday trader. I am a position trader and I have held positions up to six to seven months. During the week, the only time I sit in front of the screen is when I am looking to enter the trade. My entry is based on intraday time frame. Hence if I am not looking

for entry, I don't do much trading during the week.

I actually teach English and public speaking during the week. The arrangement with the school is that I will give them a call if I can't make it. I only do that when I have a position to take care of during that afternoon.

Hence, I do most of my heavy-duty work during the weekends when the markets are closed. I will then have a road map that I will look to follow during the week. So unless I have to enter, I look at the markets at the end of the day. A very lazy man, you might say (amidst laughter).

CP: Do you change course mid week?

RB: It depends on what I am planning to do. If during the week one of my scenarios plays out, I will react.

CP: What do you enjoy most about trading?

RB: I actually enjoy the winning and losing. What I don't enjoy is making mistakes. I actually can get quite depressed. I have been trading for almost 30 years and you'd think I would stop making mistakes. But I still do; I break the rules - do something I shouldn't, like staying in a trade when everything is yelling to get out.

Don Scott, a famous Australian punter, said the greatest joy in racing is winning. I agree. The second greatest joy is losing, because you learn from it. I also agree. I am very comfortable with winning and losing. I don't mind losing. Most people find me a bit peculiar that way. I have a losing trade and still say that's a good trade and I really enjoyed it. The result is almost irrelevant because I followed the rules and learned something from it. To me, every trade is an opportunity to learn - a learning trade. What I don't enjoy are the mistakes and sustained drawdowns.

I have learnt a lot about myself, and life, through trading. I think the biggest rewards from trading are self-awareness, and an awareness of the way people and the world operate.

CP: What is your top book?

RB: That's very hard. Let me start by answering who are the top teachers. I got the most out of Richard Wyckoff and Peter Steidlmayer. I have read everything they have written. Second to them would be Joseph Hart and a long way third would be Robert Stevens (P&L instructor).

One thing I enjoyed about Bob (Stevens) is his ideas of integrating time frames. I integrate timeframes but not the way Bob did. I think it is useful for people to at least think in those terms. Most people tend to think in one dimension, particularly system traders. Bob showed that there is a correlation between time frames.

CP: How many time frames do you use?

RB: I use about six time frames. My trader's time frame is the monthly trend and I want to see the monthly trend in relation to the quarterly and yearly. I like to see how the market reacts to the monthly supports and resistances on the weekly and daily. That will tell me whether I am right about where we are in the trend. I will then use an