



Developer's Interview with Larry Williams

Larry Williams is a seasoned trader with over 32 years of experience. He has authored several best-selling trading books. Mr. Williams also won the Robbins World Cup Trading Championship by actually trading \$10,000 to \$1,100,000 in one year. He is a frequent speaker at seminars where he places real-time trades in front of the audience and gives away the profits!

How do you prepare for your trading day?

Understanding that trading is a strenuous day-to-day business.

Is there any ritual?

I don't think it's all that stressful frankly as long as I know where my stops and my entries are. I know the worst thing that can happen and I've already accepted that can take place and probably will. So where's the stress? I think it's something we induce in ourselves by worrying about every tick and price. I figure I'm not going to worry; it's just going to happen.

So, you don't do Yoga?

No, I come to the markets with a pretty basic approach. A lot of commodity traders get beat up on occasion, not rare occasions, but frequently. So, I just have accepted that, I think it's the acceptance of it that gets rid of the stress.

Do most people create failure in their trading strategies? Is it that they don't just go ahead and accept the risk and understand that there is stress involved?

Yes! They don't place stops. So of course they're stressed because they don't know what's going to happen to them.

So they are taking the first profit and letting the losers run?

Yes or they don't even have a target or a stop. They don't know what to do. They don't have any rules. Any situation whether it's life or it's the markets, if you don't have any rules, you're going to create insanity real quick.

Do you think it's possible to use a pure systematic approach without any discretion at all?

Sure it's possible and I've gone through that where I've traded purely systematically. I think that on occasion you can make a judgment call because the future is never like the past and all of our systems are based on the past and things do change. There is a point where you can use some discretion in the market not a lot. If you need to make a judgment call, then that's ok to do that, just don't do it every day because then you don't have a system.

You can see the rest of this interview in the August/September 2000 back issue of Futures Truth Magazine. Order your copy today!