

# The Kirk Report<sup>®</sup>

Members Only

[HOME](#)[REPORTS](#)[TOOLS](#)[RESOURCES](#)[SEARCH](#)[MEMBERSHIP SERVICES](#)

For Dan Steinberg

## [How To Start Keeping A Journal](#)

Monday, March 12, 2012 at 12:27 PM

At some point you have probably already read somewhere about the importance of keeping a trading journal. In other words, taking time each and every day to write down and store your thoughts, observations and actions concerning the market and your trading activities.

This exercise is done not only to keep those stored for future reference, but also as a self-evaluation tool to track your development. Given the complexity of the market, it is impossible for most us to recall simply from memory what we've learned, how we've acted in certain situations, and more importantly the best tactics to employ in specific market conditions and situations. In fact, the more and longer you trade, this task become even more challenging. **A big part of trading successfully is learning how to use and take advantage of your past experiences and remembering lessons learned.**



If you ask most successful traders they will tell you that keeping a journal can be helpful.

However, the reality is that most traders don't keep one. For example, when interviewing traders that have applied for my [mentorship group](#), I often ask them to send me copies of a journal entries for various time periods so I can see what they're keeping track of every day and how organized they are in doing so. Would it surprise you that most cannot provide those samples? And, those who do, the journal looks like it was recently made up. In sum, this easily separates out the jokers from those who truly are doing what it really takes to achieve long-lasting success in the markets.

So, why don't traders keep good journals or not at all? In my view, part of it is certainly time. We are all busy enough working our own strategies and keeping focused conditions and trades that adding yet another daily task is tough things for us to do. Another big part I think has to do with the basic fact that some of us just don't develop the habit. Most of us have routines and if you don't add journaling to it at some point, there there will never be enough time in the day to do it!

Looking back, I was very fortunate. Early on in my career before agreeing to mentor me, my first mentor asked me to start keep a trading journal for an entire month. He didn't tell me what to put in there, just simply to "write down in a paragraph every day what you learn each day." Simple and straightforward and every day since 1994 I have been doing exactly that!

This also raises the third issue I see – most traders don't really know or understand really what a trading journal should include and so they don't even begin. Since most successful traders won't openly share their methods with strangers, you won't find many helpful samples out there to work with as a starting point. Moreover, if you ask a 100 traders what things to include in a journal, you'll get 100 different responses. Since everyone trades differently and operates in different time frames, your journal must reflect that as well.

So, if you are one of the traders that understand why it could be important to keep a journal OR you are at least willing to try it for a period of time to start the habit to see for yourself if it can be helpful, here are five tips to help get you started:

1. **Make The Commitment:** To help start and maintain the habit, make the commitment that for every day for at least one entire quarter with no exceptions you will write a journal entry. It needs to be daily at first to start the habit so you'll need to update it on weekend as well. To avoid running out of time daily to do it, make the journal entry the very first thing you do every day before anything else. I would also encourage you to set a reward (i.e. a carrot) you really want (i.e. golf outing, new gadget, etc.) as long as you keep that daily commitment for an entire quarter.
2. **Start Slowly:** Put and stick to a ten minute time limit on all journal entries. Yep, actually set a timer on the time you spend. Many think they must spend 30 minutes or even hours journaling out everything which is why they never have the time and quickly abandon their commitment to try it. In addition, long journal entries will not make the process helpful as you'll be just as reluctant to review them later on. After all, who has the time to reread a bunch of long-winded rambling garbage? No me, that's

for sure and I doubt you have the time either. So, in just a few sentences, you should be able to write out everything you need to keep for that day. Be concise, clear, and only put in items you think are worth remembering. Before you write every journal entry, think first of how you might later use these notes to develop an edge. This will help you know what to include and what to leave out.

3. **Be Organized From The Start:** Create an organized, logical structure from the start. Making random comments in a journal without any overall structure is not going to be useful. You want to be able to review these journaling entries after some time has passed so organize it in a manner that makes sense to you with this in mind. From the day one, you need to figure out what each journal entry should include and how plan to organize your daily thoughts. I'd recommend using a bullet format at first to make sure you're concise and to the point as well. Concise, clear entries are much better than long-winded journaling notes that you won't have time to read/filter later on.
4. **Make It Fun:** If you don't actually enjoy the process of keeping a journal chances are good you will stop doing it. Fortunately, there are lots of online services now like [Evernote](#) and [others](#) that help make journaling fun, easy to do from anywhere on just about any device, not very time consuming and also secure. At first, I would not recommend that you do an open blog, post notes on twitter, etc. for all to see and comment upon. This is only just for you and no one else!
5. **Share It:** If you have a trusted mentor or trading buddy or just someone you respect who trades successfully, you need to share your journal with him (or her) and ask for feedback and suggestions on making it better and things to include based on their experience. While most successful traders are reluctant to share their own journals, you will still find many are willing to provide feedback on your journal and offer helpful suggestions. Seek out that help after some time passes and you have already established a consistent journaling routine.

Like most things, the most difficult thing is just to get started to develop the habit in your daily routine. These five recommendations should help get you past that point. If you make and stick with your commitment to maintain a trading journal, in time you will gain a powerful tool in your trading weaponry. **Through the years, many of my best trades have come following reviewing my notes of prior situations and setups that I am facing once again.** In many ways, that has proven to be a valuable edge for me and, if you do the same, in time you will discover this as well.

Once you do and you find out that the process isn't as awful or as difficult as you currently might think or fear, then it is time to actually improve your journal and focus so that it really will help you. At first, it is ok just to do what it takes simply to develop the habit. After that, I would highly recommend reading the following [trading journal suggestions](#) from my friend Dr. Brett N. Steenbarger. He offers some terrific ideas on what a trading journal should and should not include to help you make the most of this exercise!

FEEDBACK RATING: ●●●●● / 122

Not Helpful      Very Helpful

[« Prev Report](#) [All Reports](#) [Next Report »](#)

**Recent Reports:** [The Best Of 1Q 2012](#), [Growth Concerns Continue](#), [China & Durable Goods](#), [After The Bernanke Bounce](#), [Bernanke, Home Sales & Price Patterns](#) & [More Reports](#)

Friday, March 30, 2012

•

## Notebook

- First quarter rise [leaves many behind](#) 2 minutes ago
- [Stocks](#) to watch Friday 10 minutes ago
- Futures [show gains](#) following overseas strength 15 minutes ago
- [Two types](#) of traders about 1 hour ago
- Today's earnings plays - [before the open](#) & [after the close](#) about 1 hour ago
- Today's [Calendar](#) - Personal Income & Spending, Chicago PMI & Consumer Sentiment about 2 hours ago
- [The Best Of 1Q 2012](#) about 12 hours ago
- After-Hours [Movers](#) about 14 hours ago
- [Quotes](#) of the day about 14 hours ago
- The Day [Ahead](#) about 14 hours ago

[More notes »](#)



---

© 2003-2012 The Kirk Report  
All Rights Reserved.

[Home](#) | [Reports](#) | [Notebook](#) | [Resources](#) | [Search](#) | [Membership Services](#) | [Log Out](#)