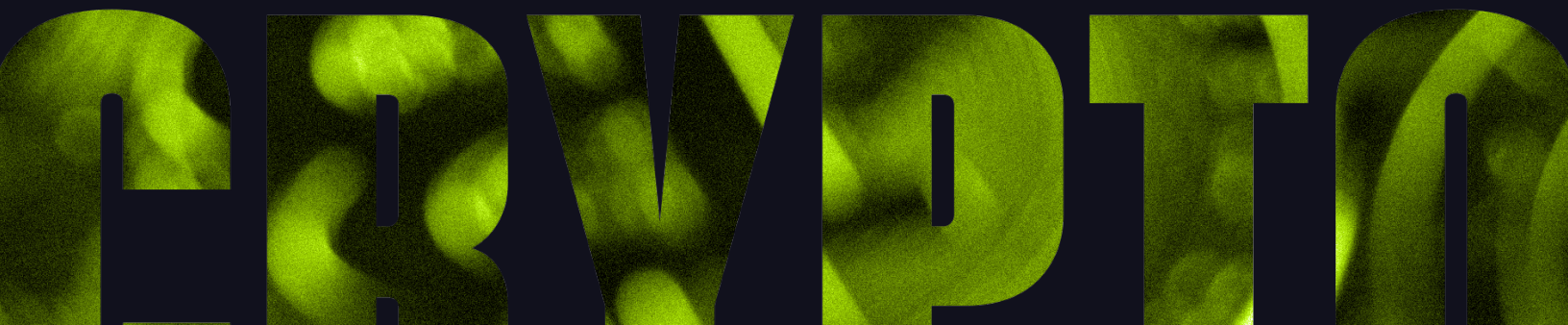
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KNOWLEDGE DROPS

Peter Brandt — A Life in Charts



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We hope you enjoyed this tutorial with Peter Brandt. As you move through your financial learning journey in the Crypto Academy, think of these reports and all the other Academy extras as Cliff's Notes. These reports are not meant to replace any of the episodes — they're here to help make things easier.

These reports were populated by the AI-powered RV bot on the new Real Vision platform.

Enjoy.

Peter Brandt is a legendary trader and classical chartist. He got his start in 1975 at the Chicago Board of Trade and quickly became one of the best traders in commodity futures.

In this exclusive sit-down with Raoul Pal, Peter discusses his nearly 50-year trading career, sharing insights on strategic frameworks, technical analysis, trading psychology, portfolio construction, and his trading process. Here are the knowledge drops:

1. **Most investors should focus on consistency and avoid trying to time extreme moves in the market.** Peter's trading strategy focuses on swing trading within a specific range of market movements. He avoids trying to pick market bottoms or tops to minimize risk, as this introduces added risk. Instead, he tries to consistently capture a portion of the middle price movements. "I stay between the 30-yard lines," he says. "I just want to pick off some opportunities in the middle."

2. **Peter follows a position trading approach, meaning he holds positions for longer periods, ranging from several days to weeks or even months.** He keeps detailed trade records to evaluate his performance, manage risk, and make informed decisions to avoid significant drawdowns. This approach can be valuable for traders who want to minimize emotion when trading.

3. **Risk management doesn't just mean entering a stop-loss order.** Peter explains that his edge in the market largely comes from "very aggressive, very active risk management," and a keen ability to adjust trade sizes based on the perceived risk of a trade. This approach allows him to carefully control the risk associated with each trade and protect his capital. And when a trade setup looks optimal, he can go big and capture massive returns.

4. **If you're an overtrader, implement a rules-based system and stick to it.** Peter limits himself to two attempts at a trade before moving on to another idea. This disciplined approach helps him avoid chasing the market and making impulsive decisions after suffering a loss.

5. **Becoming a full-time trader requires you to be comfortable living with financial uncertainty and consistent risk.** The career isn't for everyone, so people who need a steady income or monthly budget should consider trading as a secondary pursuit. Peter says that full-time traders must be able to allocate funds as opportunities arise and manage their finances dynamically.

6. **Traders of any skill set and activity level should focus on the process over immediate profits.** Consistently taking logical trades with well-defined entry and exit points, and executing proper risk management, will prove crucial in your development as an investor. This mindset also helps traders weather the inevitable drawdowns and occupational hazards that come along with the job.