

In Search of Amazing Profits

I started trading because I saw a commercial on television about how simple it was to make money trading currency. A company called Amazing Forex Profits, supposedly based in New York City, the financial capital of the world, had agreed to unleash the powerful secrets of professional traders to the common man (me) for an unbelievable price. Making the decision to buy the software was easy: I needed money fast, and the advertisement seemed to promise that all I had to do was buy an easy system for making loads of cash every day. I called the toll-free number and right there, in the middle of the night, I spent \$2,000 on that software. Now I only had to wait for the package to come in the mail. The road to riches was lined with profits from the forex (foreign exchange) market, and I was on it.

I didn't say a thing about this to my wife. I knew that the best way to handle this situation would be to get the software, have Scott, my assistant, install it on my computer at work, and start making a boatload of money; then I would buy something really nice for my wife and announce that I was going to be a full-time forex trader, a millionaire, and a hero to our family. The plan was foolproof!

Waiting for the software was agonizing. At the age of 35, I found myself racing home to see what had come in the mail that day. (Why had I not opted to spend an extra \$49.95 for expedited shipping? The kind sales operator from India had insisted I would want to get started as soon as possible, so why didn't I listen?) It seemed as if an eternity passed before the package arrived, but arrive it did. So eager was I to start (and having learned from the infomercial that the forex market was open 24 hours a

day), I called Scott and asked him to meet me downtown that very evening. I told my wife that I had some important matters to discuss at the office, kissed her and my kids goodbye, and hopped on the subway to 59th Street.

Everything seemed to be coming together. Although we had a lot of debt, I figured that with this new trading venture, I could make some serious profits. Some of the people on the commercial were making thousands of dollars a day—and this was not some fraudulent get-rich-quick scheme. I had met people who day-traded the stock market. They did their homework, they treated it like a job, and they were making real money. Some of them had made a lot of money in the late 1990s and although the market had fallen, they were still in the game. I liked the thought that I was going to join the ranks of people who could make money for a few moments of work per day.

When I arrived at the office, it was past 9:00 P.M. and everyone had long since gone home. Waiting at my cubicle was Scott Needleway, a junior filing clerk who had attended the same high school that I did (only he graduated seven years after me). He had long hair. He was brilliant with technology. He also won the “most likely to go to jail” award in his high school yearbook.

“So what’re we doin’ tonight?” he asked. I could tell that he had either been drinking or smoking something stronger than cigarettes. His days at the firm were numbered already, so I let it pass. Especially considering that I needed his help that night.

“I’ve got the software. I need you to show me how to get it running.”

Scott had essentially run my computer for me for the past five years. Thank goodness, my job didn’t require much work on the computer, and an attorney who needed to contact me would simply e-mail Scott. He, in turn, would tell me what was going on. Now I was excited to do some of my own computer work.

He took the CDs and quickly installed the software without a hitch. As promised on the commercial, the software was fairly straightforward. It was like a news feed—with headlines popping up on the screen, telling me to either buy or sell a particular currency pair. On another section of the screen, it showed all the current open positions. Most were colored green, showing me that they were making money.

All this had only taken 10 minutes, but I could tell that Scott wanted to go home, or go wherever he went when he wasn’t at the office. I told him that I would see him tomorrow and he darted out of the office without another word. He hadn’t even asked what the software did! Right there, he had walked away from an opportunity to improve his financial situation. Well, he could stay and work at Wakeman, Butterman, and Bailey for the rest of his life. Not me.

Instead of going home, I dove right into the software. I took my time getting used to clicking around the screens. I read the help manual twice,

I clicked through every screen in the software to learn about the different trades I could take, and I read an article about how currency pairs were quoted. I learned that currencies traded in pairs, meaning when you traded currency you were always buying one currency and selling another, or selling one currency and buying another. You could not trade currency just as a stand-alone financial instrument—and that made sense. Here is what I read:

If you think the U.S. Dollar is going up, you have to ask yourself: going up against what? Obviously, another currency. So you choose a currency that it is going up against, and you buy that other currency. And because you buy it with U.S. Dollars, you are selling Dollars and buying that other currency.

It took a while to sink in, but within a couple of hours, I was a former filing clerk turned currency guru. I knew the major currencies were the Euro (EUR), the Great Britain Pound (GBP), the Japanese Yen (JPY), and of course, the U.S. Dollar (USD). I figured out how to read a currency quote. This is what one looks like:

GBP/USD 1.8000/1.8005

This meant that the Great Britain Pound against the U.S. Dollar could be sold for 1.8000, and could be bought for 1.8005. Simple enough. I also learned that if the Pound moved from 1.8000 to 1.8001, just one point, that would be called a one *pip* move—a pip, in other words, referred to a Percentage in Point in the world of foreign exchange. And the software was going to tell me how to do all this stuff.

The next morning I submitted all the necessary documents to open a trading account at a firm suggested by the Amazing Forex people. Within 24 hours, I was promised that I could fund my account with a credit card. More waiting, and this time it would be even more excruciating. Imagine the profits I was missing out on! All night, I had watched as the software called for buys and sells on currency pairs. Trade after trade was profitable. On a sheet of paper next to my computer, I calculated the point gains I could have made just by following along: over 110. It was going to be difficult to concentrate on my job that day knowing that I was letting more of the same profits go by. The challenge was not going to be making the money—it was going to be finding a way to trade as much as possible.

I hadn't slept that night, but it had been worth it. More motivated than ever to start trading, I felt invigorated and determined that during my lunch break that day I would schedule out all the times of day that I could trade. Although it would require me to get less sleep and steal some time from my employer, the payoff would be huge. Definitely worth any sacrifice!

THE ANSWER TO MY FINANCIAL PROBLEMS

Most people never do anything about their problems. When I was 10, I broke my “Tommy Baseball Home Run Challenge” electronic handheld game. After realizing that I could not fix it by shaking the game, or reinserting the batteries backwards, or praying to God, I hid the device away deep in my closet, behind the winter blankets and underneath my T-ball uniform. I put it there for two reasons. First, so my parents would not discover that I had broken an expensive toy when I celebrated a home run by spiking the game to the floor as if it were a football. The second reason? I knew that underneath the protective and magical cloth of my T-ball uniform, there was a chance that the baseball gods would heal the toy and bring it back to life.

I learned soon enough that this was not a useful method for fixing my problems. When my parents divorced later on that year, it became clear that simply hiding my father underneath my T-ball uniform was not going to keep my parents from yelling at each other (and in any case, the game was still using that space under the uniform). But hiding my problems, or storing my biggest challenges away in a closet, became one of my most frequently utilized methods for approaching difficulties in my life.

But when I purchased the Amazing Forex Profits software, I took control of my financial situation. I was doing something. This felt really good. I knew that my wife would be skeptical, so it was important to hide my decision from her at first. This small deception would turn out to be an inconsequential necessity on the road to riches. When she understood how much money I could make, it would seem less like a lie and more like a surprise.

Surprise is actually a good word to describe how we both felt about the results.

I BECAME CONVINCED OF MY GENIUS

A week passed; it was far more difficult to open the trading account than I had imagined, especially considering that I needed to fax the forex broker copies of my passport, utility bills, and everything except the results of a prostate exam. During this time, I watched as the Amazing Forex software lived up to its name. During the hours at work alone (as I stayed late every evening and kept an eye on it during the day), it was racking up hundreds of point gains every day. This was nearly too much for me to bear, as I realized how much in dollar terms this could mean.

Knowing that the forex broker (Universal Currency Brokers, based in Florida) would alert me by e-mail when the account was opened, I decided

to dedicate this unintended downtime to becoming more capable with my e-mail so that I would know immediately when I could fund my account. Scott even took an entire day to teach me to use a BlackBerry, so that I could receive the e-mail no matter where I was. The more I used e-mail, the computer, the Amazing Forex software, and the BlackBerry, the more I realized how powerful all this technology was. Perhaps I could run the software on the BlackBerry and trade no matter where I was. The possibilities were endless. This claim of reaching financial freedom through trading did not seem unrealistic at all.

Tuesday, March 16, 2004, at precisely 12:06 P.M. Eastern Standard Time, I received the e-mail. I was in the conference room with the insurance litigation team, who were debating the merits of charging Wakeman clients in 6-minute increments versus 15 minutes. I was thrilled to be in the meeting, because it was easy to keep an eye on the BlackBerry, avoid doing any real work in the office, and then make a short presentation about how it was possible for our attorneys to bill a bit extra for administrative time by classifying “filing” as “research.” I was near the end of my presentation when my BlackBerry buzzed and I knew that the moment had arrived.

“I’m sorry, I’ve got to take this,” I said, excusing myself, “our daughter is in the emergency room and I’ve got to check on her.”

Every attorney, especially the ones with small children at home, was quick to excuse me for this important break. Of course I had told a whopping lie, but once again, this was a minor indiscretion on the way to a more important goal: my own enrichment.

Outside the conference room, I read the blissful news: The trading account was open and I could fund it with my credit card at any time. I dropped into my cubicle, took out my credit card, and called the forex dealer.

It only took a few moments, but I was so wrapped up in funding the account with \$1,000, that I didn’t realize that I was being watched. John Murphy, a young attorney who did lots of work with contracts, stood near the entrance to my cubicle.

“I heard you reading out your credit card numbers,” he said. “I didn’t mean to pry, but is everything all right?”

I nodded. “Yeah, thanks.” Dang! He knew that I was lying about my daughter going to the hospital. I probably owed him an apology.

“Well if you need anything, let me know. Did you have to pay out-of-pocket expenses for the ER?”

Hooray! He had no idea I had lied! “Yes,” I told him, adding another small lie to my growing list of Minor Indiscretions on the Path to Riches.

“If you need anything, let me know. Your insurance ought to cover it. I know we’ve got problems with the benefits here, so I will see what I can do to help.”

I thanked him, then I thanked God that I hadn't been caught, and then I totally forgot about John Murphy and the ER and the lie. It was time to trade. I booted up the Amazing Forex software and my trading account, pinned the "Out to Lunch" sign outside my cubicle, and made sure my computer monitor was still positioned so that only I could see it.

Barely had I signed into Amazing Forex (Login: SUPERTRADER_2000, Password: G\$TRICH) that I noticed Scott standing behind me.

"You got your account set up?"

Just hearing his voice was disturbing. Right now I needed privacy! The clock was ticking down, and I only had 37 more minutes of lunchtime to make as many trades as I could.

"Yeah, Scott. Got it set up. I am going to check it out now, see what's going on, you know, during my lunch."

He nodded. "Gonna make some coin at the office! Nice."

"No," I replied, showing some frustration in the tone of my voice, "I am going to just take it easy today and watch." I didn't mean this either. The lying was coming easier, and right now I was grateful that I could use a plausible distortion of the truth to distance myself from unwanted intrusive eyeballs.

"Well, then I might stay and watch."

I sighed and realized that arguing with Scott would steal precious trading time. "You can stay but just keep quiet. I am trying to learn this and it's not easy for me."

"Looks like you have a buy alert on the Gee-Bee-Pee," he replied.

He was right. There it was, my first order alert! I quickly toggled to my trading platform, hit the GBP/USD quote, and up popped an order window.

Without a moment's hesitation—for there could be other trades just waiting to be taken—I clicked the okay button and boom! My trade was opened with a slick whooshing sound. There, in the open trades window, I saw it, but I was already down \$50! How could that be?

"How could that be?" I found myself saying out loud.

"You already suck at trading," Scott said. I considered poking out his eyes with a pen, but that would also rob me of precious time that could not be wasted.

I toggled back to the Amazing Forex software screen. It told me that the GBP/USD trade, the one that I had just taken, should be negative 5 points (or \$50, since I had traded for \$10 per market point) right then. Phew! Knowing that the Amazing folks were experiencing the same quick loss helped ease my mind. I faintly remembered that nearly all trades in the system started off unprofitable. Good. I planted my feet firmly on the floor under my desk and waited for the next order to appear.

Then my cell phone rang. The ring tone told me it was my wife, Gini. Scott had set that up for me so I would not miss her calls.

“You gonna get that?” Scott asked, knowing it was my wife. This time I considered taping his mouth shut, but all I had was clear office tape and that would not do the trick.

I took the call, if only to appear that I was cool and calm, even though my palms were sweaty as I opened the phone. My nerves were rattling as I spoke.

“What’s up?”

“Hi sweetie,” she happily chirped. “How’s your day?”

I answered that it was going fine in the tone of voice that a husband uses when he wants to tell his wife that she has called at a bad time, but does not want to actually say that she called at a bad time.

“Is this a bad time,” she asked. “I wanted to know what you wanted for dinner.”

“Anything is great.”

“Any-thing,” she replied, speaking slowly as if she were writing it down. “Got it. I will check at the market for Anything. Want to say hi to your son?”

“Not now,” I quickly answered. It was impossible to hold my cell phone up to my ear and toggle back to the trading account. I tried, but all I managed to do was switch to a screen that showed my e-mail. Now I couldn’t see anything!

“Okay, I just wanted to say hello and that I love you,” she told me, and I could tell that she wanted to talk more even though she was kindly willing to end the call if I insisted. Which is what I did.

“Not now,” I barked. “I gotta go.”

I immediately felt terrible, but I hung up the phone anyway. I didn’t even give her a chance to respond; I was now sweating badly and having trouble keeping my right leg from bouncing on the floor, which is what I always do when I am nervous.

Scott didn’t say anything about the way I hung up with my wife. I clicked on the trading software and up popped my account. I looked at the current profit on the open trade: Three hundred dollars. Three hundred dollars!

Scott’s jaw dropped down. My sweat turned cold. I heard my heart beating, and my foot stopped drumming on the floor. I think 10 seconds passed, but to Scott and me time had ceased to have meaning, and I cascaded into a deep trance.

I imagined quitting my job that day. I could see my wife driving a new sporty sedan, the kids happily cheering her on as she sped through the EZ-pass gate on the way to our summer home in the Hamptons; then I could see myself diving into an oval of midnight blue water, with reggae music playing in the background and leggy blondes sunning themselves around the edges of the pool. This was the life! Trading had brought it to me!

Scott knocked me from the daydream by gripping my shoulder and shaking. “Dude, dude, you gotta take that money!” he told me, and he was right. I had no idea what Amazing Forex said, but there was no way I was going to miss out on three hundred bucks. I clicked once on the open trade window, and up popped a box that asked me if I wanted to close the trade.

“Darn right!” I said, speaking much louder than I should.

“Woo hoo!” yelled Scott, happy for me and now much more interested in the Amazing Forex software than he had been the week before.

I clicked a button and all of a sudden, my account value had gone from \$1,000 to \$1,300. Holy moley, I thought. This really is simple. This really is the answer to my financial problems. In less than a minute, I had made enough to buy a new iPod for my wife. I determined that this was exactly the present I would give to her to tell her all about the trading.

Scott wanted me to see what the software was telling us, so I switched back to look at it. But something was wrong. The trade was still there, but it was showing a 34 pip loss, not a gain.

“What’s up with that,” Scott asked. “Did it go the other way?”

I spent a moment looking over the screen for clues. It wasn’t hard to find.

“Sheez, Scott. We bought when we were supposed to sell.”

Scott was speechless.

I had taken the wrong trade! Immediately, I checked the trading account again. Yes, the sweet profits were still safely secure in my “account equity” window. This meant that Amazing Forex Profits’ suggestion to sell the GBP/USD had been a horrible idea—but that we had mistakenly taken the opposite trade and profited. As I watched the sell trade go deeper into a loss, I actually felt happy.

I smiled. We had cheated the Amazing Forex software! We were victorious. It stood to reason, in my moment of complete insanity, that I could beat the software. I was that good.

Scott agreed, and appropriately took credit for first misreading the software’s recommendation to sell. I patted him on the back and promised to share some of the profits with him over time. Maybe he could be my technology right-hand man. Surely there were other programs out there like the Amazing Forex Profits software, and we could install a few of them.

I determined that I owed my wife a phone call, instead of doing any more trades. It was the right thing to do and she happily accepted my apology. I told her I had a surprise for her when I got home. She giggled on the phone, and I realized that my superpowers as a trader were only exceeded by my Amazing Relationship skills.