



Show comments 



**Axo** @axotrade  
[TradFi Tales Ep 18] 🍷

Trading Under The Influence - The rise of the drunk trader and the emotional investor.

- Thread Time 🕒 -

[#axotrade](#) [#TradFiTales](#) [#Cardano](#) [#ADA](#)



**Axo** @axotrade  
1/ Intro

It's never been easier to trade. You can affect global markets from the comfort of your home, on holidays, basically wherever you want.

But some are finding the modern accessibility to trading is leading to big regrets, including drunken \$500m bets on commodity markets



GIF



**Axo** @axotrade  
2/ Can't Have Nice Things

In the US, in 2021, an estimated 66% of investors said they made an impulsive or emotional investment decision they regret & 32% traded drunk

More people are trading without any background in finance or advice from professionals

<https://www.magnifymoney.com/news/emotional-investing/#EmotionalMethodology>



**Axo** @axotrade

3/ Problem Children

85% of Gen Z & 73% of millennials reported regret with their investment decisions - nearly 2/3 of Gen Z have traded drunk!

Gamification of trading and 24/7 access to internet-capable devices make it hard to leave your portfolio alone

<https://financhill.com/blog/investing/is-drunk-trading-legit>



**Axo** @axotrade

4/ Hold My Beer

There's one man who takes the cake for drunk trading, though.

Enter Steven Perkins, a former senior trader at the UK-based PVM Oil Futures. On 29 June 2009, he returned to London after a weekend of golf & boozing with his company to continue drinking by himself.



**Axo** @axotrade  
5/ Blackout

Over a 2 hr period, Steven went on an oil futures trading bender

By 3:41 AM on 30 June 2009, he'd traded 7 million barrels of oil (worth \$500M), moving the entire market by \$1.50, an 8-month high, & a price movement typically only seen during major political events.



**Axo** @axotrade  
6/ Sick Day

Steven woke up with likely a large hangover and a call from PVM asking why the company now had futures contracts for 7M barrels of oil.

By 10 AM, everyone, including the regulator, was aware of his mistake, and PVM began getting rid of the futures.



**Axo** @axotrade

7/ Bit Short

Steven had traded with the company account - unwinding the futures netted a \$9.7M loss for his drunk trade.

The company's annual revenue was \$12M - in 2009, they reported a \$7.6M loss.

PVM's only shareholders, the senior brokers, took the hit.



**Axo** @axotrade

8/ Reprimanded

Steven was obviously fired from PVM and later got a knock on the door from the British regulatory agency, the FSA.

He was fined £72k and banned from trading in the UK for 5 years.

<https://www.telegraph.co.uk/finance/newsbysector/energy/oilandgas/7862246/How-a-broker-spent-520m-in-a-drunken-stupor-and-moved-the-global-oil-price.html>



THIS COMIC MADE POSSIBLE THANKS TO FEDOR INDUTNY @MrLovenstein · MRLOVENSTEIN.COM



**Axo** @axotrade

9/ Tear Jerker

In 2021, 30% of US traders reported having cried over investing.

With wider access to the market than ever before, there are likely more tears to come from those who can't separate their trades from emotions... or booze.

<https://www.ft.com/content/7a91e3ea-b9ec-4611-9a03-a8dd3b8bddb5>

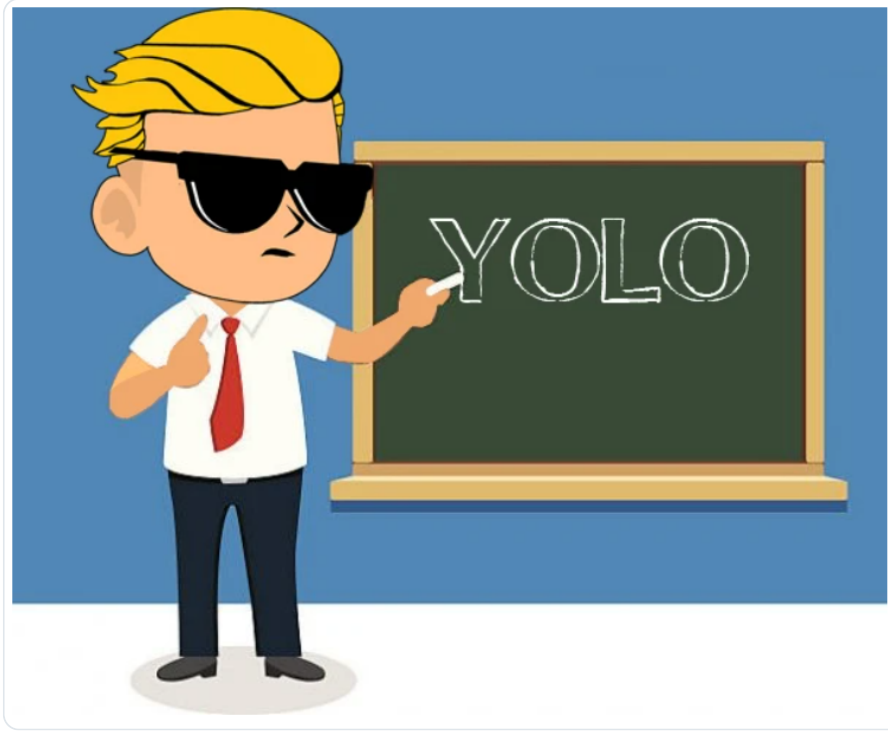


**Axo** @axotrade

10/ Conclusion

Those deciding to skip the financial advisor meeting or forgo the degree in finance need to be careful when playing the market.

It always pays to research any risky decision, trade whilst in a stable frame of mind, & only trade what you're willing to lose.



**Axo** @axotrade

[Disclaimer & Submission]