

The Disciplined Investor Podcast – Guest Interview Summary

Guest: Carley Garner

Podcast Episode: 927

Date Published: 6/29/2025

Subscribe: www.thedisciplinedinvestor.com

Quick recap

In this podcast, Andrew and Carley discussed geopolitical events' impact on markets and their analysis methods. They explored the challenges and risks of transitioning from investing to active trading, with Carley emphasizing the difficulties of trading for a living and advocating for strategic approaches to commodity markets. The conversation concluded with discussions about trading strategies, market analysis techniques, and the current state of the U.S. dollar.

Summary

Geopolitical Impact on Market Dynamics

Andrew and Carley discussed the impact of recent geopolitical events on markets, noting that the timing of the conflict aligned with market openings, potentially indicating strategic planning. They agreed that while the situation could have been worse, markets tend to normalize risks over time. They planned to delve deeper into market behavior and risk perception in their discussion.

Challenges of Trading for a Living

Carley and Andrew discussed the challenges of transitioning from investing to active trading, particularly trading for a living. Carley emphasized that while trading can be profitable, it is extremely difficult and not recommended for most people, especially those with stable careers. She highlighted the impact of emotional pressure and the difference between paper trading and real trading. Andrew shared his experience with trading courses and the importance of small, consistent gains rather than aiming for large profits. They agreed that patience and discipline are key, with Carley advising against over-trading and advocating for strategic breaks during trading hours.

Commodities Trading Myths Debunked

Carley discussed the misconceptions retail traders have about futures and commodities markets, emphasizing that commodities typically decline over time due to technological advancements and efficient resource extraction. She highlighted the importance of trading based on comfort and strategy, advocating for option trading as a low-stress approach.

Carley also stressed the limited relevance of fundamentals in commodity trading, suggesting that technical analysis, seasonality, and understanding market positioning are more crucial. She concluded that traders often miss significant market moves because they act on news after it is priced in, advocating for patience and a focus on chart analysis.

Strategic Trading and Risk Management

Carley and Andrew discussed trading strategies, focusing on managing risk and maintaining a calm mindset. Carley shared her approach to trading copper futures using options, emphasizing the importance of having enough margin to hedge against potential losses. They also talked about avoiding volatile markets like silver, with Carley warning against trading it due to its unpredictable nature and thin liquidity. Andrew highlighted the importance of understanding expiration dates when trading futures.

Cautionary Tale on Silver Investments

Andrew shared a cautionary tale about a friend named Dickie who lost his retirement savings on silver investments, emphasizing the risks of putting too much into a single market. They discussed different charting software options, with Carley explaining she uses QST, a specialized trading platform that costs around \$400+ monthly including exchange fees. Carley noted that the introduction of exchange fees has significantly reduced the number of full-service brokers in the industry, as the costs have become too high for many firms to manage.

Market Analysis Techniques and Indicators

Carley discussed her approach to market analysis, emphasizing the importance of using weekly and monthly charts to understand market trends, as short-term data can be misleading. She explained that she uses two indicators, RSI and Williams Percent R, as they provide quick and reliable signals, and relies on trend lines and moving averages for her analysis. Andrew shared his method of analyzing volume at price, which he finds more accurate than traditional trend lines, and mentioned that he will be featuring Larry McMillan on his show.

U.S. Dollar's Decline and Market Volatility

Carley and Andrew discussed the current state of the U.S. dollar, noting its recent decline to its lowest point since 2021 against major currencies. Carley expressed caution about the crowded trade of being long the euro and short the dollar, predicting a potential reversal in the dollar index between 97 and 95. They also touched on the current market environment, with Carley mentioning her reduced stock allocation and cautious approach due to recent market volatility. Andrew and Carley agreed that while the markets may seem positive on the surface, underlying chaos and uncertainty could lead to significant corrections in the future.