

BLOG entry - 07 December 2008

Sex and the City (Trader)

I stumbled over some research that validates the title of my book in some way recently: A group of researchers took saliva samples from 17 male traders on the London stock exchange, twice daily for 8 days. They monitored the trader's levels of testosterone and cortisol, which is associated with stress. These levels were compared with how much money the individual traders made or lost against the background of the market as a whole.

When the traders made more money, they had higher testosterone levels. When the markets were more variable, their cortisol levels went up.

Somewhat strangely, they also found that traders who started the day with elevated testosterone levels made more money than those who did not.

Whilst the popular view is that traders control their emotions, this research suggests that trading is controlled by the same basic instincts that cause men (and women) to have one night stands.

More importantly, does this mean that the old adage applied in sports, i.e. never have sex the night before a big match, should apply to senior decision makers in companies? Does it also mean that 'sex after decision making' would become an important part of company culture?!* :-)

Just a thought!

Peter aka the Dean