

Want to Learn From Your Mistakes and Be More Successful? Science Says Avoid the Dreaded Ostrich Effect

January 11, 2023

I owned Blue Apron stock a few years ago. I'm unsure, but I think I purchased it at around \$20 per share. (You'll see why I'm unsure in a moment.) Since I owned it in my Roth IRA, any gains weren't taxed, so for a while I made small profits selling during spikes and buying back during dips. Because I was basically day-trading the stock, I checked it multiple times a day.

Then the price dropped by a few dollars a share, and then a dollar or so more. So I stopped checking so often. Soon my stake was down about 50 percent. I rationalized — and consoled myself — by deciding it was a long-term play, and I didn't look at it for a few months.

When I finally did, the stock was trading at around \$4 per share.

...