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1) This year has been difficult for many investors, whether you are a novice or an experienced risk taker.

It would be useful to revisit today's money masters and see how they dealt with gut-wrenching loss.

It always helps renew my ambition. THREAD ■

2) Paul Tudor Jones lost $10,000 when he was 22, and when he was 25 he lost about $50,000, which was all he had to his name.

3) In 1979, PTJ's fourth year in the business, he lost over 60% of the equity in his clients' accounts on a single cotton trade that went horribly wrong.

“I am not cut out for this business," he said. "I don’t think I can hack it much longer.”

4) Relating the episode to Jack Schwager in Market Wizards, he revealed:

"It was a cathartic experience for me, in the sense that I went to the edge, questioned my very ability as a trader, and decided that I was not going to quit. I was determined to come back and fight."

5) That was when he first decided that he had to learn discipline and money management.

As Richard Dennis used to say to new traders, “When you start, you ought to be as bad a trader as you are ever going to be.”

6) When at college, Louis Bacon decided to use his student loan money to try his hand at trading.

He lost money for three straight semesters—on sugar, gold, and cotton—and had to ask his father for money to pay his living expenses.

He didn’t turn a profit until his final year.

7) In 1985, Bacon was given $100,000 to manage at Commodities Corp. and and promptly lost a third of the capital.

He was so mortified that he returned the rest of the money back to the partners. It took a couple of years before he was coaxed into another try.

8) Bacon is among those rare investors who made money on the infamous Black Monday in October 1987, the tech crash in 2000, and the subprime crisis in 2007.

His success was built on, “Hard work, patience, knowing when to hold ‘em, fold ‘em, or go all in.”

9) In February 1981, at 28, Stan Duckenmiller launched Duquesne Capital with $1 million.

It was an easy decision because of a consulting arrangement on the side that provided $120,000 in revenues.

His fund performed well and assets swelled to $7 million by May 1982.

10) When his consulting client went belly-up, he had an immediate problem.

His 1% management fee only generated $70,000. His overhead per year was $180,000. At the time, the firm had assets of just under $50,000.

11) Worried about the firm’s survival, Stan placed a desperate bet.

He was convinced that interest rates would fall. He put all of the firm’s capital into T-bill futures.

In four days, he lost everything. To keep himself in business, he sold 25% of his company for $150,000.

12) Before we marvel at the success of others, we should think with what difficulty they have arrived at it.

There are important lessons in it for all of us.

13) PTJ says that every trader will face two unpleasant experiences in his lifetime at least once and most likely multiple times.

14) "First, after a devastatingly brutal and agonizing stretch of losing trades you’ll wonder if you will ever make a winning trade again.

That tests an individual’s grit; does he have the stamina, courage, guts, and smarts to get up and engage the battle again?"

15) "And second, there will come a point when you begin to ask yourself why it is you make money and if this is truly sustainable.

That is actually scarier because it acknowledges a certain lack of control over anything."

16) PTJ was almost 38 old when one day, in a moment of frightening enlightenment, he knew that he really did not know exactly how and why he had made all the money over the prior 17 years.

17) "This threw my confidence for a jolt," he said. "It sent me down a path of self-discovery that today is still a work in progress."

18) If you enter a bad trading patch, which occasionally besets every investor, remind yourself of their struggle and study how they coped with adversity.

Be willing to suffer with patience, with open eyes, and understanding.