

## 1. Momentum vs Reversal Trader

- a. **I am a momentum trader**, I am an overall positive person and look at the big picture rather than the small details. I want to trade passively and it is difficult for anyone to change my mind once my decision is made.

## 2. Day Trade vs Swing Trade vs Long Term

- a. **I will be swing trading**, I have about 2 or 3 hours a day on and off to look at charts while I work my other jobs. Some other days I will have more time but if I want to do it consistently, I can't rely on those off days.

## 3. Risk Appetite

- a. **I am risk tolerant**, I currently don't have high expenses, but I don't have a lot of free cash-flow laying around. I don't want to lose everything, and the name of the game is to survive. However, I am comfortable risking everything if I see the right opportunity.

## 4. Asset Class:

## 5. Entry Parameters & Exit Parameters

- a. **Box systems**
  - i. The first thing I'll do is to look stocks that are in a trending sector. I will do so by looking at different ETFs and comparing it to SPY.
  - ii. Once I identify the sector, I will look for any boxes that are forming on the ETF.
  - iii. I will look into the ETF and find their top 10 holdings.
  - iv. I will dive deep into each holdings to look for consolidations on the daily chart. I feel much more comfortable seeing 50 MA consolidations in comparison to 9 MA consolidations. This will change upon backtesting.
    - 1. I will use SQZPRO to quickly help me identify consolidations
  - v. I will ensure that the stock is in an upward/downward trend on the weekly chart(As long as price is above 9 MA & 50 MA).
    - 1. I will use RSI to help me determine momentums or identify any reversals.
  - vi. I will look for a price breakout from the box, with the initial stop loss at the previous swing low.
  - vii. I will not exit the position until a new lower low is formed. I will take my first profit when half of my position can cover my initial risk.
    - 1. For example, If my portfolio is \$2000, I risk \$1000 on a trade, I don't want to lose more than 10% of my portfolio or \$200. I will take my first profit when half of my current position has profited \$200, and I will continue to ride the trend with the remaining half until a new lower low is formed.