

The Real World - Stocks Campus - Strategy Building.

Username: ColdFireKia

Defining Objectives

Type: I have a knack at sniffing out opportunities early, usually in stage 2, the accumulation stage. The reason I am good at sniffing out opportunities early is because I have a broad imagination. I truly have the “anything can happen” mindset, when it comes to cold blooded trades.

This means when a stock is mostly neutral, aka slightly bullish or bearish, I can imagine what will happen if the balance is tipped- leading to a short squeeze or selloff, or a rally/ dump. So in fact I am a momentum trader, but in the sense that I get in early, and ride the wave up or down. I hit on a good percentage on these types of trades.

I dislike getting in a swing trade late, because then I have to monitor it and it can reverse on me hard. But if a pump has **just started**, or a dump has **just started**, I can sleep just fine.

Time Available: As a college student who is busy- Swing Trading is my style.

The reason swing trading will bring me success is because I am able to be **passive** about the markets. I will place trades, place the stop loss, and let it ride. I will make sure to get in early, when there is little room for downside.

1. I will be mostly be trading daily charts, lowering my timeframe to an hourly chart to find the setup for my entry
2. I will have around an hour a day to look at charts

Risk: Risk Tolerant

I associate risk by these factors-

1. Risk only a maximum of 25% account value with a 33% stoploss
2. Will I be able to manage the position correctly?
3. Did I take a solid trade, that is just starting to pump/dump, with a good option?

In time the maximum risk will be lowered to 10%, then 5% then so on, as my account value grows

But the most important factor other than % at risk is if I am getting into a solid trade.

The biggest risk for me, is to take an impulsive set-up, one that I don't believe in, just because I want to make a quick buck

This puts my overall mental health at risk, not allowing me to sleep, eat, workout, or get work done.

The money is one thing, but if I truly take a good solid set-up, and I lose, I can't be mad. I just accept the loss

But if I take a stupid trade, such as a 2 day option far away from the strike for an expensive loss, I usually have a terrible day that spreads into my week.

Asset Class: Options

I have 3 years experience trading options, and know the ins and outs of the greeks, strategies, and risk.

How I trade options

1. Max entry 10% of account value
2. 33% stoploss
3. Minimum of 2 contracts per entry
4. Minimum of 2 weeks out per option
5. Maximum of 3 open positions at any time
6. Sell $\frac{1}{2}$ 100% ceiling. Sell $\frac{1}{2}$ EOD
7. Sell $\frac{1}{2}$ contracts before market close if no targets have been met

You must follow the 4 basic rules of mastering “the avoidance of losing”.

1. Never re-enter a stock in one day
 2. Build a watchlist from scratch before market open. When the market opens look for opportunities throughout the day as well
 3. Don't enter extended moves. An extended move is easily notified by how far away from the ema it is.
 4. Don't enter aggressive trades. An aggressive trade is easily notified by how much the option costs and how far away it is.
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