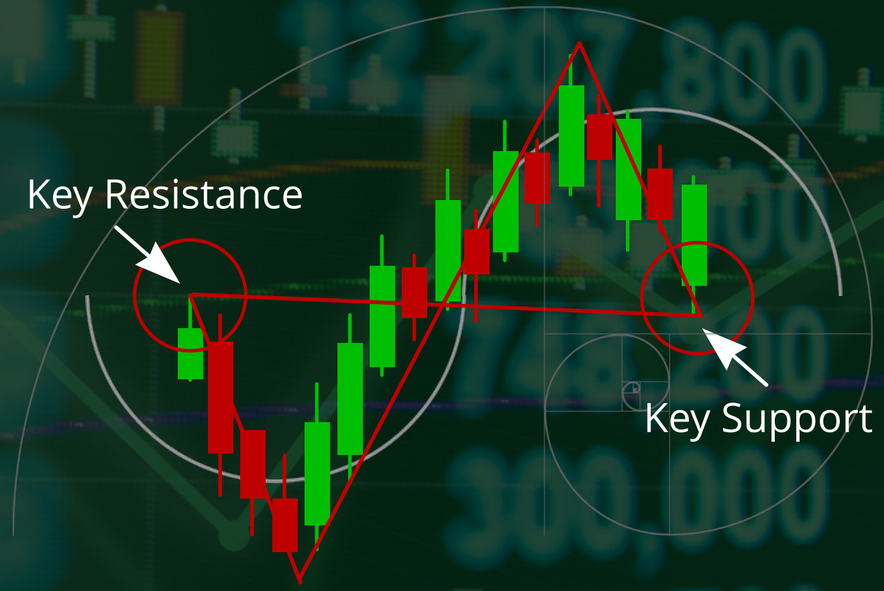
Beyond Fibonacci

Decision Point Trading

and Insights

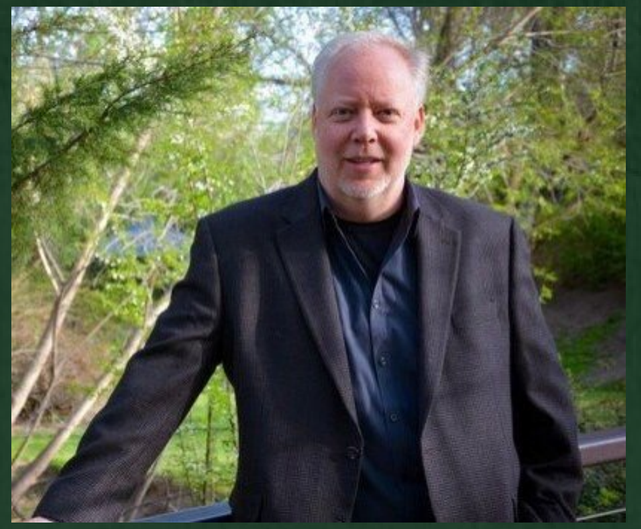


Trading is like playing football,
each team runs their very best plays.

Includes over 20 additional detailed plays.

The Stock Market PlayBook

by: Lan Turner



Lan H Turner, Author

Mr. Turner is a 25 year veteran of the financial markets, having taught his unique trading strategies to thousands of traders world-wide, he's even taught at the Chicago Board of Trade, and Chicago Mercantile Exchanges Education Centers.

Mr. Turner is currently an active trader, teacher of finance at Dixie State University, software development engineer, and entrepreneur.

Includes Over 20 Trading Strategies

- Quarterback Sneak
- Sam Right, Triple 29
- Cats Meow
- The Double Entendre
- Phillips 66
- Fitz 'n Starts
- The Triple SowCow
- The Intercept
- The Flea Flicker
- King Tut
- The Christmas Tree
- Cannonball
- Balaam's Ladder
- Yippi-Ki-Yay
- Reverse Psychosis
- Flat Top Ninja

The
Stock Market
PlayBook

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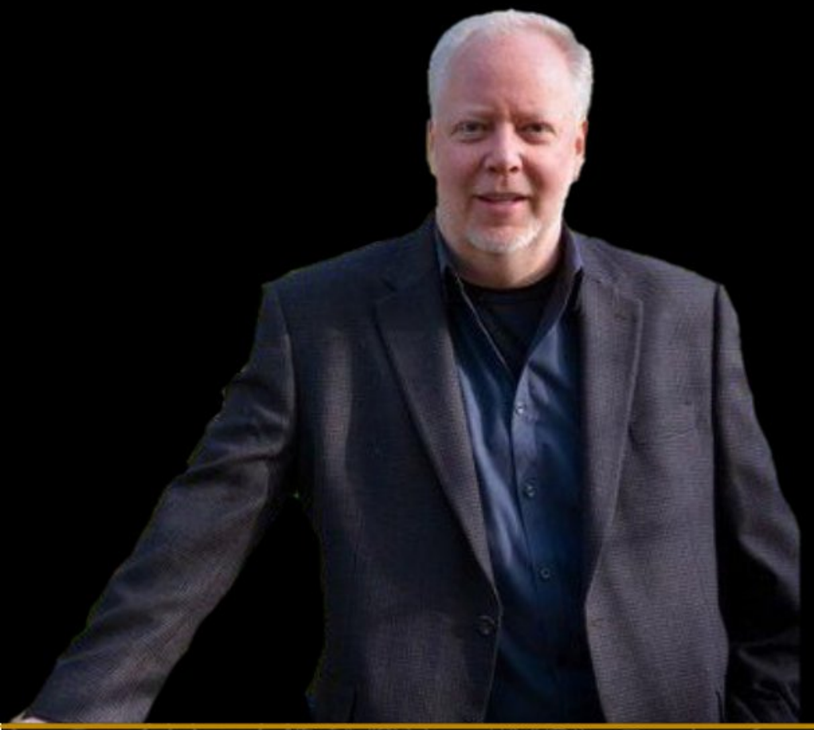

With Lan Turner

Past performance is not necessarily indicative of future results, there is a chance of loss when trading Stocks, Futures & Forex. All educational trade examples, unless otherwise specifically indicated, are performed in a simulated environment.

The views and opinions expressed in this video are those of the author and do not necessarily reflect the opinions of any other person or entity.

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Lan Turner's Contact Information

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The Scammers Have Discovered Me...Beware!

(They're Pretending To Be Me!)

FRAUD ALERT

I Will Never

- Call you on the phone, send you an email, or private message you asking you to invest, trade, or send me money.
- I DO NOT trade other people's money for them. I will never ask you to send me money so I can trade or invest it for you.
- I will NEVER contact you with a Cryptocurrency trade recommendation.

The best time to start investing was last year.

The second best time is today.

Lan Turner's 2024 UTU Teaching Schedule

Week 1:

- Monday: Day Trading (YouTube)
  - University Class in the evening (Intro to Stock Investing)
- Tuesday: Stock Investing (YouTube)
- Wednesday: Stock Investing (YouTube)
  - University Class in the evening (Intro to Stock Investing)
- Thursday: Stock Investing (YouTube)
- Friday: Stock Investing (YouTube)
  - University Class in the evening (Intro to Stock Investing)

Week 2:

- Monday: Stock Investing (YouTube)
  - University Class in the evening (Intro to Stock Investing)
- Tuesday: Stock Investing (YouTube)
- Wednesday: Stock Investing (YouTube)
  - University Class in the evening (Intro to Stock Investing)
- Thursday-Feb 1: Day Trading (YouTube)

Week 3:

- Monday Day Trading (YouTube)
  - University Class in the evening (Foundations of Day Trading)
- Tuesday: Day Trading (YouTube)
- Wednesday: Day Trading (YouTube)
  - University Class in the evening (Foundations of Day Trading)
- Thursday: Day Trading (YouTube)
- Friday: Day Trading (YouTube)
  - University Class in the evening (Foundations of Day Trading)

Week 4:

- Monday: Day Trading (YouTube)
  - University Class in the evening (Foundations of Day Trading)
- Tue, Wed: Day Trading (YouTube - Valentines)
- Thursday: Day Trading (YouTube)
  - University Class in the evening (Foundations of Day Trading)
- Friday: Day Trading (YouTube)

Lan Turner's 2024 UTU Teaching Schedule

Class 1: Passive Investing

- Discover the power of passive investing to generate reliable income with minimal maintenance. This class will cover foundational strategies like dividend-paying ETFs, REITs, and bond funds, allowing you to build a stable, income-generating portfolio that works for you. Perfect for beginners or anyone looking to establish a solid income base with a hands-off approach.

Class 2: Active Investing

- Take a more hands-on approach to your portfolio by diving into active income-generating investments. This session will explore high-yield dividend stocks, bond ladders, and other strategies that require selective stock picking and analysis. Gain the tools to actively manage your portfolio, targeting higher yields and growth while maintaining a balanced risk profile.

Class 3: Day Trading for Daily Income

- Step into the fast-paced world of day trading with this introduction to high-frequency, short-term trading strategies. Learn essential techniques for quickly entering and exiting trades, managing risk, and using technical analysis to capitalize on daily market movements. This class is perfect for those looking to generate immediate income through disciplined, active trading.

Class 4: Options Introduction

- Expand your investing toolkit with this options class focused on income enhancement. Learn the basics of options trading, including calls, puts, and straightforward income strategies like covered calls. This session will equip you with the fundamentals to begin leveraging options as a strategic component of your portfolio, allowing for increased income and protection.

Class 5: Build a Comprehensive Strategy

- Bring it all together in this capstone session, where we combine passive and active investing, options, and day trading to create a robust income-generating strategy. This "1-2-3 knockout punch" approach prepares you for retirement while providing tools for trading as a living. Build a portfolio that integrates passive and active income, fund investments with day trading profits, and leverage options for added growth and protection. Get ready to establish a sustainable, comprehensive plan that works for all stages of life.

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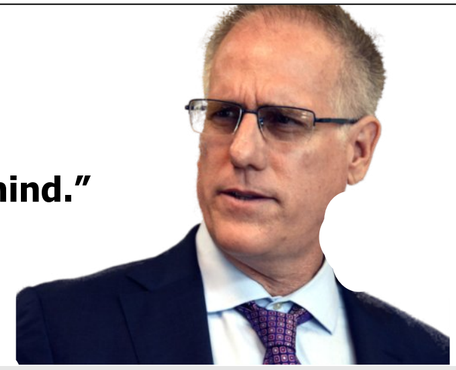
"Track 'n Trade is like the Ferrari of trading platforms, I love it, it's the only platform I'll endorse and put my name behind."

Dr. Scott Brown PhD Finance
Self made millionaire trader & university professor



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The Fibonacci Effect

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Lan Turner's Stock Market Playbook of Strategies

- **Gain Discipline and Courage Through Knowledge & Strategy.**

A 238-page workbook. Your manual to the stocks, futures, and options markets.

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Unlock the Secrets of Day Trading with Real-Time Strategies and Insights

00:00 00:57 PDF Audio

Join Lan Turner every Monday through Thursday as he explores the intricacies of day trading in real-time. We kick off each morning session at 9:25 AM Eastern Time, 7:25 AM Mountain, right at the stock market's opening bell. Don't miss this opportunity to enhance your trading skills and strategies!

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- Market Patterns
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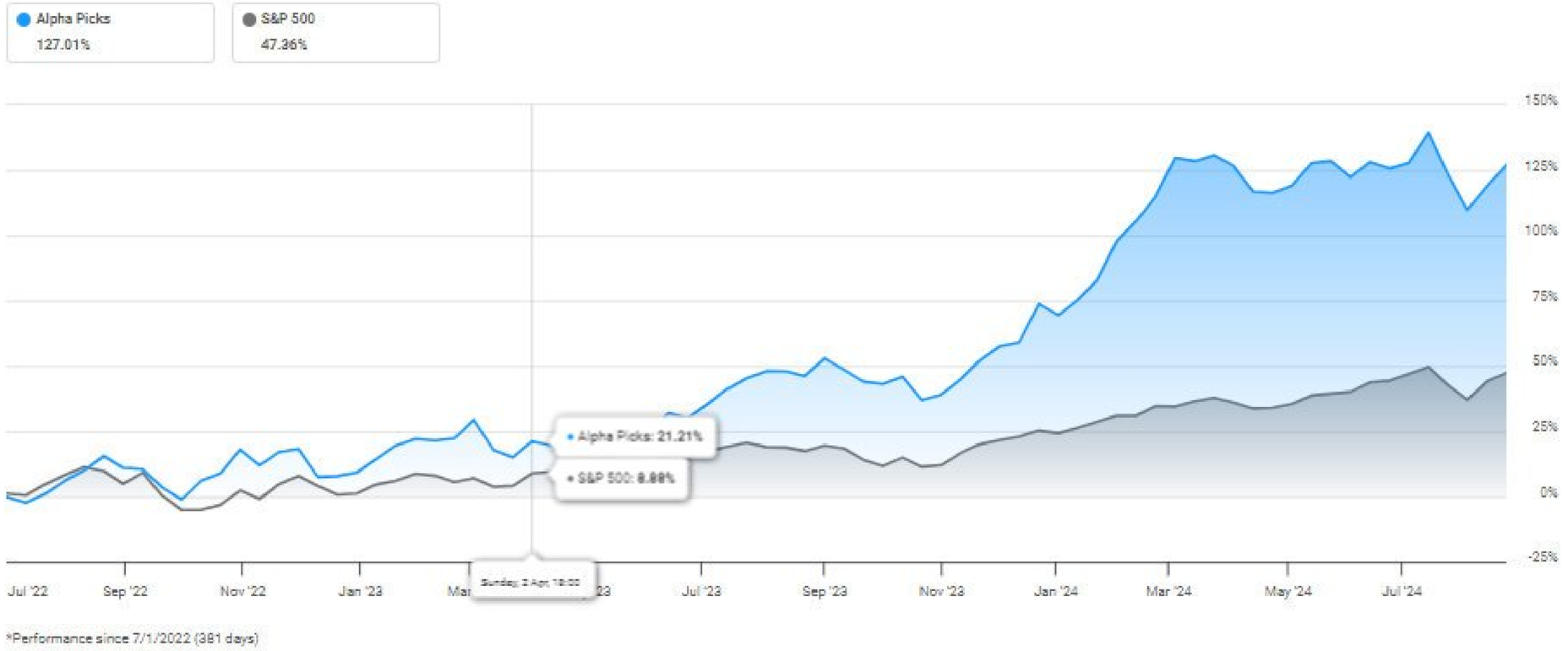
How Have We Achieved Outperformance?



*Performance since 7/1/2022 (381 days)

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Elon Musk

Needs no introduction

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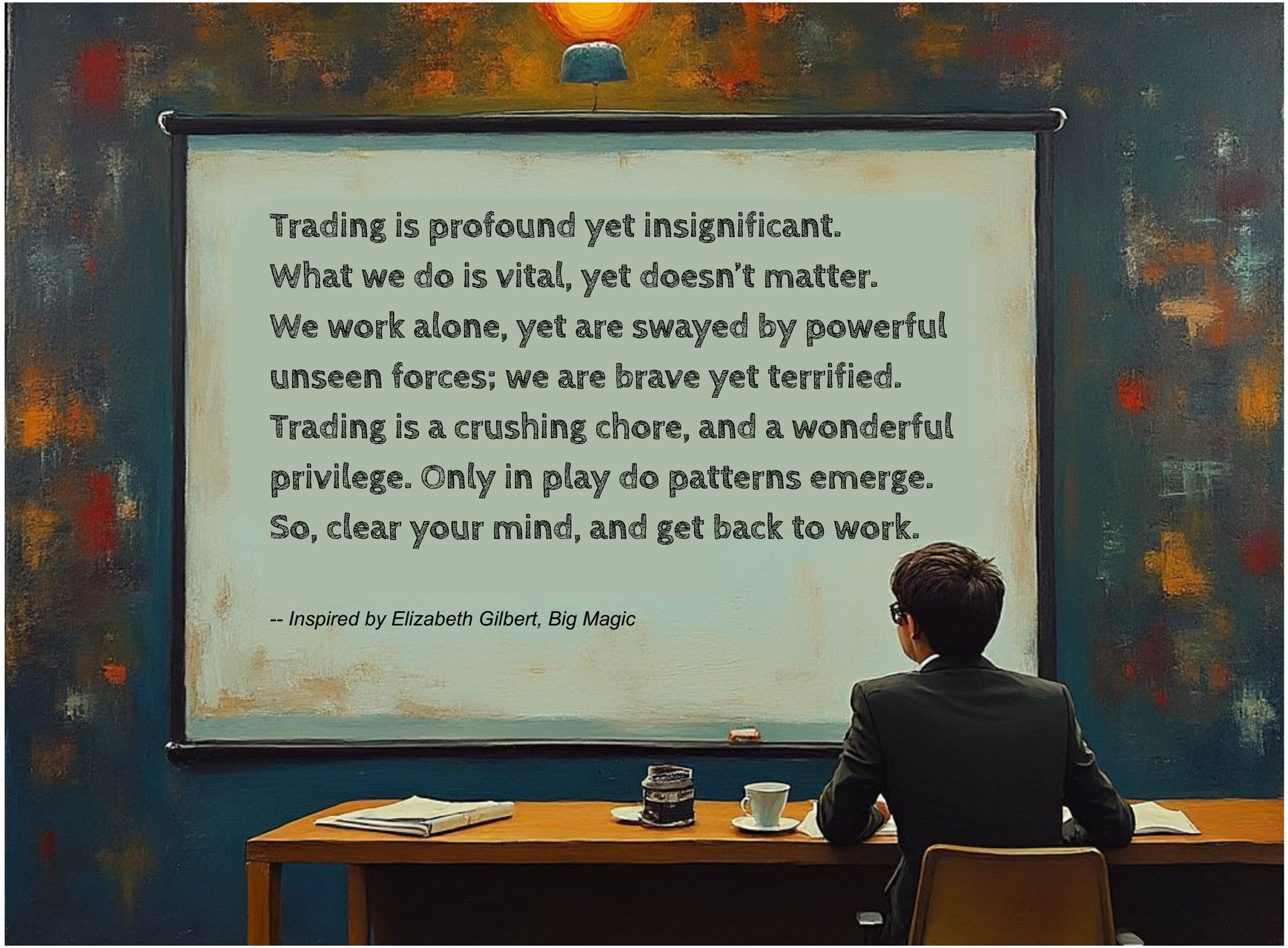

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Plan of Attack:

Step by Step: Here's What To Do!

- Stage 1: Poor People - Work and Pay Taxes
  - "The only place where success comes before work is in the dictionary." - Vidal Sassoon
- Stage 2: Middle Class - Work, Save, and Pay Taxes
  - "Do not save what is left after spending, but spend what is left after saving." - Warren Buffett
- Stage 3: Rich - Work, Save, Invest and Defer Taxes
  - "The biggest risk of all is not taking one." - Mellody Hobson
  - "Investing isn't about beating others at their game. It's about controlling yourself at your own game." - Benjamin Graham
  - "Know what you own and why you own it." - Peter Lynch
  - "In investing, what is comfortable is rarely profitable." - Robert Arnott

Plan of Attack:

Step by Step: Here's What To Do!

- Stage 1: Poor People - Work and Pay Taxes
    - "The only place where success comes before work is in the dictionary." - Vidal Sassoon
        - Get a job, pay your taxes through payroll
        - Pay rent your whole life
        - Borrow on credit cards; pay interest to VISA & MC
            - Make minimum payments on credit card debt
        - Live paycheck to paycheck
            - No financial cushion or emergency fund
        - Avoid budgeting and tracking expenses
        - Impulse buying and unnecessary purchases
            - Buy depreciating assets like expensive cars & jewelry
        - Take out payday loans with high interest rates
        - Ignore financial education and advice
        - Depend on borrowing from friends or family
        - Pay late fees and penalties regularly
        - Neglect insurance; high out-of-pocket during emergencies

Plan of Attack:

Step by Step: Here's What To Do!

- Stage 2: Middle Class - Work, Save, and Pay Taxes
    - "Do not save what is left after spending, but spend what is left after saving." - Warren Buffett
        - Earn a stable income from a job or career
        - Pay taxes through payroll deductions
        - Save a portion of income regularly
            - Contribute to a 401(k) or other retirement plans
            - Maintain an small emergency savings fund
            - Use employer matching contributions
            - Plan for life expenses (college, weddings, etc.)
        - Pay off credit card balances monthly to avoid interest
        - Take out home mortgages to stop rent and build equity
        - Create and follow a budget to manage expenses
        - Use tax-advantaged accounts (IRAs, HSAs, etc.)
        - Avoid high-interest debt and loans

Plan of Attack:

Step by Step: Here's What To Do!

- Stage 3: Rich - Work, Save, Invest and Defer Taxes
    - "The biggest risk of all is not taking one." - Mellody Hobson
        - Diversify income streams
            - Work; career minded
            - Start and run a business or two, or more.
                - Take advantage of business tax strategies
            - Invest in a diversified portfolio & appreciating assets
                - Stocks, bonds, real estate, etc.
                - Private equity and venture capital
                - Focus on passive income streams
                    - Rental properties, dividends, royalties
        - Reinvest earnings to compound wealth
            - Hire financial advisors and tax professionals
            - Maximize tax deferral strategies (401(k), IRAs, etc.)
            - Use tax-vehicles (SEP, Roth IRAs, municipal bonds)
            - Utilize trusts and estate planning to manage wealth
        - Leverage debt strategically for investments & taxes.
        - Take advantage of tax credits and deductions
        - Create a legacy plan (charitable giving, family trusts)
        - Maintain liquidity to take advantage of opportunities

Plan Your Trade & Trade Your Plan

Scale Out/Into Positions (Take profits as they come.)

1. Take profits as the market hits key support/resistance points.
    a. Buy the valleys and sell the rallies. (In an uptrend.)
    b. Sell the rallies, and buy the valleys. (In a downtrend.)

Equipment/Software

- My (Travel) Day Trading Workstation

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What is Your Trading Strategy? Here's Mine!

Everyone needs a road map to the market. Here's how I do it.

1. Count: What are we counting?
    a. The waves of the market (Elliott Wave)
2. Measure: What are we measuring?
    a. Each wave of the market (Fibonacci Ruler)
3. Setup: What pattern is the market creating?
    a. Recurring price patterns; triangles, wedges, pennants, etc.
4. Trigger: What must occur for me to enter the market?
    a. Pattern break, trend violation, market reversal.
5. Follow through: How do I get out?
    a. Trailing stop, limit order, etc...

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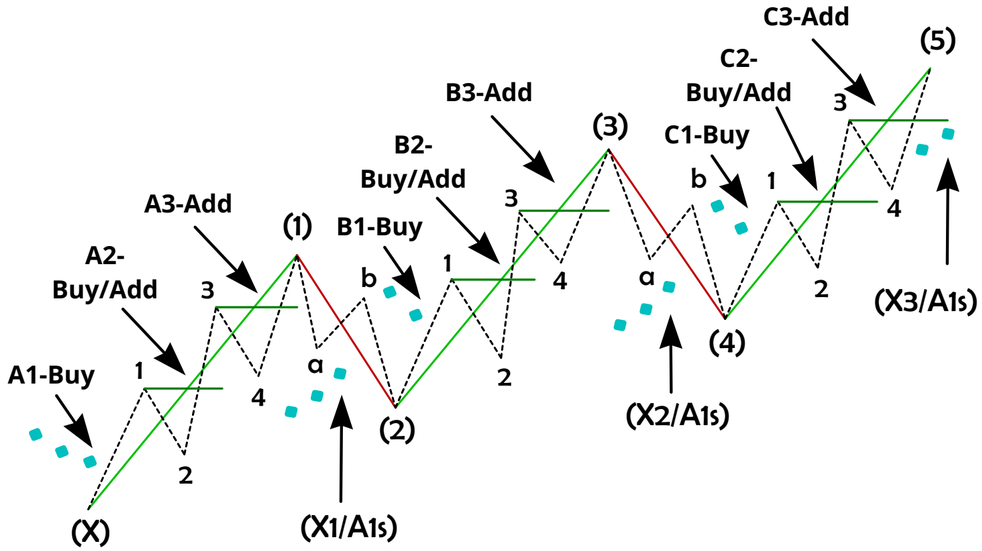
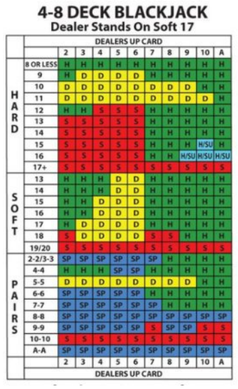
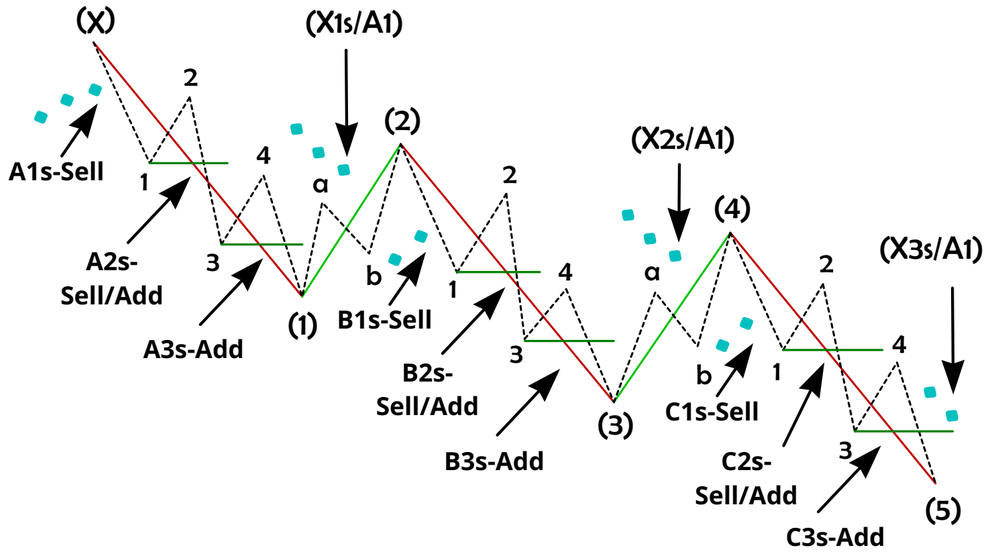
Stock Market Probability Table (Just Like Blackjack)

Count, Measure, Setup, Trigger and Follow-through to Exit

Elliott Wave Key (Longs and Shorts)







Here's a quick reference guide to my Elliott Wave probabilities Count System.

A1, B1, C1: High(est) Probability
This is a great place to enter a new trading position, either shares, contracts or options. Obviously, A1 is better than B1, while B1 is better than C1.

A2, B2, C2: Medium Probability
This is a great place to enter a new trading position if we missed the first entry signal. Even better, this is a great place to add onto our already existing position.

A3, B3, C3: Low Probability
This is a great place to add on small share size to an already existing position, but not a great place to add a new position, as the trend often does not progress enough to move stops to above break even. (See my Pyramid Strategy, enter smaller and smaller shares up the scale.)

X1, X2, and X3. These are reversal formations, and where trends end, or start.
If trading long, we will often call them X1-A1s, or X2-A1s, or X3-A1s (The 's' stands for Short), because each time a market breaks to the downside, creating an X1, X2, or X3, it has the potential of being a new bear trend; following the rules of Elliott Wave, theoretically, this should happen most often at X3-A1s.

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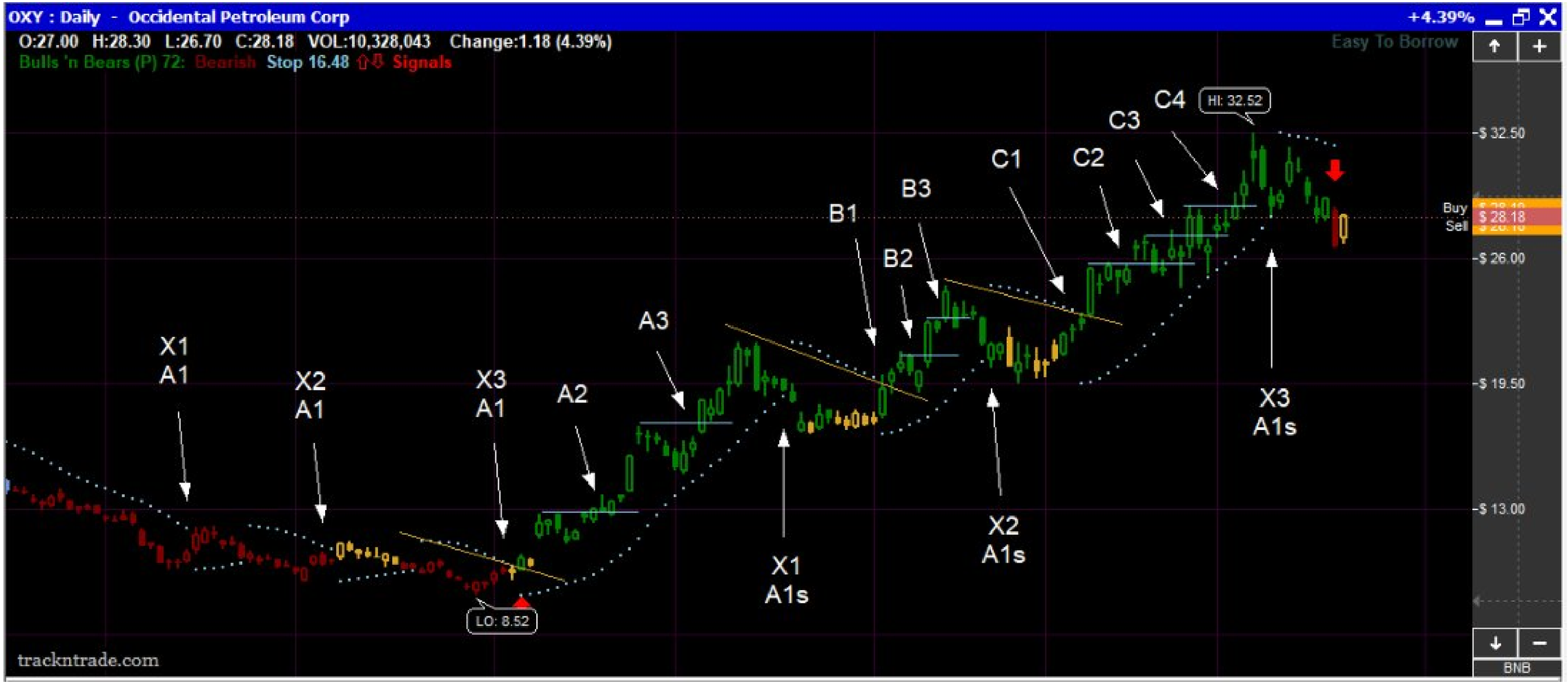
What is Your Trading Strategy? Here's Mine!

Count, Measure, Setup, Trigger and Follow-through to Exit



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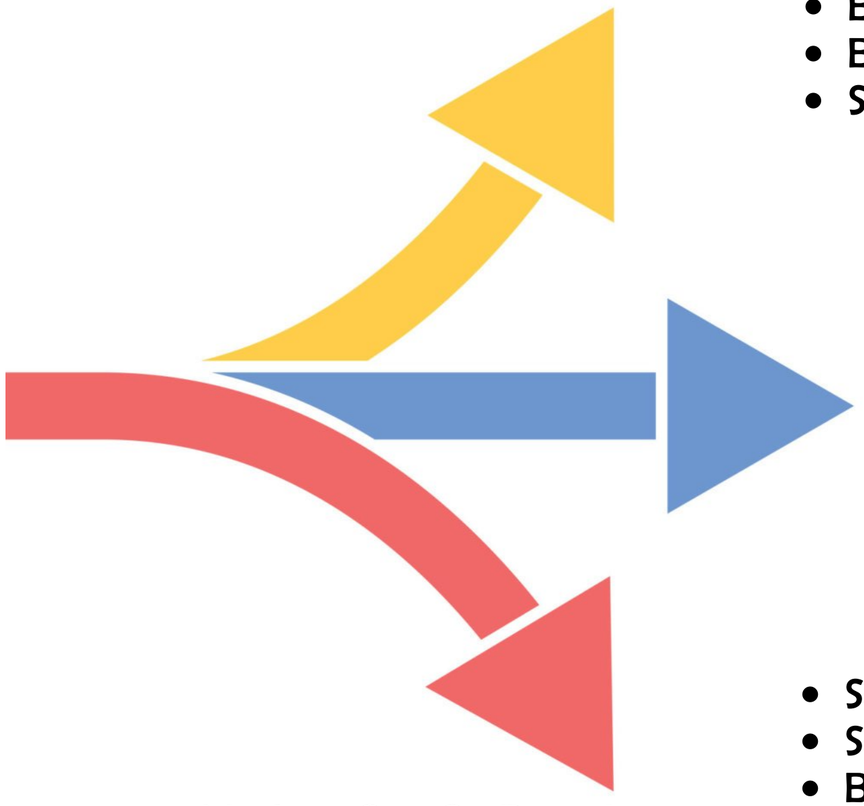
Markets Can Go UP! Down! and Sideways!

How to directional trade each move in the market, rule of: 33,33,33



Markets Can Go Up!

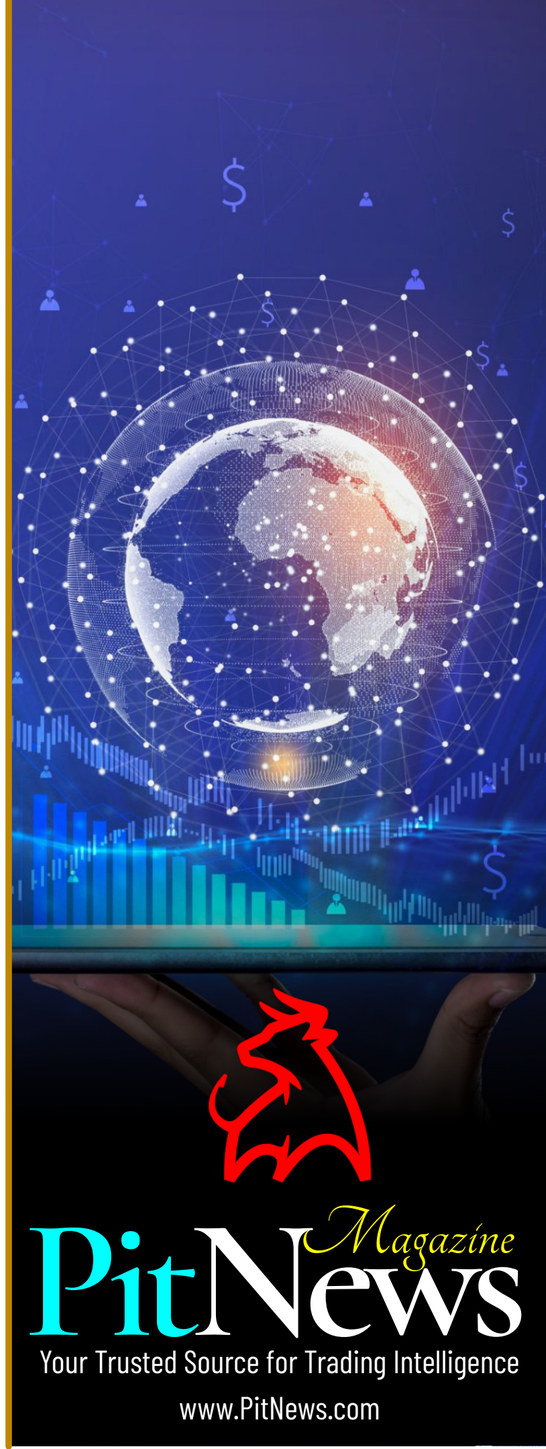
- Buy Contracts (Futures)
- Buy Shares (Stocks)
- Buy Call Options
- Sell Put Options

Markets Can Go Sideways!

- Sell Call Options
- Sell Put Options

Markets Can Go Down!

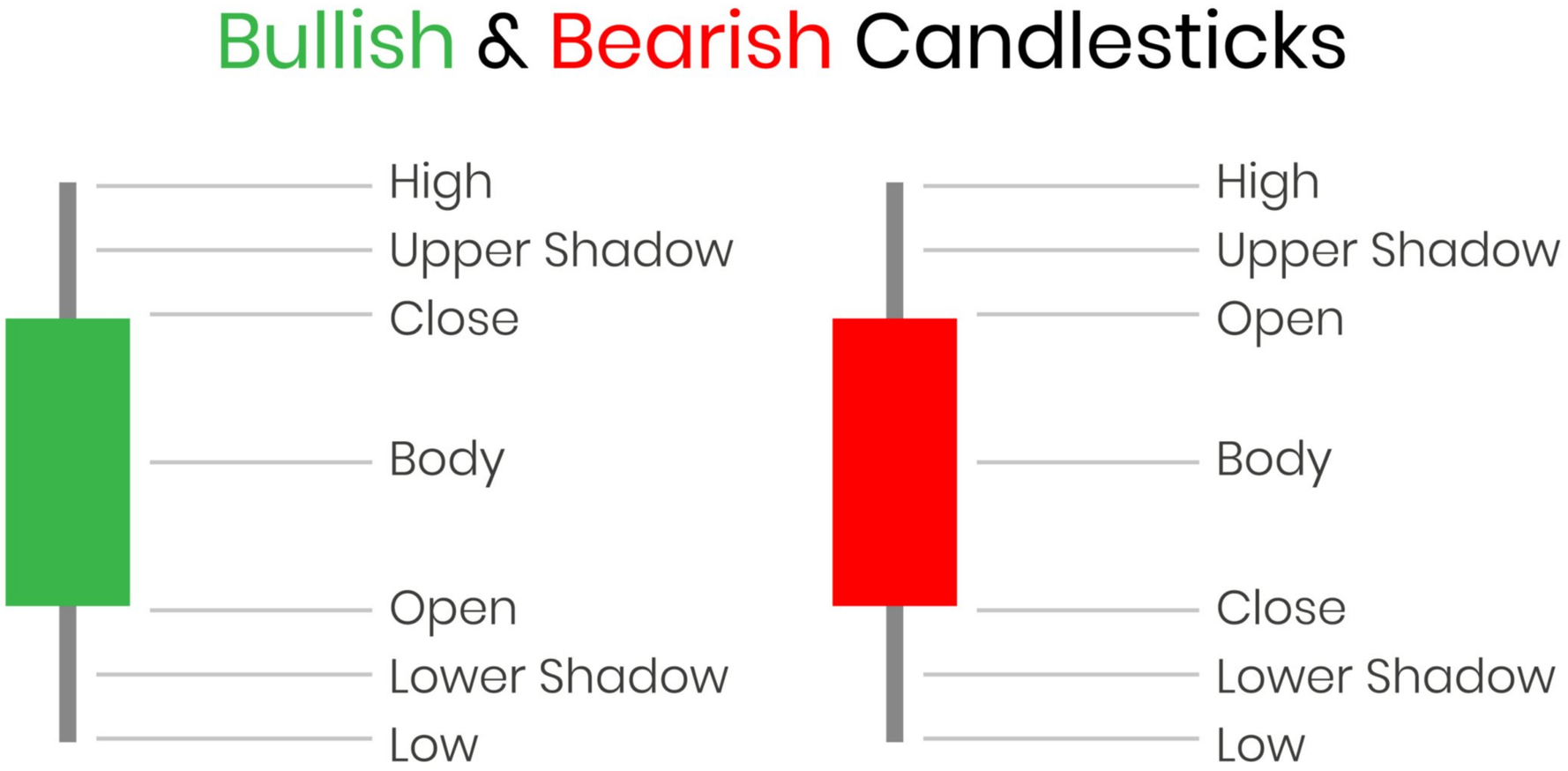
- Sell (Short) Contracts (Futures)
- Sell (Short) Shares (Stocks)
- Buy Put Options
- Sell Call Options



Charts and Patterns

Candlestick Charts

Open, High, Low, and Close Bars



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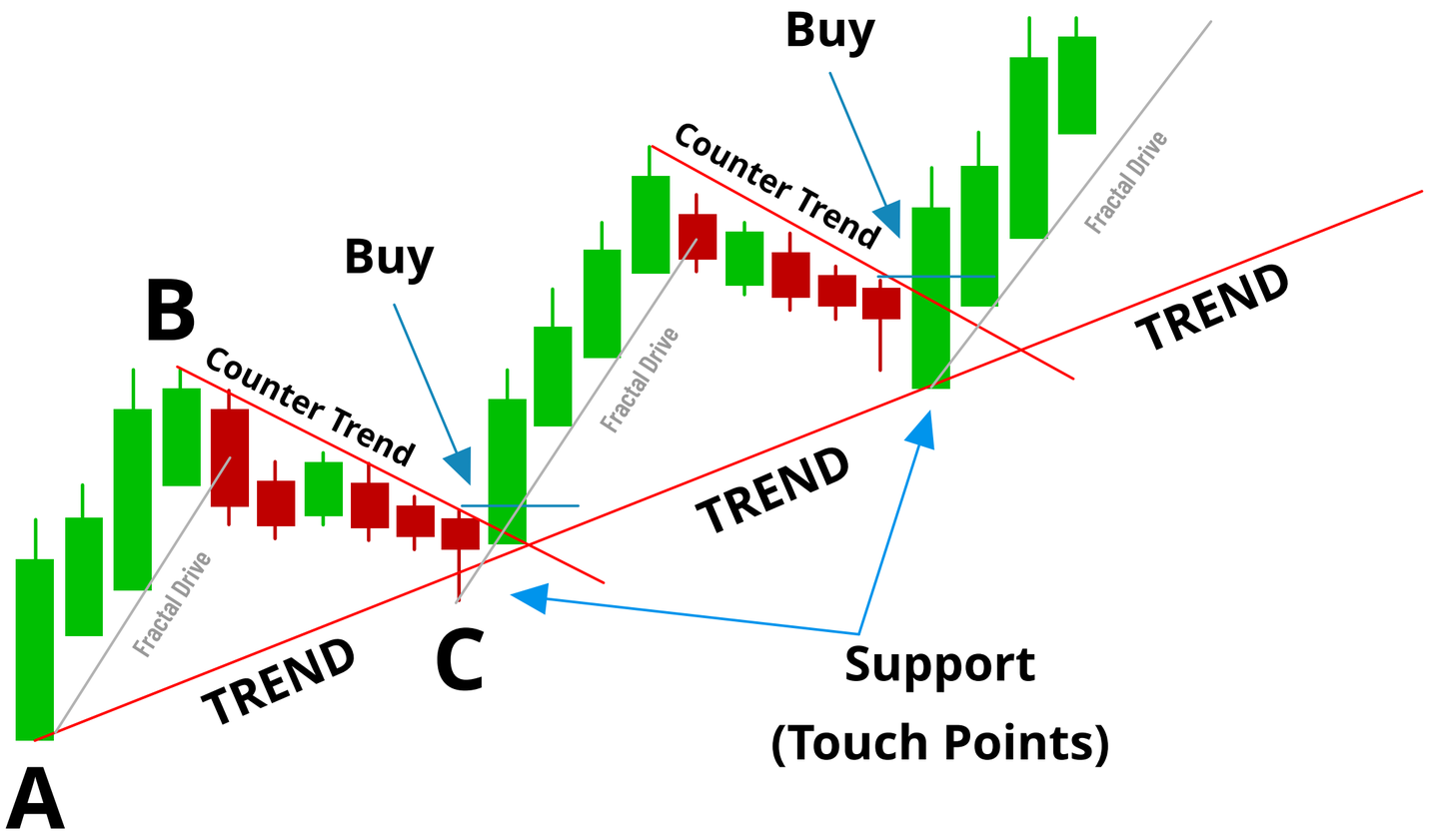
The Trend Is Your Friend

Mastering Trendlines: Spotting Trends, Setups and Countertrends to Gain a Competitive Edge.



Trading the Trend: Step-by-Step

1. Identify the Overall Trend: Begin by recognizing the larger, long-term trend in the market. Within this trend, there are smaller, fractal trends that provide opportunities for entry and exit.

2. Establish the ABC Points: To determine the direction of the long-term trend, identify the initial ABC pattern. Start by marking point A (the initial move), point B (the pullback), and point C (the next move up). This forms the basis of your trendline.

3. Draw the Trendline: Connect points A and C with a trendline and extend it into the future. This line represents the projected path of the market and will serve as a guide for future price action.

4. Enter the Market: Wait for the first green candle that breaks a new high after the ABC pattern completes. This is your signal to enter the trade in the direction of the trend.

    a. You can trade the fractal drives, this would be considered scalping, rather then trend trading. Generally we don't trade the counter trends, since they're usually very choppy and usually don't move far enough for a positive risk to reward return.

5. Monitor the Trend: Once in the trade, your goal is to remain in the market as long as the price stays above the long-term trendline. This helps you capture gains as the trend continues to unfold.

6. Exit the Market: You can either set predefined exit points or stay in the trade until the market breaks below the trendline, signaling the end of the trend.

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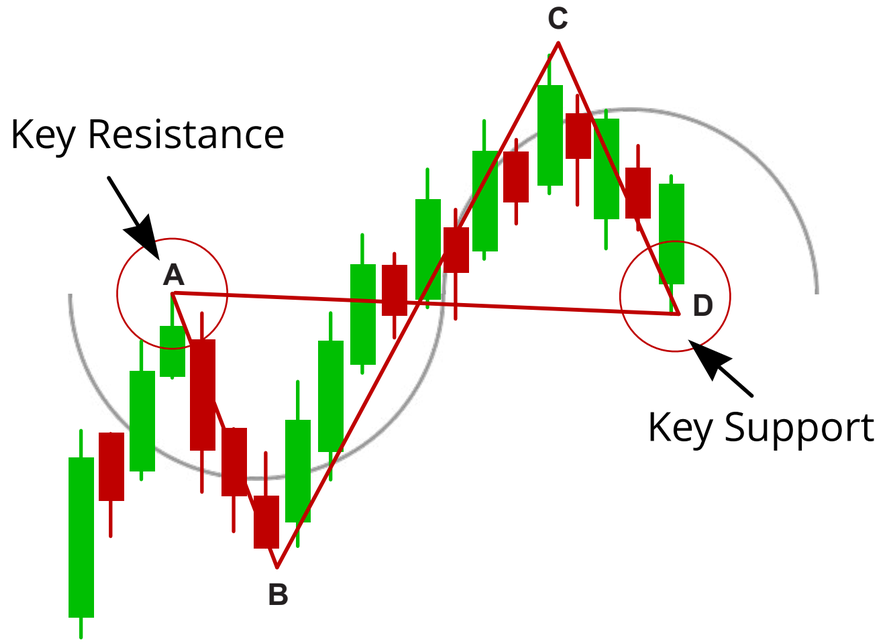
Pattern, Setup & Trigger Recognition

Identifying Patterns, Setups, and Triggers is key to your success, but it's only the beginning, and not even the most important step.

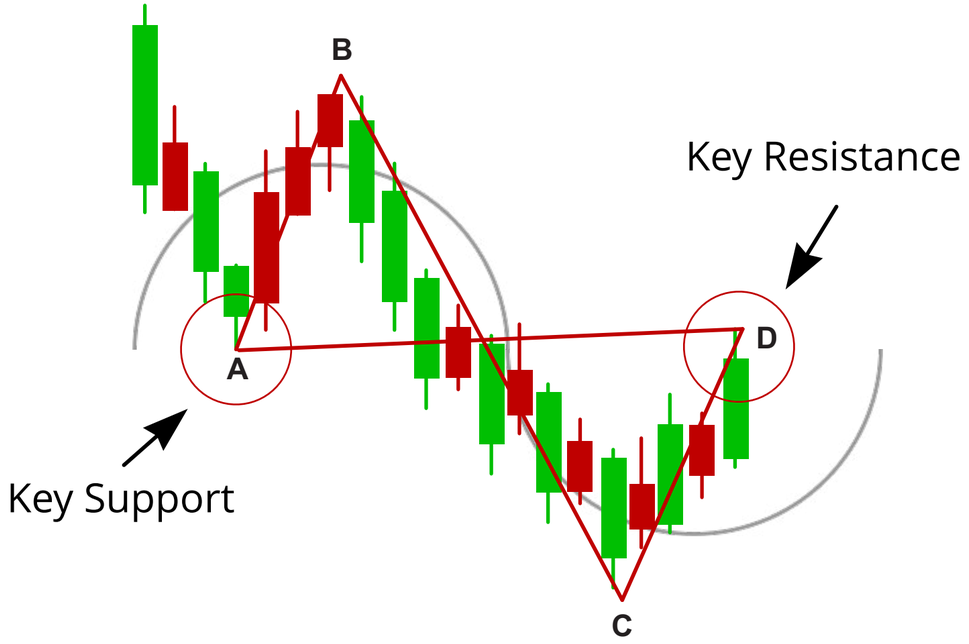
The Fibonacci Bow-tie (Bullish)

Resistance Becomes Support



The Fibonacci Bow-tie (Bearish)

Support Becomes Resistance



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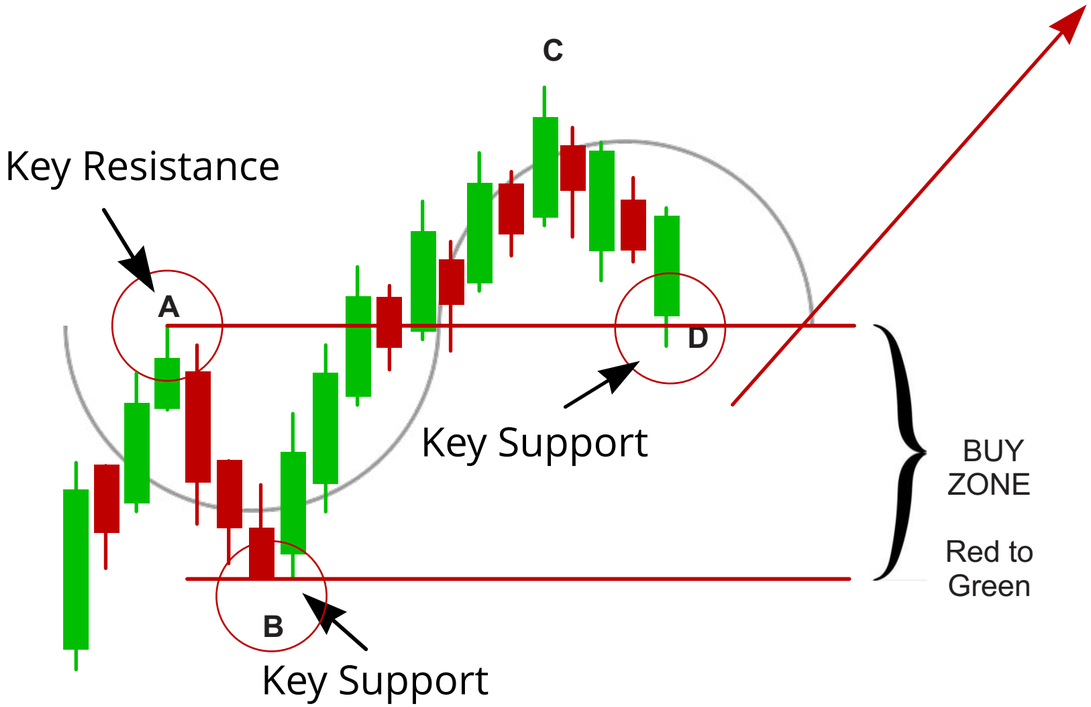
Fibonacci Bowtie Buy/Sell Zones

Identifying the buy & sell zones based on the Fibonacci Bowtie.

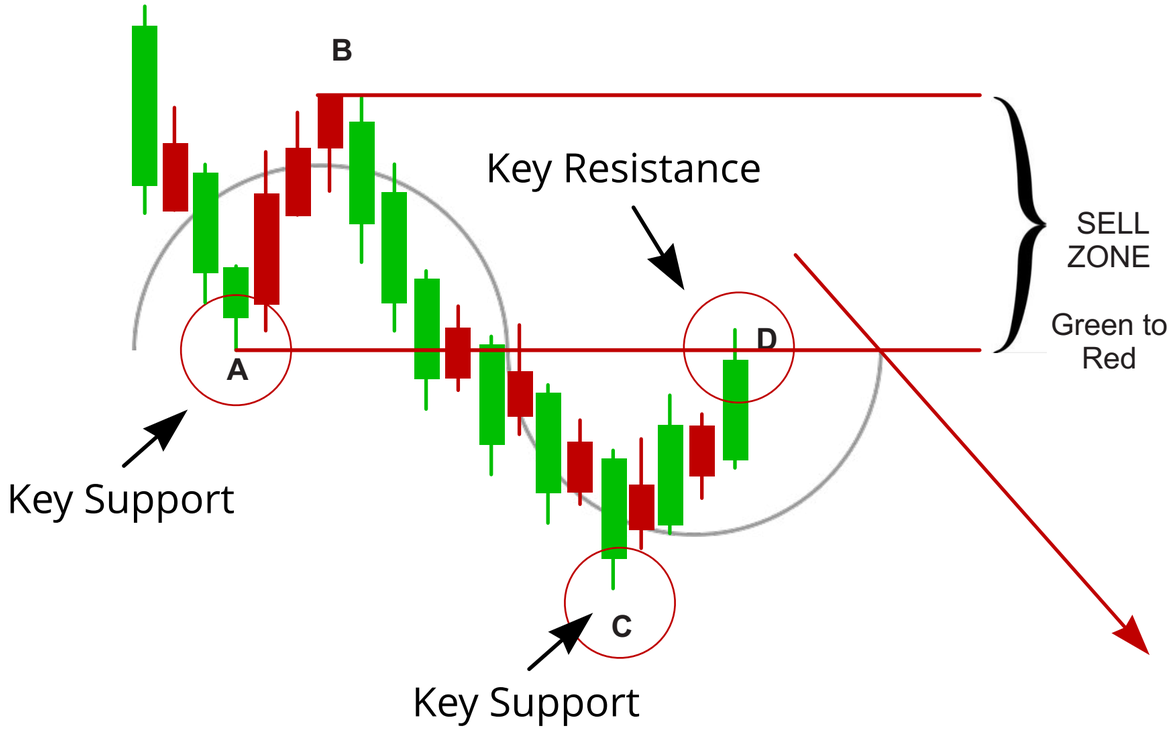
The Fibonacci Bow-tie (**Bullish**)

BUY ZONE



The Fibonacci Bow-tie (**Bearish**)

SELL ZONE



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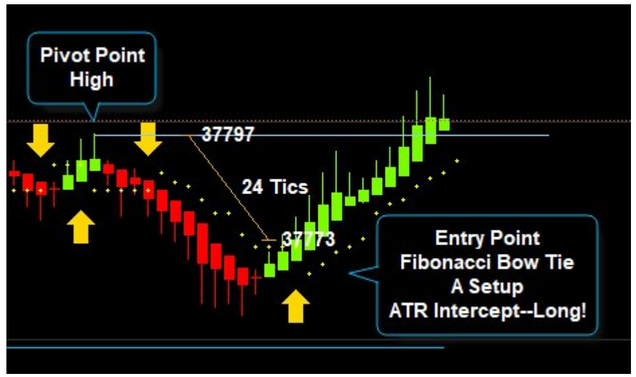
Calculating 1:2 Risk Reward Ratio

Fibonacci Bow Tie Trading Strategy

Buy Low, Sell High. Buy High, Sell Higher
Sell High, Buy Low. Sell Low, Buy Lower

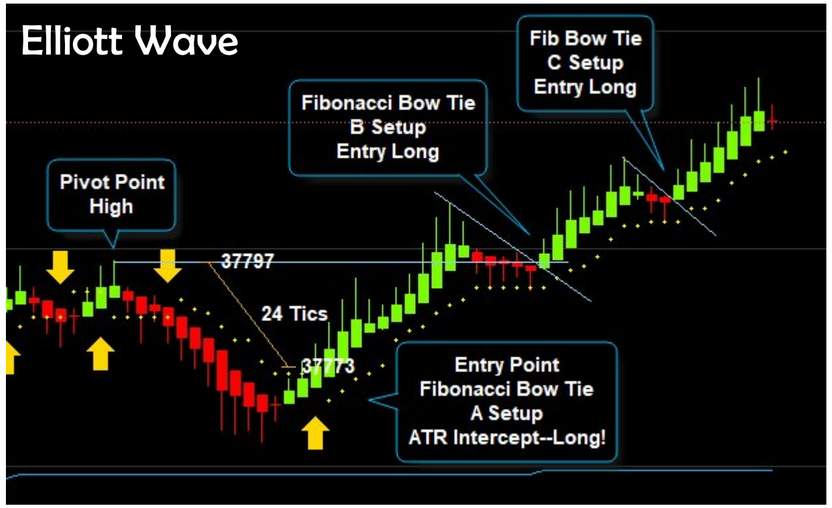


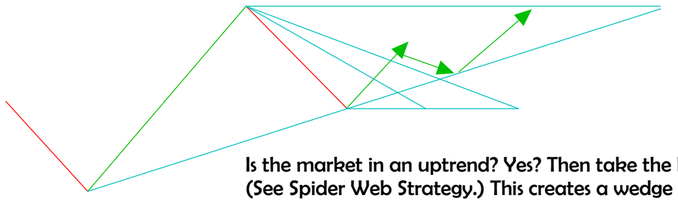
1. ***Calculating Entry Point:***
   a. *To calculate a 1:2 Risk vs. Reward ratio, start by identifying the previous market's high or pivot point.*
   b. *Measure from the pivot high to the entry point.*
2. ***Profit Projection and Setting Your Target:***
   a. *Your profit target should align with the 1:2 Risk vs. Reward Ratio.*
   b. ***Example:*** *If you're implementing a 12:24 tic Risk to Reward ratio, the distance from the previous high to your entry point (the pull-back) should be at least 24 tics.*
   c. *This means that for every 12 tics you risk (the distance between your entry point and stop-loss), you aim to gain 24 tics in profit.*
   d. *In this example, we're anticipating a return to the previous high.*
3. ***Risk Calculation and Stop Placement:***
   a. *Place your stop-loss order 12 tics behind your entry point.*
   b. *Assess whether trailing your stop to break-even is appropriate. This decision depends on market behavior and your individual trading style.*

Catching the Illusive Three Drive Pattern

Buy Low, Sell High Strategy

1. **Calculate Risk vs. Reward Ratio:**
   a. Buy the Valley, Sell the Rally: Identify the valleys (lows) to enter a trade and the rallies (highs) to exit, capitalizing on the natural market fluctuations.
   b. Catch the Continuation Formation: Look for patterns that indicate a continuation of the trend. In the case of the Three Drive Pattern, this means identifying the sequential and symmetrical price movements that conform to specific Fibonacci projections.





Is the market in an uptrend? Yes? Then take the long trade. (See Spider Web Strategy.) This creates a wedge pattern.

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Trade & Risk Management

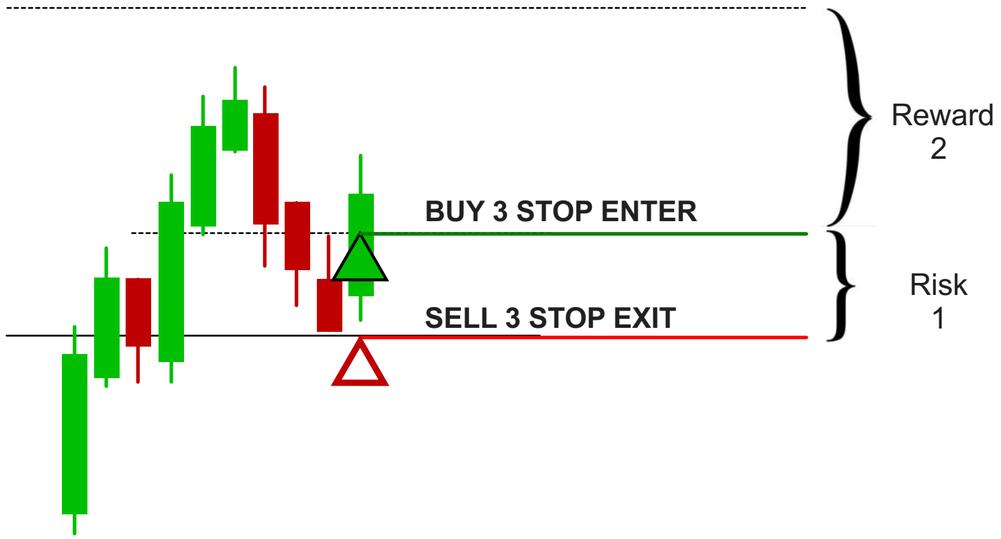
Calculating Risk vs. Reward When Scalping the Market

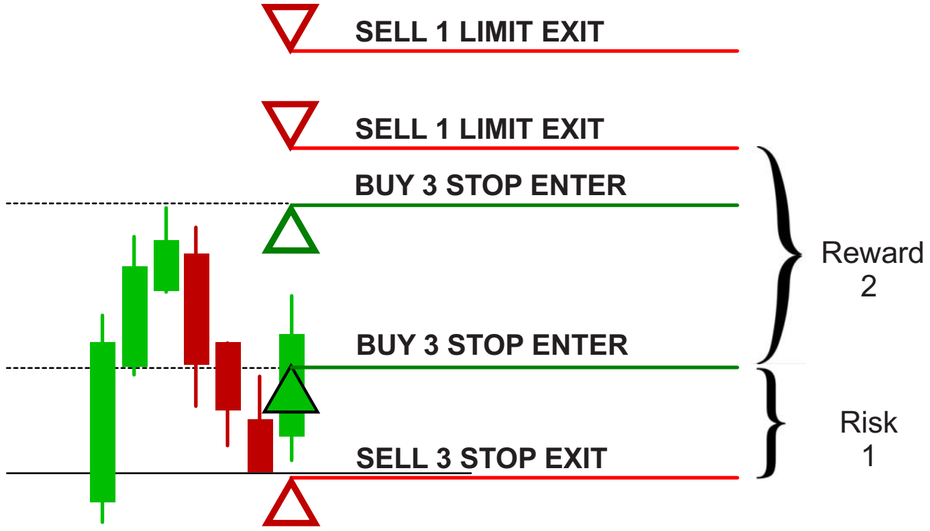
The Bull Flag Scalp

1. Strong trending market; see Jolly Green Giant.
3. Enter with a Stop on the first green bar break above the previous red pull back bar.
4. Place Exit Stop behind previous low.
5. Add positions on break above previous Bull Flag high.

Risk vs. Reward

6. Move EXIT Stop to dollar cost ave. break even; update qty.
7. Take first profit at 1:2 Risk/Reward.
8. Use LIMIT Target Orders at key resistance levels.
9. Exit ALL on first sign of weakness or failure.
10. Don't turn a winner into a loser.





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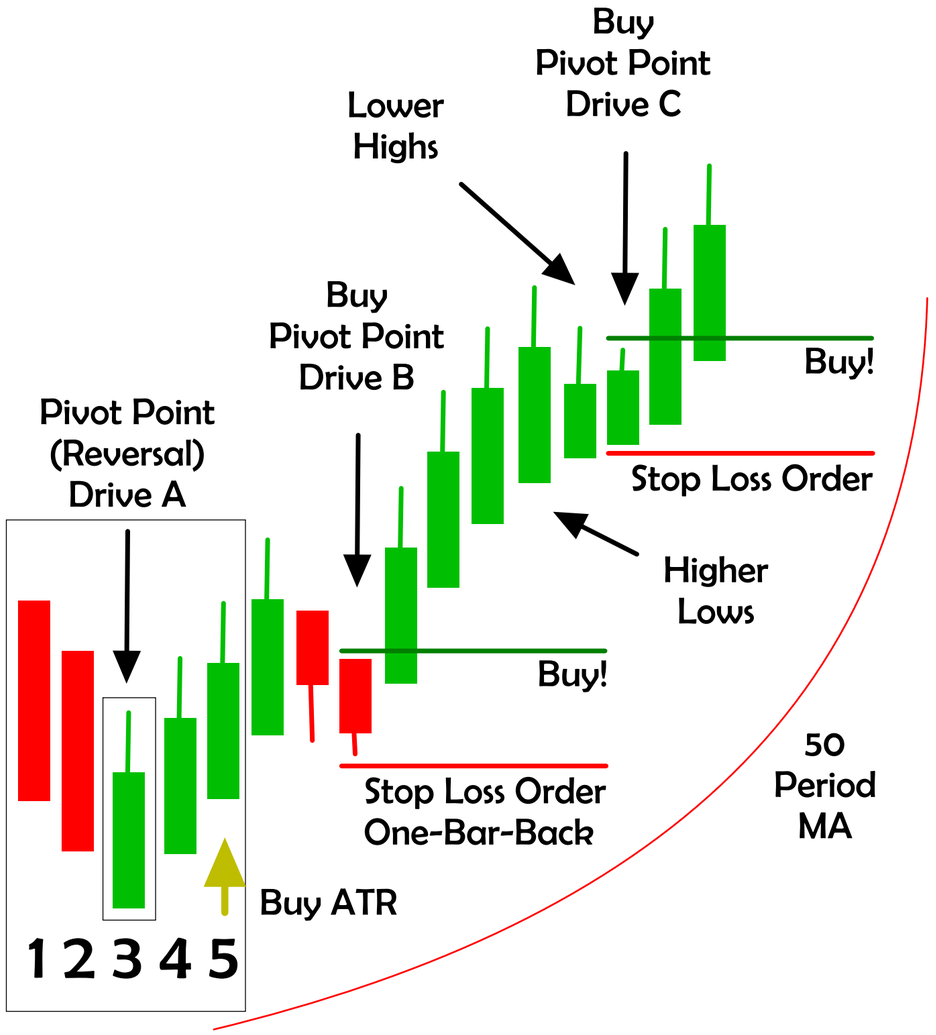
Mastering Market Trends: Highs, Lows & ATR

Unlocking the Secrets of Trend Identification, Entry Points and the 50-Period Moving Average

How To Enter/Re-Enter a Rising Market



Lan Turner's Momentum Trading Strategy: Quick Setup Guide

Chart Type:
- Heiken-Ashi Bars

Indicators:
- Average True Range (ATR)
  - ATR Period: 1
  - Stop Factor: 1.0
- 50-Period Moving Average

Entry & Exit Points:
- Use ATR for initial entry
- 50-Period MA as a filter for long/short positions

Trend Analysis:
- Higher Highs and Higher Lows for Uptrends
- Lower Highs and Lower Lows for Downtrends

Patterns:
- ABC or 123 Tops & Bottoms
- Flag or Pennant Patterns
- Pivot Points

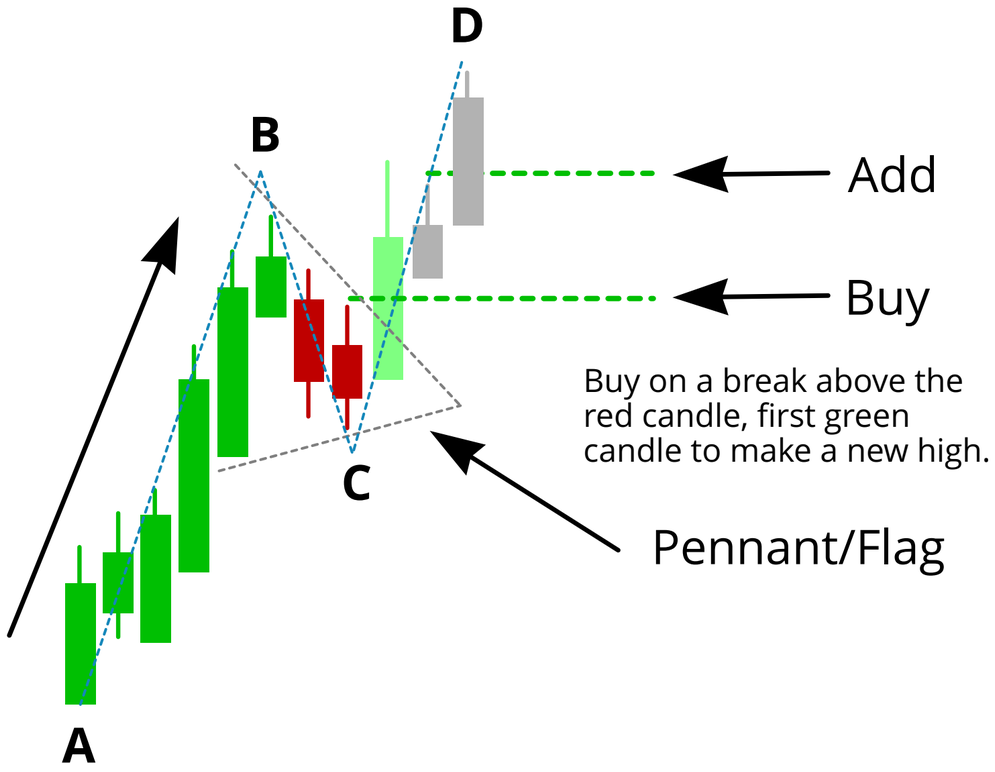
Additional Considerations:
- Look for micro pullbacks against the prevailing trend
- Use auto-trailing stop one price bar back for entry and exit
- Trail to break even, then trail ATR to Exit.
- Trail to break even, then exit on ATR reversal arrow.
- Consider running Lan's Scalp 'n Trail Strategy.

Pattern, Setup & Trigger Recognition

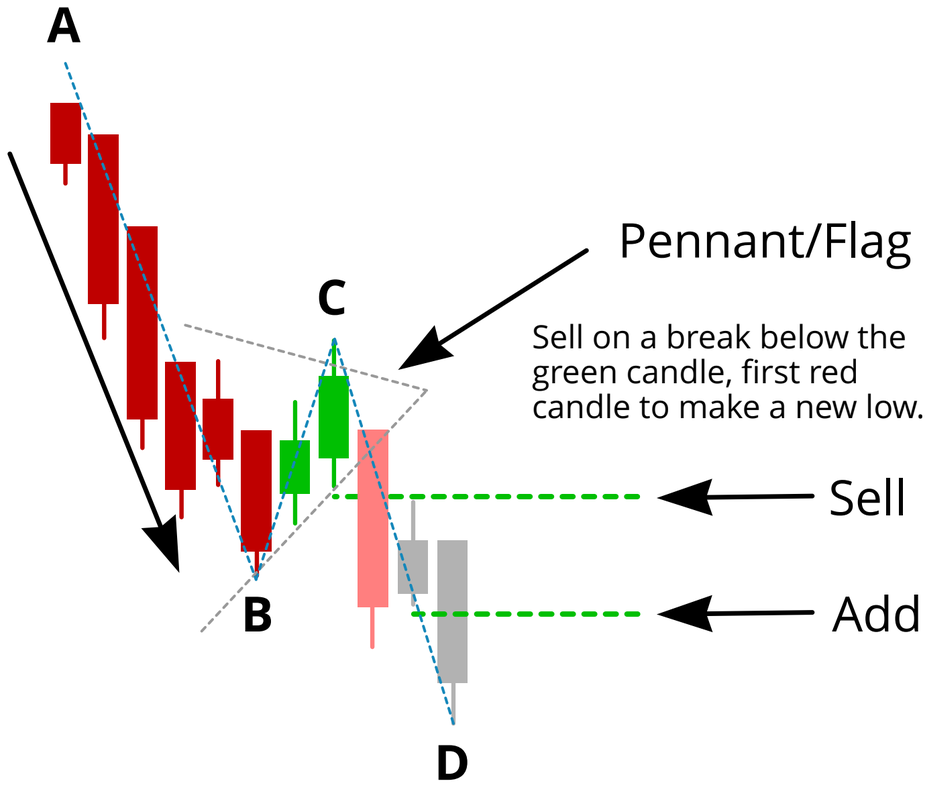
ABCD Patterns

A buy/sell signal entry strategy after a two/three bar pull back. (Flagging)

Bullish



Bearish



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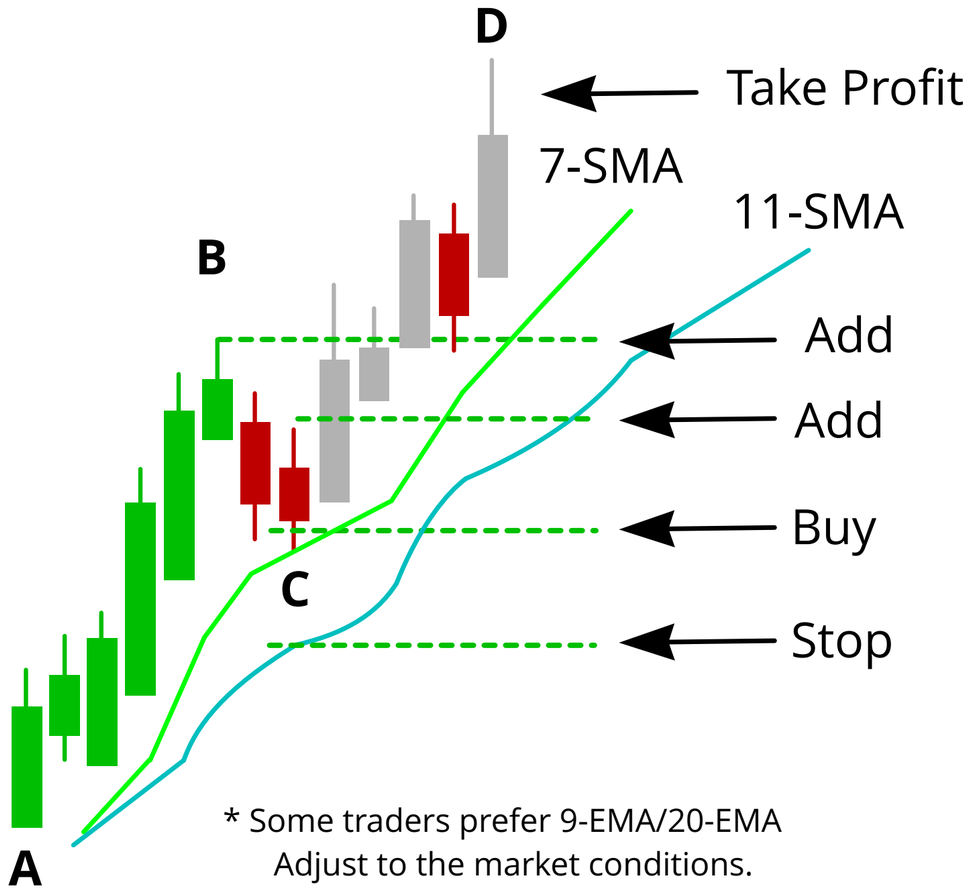
Buy Low, Sell High Scalp; 7-11 SMA Strategy

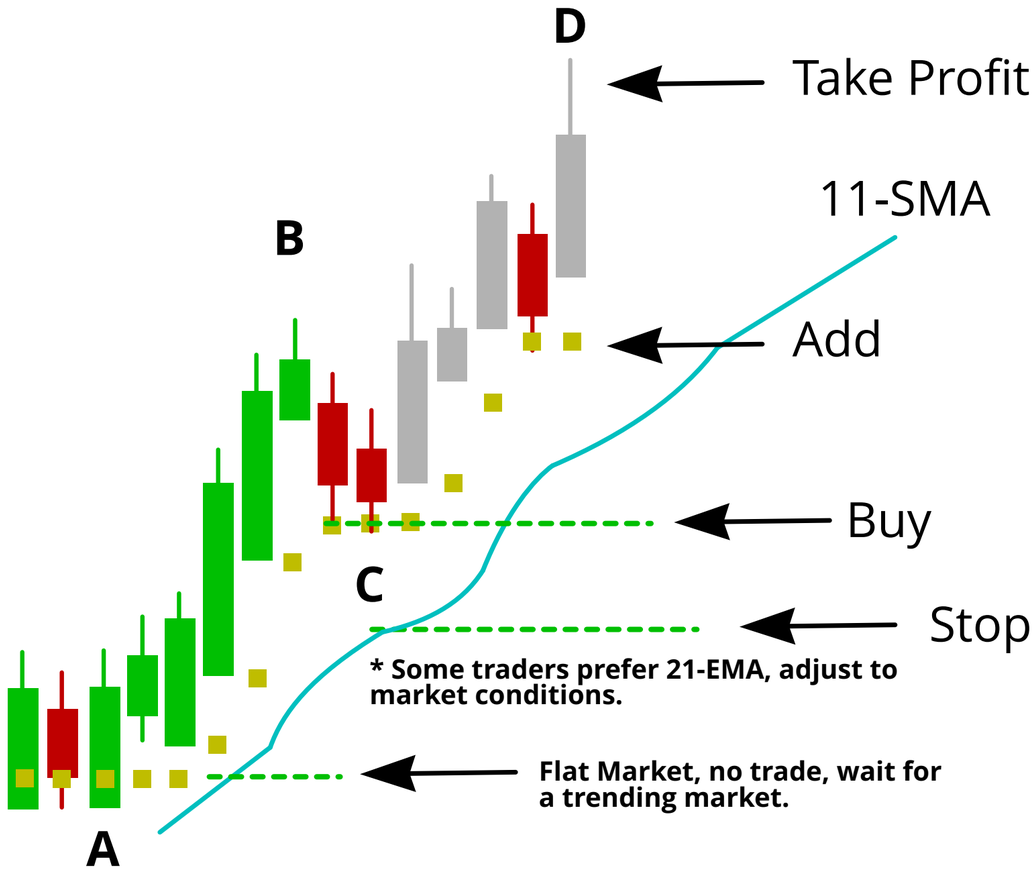
Moving Average Trading Strategy

A buy entry strategy after a pull back to SMA-7, Stop at SMA-11



ATR Flag Trading Strategy

A buy entry strategy after a pull back to ATR-1/.8; Stop at SMA-11



* Start with 7-11 SMA (Simple Moving Averages) when trading with Heiken-Ashi bars, and 9-21 EMA (Exponential) when trading on standard candles.
* No one size fits all. Make adjustments as needed for your particular environment and market volatility. (Find your sweet spot.)

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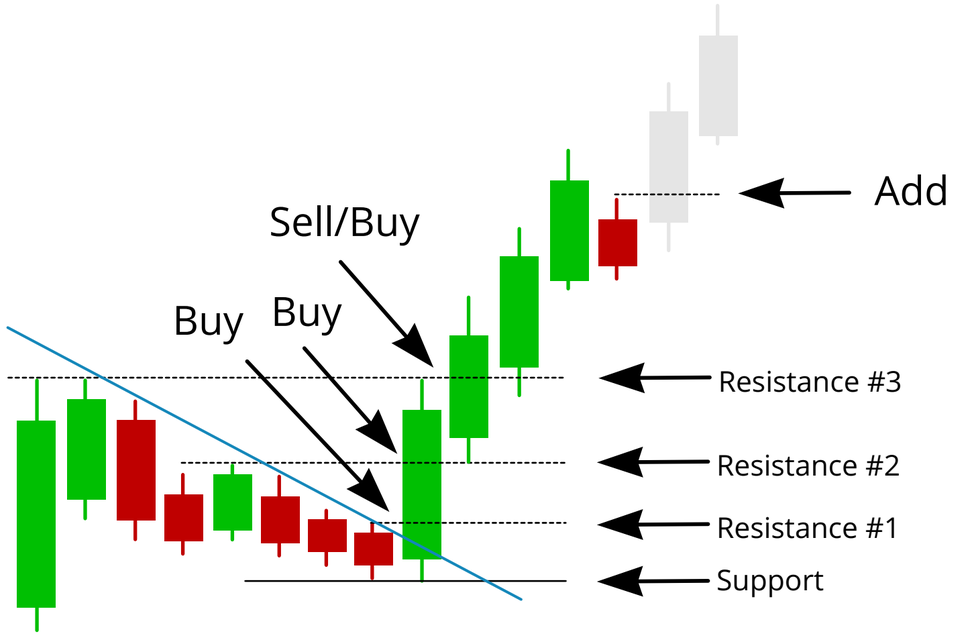
Pattern, Setup & Trigger Recognition

"Identifying recurring price patterns is not trading. Trading is executing orders to take advantage of those patterns." -- Lan Turner

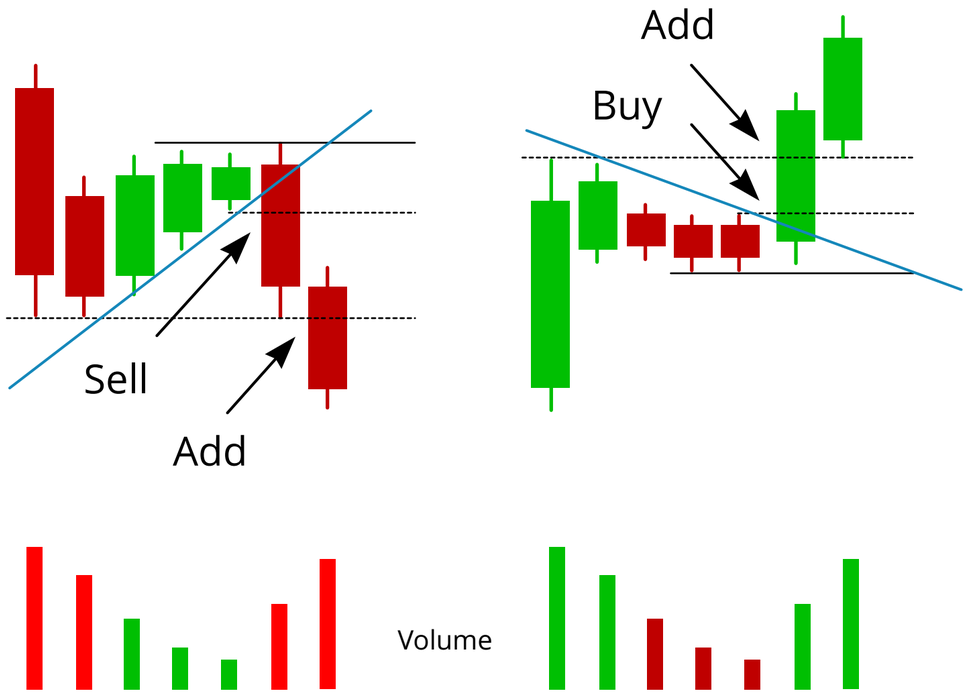
The Drift Pattern

The market "drifts" lower then breaks up



The Shelf

Pennant/Flag formation. A hesitation in the trend.



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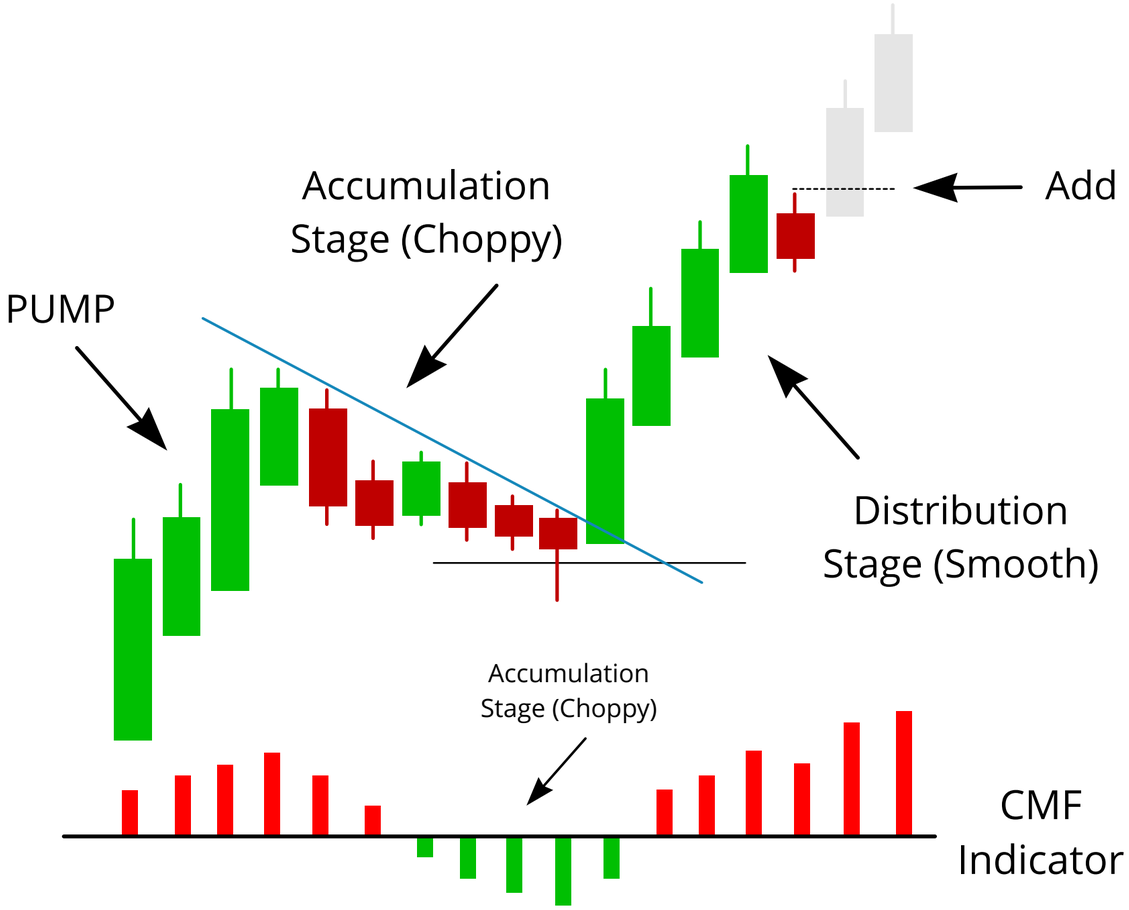
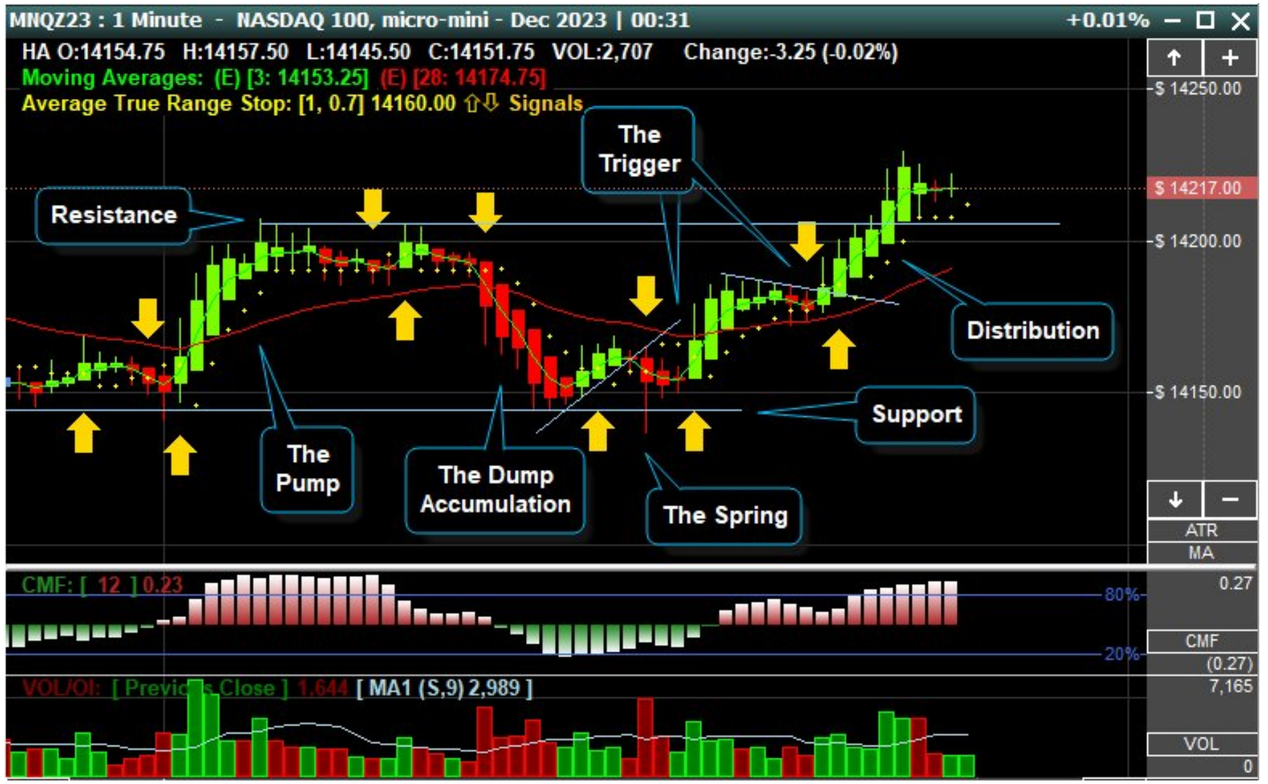
The Hedge Fund Pump ‘n Dump

The Puppet Masters of Wall Street: Unmasking the Art of Market Manipulation

Accumulation & Distribution

The market “Chops” lower then breaks up.





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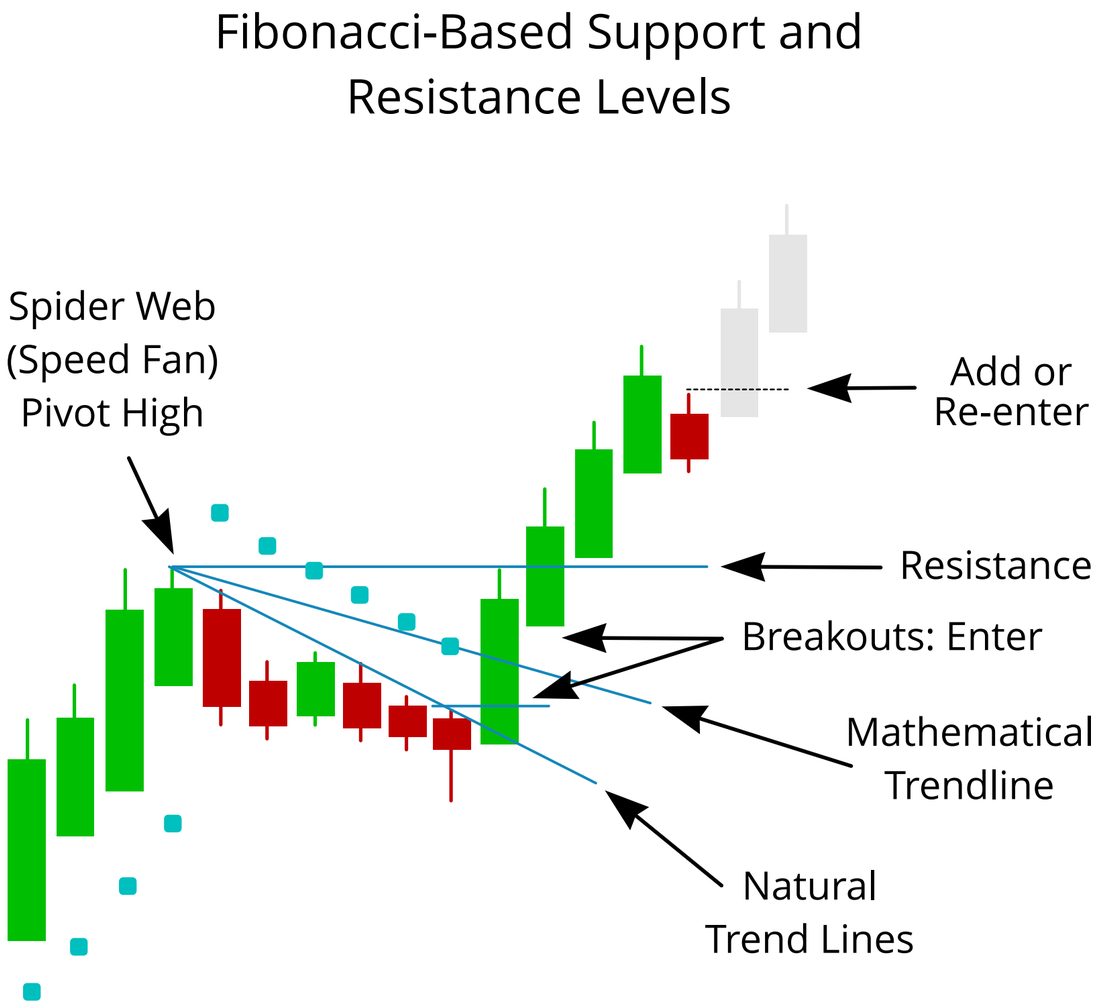
The Spider Web (Speed Fan) Setup

Unraveling the Spider Web: Demystifying the Speed Fan Trading Strategy



Integrating the Spider Web Strategy with Risk Management

1. **Drawing the Speed Fan:** The tool is typically drawn with three legs: All three legs start from a single (pivot) high. These three lines fan out over the price chart, resembling a spider's web.

    a. Leg 1: Horizontal trendline outlining the break a bove the pivot point high.
    b. Let 2: Highlights the breaking point of a mathematical model, such as Blue Light, ATR, PSAR
    c. Let 3: Drawn down, highlighting the natural trendline

2. **Interpreting the Speed Fan:** The lines created by the speed fan can act as potential support and/or resistance levels. Traders often watch how prices interact with these lines to make trading decisions. For instance:

    a. If the price respects these lines and bounces off them, it can indicate areas where the price might reverse.
    b. If the price breaks through these lines, it might suggest a stronger trend in the direction of the break, and a potential buying opportunity.

3. **Long & Short:** This strategy works just the same in a short play, where the Spider Web would be drawn through the downtrend.

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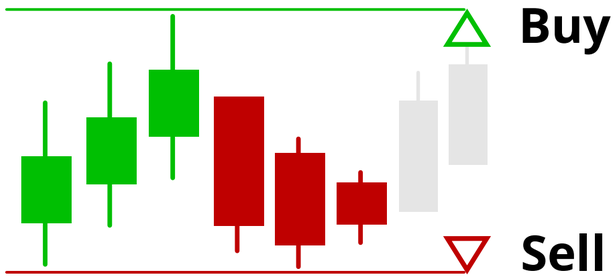
Decision Point Trading

Bracket a market to go either direction; Long or Short

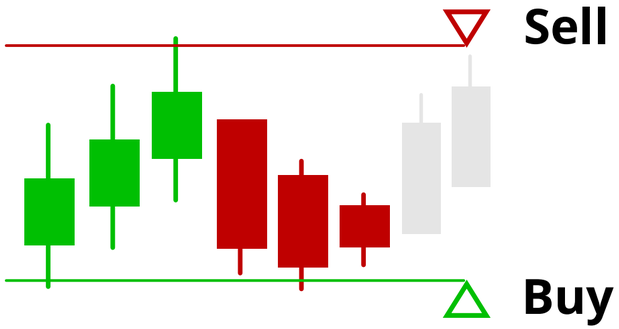
Buy on a break up / Sell on a break down

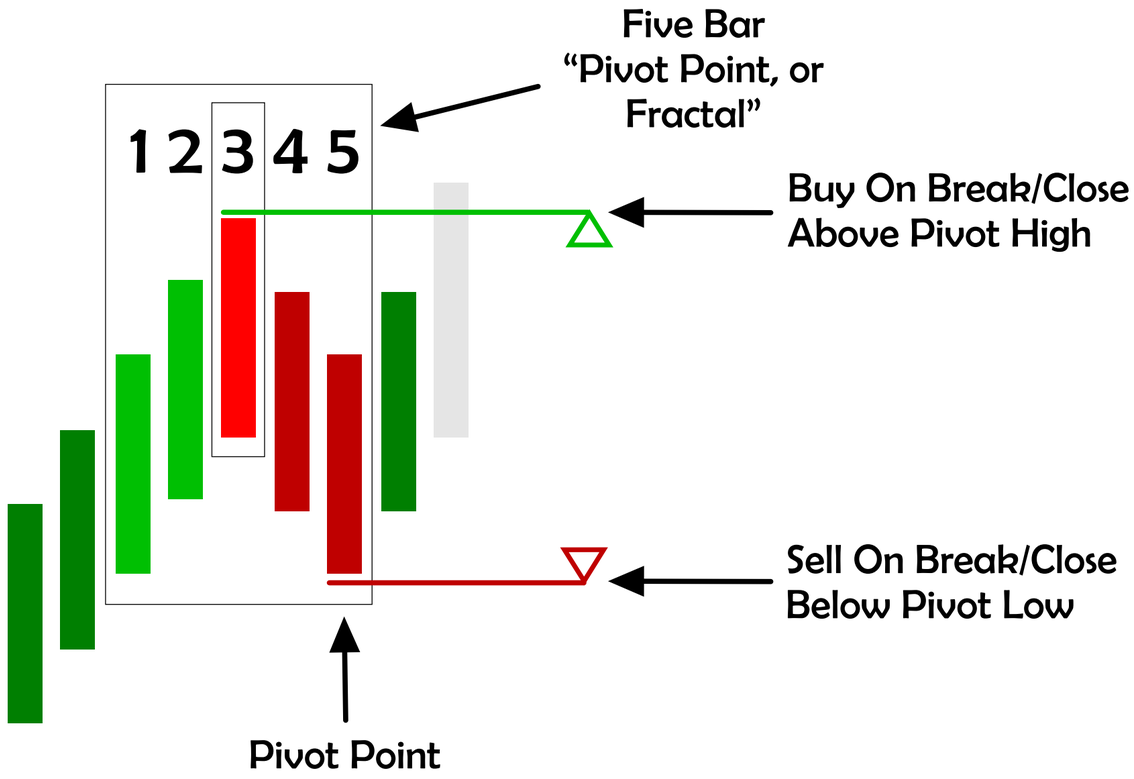
Narrow Sideways Channel: Buy High, Sell Higher
Sell Low, Buy Lower



Sell on a test up / Buy on a test down

Narrow Sideways Channel: Sell High, Buy Low
Buy Low, Sell High





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Decision Point Trading

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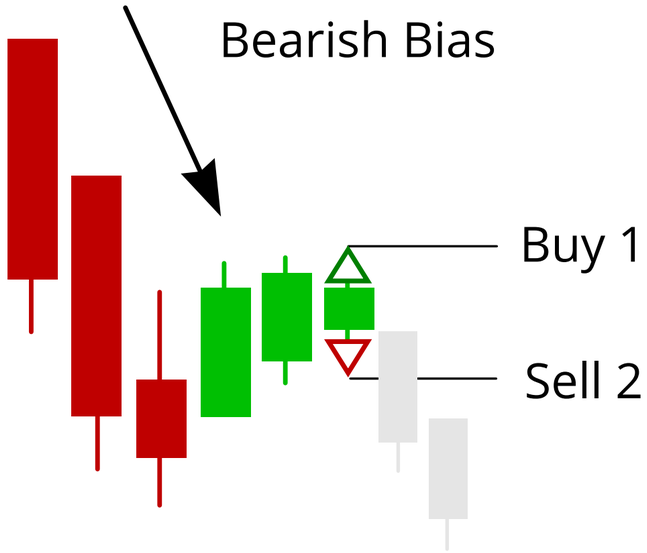
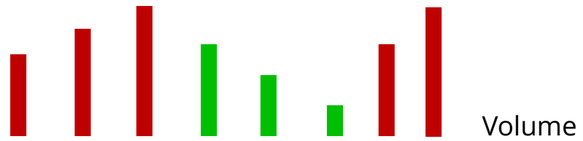
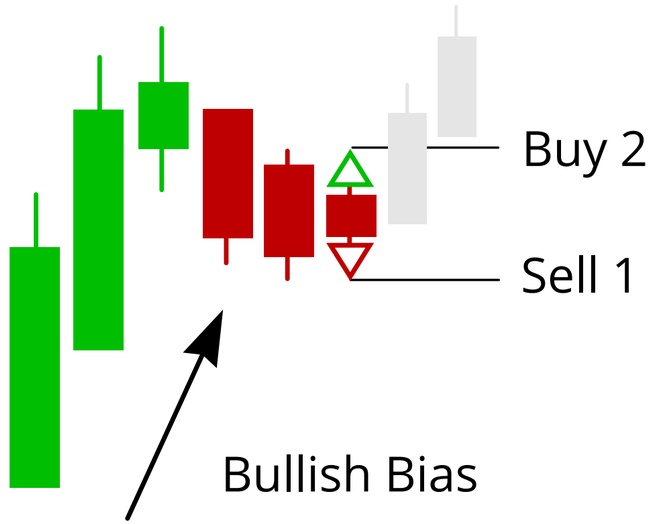
Buy on a break up / Sell on a break down

Pennant/Flag formation. A hesitation in the trend.







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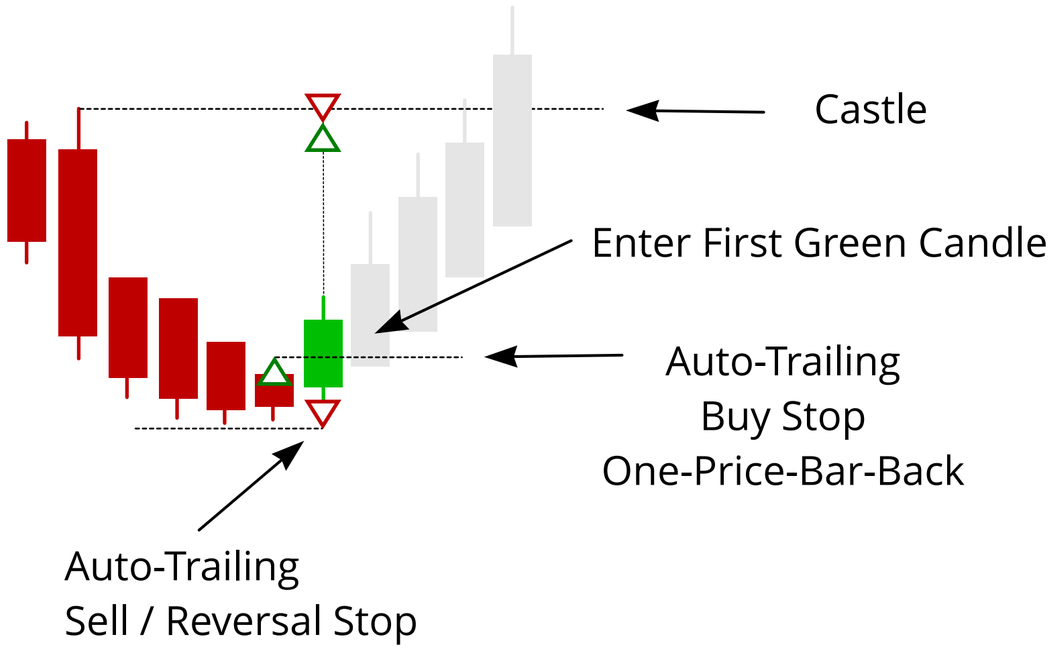
Heiken-Ashi Intercept Order

Auto-Trail the Heiken-Ashi "Flat Bottom/Top" Bars in Anticipation of Reversal

The Heiken-Ashi Intercept

Trail To Enter, Trail To Exit / Reverse Behind
Heiken-Ashi Flat Top / Bottom Bars



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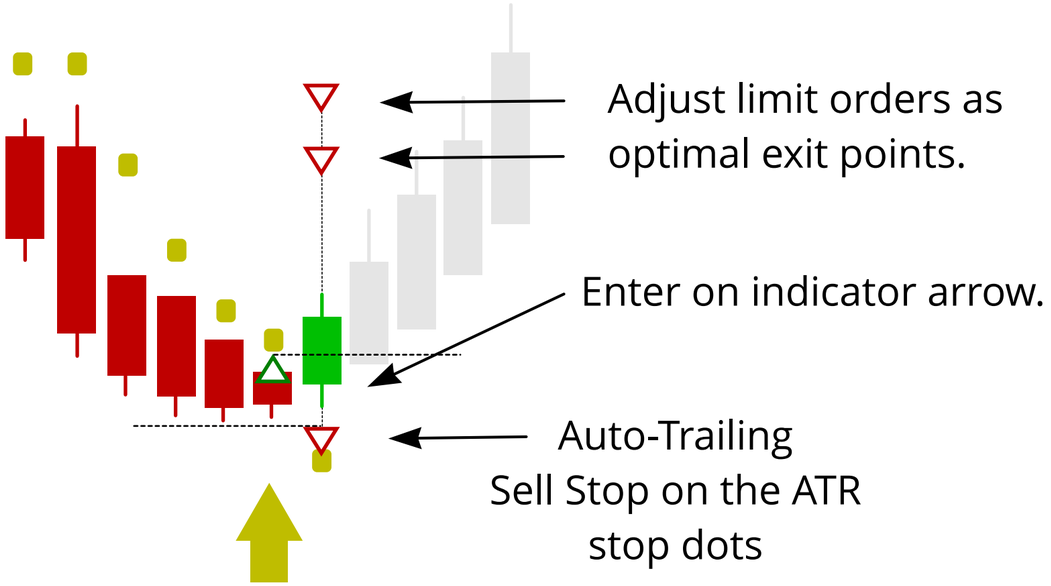
Just Trade The Arrows Lan!

Manual Enter, Auto-Exit; Market Orders with Trailing Stops and Set Limits. 1:2 RvsR

ATR Arrows can be a powerhouse of trading opportunities.

Simple yet powerful, the 1:2 risk vs. reward ratio is classic trading. Sometimes the best trades are the simplest trades. Enter the market on a buy signal in a rising market, and enter a sell signal for a short position on the arrow in a falling market. Trail the ATR to exit, or until your profit-taking limit order is hit. (Trade multiple contracts, and let one or more run.)



These settings worked well for me on:

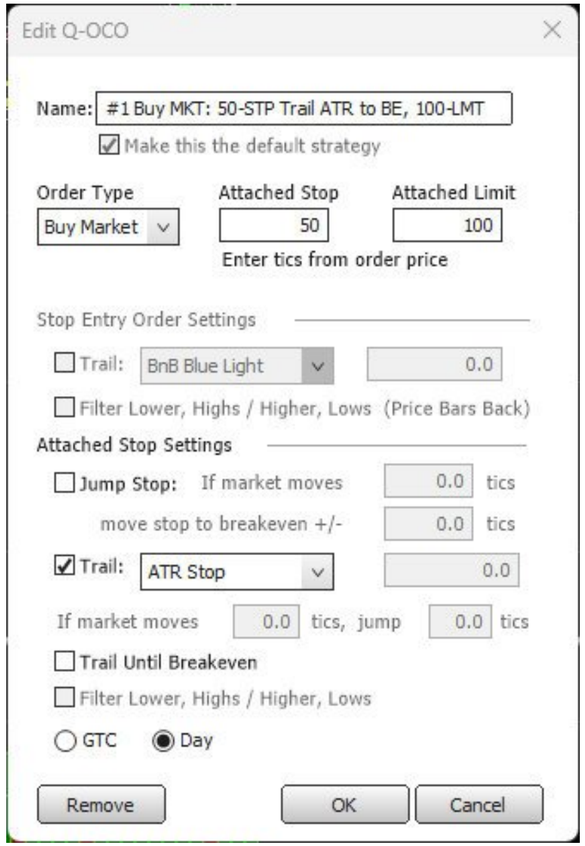
- **NASDAQ Mini Futures**
- **Range 50, Heiken-Ashi candle chart**

Make sure to adjust for the volatility of your chosen market. The settings may be different, but the concept is the same. Practice in a demo first to dial in your settings.

In less volatile markets, you may need to trail your entry order closer than 50 ticks; in more volatile markets, you may need to widen it even further. Same with limit orders, make adjustments.

Adjust your risk vs. reward ratio accordingly.

Note: This is a classic market order entry strategy with a target limit and trailing stop. Be careful when entering trades with market orders; they're very emotional trades. Traders are generally much less systematic about their entries when using market orders. Keep that in mind, and don't overtrade.



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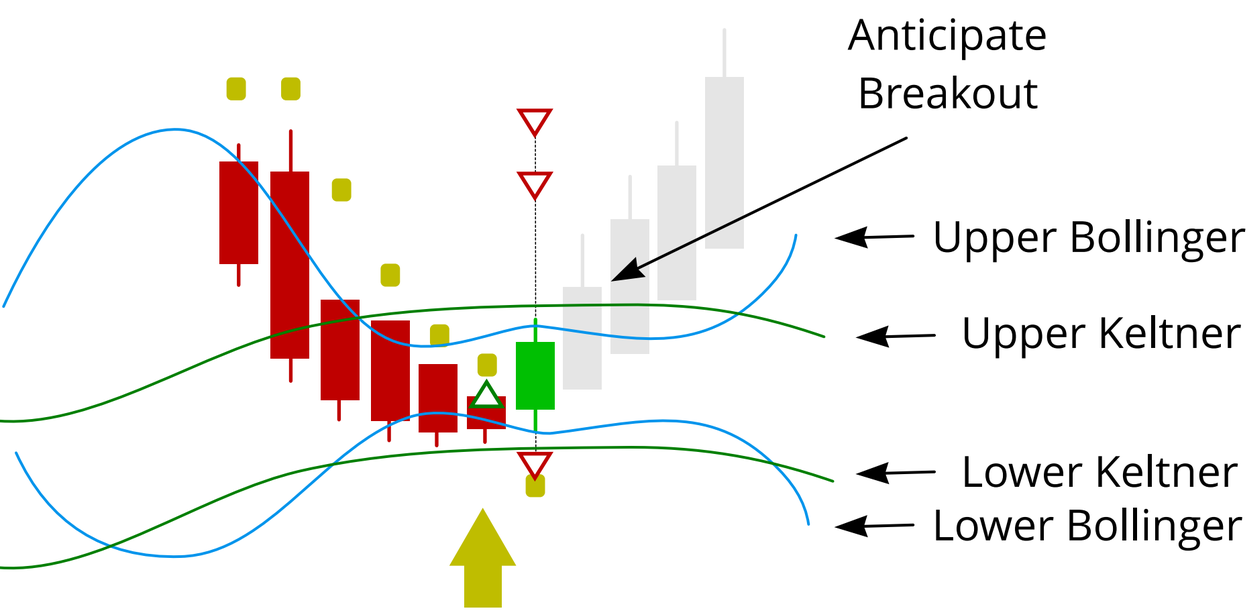
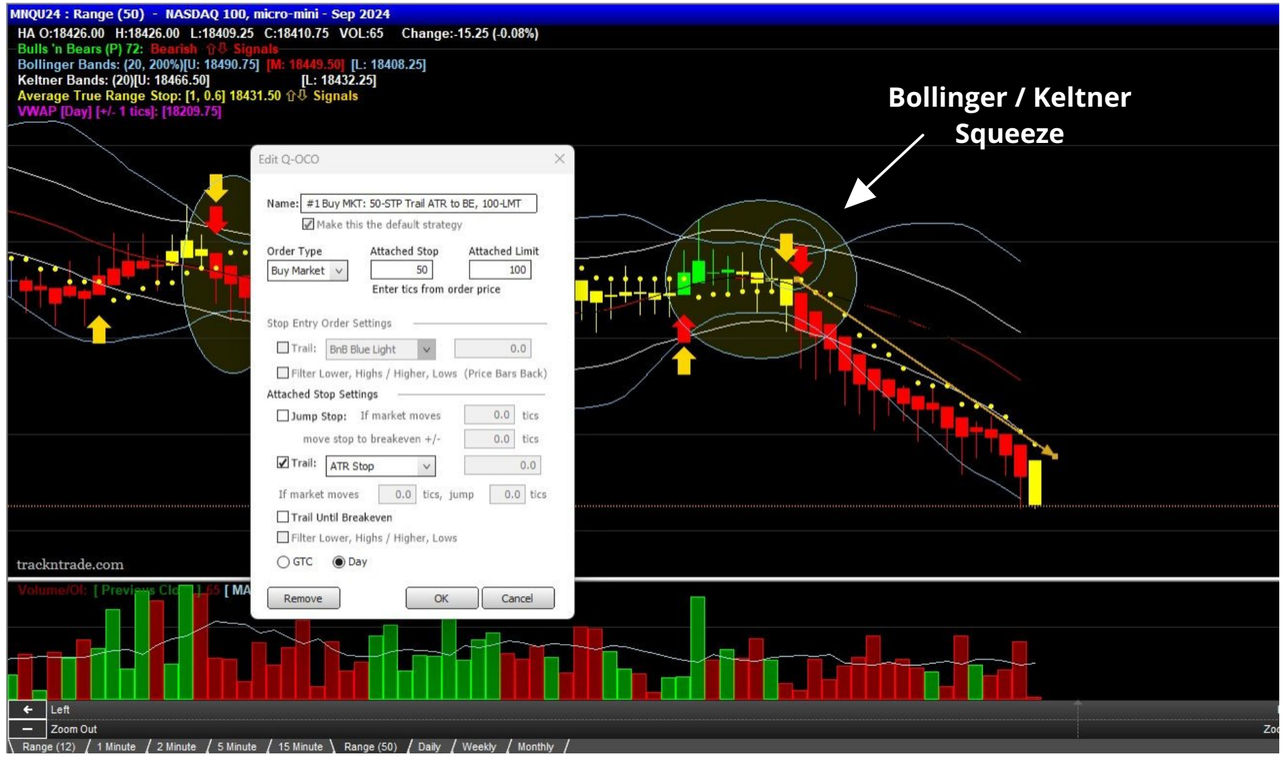
Bollinger Band Squeeze w/ Keltner Filter!

Manual Enter, Auto-Exit; Market Orders with Trailing Stops and Set Limits. 1:2 RvsR

Bollinger Band Squeeze with Keltner Band Filter Strategy.

The Bollinger Band Squeeze with Keltner Band Filter strategy is a technical analysis method used to identify potential breakout opportunities in the market. It leverages the volatility contraction signaled by the Bollinger Bands moving inside the Keltner Channels to anticipate a significant price movement.





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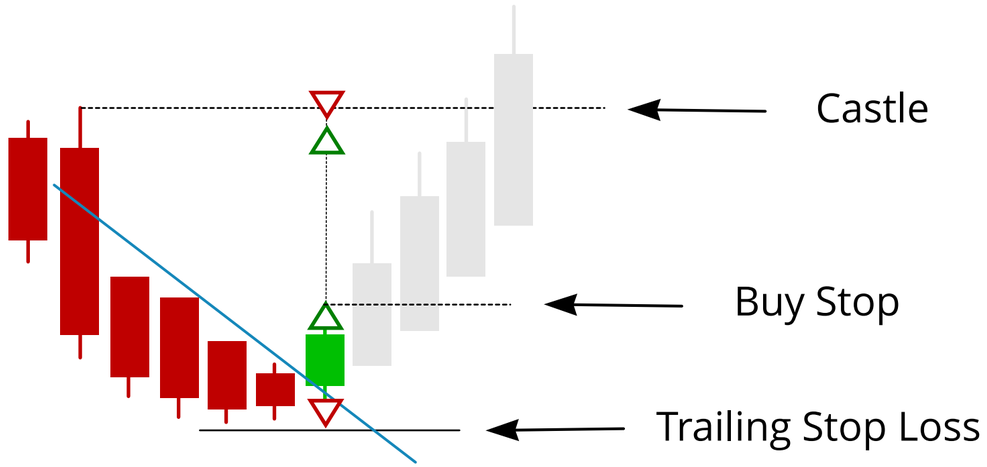
Heiken-Ashi Color Change Trade

Wait for a Color Change: Monitor the market for a change in color from the Heiken-Ashi bars.

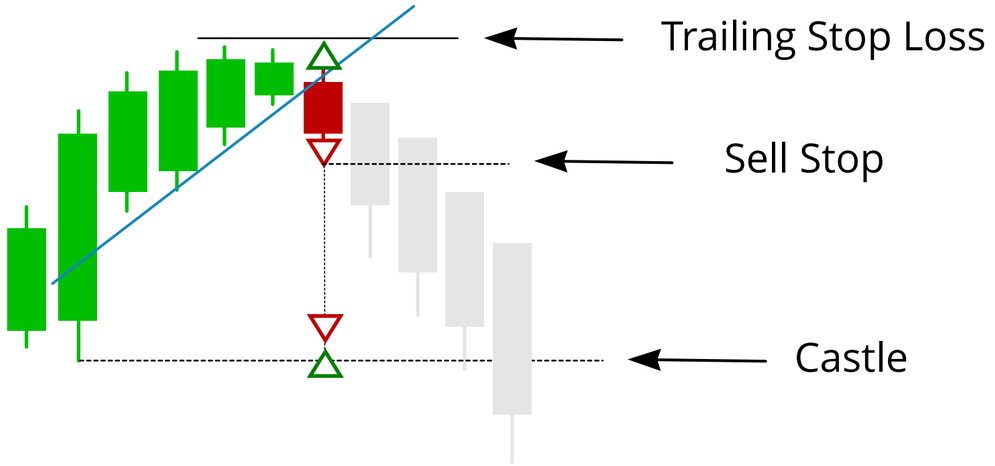
Heiken-Ashi Color Change Strategy

Small Risk, Big Reward! **Bullish**



Heiken-Ashi Color Change Strategy

Small Risk, Big Reward! **Bearish**



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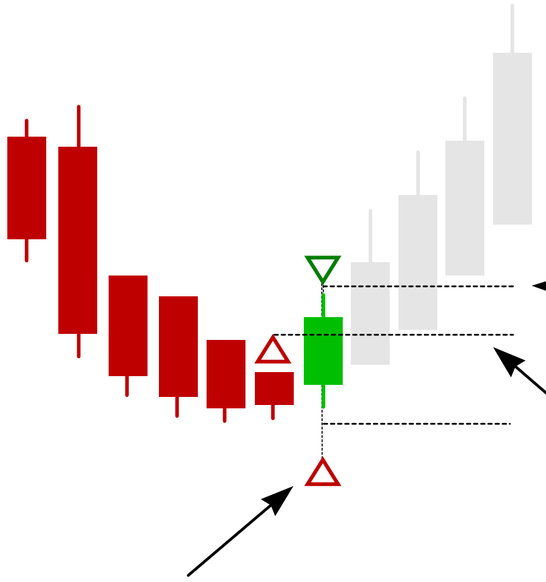
Reversal Scalp Strategy

The REVERSAL Scalp strategy assumes a high risk high reward position with large size & small move.

Auto-REVERSAL Scalp Strategy

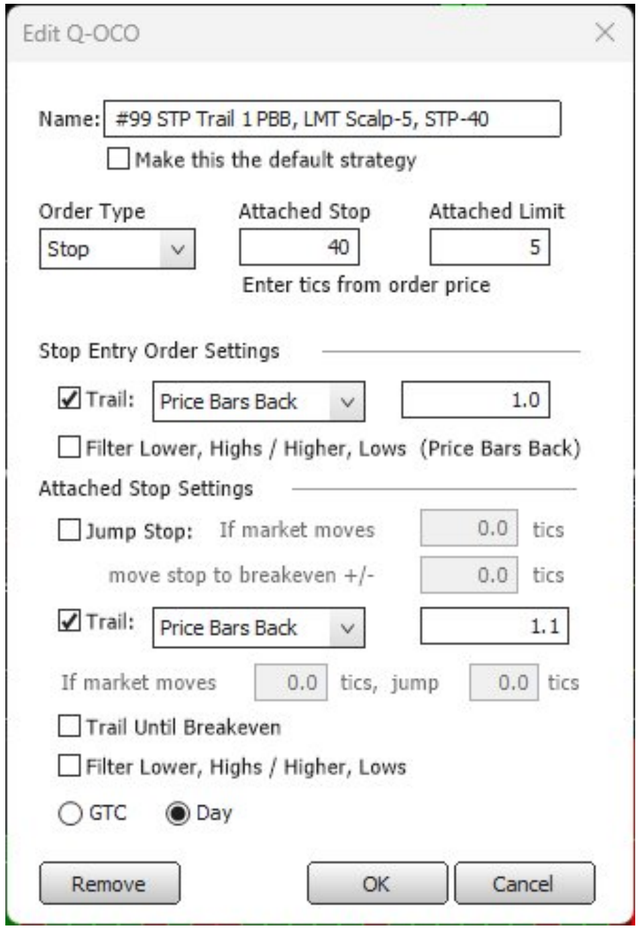
1. Enter with an auto-trailing stop, OCO (see settings)
   a. Anticipate a reversal on a break above red candle.
2. Start with a large(r) size, scalp the entire position off with a very tight profit taking limit order; five (5) tics.



Scalp Quick Profits
(5 tics, large size)

Auto-Trailing
Buy Stop
One-Price-Bar-Back
First candle to break a
new high
(Catch the Reversal)

Drop the Stop 40
ticks back, then trail
1.1 Price Bars Back



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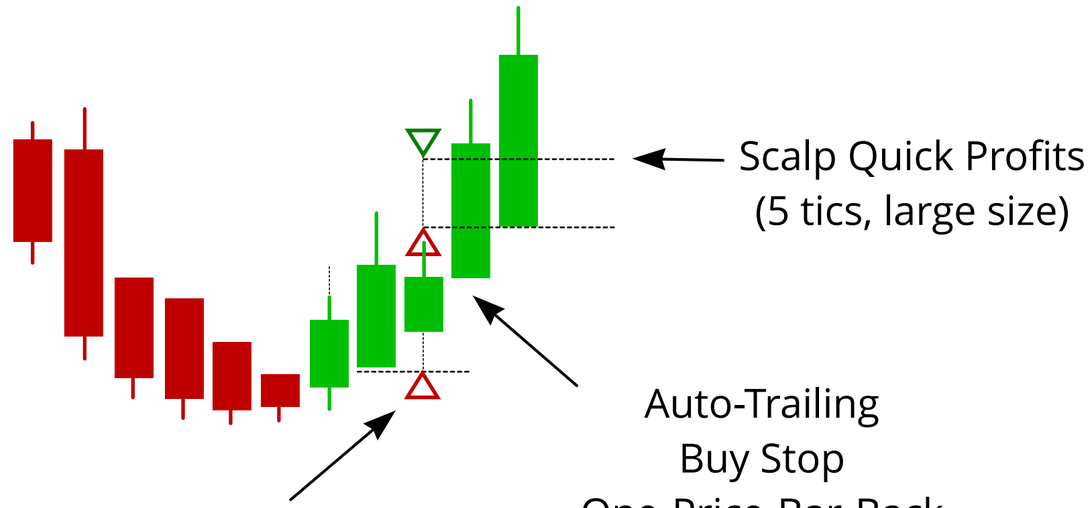
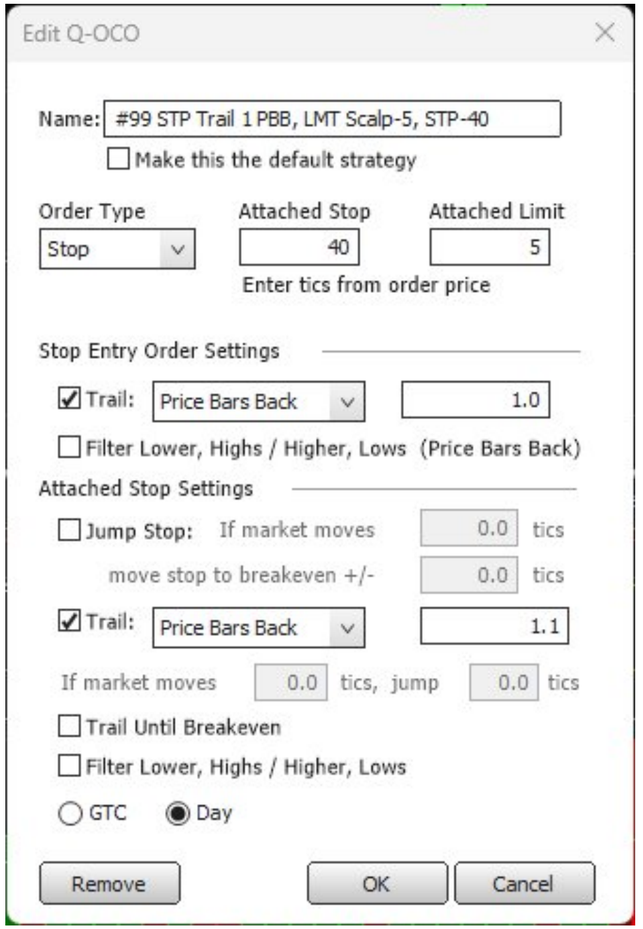
Continuation Formation (Pennant) Scalp Strategy

The Continuation (Pennant) Scalp Strategy assumes a continuation of the trend.

Pennant Scalp Strategy

1. Enter with an auto-trailing stop, OCO (see settings)
   a. Anticipate a continuation on a break above the previous lower high
2. Start with a large(r) size, scalp the entire position off with a very tight profit taking limit order; five (5) tics.





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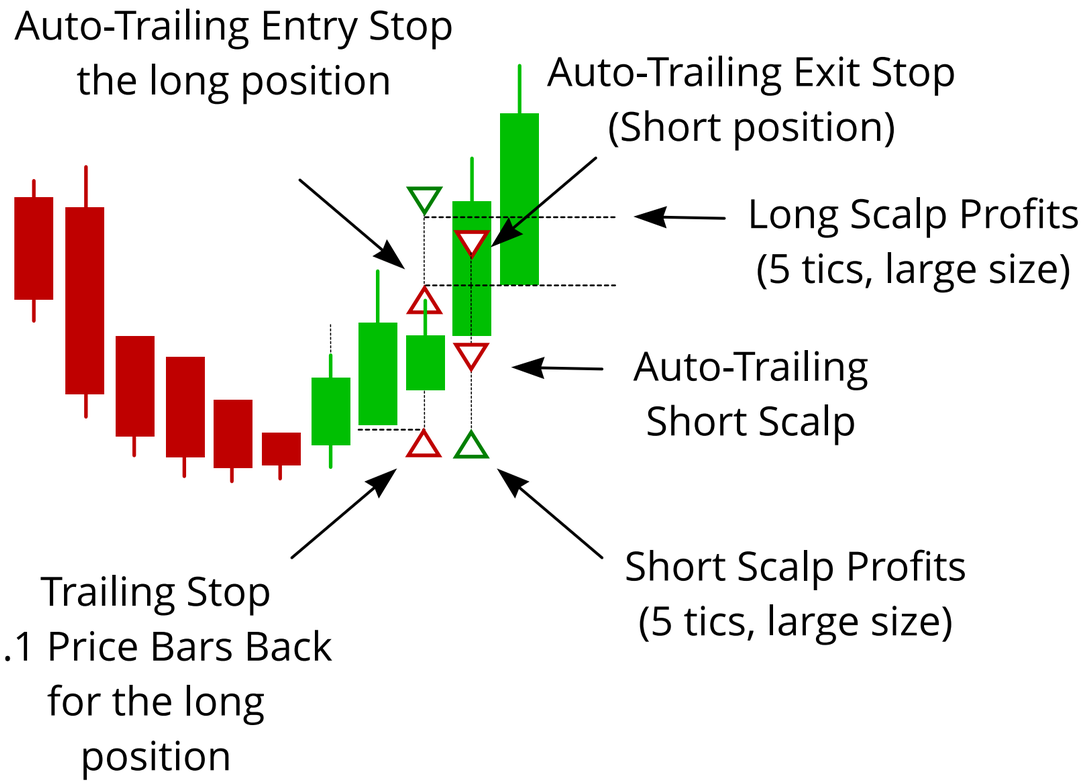
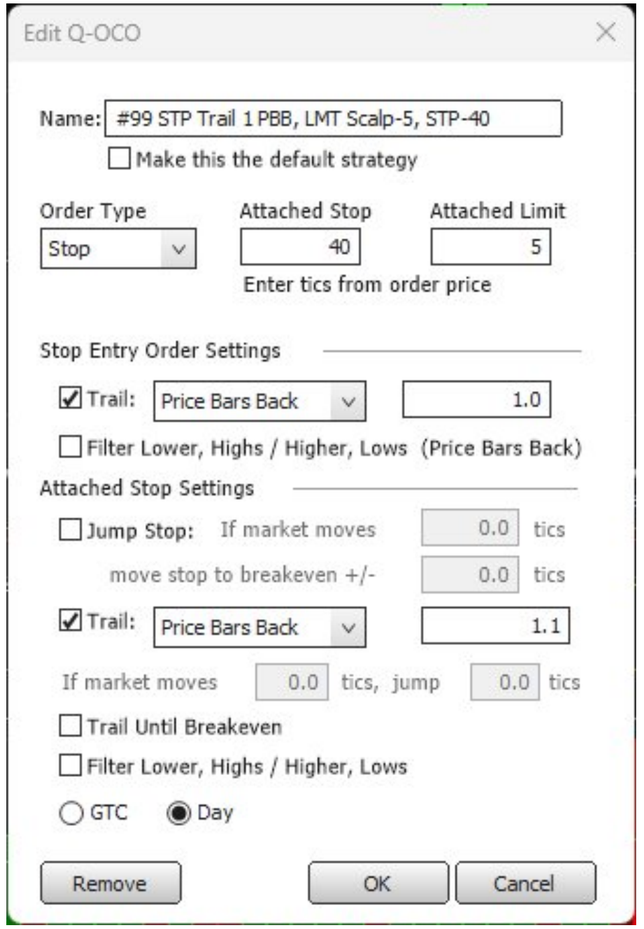
Lan's "Best of Both Worlds" Scalping Strategy

Auto-Trail with an open Stop OCO in anticipation of a short reversal, while at the same time, enter the market with an Auto-Trailing open Stop OCO in anticipation of a Pennant continuation formation. (The best of both worlds.)





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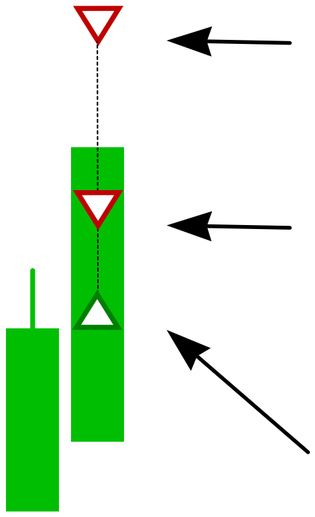
Lan's "Ambush Scalper" Strategy

The Ambush Scalper Strategy dynamically trails the market to capture quick profits while minimizing risk, strategically entering trades with a trailing stop and tight profit target.

The "Ambush Scalper" strategy is designed for quick, precise trades in a volatile market. The trailing stop and attached limit help manage risk and capture profits efficiently. By placing the order during high volatility periods and actively managing the trade, you can maximize the potential of this scalping strategy. Key points: Wait until the market is in an extreme high or low of the trend or bar before execution.



Auto-Trailing Stop 25-tics Out (Parachute Stop Loss)

Auto-Trailing Stop 20-tics back (Enter short)

Auto Trailing OCO Limit 5-9 tics back (Profit taking limit order.)

These settings worked well for me on:

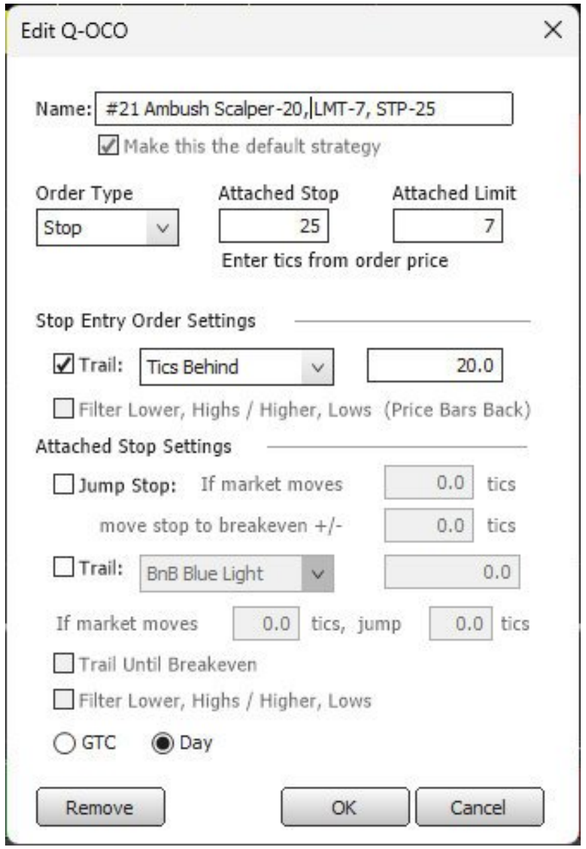
- **NASDAQ Mini Futures**
- **Range 50, Heiken-Ashi candle chart.**

Make sure to make adjustments for the volatility of your chosen market. The settings may be different, but the concept is the same. Practice in a demo first to dial in your settings.

- **In less volatile markets you may need to trail your entry order closer than 20-tics; more volatile, you may need to widen it even further.**
- **Adjust your risk vs. reward ratio accordingly.**

Note: This is a highly aggressive strategy, and as always, be careful, you're working with a reverse risk vs. reward ratio, where you lose twenty five for every 7 you win.

Alternatively, you could also add a trailing component to the stop-loss order to tighten the risk reward ratio.



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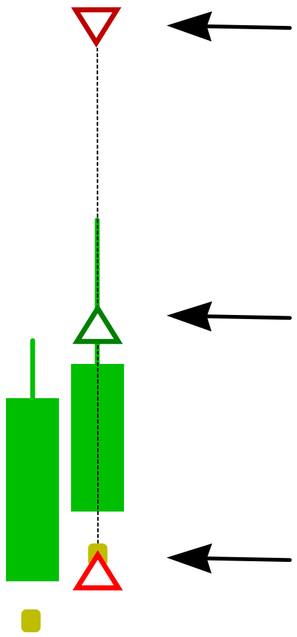
Lan's "Counter-Sink" Scalping Strategy

The Counter Sink Strategy dynamically trails the market to capture quick the trend while minimizing risk, strategically entering trades with a trailing stop with larger profit potential.

The "Counter-Sink" strategy is designed for quick, precise entry into a volatile market by capturing small pull-backs (counter-sinks) within a trending market. The auto-trailing exit stop set at 75, jumps to the first ATR to help manage risk, along with a corresponding attached limit to help capture profits. Key point: Wait until the market is in a trend with a micro-pullback before execution, as the goal is to capture a long(er) trend, not just a quick scalp; although it works great for that too.



Take Profit Limit Order (75 Tics)

Auto-Trailing Stop 20 to 30-tics back; more or less on different markets. (Enter Long)

Auto Trailing OCO Stop; Stop Loss (Set Stop 75 Ticks, then trail the ATR)

These settings worked well for me on:

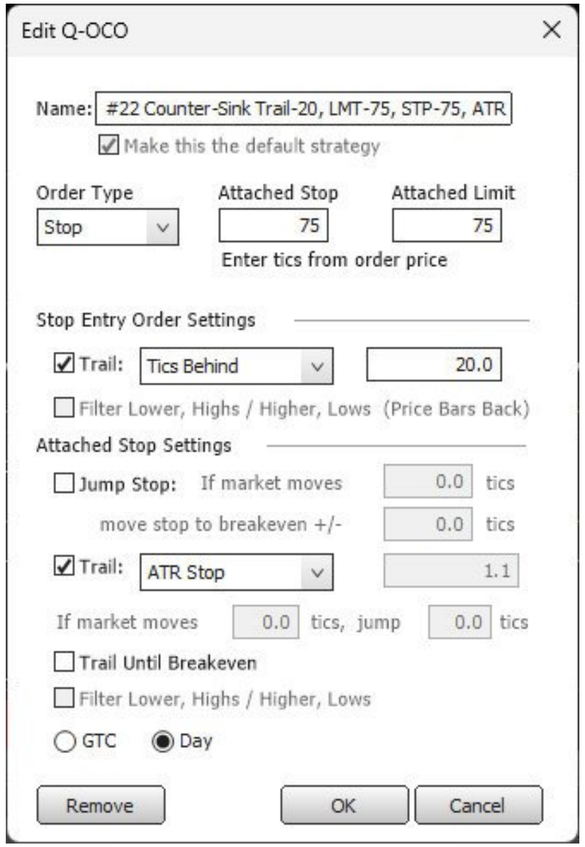
- **NASDAQ Mini Futures**
- **Range 50, Heiken-Ashi candle chart.**

Make sure to make adjustments for the volatility of your chosen market. The settings may be different, but the concept is the same. Practice in a demo first to dial in your settings.

- **In less volatile markets you may need to trail your entry order closer than 20-tics; more volatile, you may need to widen it even further.**
- **Adjust your risk vs. reward ratio accordingly.**

Note: This is a highly aggressive strategy, and as always, be careful, you're working with a 1:1 risk vs. reward ratio, where you lose 75 for every 75 win. You need to be right more often than you're wrong.

Alternatively, you could move the profit taking limit order way far away 100, 200, 300, and let the trailing stop take you out of a long(er) trend.



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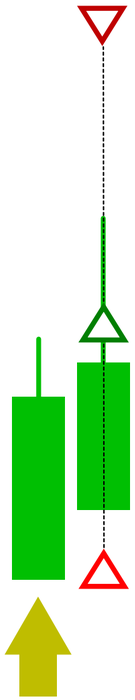
Lan's "Squeeze-Me" Scalping Strategy

The Squeeze-Me Strategy dynamically trails the market to capture a trend reversal or enter a trend on a micro-pullback, strategically exiting trades with a Jump-Stop-Trail.

The "Squeeze-Me" strategy is designed to capture a trending market. You can either enter the trending market on a micro-pullback or trail for a reversal of the trend. The auto-trailing exit stop, set at 20 in this example, begins trailing from 20 ticks behind the market once triggered. Once the trailing stop is triggered, it advances 1 tick for every 2 ticks the market advances. This slow acceleration into the market trails behind an advancing market, essentially "pinching" the market into profitability, either with the trailing stop or by hitting the limit.



Take Profit Limit Order (100 Tics)

Auto-Trailing Stop 15-tics back; more or less on different markets. (Enter Long)

Auto Trailing OCO Jump-Stop; Stop Loss (Jump stop trails 2-tics for every 1-tic the market advances.)

These settings worked well for me on:

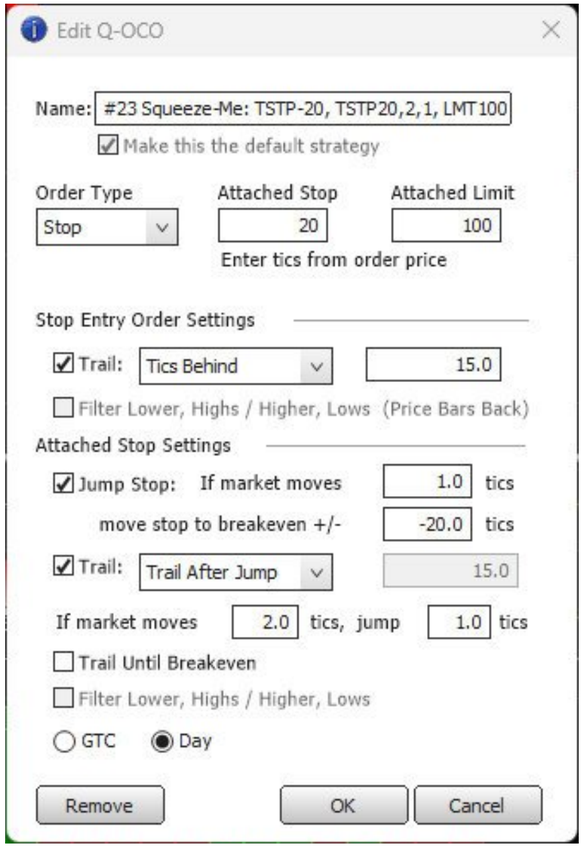
- **NASDAQ Mini Futures**
- **Range 50, Heiken-Ashi candle chart**

Make sure to adjust for the volatility of your chosen market. The settings may be different, but the concept remains the same. Practice in a demo first to fine-tune your settings.

- **In less volatile markets, you may need to trail your entry order closer than 15 ticks; in more volatile markets, you may need to widen further.**
- **Adjust your risk vs. reward ratio accordingly.**

Note: This is a highly aggressive strategy. As always, be careful and practice in a demo first. You're working with a very aggressive, break-out or bail-out stop in the beginning, but one that decelerates very quickly as the market begins to move in your favor.

Feel free, once the position is established, to make adjustments to the trailing stop and/or the profit-taking limit.



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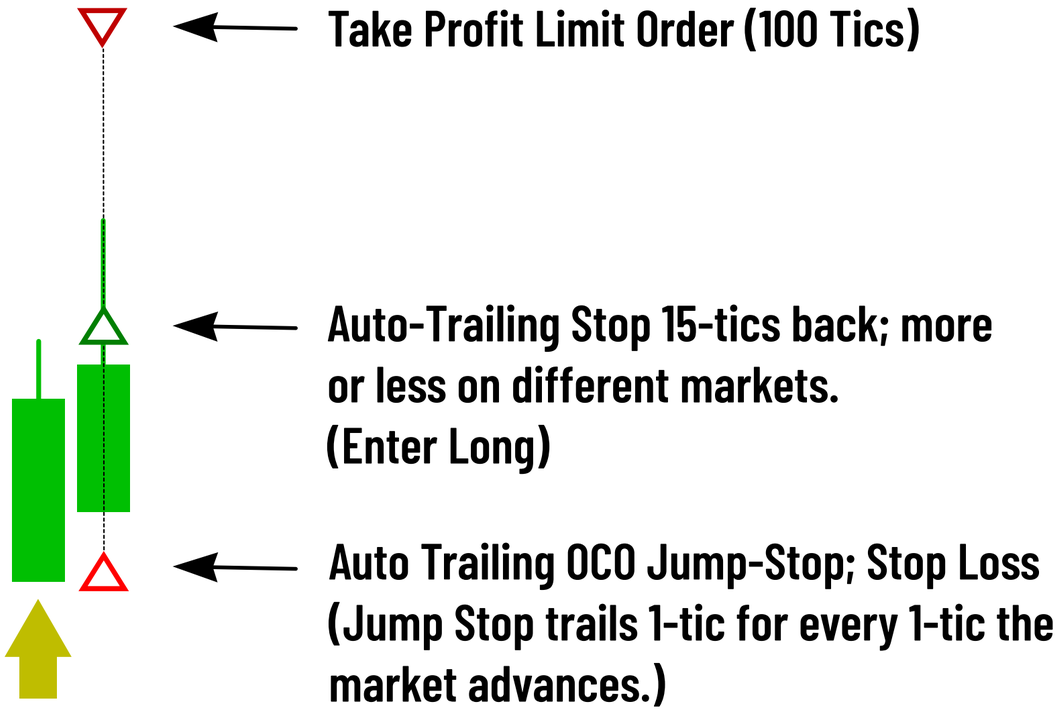
Lan's "Chickenshit" Scalping Strategy

The Chickenshit strategy trails the market to capture a trend reversal or enter a trend on a micro-pullback, then scalp exits with a quick limit order and an aggressive Jump-Stop-Trail.

The "Chickenshit" strategy is designed to use dynamically trailing jump stop orders to both enter and exit trades. This Jump Stop Trail "pinch" effect cuts losses quickly while also cutting profits quickly. Thus, traders who trade like this are considered chickenshits. (Call me names if you like, but as long as I have a strategy that works for me, I don't care.) Are you a Chickenshit?



These settings worked well for me on:

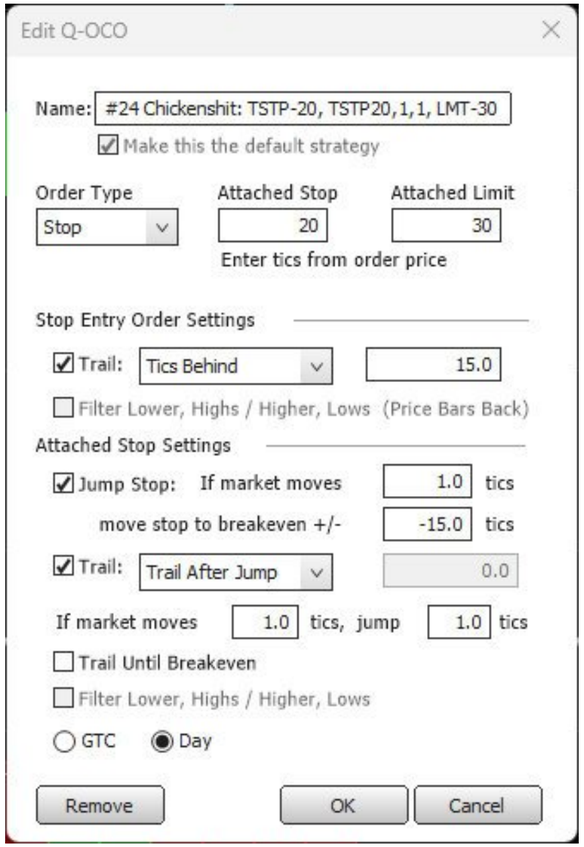
- NASDAQ Mini Futures
- Range 50, Heiken-Ashi candle chart

Make sure to adjust for the volatility of your chosen market. The settings may be different, but the concept remains the same. Practice in a demo first to fine-tune your settings.

- In less volatile markets, you may need to trail your entry order closer than 15 ticks; in more volatile markets, you may need to widen further.
- Adjust your risk vs. reward ratio accordingly.

Note: This is a highly aggressive strategy. As always, be careful and practice in a demo first. You're working with a very aggressive, break-out or bail-out stop that dynamically and quickly moves up as the market begins to move in your favor.

Feel free to make adjustments to the trailing stop and/or the profit-taking limit, or even click the trail to breakeven box for a more or less aggressive strategy.



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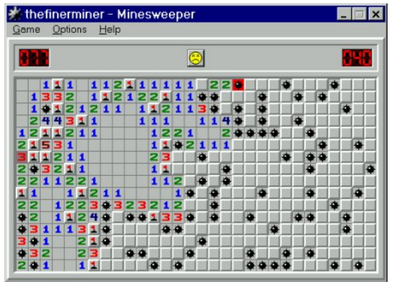
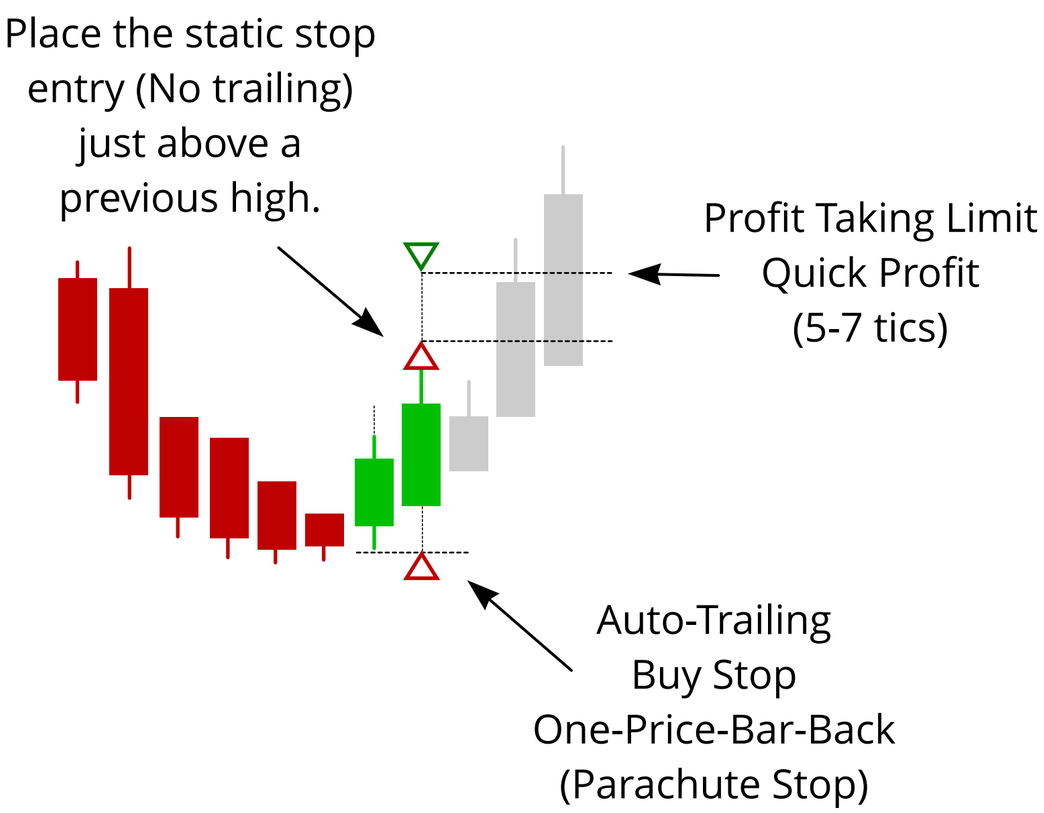
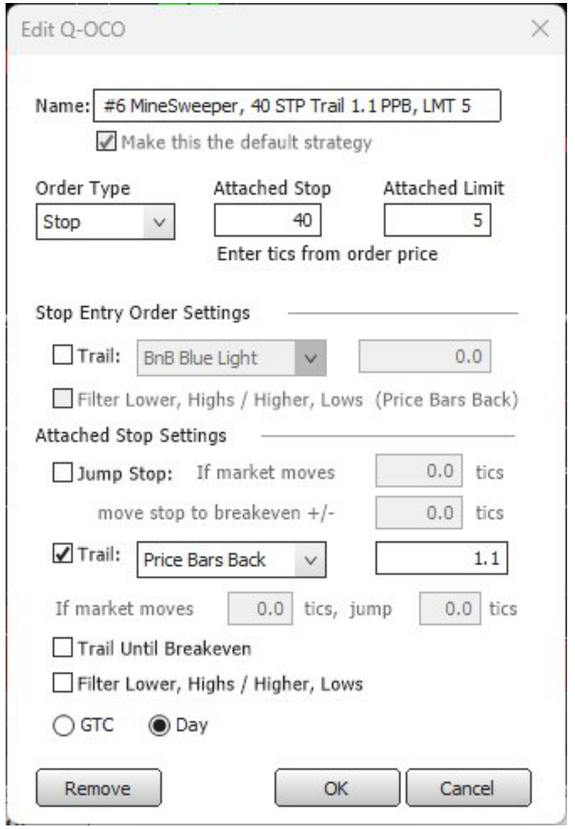
Lan's "Minesweeper" Scalping Strategy

Scalp the break above a previous high or below a previous low:







"Minesweeper" Trading Strategy

- Order Setup:
  - Place OCO order tools with a static trigger stop entry order.
  - Position entry just above a previous high.
    - Or below a previous low for a short.
  - Attach OCO stop and limit orders contingent on the static stop being triggered.
    - Pre-program with TnT Q-OCO tools.
- Profit Target:
  - Set a profit-taking limit 5 ticks above the static entry stop for quick scalp gains.
- Stop Loss:
  - Place the stop order 40 ticks behind the rising or falling market.
  - Use a trailing stop that "jumps" to the lowest point of the previous price bar, acting as a parachute safety stop.
- Execution:
  - Place multiple "bombs" to capture quick scalps as the market moves through previous highs and lows.
  - The OCO trailing stop is meant as a last-resort "parachute stop" measure, only executing if the trade goes awry.

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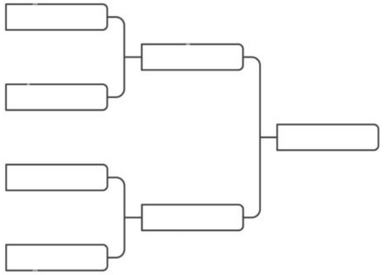
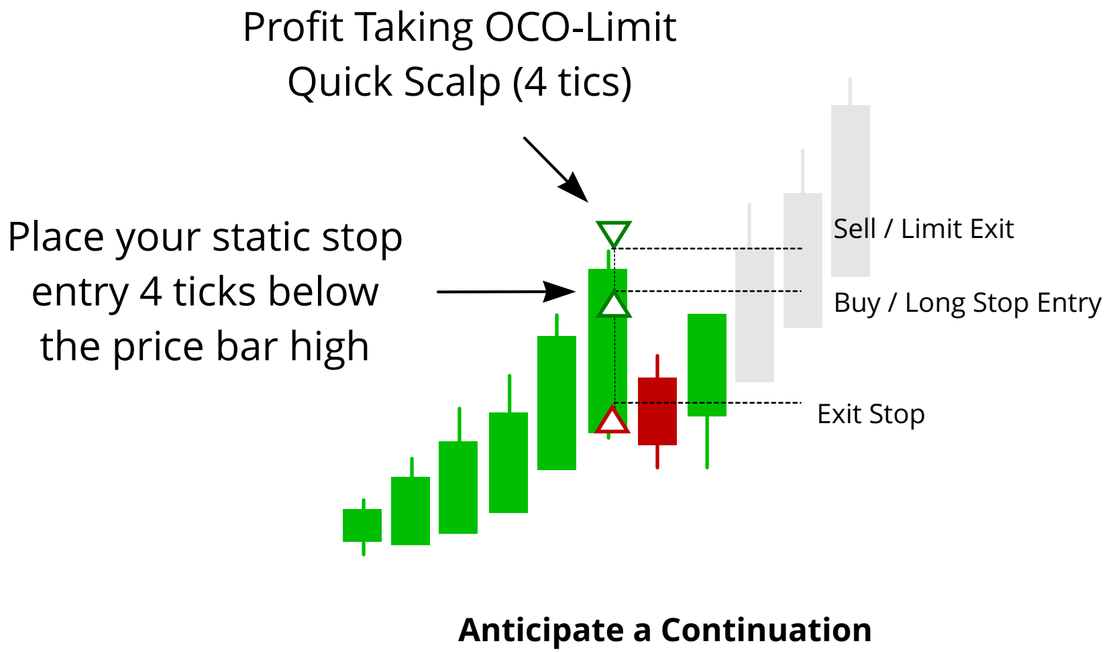
The "Final Four"

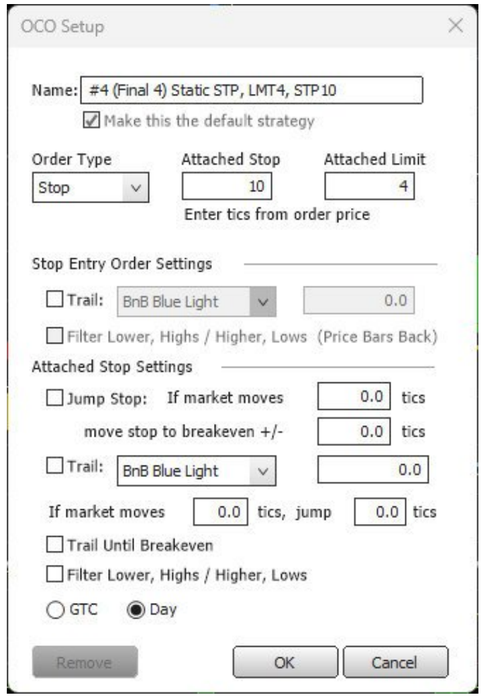


Scalp the break above a previous MAJOR high or below a MAJOR previous low:

The Final Four strategy takes advantage of market maker behavior by positioning trades just ahead of key stop-entry and exit levels. Market makers, obligated to fill orders and provide liquidity, often push the market toward areas with high concentrations of stop orders; "hunting stops". By placing our stop-entry order 4 ticks before these levels and our profit-taking limit order at the same level as other traders standing stops, we capitalize on market momentum as makers compete to fill orders. This high-probability approach leverages the predictability of market maker actions to achieve consistent small gains with high win rates, giving us the confidence to size up.



Anticipate a Continuation



"Final 4" Trading Strategy

- Order Setup:
  - Place OCO order tools with a static trigger stop entry order.
  - Position entry 4 tics below a previous high.
    - Or above a previous low for a short.
  - Attach OCO stop and limit orders contingent on the static stop being triggered.
    - Pre-program with TnT Q-OCO tools.
- Profit Target:
  - Set a profit-taking limit 4 ticks above the static entry stop for quick scalp gains. Your profit taking limit order should be at the exact high/low of the pivot price bar.
- Stop Loss:
  - Place the stop order 10 ticks behind the rising or falling market. giving a slightly greater than 1:2 reward to risk ratio.
- Execution:
  - The OCO trailing stop is meant as a last-resort "parachute stop" measure, only executing if the trade goes awry.

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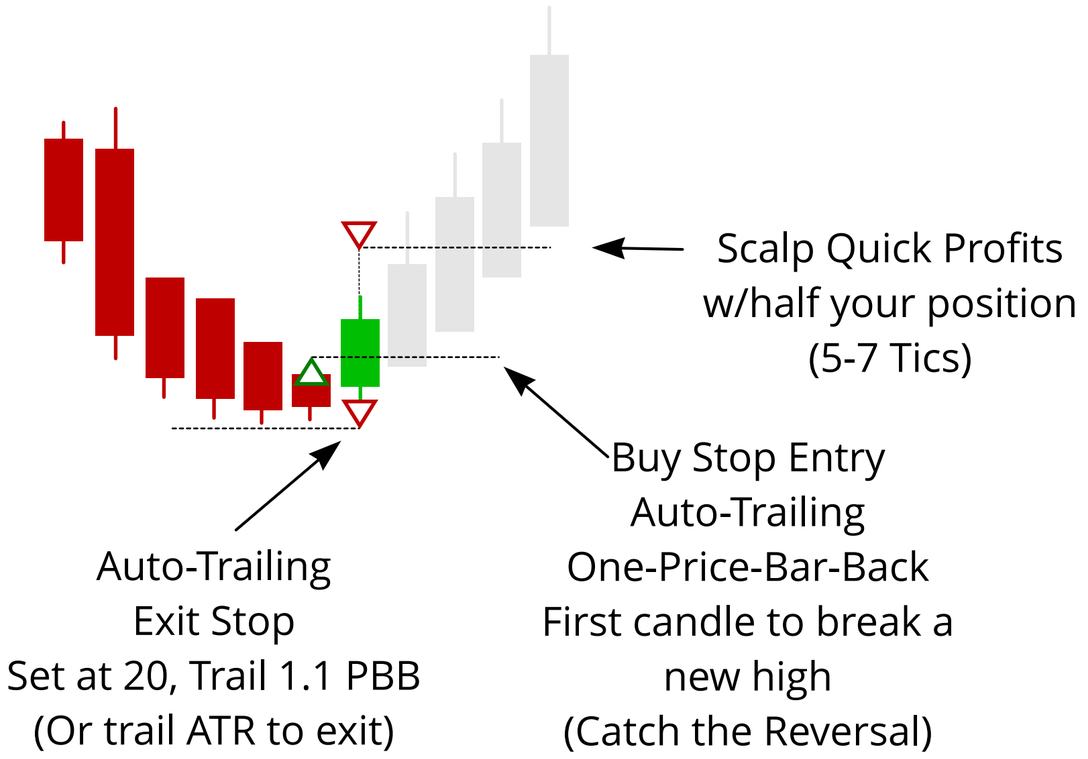
Lan's PBB (Price Bars Back) Scalp 'n Trail Strategy

Heiken-Ashi Price Bars Back is a Powerful Reversal and Continuation Formation Strategy

Scalp 'n Trail Reversal Strategy

Chart Settings:

- Ideal on Range Bar Heiken Ashi candles.
  - Range bar size depends on market volitility



Strategy Setup:

- First Set of Orders (Scalp):
  - Use an auto-trailing stop for entry trailing 1.1 PPB
    - One price bar, and one minimum move.
    - One minimum move buffers the spread.
  - Attach an OCO auto-trailing stop for exit, set 20 ticks behind the market, then have it auto-trail to exit one price bar back.
  - Include a profit-taking limit order set at 5 to 7 ticks.

- Second Set of Orders (Trail):
  - Drop a similar OCO order structure immediately after the first.
  - Use an auto-trailing stop for entry based on 1.1 PBB.
  - Attach an OCO auto-trailing stop for exit, set 20 ticks behind the market, then have it auto-trail to exit one price bar back.
    - Key Difference: Exclude the profit-taking limit order.

- Execution:
  - Scalp Orders: Capture quick profits with the first set of orders, securing 5 to 7 ticks.
  - Trail Orders: Allow the second set of orders to trail behind the Heiken-Ashe Range Bars 1.1 PBB or ATR to exit. The trailing stop continues until the market crosses back and hits the trailing stop for exit.

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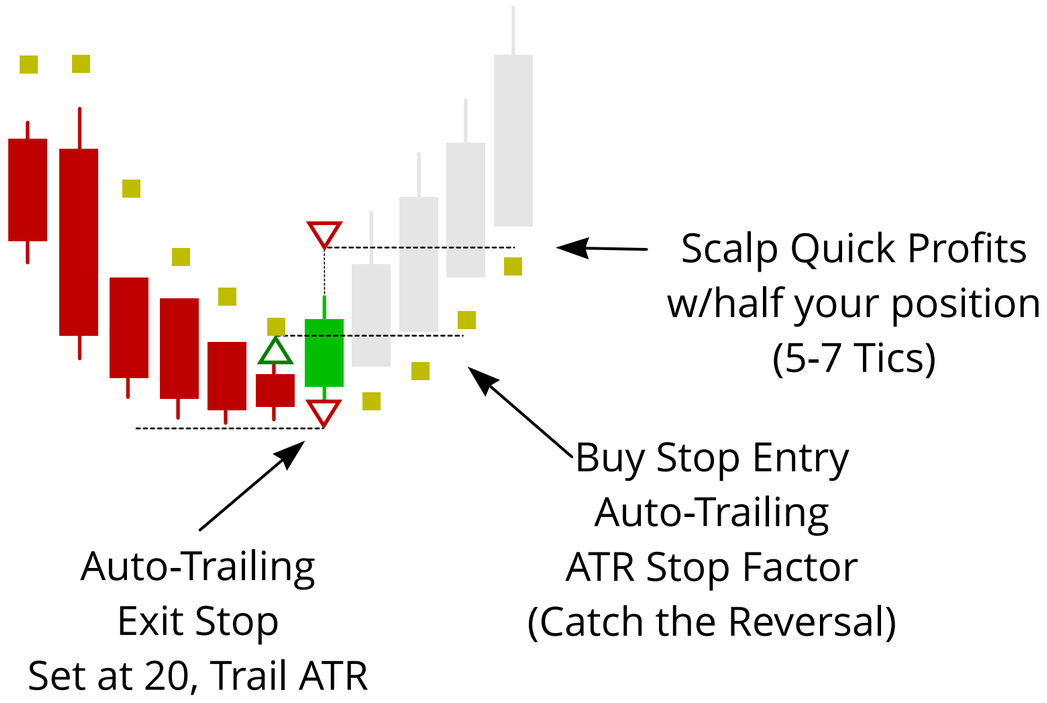
Lan's ATR Scalp 'n Trail Strategy

Average True Range is a Powerful Reversal and Continuation Formation Strategy

Scalp 'n Trail Reversal Strategy

Chart Settings:

- Ideal with a tight 1.0 - 0.7 ATR setting.
- Best on Range Bar Charts with Heiken Ashi candles.



Strategy Setup:

- First Set of Orders (Scalp):
  - Use an auto-trailing stop for entry based on the ATR Stop indicator (Yellow Dots in Track 'n Trade).
  - Attach an OCO auto-trailing stop for exit, set 20 ticks behind the market, then have auto-trail ATR to exit.
  - Include a profit-taking limit order set at 5 to 7 ticks.

- Second Set of Orders (Trail):
  - Drop a similar OCO order structure immediately after the first.
  - Use an auto-trailing stop for entry based on the ATR Stop.
  - Attach an OCO auto-trailing stop for exit, set 20 ticks behind the market, then have it auto-trail ATR to exit.
    - Key Difference: Exclude the profit-taking limit order.

- Execution:
  - Scalp Orders: Capture quick profits with the first set of orders, securing 5 to 7 ticks.
  - Trail Orders: Allow the second set of orders to trail behind the market based on the ATR stop indicator. The trailing stop continues until the market crosses back over the ATR and hits the trailing stop for exit.
  - We're trying to time our entry and exit with the ATR Arrows.

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Lan's ATR & PBB Scalp 'n Trail Settings

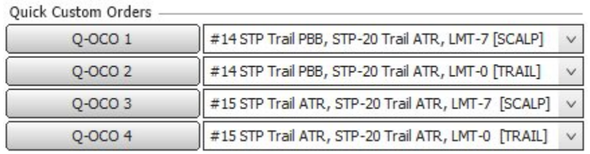
Heiken-Ashi Range Bars are a Powerful Reversal and Continuation Formation Strategy

Scalp 'n Trail Reversal Strategy

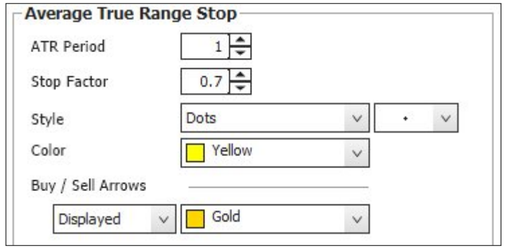
Chart Settings:

- Ideal on Range Bar Heiken Ashi candles.
  - Range bar size depends on market volitility. I like to start with Range Bar 6 and adjust up from there depending on volitility.

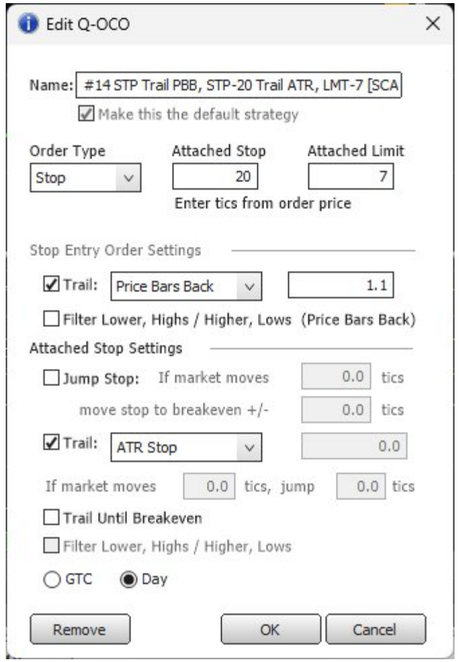
Order Properties:



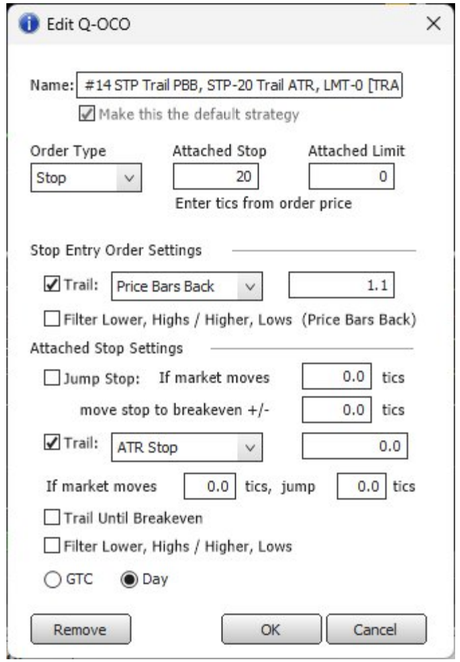
ATR Settings: These are default settings, and in no way set in stone, please adjust the Stop Factor for your market's volitility.



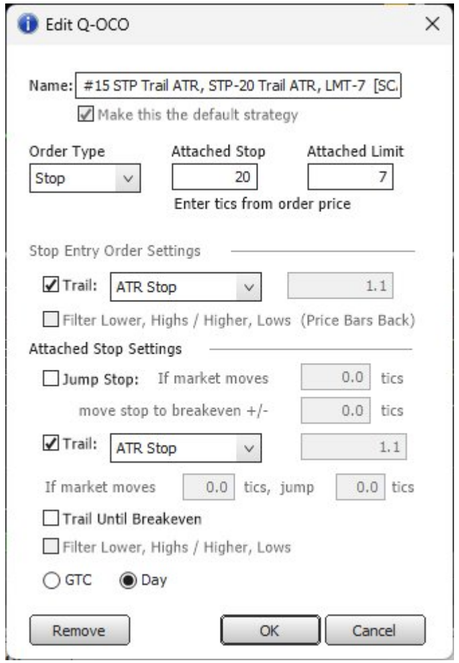
Q-OCO PBB SCALP Settings



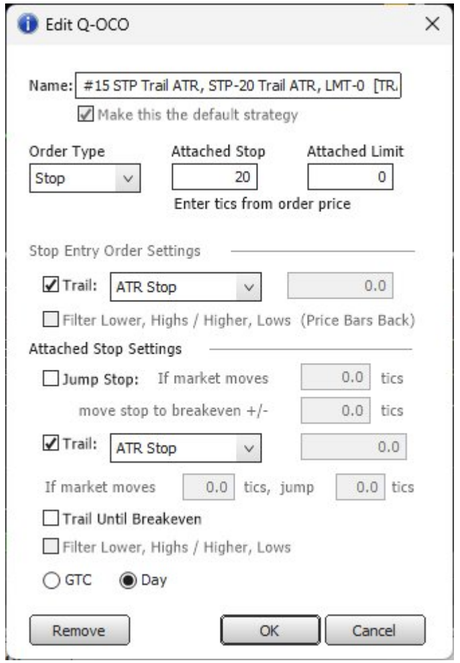
Q-OCO PBB TRAIL Settings



Q-OCO ATR SCALP Settings



Q-OCO ATR TRAIL Settings



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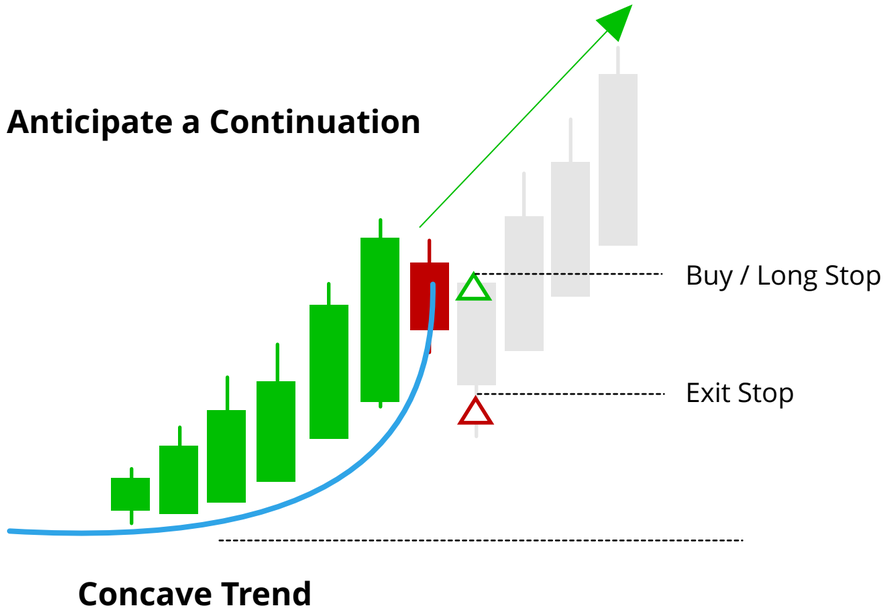
Stamina Strategy

Heiken-Ashi Bar Trend Strength Strategy

Concave Trend:

Bullish: Stay in the Trend!

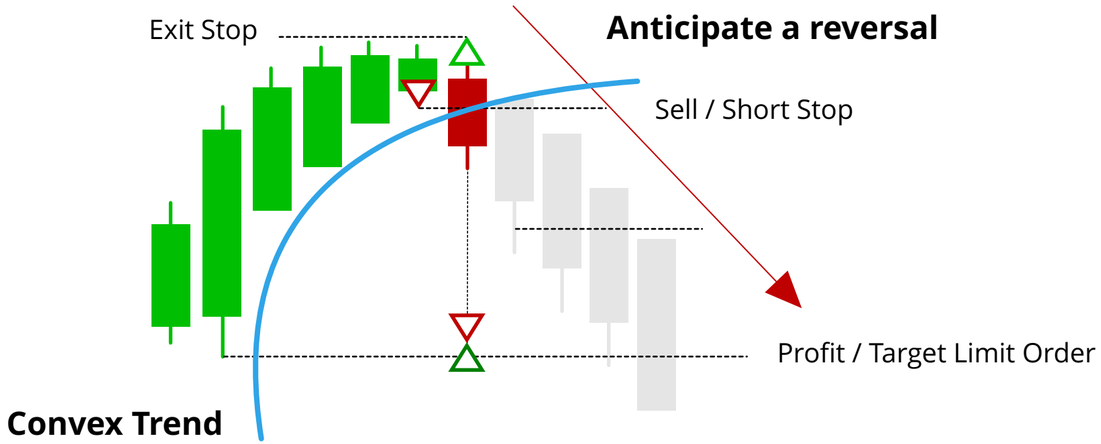
As long as the price bar CLOSES ABOVE the previous close in an uptrend then stay in the trade. Exit on the first close below the previous price bar.



Convex Trend:

Bearish: Reverse the Trend!

As long as the price bar CLOSES BELOW the previous CLOSE in a downtrend, then stay in the trade. Exit on the first close above the previous price bar.



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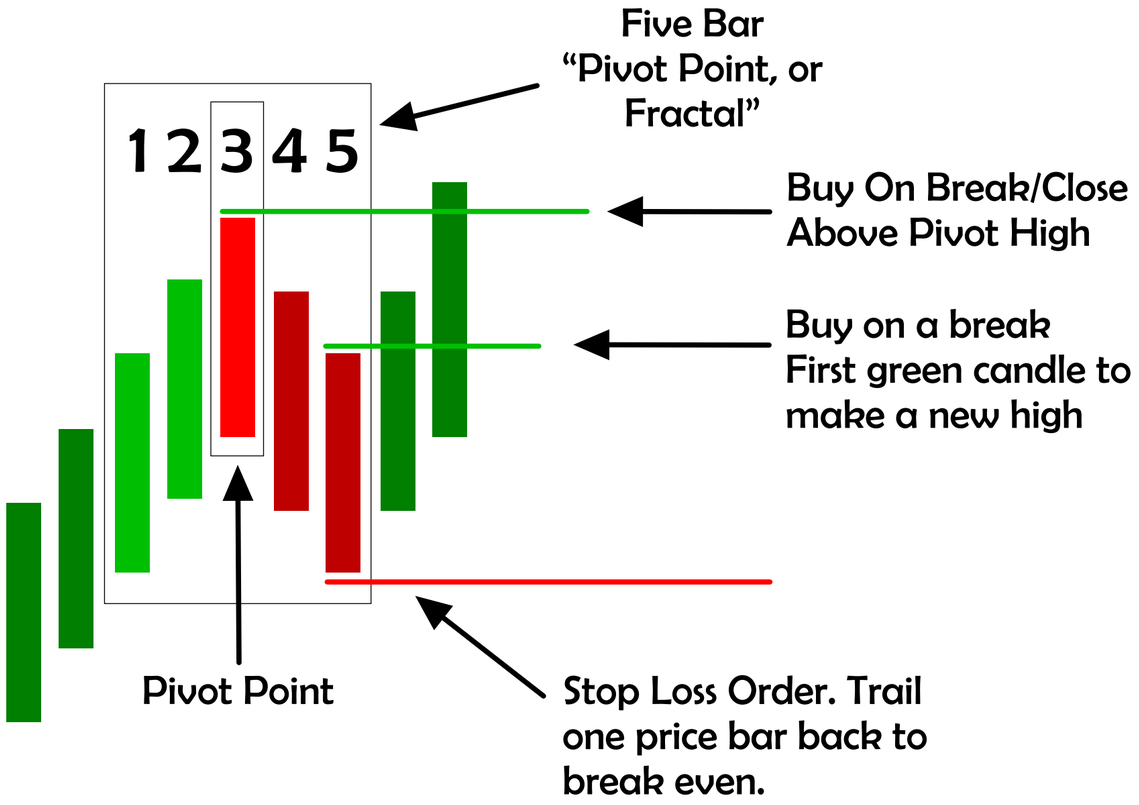
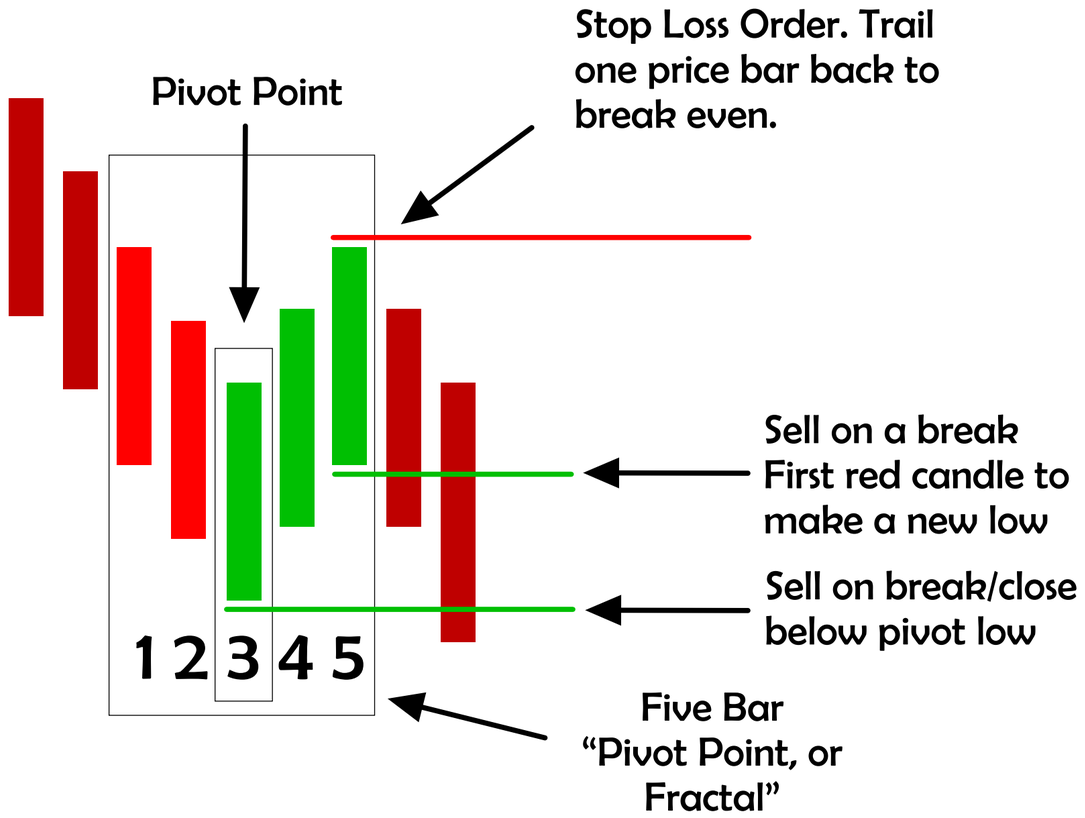
Scalping vs. Day Trading: Size & Strategy

Is it better to trade with a large size for a small move, or a small size for a large move?

Hook, Line, and Sinker

Start with a large(r) size, scalp one off quick to cover costs, and let the other(s) run. Cut some winners short, while letting other winners run.





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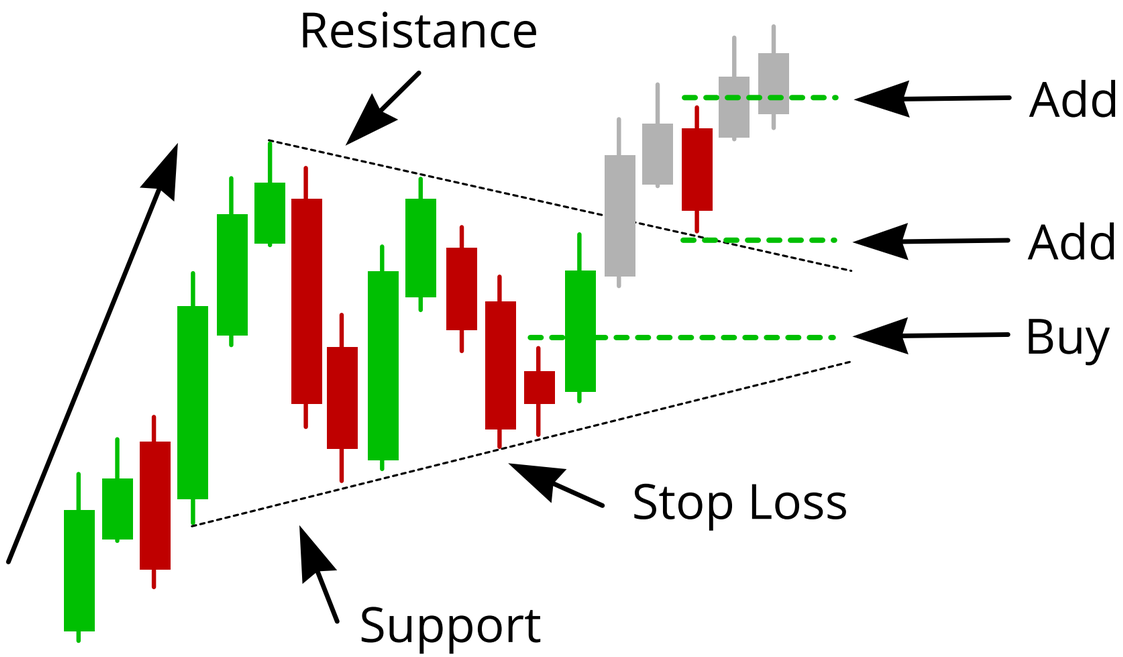
Pattern, Setup & Trigger Recognition

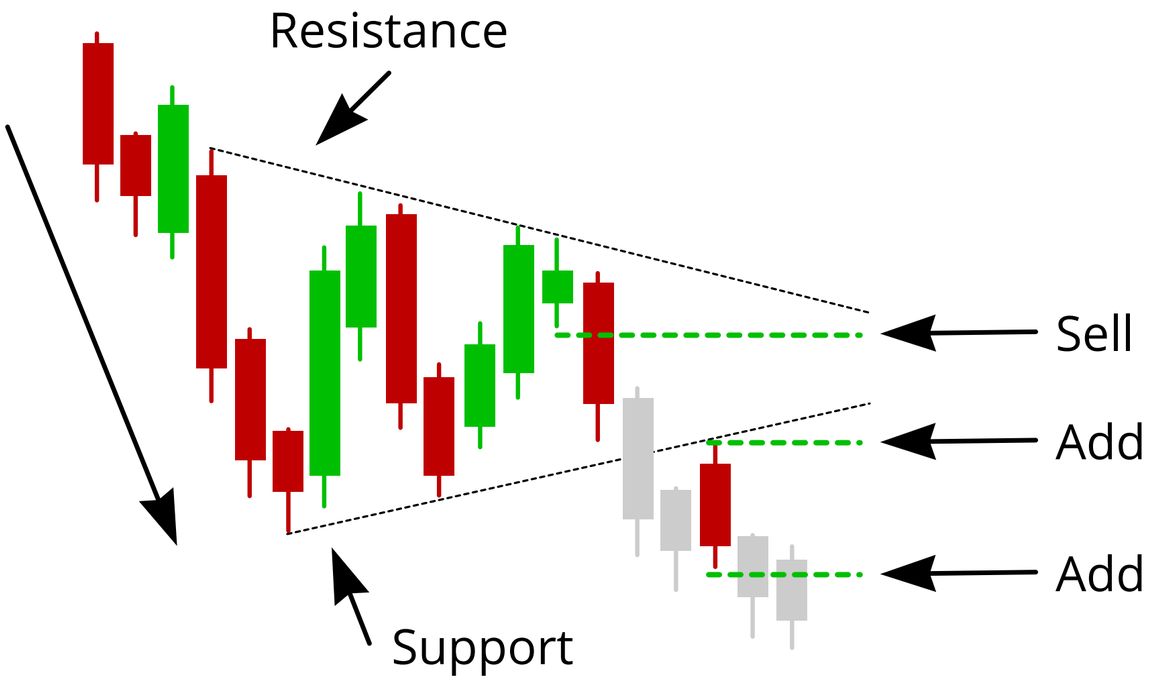
Pennants

As a trend ‘rests,’ or hesitates, a pattern of converging price bars creates a setup with a breakout trigger generally in the same direction as the previous trend.

Bullish



Bearish



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Charts and Patterns

Candlestick Chart Patterns

Triangles and Wedges

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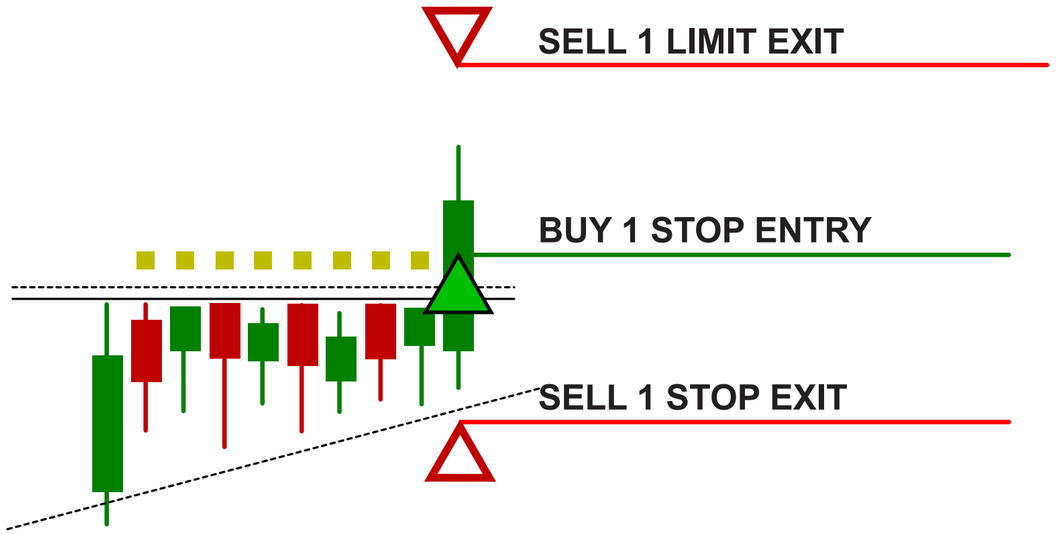
Pattern, Setup & Trigger Recognition

Identifying Patterns, Setups, and Triggers is key to your success, but it's only the beginning, and not even the most important step.

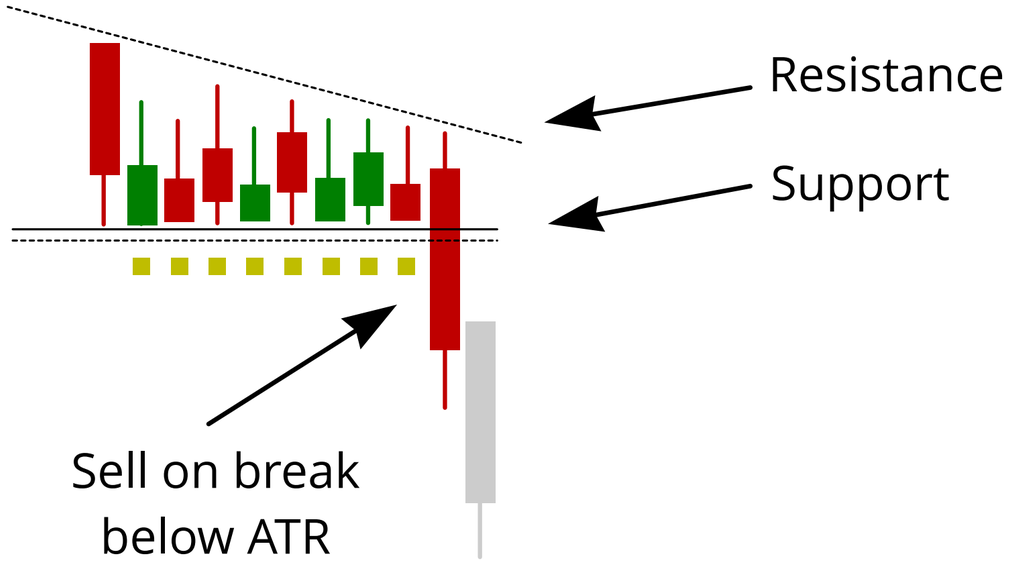
Bullish: Flat-Top Ninja

A series of pin bar tops ATR



Bearish: Flat Bottom Girls

A series of pin bar bottoms ATR



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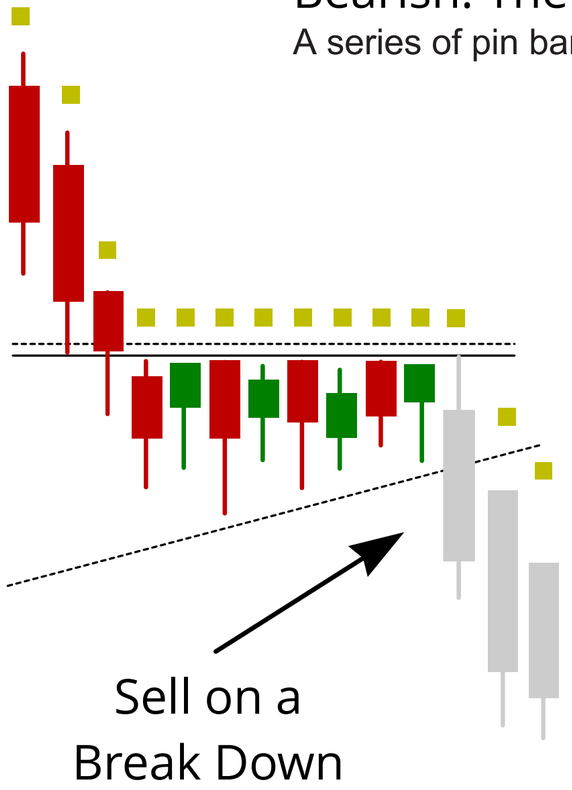
Pattern, Setup & Trigger Recognition

Identifying Patterns, Setups, and Triggers is key to your success, but it's only the beginning, and not even the most important step.

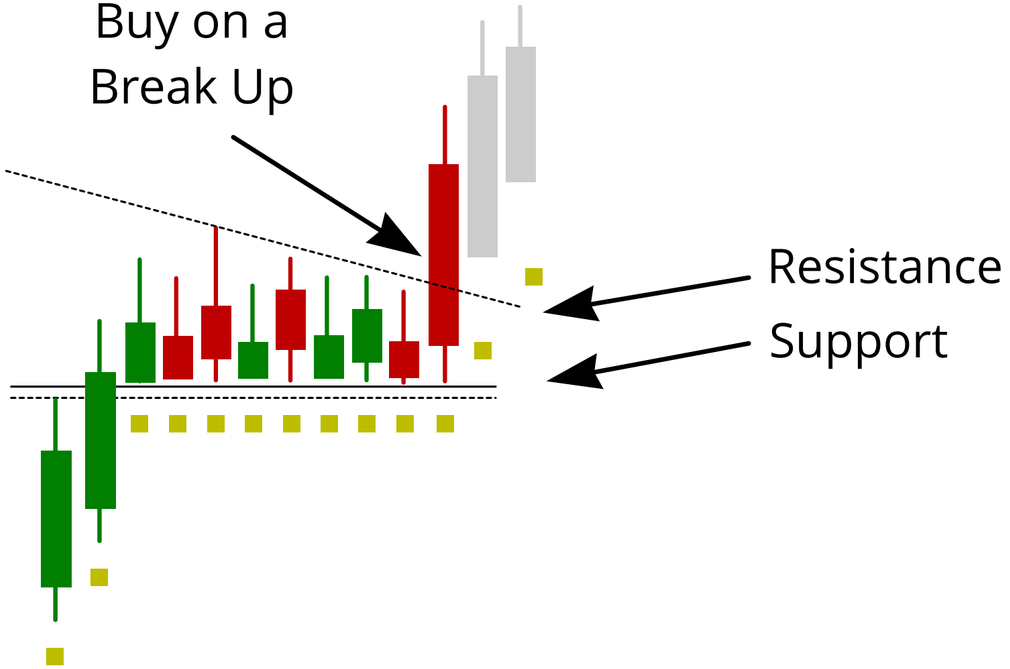
Bearish: The Flat-Top Ninja

A series of pin bar tops ATR



Bullish: Flat Bottom Girls

A series of pin bar bottoms ATR



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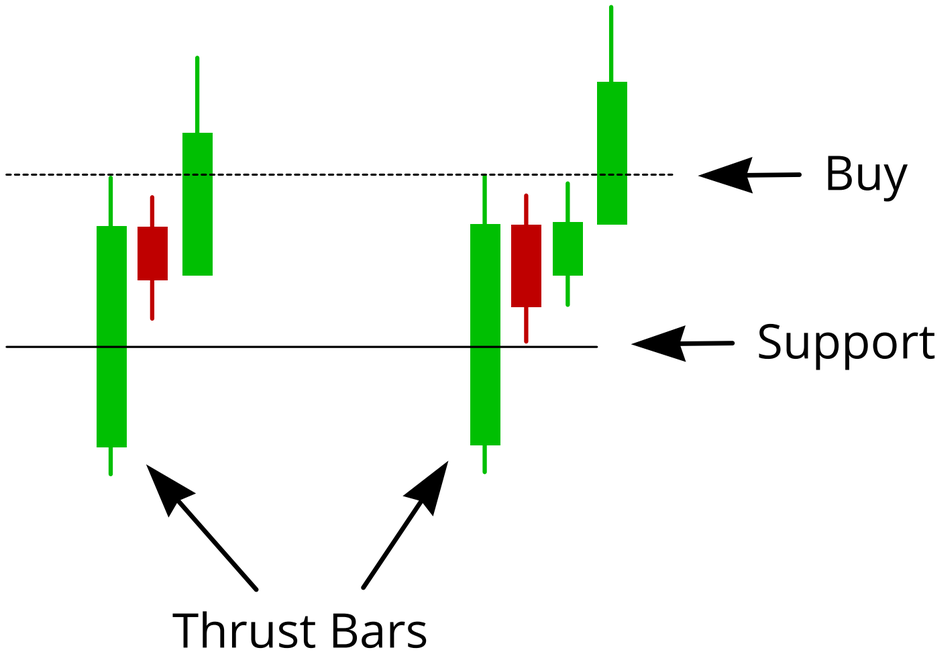
Pattern, Setup & Trigger Recognition

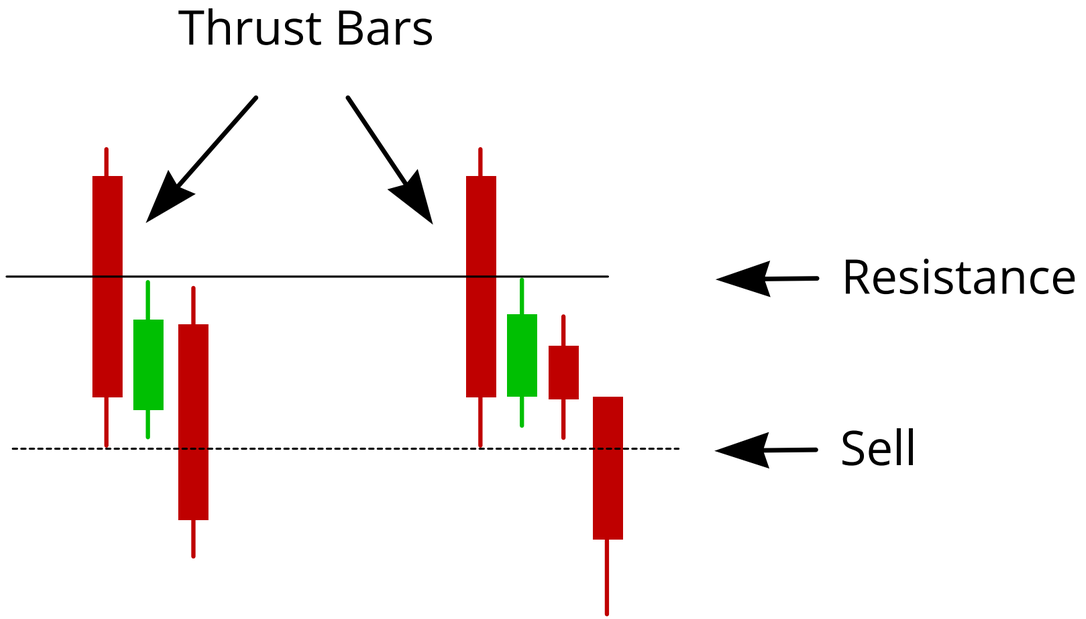
Thrust Bars

A buy/sell signal entry strategy after one long bar breaking previous resistance levels.

Bullish



Bearish



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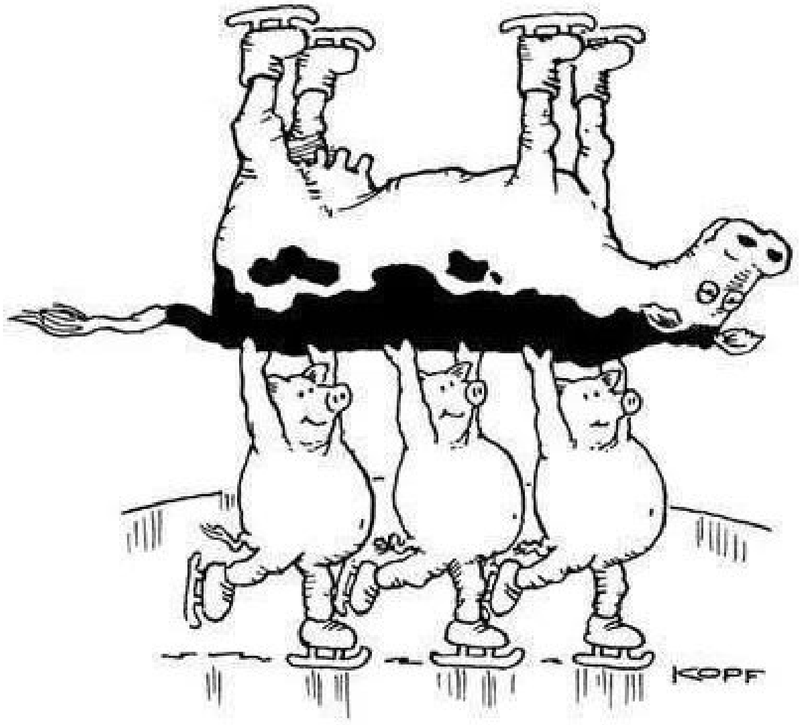
Triple SowCow

Three Long With No Areas of Resistance



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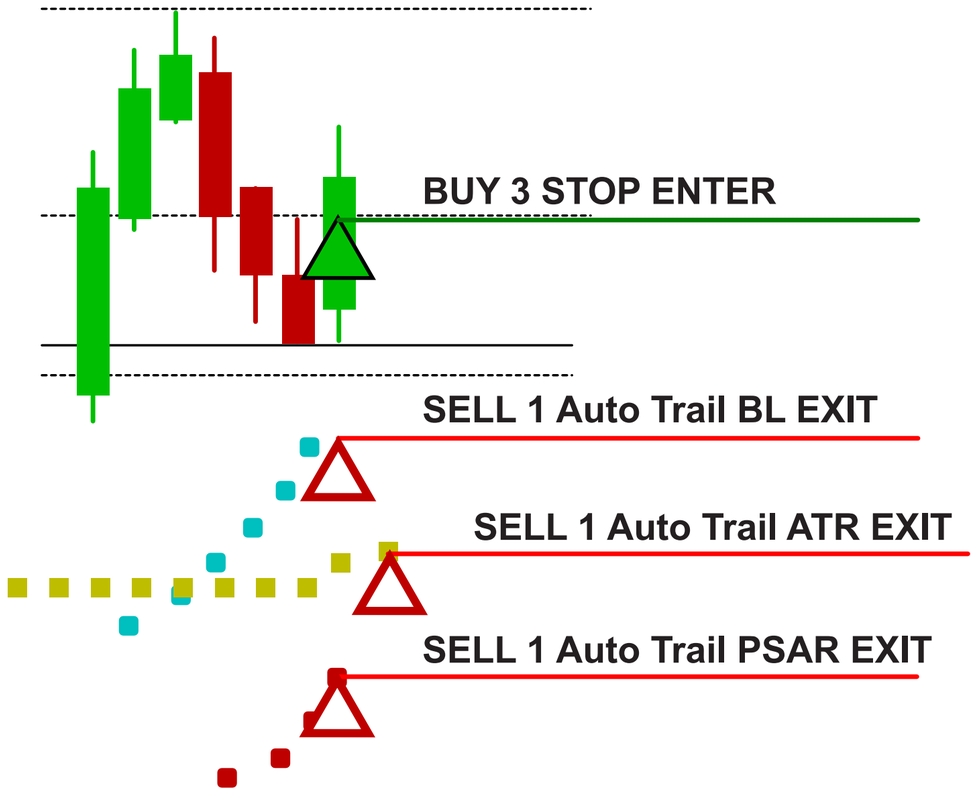

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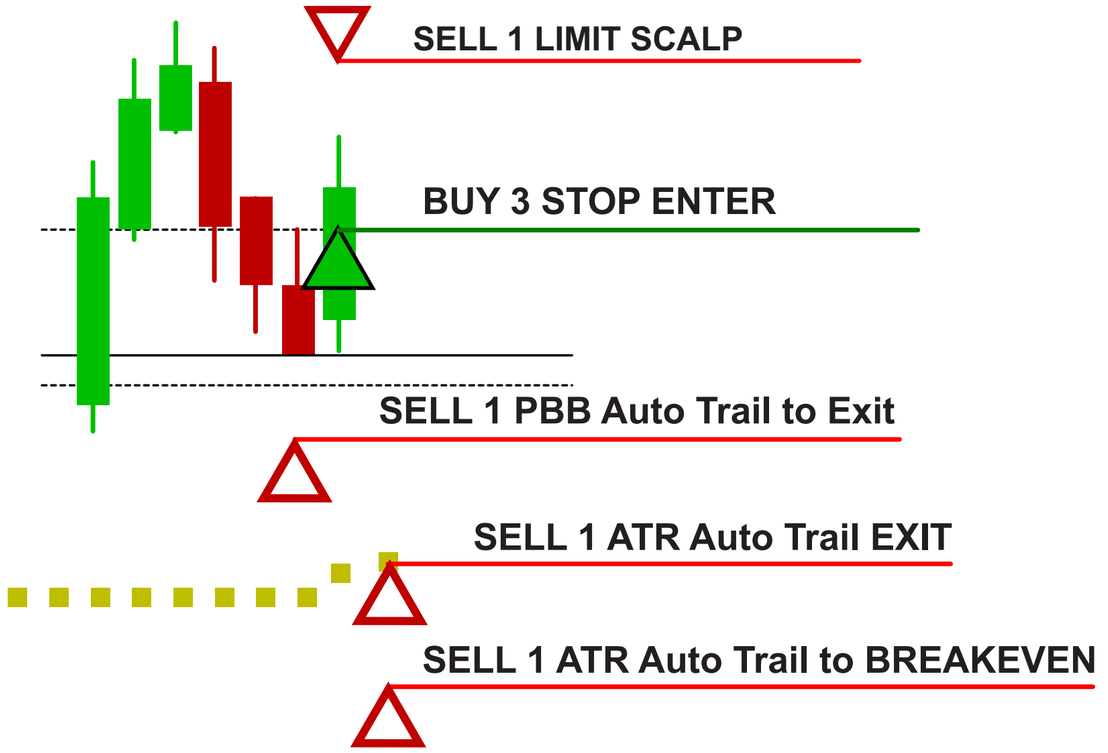
Three's Company

Three Auto-Trail Stop Strategy

Strategy: Enter the market with multiples of three:

- Stop #1: Place an auto-trailing stop to trail one price bar back
  - Scalp 'n Trail exit with tight/quick limit order. (Pay expenses)
- Stop #2: Place another ATR-based trailing stop to exit.
- Stop #3: Place a third ATR-based trailing stop to break-even.
  - Hail Mary trade, keep as long as suitable.



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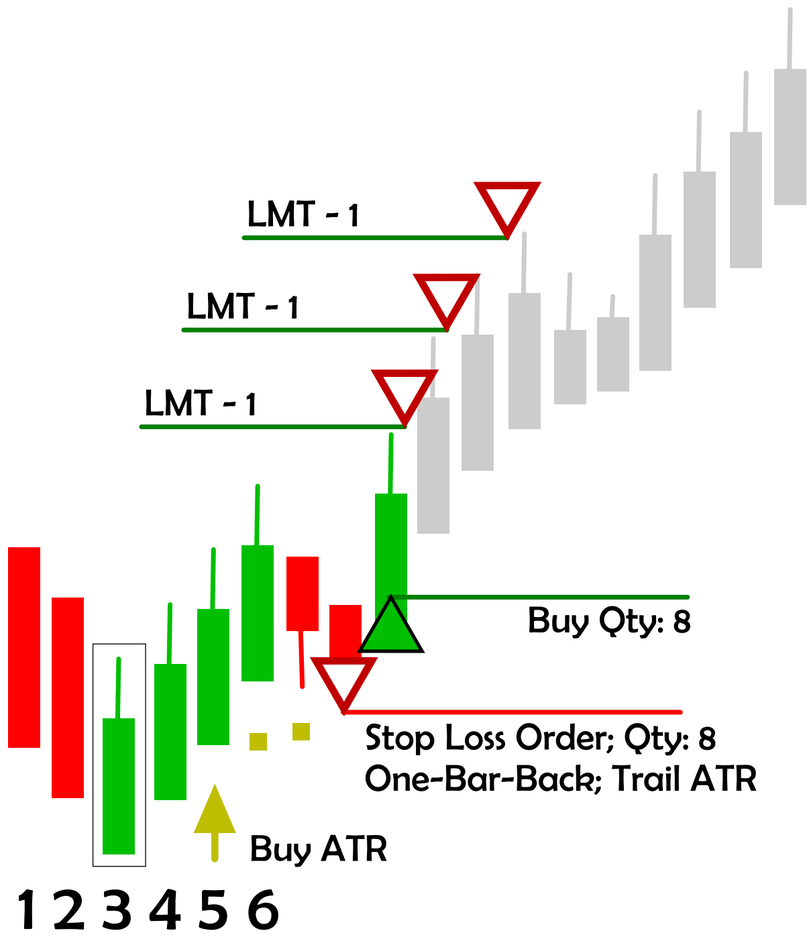
Pyramid: Scalp ‘n Trail Strategy

Unlocking the Secrets of Trend Trading, Entry Points and the 50-Period Moving Average

How To Pyramid Enter a Rising Market



Lan Turner’s Pyramid Scalp ‘n Trail; Quick Setup

Scalp 'n Trail Pyramid Strategy: Enter with a larger position, set profit-taking limit orders staggered above entry, and dynamically adjust trailing stops to maximize gains and protect capital.

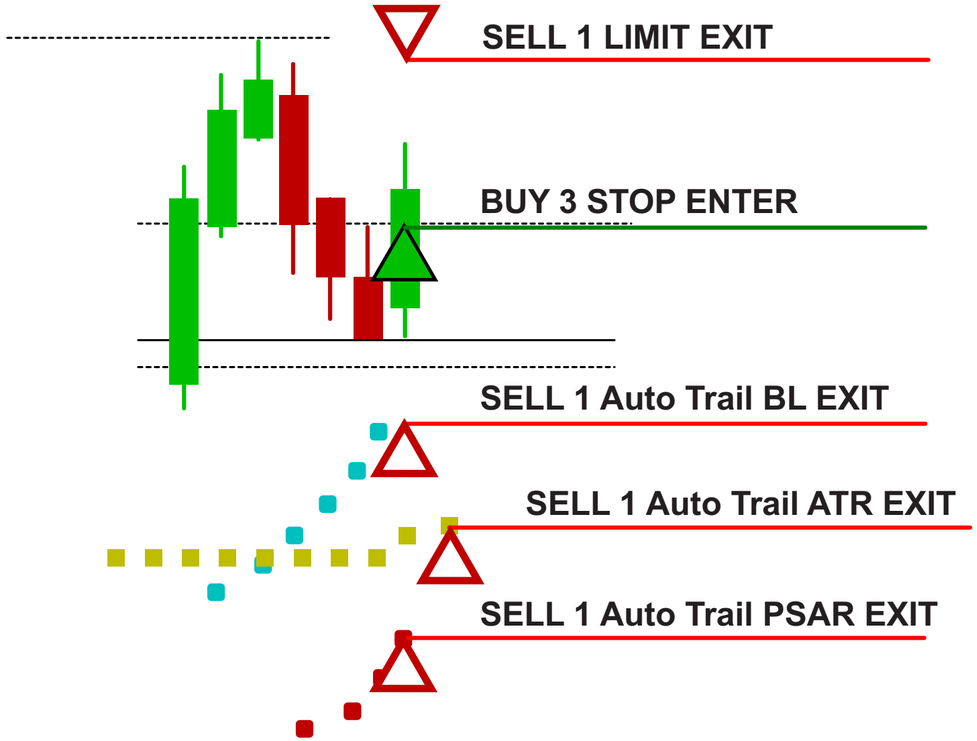
- Start with a larger position size, such as 8 contracts in the futures market.
- Set stop-loss orders behind support to manage initial risk.
- Implement multiple profit-taking limit orders, staggered above entry point (e.g., $15, $16, $17).
- As market price rises, adjust trailing stop order, trailing behind support or using ATR/PSAR/BL (Cat’s Meow).
- Fill limit orders as market reaches predetermined levels, scaling out of positions.
- Continue trailing stop to capture additional gains.
- Exit remaining contracts when market reverses and stops out.

Trade & Risk Management

Reduce risk by spreading out your bracket entry points.

The Cat's Meow

Scalp & Trail Strategy w/Multiple Auto-Trailing Stops



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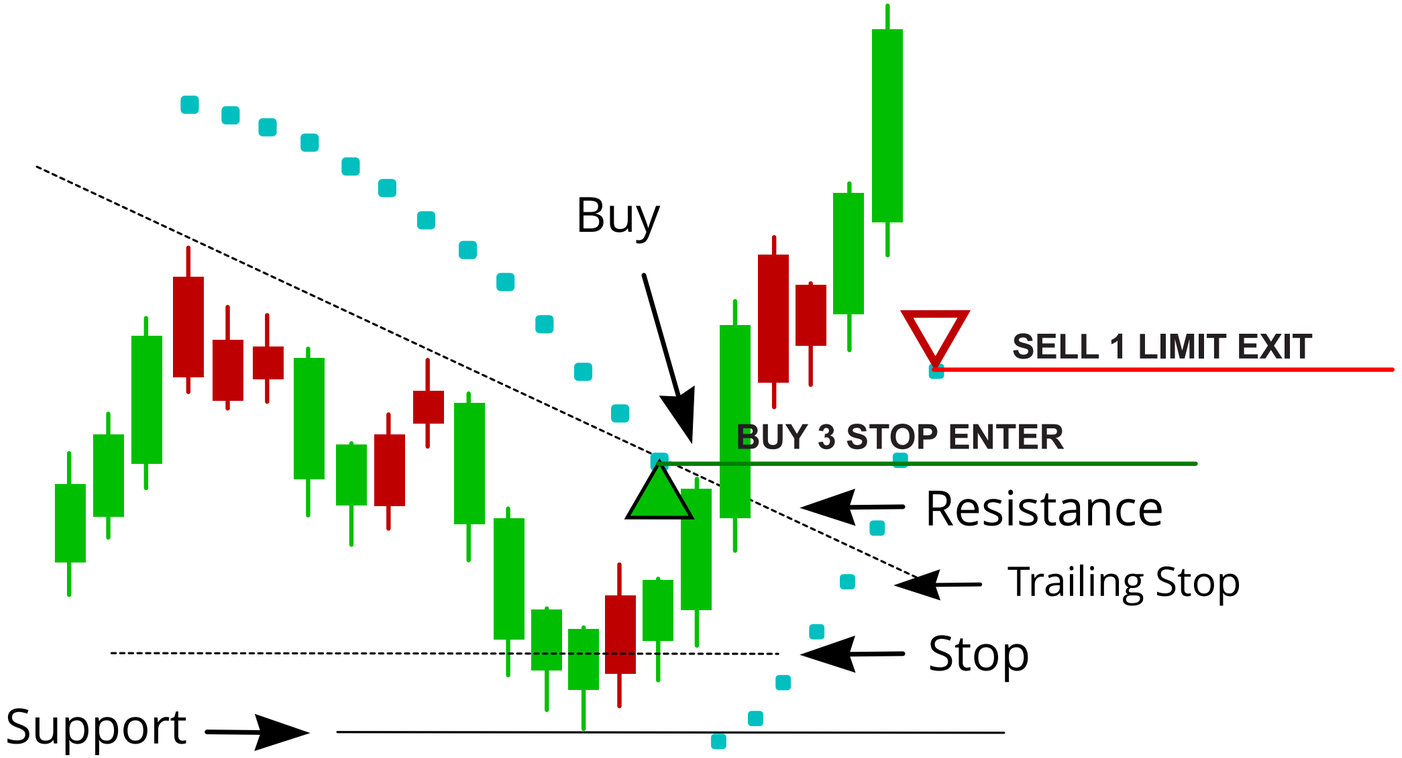
Trade & Risk Management

The Interception

Trail To Enter, Trail To Exit **(Blue Light, PSAR, ATR, Price Bars Back)**



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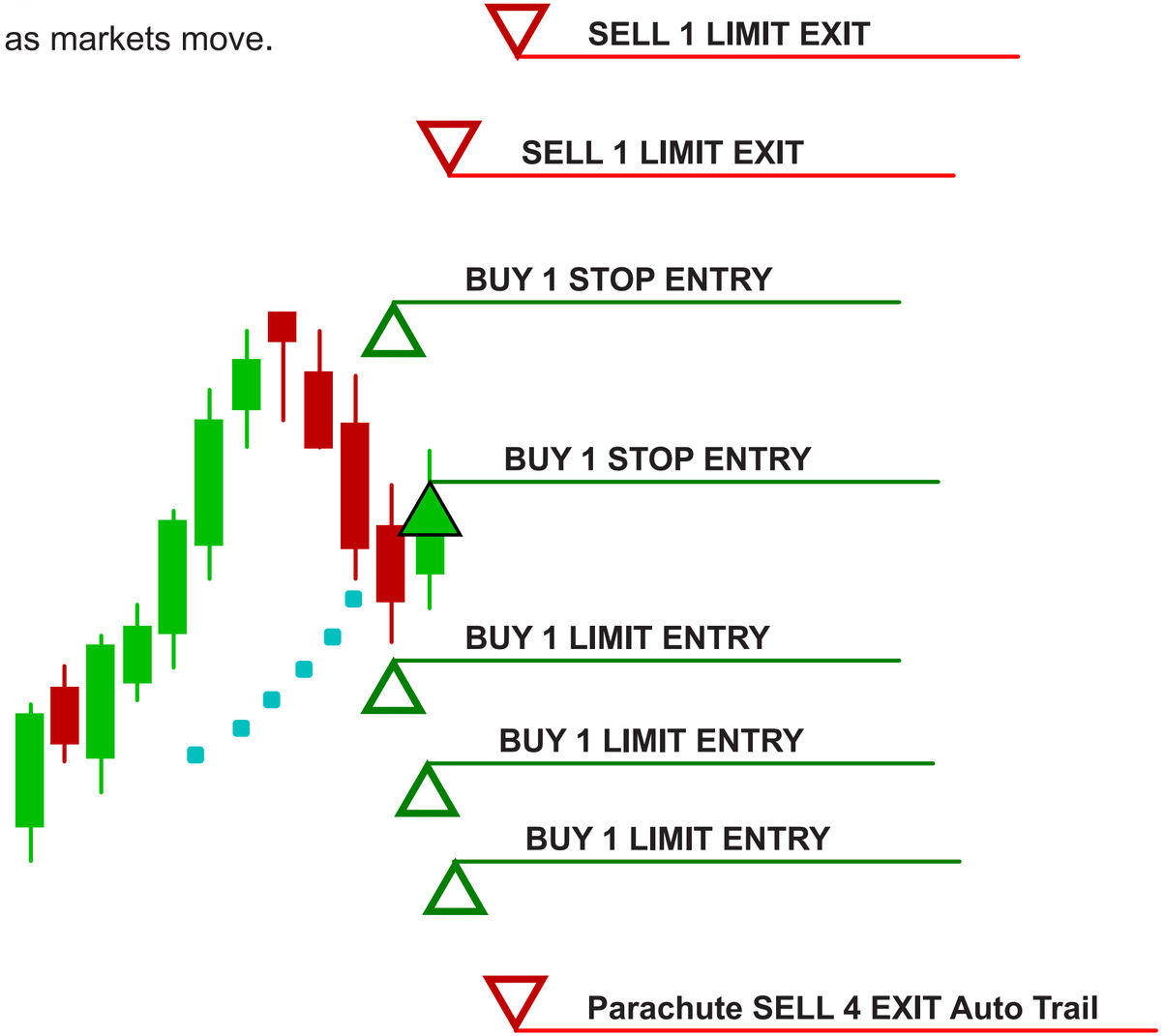
Trade & Risk Management

If you usually go long with 4 contracts, enter long with only one, add on as markets move.

The Flea Flicker

Add Onto An Existing Position



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The ol Switch-A-Rooney (Castling)

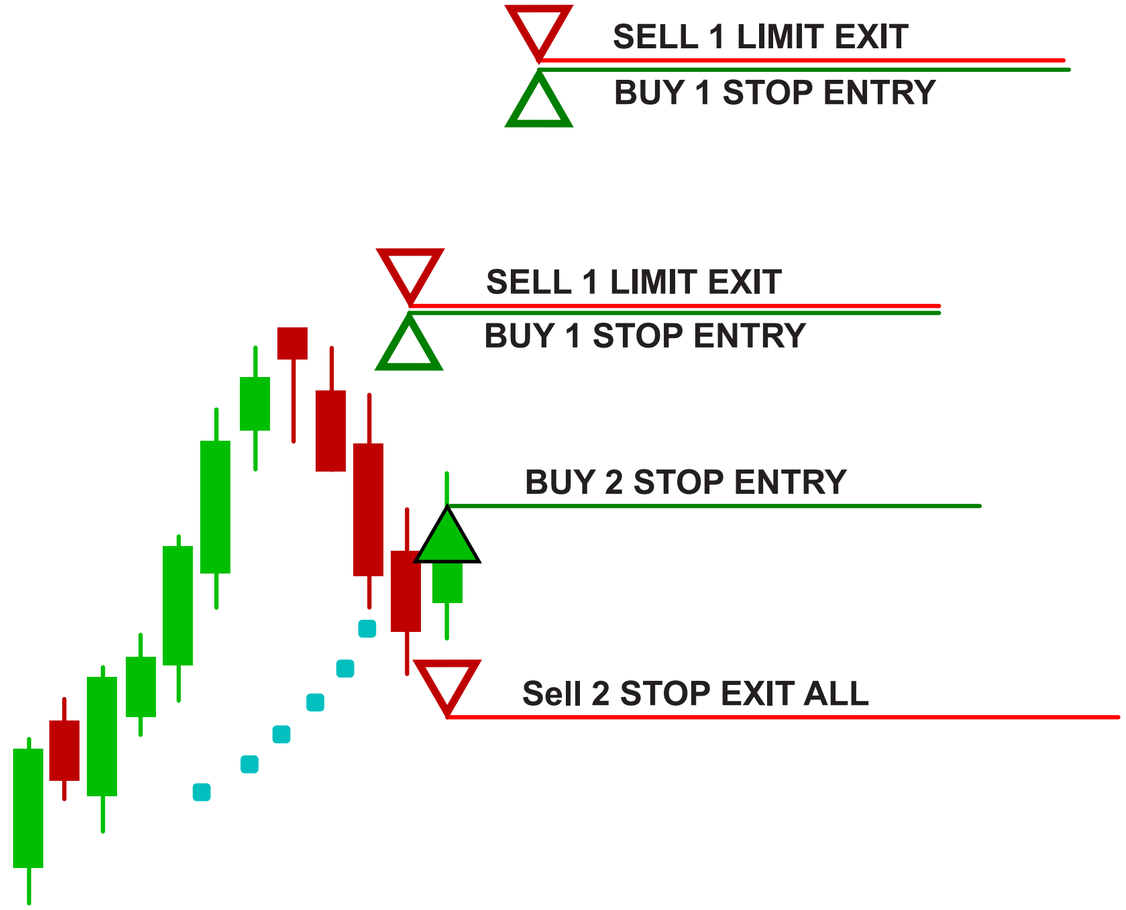
Risk management strategy of taking profits without reducing the position size.

Risk Management Strategy

When a market is moving decisively in your favor, and you want to take profits, but not reduce the size of your position, take action by placing a stop entry order just inside your profit taking limit order.

This will enter you into a new position at almost the exact same time as taking one position off.

- It's important that the new position is added first, prior to taking the profit position off.
  - Adding the new position on prior to taking the profit, will insure that your average (dollar cost) will not increase as aggressively as it would if took profits first.
- If you take the profit first, then add onto your position, this will more aggressively advance your dollar cost average, mathematically bringing it closer to the current market price, possibly causing you to get stopped out prematurely.
  - Just remember, always add to your position first, prior to taking a profit along the way to reduce the possibility of getting stopped out prematurely.



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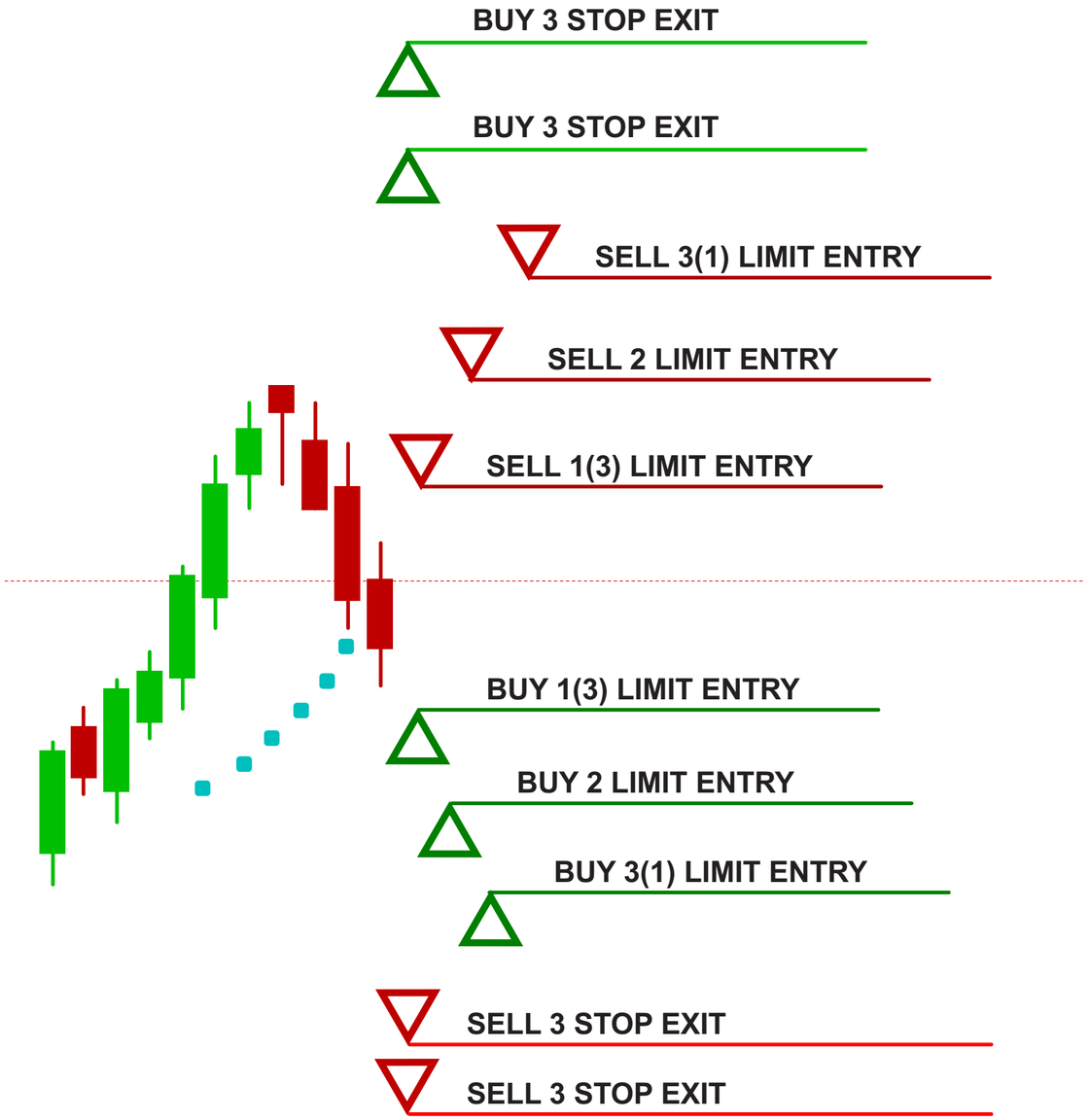
Trade & Risk Management

Reduce risk by spreading out your bracket entry points.

King Tut

Bracket the market with a pyramid of Limit Orders and Protective Stops



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Christmas Tree Trading Strategy

Trading the Christmas Tree

Take profits as they come, dollar cost average in.

Have you ever been really super good at picking the exact turning point in a market? I mean with like 70% to 90% accuracy? No? Very few of us can. It's for this reason that we created the Christmas Tree Strategy, where we continually dollar cost average into our entry position.

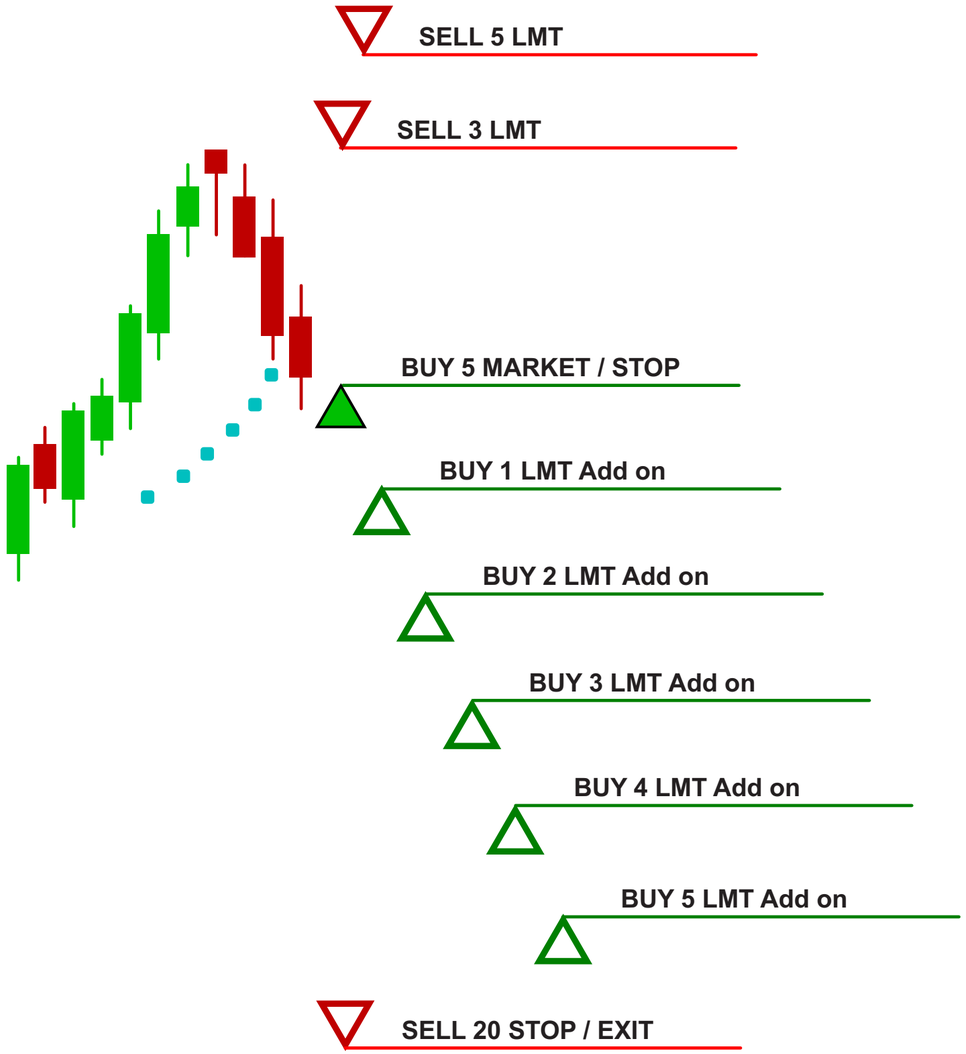
If you would normally enter the market with 1000 shares, consider entering with a much smaller share size at first, say 250 shares, then if the market moves against you, add your additional shares until you've reached your max share size, or hit your exit stop.

In reality, this strategy can reduce risk, since you're going to actually exit the strategy, if wrong, at basically the same exit price you normally would, but as the market moves against you, you're adding on shares at a more conservative level.

When and if, the market turns and moves in your favor, you have a better than expected entry point due to the fact that you were actually building an ever larger position as the market was moving against you.

This is called Cannonballing, or dollar cost averaging, and it's a strategy that we generally discourage new traders attempt, and as you can see, the downside loss potential on this strategy can wipe out a small account if not managed properly.

For this reason it's imperative that you only attempt this strategy when very well capitalized for the size of the market that you are trading, and make sure you have a solid exit strategy if you're completely wrong.



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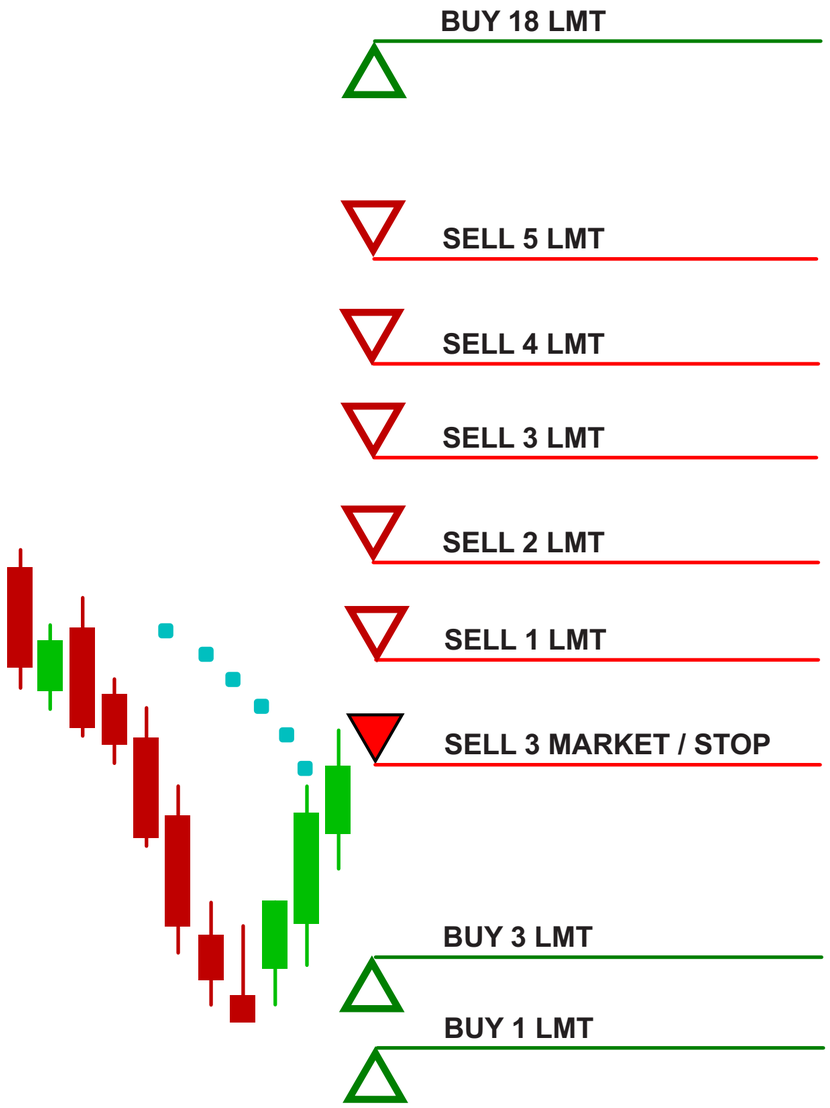
Balaam's Ladder

The Devil's Breath

The Bearish Cannonball Strategy



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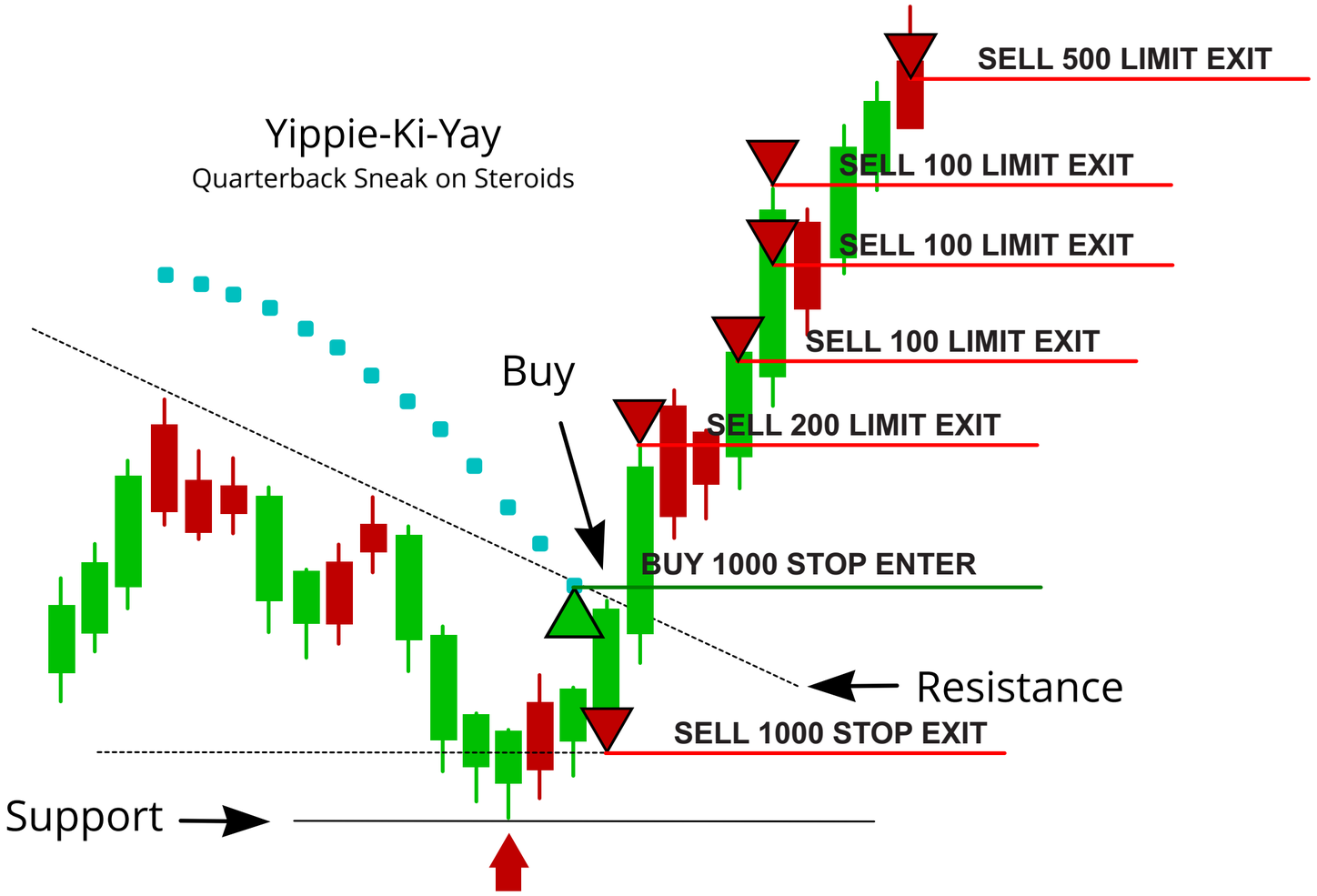
Trade & Risk Management

Calculating Risk vs. Reward When Scalping the Market



Yippie-Ki-Yay

Small Cap Stocks, or Micro-Mini Market Scalp

The Yippie-Ki-Yay is a very popular scalping strategy, the quantity amounts you see here are generally used in the small cap stock market, where a share size might be somewhere between $2 and $10.

This strategy works well in the Futures market when trading the eMini Micros, the Small exchange, or the Mini S&P, Dow, Nasdaq, and Russell.

The strategy is simple, it's basically the Quarterback Sneak on steroids.

Step 1: Wait for a buy signal from either your favorite indicator, trend line break, or pattern violation.

Step 2: Enter the market with large position size. Many traders will max-out their account buying power.

Step 3: Place an all out stop one price bar behind the entry bar.

Step 4: Take profits as the market hits key resistance points. If the market shows weakness and breaks below a previous price bar low, Exit ALL.

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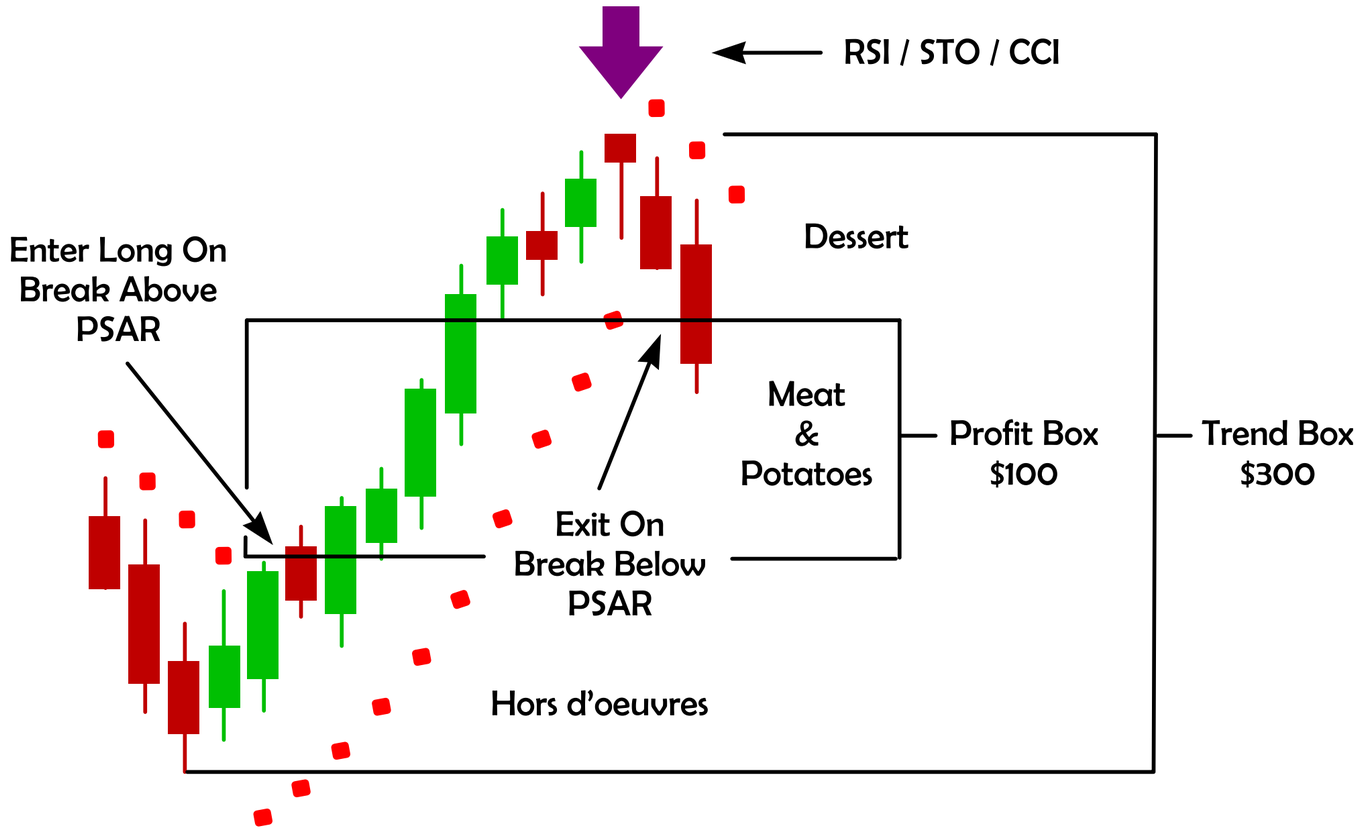
Profit Box

Calculating Entry, Exit vs. Risk vs. Reward



The Profit Box

Navigating the Profit Box

The "Profit Box" is a concept I've developed to describe a common challenge traders face when relying solely on mathematical trend lines and indicators for determining entry and exit points.

1. The Profit Box refers to the limited profit zone between the entry and exit points in trading, caused by late entries and exits due to dependence on mathematical models.
2. It's crucial to recognize the Profit Box, understand the potential risks, and acknowledge how it can reduce profits and impact overall trading performance.
3. Common tools used for trend analysis and mathematical modeling include PSAR (Parabolic Stop and Reverse), ATR (Average True Range), traditional moving averages, and their various subsets.

Identifying the Profit Box

1. The Profit Box is the zone between the entry and exit points indicated by the aforementioned lagging indicators. A prudent trader waits for confirmation that the market has reversed before taking a position. While these tools help identify turning points for entry, they often miss the exact tops and bottoms of trends, which I refer to as the "hors d'oeuvres and dessert" of the trade.
2. Recognizing these small profit zones and overlapping entry/exit points can significantly enhance a trader's awareness of a trade's potential. Often, the profit boxes are very small, and although the trend may seem substantial, the profit box itself can be so limited that it becomes untradable or, at best, a very high-risk trade.

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What are Heiken-Ashi Bars?

Heiken-Ashi Candlestick Charts

Open, High, Low, and Close Bars

The Heikin-Ashi chart is constructed like a regular candlestick chart, except the formula for calculating each bar is different.

- **Heikin-Ashi bars are a type of candlestick chart that is used to reduce market noise and highlight trend direction better than typical candlestick charts.**

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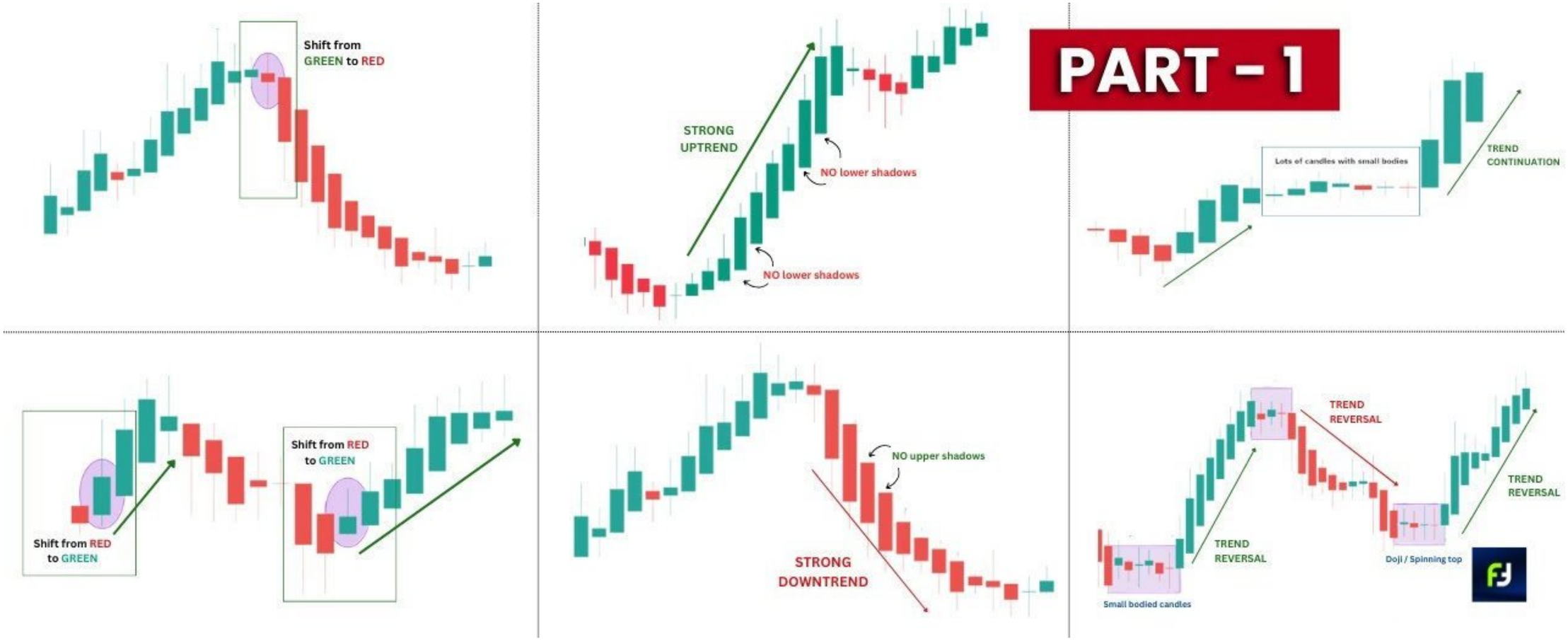
What are Heiken-Ashi Bars?

Heiken-Ashi Candlestick Charts

Open, High, Low, and Close Bars



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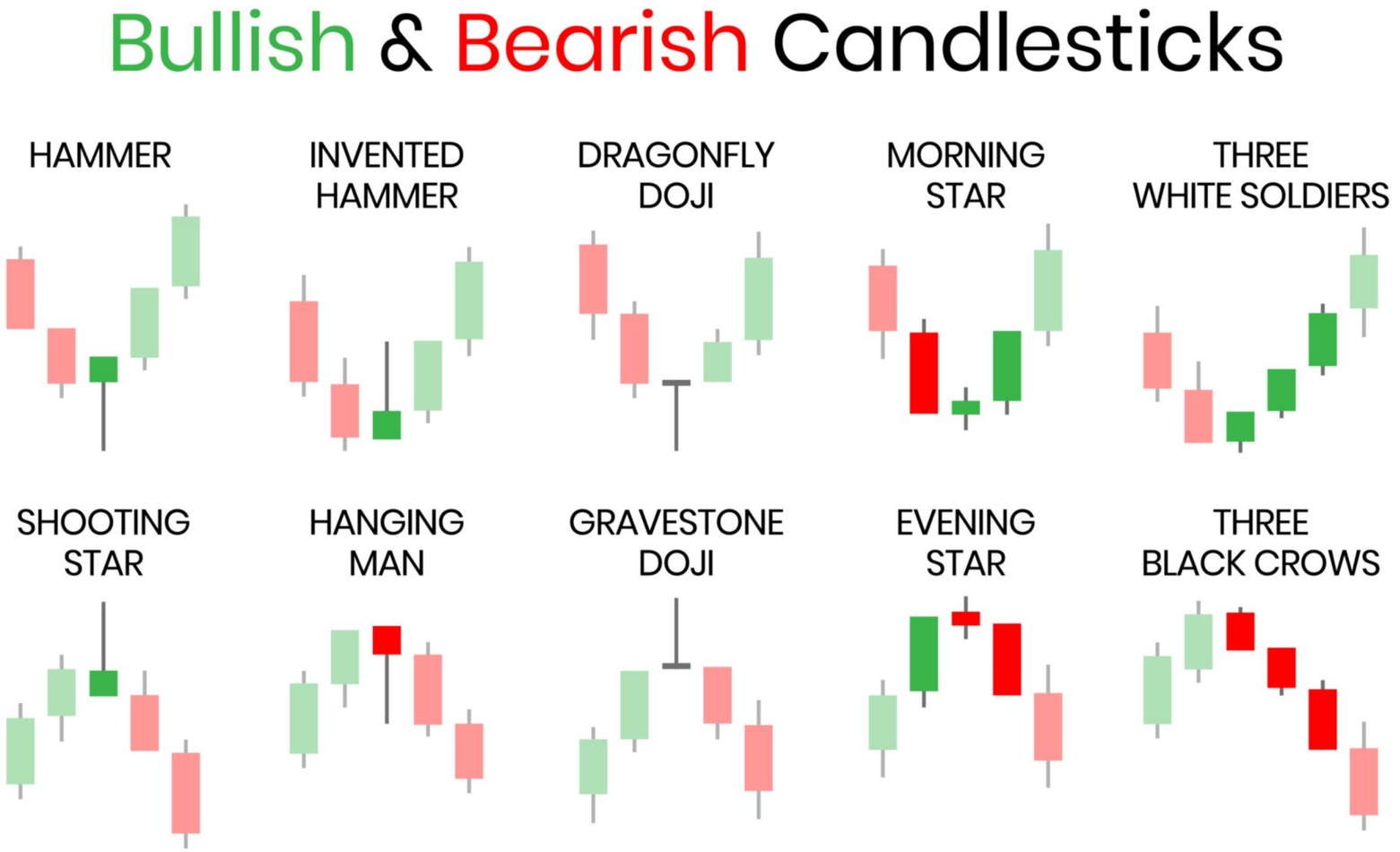
Charts and Patterns

Candlestick Charts

Open, High, Low, and Close Bars



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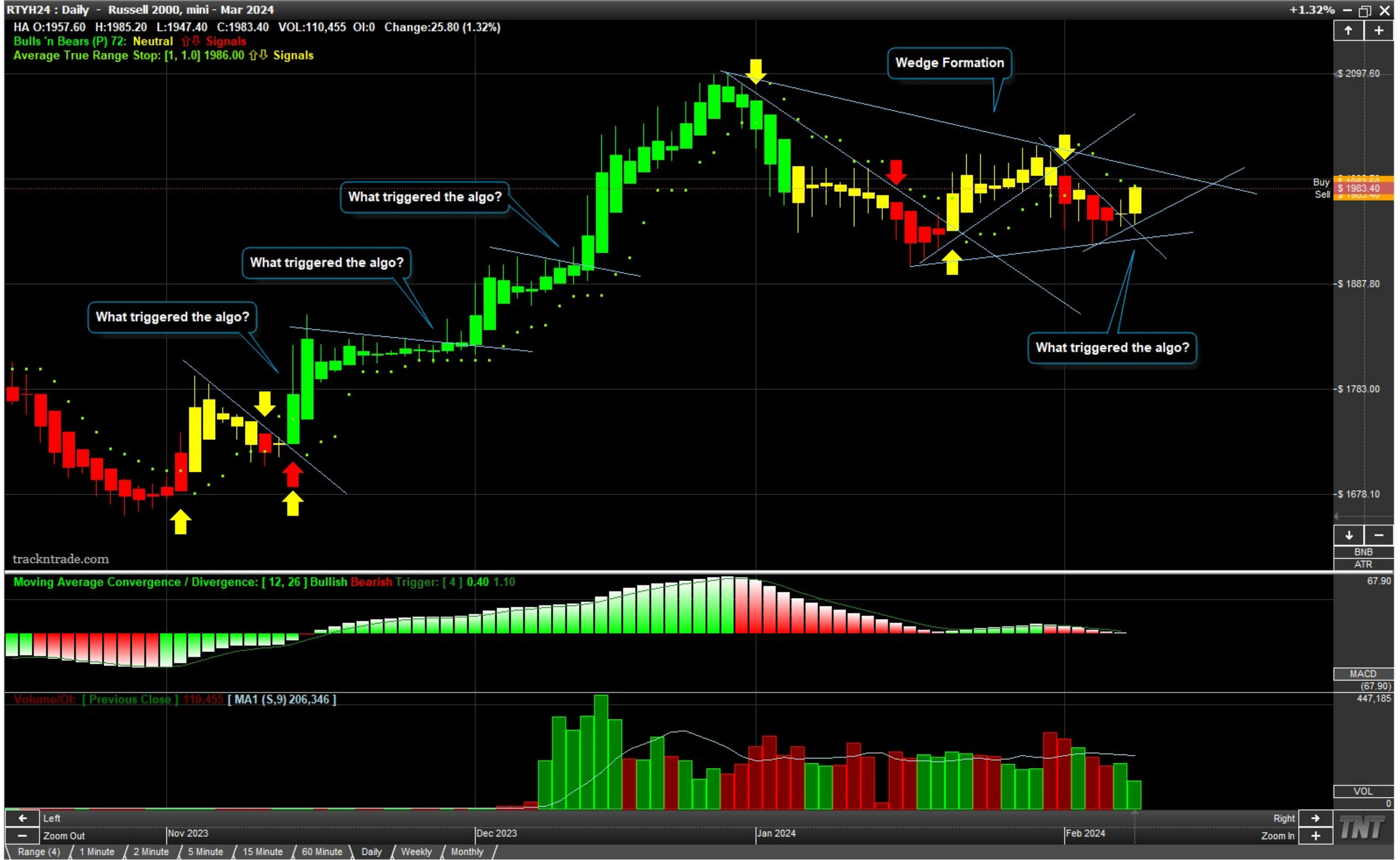
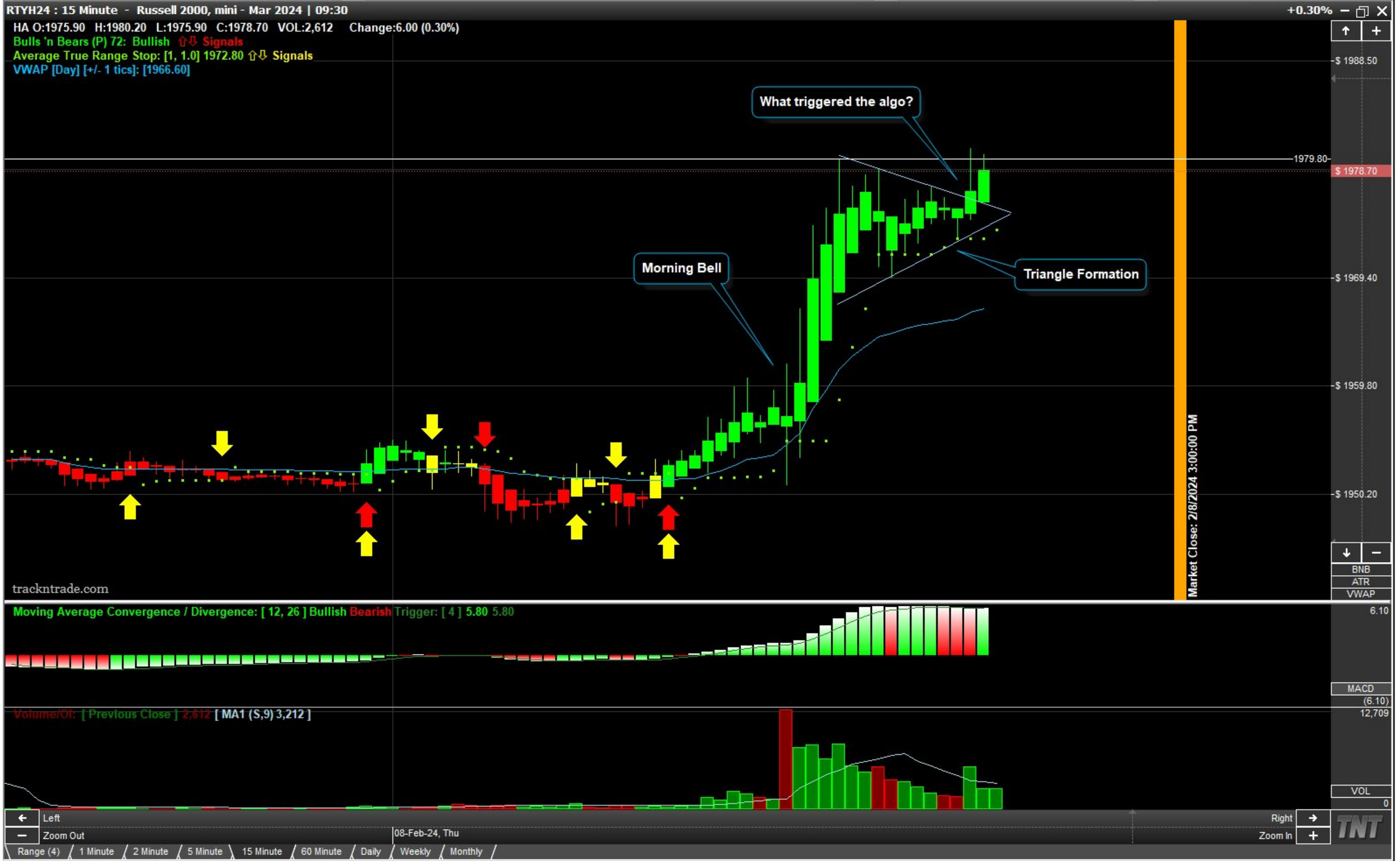
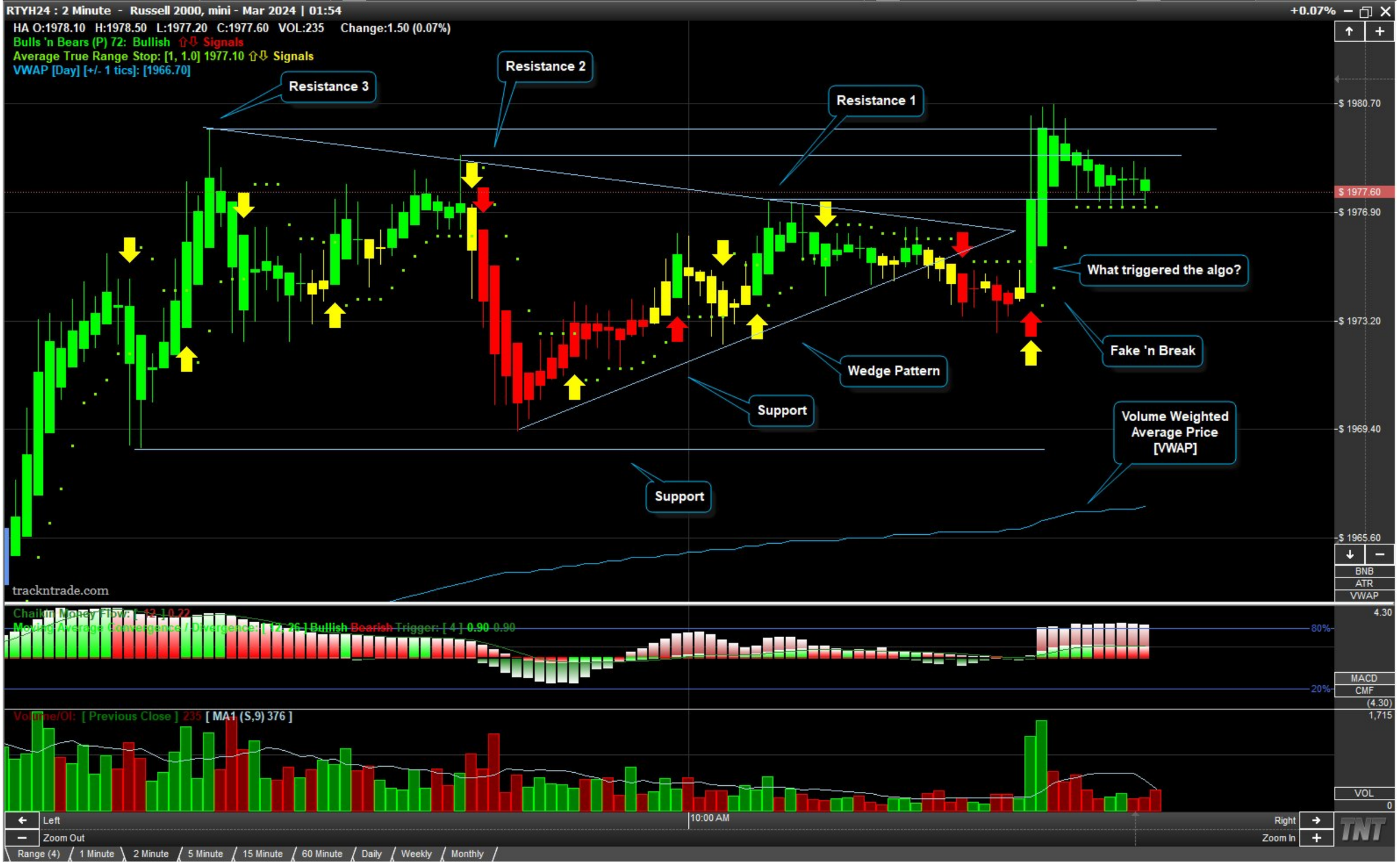
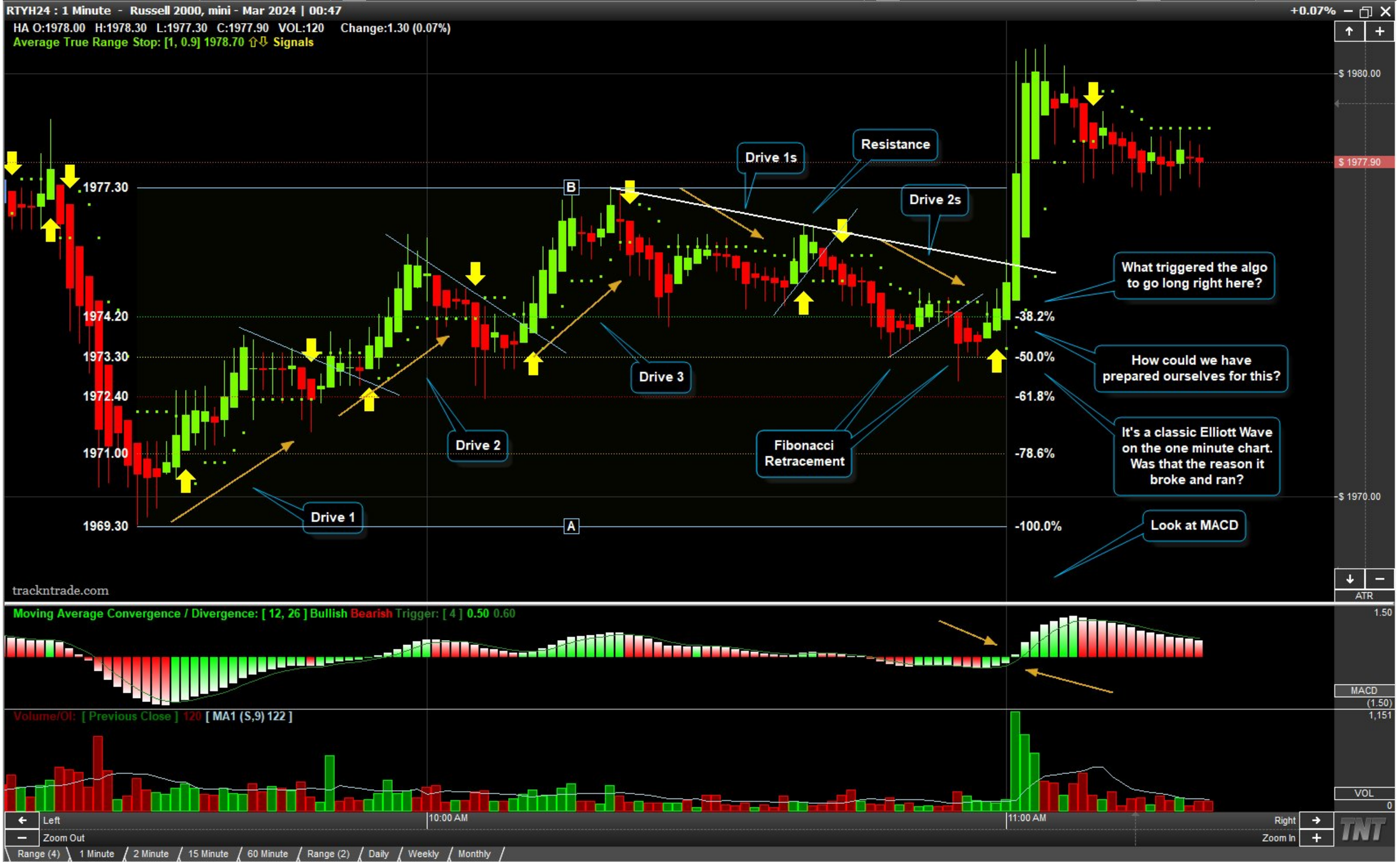

RTYH24 : Daily - Russell 2000, mini - Mar 2024
+1.32%
HA O:1957.60 H:1985.20 L:1947.40 C:1983.40 VOL:110,455 OI:0 Change:25.80 (1.32%)
Bulls 'n Bears (P) 72: Neutral ⇧⇩ Signals
Average True Range Stop: [1, 1.0] 1986.00 ⇧⇩ Signals
Wedge Formation
What triggered the algo?
What triggered the algo?
What triggered the algo?
What triggered the algo?
$ 2097.60
Buy
Sell
$ 1983.40
$ 1887.80
$ 1783.00
$ 1678.10
trackntrade.com
BNB
ATR
Moving Average Convergence / Divergence: [12, 26] Bullish Bearish Trigger: [4] 0.40 1.10
67.90
MACD
(67.90)
Volume/OI: [Previous Close] 110,455 [MA1 (S,9) 206,346]
447,185
VOL
0
Left
Zoom Out
Nov 2023
Dec 2023
Jan 2024
Feb 2024
Right
Zoom In
TNT
Range (4)
1 Minute
2 Minute
5 Minute
15 Minute
60 Minute
Daily
Weekly
Monthly


RTYH24 : 15 Minute - Russell 2000, mini - Mar 2024 | 09:30
+0.30%
HA O:1975.90 H:1980.20 L:1975.90 C:1978.70 VOL:2,612 Change:6.00 (0.30%)
Bulls 'n Bears (P) 72: Bullish Signals
Average True Range Stop: [1, 1.0] 1972.80 Signals
VWAP [Day] [+/- 1 tics]: [1966.60]
What triggered the algo?
Morning Bell
Triangle Formation
1979.80
$ 1988.50
$ 1978.70
$ 1969.40
$ 1959.80
$ 1950.20
Market Close: 2/8/2024 3:00:00 PM
trackntrade.com
BNB
ATR
VWAP
Moving Average Convergence / Divergence: [12, 26] Bullish Bearish Trigger: [4] 5.80 5.80
6.10
MACD
(6.10)
Volume/OI: [Previous Close] 2,612 [MA1 (S,9) 3,212]
12,709
VOL
0
Left
Zoom Out
08-Feb-24, Thu
Right
Zoom In
TNT
Range (4)
1 Minute
2 Minute
5 Minute
15 Minute
60 Minute
Daily
Weekly
Monthly


RTYH24 : 2 Minute - Russell 2000, mini - Mar 2024 | 01:54
+0.07%
HA O:1978.10 H:1978.50 L:1977.20 C:1977.60 VOL:235 Change:1.50 (0.07%)
Bulls 'n Bears (P) 72: Bullish ⇧⇩ Signals
Average True Range Stop: [1, 1.0] 1977.10 ⇧⇩ Signals
VWAP [Day] [+/- 1 tics]: [1966.70]
Resistance 3
Resistance 2
Resistance 1
What triggered the algo?
Fake 'n Break
Wedge Pattern
Support
Support
Volume Weighted Average Price [VWAP]
$ 1980.70
$ 1977.60
$ 1976.90
$ 1973.20
$ 1969.40
$ 1965.60
BNB
ATR
VWAP
trackntrade.com
Chaikin Money Flow: [43] 0.22
Moving Average Convergence / Divergence: [72, 26] Bullish Bearish Trigger: [4] 0.90 0.90
4.30
80%
20%
MACD
CMF
(4.30)
Volume/OI: [Previous Close] 235 [MA1 (S,9) 376]
1,715
VOL
0
Left
Zoom Out
10:00 AM
Right
Zoom In
TNT
Range (4)
1 Minute
2 Minute
5 Minute
15 Minute
60 Minute
Daily
Weekly
Monthly


RTYH24 : 1 Minute - Russell 2000, mini - Mar 2024 | 00:47
+0.07%
HA O:1978.00 H:1978.30 L:1977.30 C:1977.90 VOL:120 Change:1.30 (0.07%)
Average True Range Stop: [1, 0.9] 1978.70 Signals
$ 1980.00
$ 1977.90
$ 1970.00
1977.30
1974.20
1973.30
1972.40
1971.00
1969.30
B
A
Drive 1s
Resistance
Drive 2s
Drive 3
Drive 2
Drive 1
Fibonacci Retracement
-38.2%
-50.0%
-61.8%
-78.6%
-100.0%
What triggered the algo to go long right here?
How could we have prepared ourselves for this?
It's a classic Elliott Wave on the one minute chart. Was that the reason it broke and ran?
Look at MACD
trackntrade.com
ATR
Moving Average Convergence / Divergence: [12, 26] Bullish Bearish Trigger: [4] 0.50 0.60
1.50
MACD
(1.50)
Volume/OI: [Previous Close] 120 [MA1 (S,9) 122]
1,151
VOL
0
Left
Zoom Out
10:00 AM
11:00 AM
Right
Zoom In
TNT
Range (4)
1 Minute
2 Minute
15 Minute
60 Minute
Range (2)
Daily
Weekly
Monthly

RTYH24 : 1 Minute - Russell 2000, mini - Mar 2024 | 00:16
+0.02%
HA O:1985.90 H:1986.30 L:1983.90 C:1985.20 VOL:561 Change:0.30 (0.02%)
Average True Range Stop: [1, 0.9] 1985.00 Signals
What triggered the algo?
B Drive
1983.80
C Drive
What triggered the algo?
$ 285.00, 57 Tics
1980.70
B
A Drive
1978.10
1977.90
-38.2%
1977.00
-50.0%
1976.10
-61.8%
Fibonacci Retracement 50%
1974.90
-78.6%
Look at MACD
1973.30
A
-100.0%
$ 1985.20
$ 1980.00
ATR
trackntrade.com
Moving Average Convergence / Divergence: [12, 26] Bullish Bearish Trigger: [4] 1.60 1.60
1.80
MACD
(1.80)
Volume/OI: [Previous Close] 561 [MA1 (S,9) 288]
1,151
VOL
0
Left
Zoom Out
11:00 AM
12:00 PM
Right
Zoom In
TNT
Range (4)
1 Minute
2 Minute
15 Minute
60 Minute
Range (2)
Daily
Weekly
Monthly

Infamous Quote

Lan Turner

- An American Futures and Forex trader, famous in his own mind for having said the following…

"Trading is like playing football, each team has a book of offensive plays they run to score a touchdown, and they have a book of defensive plays they run as protection against taking a loss on the field."

-- Lan Turner

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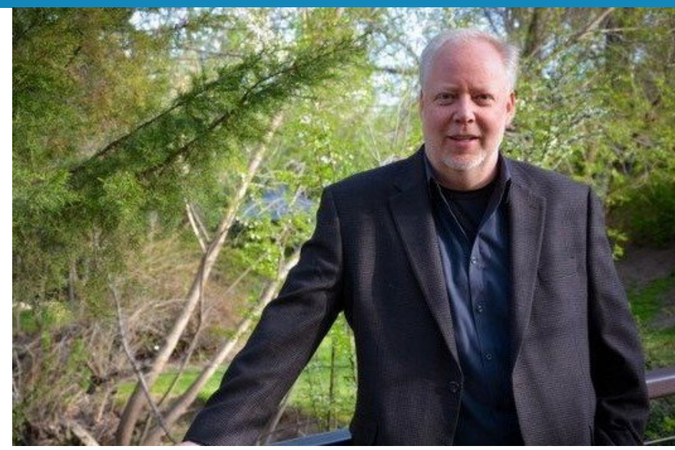
Infamous Quote



Lan Turner

- An American Futures and Forex trader, famous in his own mind for having said the following…

"Trading is not about making money. Trading is about not losing money.

And, until you realize that, you'll never find success in the markets.

I love trading Stocks, Futures and Options, it's been my life's passion, and

I'm happy to share my knowledge and experience with you!"

-- Lan Turner

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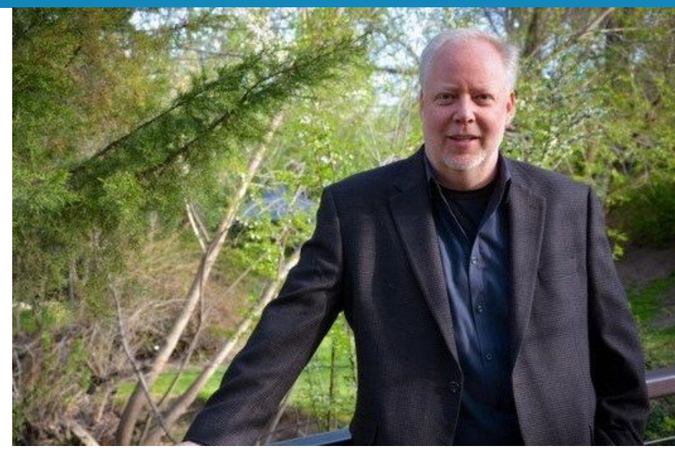
Infamous Quote



Lan Turner

- An American Futures and Forex trader, famous in his own mind for having said the following…

"Trading is like playing chess. Most people know how all the pieces move on the board, but very few people know any strategies to pin the king in the corner and win the game."

-- Lan Turner

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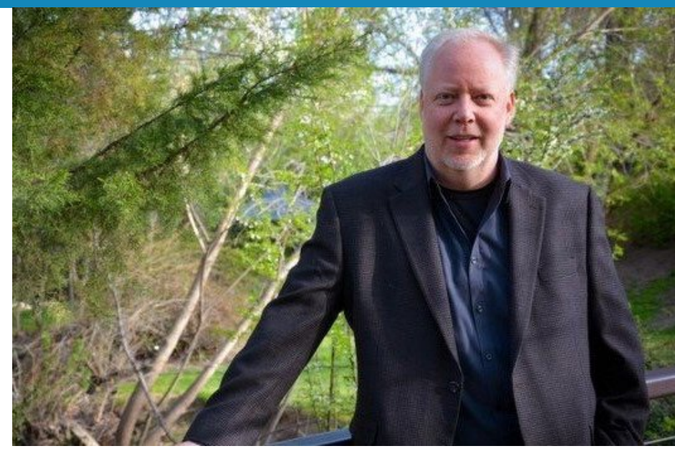
Infamous Quote



Lan Turner

- An American Futures and Forex trader, famous in his own mind for having said the following…

"Trading is like fishing, sometimes we catch a small one, sometimes we catch a huge one, and sometimes we get our bait taken."

-- Lan Turner

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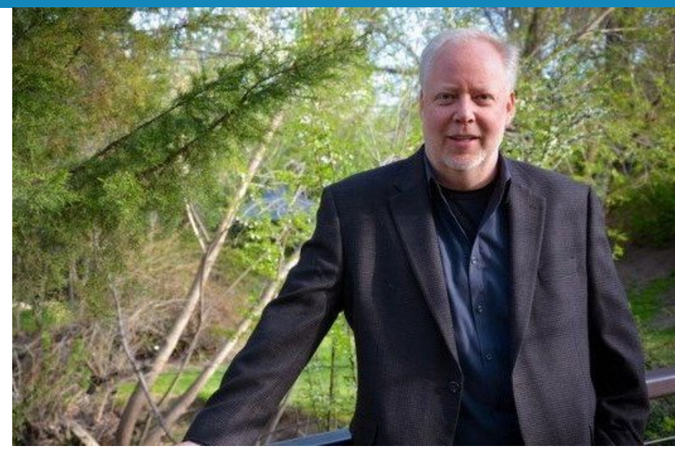
Infamous Quote



Lan Turner

- An American Futures and Forex trader, famous in his own mind for having said the following…

"Identifying Recurring Price Patterns, Setups, Triggers and Indicators is not trading. Trading is executing orders in a sequence designed to take advantage of those patterns and indicators. "

-- Lan Turner

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Famous Quote

Richard D. Wyckoff

- An American stock market investor, trader, and educator who lived from 1873 to 1934. He is considered one of the pioneers of technical analysis, famous for codifying the Accumulation Distribution Model.

"The goal of a successful trader is to make the best trades; making money is secondary."

-- Richard D. Wyckoff

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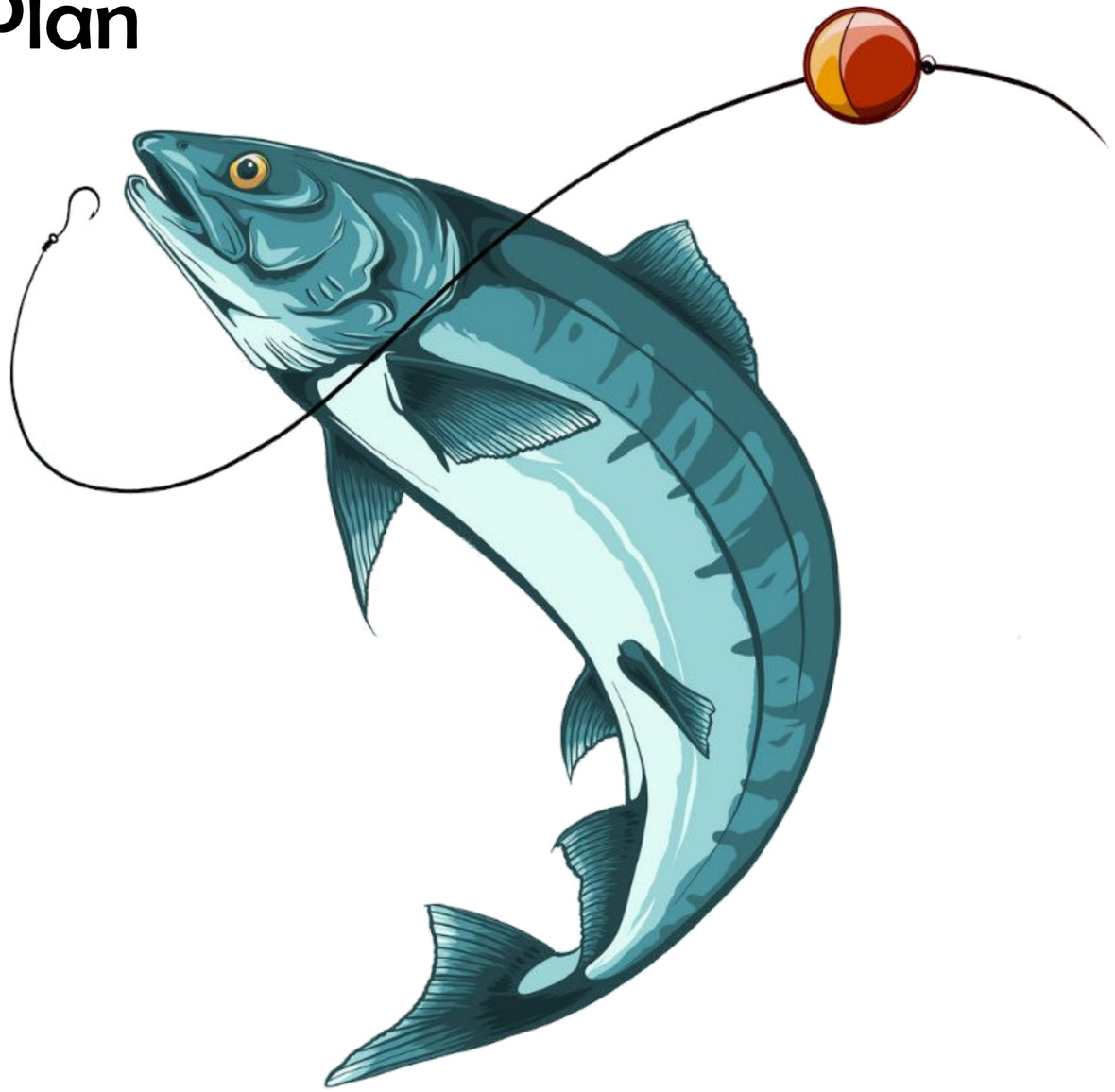
Plan Your Trade & Trade Your Plan

Trading is Like Fishing

1. There's a lot of waiting and searching for just the right fishing-hole, then throw your line in the water and hope for a bite.
2. Sometimes you catch a small fish, sometimes you catch a huge giant fish, and sometimes you lose your bait.
3. It's rare to catch the big fish, more likely to catch the small ones, but lots of small fish are still good eaten too.



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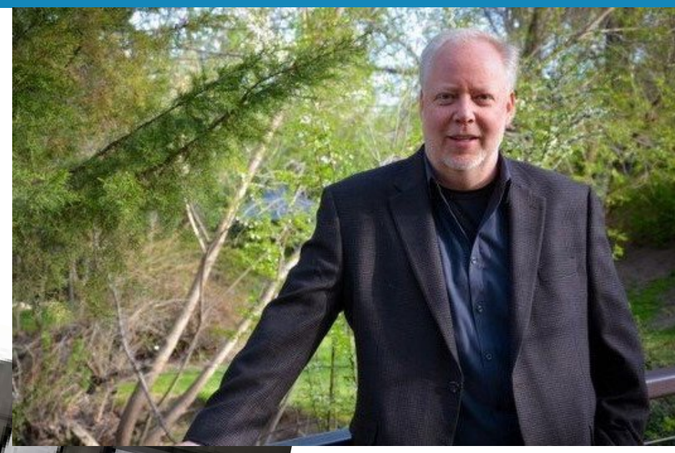
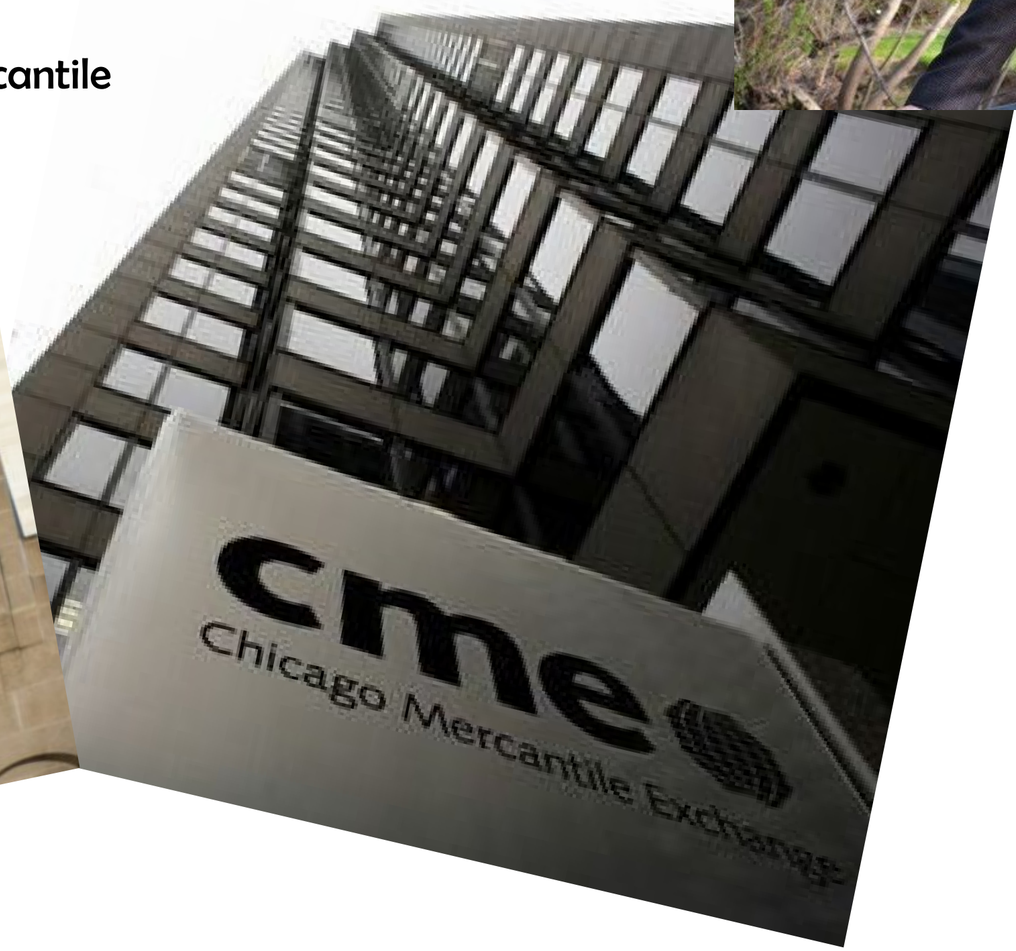
Who is Lan Turner?

Active Trader, Teacher, Entrepreneur



- Instructor, taught at...
  - The Chicago Board of Trade & Chicago Mercantile Exchanges Education Centers, 2000 - 2010



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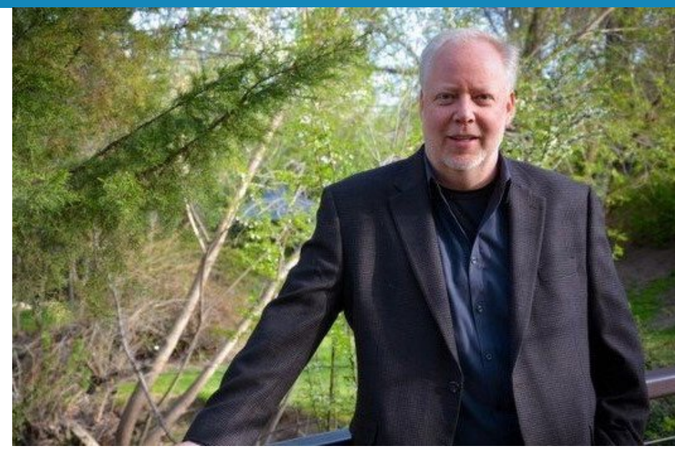
Who is Lan Turner?



Active Trader, Teacher, Entrepreneur

- Teacher, taught 20-years at the university level…so far!
  - Utah Tech University, Utah State University, University of Puerto Rico, and Bridgerland Applied Technology Center.

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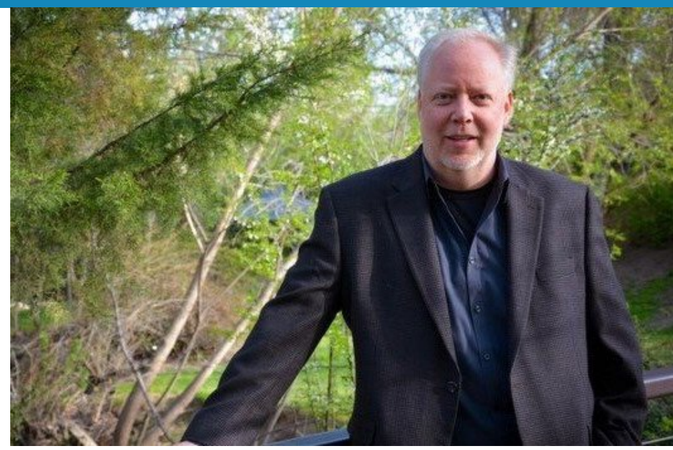
Who is Lan Turner?

Active Trader, Teacher, Entrepreneur



- Public speaker, teacher & educator at national symposiums, such as the Traders Expo and the Money Show.

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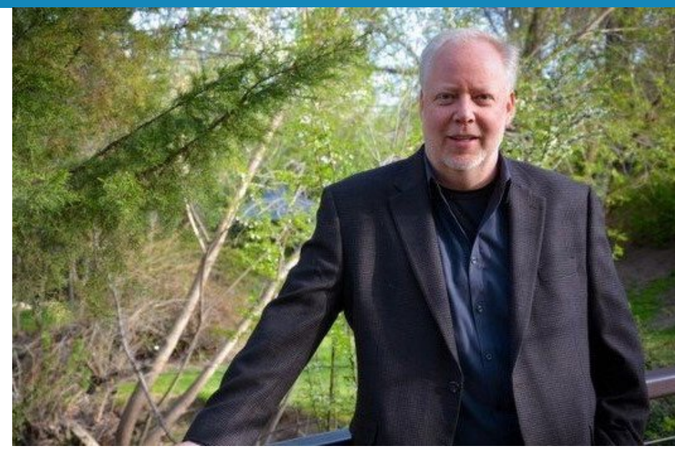

Who is Lan Turner?

Active Trader, Teacher, Entrepreneur

- Entrepreneur, Business Owner, & Software Design Engineer.
  - Gecko Financial Services, Futures and Forex brokerage firm.
  - Gecko Software, trading software developer
  - PitNews Press, financial education publisher
  - Real estate investor, both commercial & residential

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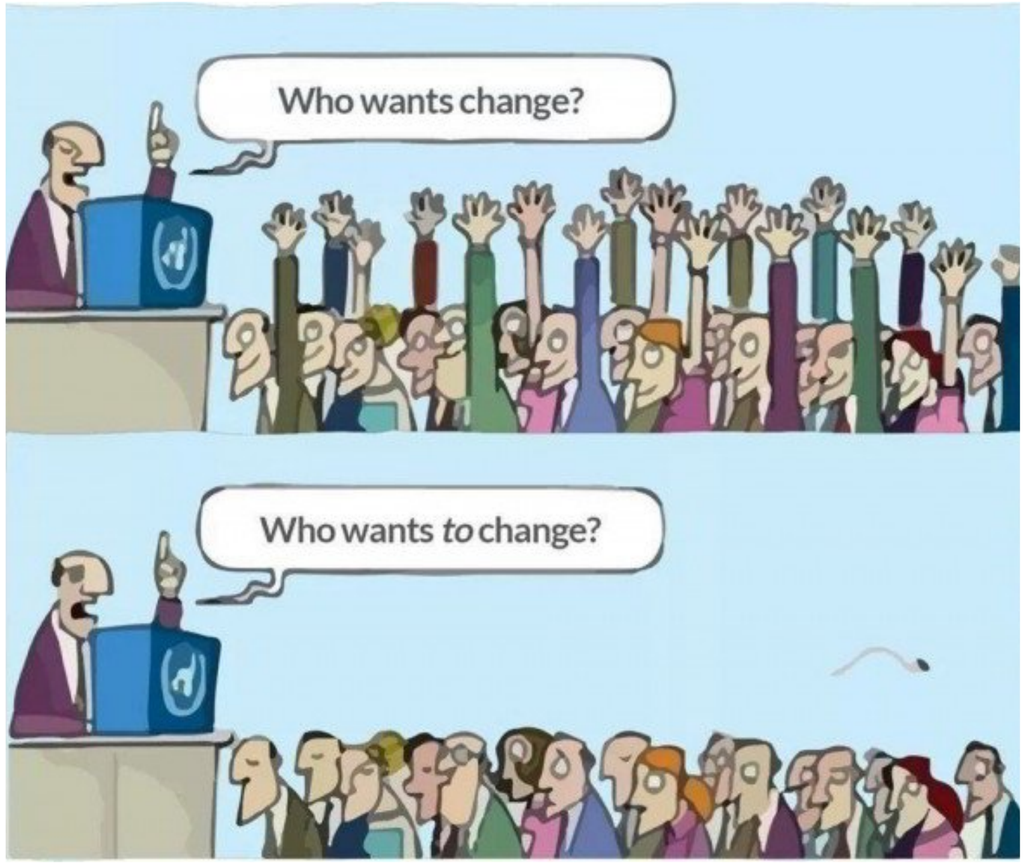
Enough About Me…

Let's Talk About You!

- What are your financial goals and aspirations?
  - How are you going to reach those goals.?
    - If I were to ask you, where do you want to be in 12 months from now when it comes to your trading, how would you answer that question?
    - What are you willing to do to achieve that goal?



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What is the Stock Market?

The Stock Market is an exchange, where shares of a company are traded, and "exchanged."

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What is the Stock Market?

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What is the Commodity/Futures Market?

The Commodity and Futures market is where our countries primary food, energy, metals, and financial indexes are traded.

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Tools of the Trade

Download Your Trading Platform at: www.TrackNTrade.com

- Trading commodities is just like trading stocks, but we use a different software platform to access the different exchanges.
  - We generally open our trading accounts with a brokerage firm that specialize in futures trading.

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Advantages & Disadvantages

- Stocks & Options vs. Futures & Options - Day Trading

Stocks & Options (New York)

- Pattern Day Trading
  - $25,000 minimum
    - 4 Trades Per Week
    - 90-Day Rule
  - Short Restrictions
    - Interest
    - Dividends

Futures & Options (Chicago)

- No Pattern Day Trading
  - $2,500 minimum
    - No Limit
    - No 90-Day Rule
  - No Short Restrictions
    - No Interest
    - No Dividends

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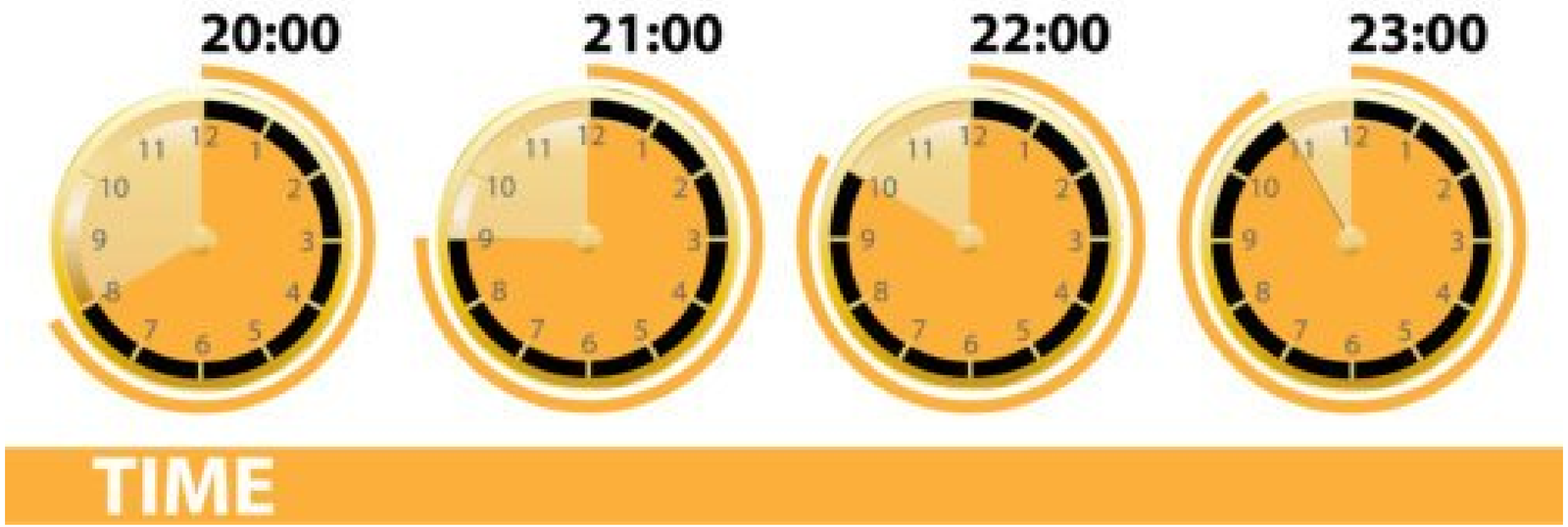
Advantages & Disadvantages

- Advantages can also be disadvantages
  - Chicago futures exchanges trade 23 hours a day.
  - New York stock exchanges trades approximately 7 hours.
    - Pre-market & Post market



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Mini & Micro Accounts

- Crude Oil Mini vs. Micro

Mini Crude One Contract ($500 Investment)
Controls 500, 55 Gal Drums (Barrels)

Micro Crude One Contract ($100 Investment)
Controls 100, 55 Gal Drums (Barrels)

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Stock Market Account

SPDR Dow Jones Industrial Average ETF [DIA]

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Going Short

Think about the rancher / farmer.

- He wants to sell his crop/hogs at today's market price, and then make delivery at some point in the future, at contract expiration.
- As speculators, we want to buy low and sell high, or reverse that...sell high first, and buy back low later...either way, we need to offset our position before we need to take, or make delivery.

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Mini & Micro Accounts

- The Futures Market also has mini and micro accounts for traders with small(er) accounts.
  - Mini and Micro accounts have less leverage, therefore can be traded with smaller account sizes, and less risk.
  - Smaller size also allows for more diverse trading strategies that entail trading multiple contracts simultaneously.

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Opening Your Trading Account(s)

- Opening a trading account is just like opening a bank savings account, your money is not at risk until you put on a trade.
    - You can open an account with a stock brokerage firm to trade stocks out of New York, or you can open a futures trading account to trade futures out of Chicago.

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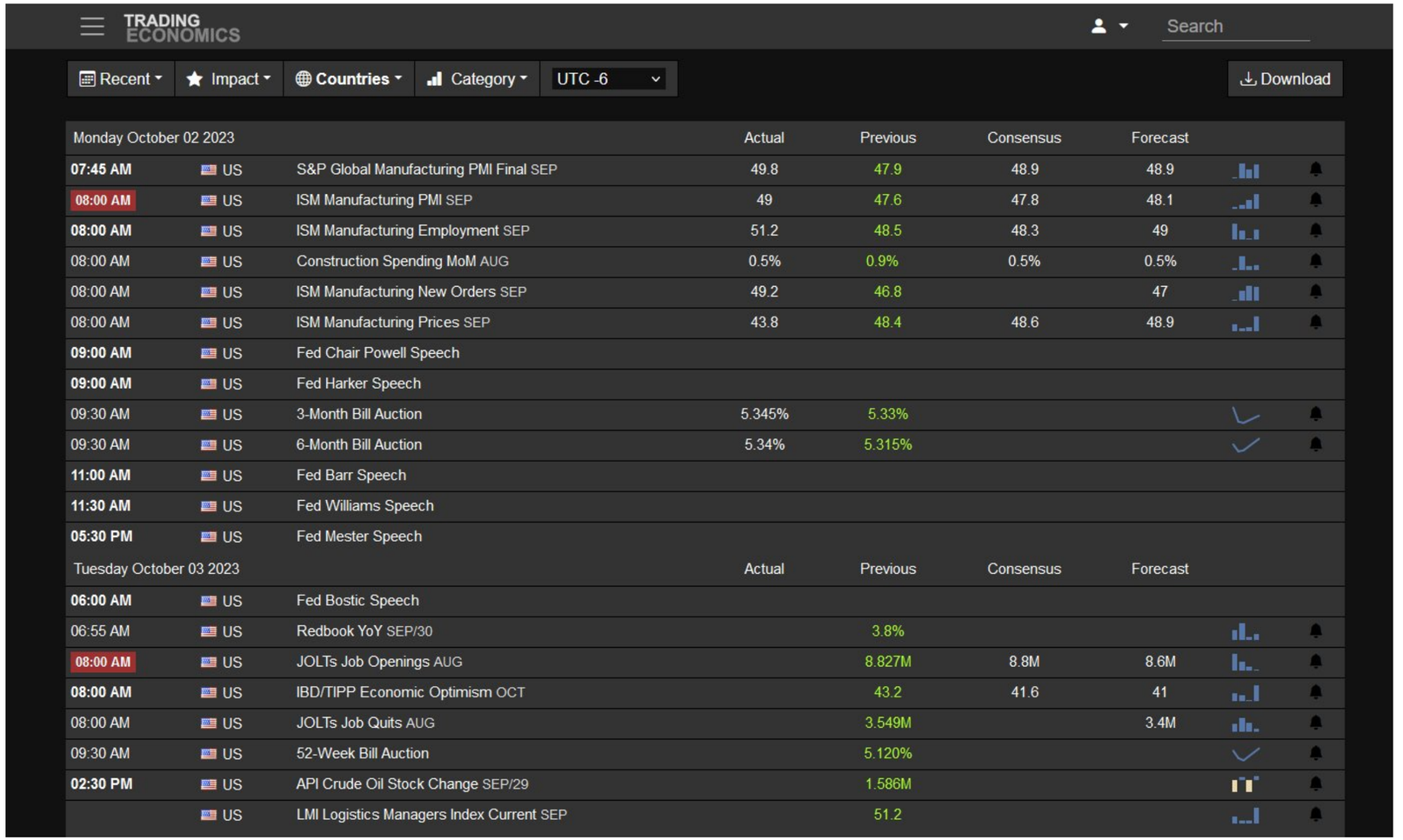
Trading The News

- Always be mindful of fundamental news events that move the markets.



TRADING ECONOMICS

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Monday October 02 2023			Actual	Previous	Consensus	Forecast
07:45 AM	US	S&P Global Manufacturing PMI Final SEP	49.8	47.9	48.9	48.9
08:00 AM	US	ISM Manufacturing PMI SEP	49	47.6	47.8	48.1
08:00 AM	US	ISM Manufacturing Employment SEP	51.2	48.5	48.3	49
08:00 AM	US	Construction Spending MoM AUG	0.5%	0.9%	0.5%	0.5%
08:00 AM	US	ISM Manufacturing New Orders SEP	49.2	46.8		47
08:00 AM	US	ISM Manufacturing Prices SEP	43.8	48.4	48.6	48.9
09:00 AM	US	Fed Chair Powell Speech				
09:00 AM	US	Fed Harker Speech				
09:30 AM	US	3-Month Bill Auction	5.345%	5.33%		
09:30 AM	US	6-Month Bill Auction	5.34%	5.315%		
11:00 AM	US	Fed Barr Speech				
11:30 AM	US	Fed Williams Speech				
05:30 PM	US	Fed Mester Speech				
Tuesday October 03 2023			Actual	Previous	Consensus	Forecast
06:00 AM	US	Fed Bostic Speech				
06:55 AM	US	Redbook YoY SEP/30		3.8%		
08:00 AM	US	JOLTs Job Openings AUG		8.827M	8.8M	8.6M
08:00 AM	US	IBD/TIPP Economic Optimism OCT		43.2	41.6	41
08:00 AM	US	JOLTs Job Quits AUG		3.549M		3.4M
09:30 AM	US	52-Week Bill Auction		5.120%		
02:30 PM	US	API Crude Oil Stock Change SEP/29		1.586M		
	US	LMI Logistics Managers Index Current SEP		51.2		

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Advantages & Disadvantages

- Taxes
  - Stock Market, when trading in the stock market, we're required to report every single trade to the IRS, in and out of the market.

  - Futures Market, we provide the IRS with two numbers, our account balance on January 1st, and our account balance on December 31st., that's it.
    - Futures traders also receive a two tiered tax rate not offered to stock traders.
    - The 60/40 Rule, where 60% of our earnings are taxed at a lower tax rate, somewhere between 0% and 20%, while only 40% of our earnings are taxed at our regular tax rate.

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Introduction to Options Trading

- What Are Options? (Like Earnest Money)
  - The Basics: Options are financial instruments that give the buyer the right, but not the obligation, to buy (call option) or sell (put option) an underlying asset at a specified price (strike price) on or before a certain date (expiration date).

- There are only two types of options
  - Puts and Calls:

    - You Can Buy a Call (Buyer)
    - You Can Sell a Call (Writer)

    - You Can Buy a Put (Buyer)
    - You Can Sell a Put (Writer)

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Key Concepts of Options

- **Definitions to know:**
  - **Premium:** The price paid or received to enter into an option contract.
  - **Strike Price:** The price at which the option holder can buy (call) or sell (put) the underlying asset.
  - **Expiration Date:** The date on which the option contract expires.
  - **Intrinsic Value vs. Time Value:** An option's total value is comprised of intrinsic value (the difference between the underlying asset's price **AND** the strike price) and time value (value attributed to the amount of time until expiration).

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Key Concepts of Options

- **What is Delta?:**
  - **Definition:** Delta is a measure of an option's sensitivity to changes in the price of the underlying asset. It indicates how much the price of an option is expected to move based on a $1 change in the underlying asset.
    - Delta ranges from 0 to 100. A delta of .50 means the option price will move $0.50 for every $1.00 move in the underlying asset.

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Key Concepts of Options

- **What is Theta?:**
  - **Definition:** Theta measures the rate of decline in the value of an option due to the passage of time, assuming all other variables remain constant. It represents the time decay of an option's price.
  - **Practical Application:** Since options lose value as expiration approaches, some traders focus on short options to capitalize on the rapid time decay, particularly in the final days/hours before expiration.

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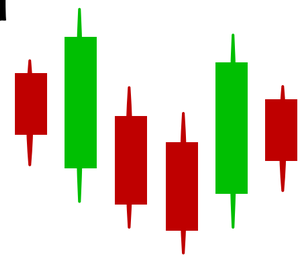
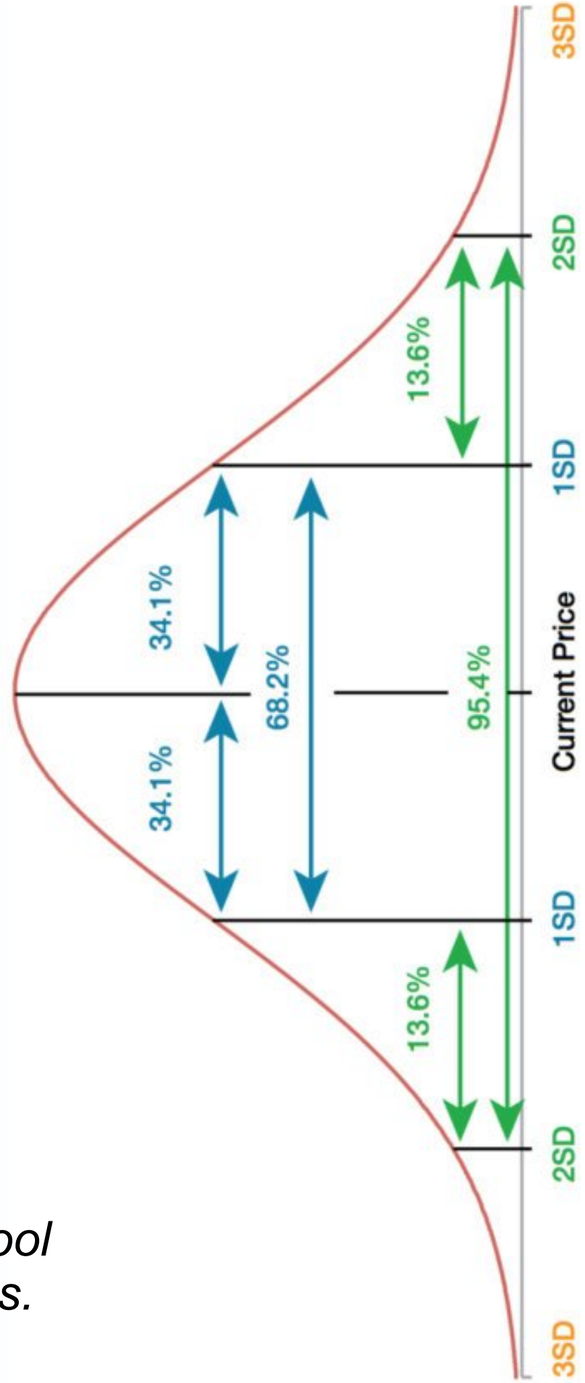
Cone of Probability

Calculating the Delta Cone of Probability,

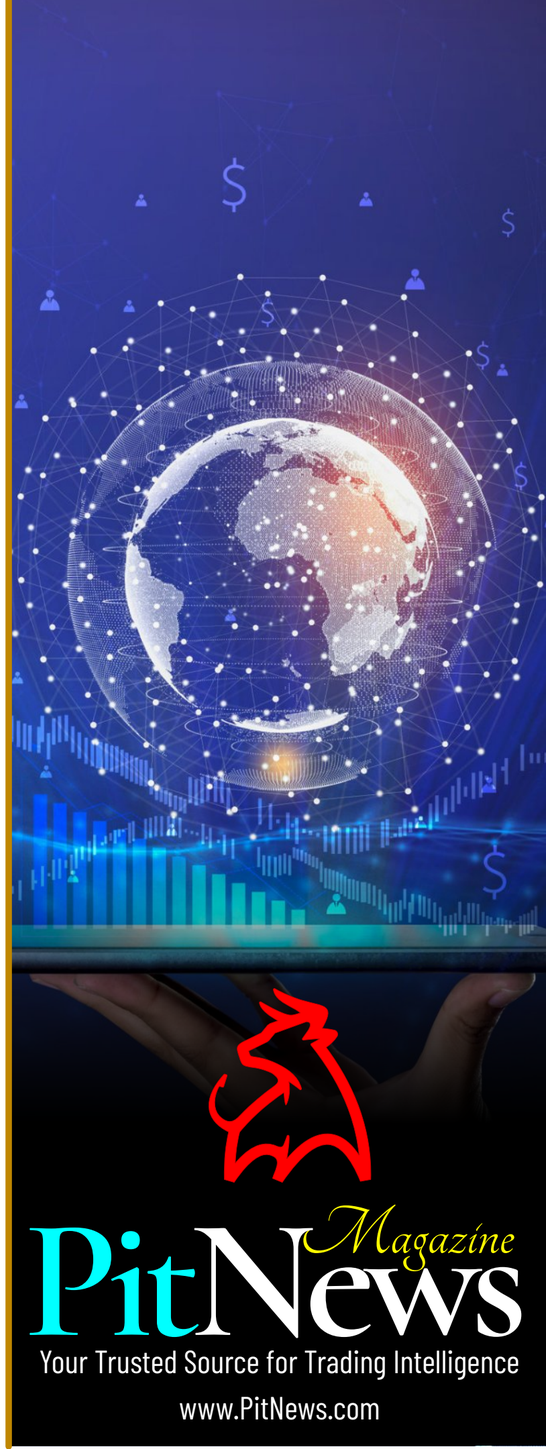
* (AKA: 68-95-99.7 empirical data distribution rule.)

- Approximately 68.2% of market data stays within one standard deviation (1SD) of the mean.
- Around 95.4% falls within two standard deviations (2SD)
- Nearly 99.7% falls within three standard deviations (3SD)





** Fibonacci Ruler, Bollinger Bands, & Raff Channel Tool (Indicators) are used to calculates standard deviations.*

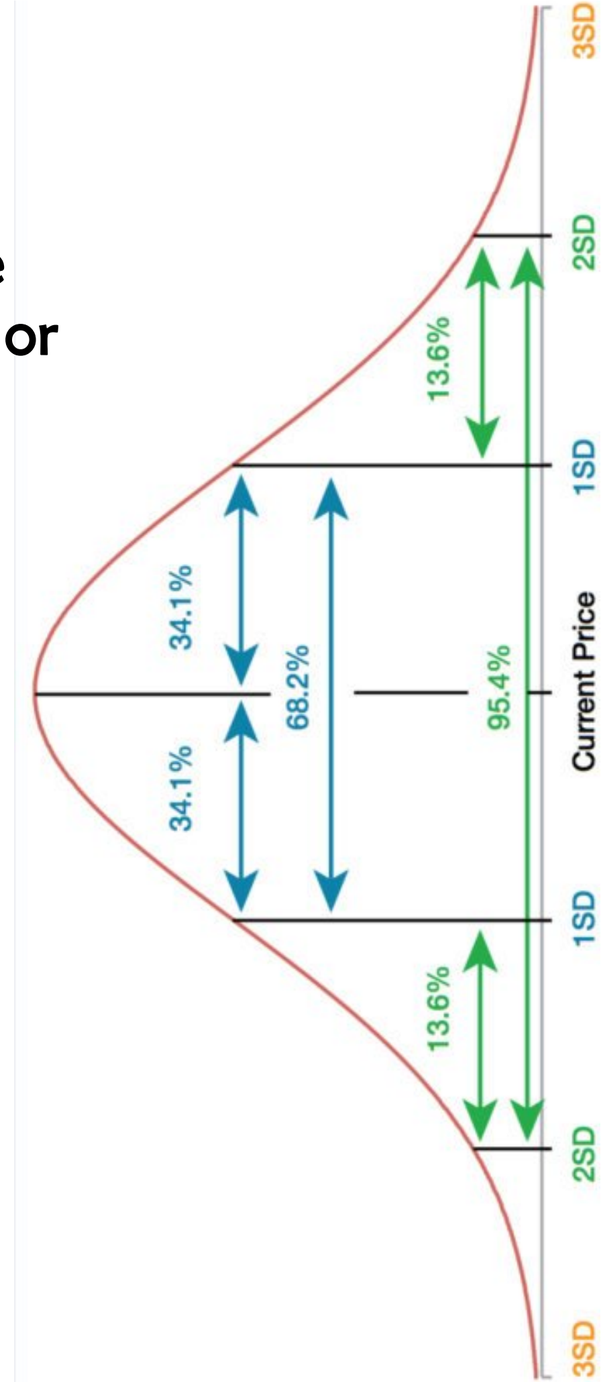


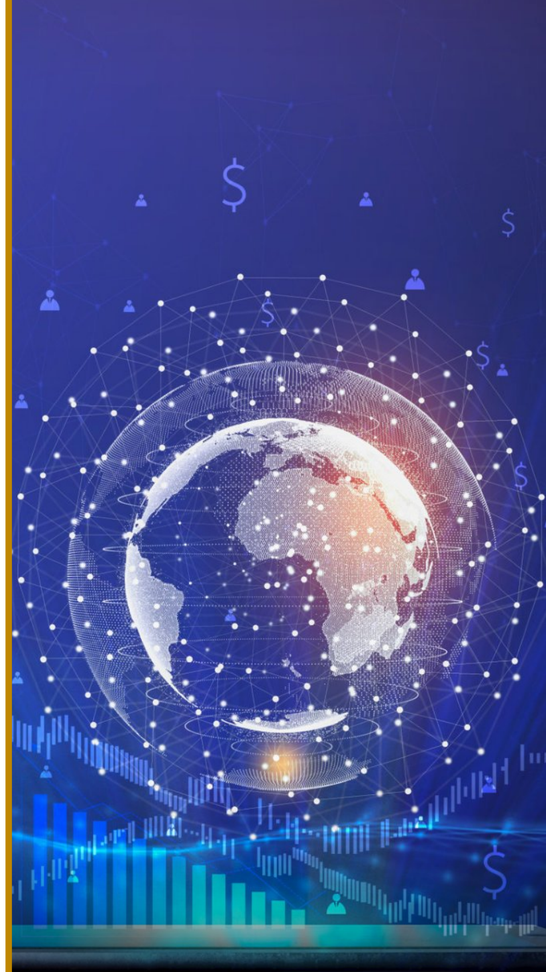
Mean Reversion Theory

Mean reversion suggests that asset prices have historically eventually returned to their mean or average price levels.

Tools for Analyzing Mean Reversion:

- Fibonacci Ruler: Measures retracement and extension levels to identify mean reversion points.
- Bollinger Bands: Visualizes volatility and potential reversion zones around the mean.
- Raff Channel: Detects linear trends and highlights deviations for potential reversion opportunities.





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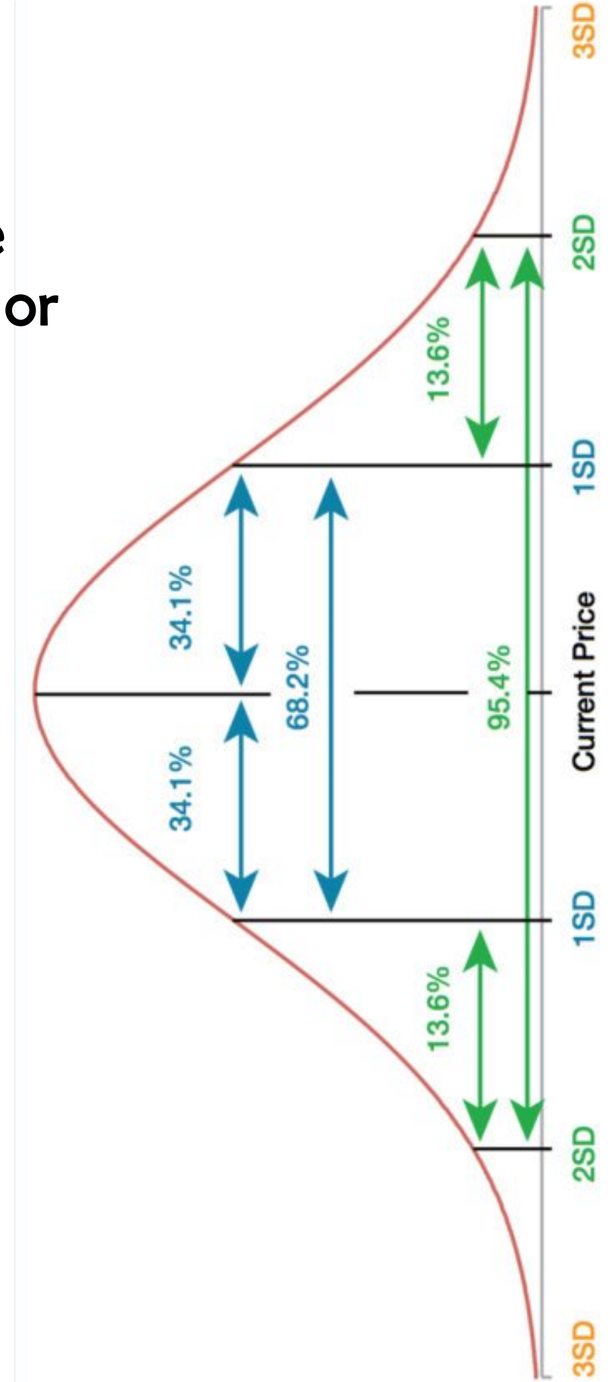
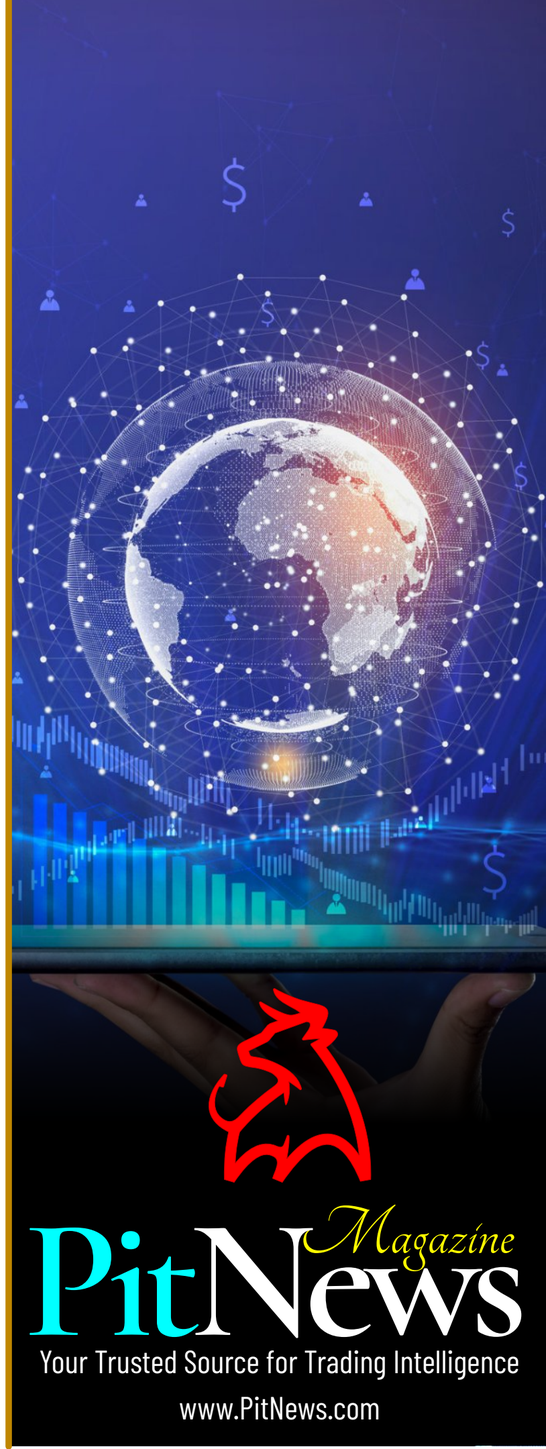
Mean Reversion Theory

Mean reversion suggests that asset prices have historically eventually returned to their mean or average price levels.

Application in Trading:

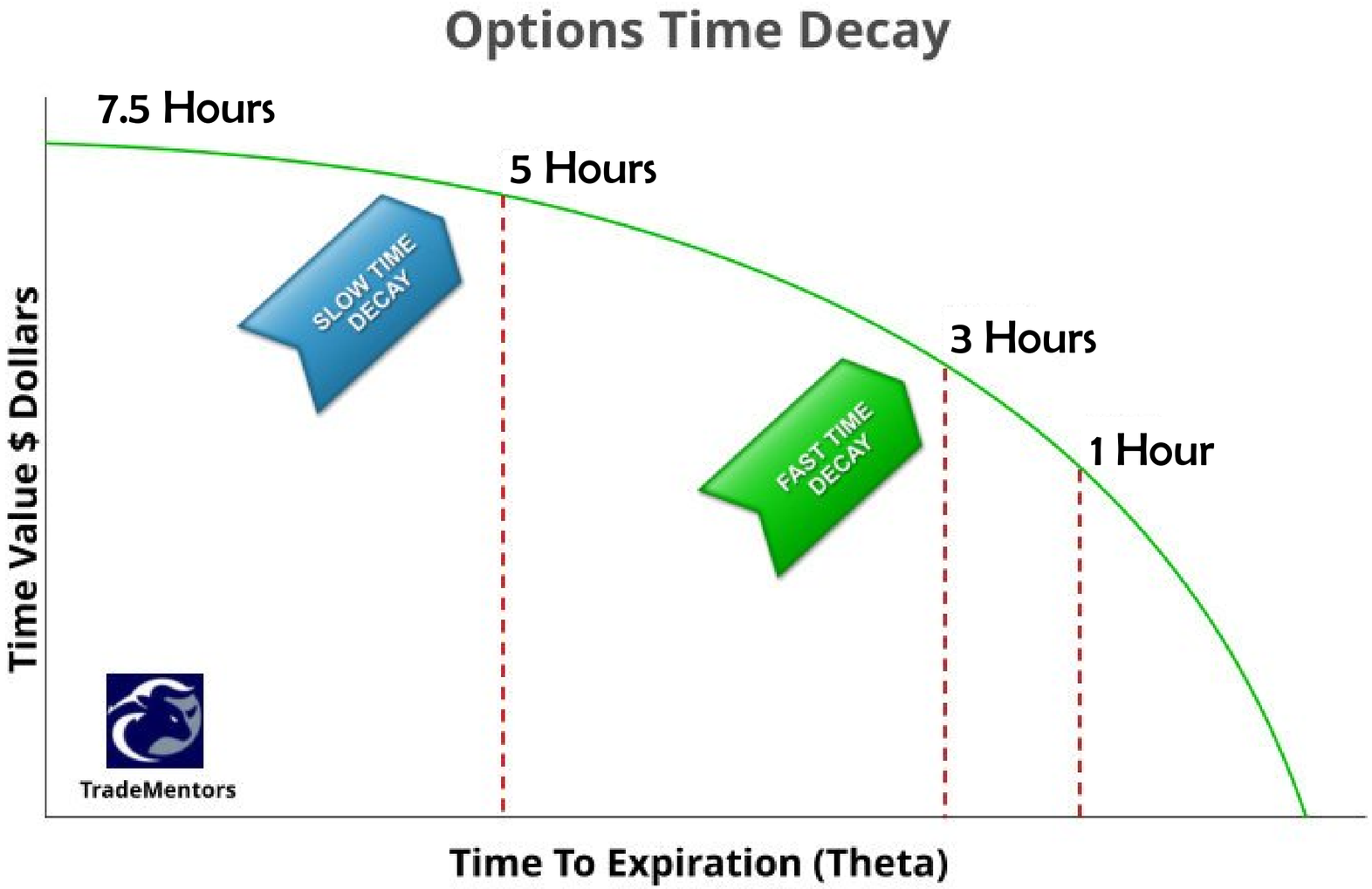
- Entry Points: Traders look for deviations from the mean (1SD to 2SD) as potential entry points for mean reversion trades.
- Risk Management: Understanding reversion zones helps in setting stop losses and profit targets.
- Options traders use Mean Reversion to write calls and/or puts at the center of the 1SD range, (VWAP) taking advantage of statistical advantage that price stays within this range approximately 68.2% of the time.





Introduction to Theta

- Application in Day Trading:
- Since options lose value as expiration approaches, day traders focus on short options with high theta to capitalize on the rapid time decay, particularly in the final hours before expiration.
- If you day trade through the purchase of options, you are fighting an uphill theta value.
- If you day trade through the selling (writing) of options, you have the wind at your back.



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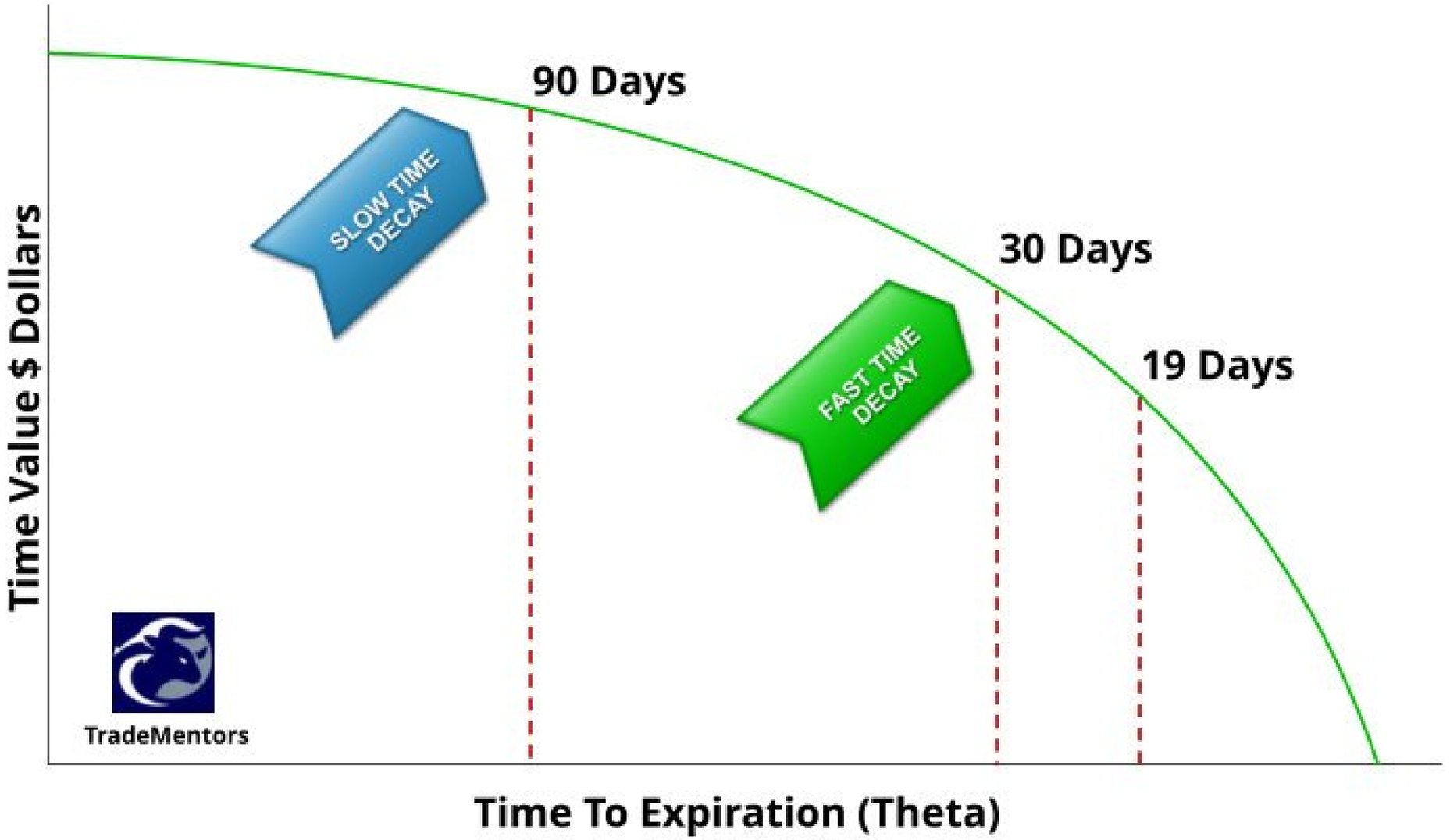
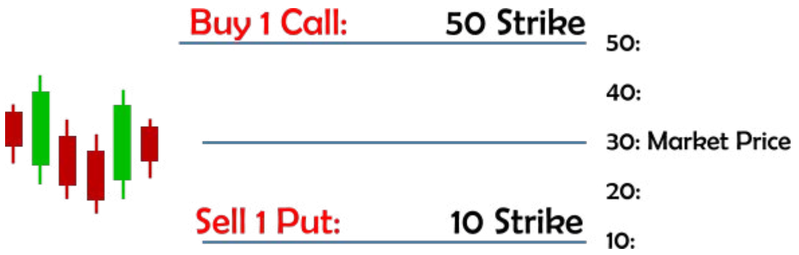
Options Time Decay



Introduction to Options Trading

- Puts & Calls
  - BUYING Options.
    - If we think the market will go up:
      - Buy a Call.
    - If we think a market will go down:
      - Buy a Put.
  - SELLING Options.
    - If we think the market will go down:
      - Sell a Call.
    - If we think a market will go up:
      - Sell a Put.

Make money when the market RISES



Make money when the market FALLS

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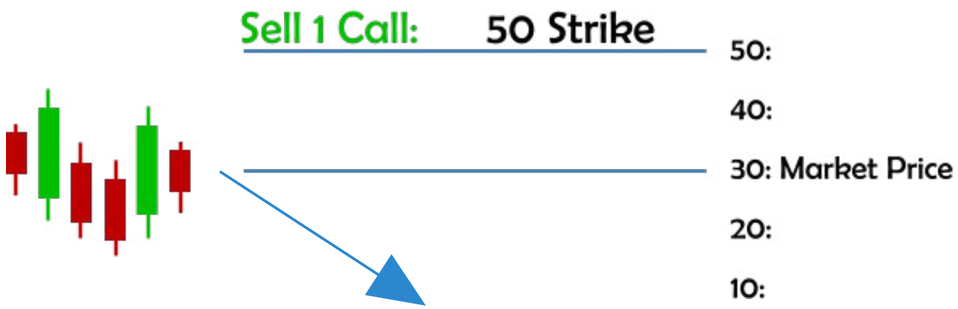
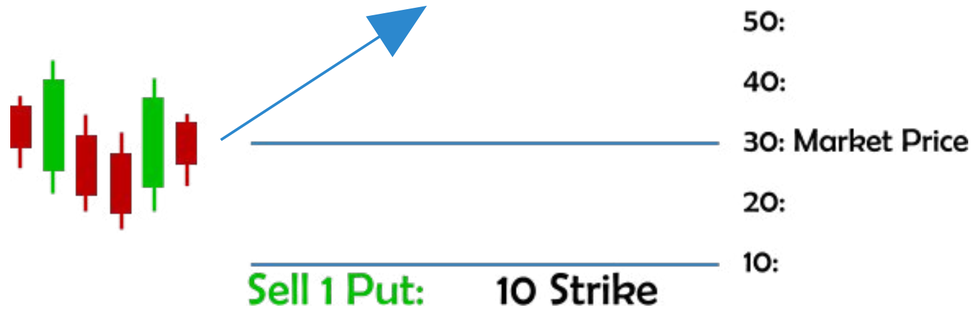
Strategy: Day Trading with Short Options

- **Short Selling Options:** This involves selling options (both calls and puts) with the intention of buying them back or having them expire worthless, thus profiting from premium collection.
- **Selecting Options:** Choose options with high(er) delta for directional trades and high theta for capitalizing on time decay. Short-term options are preferred for their rapid time decay.
- **Risk Management:** Emphasize the importance of risk management to limit potential losses, considering the leverage involved in options.
- **Exit Strategy:** Define clear criteria for exiting trades, either for taking profits or cutting losses. This could be based on a set percentage of the premium received, delta and theta thresholds, or changes in the underlying asset's price.





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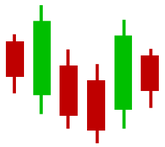
Strategy: Wild-Eye, Crazy-Eye, Iron Butterfly

- Selling Calendar Butterflies
  - Zero-DTE & 5-DTE Strategy
    - Sell Zero-DTE: ATM Put & Call
      - Premium Collection
    - Buy 5-DTE: OTM Put & Call
      - Delta 20, Risk Management
  - Iterative Profit-Taking Strategy.
    - Proift Target: Limit 25% Sold Options
    - Re-establish: Immediately sell new ATM options upon hitting profit target.
  - Daily Closure: Manage actively, close daily to avoid overnight risk.

Profit From a Neutral Market



Buy 1 Call: 75 Strike — 5-DTE Delta .20

Sell 1 Call: 50 Strike
Sell 1 Put: 50 Strike — Zero-DTE At-The-Money

Buy 1 Put: 25 Strike — 5-DTE Delta .20

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Strategy: Wild-Eye, Crazy-Eye, Iron Butterfly

How The Wild-Eye, Crazy-Eye Iron Butterfly: Short Straddle & Long Strangle Works

- Combining the short 0-DTE straddle with the long 5+ DTE strangle P&L graph reveals a striking overlap in profit and loss zones, fitting the two together like puzzle pieces, showcasing the potential synergy between the two.

- While the short straddle profit covers the loss zone of the long strangle, combining this approach offers a balanced risk profile with limited loss potential, highlighting the effectiveness of this strategy.

Short Straddle

SPY	May 3	May Exp	+/-%
521.25	-835	-835	1.88%
520.50	-760	-760	1.73%
519.75	-685	-685	1.59%
519.00	-610	-610	1.44%
518.25	-535	-535	1.29%
517.50	-461	-460	1.15%
516.75	-386	-385	1%
516.00	-311	-310	0.85%
515.25	-237	-235	0.71%
514.50	-165	-160	[illegible]
513.75	[illegible]	-85	0.41%
513.00	-46	-10	0.27%
512.25	-10	65	0.12%
511.50	2	90	-0.03%
510.75	-11	65	-0.17%
510.00	-47	-10	-0.32%
509.25	[illegible]	-85	-0.47%
508.50	-166	-160	[illegible]
507.75	-236	-235	-0.76%
507.00	-310	-310	-0.91%
506.25	-385	-385	-1.05%
505.50	-460	-460	-1.20%
504.75	-535	-535	-1.35%
504.00	-610	-610	-1.49%
503.25	-685	-685	-1.64%
502.50	-760	-760	-1.79%
501.75	-835	-835	-1.93%

Long Strangle P&L Graph

SPY	May 3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Exp	+/-%
524.25	123	117	109	100	91.7	82.8	74.3	65	55.8	45.9	35.3	23.8	10.9	-4.3	-23	-26	2.46%
523.50	110	103	94.7	86.1	77.6	68.6	59.7	50.5	40.6	30.7	19.5	7.92	-5.6	-22	-45	-50	2.32%
522.75	96.7	90.1	81.8	72.9	64	55.1	45.9	36.6	26.7	16.2	5.28	-6.6	-20	-37	-63	-75	2.17%
522.00	84.8	77.9	69.3	60.4	51.5	42.6	33	23.4	13.5	3.3	-7.9	-20	-34	-51	-78	-100	2.02%
521.25	73.3	66.3	57.8	48.5	39.6	30.7	21.1	11.2	1.32	-9.2	-20	-32	-46	-63	-88	-100	1.88%
520.50	62.7	55.8	46.9	38	29	19.1	9.9	0.33	-9.6	-20	-31	-43	-56	-72	-94	-100	1.73%
519.75	53.1	45.9	37	27.7	18.8	9.24	-0.3	-9.9	-20	-30	-41	-53	-65	-80	-98	-100	1.59%
519.00	44.2	37	28.1	18.8	9.57	0	-9.6	-19	-29	-39	-50	-61	-73	-86	-99	-100	1.44%
518.25	36	28.4	19.8	10.6	1.32	-8.3	-18	-27	-38	-48	-58	-68	-79	-90	-100	-100	1.29%
517.50	28.4	21.1	12.2	2.97	-6.3	-16	-25	-35	-45	-54	-64	-74	-84	-94	-100	-100	1.15%
516.75	21.8	14.9	5.61	-3.6	-13	-22	-32	-41	-51	-60	-70	-79	-88	-96	-100	-100	1%
516.00	16.2	9.24	0	-9.2	-18	-28	-37	-47	-56	-66	-75	-83	-91	-97	-100	-100	0.85%
[illegible]	11.6	4.29	-4.6	-14	-23	-33	-42	-51	-60	-70	-78	-86	-93	-98	-100	-100	0.71%
514.50	7.5[illegible]	[illegible]33	-8.9	-18	-27	-37	-46	-55	-64	-73	-82	-89	-95	-99	-100	-100	0.56%
513.75	4.29	-3	-12	-21	-30	-39	-49	-58	-67	-75	-83	-91	-96	-100	-100	-100	0.41%
513.00	1.98	-5.3	-14	-23	-32	-41	-50	-59	-68	-77	-85	-92	-97	-100	-100	-100	0.27%
512.25	0.66	-6.9	-16	-24	-34	-43	-51	-60	-69	-78	-85	-92	-97	-100	-100	-100	0.12%
511.50	-0.3	-7.3	-16	-25	-34	-43	-51	-61	-69	-78	-85	-92	-97	-100	-100	-100	-0.03%
510.75	0	-6.9	-16	-25	-33	-42	-51	-60	-68	-77	-84	-91	-97	-100	-100	-100	-0.17%
510.00	0.99	-5.9	-15	-23	-32	-41	-50	-58	-67	-75	-83	-90	-96	-99	-100	-100	-0.32%
509.25	2.64	-4.3	-13	-21	-30	-39	-47	-56	-64	-73	-81	-88	-94	-99	-100	-100	-0.47%
508.50	5.61	-1.3	-9.9	-18	-27	-36	-44	-53	-61	-70	-78	-86	-93	-98	-100	-100	-0.61%
507.75	[illegible]	2.31	-6.3	-15	-23	-32	-40	-49	-57	-66	-75	-83	-91	-97	-100	-100	-0.76%
507.00	13.2	6.6	-1.7	-9.9	-18	-27	-35	-44	-53	-61	-70	-79	-88	-96	-100	-100	-0.91%
506.25	18.2	11.6	3.63	-4.6	-13	-21	-30	-39	-47	-56	-65	-74	-84	-94	-100	-100	-1.05%
505.50	24.1	17.5	9.57	1.65	-6.9	-15	-23	-32	-41	-50	-59	-69	-80	-91	-100	-100	-1.20%
504.75	30.4	24.4	16.5	8.58	0.33	-7.9	-16	-25	-33	-43	-52	-63	-74	-87	-99	-100	-1.35%
504.00	37.6	31.7	23.8	16.2	8.25	0	-8.3	-17	-25	-35	-45	-55	-68	-82	-98	-100	-1.49%
503.25	45.9	39.6	32.3	24.4	16.8	8.91	0.66	-7.9	-17	-26	-36	-47	-60	-76	-96	-100	-1.64%
502.50	54.5	48.5	41.3	33.7	26.1	18.5	10.2	1.98	-6.9	-17	-27	-38	-51	-68	-92	-100	-1.79%
501.75	64	58.1	51.2	43.6	36.3	28.4	20.8	12.2	3.63	-5.9	-16	-28	-41	-58	-85	-100	-1.93%
501.00	74.3	68.6	61.4	54.5	47.2	39.6	31.7	23.4	14.9	5.28	-4.6	-16	-30	-47	-75	-100	-2.08%
500.25	85.1	79.5	72.9	65.7	58.7	51.5	43.6	35.6	27.1	17.8	7.92	-3.6	-17	-34	-61	-75	-2.23%
499.50	96.7	91.4	84.8	77.9	71	64	56.1	48.2	40.3	31	21.1	10.2	-3	-19	-43	-50	-2.37%
498.75	109	104	97.4	90.8	83.8	76.9	69.6	62	53.8	45.2	35.6	25.1	12.5	-2.6	-22	-26	-2.52%

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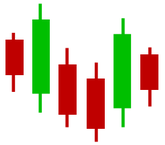
Strategy: Wilder-Eye, Crazier-Eye, Iron Butterfly

- Strategy #2: In-The-Money Insurance

- Selling Calendar Butterflies
  - Zero-DTE & 5-DTE Strategy
    - Sell Zero-DTE: ATM Put & Call
      - Premium Collection
    - Buy 5-DTE: ITM Put & Call
      - Delta .55, Risk Management
  - Iterative Profit-Taking Strategy.
    - Proift Target: Limit 25% Sold Options
    - Re-establish: Immediately sell new ATM options upon hitting profit target.
  - Daily Closure: Manage actively, close daily to avoid overnight risk.



Buy 1 Put: 55	Strike	5-DTE Delta .55
Sell 1 Call: 50	Strike	Zero-DTE At-The-Money
Sell 1 Put: 50	Strike	
Buy 1 Call: 45	Strike	5-DTE Delta .55

SPX	Jun 10	Jun Exp	+/-%
5453.00	-9026	-9005	1.96%
5446.00	-8326	-8305	1.83%
5439.00	-7626	-7605	1.70%
5432.00	-6926	-6905	1.56%
5425.00	-6226	-6205	1.43%
5418.00	-5526	-5505	1.30%
5411.00	-4827	-4805	1.17%
5404.00	-4127	-4105	1.04%
5397.00	-3428	-3405	0.91%
5390.00	-2733	-2705	0.78%
5383.00	-2051	-2005	0.65%
5376.00	-1405	-1305	0.52%
5369.00	-832	-605	0.39%
5362.00	-383	95	0.26%
5355.00	-99	295	0.12%
5348.00	0	295	-0.01%
5341.00	-87	295	-0.14%
5334.00	-351	195	-0.27%
5327.00	-767	-505	-0.40%
5320.00	-1308	-1205	-0.53%
5313.00	-1929	-1905	-0.66%
5306.00	-2598	-2605	-0.79%
5299.00	-3287	-3305	-0.92%
5292.00	-3984	-4005	-1.05%
5285.00	-4684	-4705	-1.18%
5278.00	-5384	-5405	-1.32%
5271.00	-6084	-6105	-1.45%
5264.00	-6784	-6805	-1.58%
5257.00	-7484	-7505	-1.71%
5250.00	-8184	-8205	-1.84%

SPX	Jun 10	11	12	13	14	Exp	+/-%
5453.00	4739	4378	3979	3661	3503	3470	1.96%
5446.00	4206	3815	3369	2999	2804	2770	1.83%
5439.00	3696	3272	2779	2350	2106	2070	1.70%
5432.00	3210	2753	2210	1717	1411	1370	1.56%
5425.00	2751	2262	1667	1104	719	670	1.43%
5418.00	2321	1799	1152	515	34	-30	1.30%
5411.00	1921	1368	670	-45	-641	-730	1.17%
5404.00	1554	970	223	-570	-1300	-1430	1.04%
5397.00	1222	610	-185	-1056	-1933	-2130	0.91%
5390.00	926	289	-550	-1496	-2531	-2830	0.78%
5383.00	668	9	-869	-1883	-3080	-3530	0.65%
5376.00	449	-228	-1139	-2213	-3566	-4230	0.52%
5369.00	272	-420	-1358	-2481	-3973	-4930	0.39%
5362.00	137	-564	-1521	-2682	-4284	-5630	0.26%
5355.00	45	-663	-1630	-2812	-4486	-6330	0.12%
5348.00	-3	-711	-1682	-2871	-4568	-6330	-0.01%
5341.00	-7	-711	-1675	-2854	-4526	-6330	-0.14%
5334.00	33	-662	-1612	-2763	-4364	-5730	-0.27%
5327.00	117	-565	-1490	-2600	-4086	-5030	-0.40%
5320.00	244	-419	-1313	-2368	-3704	-4330	-0.53%
5313.00	415	-226	-1081	-2069	-3235	-3630	-0.66%
5306.00	627	13	-797	-1708	-2696	-2930	-0.79%
5299.00	880	295	-463	-1292	-2103	-2230	-0.92%
5292.00	1172	621	-84	-825	-1470	-1530	-1.05%
5285.00	1502	985	338	-314	-812	-830	-1.18%
5278.00	1868	1387	800	235	-135	-130	-1.32%
5271.00	2267	1825	1297	817	551	570	-1.45%
5264.00	2699	2294	1826	1425	1245	1270	-1.58%
5257.00	3160	2795	2383	2056	1941	1970	-1.71%
5250.00	3648	3320	2965	2703	2639	2670	-1.84%

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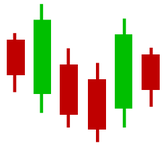
Strategy: Wilde-Eye, Crazy-Eye Diagonal Condor

- ## Strategy #3: At-The-Money Diagonal Calendar Condor

Diagonal Options Day Trade with ATM Protection

- Diagonal: Refers to the different expiration dates of the options involved (one set with three days, and another set with zero). 3-DTE significantly reduces theta (time) decay in the first day.
- Day Trade: Indicates that the position is intended to be held for a single day, taking advantage of intraday movements and rapid 0-DTE time decay on the sold options.
- ATM Protection: Highlights that the bought options are An-The-Money, providing a higher degree of sensitive protection against adverse price movements.



Sell 1 Call: 60 — Strike — Zero-DTE Out-The-Money

Buy 1 Call: 50

Buy 1 Put: 50 — ATM- Strike 5-DTE Delta .50

Sell 1 Put: 40 — Strike — Zero-DTE Out-The-Money

Short Strangle

SPX	Jun 10	Jun Exp	+/-%
5453.00	-9026	-9005	1.96%
5446.00	-8326	-8305	1.83%
5439.00	-7626	-7605	1.70%
5432.00	-6926	-6905	1.56%
5425.00	-6226	-6205	1.43%
5418.00	-5526	-5505	1.30%
5411.00	-4827	-4805	1.17%
5404.00	-4127	-4105	1.04%
5397.00	-3428	-3405	0.91%
5390.00	-2728	-2705	0.78%
5383.00	-2051	-2005	0.65%
5376.00	-1405	-1[illegible]	0.52%
5369.00	-[illegible]	-605	0.39%
5362.00	-383	95	0.26%
5355.00	-99	295	0.12%
5348.00	0	295	-0.01%
5341.00	-87	295	-0.14%
5334.00	-351	195	-0.27%
5327.00	-[illegible]	-505	-0.40%
5320.00	-1308	-1[illegible]	-0.53%
5313.00	-1929	-1905	-0.66%
5306.00	-2598	-2605	-0.79%
5299.00	-3287	-3305	-0.92%
5292.00	-3984	-4005	-1.05%
5285.00	-4684	-4705	-1.18%
5278.00	-5384	-5405	-1.32%
5271.00	-6084	-6105	-1.45%
5264.00	-6784	-6805	-1.58%
5257.00	-7484	-7505	-1.71%
5250.00	-8184	-8205	-1.84%

Long ATM Strangle

SPX	Jun 10	11	12	13	14	Jun Exp	+/-%
5453.00	4739	4378	3979	3661	3503	3470	1.96%
5446.00	4206	3815	3369	2999	2804	2770	1.83%
5439.00	3696	3272	2779	2350	2106	2070	1.70%
5432.00	3210	2753	2210	1717	1411	1370	1.56%
5425.00	2751	2262	1667	1104	719	670	1.43%
5418.00	2321	1799	1152	515	34	-30	1.30%
5411.00	1921	1368	670	-45	-641	-730	1.17%
5404.00	1554	970	223	-570	-1300	-1430	1.04%
5397.00	1222	610	-185	-1056	-1933	-2130	0.91%
5390.00	926	289	-550	-1496	-2531	-2830	0.78%
5383.00	668	9	-869	-1883	-3080	-3530	0.65%
5376.00	449	[illegible]	-1139	-2213	-3566	-4230	0.52%
5369.00	272	-420	-[illegible]	-2481	-3973	-4930	0.39%
5362.00	137	-564	-1521	-[illegible]	-4284	-5630	0.26%
5355.00	45	-663	-1630	-28[illegible]	-4486	-6330	0.12%
5348.00	-3	-711	-1682	-287	-4568	-6330	-0.01%
5341.00	-7	-711	-1675	-28[illegible]	-4526	-6330	-0.14%
5334.00	33	-662	-1612	-[illegible]763	-4364	-5730	-0.27%
5327.00	117	-565	-[illegible]30	-2600	-4086	-5030	-0.40%
5320.00	241	-419	-1313	-2368	-3704	-4330	-0.53%
5313.00	415	-226	-1081	-2069	-3235	-3630	-0.66%
5306.00	627	13	-797	-1708	-2696	-2930	-0.79%
5299.00	880	295	-463	-1292	-2103	-2230	-0.92%
5292.00	1172	621	-84	-825	-1470	-1530	-1.05%
5285.00	1502	985	338	-314	-812	-830	-1.18%
5278.00	1868	1387	800	235	-135	-130	-1.32%
5271.00	2267	1825	1297	817	551	570	-1.45%
5264.00	2699	2294	1826	1425	1245	1270	-1.58%
5257.00	3160	2795	2383	2056	1941	1970	-1.71%
5250.00	3648	3320	2965	2703	2639	2670	-1.84%

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Mitigation: Manage Options Spread Gone Wrong?

1. Wait and see if it will climb/fall above/below your red line (Break even). You would need to be confident in your technical analysis approach that the market would return.
2. You can exit the trade
    a. Just take your lumps. Reassess your situation.
3. You can "double-down" Dollar cost average into the position.
    a. Add another spread or two further out.
4. You can roll your position up/down and out. (Or just up/down if you're trading a 0-DTE.)
    a. Rolling means selling the position you have and putting it on at a higher/lower level, possibly with a larger quantity.
    b. Rolling out means adding additional time to the option's expiration; you can roll up and out, or just up. (On the same ticket)
5. You can add the other side to the trade.
    a. If you sold a vertical call spread, sell a vertical put spread, turning it into an Iron Condor.
6. There are other ways as well, such as:
    a. Hedging with a call option.
    b. Sell a nakked put, or buy/sell a contract.
    c. There are many ways to mitigate, but the five I mentioned above are considered the five standards.

Disclaimer: There is a chance of loss when trading Stocks, Futures and Options. See full risk disclosure online at: PitNews.com/risk.htm Copyright © PitNews Press, Inc.

Understanding Sold Options Price Model

Unlocking the Secrets of Premium Collection; Selling Options for Income

Trading is all about predicting the future. For you, is it easier to...

1. Predict where markets will go? or...
2. Predict where markets won't go?

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Understanding Sold Options Price Model

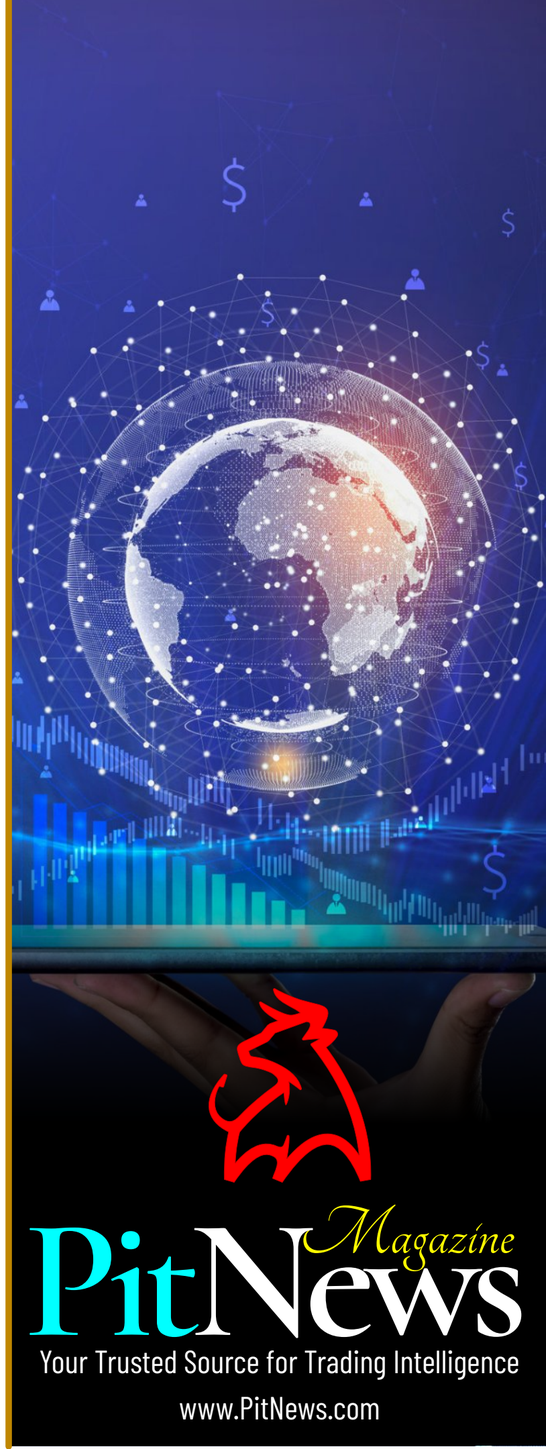
Unlocking the Secrets of Premium Collection; Selling Options for Income

Short Call Option

1. Sell (write) a call option

Figure 1: This chart shows the profit and loss zones for a short call option on ES S&P500 Futures. The green area represents potential profit from the premium collected, while the red area indicates potential losses if the market price rises above the strike price. The darker the red, the greater the loss.

- Note: This is just an example image, the dollar amounts are not correct.



Understanding Sold Options Price Model

Unlocking the Secrets of Premium Collection; Selling Options for Income

Short Put Option

1. Sell (write) a put at the money

Figure 2: This chart shows the profit and loss zones for a short put option on ES S&P500 Futures. The green area represents potential profit from the premium collected, while the red area indicates potential losses if the market price falls below the strike price. The darker the red, the greater the loss.

- Note: This is just an example image, the dollar amounts are not correct.

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Understanding Sold Options Price Model

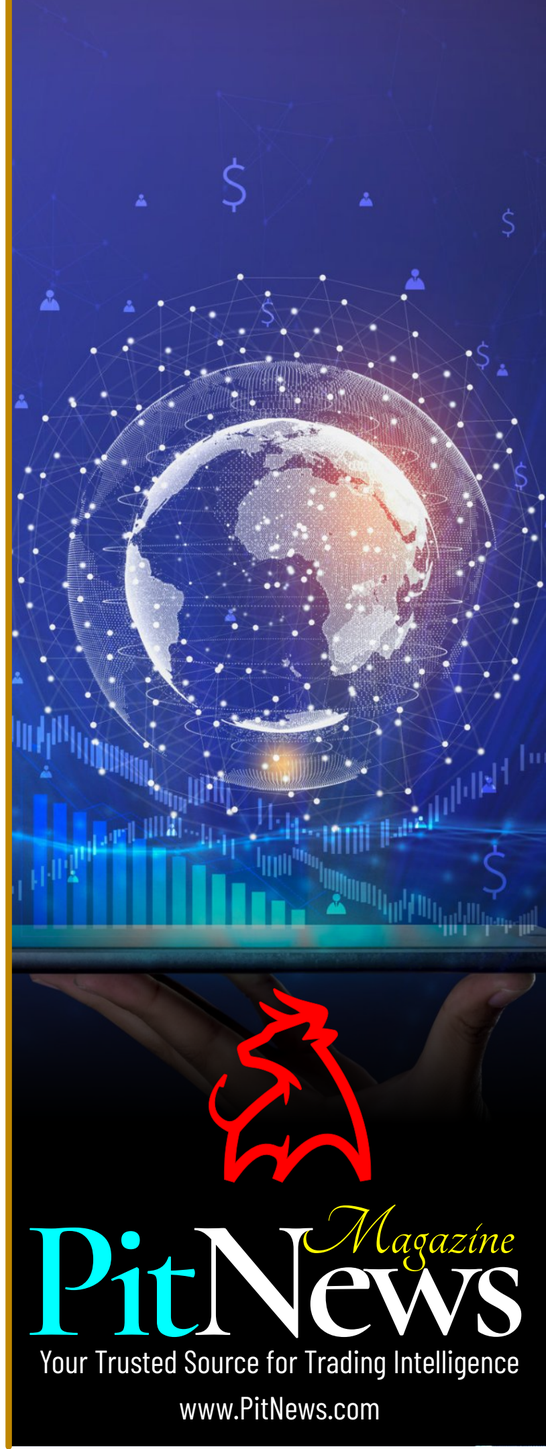
Unlocking the Secrets of Premium Collection; Selling Options for Income

Short (write) straddle (Add “wings” as insurance = Iron Butterfly)

1. Sell a call at the money
2. Sell a put at the money

Figure 3: This chart shows the profit and loss zones for a short straddle on ES S&P500 Futures. The green area represents potential profit from the premiums collected for both the call and put options. The red areas indicate potential losses if the market price moves significantly above or below the strike price. The darker the red, the greater the loss.

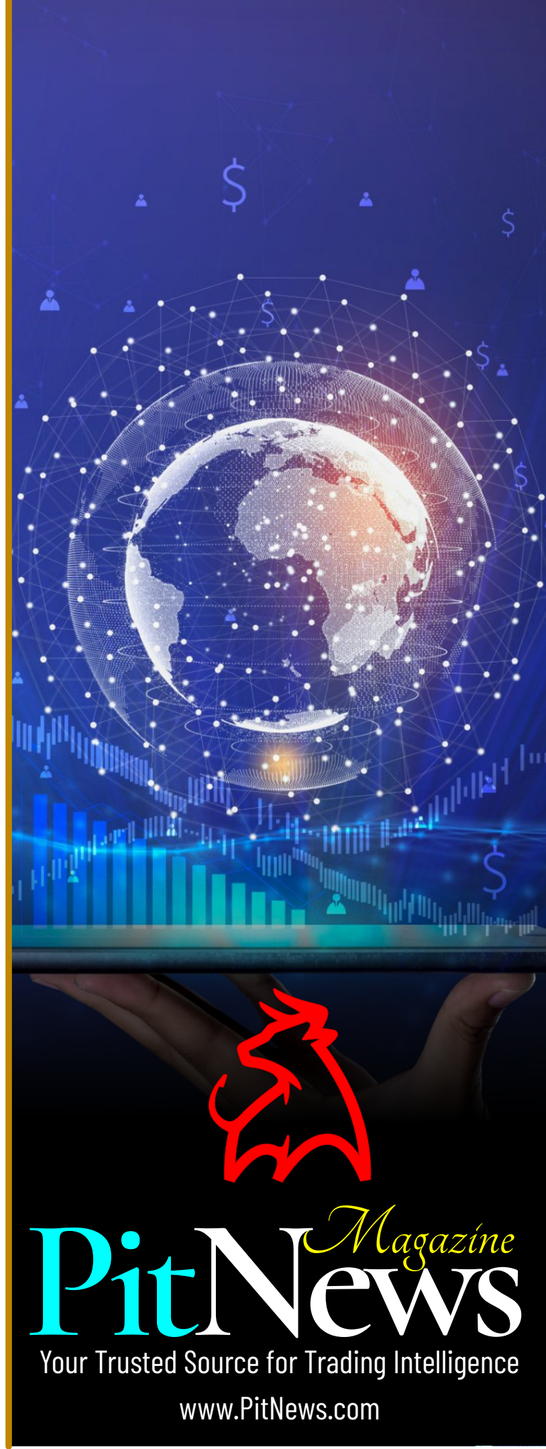
- Note: This is just an example image, the dollar amounts are not correct.



Investing For Income

Unlocking the Secrets of Income Investing

by Lan Turner
Stocks, Futures & Options



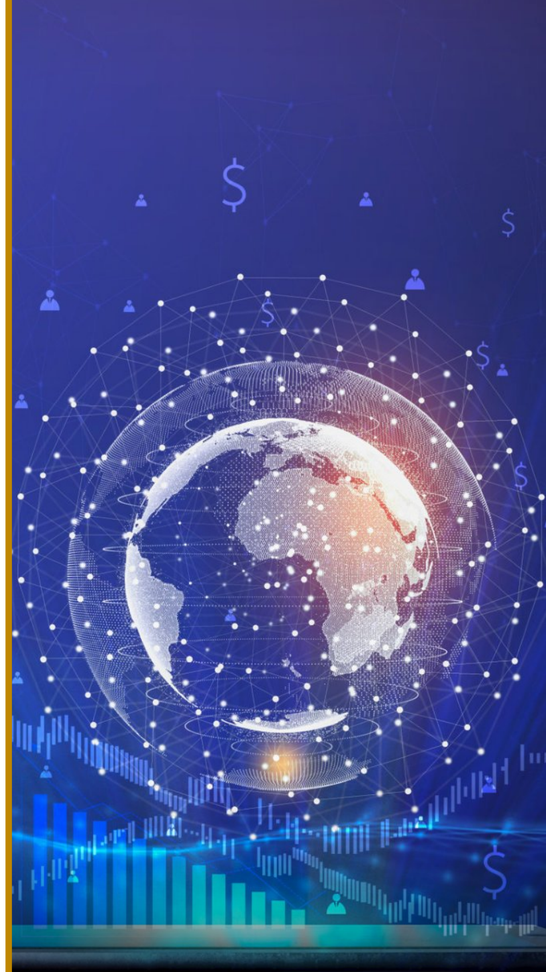
The Simplify Volatility Premium ETF (SVOL) is designed to generate income by selling volatility on the S&P 500 Index.

- Key aspects of the SVOL ETF:

1. **Investment Objective:** The primary goal of SVOL is to provide income by selling volatility on the S&P 500. This involves taking advantage of the premium investors are willing to pay for options, particularly put options, which act as insurance against market declines.

2. **Strategy:** SVOL employs a strategy known as the "short volatility" strategy. This means it gains exposure to the S&P 500 Index's implied volatility by selling (writing) options, primarily put options. The premium collected from selling these options forms the basis of the income generated by the ETF.

3. **Risk Management:** Since shorting volatility can be risky, SVOL incorporates various risk management techniques. This includes maintaining a net credit spread position, which helps limit potential losses. The ETF is designed to mitigate the impact of significant market drops, although it cannot eliminate risk entirely.



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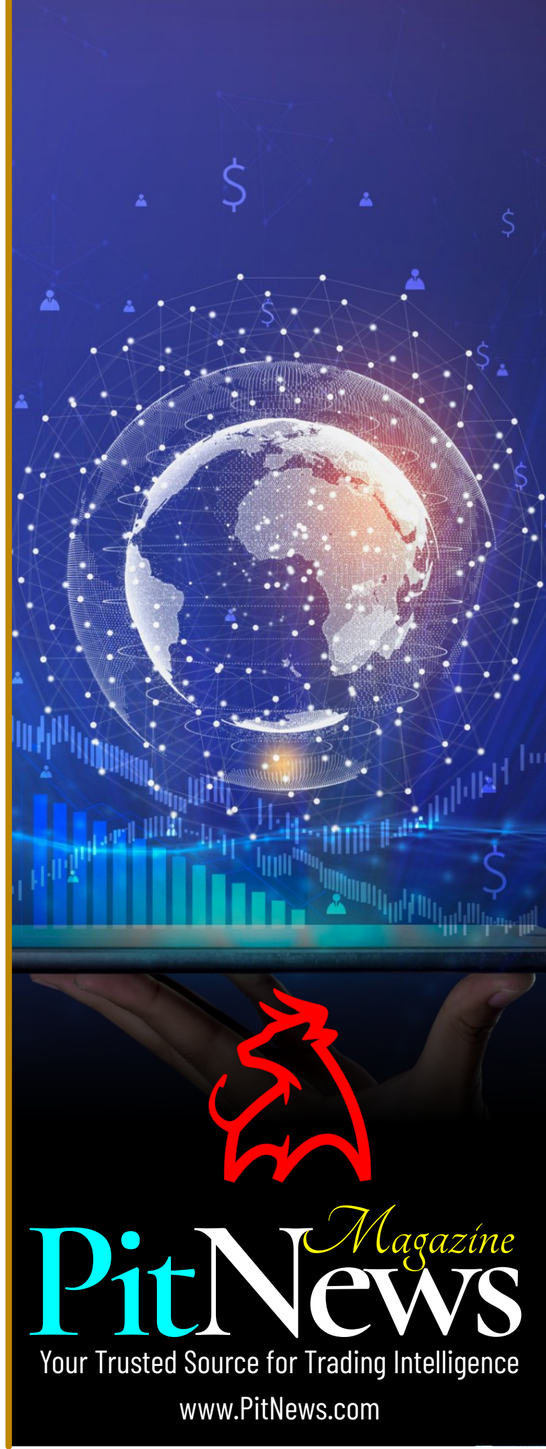
The Simplify Volatility Premium ETF (SVOL) is designed to generate income by selling volatility on the S&P 500 Index.

- Key aspects of the SVOL ETF:

3. **Performance and Yield:** The income generated from the volatility premiums can lead to attractive yields. However, performance can vary based on market conditions, particularly volatility levels. High volatility tends to increase the premiums collected, but it also increases the potential risk.

4. **Management and Fees:** SVOL is managed by Simplify Asset Management. It charges a management fee, which is typical for ETFs that employ more complex strategies.

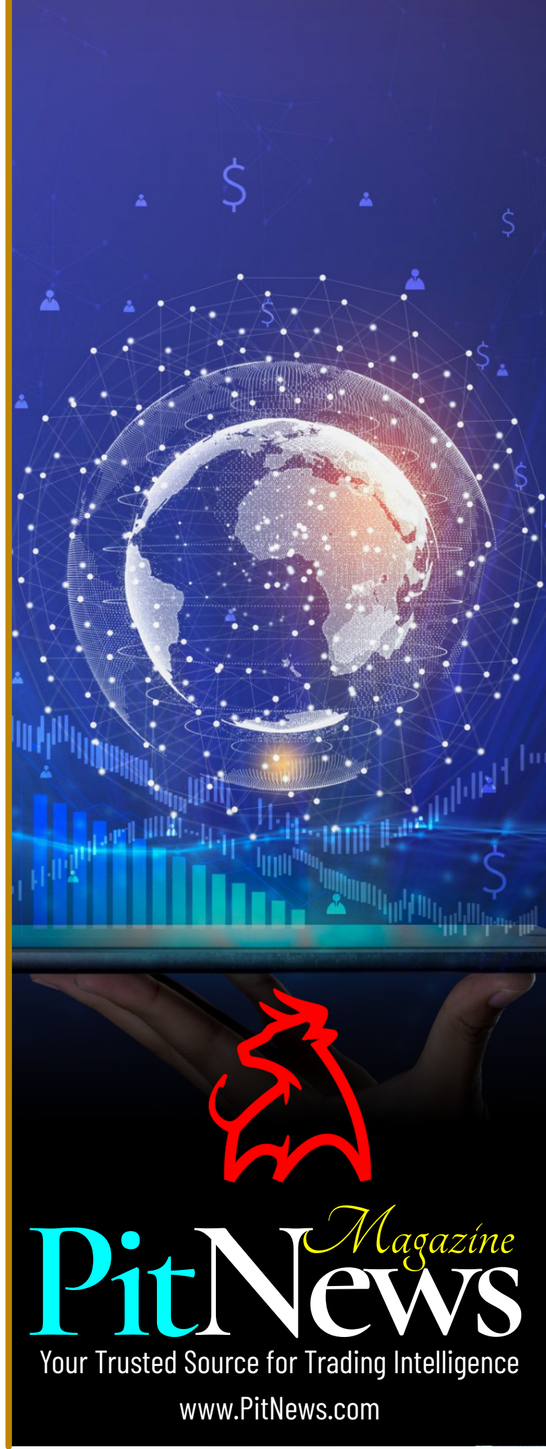
5. **Market Position:** SVOL is suitable for investors seeking income generation through a sophisticated options strategy. It is especially appealing to those who understand the dynamics of options trading and are comfortable with the associated risks.



The Simplify Volatility Premium ETF (SVOL) is designed to generate income by selling volatility on the S&P 500 Index.

- Key Matrix:

  - **Expense Ratio:** The annual fee charged by the ETF.
  - **Distribution Yield:** The yield provided to investors from the income generated by selling volatility.
  - **Net Assets:** The total assets under management (AUM) for the ETF.
  - **Performance:** Historical performance data showing returns over different periods.



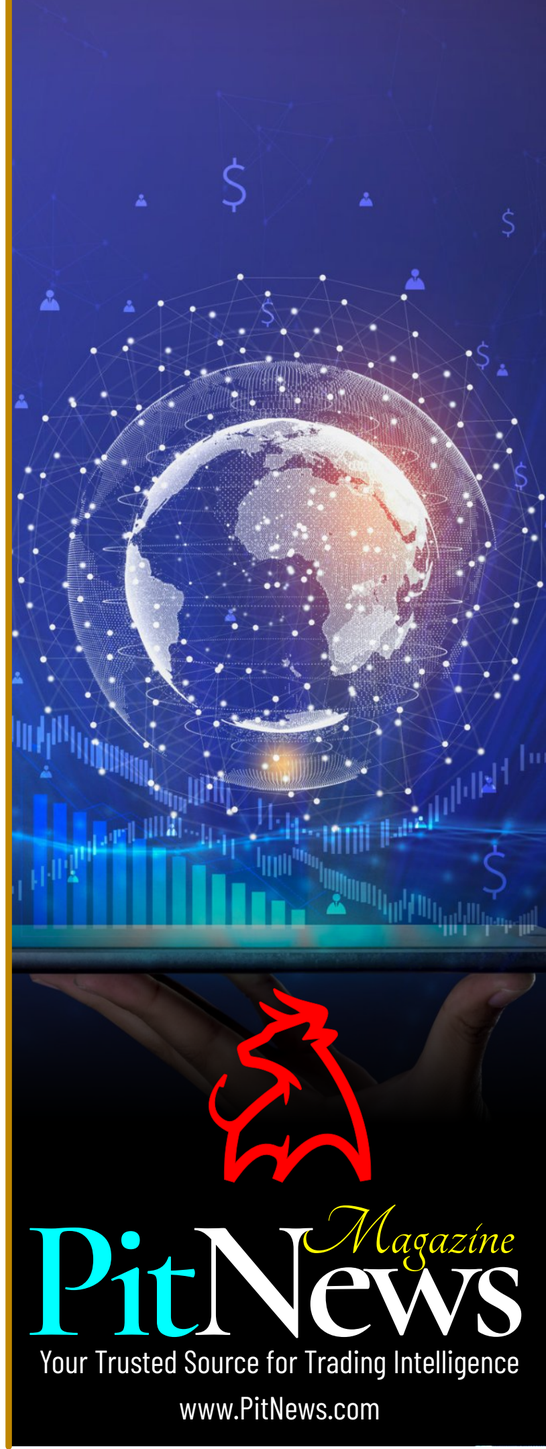
The Simplify Volatility Premium ETF (SVOL) is designed to generate income by selling volatility on the S&P 500 Index.

- Key Matrix:

  - **Volatility Risk:** While SVOL can provide attractive yields, it is also subject to volatility risk. Significant market downturns can lead to losses.

  - **Market Conditions:** The success of SVOL is highly dependent on market volatility conditions. In periods of low volatility, income generation might be lower.

  - **Investment Horizon:** This ETF is more suited for investors with a higher risk tolerance and a longer investment horizon to weather potential market fluctuations.



The Simplify Volatility Premium ETF (SVOL) is designed to generate income by selling volatility on the S&P 500 Index.

- Charting SVOL vs. VIX

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The Simplify Volatility Premium ETF (SVOL) is designed to generate income by selling volatility on the S&P 500 Index.

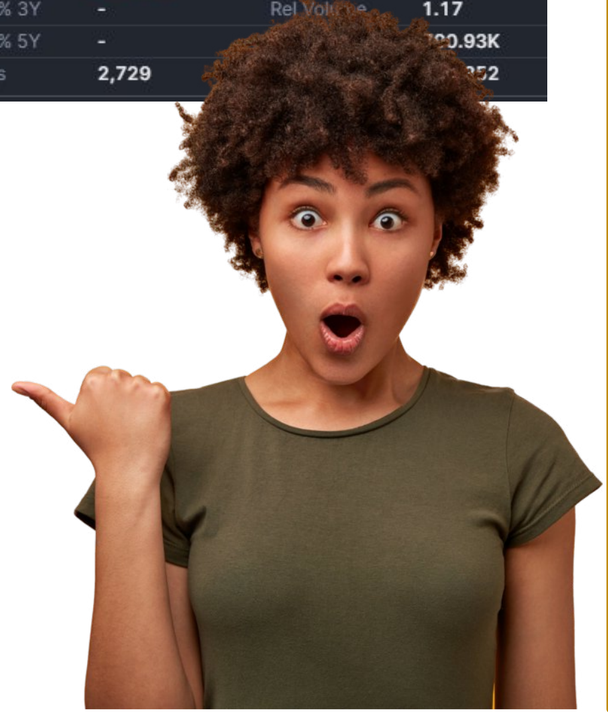
- **Fundamentals:**

Fundamentals provided by [Finviz]

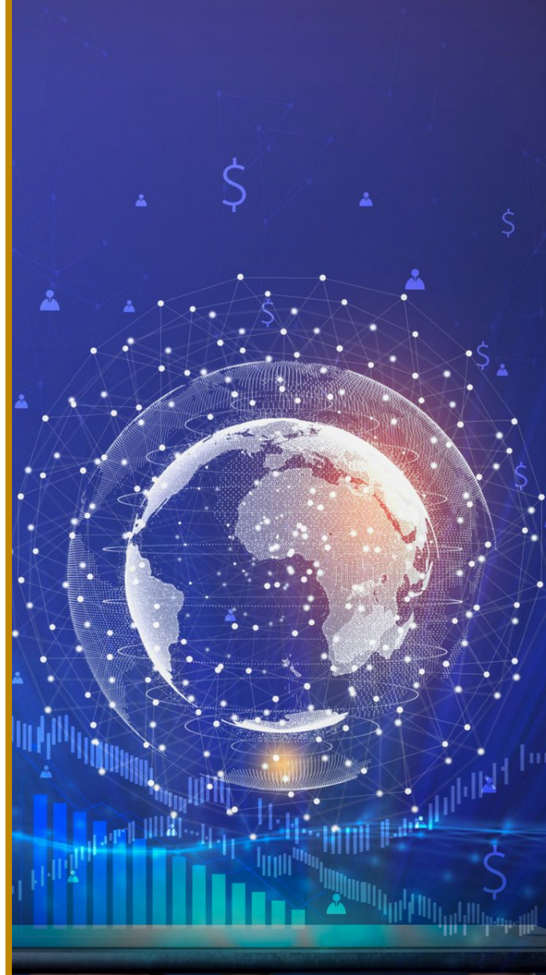
Category	Equity - Leveraged / Inverse	Asset Type	Equities (Stocks)	Tags	futures	Return% 1Y	12.13%	Shs Outstand	49.20M
Sponsor	Simplify ETF	ETF Type	US Equities	Tags	volatility-index	Return% 3Y	8.60%	Total Holdings	20
Fund Family	Simplify Active Funds	Bond Type	-	Tags	vix	Return% 5Y	-	AUM	1.09B
Index	-	Average Maturity	-	Tags	SP500	Return% 10Y	-	NAV%	0.50%
Index Weighting	-	Commodity Type	-	Tags	leverage	Return% SI	10.05%	NAV/sh	22.19
Active/Passive	Active	Quant Type	Volatility / VIX strategy	Tags	-	Flows% 1M	11.12%	52W Range	21.45 - 23.22
Dividend TTM	3.61 (16.18%)	ESG Type	-	Tags	-	Flows% 3M	27.14%	52W High	-3.96%
Dividend Ex-Date	Jul 26, 2024	Dividend Type	-	Sector/Theme	-	Flows% YTD	96.21%	52W Low	3.96%
Expense	1.16	Structure Type	ETF	Region	US	Flows% 1Y	216.05%	RSI (14)	37.72
Option/Short	Ye	Growth/Value	Core / Blend	Dev/Emerg	Dev Market Funds	Flows% 3Y	-	Rel Vol	1.17
Inverse/Leveraged		Market Cap	Large Cap	Currency	USD	Flows% 5Y	-		0.93K
SMA20		SMA50	-1.62%	SMA200	-1.46%	Trades	2,729		52

Dividend TTM (16.18%) Annualized

(AS of 7-29-24)



- Before investing in SVOL, it's essential to fully understand the risks and how the ETF's strategy aligns with your investment goals and risk tolerance.



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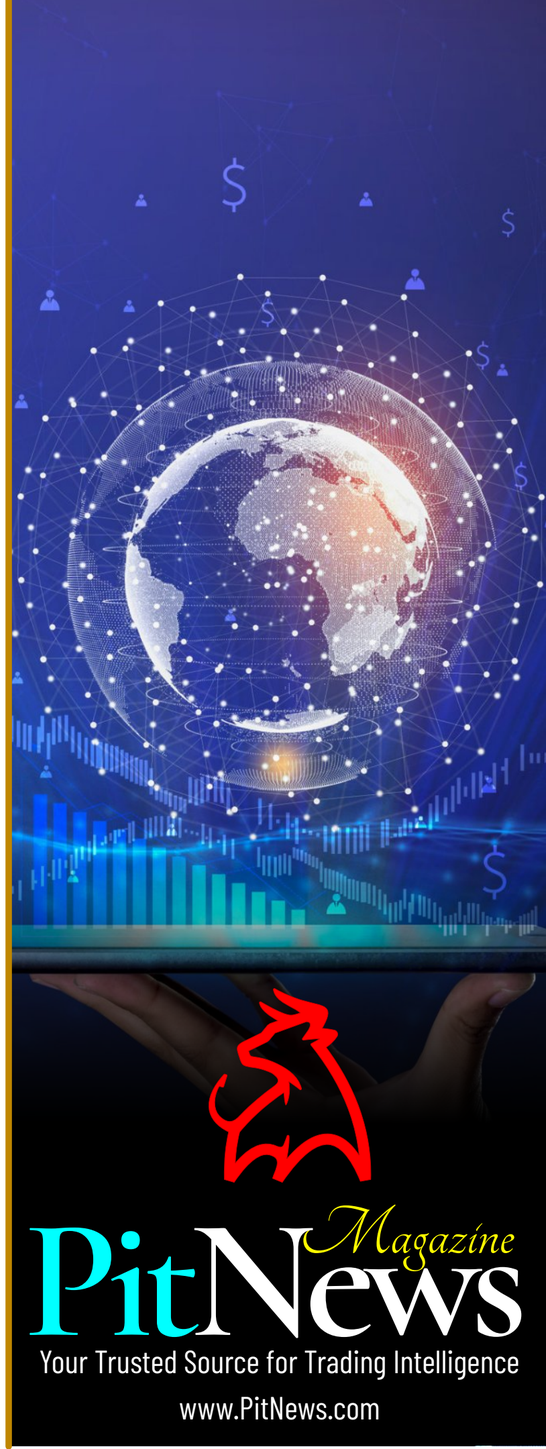
UBI Investing For Income

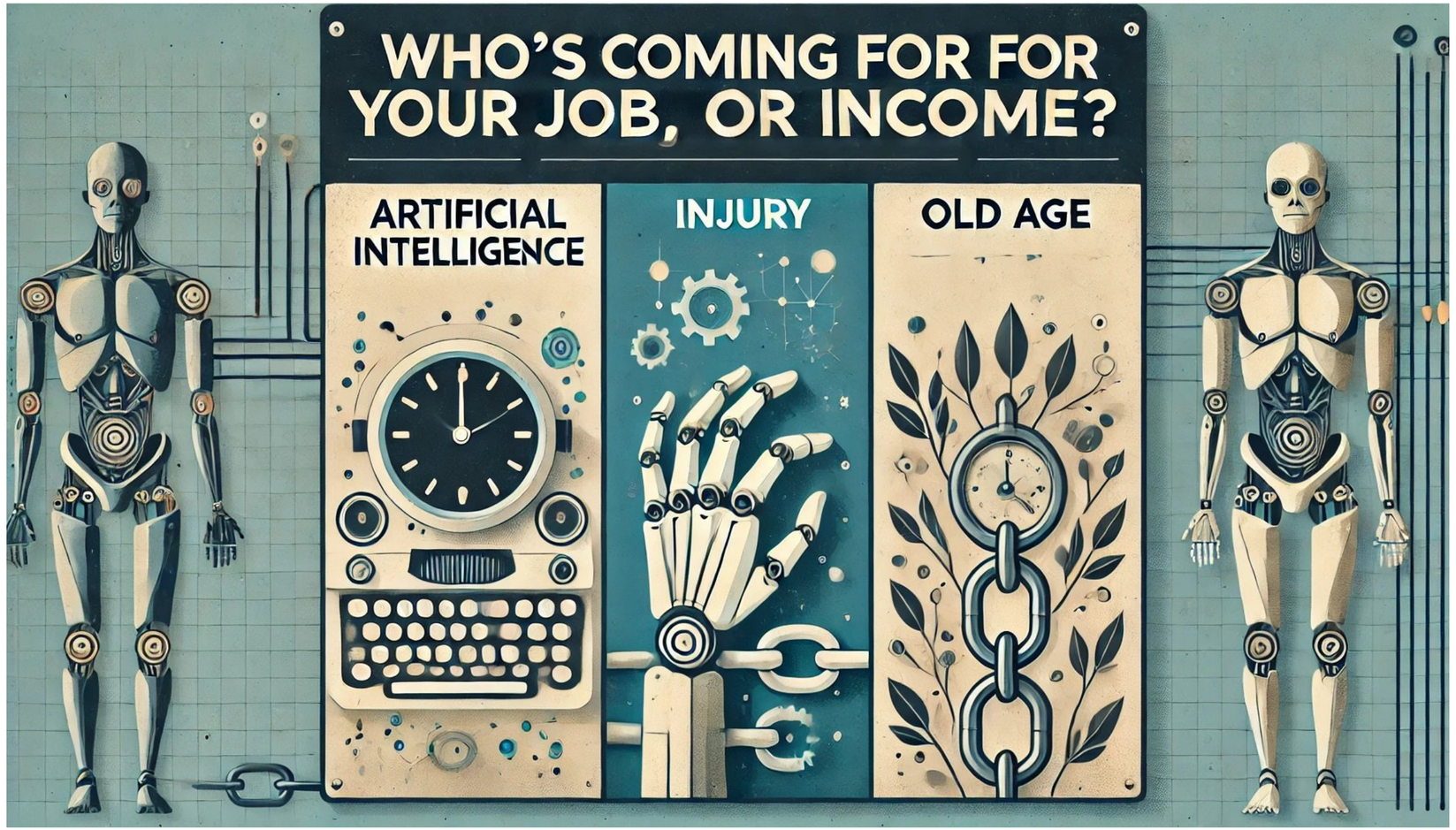
Unlocking Dividend Investing for Passive Income

by Lan Turner
Stocks, Futures & Options



What or Who is Coming for Your Job, Livelyhood, or Income?

1. Artificial Intelligence?
2. Injury?
3. Old Age?



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Who or what's going to save you? The government? Ha!

- Nobody! You're going to have to handle it yourself.
- Social Security is the governments UBI for retired people.
  - How's that worked out? (Headed for bankruptcy.)
  - What makes you think government is competent enough to solve your financial future? They're Not!

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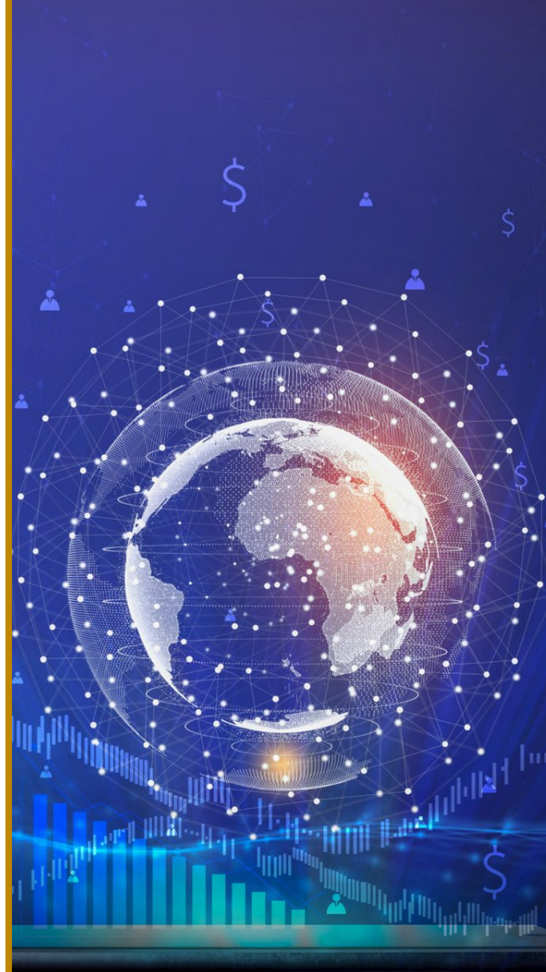
UBI and your financial future is going to have to come from the same place it always has, the stock market, or real estate.

- “Better git to learnen how to trade & invest.”



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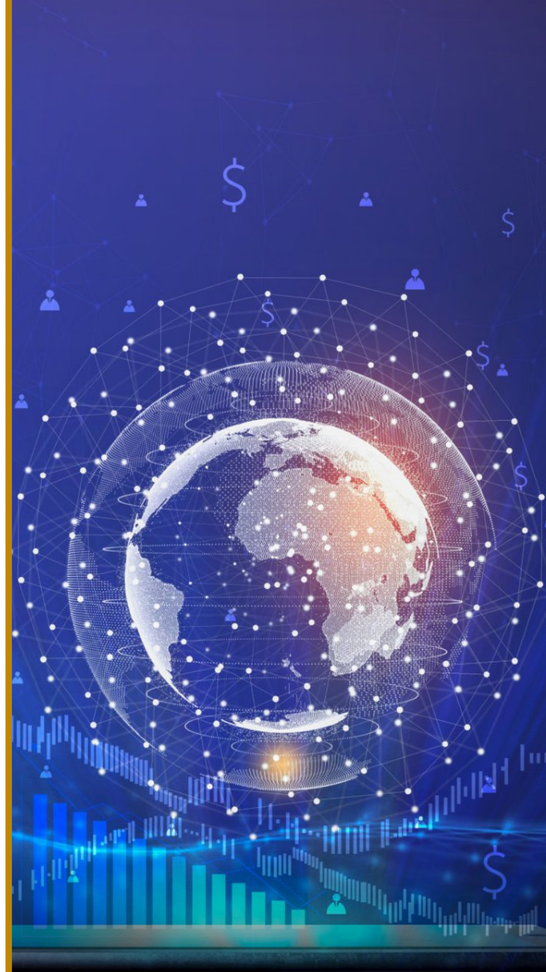
There is hope...

- It comes in the way of new financial instruments available now!
  - High Dividend (Option Income Strategy) Paying ETFs.



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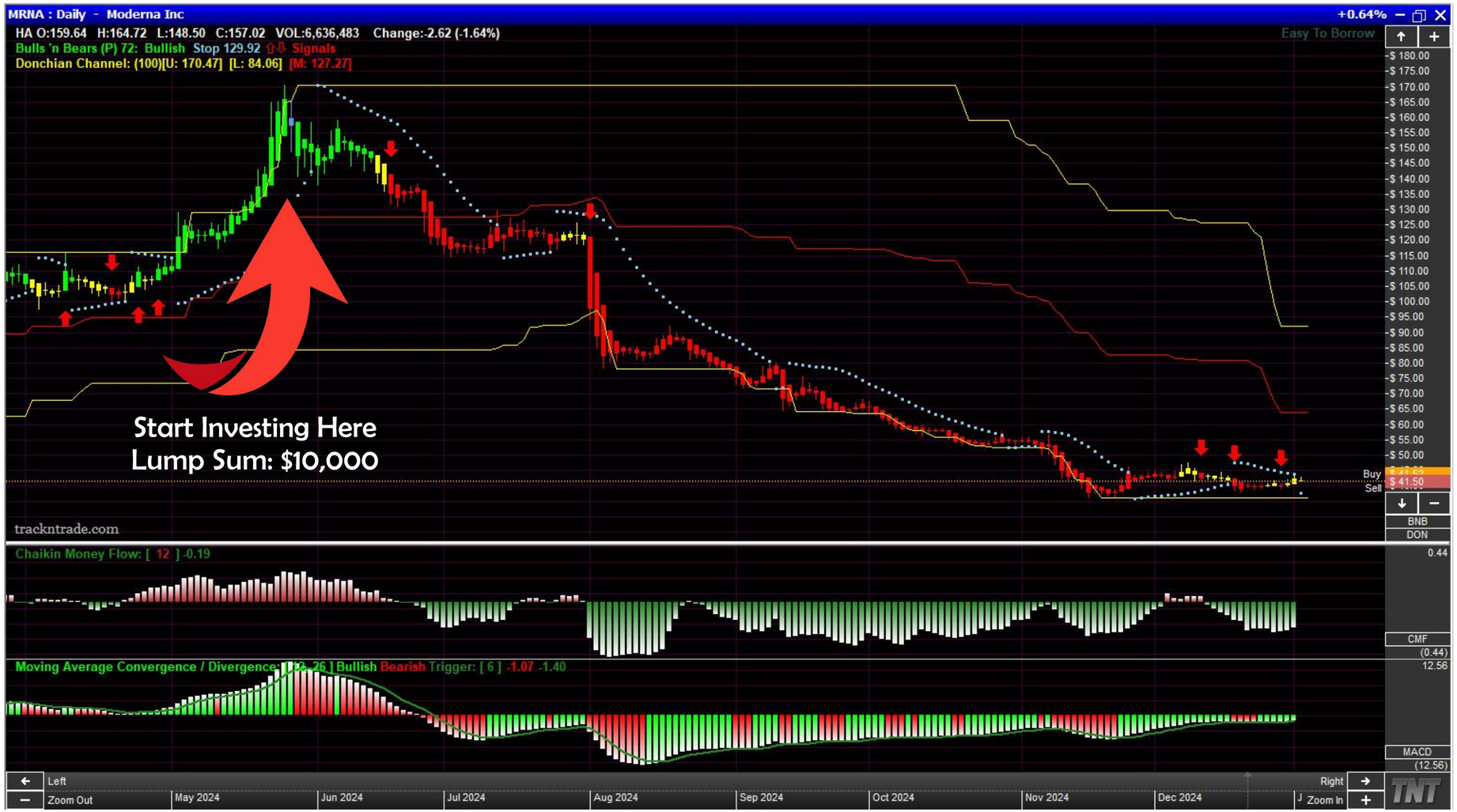
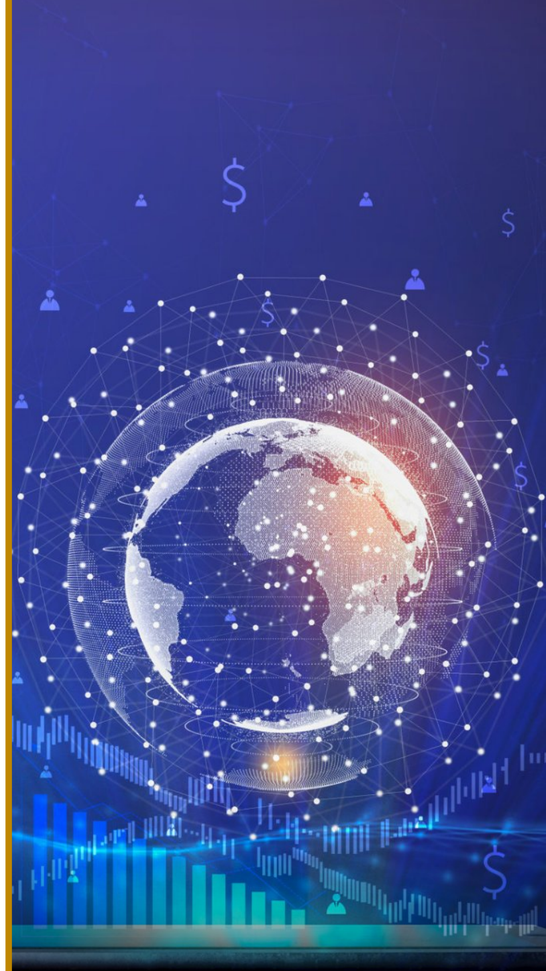
YieldMax Synthetic Long, Covered Call Strategy

- Worse Case Scenario: MRNA vs. MRNY: A comparative Analysis
  - How $10,000 performed in 2024 (Starting Mid May 2024)





Context & Objective

- Why Compare MRNA and MRNY?
  - MRNY is an ETF that trades Moderna but uses a covered call strategy with a trailing 12-month dividend yield of ~185.77%

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Performance Results

- How Did your $10,000 Grow/Shrink?
  - MRNA (Stock): End of 2024:
  - MRNY (ETF): End of 2024:

MRNA (Moderna Inc.)

Share Price Assumption in May 2024: MRNA traded around $65 in mid-May 2024.

- Number of Shares Purchased: $10,000 / $65 ≈ 154 shares (rounded).
- Price end of December 2024: ≈ $42.
- NAV Value of Position: 154 shares × $42 ≈ $6,468.
- Dividends: Moderna does not pay a meaningful dividend, so total return is entirely from price change.

Estimated Outcome: ≈ $6,500
(Loss of ≈ -$3,500 or 35%).

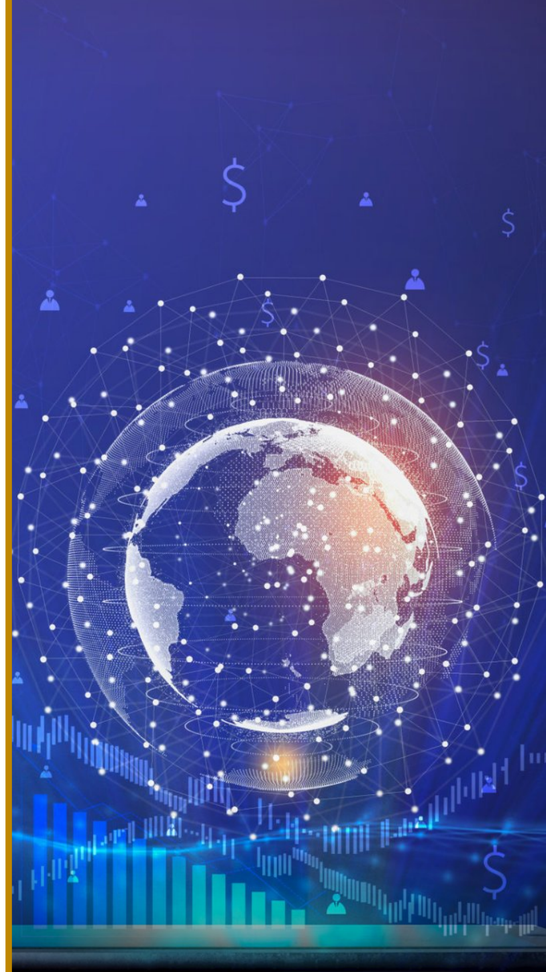
MRNY (YieldMax MRNA Option Income Strategy ETF)

Share Price Assumption in May 2024: MRNY traded around $20 in mid-May 2024.

- Number of Shares Purchased: $10,000 / $20 = 500 shares (rounded).
- Price end of December 2024: ≈ $5.
- NAV Value of Position: 500 shares × $5 = $2,500.
- Dividends (Covered-Call Income Distributions): TTM yield is around 185%,

Estimated Outcome: $2,500 (NAV loss of ≈ -$7,500 or 75%)
Add ≈ $12,500 in dividends for a Profit of: ≈ $2,500.

** Imagine if Moderna would have had a break-even or just a somewhat profitable year?



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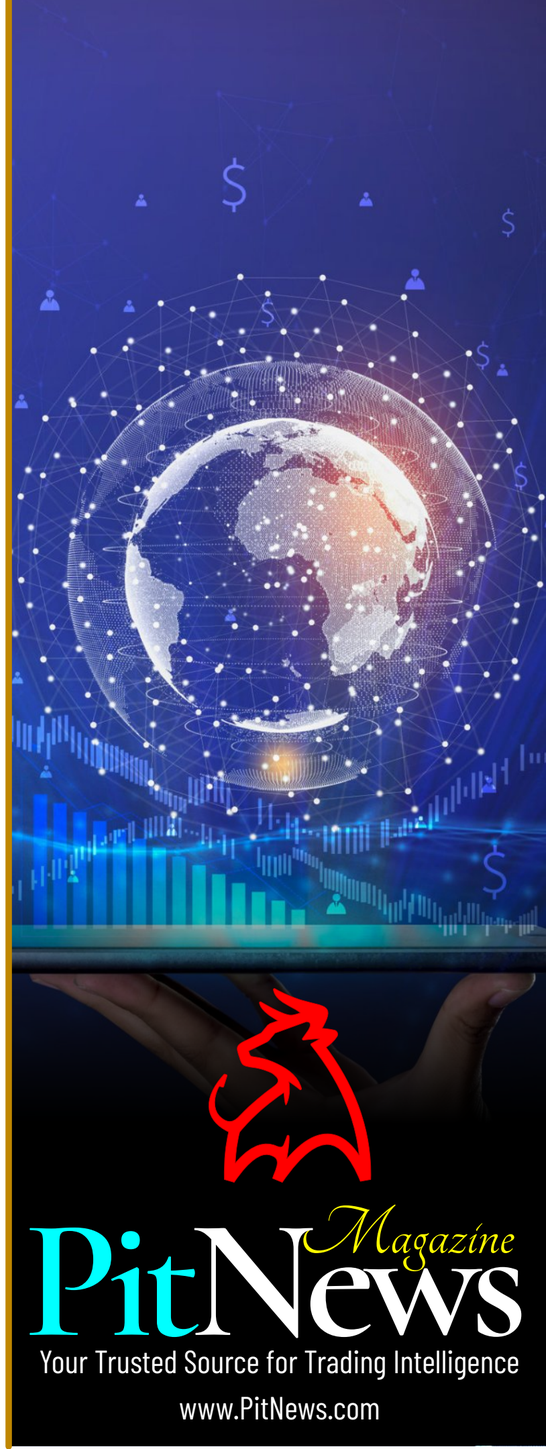
There are numerous options income ETFs now available

- Some traders find them too risky, but I think of them as defensive income generating funds.
- More of these types of funds are always becoming available.

Here are a few of the more popular ones:

• JEPI	vs.	SPY:	S&P 500
• JEPQ	vs.	QQQ:	Nasdaq
• MAGS	vs.	YMAG:	Magnificent Seven
• NVDA	vs.	NVDY:	NVidia
• AAPL	vs.	APLY:	Apple
• TSLA	vs.	TSLY:	Tesla
• GOOG	vs.	GOOY:	Google
• AMZN	vs.	AMZY:	Amazon
• META	vs.	FBY:	Meta/Facebook
• MSFT	vs.	MSFO:	Microsoft
• PLTR	vs.	PLTY:	Palantir Tech.
• SNOW	vs.	SNOY:	Snowflake
• BITO	vs.	Bitcoin:	Bitcoin Currency
• YBIT	vs.	Bitcoin:	Bitcoin Currency
• COIN	vs.	CONY:	Coinbase Global
• MSTR	vs.	MSTY:	MicroStrategy
• QQQ	vs.	QDTE:	0-DTE Options on Nasdaq
• SPY	vs.	XDTE:	0-DTE Options on S&P

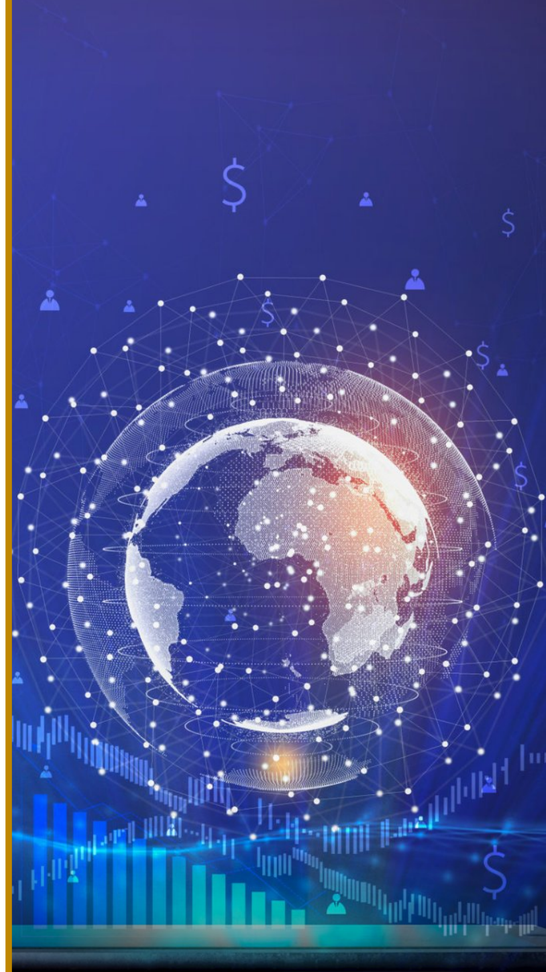


Advantages & Disadvantages: Are you an optimist or a pessimist?

- Advantage: Covered call option strategy ETFs soften the blow when a market falls.
- Disadvantage: When a market explodes higher, the covered call strategy can limit your upside profit potential.

Which is better?

- There is no one size fits all. A combination of both growth and defensive funds is, in my opinion, probably the best way to go; maybe invest in a bit of both.



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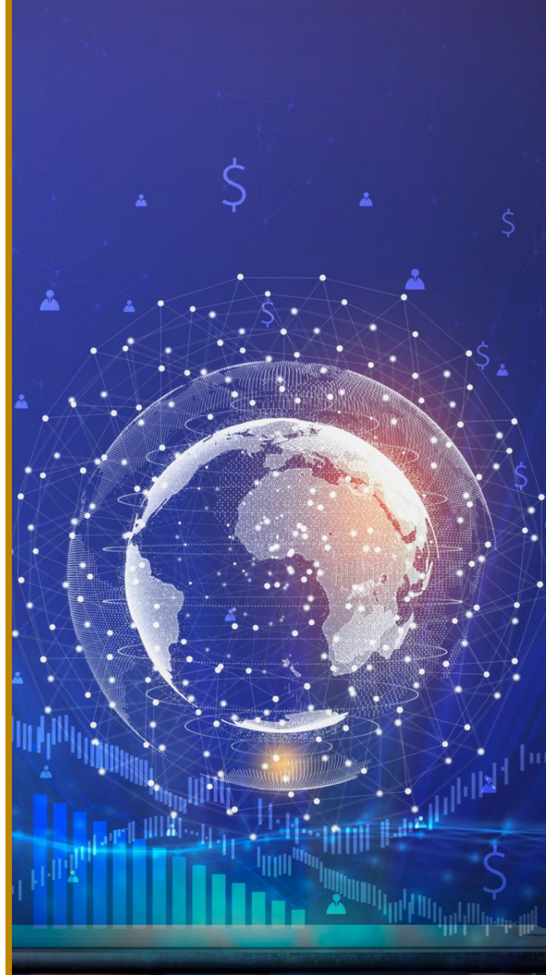
COVERED CALL ETF TRADING/INVESTING STRATEGY:

- Be smart about investing in these covered call ETFs.
  - Just because they have high dividends that soften the blow when markets fall, it does not mean you should just necessarily hold and hope.
    - Often times, the dividend is not enough to cover the NAV drawdown, and you'll still realize a loss.

  - Be wise, learn the Wyckoff Accumulation and Distribution model of investing, and practice the strategy of buy low/sell high.
  - Learn what a synthetic long is, as well as what a covered call is, which is how most these funds derive their profits. It will make you a better trader if you understand their strengths and weaknesses.



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Lan Turner's Richie Rich Hedgefund

Unlocking the Secrets of Managing Your Own Hedge Fund for a Living!

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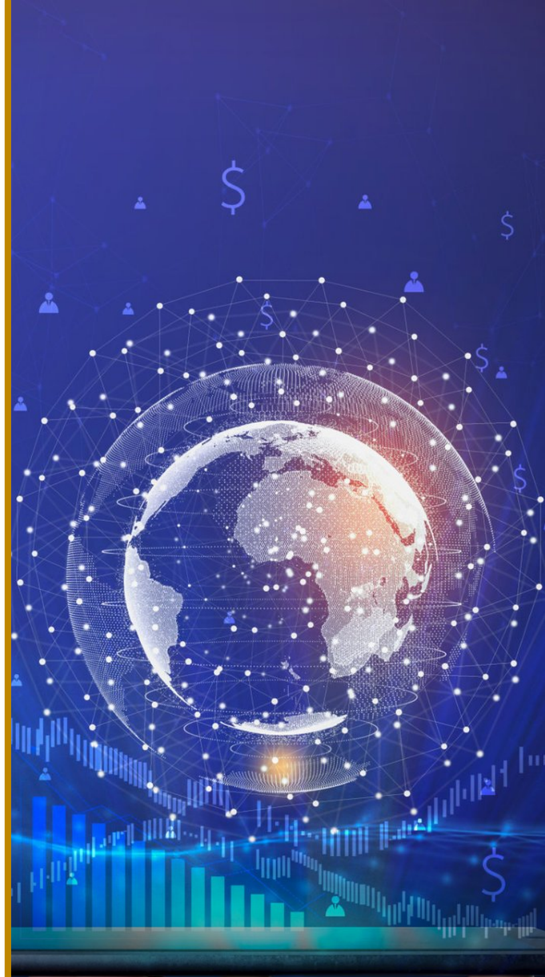
Power of Consistency

There are approximately 250 trading days in a year.

You only need to average…	To make…
$10 per day	$2,500 per year
$50 per day	$12,500 per year
$100 per day	$25,000 per year
$200 per day	$50,000 per year
$250 per day	$62,500 per year
$500 per day	$125,000 per year
$1,000 per day	$250,000 per year
$2,000 per day	$500,000 per year
$4,000 per day	$1,000,000 per year



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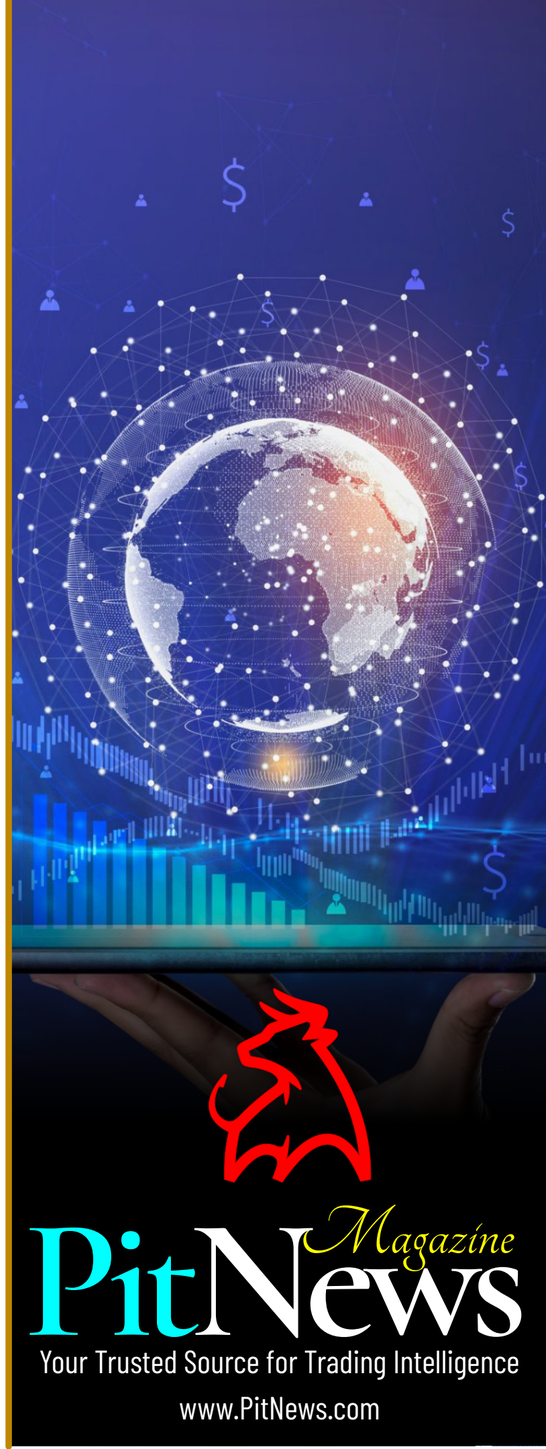
Calulating Percent Gain on Investments

- Formula

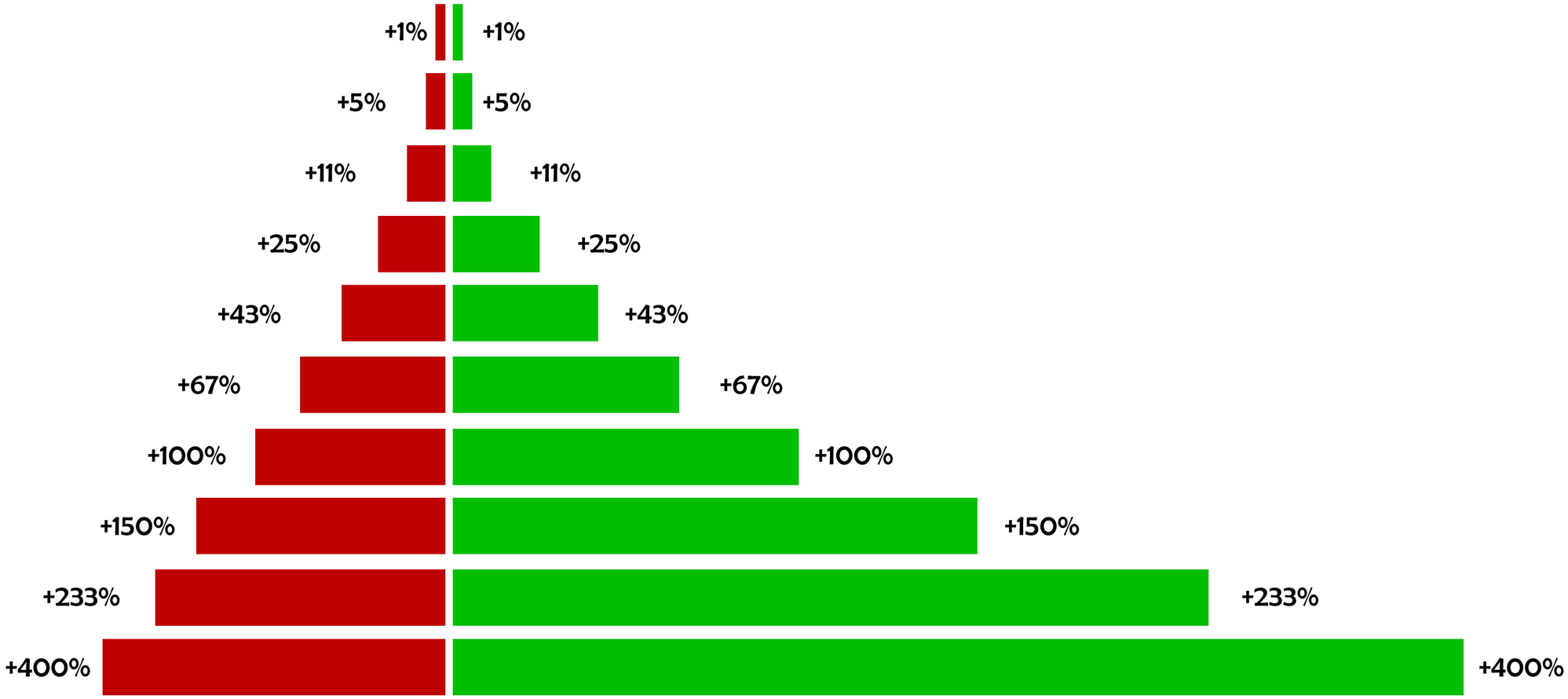
$$\frac{\text{Price Sold - Purchase Price}}{\text{Purchase Price}} \times 100 = \text{Investment \% Gain}$$

- Example

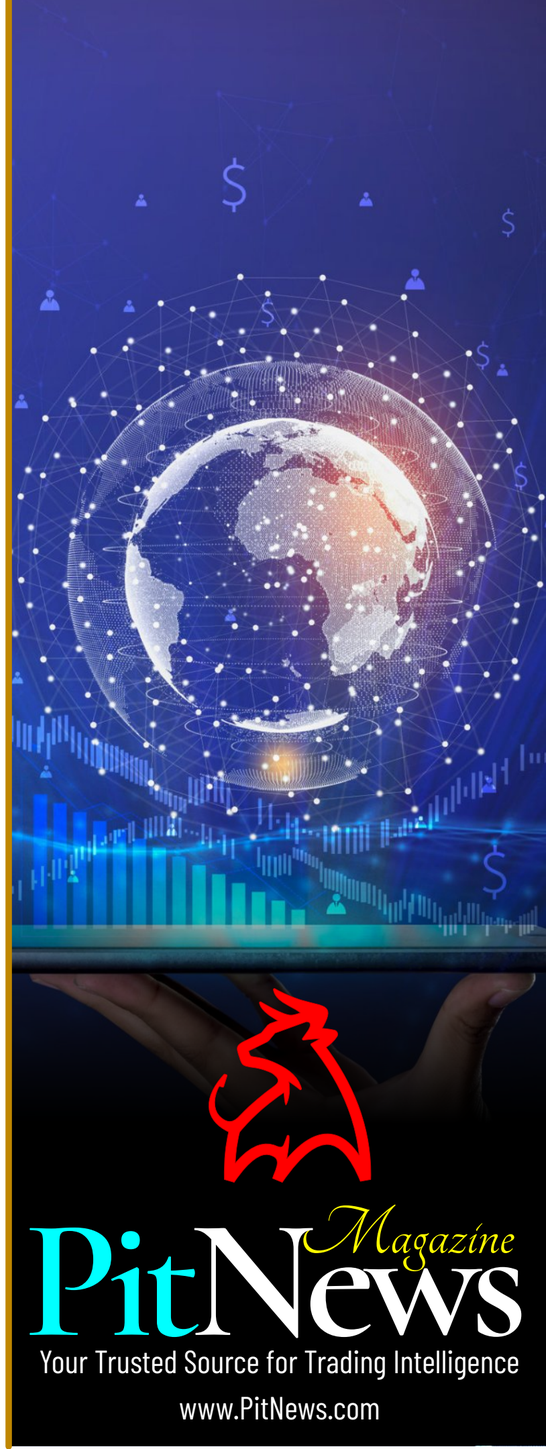
$$\frac{\$452 - \$120}{\$120} \times 100 = 276.67\%$$



Gains Needed to Recover From a Loss



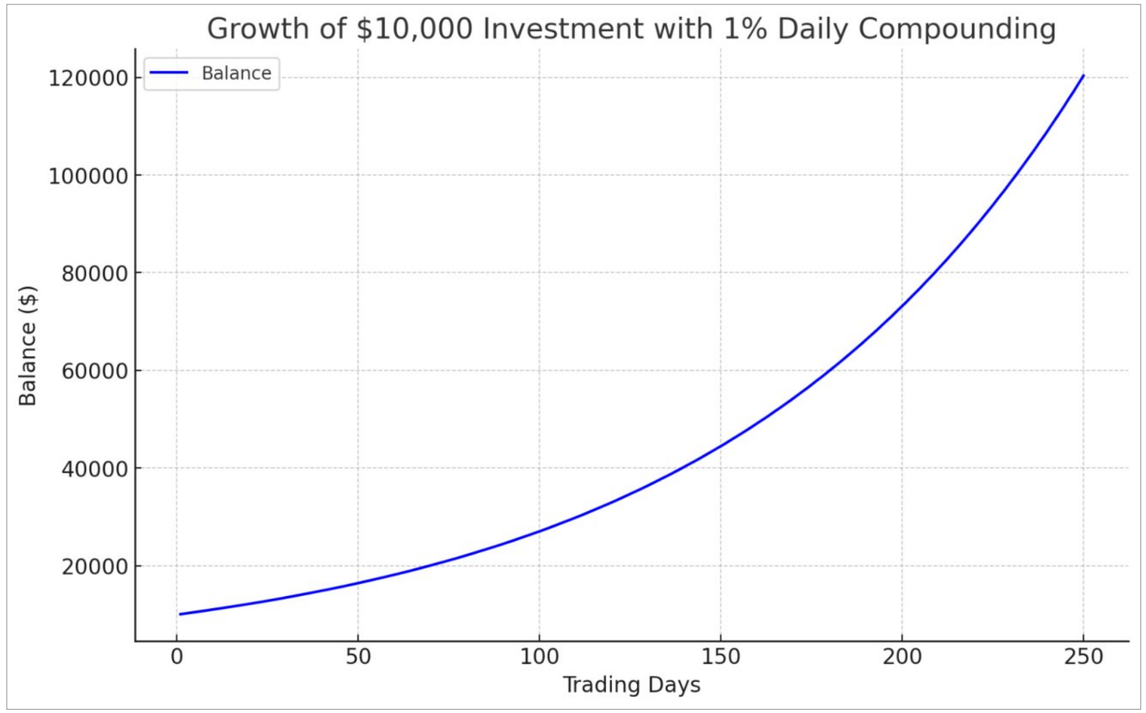
For Example: If you have $100, and you lose $50.00, you need to make $50.00 back to become whole, which is 100% of the new starting balance of $50.00

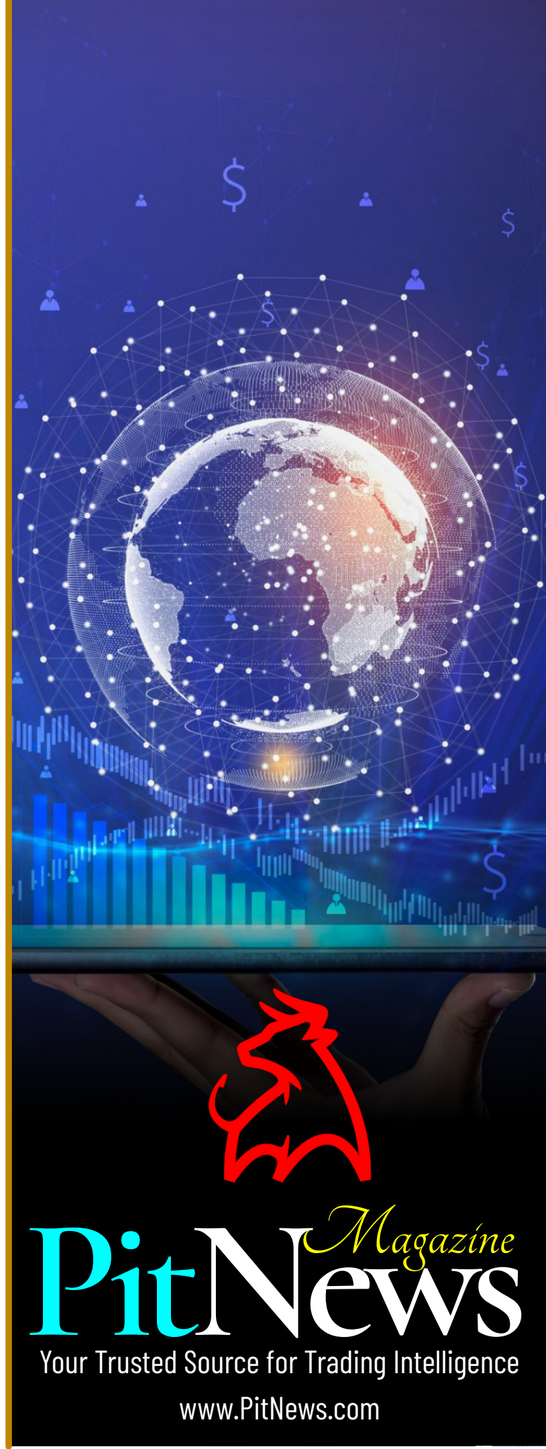


The Power of 1% Daily Compound Growth

- Starting Capital: $10,000
- Daily Gain: 1%
- Trading Days Per Year: 250

Day	Balance ($)
1	$ 10,100.00
50	$ 16,446.00
100	$ 27,048.00
150	$ 44,484.00
200	$ 73,160.00
250	$ 120,322.00

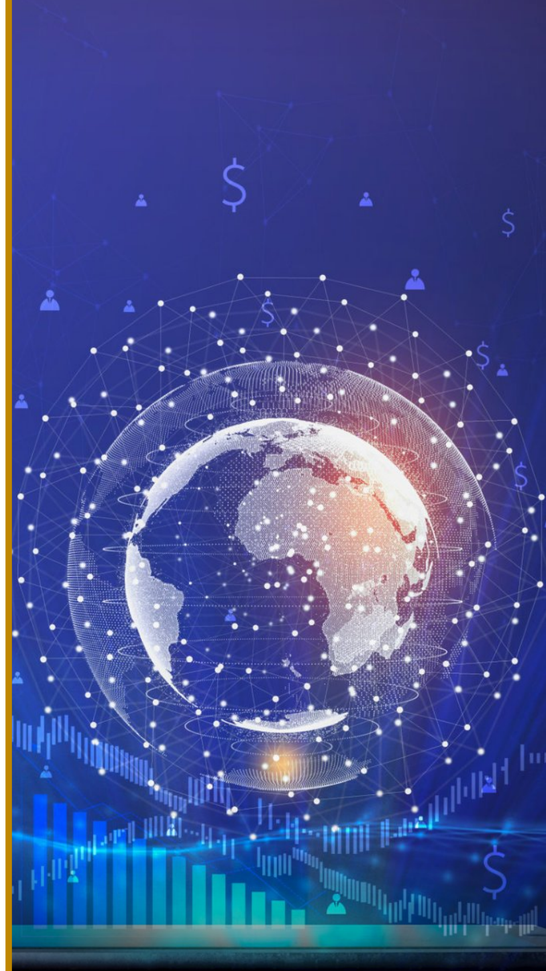




The Power of 1% Daily Compound Growth

- Starting Capital: $10,000
- Daily Gain: 1%
- Trading Days Per Year: 250

Day 1: $100
Day 2: $101
Day 3: $102.01
Day 4: $103.03
Day 5: $104.06
Day 6: $105.10
Day 7: $106.15
Day 8: $107.21
Day 9: $108.29
Day 10: $109.37
Day 11: $110.47
Day 12: $111.57
Day 13: $112.68
Day 14: $113.81
Day 15: $114.95
Day 16: $116.10
Day 17: $117.26
Day 18: $118.43
Day 19: $119.61
Day 20: $120.81



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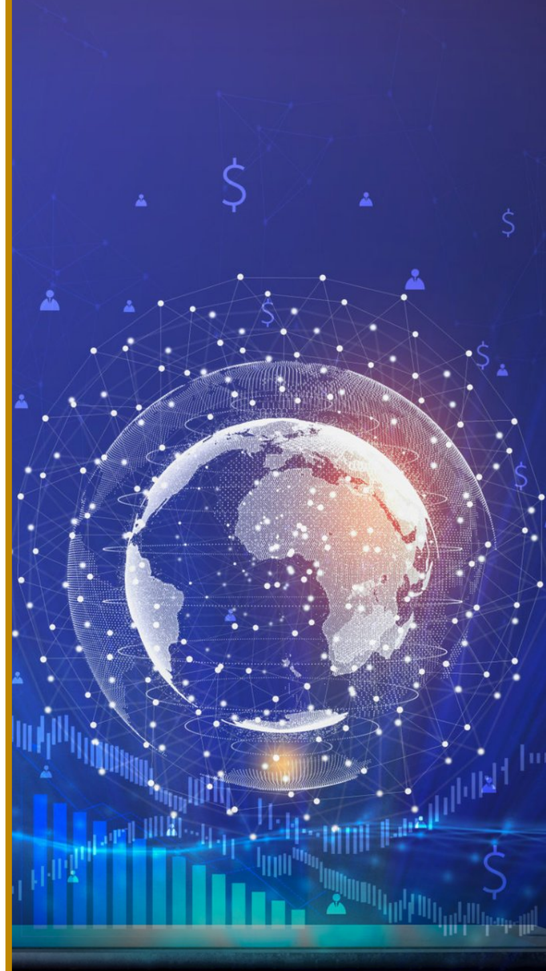
The Power of 1% Daily Compound Growth

- Starting Capital: $10,000
- Daily Gain: 1%
- Trading Days Per Year: 250

Day 231: $888.70
Day 232: $897.58
Day 233: $906.56
Day 234: $915.63
Day 235: $924.80
Day 236: $934.06
Day 237: $943.41

Day 238: $952.85
Day 239: $962.39
Day 240: $972.02
Day 241: $981.74
Day 242: $991.56
Day 243: $1,001.47
Day 244: $1,011.49

Day 245: $1,021.60
Day 246: $1,031.81
Day 247: $1,042.13
Day 248: $1,052.55
Day 249: $1,063.08
Day 250: $1,073.71



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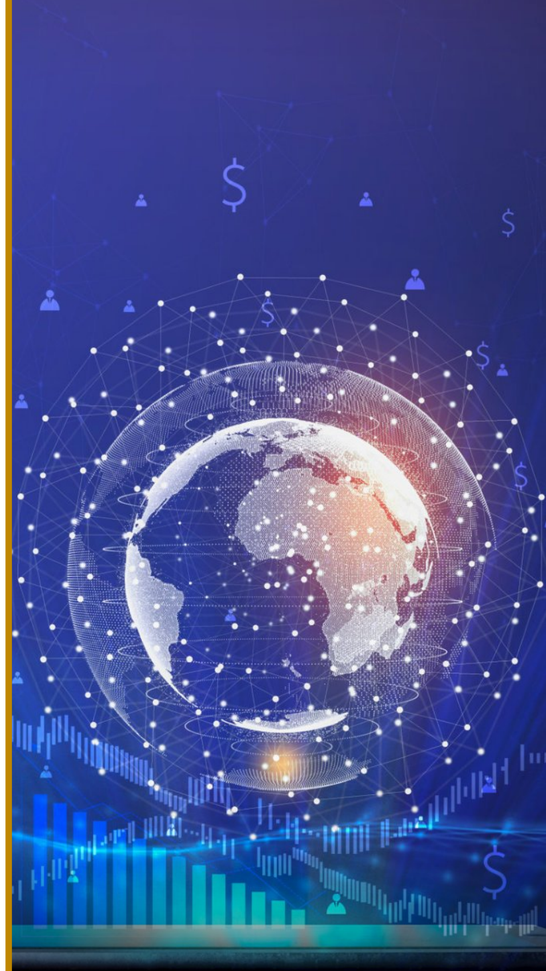
The Power of 1% Daily Compound Growth

- Starting Capital: $10,000
- Daily Gain: 1%
- Trading Days Per Year: 250

Day 230: $87,891.30
Day 231: $88,770.21
Day 232: $89,657.91
Day 233: $90,554.49
Day 234: $91,460.04
Day 235: $92,374.64
Day 236: $93,298.39
Day 237: $94,231.38
Day 238: $95,173.69
Day 239: $96,125.43
Day 240: $97,086.69
Day 241: $98,057.56
Day 242: $99,038.14
Day 243: $100,028.52
Day 244: $101,028.80
Day 245: $102,039.09
Day 246: $103,059.49
Day 247: $104,089.58
Day 248: $105,130.38
Day 249: $106,181.68
Day 250: $107,243.50



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1:2 Risk vs. Reward Ratio?

1. Over 80% of traders fail within the first year? The key difference between success and failure often lies not in the ability to predict markets, but in the mastery of RISK MANAGEMENT.
   a. At its core, the 1:2 Risk vs. Reward ratio means that for every dollar risked, the potential reward is two dollars. A simple yet powerful principle forming a sound trading strategy.
   b. They also fail because they give up at the first sign of failure.

Winning Rate (%)	Number of Wins	Number of Losses	Profit from Wins ($)	Loss from Losses ($)	Net Profit ($)
80	80	20	$ 16,000.00	$ 2,000.00	$ 14,000.00
70	70	30	$ 14,000.00	$ 3,000.00	$ 11,000.00
60	60	40	$ 12,000.00	$ 4,000.00	$ 8,000.00
50	50	50	$ 10,000.00	$ 5,000.00	$ 5,000.00
40	40	60	$ 8,000.00	$ 6,000.00	$ 2,000.00
30	30	70	$ 6,000.00	$ 7,000.00	$ (1,000.00)

2. This is the core of my “Scalp ‘n Trail” Strategy. I want my scalp to adhere to the 1:2 Risk Reward ratio, while my trail exceeds it.

Day Trading Risk Management Strategies

1. Set Daily Profit Goal:
    a. Set 1% to 5% of account equity value
        i. $10,000 account * 5% = $500 per day goal.
        ii. Or, daily average profit past 30 days.
2. Set Daily Max Loss:
    a. Two days of Daily Profit Target
        i. $500 * 2 = $1,000 per day max loss.
3. Set Max Per Trade Loss; Calculate Position Size
    a. Account Size: $10k * 2% = $200
        i. If stop loss placement exceeds $200 don't take the trade.
        ii. If stop loss placement can accommodate, take larger size.
4. Set Max Account Value:
    a. $50,000 (Example)
        i. Quarterly: Pay out any dollar amount over 50k.
        ii. Dollar Amount: Pay out every 10k over 50k.

** NOTE: Adjust your strategy based on different market conditions. Some days or periods may not offer enough safe opportunities to achieve your profit goals, and pushing too hard in such times can lead to losses.

Day Trading Risk Management Strategies

1. A Setup: This is your high-confidence setup, where multiple indicators or criteria align perfectly with your trading strategy. Entering the market with multiples of three contracts for an A setup reflects your high level of confidence in its success. Since these setups are less frequent but offer higher probability of success, allocating more capital to them can be justifiable.

2. B Setup: This setup is solid but might lack one or two elements of the ideal A setup. It's still a good opportunity but with a slightly lower probability of success or a higher level of risk. Entering with multiples of two contracts is a balanced approach, reflecting moderate confidence.

3. C Setup: The C setup is the least favorable but still meets your minimum criteria for entering a trade. It's wise to be more cautious with these setups, hence entering with just one contract. These setups might be more common, but they also carry higher risk or lower probability of success.

** NOTE: Adjust your strategy based on different market conditions. Some days or periods may not offer enough safe opportunities to achieve your profit goals, and pushing too hard in such times can lead to losses.

Reversal Trading: Rules of the Road

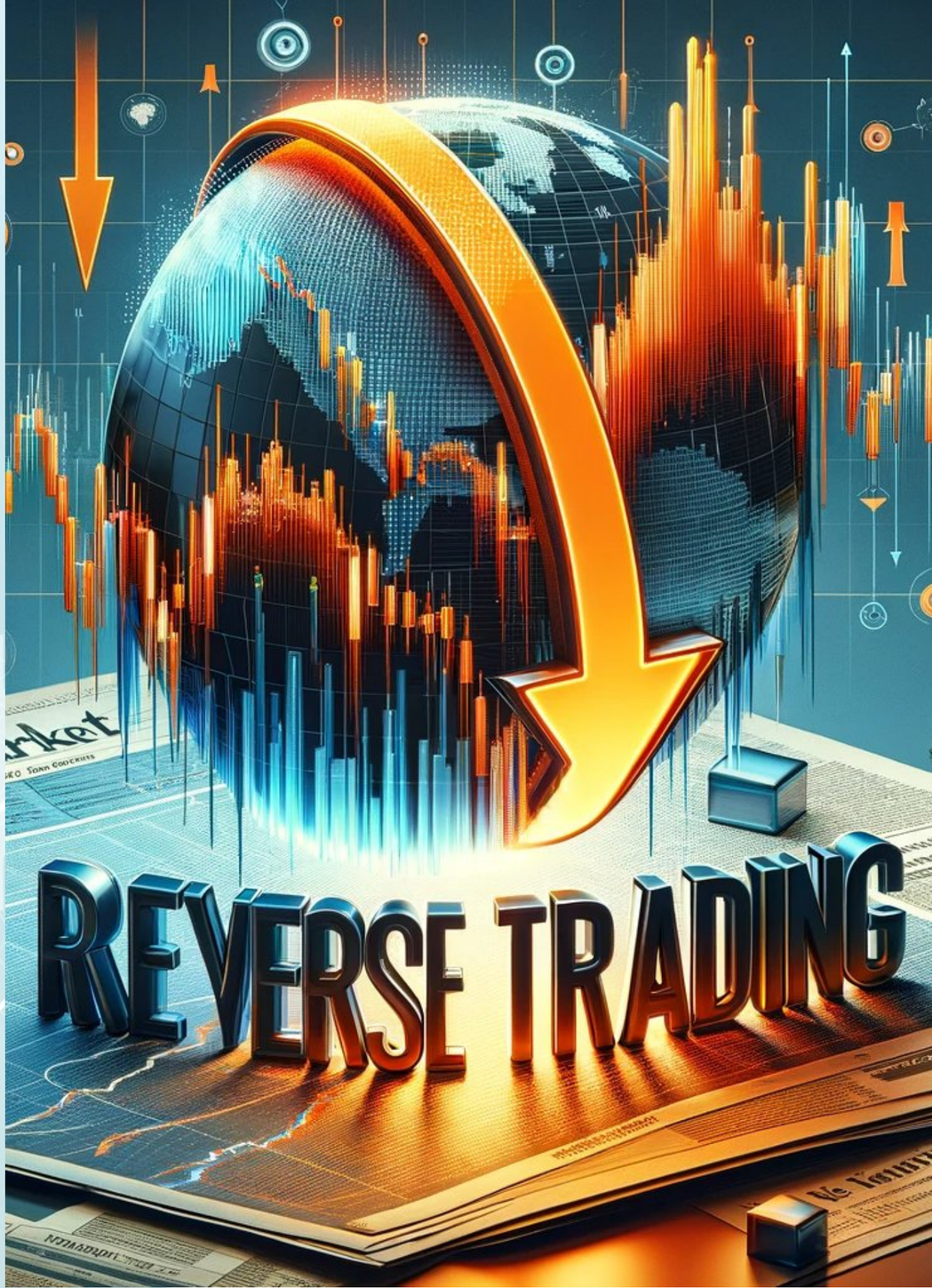
Concept: Stop trying to pick market direction. We try, but we're often wrong, which is why we reverse trade.

Definition of an up/down trend:

- Uptrend: Higher highs and higher lows.
- Downtrend: Lower highs and lower lows.

- Rule 1: Start small, start with a single contract.
- Rule 2: Reverse with each new price bar high or low.
  - You can also reverse on indicators where there's one buy for every sell; ATR, PSAR, BnB, etc...
- Rule 3: With each new reversal, add one contract.
  - 1, 3, 5, 7, 9, 11 (Three attempts long, three short).
  - This is one set and considered to be "one trade".
    - If you don't catch a trend, STOP Trading!
- Rule 4: Reset, wait for another/better opportunity.
  - Run one more set of six trades.
- Rule 5: Run three sets per session, if you lose all three sets, you're done for the day. (Go cry in your beer.)

** NOTE: Take the opportunity to recover losses when they come. Start over from a point of profit, green, rather than a point of pain, red.



Building Pyramids & Pillars

What is a Pyramid?

- A trading strategy where we start with a LARGE position size, and REDUCE our holdings as the market moves in our favor.
    - The pyramid is a risky approach where the largest position is held at the beginning of the trade, amplifying potential losses.

What is an Upside-Down Pyramid?

- A trading strategy where we start with a SMALL position size, and INCREASE our holdings as the market moves in our favor.
    - The Upside-Down Pyramid is a risky approach due to holding our largest position at the least favorable price, the top of the trend, where we have the lowest probability of a trend continuation; amplifying the potential loss of unrealized gains.

What is a Reverse (Dollar Cost Average) Pyramid?

- A trading strategy where we start with a small(er) position, but when we're wrong, we don't get out, instead, we continually add to our losing trade, dollar cost averaging down, building a bigger and bigger pyramid base.
    - The Reverse Pyramid is a very risky approach where we quickly build a massive position on the wrong side of a market trend.
        - Markets can stay irrational longer than you can stay liquid.

KEY POINT: While pyramid building can lead to significant gains, the risk of substantial losses are heightened due to these strategies, in all three cases, taking on large position sizes. (Big risk, big reward -- Big risk, big loss.)

Building Pyramids & Pillars

What is a Pillar?

- A trading strategy where we start with a less aggressive starting size; usually greater than one (1) contract (Futures). Then, dollar cost average in and out of a WINNING trade, taking profits along the way. (This is NOT a dollar cost average into a losing trade strategy.)

  Example:

  - Step 1: Enter with two contracts.
  - Step 2: At the "appropriate point" Add another contract, dollar cost averaging into your winning trade, then immediately take it back off, reducing your size back to two. This takes approximately 33% of your profits.
    - I call this "Castling" your trade.
  - General Rule: When adding into your Pillar, never let your new dollar cost averaged position exceed your trailing stops exit price; only add into your pillar once your trailing stop is above the new averaged price level.

- Pillaring is a more stable, consistent, risk reducing strategy.
  - Positions are evenly distributed, maintaining a more balanced risk profile.

- Key Point: Pillars represent a sustainable approach, focusing on long-term stability and minimizing large potential downside risks.
  - Pillars are especially popular with new traders and/or more conservative traders who have a lower risk threshold.

INFLATION is the RAT that eats your net worth.

SOMEONE WHO WAS A MILLIONAIRE IN 1935, AND HELD IT IN GOLD, IS NOW WORTH US $57.14 MILLION TODAY

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THE SAME MILLIONAIRE, WHO HELD IT IN US DOLLARS, IS TODAY, ONLY WORTH US. $46,816. (2024)

THIS IS HOW MUCH GOLD IT TOOK TO BUY THE TYPICAL SINGLE FAMILY HOME IN 1935 (Approx 4.7k)

THIS IS HOW MUCH GOLD IT TAKES TO BUY THE TYPICAL SINGLE FAMILY HOME IN 2024 (Approx 400k)

The US Federal Government is the only entity capable of creating inflation--through the printing of money.

The top five debtor nations by debt-to-GDP ratio are:

1. Japan: 264%
2. Venezuela: 241%
3. Sudan: 186%
4. Greece: 173%
5. United States: 123% 2

The five lowest debtor nations by debt-to-GDP ratio are:

1. Brunei: 2.1%
2. Kuwait: 2.9%
3. Cayman Islands: 4.5%
4. Afghanistan: 7.4%
5. Russia: 17.2% 2 5

These ratios provide an overview of the debt levels relative to the GDP for the top debtor and least debtor countries, including the United States and Russia in their respective categories.

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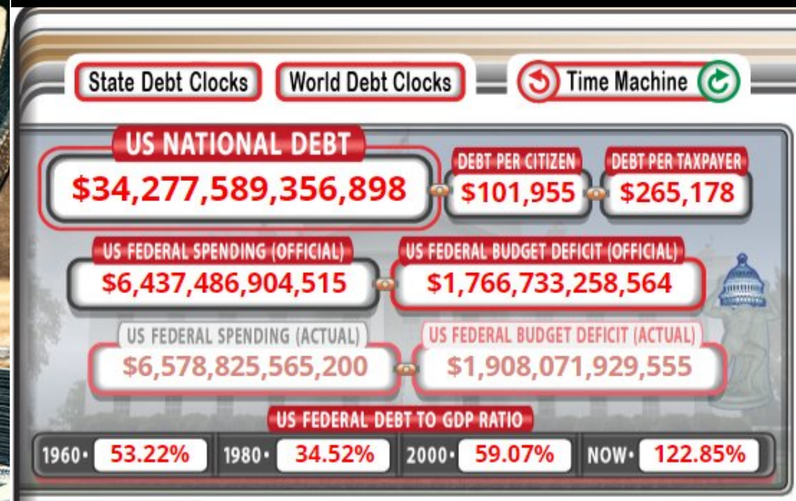
As of February 2024



Leveraging Inflation to Offset Your Mortgage

Inflation's Effect on Debt

1. $1,000,000 in 1935 is worth approximately $50,000 today due to inflation.

   a. 2024 - 1935 = 89 years
   b. $1,000,000 - $50,000 = $950,000
   c. $950,000 / 89 = $10,674

   Example: At this rate, if you buy any physical asset investment, real estate, land, business, etc.

   Inflation will pay approximately $10,000 a year toward your purchase, historically speaking.

Let inflation help pay for your home

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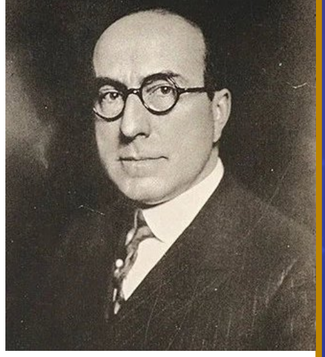
Every year you delay, is another $10,000 added to the cost of any investment property

Famous Quote

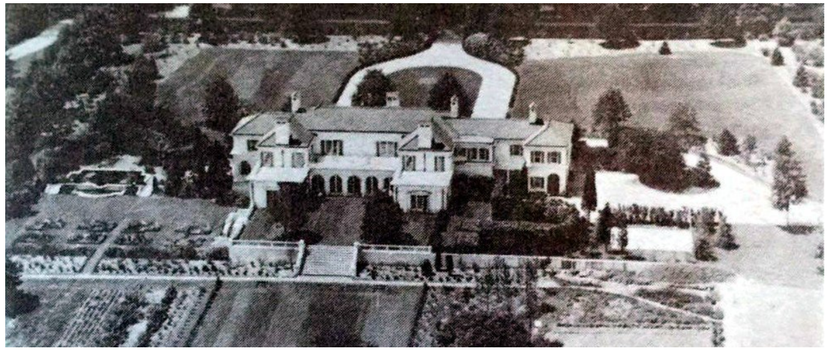


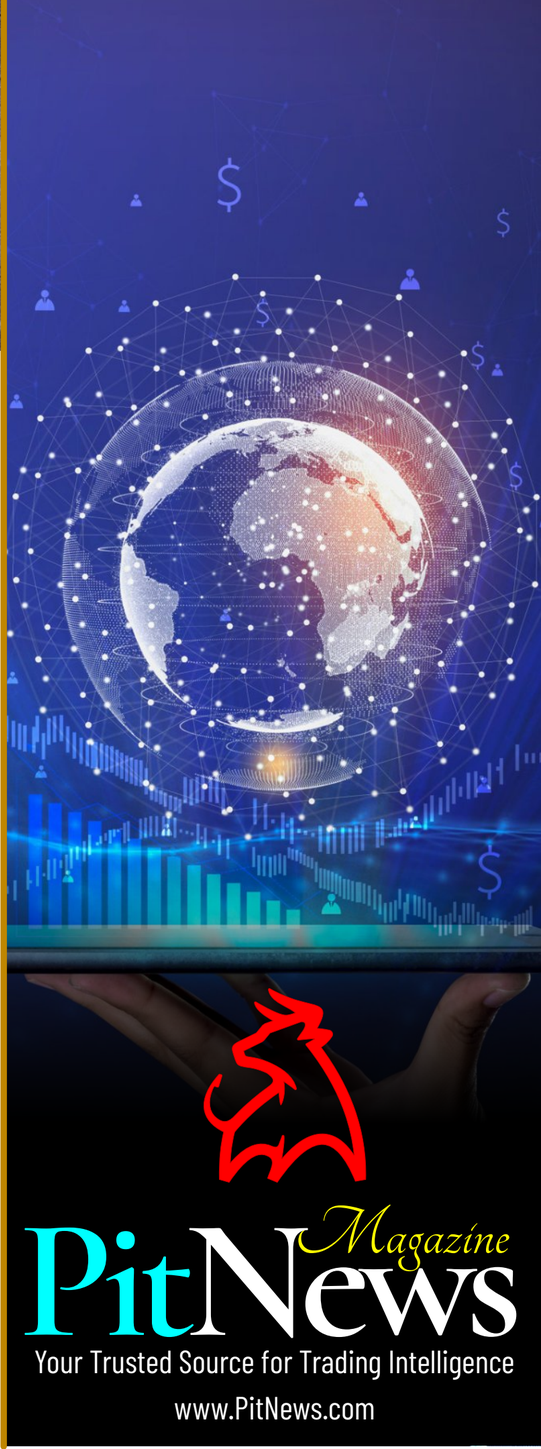
Richard D. Wyckoff

- Wyckoff formulated the technical analysis strategy known as accumulation and distribution, he grew rick through trading, buying a nine and half acre mansion next door to the CEO of General Motors. (Died 1934, age 61)

"The question is not whether you have lost money trading stocks, but whether you are going to persist in doing so?"

-- Richard D. Wyckoff

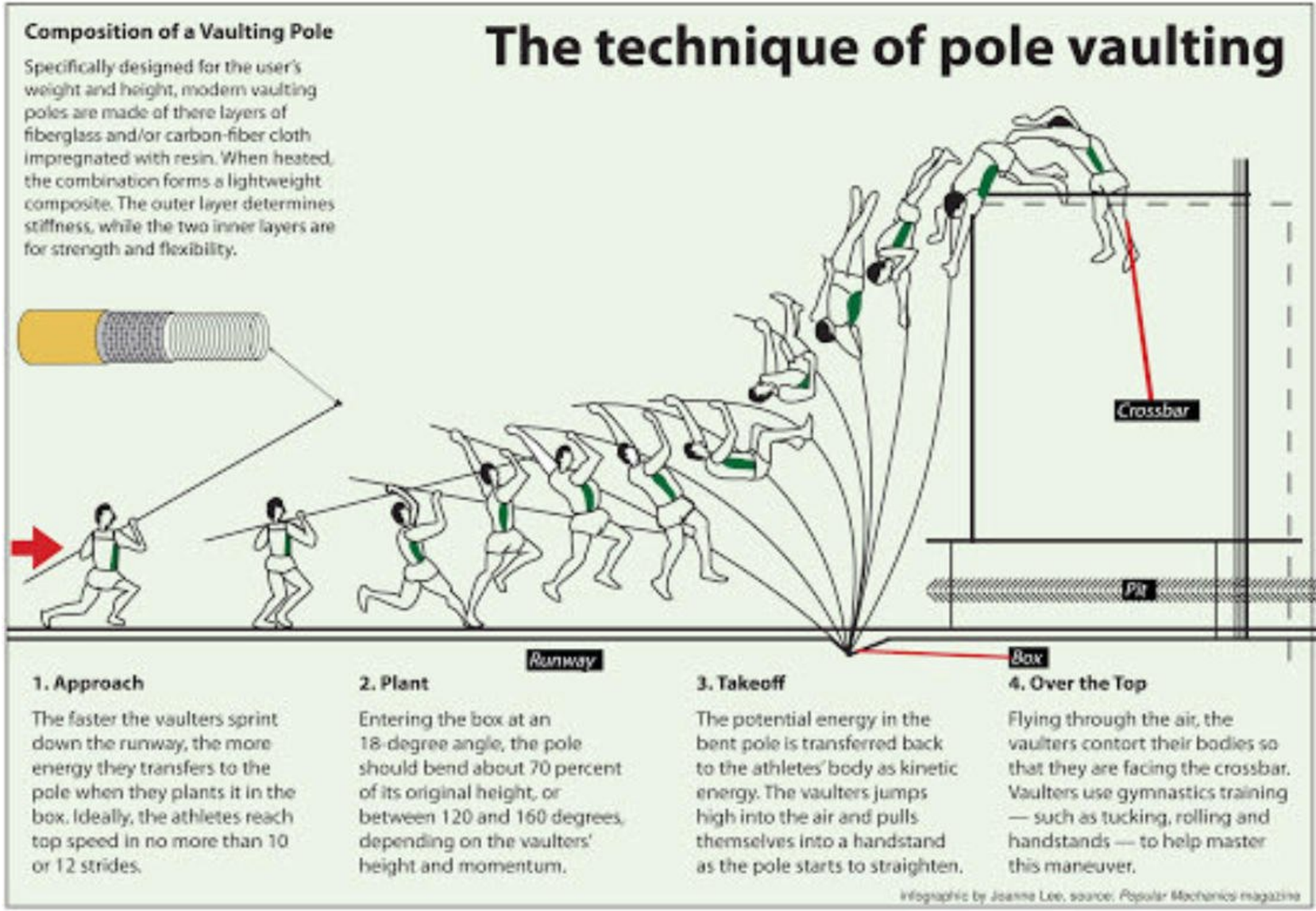




Life Rules to Live By

I can teach you how to pole vault; here you go!

Now, why aren't you an Olympic athlete?



Gambling vs. Trading

Why is trading not considered gambling?

Some say trading is no better than gambling, so what's the difference?

"Gambling is betting on an unknown outcome, while Trading is betting on a known probability."

The key takeaway is that while both trading and gambling involve risking capital with the hope of future gain, trading is distinguished by its reliance on strategic analysis, risk management, and informed decision-making based on quantifiable data.

Trading involves analyzing market patterns and executing trades based on observed trends and statistical probabilities. Traders use technical analysis, chart patterns, and various indicators to make informed decisions. This approach is strategic and relies on the interpretation of market data, unlike gambling, which depends on random outcomes.

Setting Goals:

How Successful People Succeed

Step 1: Write down 10 goals (Any subject)

- Write them in the present tense; for example:
  - I earn, I achieve, I weight, I own, etc.

Step 2: Take your list of ten, and if you could have any one goal on your list within the next 24 hours, which goal would have the greatest positive impact on my life?

- Usually this goal will jump out at you:
  - Circle that goal.
  - Transfer it to a clean sheet of paper.
  - Follow the 10 steps of high-achievers. (Next page)

10 Steps of High Achievers

How Successful People Succeed

Step 1: Have the Desire; Visualize Your Goal:

Beginning with a clear vision and desire for your goal sets a strong foundation for motivation and direction.

Step 2: Belief; Believe Your Goal is Achievable:

Establishing belief in the feasibility of your goal right after visualizing it reinforces your commitment and prepares you for the challenges ahead.

Step 3: Write it Down; Or It's Just a Wish:

Documenting your goal transforms it from a thought into something tangible, making it more real and actionable.

Step 4: Make a Plan; Pull It All Together:

Planning should come early in the process because it outlines the steps necessary to achieve your goal, considering the resources you have and the ones you need to acquire.

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10 Steps of High Achievers

How Successful People Succeed

Step 5: Identify & Overcome Obstacles:

Identifying potential challenges and solutions, so you're prepared to tackle them as you execute your plan.

Step 6: Knowledge & Skills; Obtain Them:

This step is crucial before starting because having the right knowledge and skills is fundamental to overcoming obstacles and successfully executing your plan.

Step 7: People; Who Can Help You Succeed?:

Identifying and engaging with people who can support your journey should happen before you start implementing your plan, as their assistance can be critical from the outset.

Step 8: Get Started; Don't Procrastinate:

With a plan in place, obstacles identified, skills acquired, and support systems ready, it's time to take action. Start NOW!

10 Steps of High Achievers

How Successful People Succeed

Step 9: Set a Deadline; Don't Waste Time:

Setting deadlines is essential for maintaining momentum and ensuring progress is made within a reasonable timeframe.

Step 10: Never Give Up: Persistence is key.

Encompasses the ongoing commitment required to overcome inevitable challenges and continue striving towards your goal.

Goals are like eating an elephant, it all starts with taking the first bite.

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Example: I want to be a day trader

1. Desire & Visualization: I am passionate about day trading and visualize myself achieving daily income targets and mastering market analysis.

2. Belief: I am confident in my ability to learn, adapt, and thrive in the fast-paced trading environment.

3. Write it Down: I will become a profitable day trader within one year, generating a consistent daily income with disciplined risk management; I will achieve this by following my plan.

4. Make a Plan: I will outline a detailed trading plan that includes education and training timelines, capital requirements and management strategy, specific markets or instruments to focus on, my trading strategy (technical analysis, scalping, etc.), and risk management rules.

5. Identify Obstacles & Solutions:
    a. Lack of experience. My solution is to dedicate the first three months to intensive learning and simulation trading.
    b. Limited capital. My solution is to save a specific amount monthly, seek additional income sources, or start with a small account and scale.

6. Knowledge & Skills: I will enroll in reputable day trading courses, practice with simulation trading software, and study technical analysis, market indicators, and trading psychology.

7. People: I plan to join trading communities and forums, find a mentor experienced in day trading, and network with fellow day traders for support and advice.

8. Get Started: I will begin with simulation trading to apply my learned skills and start small with live trading once I am comfortable with my simulated performance.

9. Set a Deadline: I aim to achieve consistent profitability in simulation trading within 3 months and transition to live trading with a small account to achieve my daily income goal within the next 9 months.

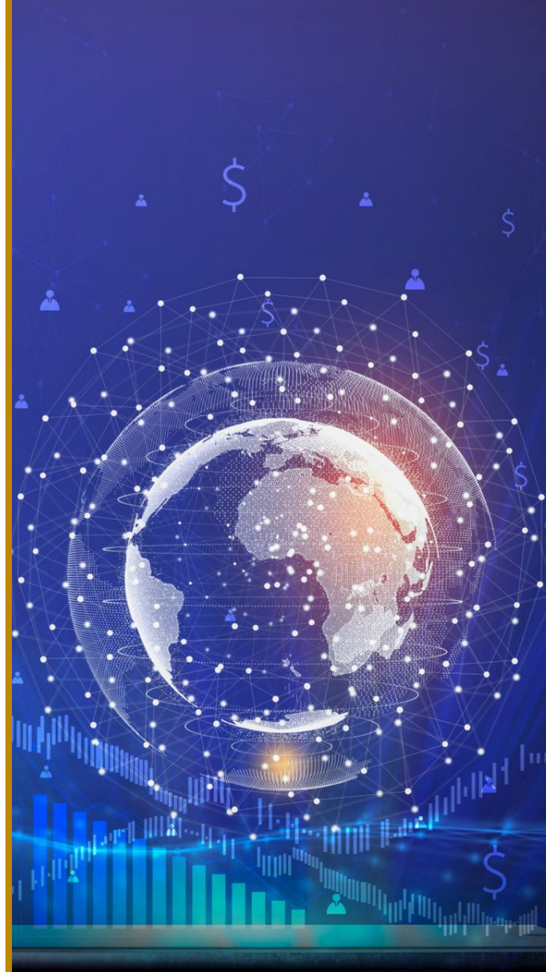
10. Never Give Up: I will regularly review and adjust my trading plan and strategies based on performance and market changes, stay disciplined, focused, and persistent despite setbacks.

Trading (Demo) School vs. Real Life Trading

What's the difference?

- The difference between being a trader in the real market vs. a trader in demo mode is that in demo (School) mode, you're taught a lesson before your tested.

- In the real market, the test comes first and the lesson follows.



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Life Rules to Live By

Even Tiger Woods has a coach

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Life Rules to Live By

Physically?

Trading is not hard work.

It's not like we're out working in the hot sun, digging post holes.

The hardest thing a trader has to do is tear open another bag of potato chips!

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Life Rules to Live By

Mentally?
Trading is like climbing
Mt. Everest!

Many try.
Few succeed.
Some die along
the way.

Life Rules to Live By

Trading is a game of strategy and wit, where you must think several moves ahead to out wit your opponent, who's doing the same to out wit you!

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Life Rules to Live By

For every buyer, there's a seller. For every winner, there's a loser.

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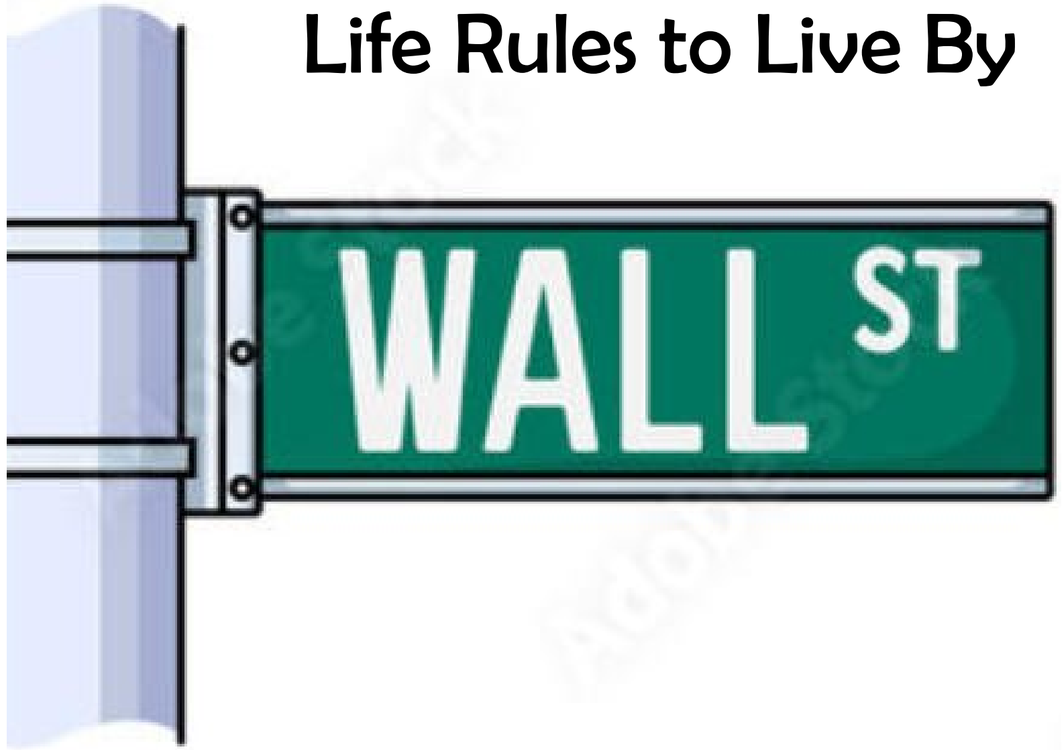
Life Rules to Live By

Every market day is a battle, if you're not prepared to go to war, don't go.

Go be a Wal-Mart greeter or gas station attendant.

Both are honourable jobs.

Life Rules to Live By



Taking money from Wall Street is like taking a bone from a junk-yard dog.

It may be easy to place trades, but it ain’t easy to make money.

Life Rules to Live By

In this Dog-Eat-Dog World,
which dog do you intend to be?

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Life Rules to Live By

When it comes to trading, and life in general, you need to fight like you're the THIRD monkey on the ramp to Noah's Ark, and it's starting to rain.

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Life Rules to Live By

“Success is often just one more swing away--never quit too soon. Sometimes you’re just looking in the wrong place.”

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Don't Get Drunk on My Words

Sober Up and Take Action!

"All the education in the world won't pay the bills--
Only Action Will!"

-- Lan Turner

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Life Rules to Live By

Don’t blame other’s for your own failures.

Take some personal responsibility!

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What my friends think I do

What my Mom thinks I do

What society thinks I do

What my clients think I do

What I think I do

What I actually do

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Dr. Scott Brown PhD Finance
Self made millionaire trader & university professor

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ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM, IN SPITE OF TRADING LOSSES, ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS, IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

AS COSTS VERY AMONG TRADERS, INCLUDING COMMISSIONS AND FEES, HYPOTHETICAL TRADING EXAMPLES USUALLY DO NOT ALWAYS TAKE COMMISSIONS AND FEES INTO CONSIDERATION, PLEASE MAKE SURE YOU CONSIDER YOUR INDIVIDUAL COST OF DOING BUSINESS IN THE FORM OF COMMISSIONS AND FEES.