

# Swing Trading Rule Book

## General Rules:

- Reaction to major levels *only*;
- Plan has to be based on a high time frame;
- Long entries need to be a *bullish* confirmation;
- Short entries need to be a *bearish* confirmation;
- Watch *big* picture reactions *only*.

## During Trade:

- Once you enter the trade, set alerts at each key level;
- Take partials (profits) at *each* key level;
- Set hard stop once you enter;
- Once first alert is hit, take partials and transfer hard stop to trailing stop;
- Flatten position as inverse confirmation appears.

## After the Trade:

- Analyze how much of your process was true and picture it as a checklist;
- Understand how much of the boxes were checked and see the comparison to the outcome;
- If the trade was not according to your ideas, add or subtract aspects of your process;
- *Look back at this process every time you trade.*

## Definitions:

- Bullish confirmation: break of a *major* level into a hold *big* picture.
- Bearish confirmation: breakdown of a *major* level into a *big* picture rejection.

- Inverse confirmations: other side of the trade confirms.