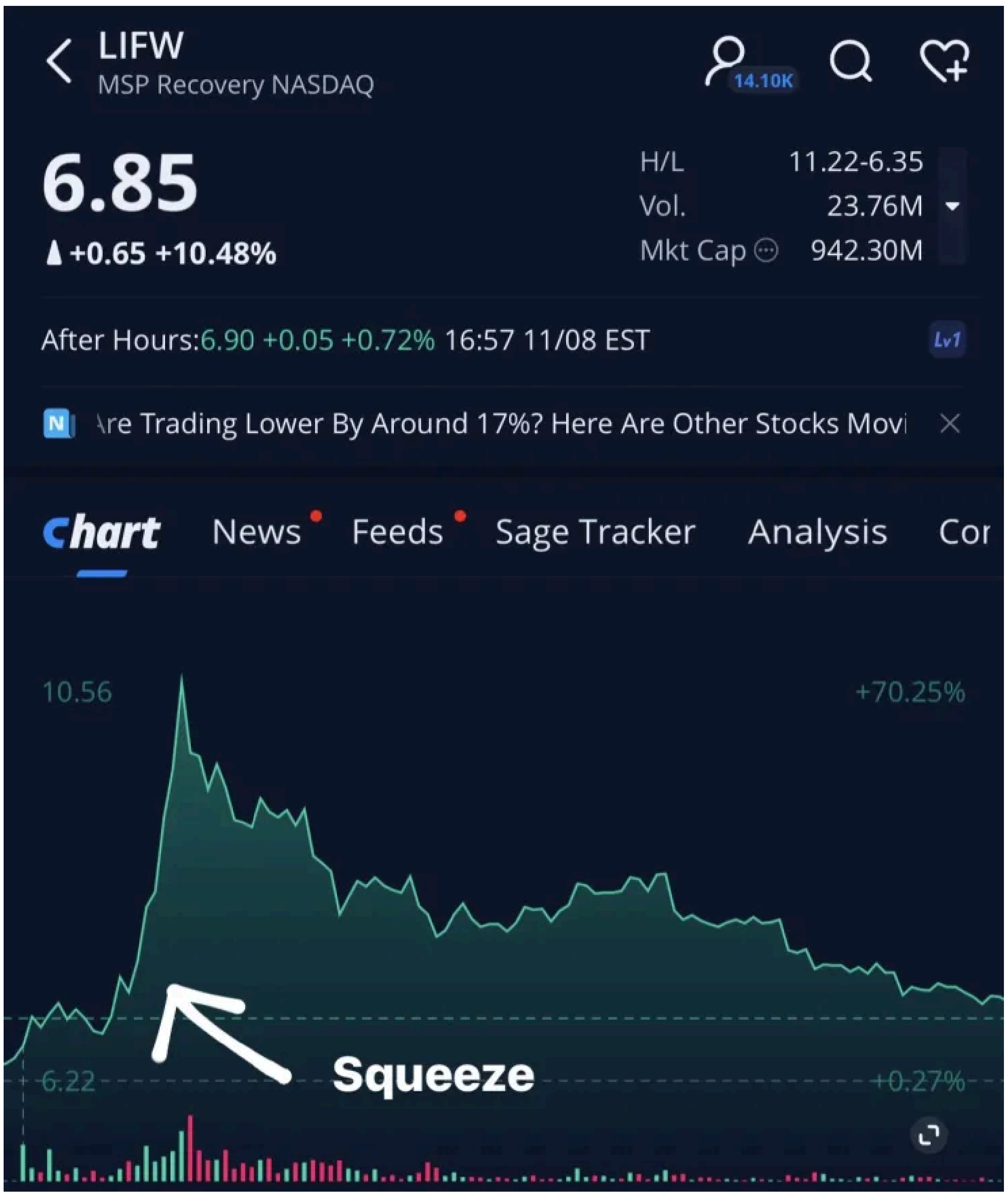
What does it mean when a stock has a ‘halt’ or gets ‘halted’?

This is when trading is stopped on a stock. It’s typically due to too much volatility. It can also be due to pending company news. Halts usually last 5 to 10 minutes. During this time, you cannot buy or sell stocks. To see if a stock is halted, the charting software TOS will say its halted and there will be no fluctuation in stock price and your brokerage will say suspended and will not allow you to place orders for that stock. **Note: Another word for halt is "Suspended"**

What is meant by the term 'squeeze' ?

A squeeze is where shorts are forced out of the position, and they have to buy to exit their position, which drives the price up by a lot. Most of these squeezes are only small, short squeezes, not every pop is a squeeze. Shorts is buying high and selling low - so if they buy high and the stock keeps going up, they lose their money, therefore are 'forced out of the position'



What is meant by 'overhead' R ?

Overhead R means the resistance level of the stock above its high of day (HOD). For example, if the current high of day of a stock is $5, then the overhead R would be a price level greater than $5 given in alerts.

What does PM high mean and why is it important?

PM = Pre market. Once the market opens, PM high becomes a Resistance level if the stock is under it. It becomes Support if the stock is above it. If a stock reaches its pm high, it has little to no resistance. If a stock remains above the pm high, it remains a target throughout the day. It's important to plot the PM high on your charts so you know wether to keep an eye on the stock or not.

What is the difference between Think or Swim and a brokerage?

Think or Swim (TOS) is your charting software. This goes hand in hand with the alerts provided in 📈│alerts-premarket and 🔔│alerts-intraday. Your charting software confirms when to take an entry or when to sell. Every single person will be using TOS regardless of your country. **YOU CANNOT PLACE TRADES ON THINK OR SWIM** A brokerage is where you buy and sell (place trades) the stocks we call out. The brokerage you use depends on your country. To see which brokerage you can create an account with to trade these stocks, head to 💸│brokerage-account

Can we use TradingView or any other charting software other than Think or Swim?

Think or Swim takes priority. For countries where TOS isn't available, you can use Trading view. TOS is the best charting software out there and your custom indicator sets provided in 🟢│indicators-small-caps are made for TOS. Plus TOS give you scanners that scan potential stocks that may be in play. To download these scanner head to 🔑│education. **No other charting software has the kind of indicators TOS has, therefore this is the charting software you should be using with our alerts.**

What is Paper Trading?

Paper trading is buying and selling stocks with fake money. This helps you learn the strategy and practice without compromising your real money. Many brokerages offer this.

Where can I Paper Trade?

Check with your brokerage to see if Paper trading is allowed. If not, you can download Webull on your app, create an account with them and paper trade there.

Why is Paper Trading important?

You should be paper trading after your real time TOS is set up. Because this charting software goes hand in hand with the alerts as it confirms your entry and exits. So its crucial you have TOS set up. Once you feel confident to start trading with real capital, use your brokerage to place trades with real capital. Pro Tip: If you are incurring consecutive losses or huge losses, switch to paper trading to build your confidence back. Another term for Paper Trading is Demo Trading.

What is the PDT rule?

PDT stands for pattern Day trading. Any trader that executes 4 or more "day trades" within 5 business days, provided that the number of day trades represents more than six percent of the customer's total trades in the margin account for that same five business day period.

Who does the PDT rule apply to?

It applies to anyone that uses a Margin account and has under $25,000 deposited in that account.

Tips to get around the PDT Rule:

1. **Open an account with multiple brokerages - this will give you 3 trades/account. For example, if you open a trading account with 3 other brokerages, you get total trades of 9 trades for the week (5 business days).**
2. **Open up a cash account - if you trade in a cash account, depending on your brokerage, you may need funds to settle over night: DO YOUR RESEARCH IN CASE THIS APPLIES TO YOU**

What happens if you get flagged as a PDT?

You could be restricted from opening new positions.

What is power hour?

Power hour is the first or last hour of trading (9:30am - 10:30 am EST OR 3:00pm - 4:00pm EST) and typically, the biggest power moves come in low-price stocks (small cap stocks). This hour can provide increased volatility and opportunity for trading. That's why this is the best times to trade.

What are the best times to trade?

The best times to trade are during Power hours

What order types do I use?

There are 2 types of orders that you will be using frequently when trading:

1. **Market Order**

A market order is a type of financial trading order that instructs a broker to buy or sell the stock at the best available price in the current market. In simple terms, when you place a market order, you're telling the broker to execute the trade immediately at whatever price is currently available.

- **For Example:**

Let's say you want to buy shares of company X , and the current market price is $10 per share. If you place a market order to buy 10 shares, the broker will execute the order at the best available price in the market at that moment, which might be $10 per share or a slightly different price depending on the current market conditions. The key is that the order will be filled as quickly as possible at the going rate.

2. **Limit Order**

A limit order is another type of financial trading order, but with a key difference. Instead of buying or selling at the current market price, a limit order allows you to specify a particular price at which you want to buy or sell the security. This order type gives you more control over the price at which your trade is executed.

- **For Example:**

Let's say you want to buy shares of a company, and the current market price is $10 per share. However, you think the price might drop a bit before you want to buy. You could place a limit order to buy 10 shares at $8 per share. This means your order will only be executed if the market price drops to $8 or lower. If the market price never reaches $8, your order might not be filled. On the sell side, if you own shares and the current market price is $10 per share, you might place a limit sell order at $12 per share. This means your order will only be executed if the market price rises to $12 or higher. If the market price doesn't reach $12, your sell order may not be filled. NOTE: YOU CANNOT PLACE MULTIPLE ORDERS ON 1 STOCK AT ONCE.

When do I use a Limit order?

1. **Pre-market trading:**

Since market orders cannot be executed during pre-market or after-hours sessions, limit orders allow traders to participate in these extended-hours trading sessions. Additionally, limit orders placed for the standard exchange trading session enable the trader to decide whether the order should remain in force during the current day only or carry over to future standard trading sessions. Make sure to check off the "EXT" option.

2. **To set a Stop Loss (Intra-Day trading):**

this a risk management strategy employed by traders. A stop-loss order is designed to limit potential losses by automatically triggering a sell order when the market price reaches a specified level. When a trader uses a limit order as a stop-loss, they are specifying the minimum price at which they are willing to sell their stock due to high voaltility. ***To see YBI startegy of setting a Stop Loss, see Lesson 15 in 🔑│education***

When do I use a Market Order?

1. Intra-day Trading: as the market is extremely volatile, you want to ensure your order is being executed ASAP wether thats the entry or exit. Market orders are KEY for intra-day trading because you need to get into or out of a trade quickly.

You don't want to miss out on a potential profit because you set a limit order and it failed to execute.

What does failed breakdown and failed breakout mean?

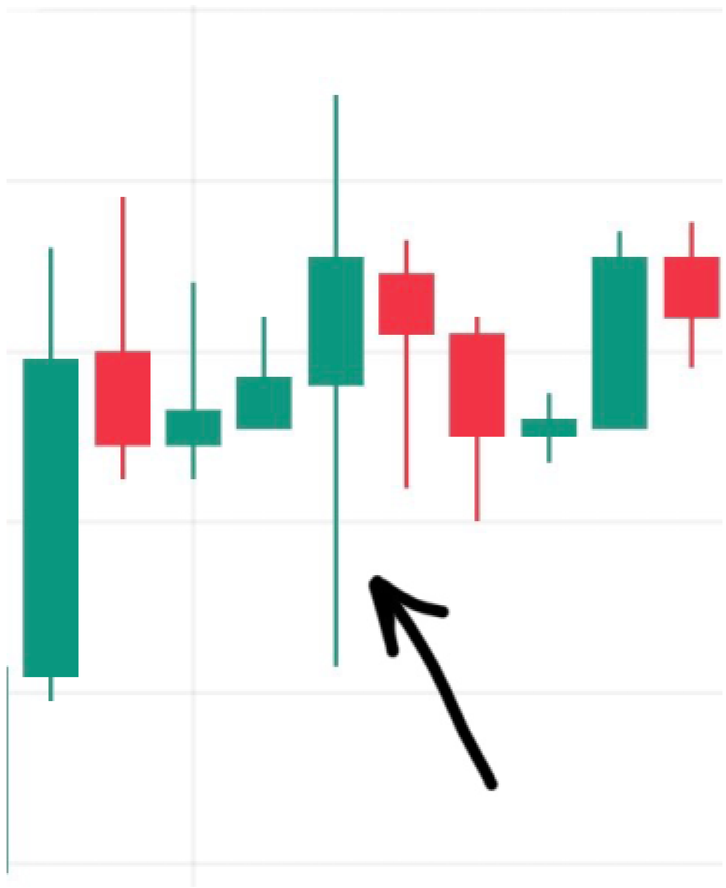
Failed Breakdown: Breakdown means price is going down (support not being held). Failed breakdown means support held when the price of the stock was moving down **Failed Breakout:** Breakout means price going up so R level breaking. Failed breakout means price of the stock was going up but R closed above candle so it failed to break and therefore the stock went down. Emas when on failed breakouts are below the candle, super extended and on failed breakdowns they are ideally close together indicating a bull move

Indecision Candle

Other common names include doji or the spinning candle.

1. It must have a small body (the close price of the candle is near the open price).
2. The body of the candle must be centered within the whole candle range (between the high and the low).
3. It must have long wicks protruding from each sides of the body, at equal lengths.

How to deal with this situation: It needs to break the top pretty quickly after otherwise its likely to pullback, once it broke the low of that candle 9 times out of 10 its not coming back to test highs If you're in the trade and it starts pulling back after that indecisive candle you would be out.



What is SSR (short sale restriction)

Here's an example SSR rule goes into affect if the stock previous close falls down more than 10% For example let's say stock XYZ closed at $10 at market close and in after hours it went up to $12 and then back down to $10 that's more than a 10% drop but it doesn't trigger the rule because the close was $10. It won't trigger until it goes below $9. It would stay in effect for the rest of the day and all of the next day What is the rule: Suppose the bid (highest price someone is willing to pay) of XYZ is 3.35 and ask (lowest price someone is willing to sell) is 3.44 That's a huge spread and it's 9 cents. Once the rule has been triggered, it means shorts can't sell on the bid. Meaning they can't short sell their shares to the buyer who's willing to buy 3.35 They have to put their short sell at ask price 3.44 but it doesn't instantly execute so they have to wait for a buyer to come up and meet that ask price. Remember as short sellers you want to sell at the lowest price possible so the bid price. That's more profit If SSR is not enabled, they can short as many shares as they want on the bid price and drive the price down. Suddenly the next best price someone is willing to buy is 3.30 and the short seller can sell more shares to the buyer at that and go lower and lower. This is ONLY if SSR is not enable and that's how you see huge pullbacks. SSR rules helps because short sellers can't drive the price lower but they can prevent it from going higher. Only those who have shares and have bought them can do that. Short sellers simply can't enter and this rule makes it harder for them