Qullamaggie's Laws of Swing

By the Sultan of Swing (AKA: Scrutiniser, MikeC)

'I'm just concerned with setups.'
'The strongest ones find support on the 10-day, strong ones on the 20 and the slower ones on the 50-day (moving) average.'

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Scan

- TC2000 formulas for 1, 3 and 6-month [scans are below](#) (or in the description of this video [(YouTube)](#))
- Volume: 1d > 20m

- ADR (average daily % range) over 20 days ('*doesn't really matter, can be 14*')
  - Set ADR greater than 5% to grow small accounts
- Biggest 6mth gainers scan (YT timestamp: '*Sector rotation from leaders to laggards*')
  - Volume: 1d > 80m (very liquid stocks)

Video: My scanning process and scans
Video: More scans

Entry

'You don't need an 80% win-rate, or even 50%. Get used to losing, get used to getting stopped-out.'

Avoid

- If price-change on day is more than the **Average True Range** (ATR), skip it (YT timestamp).
  - Example: the Low of Day (LOD) price is 100, ATR is 30, your entry is no more than 130 (YT timestamp: '*Sector rotation*')

- Avoid buying 3-days before earnings.

Enter

- Buy on break of opening range highs (ORH)
  - Can be on the first 1-minute, 5-minute or 1-hour candle.

  '*Sometimes the fail-rate on the 1 and 5-minute candles are higher, so (you) will get stopped out, (and) then have to buy higher*'.

- Entry price on 10, 20 or 50 MA, 1d chart
- min daily $volume = position-size * 200

Exit

Stop-loss strategy on entry

- On first day, set stop at low of day (LoD)
  - stop should be no more than the ATR
    - Example 1: (YT timestamp: '*Happy Thanksgiving*')
    - Example 2: (YT timestamp: '*Sector rotation*')
  - Calculate stop from LOD

Stop-loss strategy after 3-5 days

- Take 33% - 50% profit after 3-days (YT timestamp)
  - then move stop-loss to breakeven
  - use 10d SMA as trailing-stop
    - Exit on the first close below the 10d SMA (YT timestamp)

When candle closes below the 10-day SMA, sell!

Episodic Pivot (EP)

Ignore the gap
- If EP, calculate stop from the low of opening candle

- don't include the gap ([YT timestamp](#): *'Happy Thanksgiving'*).

Position size

'Don't put more than 20% of your account into any one share'

Risk and position size: [YT timestamp](#): *'Let's make this a triple-digit year'*

Volume

- (Buy) no more than 1% of the average volume
  - Eg: if 1m shares average volume, max buy = 10k shares

Setups

Moving Averages

- 10d needs to be above the 20d. Fine if undercuts for a little while: *'It's a general rule'.*

5-star example setups (more examples welcome)

- APPS (plus others): ([YT timestamp](#): '*Sector rotation from leaders to laggards'*)

Day-trading strategy

Same patterns on the daily chart translate to intraday also.

Set-up

Example: a stock gapping-up on earnings that goes sideways most of the day, then begins to set-up a flag towards the end. Traded them all the time; especially common during earnings season.

[Wait for something up on big volume, then wait for set-up.](#) (YT vid, 2019)

'It's all about tight set-ups." Set a tight stop for potentially good risk-reward trades.

Tools

TC2000

How to create and save an Indicator (PCF) Formula (*courtesy prestigeempireuk - Discord*)

- Click the *New* button in the toolbar.
- Click Indicator (PCF) Formula.
- Name your PCF.
- Select the timeframe you wish to use.
- Type or paste in your PCF formula.

- Click OK to save the PCF and open targeting mode.

1-Month Gainers:
        100 * (C / C21 - 1)

3-Month Gainers:
        100 * (C / C63 - 1)

6-Month Gainers:
        100 * (C / C126 - 1)

Set-up ADR formula in TC2000

How-to ([YT timestamp](#))

Auto-calc trade-size (*courtesy Twitch member: Lowercasecaps*)

- Add custom PCF to the toolbar: 350000/100/(c-l)
- Replace 350000 with account size

Share calculator (*courtesy ATLGatorBait - Discord*)

Takes the guesswork out of how many shares to buy and where to place your stop.

There's a "*Reports*" feature in TC2000 where you can put various values.
- **The formula for stop is**: L * .995 (low of the day multiplied by .995)
- **Shares formula is**: 500 / (c - L * .995)
  - Where $500 is the amount I'm willing to lose per trade.
- Adjust to your needs.

Think or Swim

ADR script formula for Think or Swim (*courtesy of Baxteezy, Discord)*:

Input RangePeriod = 20;

def TodayHigh = Highest(high(period = aggregationPeriod.DAY), 1);
def TodayLow = Lowest(low(period = aggregationPeriod.DAY), 1);

input averageType = AverageType.SIMPLE;

def sma= averagetype;

def ADR20= 100* (average(TodayHigh, RangePeriod) / average(TodayLow, RangePeriod) - 1);

plot scanyes = ADR20 is greater than or equal to 5;

TradingView ADR percentage script

Search TheScrutiniser <- accurate. Beware imitators.

Misc. notes

Breakouts

- most happen within first 30-mins of the day

ADR (Average Daily percentage Range)

- excludes gaps
- How-to (TC2000): (YT timestamp: *Swing Trading School*)
- Formula: https://qullamaggie.com/faq/

ATR (Average True Range)

- includes the gaps
- Best price to buy is half- to two-thirds of the ATR