

Trading Experts Presents:

Getting Started Program



After teaching new traders for a couple of years at this point, we find ourselves answering the same questions all the time. In order to start the process of bridging the gap between beginners & professionals, we've created the "Getting Started" Program with the goal of getting you up to speed more quickly than ever before. On top of that, we've added three of our top stories focusing on the same major mistakes we made as newcomers as many new traders tend to make upon first entering the market.

By the end of this reading you will understand the concepts of a proper game plan, the idea of risk/reward and applying it to reading charts in order to formulate winning trades.

Along with each lesson, we've included questions for you to answer along the way to solidify the knowledge. Your work is not done through these 7 lessons, it is only the beginning. You do not need to be a math whiz or have a perfect GPA to be a successful trader. You do need proper game planning and the right guidance along the way.

Best of luck & happy trading!

From Shake and Ben G

Cleaning House

There are many common misconceptions the media is always pumping to the uninformed, novice investor and we want you to know the real deal.

The top 3 are unquestionably:

Common Misconception: Penny stocks will make you rich!

Truth: Penny stocks are dog shit

Penny stocks are inherently riskier than real companies who report earnings every quarter and have the SEC watching their every move. Everyday, hundreds of penny stocks are wiped off the face of the Earth, but you never hear about those. You hear about the stock that went from \$0.12 to \$3 in a week, because that's sexy news. They don't want to tell you about how normal it is for these stocks to lose 50% of their value overnight.

Common Misconception: The broker matters

Truth: Your trading skills are what matters

The most common question we answer is, "What broker is the best?" We have traded successfully on many different platforms and we're here to tell you that your broker won't have anything to do with your results. Don't get us wrong, getting your fees & costs of doing business down is important, but that is something to worry about when you're trading thousands of shares every week, not when you're just starting off.

Common Misconception: The market is rigged!

Truth: It's only rigged to the people who don't do the work

Generally, people don't want to have to work for results. They want to get rich overnight! Who doesn't? But the fact of the matter is that this is a LONG TERM game just like anything else. Steph Curry shoots 5,000 three's a day, no wonder why he's so good! He perfects his craft through tireless practice. The people who don't work, are the first ones to complain about their results.

Table of Contents

(Pro Tip: Each image has a link to a surprise lesson)

"I'm Busy"

Lesson 1: **Wax On, Wax Off**

"Do you have Balls?"

"I Can Teach Myself!"

Lesson 2: **What Broker?**

Lesson 3: **How to Scan**

"Dumb Money"

Lesson 4: Cheap vs Expensive Debate

Lesson 5: Order Types

Lesson 6: Bull Flagging

Lesson 7: Game Planning

"That's Impossible!"

I'm Busy

When you ask someone how they're doing, the typical response is "busy." 9/10 times your response will usually be something along the lines of, "better to be busy than not busy." When really, are we all that busy? Or do we like to pretend that we're busy? It doesn't matter who you are. You could be the President of the United States or a Corporate CEO, you can always spare a couple of minutes for something you care about. If you have the time to scroll through IG and tag friends in memes, you have the time to improve a skill set by 1% per day.

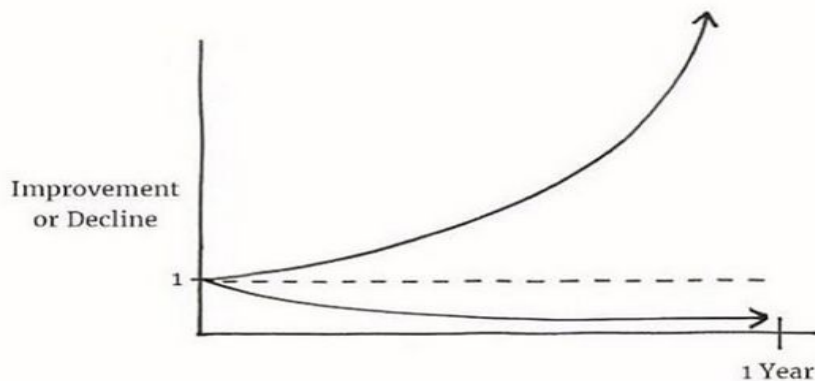
This can be applied to any skill set doesn't have to be just for trading stocks.

1. Set aside 1 minute a day to improve the skill at hand
(pro tip : set a daily reminder in that thing that's in your left hand 95% of the day)
2. No days off - sick, new years, world is ending, there is always time
3. No excuses

1% improvement daily is all that's needed

The Power of Tiny Gains

$$\begin{array}{ll} 1\% \text{ better every day} & 1.01^{365} = 37.78 \\ 1\% \text{ worse every day} & 0.99^{365} = 0.03 \end{array}$$



If you're reading this clearly, this is geared towards trading, however this can apply to any interest. Think of yourself and something you truly excel at. Did you magically become good at it over night? Probably not. Did Michael Jordan walk onto the court day one and dunk from the foul line? Of course not. He woke up at 5 am every day before school to practice after he was cut from the varsity high school basketball team. If you have a passion to succeed with trading, it's not just going to come overnight or even from any lesson we can teach you. It comes from *you* being consistent in your pursuit to succeed. We will help get you on the right path and guide you in the right direction, however, it will be *you* and only *you* who will determine your success.

We spent years running around in circles as traders thinking we were smart yet making every mistake in the book while losing money. However it didn't matter because each day we learned something new. Early on, we learned that penny stocks were for suckers. We learned how dumb it was to hold losers and sit with them for months, only to sell them the second we saw green on the screen. With no game plan, we would then watch the stock continue to rip higher after we sat through all the pain, while reaping very little reward. Sounds familiar?

“The old bulls trade with simplicity, foolish ones compound complexity”

We could write for hours on all the dumb shit we did since our 2006 entrance into the market. Regardless of the monetary loss or gain over the last 3000+ trading days, we've learned something new each and every day. It doesn't have to be an earth shattering concept, just little things here and there -- mostly a ton of “what not to do's.” Those 3,000+ trading days would have happened with or without us, just like the next 3,000 will happen regardless of what you or I do. Focus on *you* and make daily improvements that will compound over your lifetime and pay dividends for years to come.

Lesson 1: Wax On, Wax Off

Amateur Traders may get hooked on trading because of a few quick and easy wins, just as much as people get hooked on gambling because their friends aunts niece won \$5,000 on a \$1 slot machine, yet she forgot to mention she lost \$10,000 that year before "getting lucky." Random wins and losses create an inconsistent pattern of reinforcement that is habit forming. They then begin to focus their attention on finding winning stocks rather than on the process of learning how to trade. They are also likely to eventually lose because they become anxious and unable to behave as flexibly as a successful trader.

When you are a beginner you need to get into the game by studying not paper trading or worrying about what broker. Good thing you already know that because you made the conscious decision to learn first. So first let's take a quick survey to gauge your level of experience and when you finish this survey and come back to re answer these question you will see how much you have learned in such a small window of time.

Quick Survey

Below answer yes or no and try to find the answers, if you don't know the answers, don't worry we will be teaching you in the lessons ahead!

1. Have you ever traded a stock before? Yes/No
 - 1a. If Yes, what stock, and what was the setup?
2. Are you wondering what broker to use?
3. Do you know how to scan for set ups?
4. Do you know what a market or limit order is?
5. Do you know what the S&P 500 is?
6. Do you know what a "Bull Flag" is?
7. Do you know what a "Stop Loss" is?
8. On a personal note, how would you like to be addressed? First name, special nickname?

I would like you to ask us at least 2 questions as well! (pro tip: post the questions in the Group Chat you are in)

Do you have balls?

Now as we go through these lessons, you have 3 potential paths to choose from.

Option Alone - Answer each lesson on your own

Option Balls - You post your answers in the Group Chat. You are currently in for the other members to see, learn from, try to help you, along with our Mentors and Founding Partners to help you through each lesson

Option Quiet - You can private message your mentor your answers and questions to each lesson and they will help you

If you picked Option Alone that's the wrong answer! If you're wrong how will you know? If you have *balls*, more power to you! If you're still a little timid that's fine we know the chats can be intimidating at first. You ask any member who speaks up compared to the quiet guys, the members who speak up tend to outperform the quiet ones 10-1. Option Balls is the only way for you to advance from your current chat to the more experienced chats.

The Hierarchy of the *Trading Experts* Group Chats

(Most novice at the top & how to advance)

- **Delta** - Where the journey begins
- **Cappa** - Earned after completion of the *Getting Started Program*
- **Beta** - Earned after successfully reading any 2 books
- **Real Time** - Earned after explaining a lesson you learned from each 20+ written lessons
- **Live** - Earned explaining a lesson you learned from each 50+ video lessons
- **Top Prospect** - Earned from being the hardest working member in all chats (Max 5 members)
- **Game Planning** - Members Only
- **Chart Reading** - Earned after completion of the *Game Planning Program*
- **Alpha Chat** - Earned after completion of the *Chart Reading Program*
- **The Secret**

"I Can Teach Myself"



"I am teaching myself how to trade." One of the most famous one liners you hear from up and coming traders. When I started trading back in 2006, I was in the same camp. Young, brash and cocky as hell, *"I will DOMINATE the market because I'm smarter than everyone else,"* was pretty much my train of thought. When chatting with new traders, I hear the same brash overconfidence in their voices today.

Can you teach yourself how to trade? Of course you can. You can also teach yourself how to ride a motorcycle or speak mandarin. You can try, but no one said it will be the most practical way of doing things. Or safe. Please don't hop on a motorcycle trying to prove me wrong.

When starting off, most new traders tend to lose money. They might have an early winner or two but usually 3-6 months down the road, the luck runs out and reality sets in. If you are trading on leverage or margin, I would say about a month tops until most new traders have that blood-pumping, tunnel-vision feeling when they see their portfolio crashing down. Most newbies learn these lessons the hard way, and there's no tougher lesson than one learned when losing money. Trust me on that one. Most new traders (95%) tend to lose their initial deposit within the first year, which we chalk up to "paying the market's tuition." When I say pay, I mean blow up their account. Let's face it, the amount of money risked in the beginning isn't going to be life

changing either way. Maybe in that moment it seems like all the money in the world, but in the long run, it's a small toll most traders pay. Think of when you were a kid and someone older gave you \$20, you thought it was all the money in the world --- Now it's barely lunch at Chipotle. The new trader either licks their wounds and saves up for the next attempt, or just throws in the towel and calls it quits. *"The markets rigged!!"* They will claim. The biggest issue with trying to teach yourself isn't the loss of capital but the waste of time potentially applying the wrong strategies.

***"Success is doing what the failures won't do"* Trading Experts**

Trading is one of the most difficult skill sets in the world to learn, where 90% of the population loses money each and every year. You know how they say *'practice makes perfect.'* Well, growing up my football coach would always say ***"perfect practice makes perfect."*** If you're just out there going through the motions, are you really getting better? If you're trying to teach yourself to trade, attempting unproven methods and strategies that you can't explain in a simple manner, are you really getting better?

***"There's two ways to learn how to Trade --- through someone else's mistakes or the school of Hard Knocks"* Trading Experts**

We will go through my first trade as a rookie, so you can see how it took me over 2 years to figure out the most basic lesson of all: how to profit from a stock. This lesson is the one of the first lessons we teach our members, with most members picking it up in 15-30 minutes. If only I had someone to show me this stuff back when I first started, would have saved a lot of time and money!

The question is, why buy a stock? To make money or profit, duh. Simple, right? But how, how do you profit from a stock? That question what took me over 2 years to figure out.

My first trade back in 2006 was none other than the most talked about stock on the street, Apple. Now if you're not aware, AAPL had a 7-1 stock split back in 2014 when their stock was at \$645. So I didn't buy Apple at \$10 a share, it was about \$72 at the time.



The reason I bring up the stock split was because the amount of shares I purchased is straight up comical. Before looking below, take a wild guess how many shares of the then \$72 Apple stock I bought?

1. One fucking share. It still cracks me up to this day. Commission alone was \$12.99 back then so I was immediately down over 15% on my investment just from buying that 1 share at \$72. So just like most new traders, my main goal was to scrap up some money, run to the nearest broker, open an account, fund it and buy the first stock I saw. So easy right?! Now I have my 1 share of Apple, but now what?

I was in a huge rush to buy this stock but what the fuck do I do with it? I have not the slightest clue. So I start doing some research online, buy a bunch of books (that I don't read, or barely glance at) and tried to figure out why do people buy stocks? I had no clue what to do, other than stare at my portfolio of this one share with a strange look of bewilderment. Now on the outside, I'm cocky as ever, bragging to my friends "I'm an investor," "I own Apple!" "What stocks are you guys in?" Yet inside I'm scratching my head wondering what do I do with this 1 share?

As the days and months pass, I start to see the two main columns on my portfolio (\$ and % gain or loss) slowly go from red and losing money to green and profitable. Remember my commission put me over 15% in the hole right off the bat. Slowly but surely it started becoming profitable and I had that first "Ah ha!" moment about 6 months down the line. *"This is the reason why I buy stocks!"*



For me I was obviously lucky buying what would be the strongest stock of the decade, but for the most part, the new trader is buying a stock to watch it drop like a rock and never sees the light of day (profit). Most new traders buy cheap stocks, under \$10 a share, and those cheap stocks, tend to get cheaper as time goes on, while the expensive ones (the ones we trade) tend to grow as time goes on. That's another story for another day.

Fast forward almost a year later and Apple is up around 100% from my price so my \$80 investment is now worth \$160. BEAST, right? However, I still didn't grasp the simple concept that one has to **sell** their stock to realize a profit. After some brief euphoria I have the next, not-so-fun lesson. This is the ***"I should have sold it"*** lesson.

Now, Apple is dropping like a rock every day and that 100% gain is quickly getting erased much faster than it rose (another lesson you learn quickly from trading). My confidence is now at an all time low. I remember thinking, *"How could I be so stupid?"*

"I woulda sold when I was up 100% if I could go back in time" Hindsight trader



Professional traders will typically say the market reflects human emotions and this can be very true. We're currently at new all time highs (**January 2017**) in the S&P 500, Nasdaq, Dow 30, and Russell 2000 and guess what? Consumer confidence is at a decade high! (**Updated October 2017 guess what we're at even higher highs**) Sounds similar to me when I was rolling in the dough when I had AAPL up 100%.

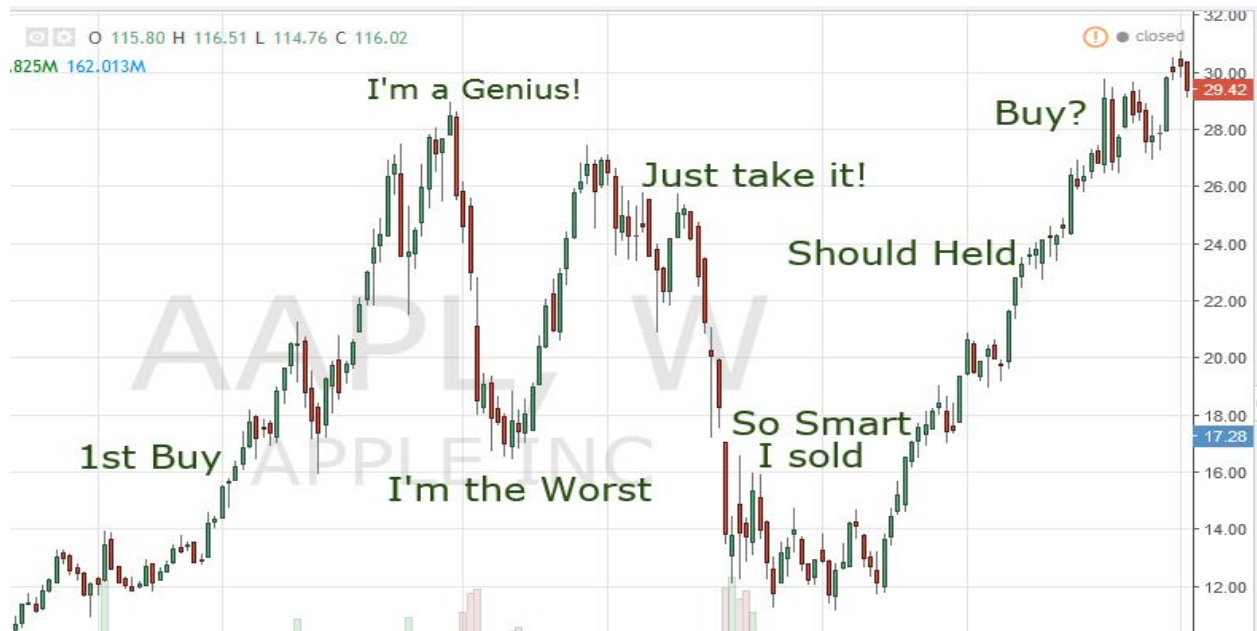
"I can do no wrong."

"I can make no mistake."

"My next stock will do the same in half the time!"

Yet when the stock is back at my price, I'm thinking, "You *IDIOT* you were up 100%!" That's when I started thinking, why don't I just cut my losses here? It's never going back to highs. I'm always wrong.

Wrong again. 6-8 months later Apple rose back near those prior highs and I simply sold it for no reason other than to make a profit. God damn that was exhausting! Except this time, I'm not pounding my chest telling everyone I'm the man or flexing any sort of trading muscles. I'm happy to have made it out of that one alive. Mind you, that was with ONE share!!



All said and done, it took me almost two years to make \$50 profit on \$80. On a percentage basis that's a pretty solid return, however that \$50 is meaningless. What mattered was that it took me two years to figure out you not only buy a stock, but have to SELL IT to make a profit! Groundbreaking stuff, I know. But when our members learn this lesson day 1, they're learning something that took me over 600 days to figure out.

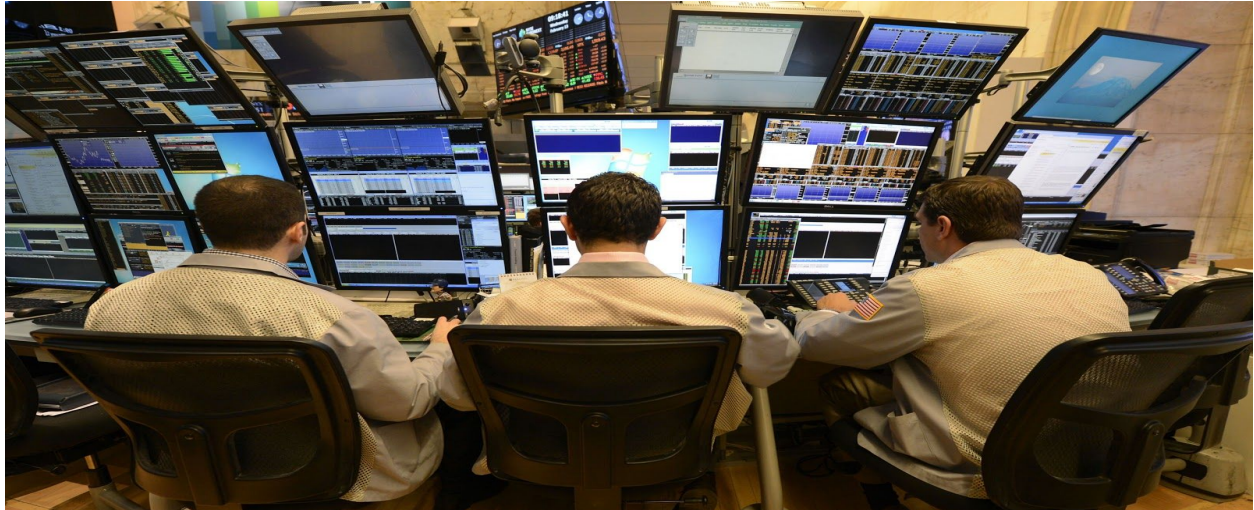
“Winning & being a winning trader are two very different things” Trading Experts

Fast forward over the next decade, I have learned thousands of lessons from hundreds of thousands of dollars worth of profits and losses! When starting out, focus on learning and less on earning. If you learn and stay consistent with most things in life, the money will come. If you start off focusing on the money, and more importantly the money you're going to make with the small sum you are starting with as I did, it's a fool's errand.

“Pain + reflection = progress” Ray Dalio

[Fast Forward 10 years](#)

What Broker?



We have been asked the illustrious question of “*What Broker?*” over our 15+ year combined career 10,000 times, easily. It’s gotten to a ridiculous point, so we figured we’d rip the band aid off quickly to get you started.

You know that one time that girl dumped you and ended up dating your friend, then everyone and their mothers ask you about it? That is what it is like when you are asked 100 times a day, every day the same question (I know cue the baby violin).

We digress, at the end of the day, it’s not your broker who is clicking the buy and sell buttons, it’s you. If you’re a brand new trader, you could have the fanciest setup, the most expensive platform & a million dollar account and it is VERY UNLIKELY you will find anything other than fast losses without a proper gameplan.

You’re not sprinting marathons day 1 out of the womb. You’re lucky if you do any walking in the first year, so let’s not even think about running yet! Trading is the same way, it’s a step by step process where you constantly have to build your skills and you will begin to see success.

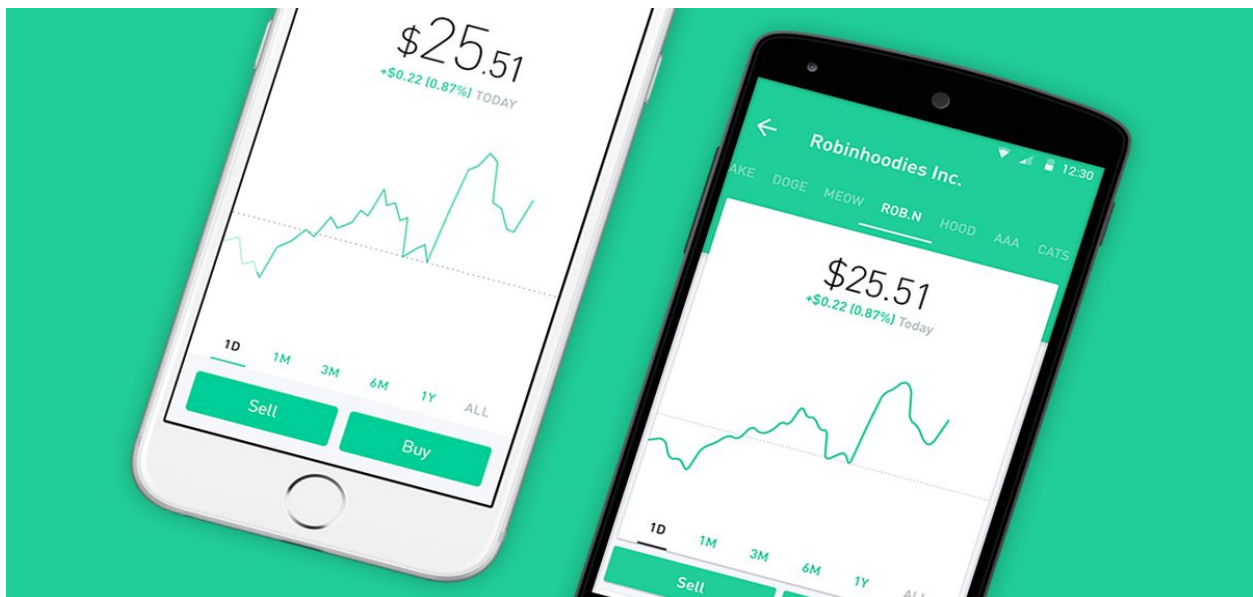
If you can do the following :

1. Formulate a Game Plan (entry, stop, trigger)
2. Understand order types

3. Understand how to read a chart
4. Can explain your trading strategy or Edge

Then it is a valid question to ask. If you *cannot* answer those four questions with confidence, your broker is books, learning and nothing else until you get those four down.

If you *can* answer those four questions and have under \$10,000 the answer is Robinhood. It's free and when you don't have a big bankroll, paying commissions can kill your gains. Once you have over \$10,000 then Etrade, TD Ameritrade or Scottrade is fine. The fee structures and platforms are comparable to the differences between Coke & Pepsi. They all have the same basic formats and charting software. (Thinkorswim has the most sophisticated charting software but the most expensive fee structure, so pick your poison.)



In summation: If you can answer the four questions then pass go. If you have under \$10,000 to trade with, robinhood is the answer. If you have more and want to pay to trade then go to the triplets that all do the same thing for a fee.

Now you might be thinking *"But Robinhood's Charting Sucks!"*

You are 100% correct which will lead us right into our next lesson on yet another FREE website that we use for our trades, yes we don't pay for any fancy shit, we use the same free shit you can use.

How to Scan Daily Charts



“The chart tells the truth, the whole truth and nothing but the truth” Trading Experts

In this day and age, if your time frame is less than 1 year, the chart will tell you pretty much all you need to know. It will tell you whether it is in an uptrend or downtrend, where support/resistance is, how it reacted to major news, how much Wall Street favored their earnings, etc. Now what most new traders do is they look at the smallest time frame possible first.

“Hey look at this bull flag on the 5 min chart!” Rookie Trader

Yet when you zoom out, you likely find the name in a long term downtrend. What the rookie fails to realize is that the daily chart tells the story of how much demand a stock has. This is why we look to the bigger picture first.



As you can see above

Step 1 Go to www.TradingView.com

Step 2 Create a Free Account (so you can create and save your watchlist)

Step 3 click on 1Y (which means 1 year showing the last year of trading)

Step 4 make sure that 1D is selected (each candle represents a day of trading)

Now once you have got this far, it's time to start creating your watchlist, our [Top 63](#) watchlist is available below and on the link.

| | | | | | | | | | | | |
|--------|--------|----------------|------|--------|----------------|------|--------|----------------|------|--------|----------------|
| Sym... | Last | Chng (%) | ATHM | 63.09 | -2.90 (-4.29%) | CVNA | 16.81 | -0.78 (-4.43%) | REGN | 433.45 | -4.72 (-1.08%) |
| TSLA | 366.48 | -7.43 (-1.99%) | SINA | 115.41 | -1.18 (-1.01%) | WDC | 85.49 | -0.88 (-1.02%) | IONS | 51.83 | -2.05 (-3.80%) |
| GOOG | 947.55 | +0.01 (+0.00%) | COUP | 31.37 | +0.27 (+0.85%) | AVGO | 240.38 | -2.53 (-1.04%) | BETA | 45.40 | -2.10 (-4.42%) |
| CWPH | 109.23 | -0.92 (-0.84%) | TRVG | 10.74 | -0.15 (-1.38%) | CTRP | 53.42 | -0.03 (-0.06%) | WB | 99.81 | -0.99 (-0.98%) |
| AAOI | 63.60 | -0.36 (-0.56%) | MZOR | 49.71 | -0.25 (-0.50%) | EXPE | 143.12 | +0.11 (+0.08%) | SHOP | 120.15 | +0.86 (+0.72%) |
| SWR | 21.75 | +0.25 (+1.16%) | KITE | 179.38 | -0.36 (-0.20%) | AXP | 88.42 | -0.01 (-0.01%) | PI | 40.47 | +0.40 (+1.00%) |
| SQ | 28.40 | -0.07 (-0.25%) | ONCE | 87.10 | -0.89 (-1.01%) | GS | 231.29 | +1.50 (+0.65%) | OLED | 136.00 | -4.10 (-2.93%) |
| LITE | 55.05 | -1.60 (-2.82%) | JURD | 41.62 | -3.59 (-7.94%) | BAC | 25.16 | +0.10 (+0.40%) | GRUB | 53.51 | +0.32 (+0.60%) |
| AAPL | 153.39 | -2.68 (-1.72%) | TTD | 59.54 | -0.27 (-0.45%) | BABA | 177.39 | -0.56 (-0.31%) | BLUE | 127.85 | -2.95 (-2.26%) |
| AMZN | 964.65 | -8.56 (-0.88%) | FIZZ | 116.99 | -2.68 (-2.24%) | IBB | 331.27 | -1.48 (-0.44%) | GILD | 82.62 | -0.02 (-0.02%) |
| ANET | 187.23 | -1.26 (-0.67%) | BIID | 238.92 | +0.96 (+0.40%) | PYPL | 64.63 | -0.11 (-0.17%) | BEIS | 315.03 | -3.97 (-1.24%) |
| ALKS | 50.34 | -0.32 (-0.63%) | MOMO | 35.42 | +0.36 (+1.03%) | JPM | 95.03 | +0.43 (+0.45%) | CELG | 143.78 | -0.46 (-0.32%) |
| NVDA | 180.76 | -5.08 (-2.73%) | MU | 35.91 | -0.06 (-0.17%) | EDU | 86.41 | -0.78 (-0.89%) | YELP | 43.61 | -0.56 (-1.27%) |
| FB | 171.11 | -1.06 (-0.62%) | CERN | 69.48 | -0.22 (-0.32%) | NFLX | 188.78 | +3.27 (+1.76%) | SNAP | 13.77 | -0.39 (-2.75%) |
| FOX | 218.83 | -1.67 (-0.76%) | STLD | 33.33 | -0.75 (-2.20%) | MSFT | 74.21 | -0.73 (-0.97%) | MELI | 281.87 | -8.33 (-2.87%) |

Creating a Watchlist is the most simple thing to do and will allow you to quickly and efficiently scan through hundreds/thousands of charts in minutes.



Where it says “Add Symbol” you type in SPY (enter) IWM (enter) DIA (enter), next 63 names etc. This should take all of a minute to do. Then each day when you hear names mentioned in the chat, add it to your watchlist. We focus on \$30+ stocks which we will explain why later. Do this right now, this second. Not in an hour (which is what you just said in your head) or tomorrow or during the next full moon. Go to that website, create a watchlist and add those top 63 names, don't worry I'll wait.

See now was that so hard? Now daily sort from high to low (by clicking **LAST**) and sort all the names from most expensive to cheapest on your list. Then click on the first name and want to see how dummy proof it is to scan charts. After you click on that first name at the top of your watch list then click the down arrow to scroll down your watchlist.



It is legit that simple. Back in the day, we use to have to keep a written list and manually type in each ticker all day long, now in 5, 10 minutes you can scroll through a hundred daily charts. It's almost too simple, right? ***Remember in life the easy things to do are also the easy things to not do.*** Now you might be wondering why do we focus on \$30+ names, let's move onto the next lesson and find out why professional traders win and why rookies trade the trash names and lose day in and day out from listening to the talking heads on CNBC who say ***“buy low, sell high.”***

Dumb Money



Back when I first started trading, I was just a newbie, no prior experience. For God's sake I thought short selling was selling a position in under a year (couldn't be more wrong). I can attest, every new trader starts out with this brash cockiness after some demo trading profits, thinking they're the king of the castle and will crush any stock they trade.

At this point I was a brand new, 16 year old trader with a few thousand bucks I had saved up from a candy empire in high school. Yup, you read that right. My first come-up was from a candy operation that would bring a tear to Scarface's eye if I was his son. I killed it and the best part was I barely ever touched the candy. People always laugh when I say this, as a 16 year old kid selling candy under the counter in 2 counties across 6 high schools, business was booming. At my peak I had about 20 employees with the schools not having a clue other than the thousands of candy wrappers scattered throughout the hallways. All my teachers thought I had a bladder problem because I so frequently "went to the bathroom" to check the hallways to hide the evidence, which was about the most physical work I did, other than managing my sellers and counting the loot. I was moving over 1500 pieces of Sour Straw candy a day which came out to around \$375 in sales per **day**. Needless to say I was pumped for TGIM's as I still am 10+ years later. On Mondays my customers -- I mean classmates, would be salivating at the mouth to get their hands on some fresh straws after they devoured their weekend stash. (There's a lesson in supply and demand that you won't see in any textbooks.)



I never sold any, I just hired my friends and they hired their friends and so on it went. I paid them a few bucks a day and as much free candy as they liked, so I was sitting in class making \$15 an hour tax free while everyone else who also had to be in class was making \$0. \$2 an hour is a huge incentive to a high school kids whose only job is to talk to girls at lunch and sell candy. Win-win for my sellers and more importantly me. I didn't have to do the dirty work, and I obviously spun off the positives of the gig. Some of my top sellers were making \$100 a week while being in school, which sounds like chump change but back in 2004-2008 min wage in NJ was around \$7 before taxes, or about \$5 after taxes to work some shit job. My guys had to be in school and made just as much as they would at a “real” bullshit retail job.

My cost basis was king. After everyone received their earnings (the candy was sold for \$.25 a piece or 5 for a buck) my cost basis was around \$.03 per piece. Other kids tried to copy my strategy (as do the same busters who try to copy us on IG) but could never make the margins I could and after a day or two would throw in the towel or come work for me (the busters don't come to TE today). I also bought factory direct, they paid retail, I was unstoppable. I was consistent and relentless if I had to lower my prices to \$.10 a piece for a few days to squeeze out my competition so be it.

Picture a PG version of Scarface; I was the only kid in town who owned 3 souped up mopeds and my top two sellers each week were able to borrow them for the weekend, come over on Fridays and count the weekly revenue (people respond to incentives). Believe me, counting \$1,500+ in quarters takes time, and for them it was a blast seeing all this money even if now my oil change on the Aston cost more than that.



I would pay off the principal in my school by giving him a box of candy under the table any time the less entrepreneurial teachers caught any of my guys selling in the halls or during lunch. After a few years of doing this, I got cocky and thought it would never end. In a similar fashion to Scarface, the chickens eventually came home to roost. Business slowed, employees quit. A few still stuck around but it was an extremely valuable lesson and some of my most important business lessons were learned during that 3 year period that still hold true fast forward a decade later. I still managed to walk away with some \$20,000 in profits (spent many hours at the TD Bank coin counter) and some fun toys that most 16 year olds can only ask their parents for.



Back to the dog shit, I mean penny stocks; I had my own money and thought I could dominate the markets just as I did my high school hallways. Back then penny stocks were much different. Today you have stocktwits, “penny stock gurus”, and a lot of other promoters who could pump stocks to millions of people with virtually zero cost. Back in 2006-2008 that didn’t exist on a huge scale yet. Facebook was still number 2 to Myspace and Twitter was in its infant years. The way companies would promote penny stocks were in these fancy brochures that were mailed to your home with promises of being the next Exxon or Microsoft, throw a few charts and some images of stacks of money, and boom - you got yourself a marketing material. It’s funny looking back at how cheesy these mail outs were. Below are a few excerpts of some stories and my experience with penny stocks.

"Dont worry, penny stocks will make you rich" said a poor man

Random 6 ticker stock (TGSDGD). Aviation company, who were supposed to get a government contract to make fighter jets or some bull shit. This was one of my first lucky trades, bought \$5,000 worth of stock at around \$.60 cent a share, and two hours later I was up \$300. Boom! Sold. No idea what, how, risk, what risk? I made \$300 that’s all that mattered. I remember bragging that I made \$300 that day to a friend but couldn’t explain how, other than I bought \$5k worth and sold it when it was at \$.70 a share. Company was trading at \$0.0008

within 6 months but who cares I made \$300 in an hour! If I did this every day I will make \$100,000 a year I boldly thought!

The next most notable trade was a hot tip, a friend of mine told me about a new auction company that was going to be the next eBay. (Hot tip givers are usually the people either getting smoked in the stock or don't have any skin in the game) Anyways I still remember the ticker BZCN mainly because my initials are BZ, this dog shit bid-ask spread was .0007 - .0008, 10 thousandth of a cent! Should really have noticed some of these red flags! The stock could not be more of a P-O-S. My first lucky break trading it was when I amassed some 12 million shares at \$0.0007 put an offer to sell at \$0.0008 and learn the lesson of buyers (bid) and sellers (ask), not like demo when you sell it sells. No no, I needed some liquidity. Now I had to wait for someone to take my 12 million shares at the offer. It took over a week. I could sell 12 million shares of Bank of America stock all day long if I wanted. But this POS, took a week for some other bright individual to take my offer, and a week later someone did and I made \$792, I was pumped to say the least. What does a sucker do? Goes back to the well. So I went back bought 12 million more at \$.0007, but now it's trading \$.0007 by \$.0006, time to buy another million, than another million at \$.0005. Come on guys, I'm dollar cost averaging I know what I'm doing! Another 5 million at \$.0004. I ended up building about a 20 million share position in this name at a price that was \$.0003. But it only needs to go back to \$0.0005 and I'll make \$2k. Boy was I a dreamer or what!

Long story short those 2 gains I made that amount to \$1,000 was nothing compared to this \$5,000 loss as the company went to \$.0000001. The same story you hear from all penny stock traders, I made \$500 in blah blah blah and then you never hear about them losing 5 times that in the next trade but I'll make it back you watch! Never happens. Ever wonder why in a world with 7 billion people there are so few people who make real money in penny stocks? Trust me if you think you will be one of the gurus, more power to you, given the probability of being 1 in a billion, good luck my friend. So let's recap, I started with around \$10,000 half of my Sour Straw profits, and I've made \$1,000 quick and lost \$5,000 in two penny stocks even quicker, for a net loss of \$4,000 or 40% of my account in 2 trades. That is so insane, I wish I could go back in time and bitch slap myself for such debauchery.

“An investor's worst enemy is likely to be himself” Trading Experts

The wildest thing that I witnessed with penny stocks was with a company that was supposed to be the next “Exxon” it apparently had huge oil fields in Texas, huge growth opportunities, etc. Same bullshit story as always. So I’m still riding high that I made \$1,000 and only lost \$5,000. New traders have to learn from their losses right? I have \$6,000 left in my account. Time to go all in on that oil penny stock and make back my losses right? Of course, it’s penny stocks, I’m gonna be rich! So I bought around 7,000 shares at \$.70. All it needed to do was go to \$1.40 and I’d be back to even! You know, the company just needed to double, no sweat. But these are penny stocks, things like this happen every day! Easier said than done as the next day it’s trading at \$.65, next day \$.60 cents, then \$.55, then \$.50 and so on. Every day this stock just slowly grinded lower and I watched the \$10,000 that I worked for over the past few years basically evaporate into thin air in a few trades. So now I’m pissed, I bought this stock two weeks ago at \$.70 and now it’s at \$.10, staring at a lot of red on my screen. It’s not my fault that I don’t have a clue as to what I’m doing. It’s the penny stocks fault, of course! So I hop onto their company website which was nothing more than a picture of a machine drilling oil in what looked to be Texas, and some highly questionable info on their site, I find the contact and actually get the “CFO’s” email address. Another red flag.

I fire off the fastest email ripping this company apart at around 8am. By noon my E*Trade alerts that I had been setting at \$.60 \$.70 \$.80 started to fire off on my phone, and the stock was getting pumped, I went from sitting on around a \$4k loss (a 40% total loss from my \$10k account) and closed out the trade around \$.75 and made like \$100 after fees. Talk about the most F’d risk-reward known to man. I was down \$4,000 and was pumped that I made \$100 out of pure fucking luck. It could have been a coincidence that the stock went up some 700% within hours of my fiery email or the “CFO” was having one of those Boiler Room feelings, (if you haven’t seen the movie, at the end Vin Diesel signs off on a trade to get the naive family man back his life savings in drum roll please a dog damn penny stock). By the close, much like any pump and dump, the stock was back down around \$.10. After that trade, I might have messed around in a penny stock here and there, but never with \$5k. Maybe with much smaller amounts treating them as lotto tickets. Eventually I came to the realization that penny stocks are for suckers. If you make money in penny stocks more power to you, but from my experience and the experience of 99% of the people we talk to, it’s always the same story. I have even made a bet with the delusional penny stock dreamer that if within a year of trading if they are profitable net \$1 I will give them the keys to my Aston Martin, I have made these bet over 300 times and no one has come forward to collect.

“Do more of what works and less of what doesn’t” Trading Experts

Since penny stocks are such a crap shoot, it is virtually impossible to have a consistent system trading them, unless you have access to information the rest of the world doesn't. For us, we like to keep it simple and stick with what we know and what has worked over the years for thousands of traders. This game is about longevity after all, don't be a sucker getting played by penny stocks!

[Recent Dumb Money Name](#)

Cheap vs Expensive Stock Debate



ROTH IRA
115625051

Meme

| | | Total Gain/Loss | % Total Gain/Loss |
|----------------|---|-----------------|-------------------|
| AAPL | % | \$9,465.31 | +85.32% |
| APPLE INC | | | |
| ADP | % | \$2,651.54 | +105.21% |
| AUTOMATIC D... | | | |
| BBEPQ | % | -\$2,391.65 | -99.58% |
| BREITBURN E... | | | |
| CANN | % | -\$1,472.25 | -93.67% |
| GENERAL CA... | | | |

There is a reason why winners buy the leaders
While losers buy penny stocks, don't be a loser

Leaders vs Losers

You are given \$1,000 to invest, and you are given only two options :

Option A. 1 Share of a \$1,000 name like Amazon

Option B. 1,000 shares of Dog Shit Inc for \$1 a share

Now they both increase by 10%, which made *more* money? A or B?

The answer is they both increased the same.

1 share of \$1,000 share of Amazon stock increased by 10% is now worth **\$1,100**

1000 shares of Dog Shit Inc. increased by 10% is now worth **\$1,100**

More share does not equal more profits, only more money will equal more profits, but wait? You might be thinking if it's the same shit than why does the price even matter at all? Great question!

Let's frame this question again however let's focus on the downside which is what most novice traders never worry about until after they click the button for the first time (first trade with real money.) Before that first trade, most tend to be the cockiest guy around, maybe he had a few killer demo trades or he read a chapter of "*Getting Back to Even*" by Jim Cramer. Once they are in, they quickly start to see that red on the screen and quickly that confidence gets humbled.

So let's reframe that question again :

Which is more than likely to get cut in half in 1 day?

\$1,000 a share Amazon that is worth \$500 Billion

Or

\$1 a share Dog Shit Inc worth \$1 million

Dog Shit Inc right? Fun fact, in the history of the Dow Jones Names (top 30 companies in the USA) only 1 has gone bankrupt in 100 years while being a Dow 30 name. Want to guess how many Dog Shit Inc's have gone bankrupt in that span? Hundreds of thousands. You can play with the suckers at the slot machines or trade with the professionals, choice is yours.

[Smart vs Dumb Money Video Lesson](#)

Order Types

| |
|--|
| MARKET ORDER BUY OR SELL AT <u>CURRENT</u> PRICE |
| LIMIT ORDER BUY OR SELL AT A <u>SPECIFIC</u> PRICE |
| STOP ORDER BUY OR SELL AT <u>CURRENT</u> PRICE AFTER A <u>SPECIFIC</u> PRICE IS REACHED |

Before you can buy and sell stocks, it is essential you know the different order types and when each is appropriate. The two most basic types of orders every investor/trader should be aware of is the market order and limit order.

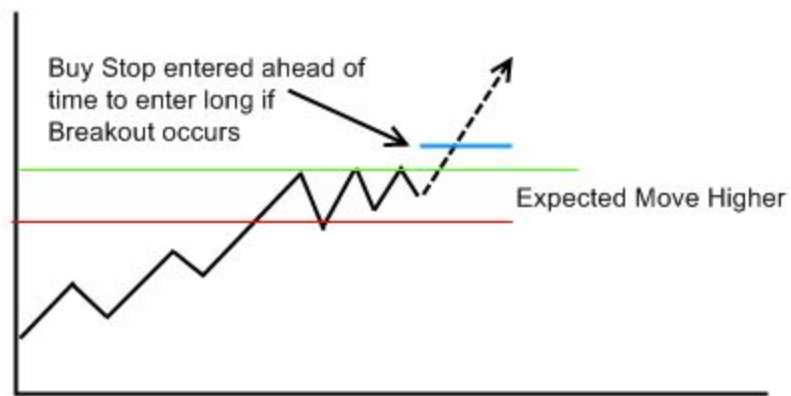
A **Market Order** is an order that buys or sells the stock immediately at the best available price. These orders do NOT guarantee a price, but they DO guarantee immediate execution. Typically, if you're buying a stock, you will get a price near the posted *ask*. If you are going to sell a stock, you will receive a price near the posted *bid*. A VERY important aspect of a market order is that the last traded price is not necessarily the price you will receive. In fast moving, volatile markets, market orders are seen as more

dangerous because your trade can get filled at a price nowhere near where the stock is currently trading.

A **Limit Order** is where you place a bid (to buy or cover a short) or an offer (to sell short or close out a long position) at a price you choose. The main difference in a limit and market order is that a limit order does not guarantee you will get filled your stock

| | |
|--|---|
| Buy STOP Order placed above price and price keeps going up | Buy LIMIT Order placed below price and price then goes up |
| Sell STOP Order placed below price and price keeps going down | Sell LIMIT Order placed above price and price then goes down |

Stop Order - This is also referred to as a Stop Loss or Stopped Market, this is one of the most useful orders. This order, unlike limit and market orders, remains dormant until a certain price is passed, which activates it as a market order. This helps you define your risk. Whenever you buy or short a stock, you should immediately set your appropriate stop in order to quantify your risk. It is essential you always use stops. This gives you protection to a large downside move.



Example: I want to buy XYZ at \$30 and give it \$1. I then buy the stock at \$30 and set my SELL STOP to \$28.99.

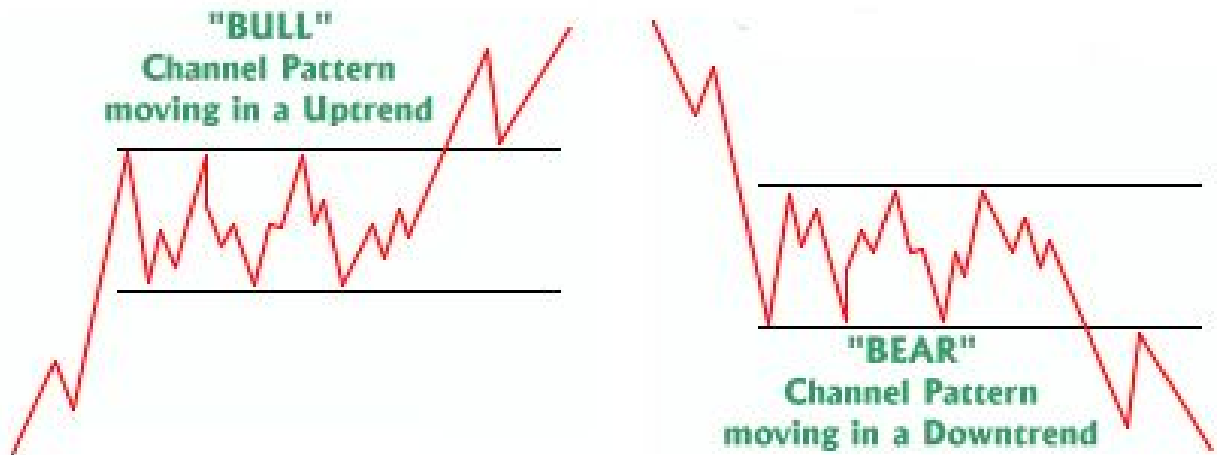
I want to short XYZ at \$50 and give it \$1. I then short the stock at \$50 and set my BUY STOP to \$51.01.

Good 'til Canceled (GTC) - This is a time restriction that you can place on different orders. A GTC order will remain active until you decide to cancel it. Brokerages limit the maximum time to keep an order open to 90 days.

There can also be GTC intraday orders, which cancel upon the market's close.

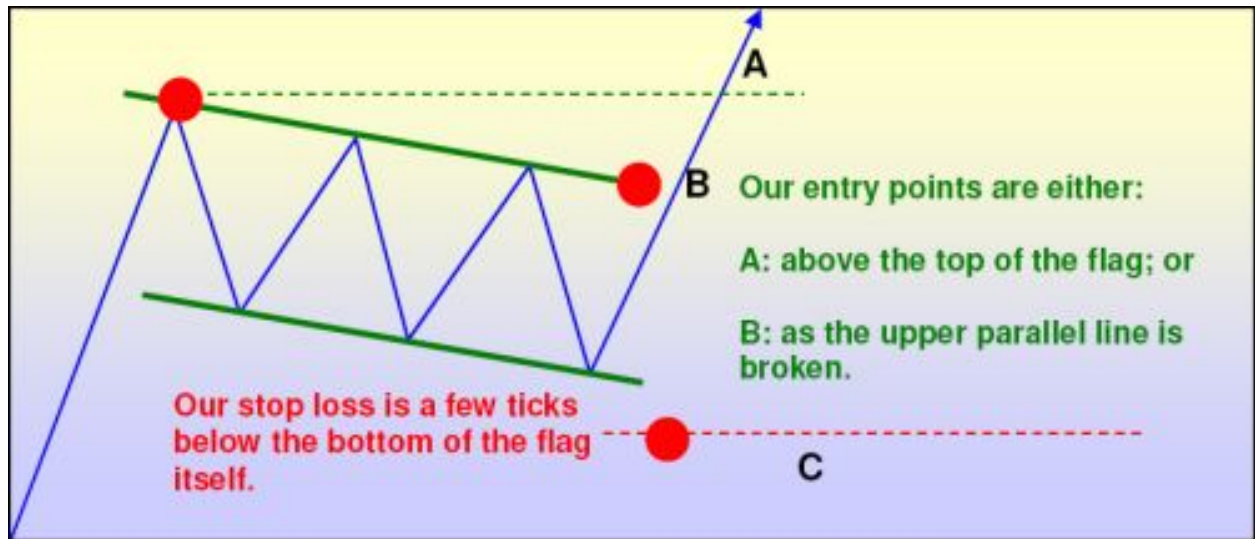
All or None (AON) - An all-or-none order ensures that you get either the entire quantity of stock you requested or none at all. Pretty simple. This is typically problematic in thin, illiquid stocks.

Bull Flagging



The easiest chart pattern to spot as well as our favorite to execute is the bull flag. The science behind it is that it is a continuation pattern. Stocks can't go straight up, so a bull flag is seen as a consolidation period within an uptrend, where the stock is just waiting to make its next move higher. The concept is as simple as A-B-C:

- A. The stock uptrends →
- B. A consolidation period begins as the stock creates a bull flag →
- C. The stock 'breaks out' as it begins its next leg higher in the uptrend



Bull Flags are categorized as continuation patterns. They represent brief pauses in stocks looking to take a breather after a run. They are typically seen after fast, big moves. The stock then usually takes off again in the same direction once necessary consolidation has occurred. The technical buy point is when price penetrates the upper trend line, or resistance, of the flag area. You want to see this occur as volume is expanding. Simply put, you want to buy through resistance on increased volume. The increased volume is your confirmation that huge buyer's (funds) are on the same side of the trade as you.

The same goes for a bear flag, just flipped. The technical sell point is when price penetrates support as volume is expanding.

Tradingexperts24 published on TradingView.com, October 26, 2017 01:57 UTC
BATS:TROW, D 95.15 ▼ -1.33 (-1.38%) O:96.62 H:96.91 L:93.95 C:95.15



This is the first pattern you want to master. We see thousands of traders fail simply because they're so-so at everything under the sun.

I asked a new trader recently "what do you trade?"

"I trade gappers, earnings, options, forex, currencies (same thing I know), bitcoins, equities, leveraged etfs, shorting, day trading, binary options and penny stocks! What do you trade?!" said the new trader.

My response: ***"Technical setups in stocks above \$30 a share."***

Keep it simple, if you cannot master one set up, being shitty at 45 will do you nothing in the long run. Master one. When you think you've mastered a proper game plan in a Bull Flag let's hear it in your chat and if you mastered it we will move you up to the next chat!

Game Planning

Game Planning is one of our most important tools when it comes to trading. We spend much more time game planning prior to the trade than actually trading; we know the level we are buying and why; we know where we are wrong if the trade fails and why; we know where we would like to sell if right and why; we know our risk/reward based off what was mentioned as well as any additional layers of probability in our favor. To start and keep it simple:

Step 1. Find resistance - where you will buy when it breaks

Step 2. Find support - where you will get out if wrong

Price from Step 1 minus Price from Step 2 = Risk



(Click on the chart to zoom in)

Resistance is at?.....\$85

Support is at?.....\$82

If you bought 1 share at \$85 when resistance broke and you're out was below support at \$82,
your risk would be how much?.....\$3 a share

$\$85 \text{ (entry)} - \$82 \text{ (stop)} = \$3 \text{ risk per share}$

We aim for 5-1 risk reward or better so if we are risking $\$3 \times 5$ that equals?.....\$15

If we bought \$85 and our target is \$15 higher our target is?.....\$100

For every Game Plan, you must write this down prior, and I mean actually go 1905 and grab a pen and paper and ask yourself:

- 1.What is your entry price? Why?
- 2.What is your stop? Why?
3. What is your target? Why?

Here are some definitions to help you understand the major parts of your game plan.

1) "Entry Price" Defined: Based on technical analysis, these are typically levels of support and resistance that, if breached, could potentially lead to momentum in a given direction.

2) "Target Range" Defined: Target range is the price range which the stock could potentially reach, based on your opinion

3) "Stop-Loss Level" Defined: Level that you could potentially place a stop-loss order on the hypothetical trade in order to manage risk. However, all actual trading decisions are made independent of the information provided here.

Now, this is the most simple way we could describe how we game plan The further you advance with us, the more sophisticated the learning will become.

[Why We Game Plan Video Lesson](#)

That's Impossible!



As you have probably seen on our Instagram page, my Aston Martin roadster with the bloody red interior and the license plate 2.4GPA (still cracks me up to this day and gets plenty of thumbs up from the less scholastic drivers on the road). I'm asked on a daily basis, *"How much did it cost?"* I simply answer, *"It's sooo much fun to drive!"*

What transpired over my senior year of college was what motivated me to purchase an exotic car less than a year after graduation. For a while I nicknamed it *"The Dream"* since people would like to yell out to me their life's goals when they see me in it as if I can grant their wishes. A Magic Genie, I am not.

As per my license plate, obviously I didn't do so hot in college. I never failed a class, never got D's, never withdrew a class, or overslept. Just an average B-C student since day 1. As a result I was on Academic Probation for pretty much my entire junior and senior year and actually graduated below the minimum 2.5, I finished college with a 2.45 GPA diploma in hand. Thank you very much!

Meanwhile one of my best friends “Big Bry” was kicked out and had to go to community college for having a 2.42 GPA. I speculated that the dean let it slide for me, since I won every trading competition our school held. He respected me because I had the balls to tell him he was wrong on multiple occasions, while my friend rolled over and didn't put up a fight. Even when they were handing me a giant check in front of the entire faculty after winning 1st place with a 52% return for the semester (second place had an astronomical 6% gain LOL). I still made a point to show that it wasn't what I learned in the classroom that helped me achieve that return, it was from what I learned as a trader on my own time.

How much was the check you ask? A whopping \$200 bucks -- less than the cost of the textbooks that I never bought. If you read our story “*Academic Probation*,” you will hear more about this and my return to campus after graduation to lay havoc on the first weekend school was back in session, stretch limo and Aston Martin trailing behind.

My strong suits have always been outside the classroom, going back to my days hustling pokemon cards in 3rd grade. A trader's mentality since day 1. Coming out of school, I had the typical recent grad dilemma, I'm broke, I have a ton of debt and this piece of paper (diploma) is becoming more of a standard than a stand out. Even with that being said, I still ran my own businesses in college. Granted they were very small time, I turned the candy operation from high school, into a vending machine business. It made ok money, nothing to lose sleep over, along with a solid income stream selling blenders on Amazon (that's another story for a different day) to the point I was able to quit my job that was paying me \$18 an hour. I was making twice as much selling online without virtually doing any work. I still traded, but I never had the intention to spend a cent of what I made, I just wanted to grow the account. Whether I made or lost money, I wasn't losing sleep over it because I had no intention on ever spending it until the account had 7 digits.

So there was about a month until graduation and I was hanging out in my friends dorm who I called “Gross Revenue” or “Rev” for short. He was a tall guy, had a smoking hot girlfriend, and sold weed with a deep raspy voice. Pretty much your typical drug dealer stereotype, except he was white and dressed head to toe in polo. He seemed to always brag about his “revenue” but in the vaguest of ways, “I just sold a QP and made a few benjies” instead of saying I just made \$200 for selling this ziplock bag of weed to a freshman. He loved to claim how he was burying cash in his backyard because the Feds were watching. He marketed himself well, I estimated his “revenue” to be as high as 6 figures, but I eventually came to find out it was less than 10 g's. By Feds, he meant

his town cops since they always know who sells drugs in a town that's less than 2 square miles.

So we're chilling in his room bullshitting with a few other friends about the party the night prior. Its funny, everyone always referred to the night prior of partying as "a movie". *"Yoo man last night was a movie!"* you would hear from one frat bro as the next would reply, *"Just wait till thursday, it's going to be a movie!"* Thinking back I am literally facepalming myself for how stupid it sounded. So as "the movie" discussion started to bore me, I switched gears, hopped onto Cars.com and started looking at some Ferrari's, Bentley's, Lambo's, etc. "Rev" peers over and looks at my screen and asks *"What I'm looking at?"*

"Car shopping" I reply nonchalantly still staring at the screen, not breaking my line of sight. Trying to drown out the idle conversation that is going on. I can feel him hovering over me to take a closer look. He see the tabs of Ferrari's, Maserati's and Bentleys, and fires off with such confidence *"Why are you looking at those cars? It's impossible to buy an exotic car out of college!"* In that moment I pause, look up from the screen and calmly reply, *"In less than 12 months, there will be one in my driveway."* Before I could finish my reply, he fires off *"THAT'S IMPOSSIBLE!"*

He started going off on a rant as I tune out and start to run the numbers in my head as to what it would cost monthly to afford the exotics I was interested in. Right then and there on a subconscious level, the race was on, if you tell me that I cannot do something, regardless of what it is.

Aston's were not even on my radar at that point, but on a subconscious level I was going to prove him wrong. Not to shove it in his face, but for my own satisfaction. More or less the same mentality when the Dean told me that I couldn't get a job on Wall Street with my 2.4GPA and that I should focus more on accounting and less on finance. When there was nothing I learned in college, business wise, that helped me start any business or get my first job on Wall Street, other than motivate me to prove the Dean wrong.

After I graduated and started working on Wall Street as a Prop Trader, I started to spend the next few months flying around to Miami and other states on the weekends. To test drive Aston Martins and understand more about the car and what I was getting myself into. No one at my firm knew about this, other than my future partner Shake of Trading Experts, who I made promise he wouldn't let any of the BSD's on the desk, know of my plot.

There is a certain hierarchy on any trading desk, if you were a BSD, you would wear a Rolex Daytona, but the key was to paid retail for such a subtle watch. Myself being less than a year on “The Street” had no business pulling up to the office in the type of exotic car, that only head traders and partners could afford. I was still lower than pond scum in their eyes.



(test driving an Aston Martin DB9 in Miami)

After all the traveling to different states and test driving half a dozen or more different Aston Martins. The last one took the cake. Funniest part, the salesman wouldn't let me test drive it. He too, like my friend didn't believe how this 22 year old kid was going to afford a car that cost more than his first house. A fact he made very clear as to why I could not afford it. I just smiled and told the senior salesman I'd be back with cash next weekend. He rolled his eyes, and replied, “Yeah sure kid, the taxes alone are over \$10k on this car.” (I live in a state with 7% sales tax, if you want to do the math)

People love to tell you, that you can't do something and it's not because *you cant*, its because they know they can't. Don't listen to those losers. There's always someone that has to be the first and there are always exceptions to every rule, even from the old guys telling me “You'll never make it.”



(Salesman wouldn't let me test drive it)

So a week later, I had my friend “Big Papi” tag along, who was one of my oldest business partners and a top producer of mine back during my candy hustle in high school. He moved to DR midway through high school to pursue a career in professional baseball and would have gone pro if he hadn't torn his rotator cuff when he signed to the Oakland Athletics. Regardless, he was a 6'6” jacked dominican baseball player and looked like my bodyguard anywhere we went.

So it's a beautiful sunny Saturday morning in March and Big Papi was driving me down the shore to the car dealer in my limousine as I sat in the back with a \$41,000 cashier's check and \$9,000 cash. I wanted to bring the \$50,000 in all cash as the down payment, but apparently that's a big red flag. A friend who is an accountant told me I'd look like 50 Cent in *Get Rich or Die Trying* when he buys the all-white Benz straight cash. He sees my eyes light up at how cool that move was, and my friend responds, “He was a drug dealer, don't do that shit.” So I went the safe route.

I pull up in the limo and walk into the guy's office and place the check down in front of the same old salesman. As he looks up and we lock eyes, I ask him, “*Remember me?*” The man's dentures almost fell out of his mouth. Immediately the conversation turned to us becoming best friends, because he was about to get paid for

the easiest sale in history. He went from telling me I couldn't test drive it and a week later his job was done. He uttered maybe 20 words to me when we first met. Now he's chatting me up for hours, asking me about my business, what I do, etc. since he was now about to make a few thousand dollars for closing the deal.

As the paperwork was getting approved he said to me, "You know, you are the youngest kid I've ever seen buy a car like this. See how bald I am? I've been doing this for a long time!" as he pointed to his balding scalp. Maybe he was gassing me up to close the deal or build some rapport with me after being such a dick, who knows. I never did it to rub it in the salesman's face or even to Rev. I did it for me, and that was all that mattered. I knew from that point on, that if someone told me I couldn't do it because of whatever excuse they wanted to make. I would prove them wrong. A few months down the road, Rev hit me up once he heard I got the Aston. He went from *"that's impossible"* quickly to, *"How can I do it?"*

"It's impossible ;)" I replied.