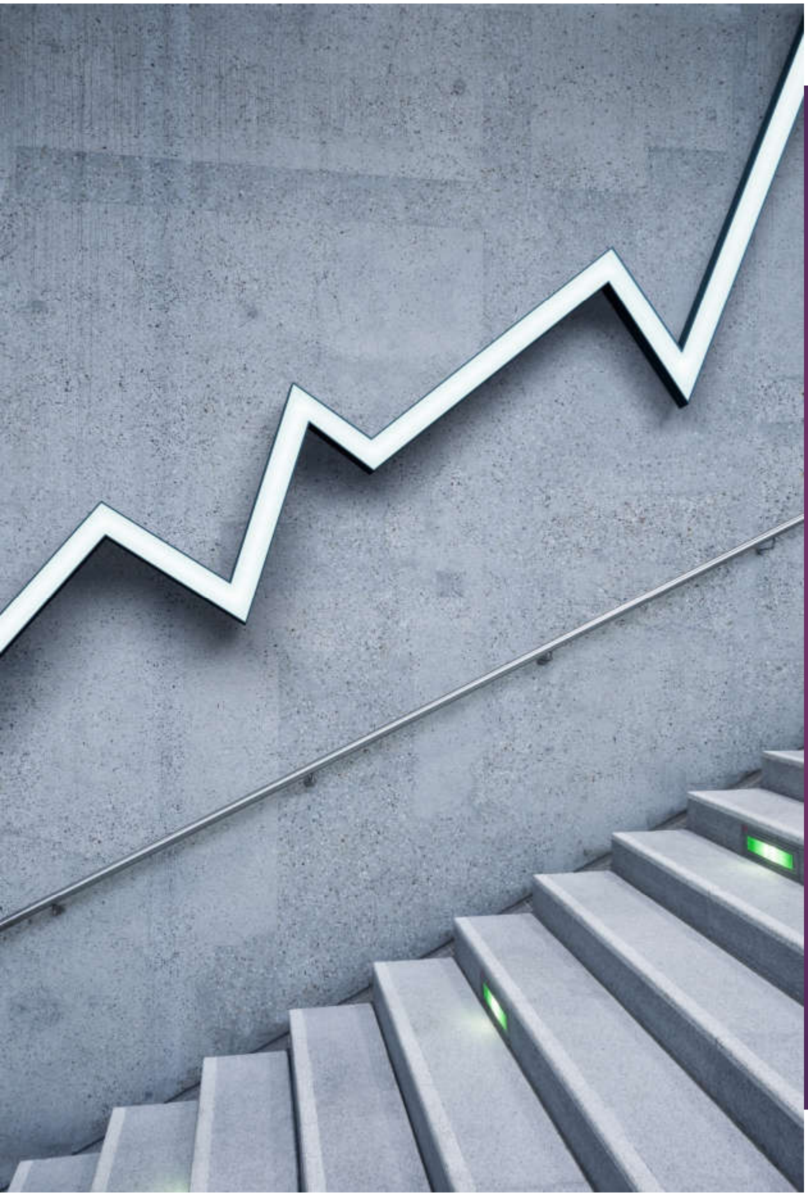


Charting School

ZAM HUSSIN

CAN SLIM

- DETERMINE WHAT STOCK TO BUY
- FUNDAMENTALS EARNINGS AND SALES

- CHARTS
- WHEN TO BUY AND SELL THOSE STOCKS
- S in CAN SLIM system

CHARTING SCHOOL

- *Just as doctors would be irresponsible not to use X-rays on their patients, investors are just plain foolish if they don't learn to interpret the price and volume patterns found on stock charts."*
  WILLIAM J. O'NEIL, IBD FOUNDER


Don’t invest blindly:
Use charts!


3 Pieces To The Investing Puzzle
Market Direction
Fundamentals
Chart Action

Stock charts are just a visual snapshot of price & volume action

CHARTS TELL YOU A STORY

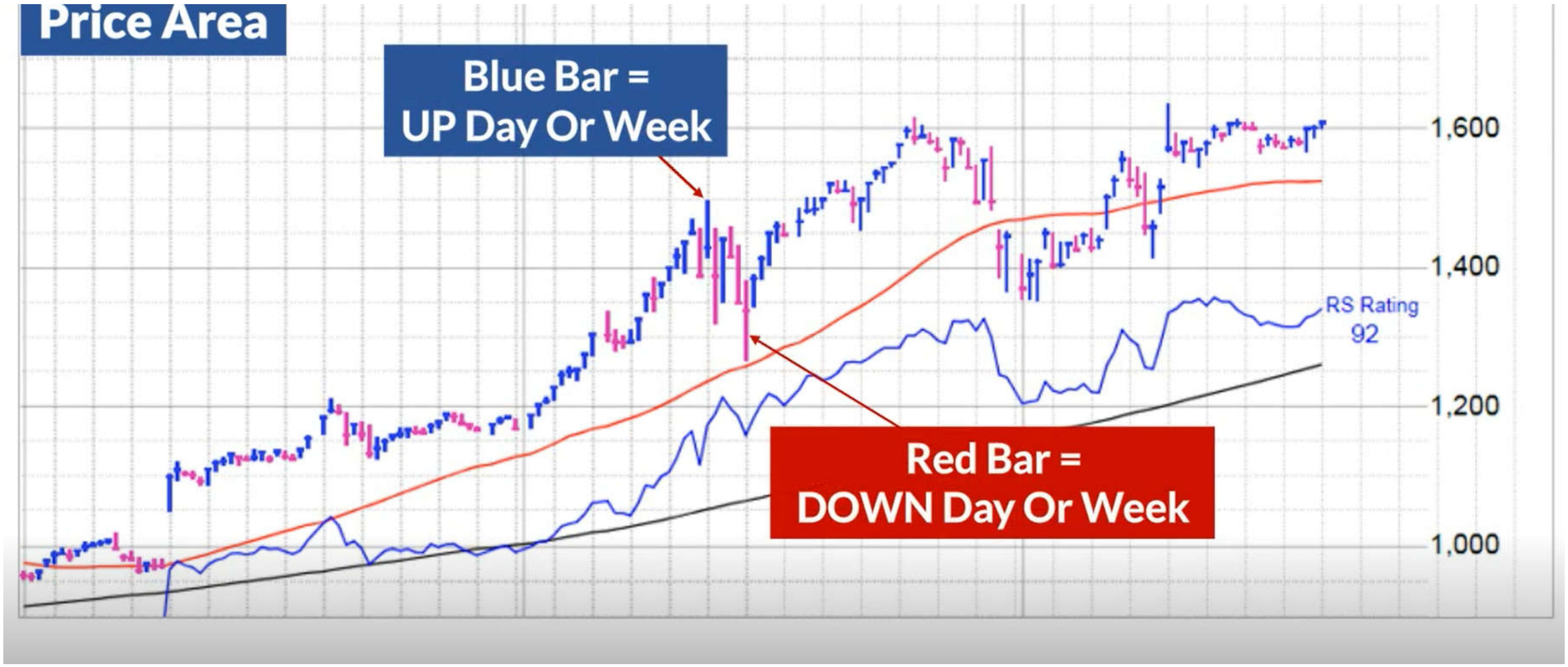
- They tell you a story. They cut through all the rumors, headlines and hype to paint an objective picture of what is really going on with the stock:
- Are fund managers enthusiastically buying? Or are they heading for the exits, unloading shares as fast as they can?

1.PRICE

Price: The price area shows daily changes in the price. The vertical bars in the price area of the daily chart show the share price range for that day. The small intersecting horizontal dash within the price bar indicates the current price or where a stock closed at the end of the day. The color of the price bar represents whether the stock closed up (blue) for the day or down (red) for the day.

DAILY/WEEKLY CHART

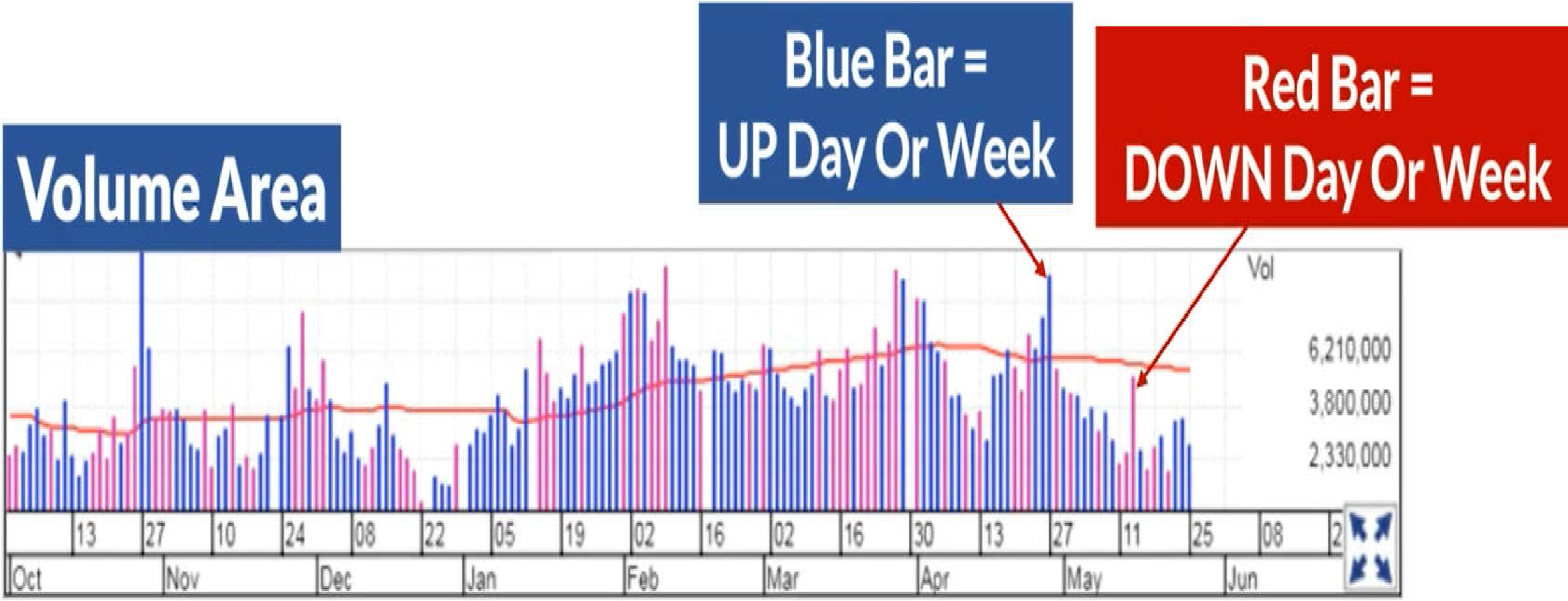
Weekly Chart



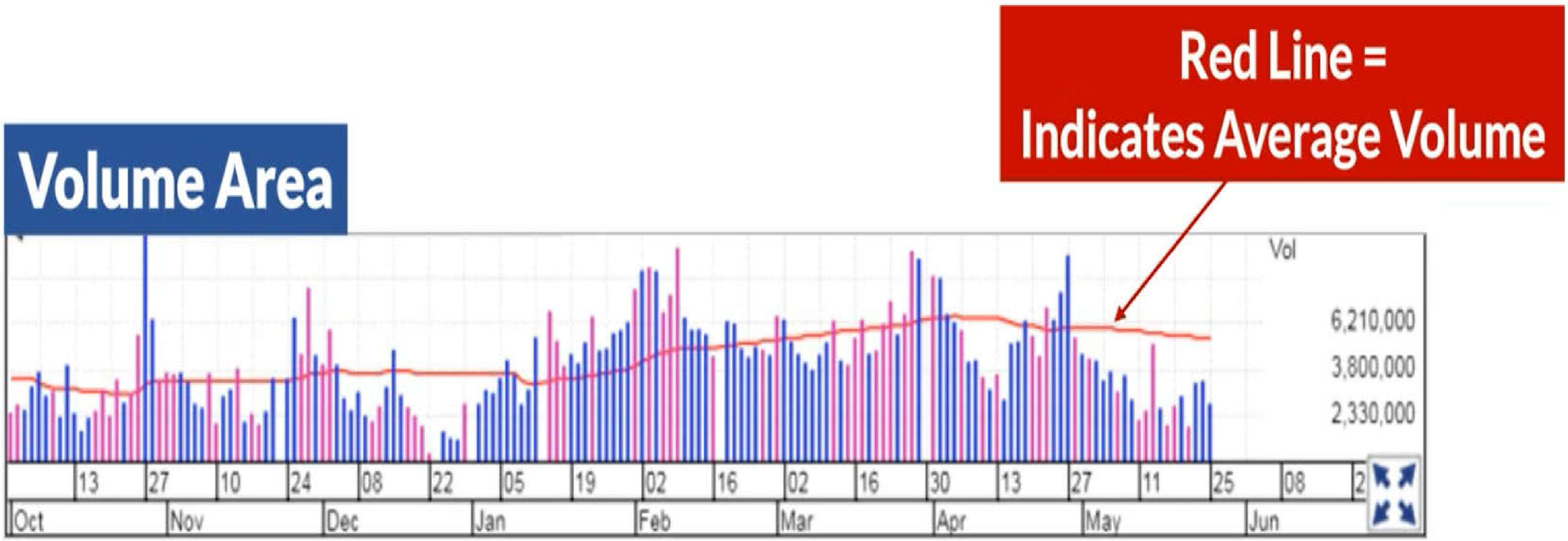
Price Area
Blue Bar =
UP Day Or Week
Red Bar =
DOWN Day Or Week
1,600
1,400
1,200
1,000
RS Rating
92

2. Volume Bars

- **Volume Bars:** The vertical bars in the volume area indicate the volume (i.e., number of shares traded) that day. As with the price bars, the color of the volume bar represents whether the stock closed up (blue) for the day or down (red) for the day. In the volume area, the red line shows the average volume for that stock over the last 50 days.



Volume Area
Blue Bar =
UP Day Or Week
Red Bar =
DOWN Day Or Week
Vol
6,210,000
3,800,000
2,330,000
13
27
10
24
08
22
05
19
02
16
02
16
30
13
27
11
25
08
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
Jun

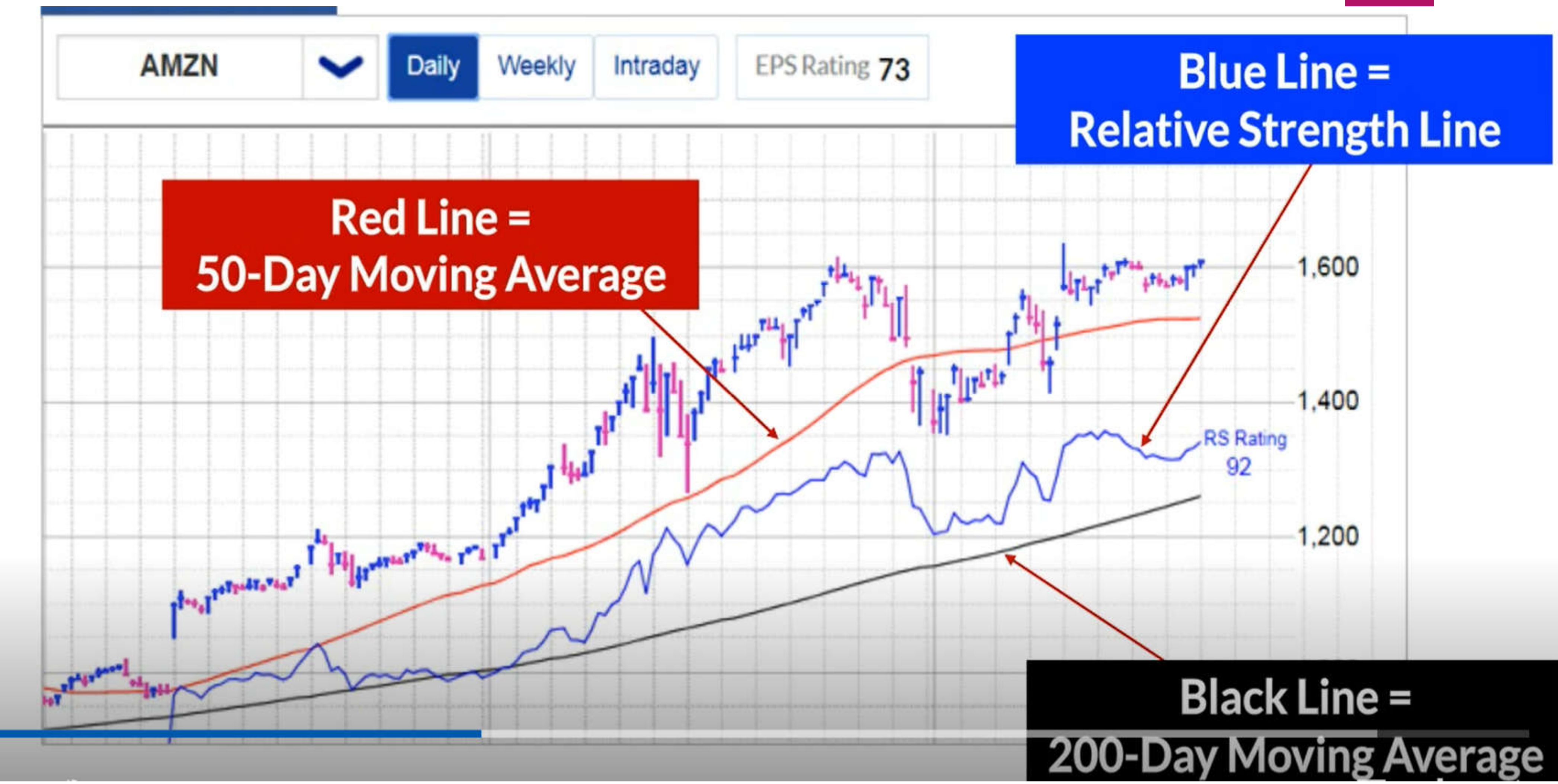

Red Line =
Indicates Average Volume
Volume Area
Vol
6,210,000
3,800,000
2,330,000
13 27 10 24 08 22 05 19 02 16 02 16 30 13 27 11 25 08
Oct Nov Dec Jan Feb Mar Apr May Jun

3. Moving average

- **Moving average lines**: This horizontal red line tracks the average share price over the last 50 days of trading. This horizontal back line tracks the average share price over the last 200 days of trading.

4. Relative Strength

- **Relative Strength line:** This line compares the price movement of that particular stock to the price movement of the S&P 500 (which is often used to represent the overall market). If the line is trending up, the stock is outperforming the S&P 500. If the relative strength line is trending down, it tells you the stock is lagging the overall market


AMZN
Daily
Weekly
Intraday
EPS Rating 73
Blue Line =
Relative Strength Line
Red Line =
50-Day Moving Average
1,600
1,400
1,200
RS Rating
92
Black Line =
200-Day Moving Average

Use Both Daily, Weekly,

- **Important: Be sure to use both daily and weekly charts.**
- The weekly chart helps you see longer-term trends. Daily chart helps you spot specific buy and sell signals while daily price fluctuations in perspective. Using the daily and weekly charts together helps you distinguish between normal price changes and a true shift in trend. That will prove invaluable when it comes to both pinpointing the best time to buy — and deciding if it's time to sell or just sit tight.
- The monthly even better overall even longer time frame!

Story

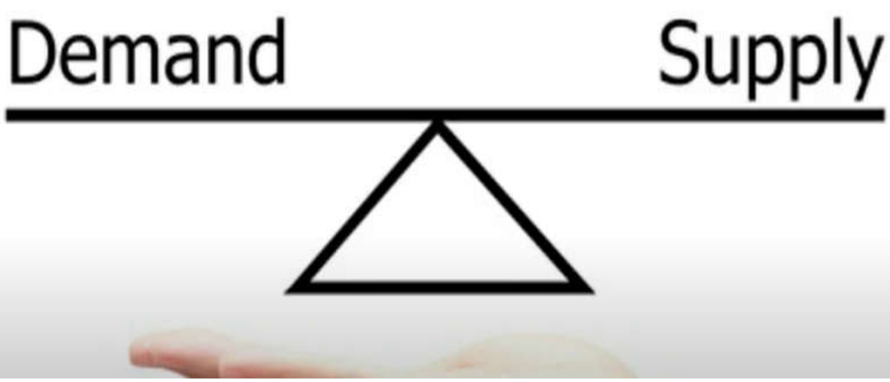
- The price changes in a stock tell you only part of the story. To get the full picture, you need to also check the volume.
- **The reason is simple:** You can't tell how meaningful a price gain — or price drop — is until you see how much volume is behind it.
- It's like being told over the phone that you have a leak in your kitchen pipes. You'll immediately want to know if it's a little trickle — or a flood! In other words, you'd check the volume of water coming through that leak to gauge how serious it is.
- **Same with your stocks:** Checking the related trading volume is the only way to get an accurate read on what the price movement actually means.

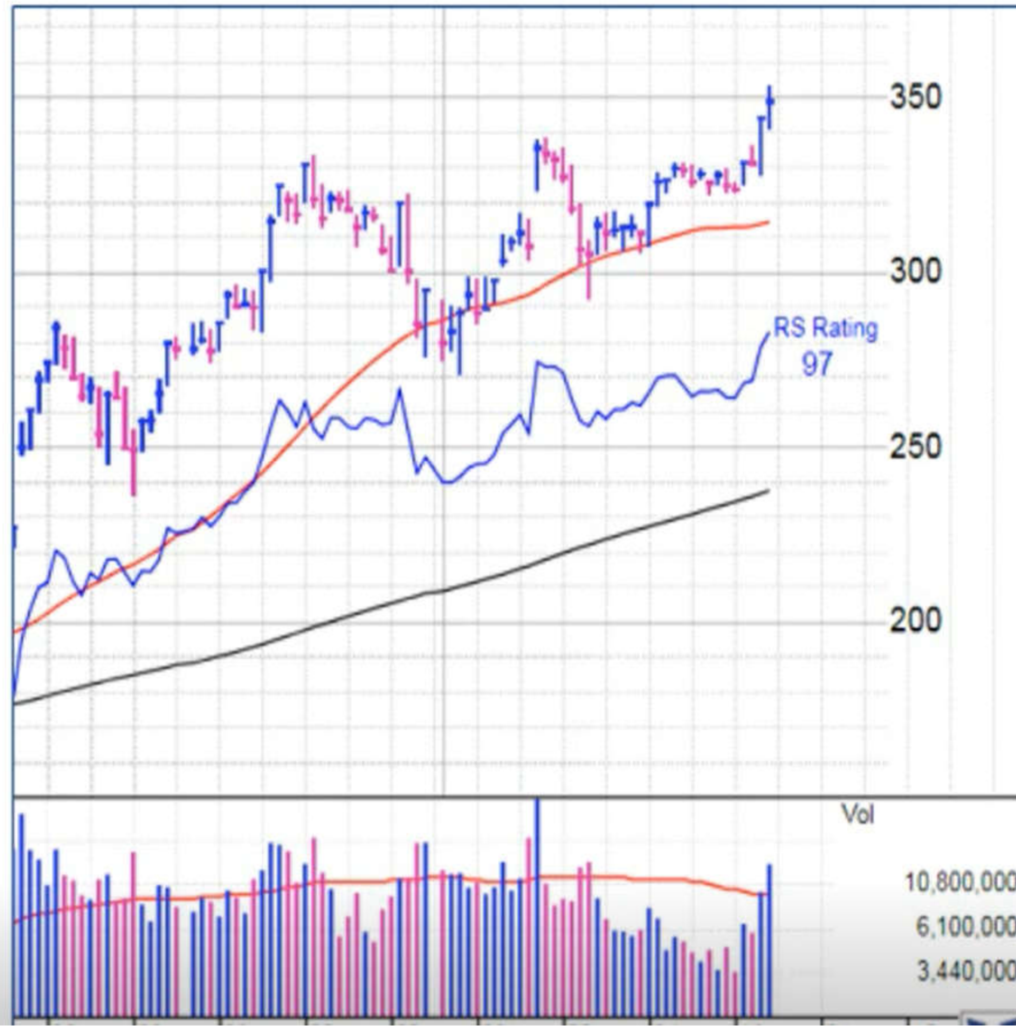

USA

I in CAN SLIM

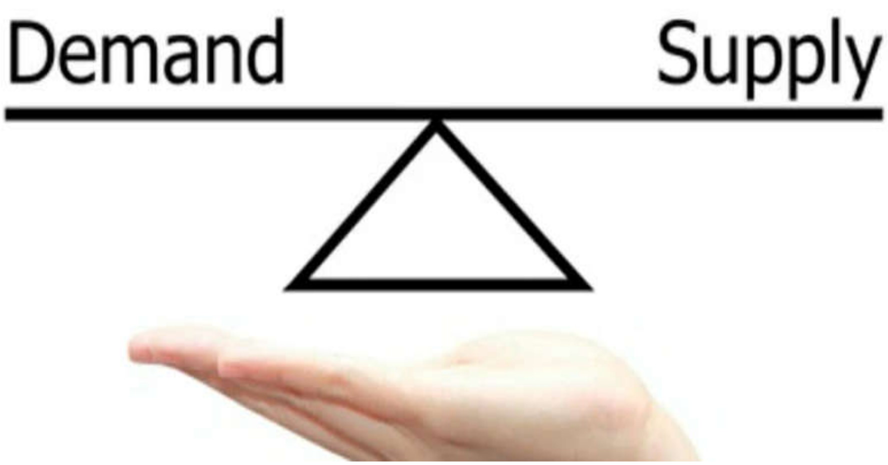
- Fund managers and other large institutional investors account for the bulk of all trading in the market. It's their enormous buying and selling power — not the trading of smaller individual investors — that pushes a stock either up or down.
- So when you're looking at volume on a chart, what you're really looking at is the trading activity of these large investors.
- Once you know what to look for in terms of price and volume action — and what it means — the "story" behind the stock will become increasingly clear. Then with that knowledge, you can determine the best time to buy, sell or hold

Charts reveal supply & demand for your stock

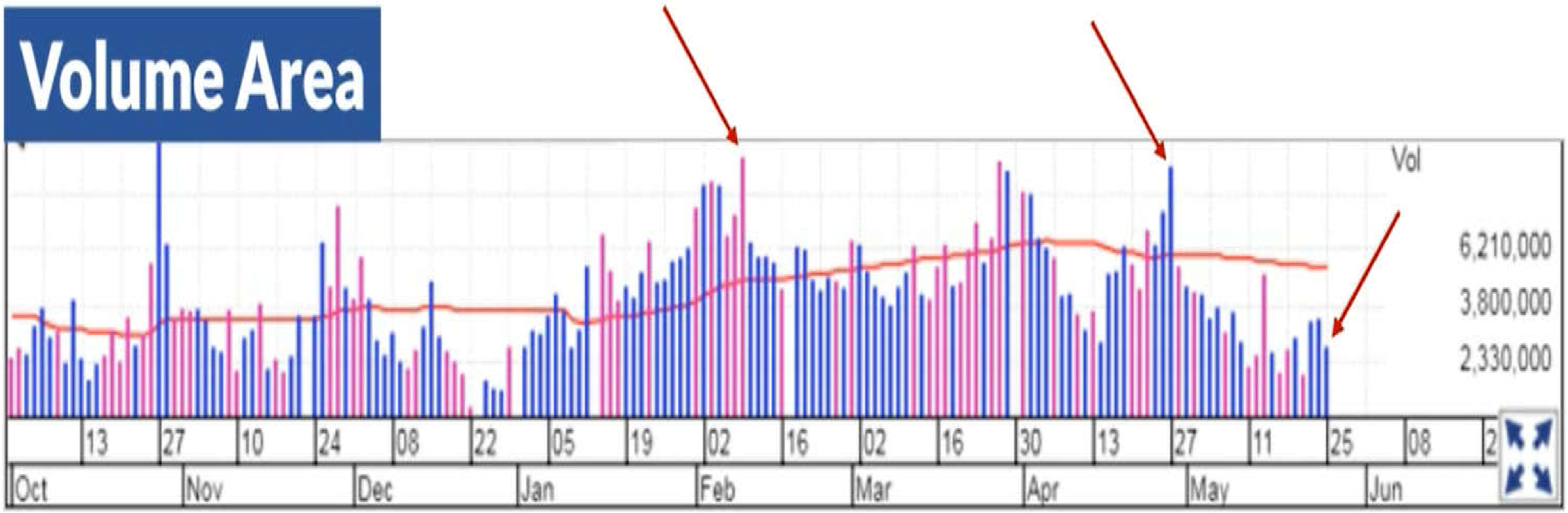




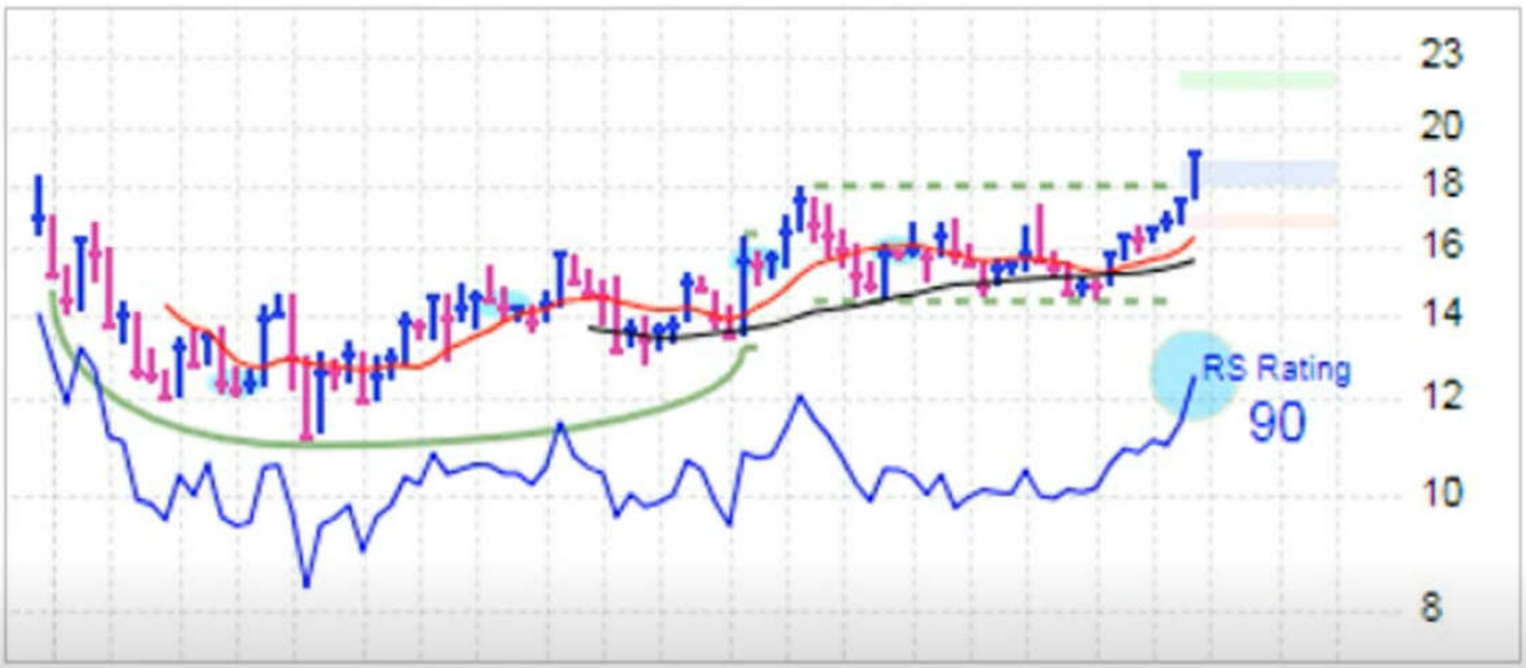
Charts reveal supply & demand for your stock



Volume Area


Vol
6,210,000
3,800,000
2,330,000
13 27 10 24 08 22 05 19 02 16 02 16 30 13 27 11 25 08
Oct Nov Dec Jan Feb Mar Apr May Jun

Charts reveal patterns & signals that indicate the best time to buy & sell



3 Key Things To Look For In A Chart

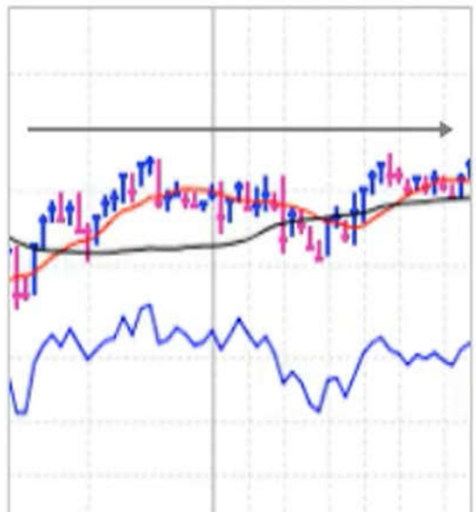
- Overall Trend
- Price & Volume Action
- Support & Resistance

Once you understand these 3 concepts, bases and buy points will make sense

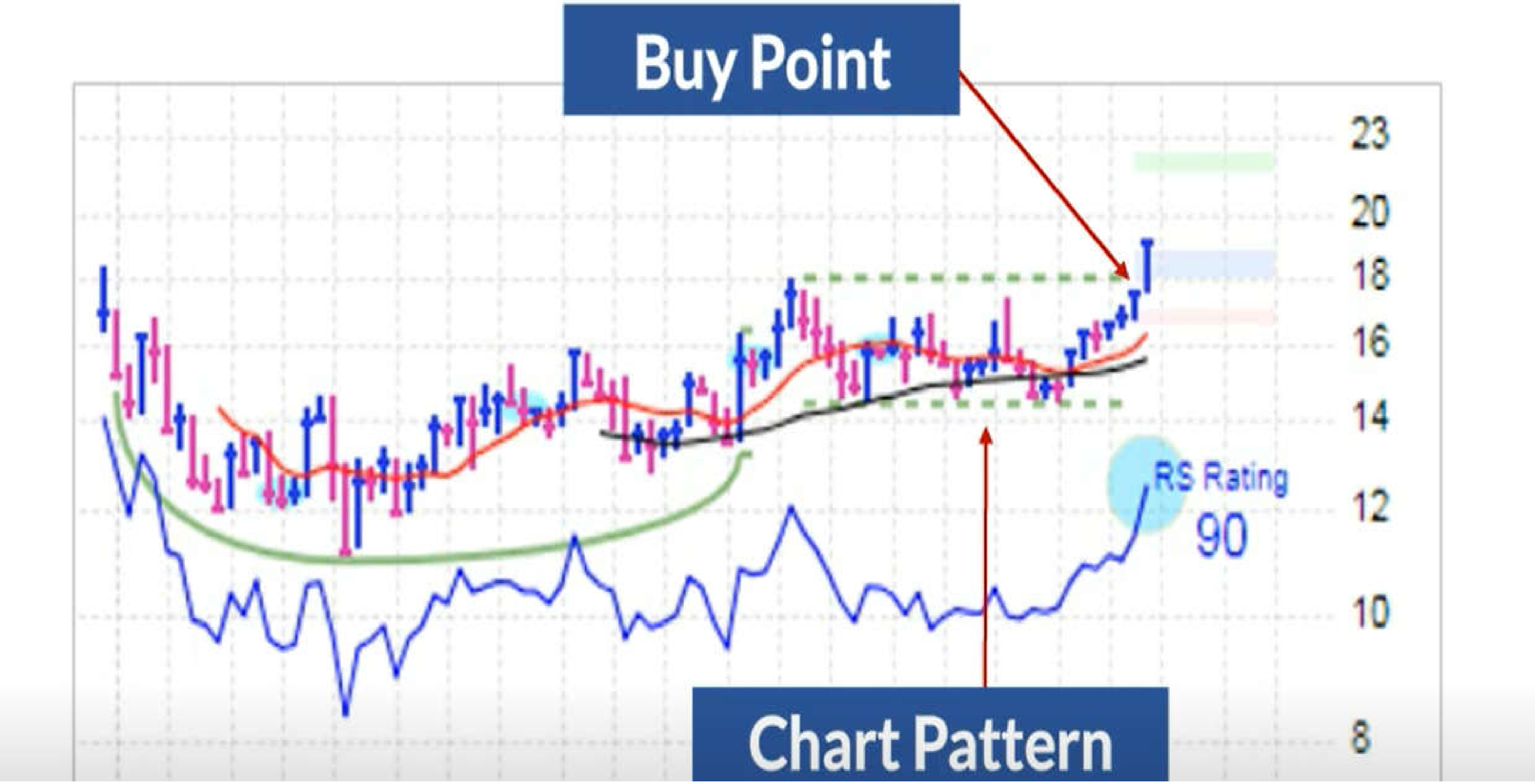
1. Overall Trend

Uptrend

Sideways



Downtrend

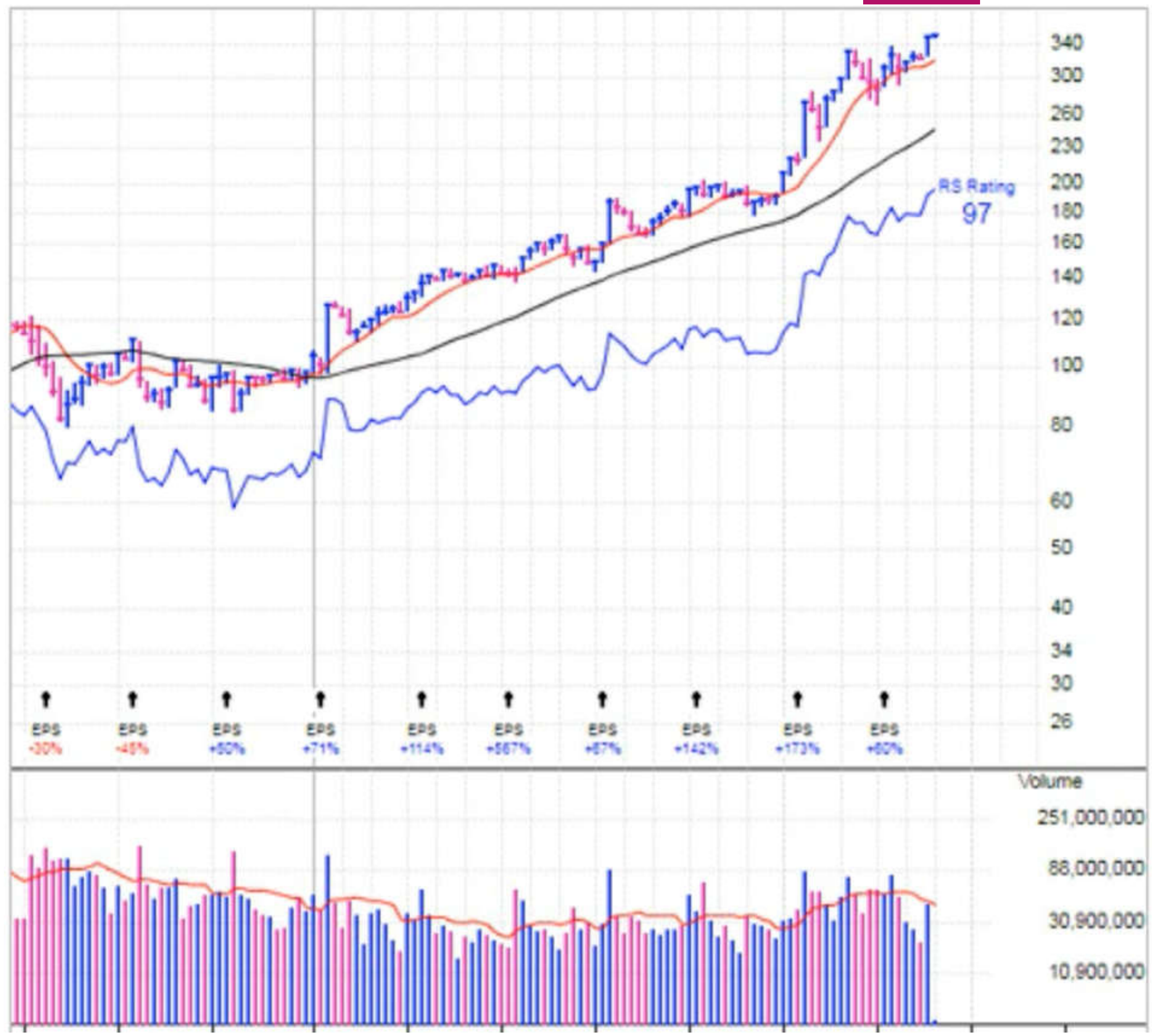


Buy Point
23
20
18
16
14
RS Rating
90
12
10
8
Chart Pattern

Now That's Unusual!

Big Price Gains In Unusually Heavy Volume

Indicates strong demand by large investors



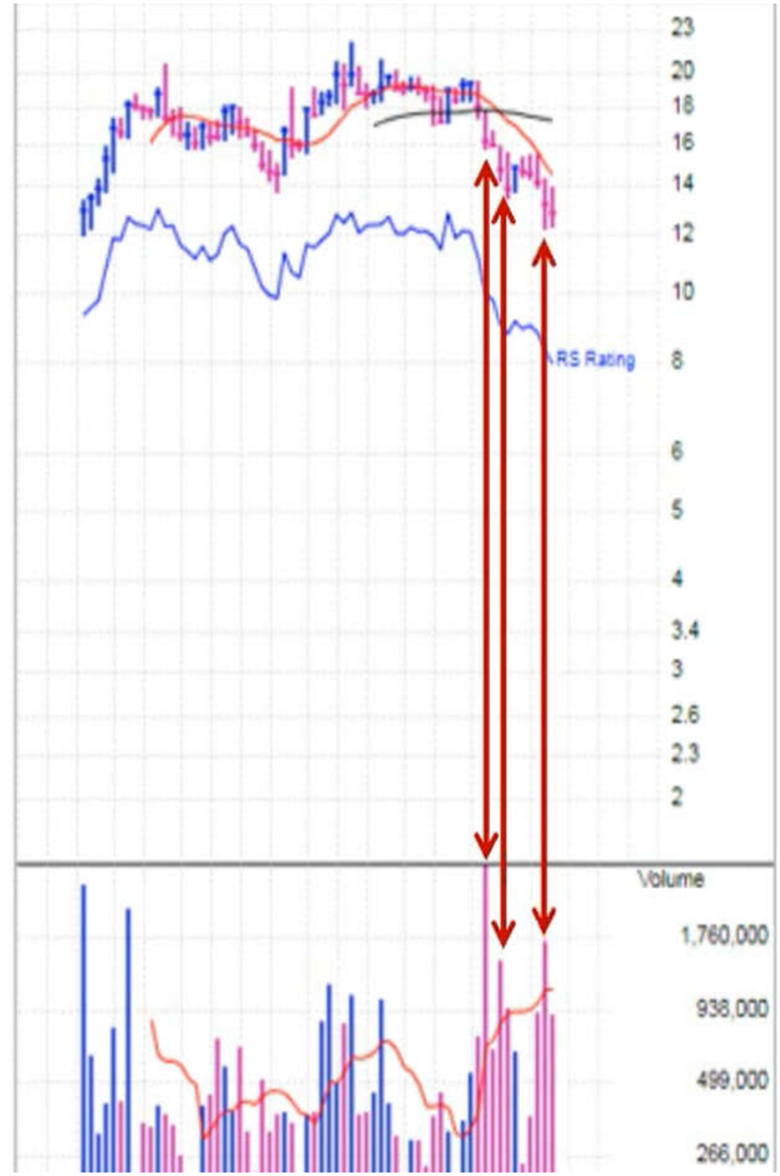
Big Price Gain on Heavy Volume

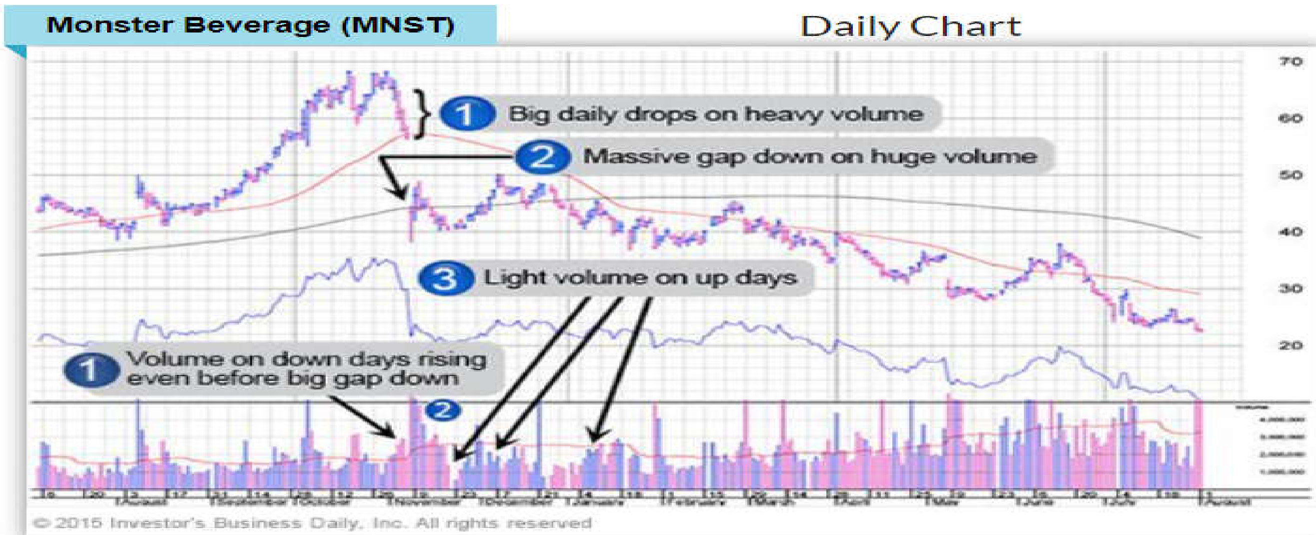
1. **Big price gain on heavy volume kicks off big run.** FleetCor Technologies rose almost 5% for the week, on volume 30% higher than normal — a sign of institutional buying.

Now That's Unusual!

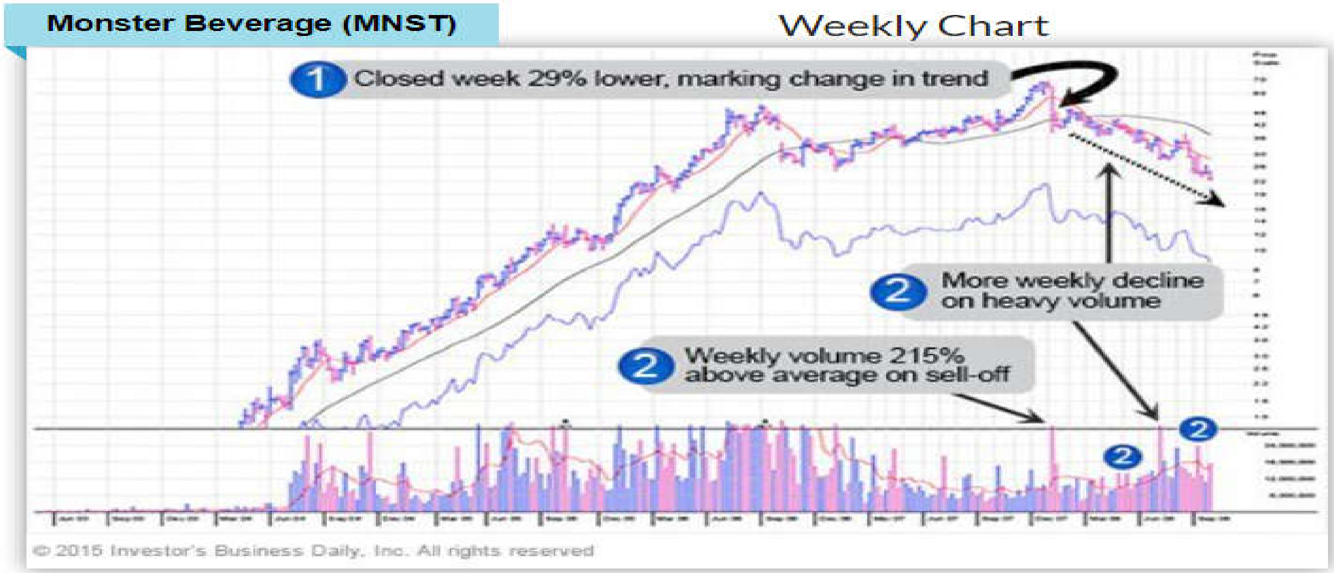
Big Price Drops In Unusually Heavy Volume

Indicates serious selling by large investors





1. **Big daily drops on heavy volume:** Monster Beverage flashed multiple warning signs as it sold off on mostly rising and above-average volume for three consecutive days. Note how it also closed near the bottom of the price range each day. That action showed large investors were shifting into selling mode.
2. **Huge gap down on massive volume:** After three straight declines, the stock gapped down to close over 23% lower for day and well below its 50-day moving average line. Volume was 834% above average. The gap occurred because there was so much selling pressure that the stock instantly dropped to a much lower share price than the prior day's close. Such behavior usually indicates large investors are trying to get out of the stock as quickly as possible.
3. **Light-volume up days show weak buying:** The stock tried to recover from that sharp sell-off, but note how volume on subsequent up days was generally lighter than the volume on the earlier big down days. That showed sellers still had the upper hand, and there wasn't enough enthusiastic, heavy-volume buying to push the stock back up. So despite some head fakes along the way, Monster Beverage continued lower for the next 12 months

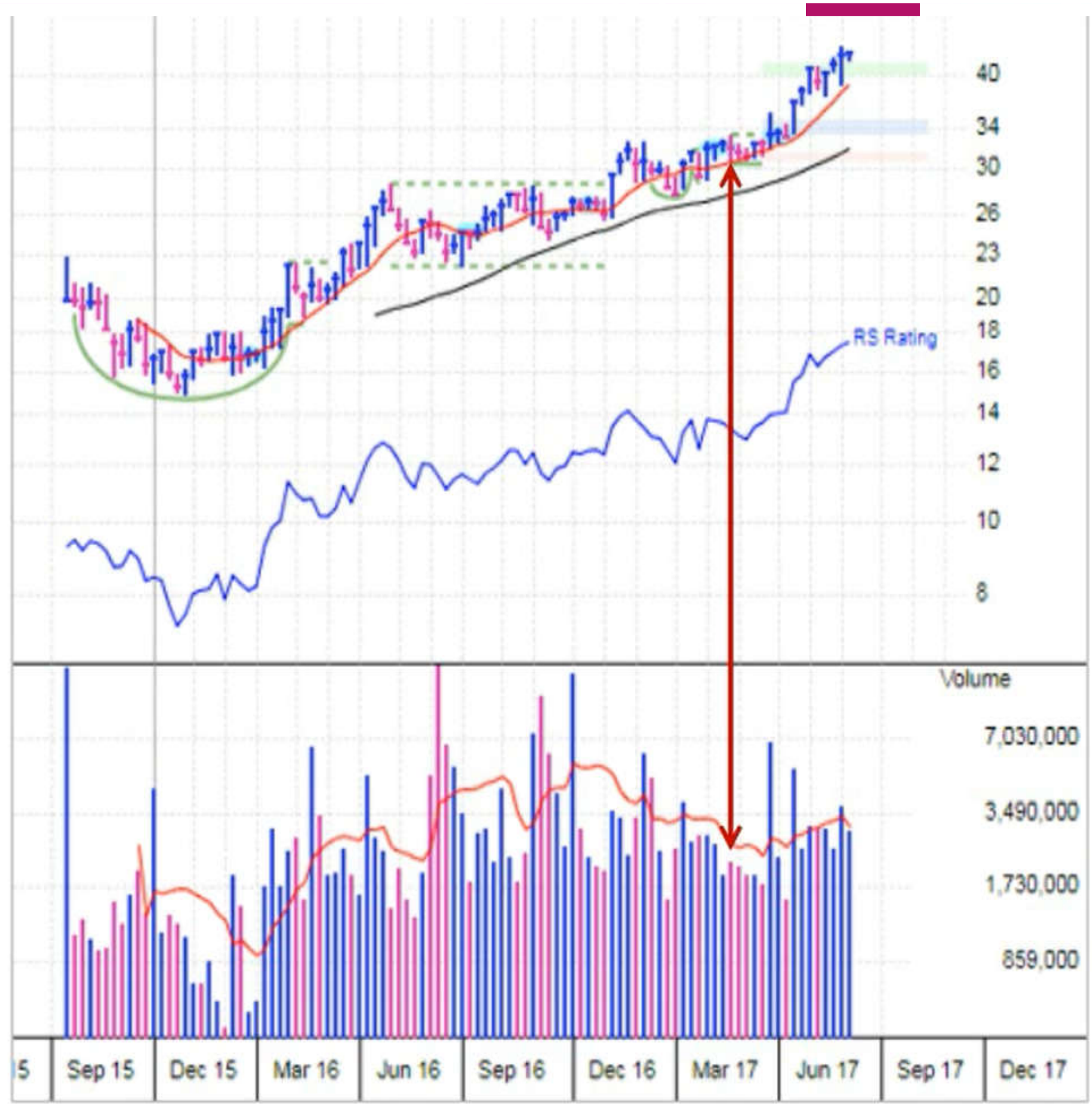


1. **Big weekly drop on heavy volume:** After rising from a split-adjusted price of 75 cents to over 68 from August 2003 to October 2007, Monster Beverage (known as Hansen's Natural at the time) sold off sharply and crashed below its 10-week moving average line. The stock fell 29% for the week on volume 215% above average. That showed that large investors were dumping shares and marked a clear change in trend.
2. **More weekly declines on heavy volume:** That big sell-off was just the beginning. Institutional selling continued as the stock dropped nearly 70% from its peak in 12 months. It's a good reminder of why it's important to use charts to spot early warning signs — and why you should cut all losses at no more than 7% - 8%.

Now That's Unusual!

Price Drops In Unusually Light Volume

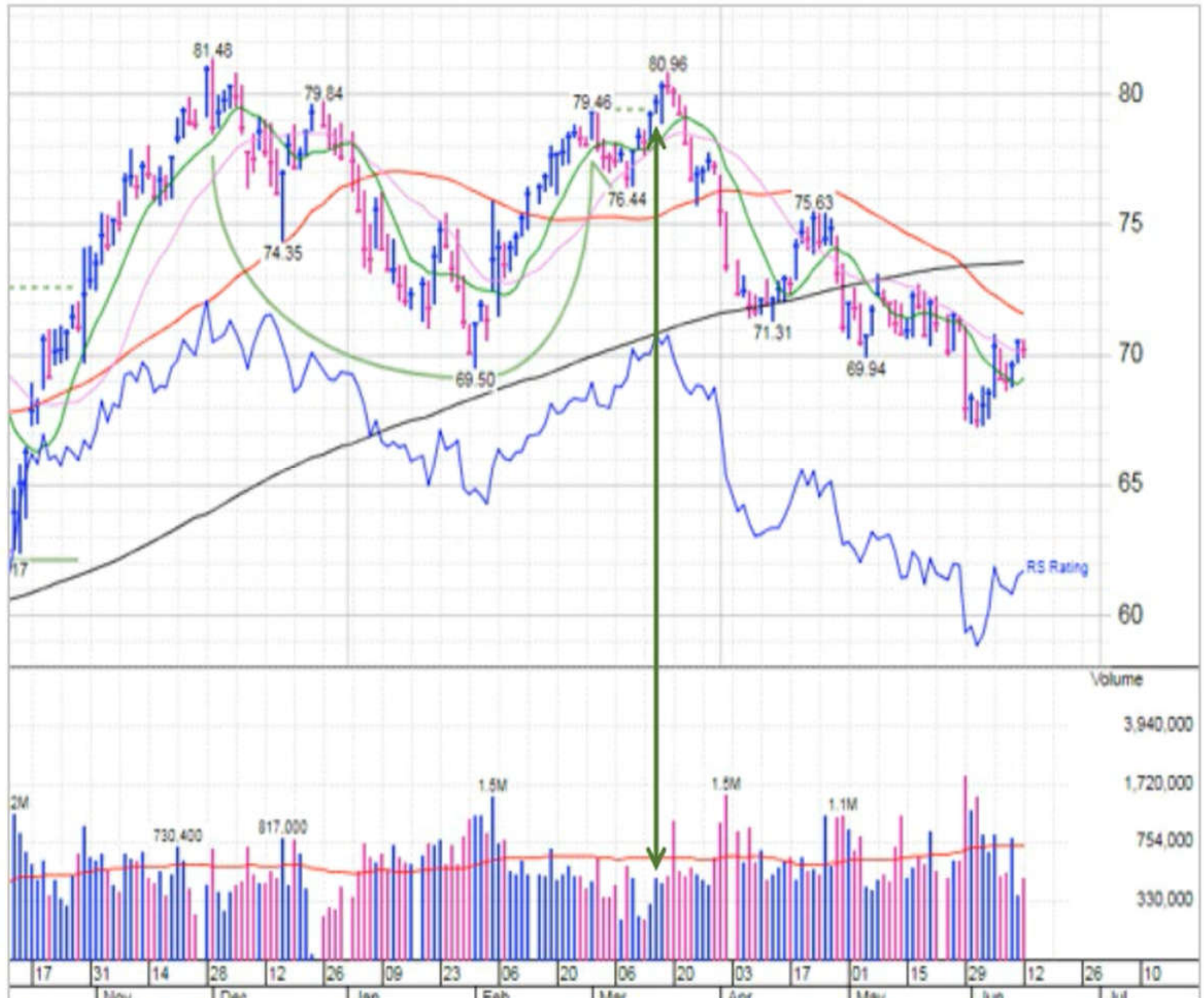
Shows that large investors are not selling aggressively



Now That's Unusual!

Price Gains In Unusually Light Volume

Does not show conviction among large investors; could indicate a head fake



Support

- The concepts of support and resistance are undoubtedly two of the major aspects of technical analysis. Learning to identify these levels makes it easier to decide when you should enter and exit a stock.
- Support is a price level where the stock tends to find support when it's declining. In theory, it's a price level where demand (buying power) is strong enough to prevent the price from declining further. This means the price is likelier to bounce off this level rather than break below it. However, once the price has gone through this level, it is likely to continue dropping until it finds another support level.

Basket Ball Under Water

- Resistance is the opposite of a support price level. It is where the stock price tends to find resistance as it is going up. This is the price level at which supply (selling power) is strong enough to prevent the price from rising further. It's likelier for the stock not to break through this resistance level. However, once the price has passed this level, by a notable amount, it is likely that it will continue higher until a new level of resistance is hit.

Sell or Hold

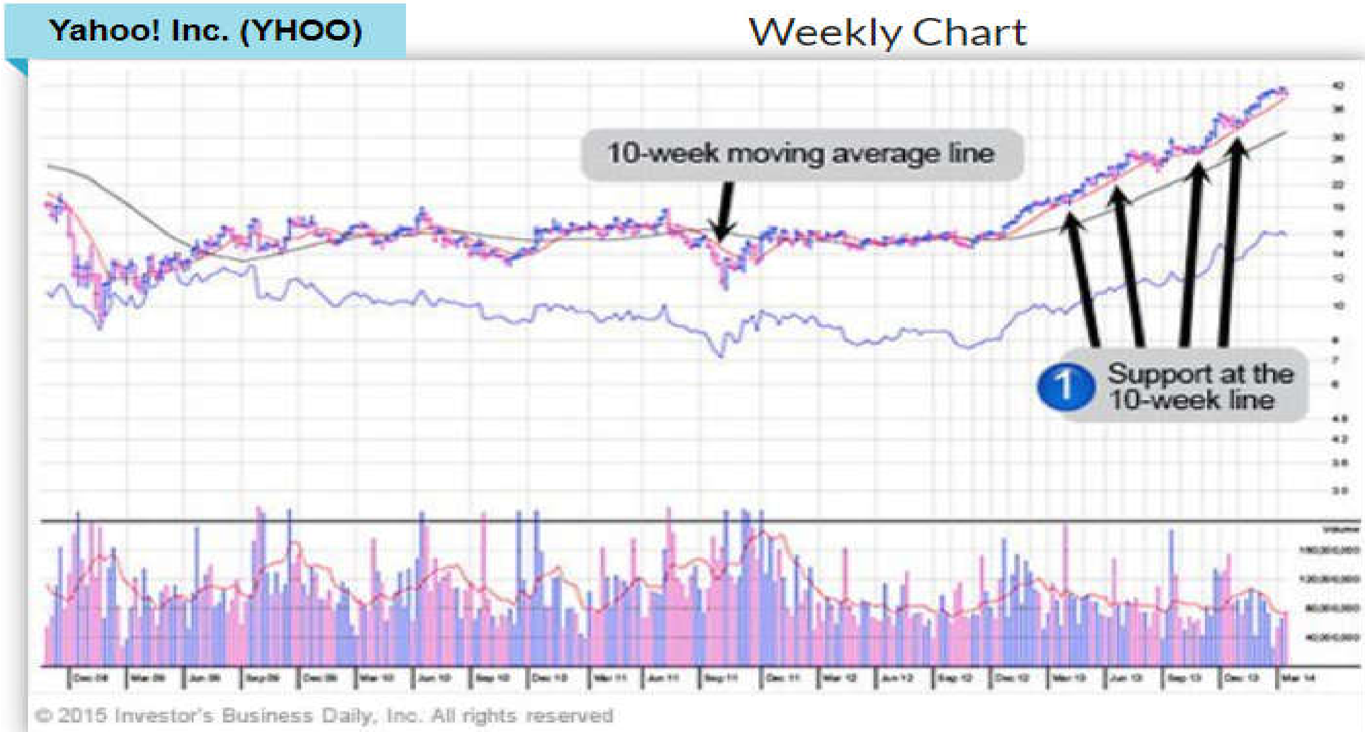
- The same basic factors help you decide whether to sell or hold. For example, if a stock finds support at a key benchmark, such as the 10-week moving average line, you may choose to sit tight. But if it crashes through that floor of support on heavy volume, it may be signaling that the stock could correct.
- **Don't Forget the Volume**
- Watching the volume provides important clues about whether institutional investors are stepping in to support their positions or just dumping shares to get out as quickly as they can.
- So as you go through the following examples, pay close attention to where trading gets unusually heavy or unusually light.

3. Support & Resistance

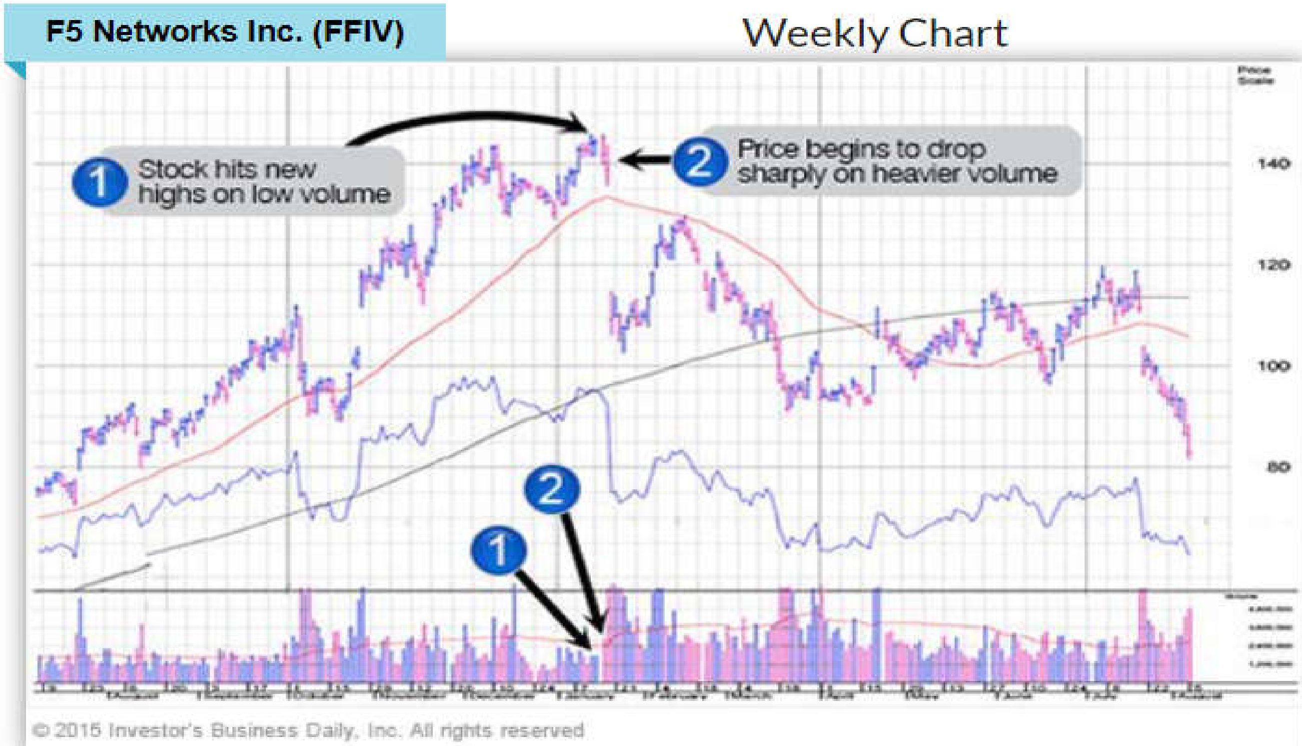
Look For Support At Key Areas

- **Moving Averages**
  EX: 50-day & 10-week lines

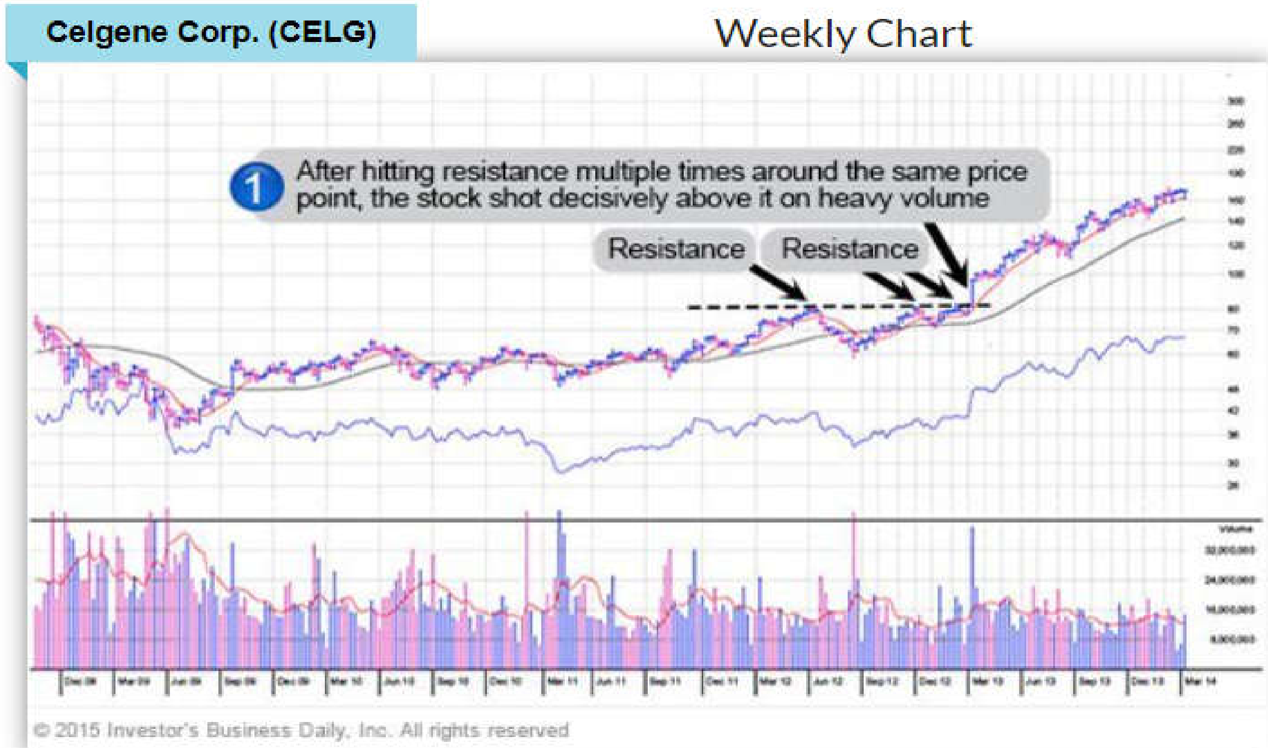
- **Prior buy points**



1. **Support at 10-week line:** On the multiple occasions where Yahoo! pulled back to the 10-week moving average line (and 50-day line on a daily chart), it generally found support and stayed above it. On some occasions, the stock dipped below the 10-week line during the week, but managed to bounce back and close above that benchmark line by Friday's closing bell. That's a clear sign institutional investors are stepping in to support the stock and protect their positions. Watching for that support can help you sit through normal pullbacks and hold on for even bigger gains.



1. **Heavy-volume sell-off at 10-week line:** After rising over 390% in 20 months with good support along its 10-week moving average, F5 Networks plunged below that benchmark on huge volume. It fell nearly 24% for the week on trading 190% higher than normal. That marked a clear change in trend, and the stock fell over 50% from its peak in eight months.



1. **Resistance at same price area:** Celgene kept bumping its head around the 80 mark. On three separate occasions over several months, it hit resistance near that price point, then fell back down. Before buying, disciplined investors would wait for the stock to prove its strength by breaking through that price resistance on heavy volume. It finally did that in early January 2013, rising 17% for the week on volume 134% above average. From that breakout, Celgene rose over 110% in less than 12 months.

3. Support & Resistance

Is The Stock Hitting Resistance At Key Areas?

- **Moving Averages**
  EX: 50-day & 10-week lines

- **Certain Price Areas**

3. Support & Resistance

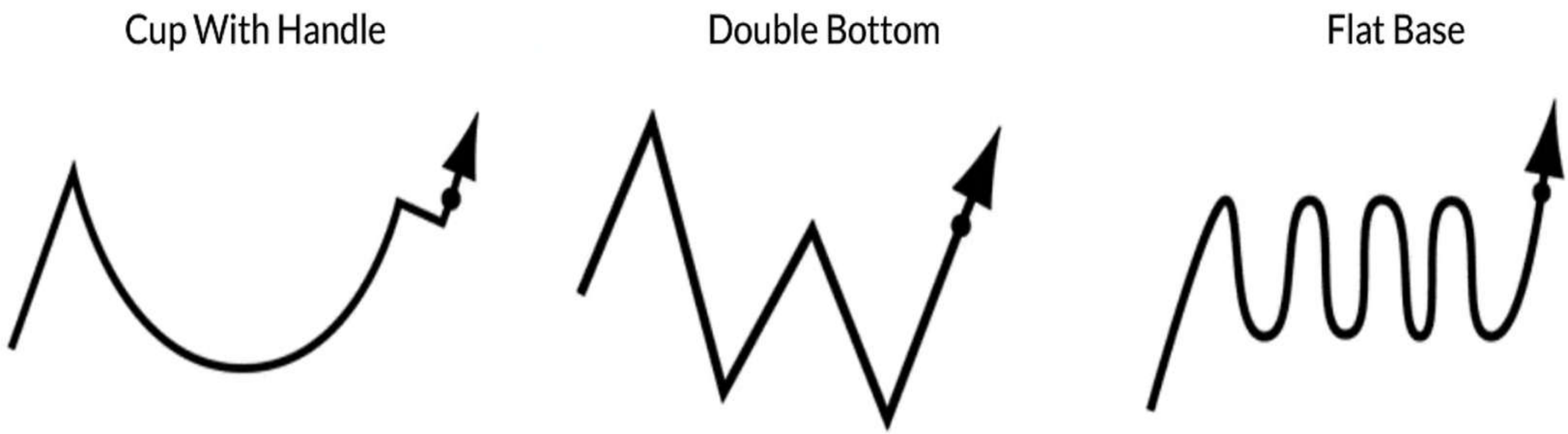
Is The Stock Forming 'Steppingstones'?

Healthy action where stock finds support at prior buy points

Now That You Understand These 3 Concepts...

- Overall Trend
- Price & Volume Action
- Support & Resistance

You're Ready To Spot The
3 Most Profitable Chart Patterns

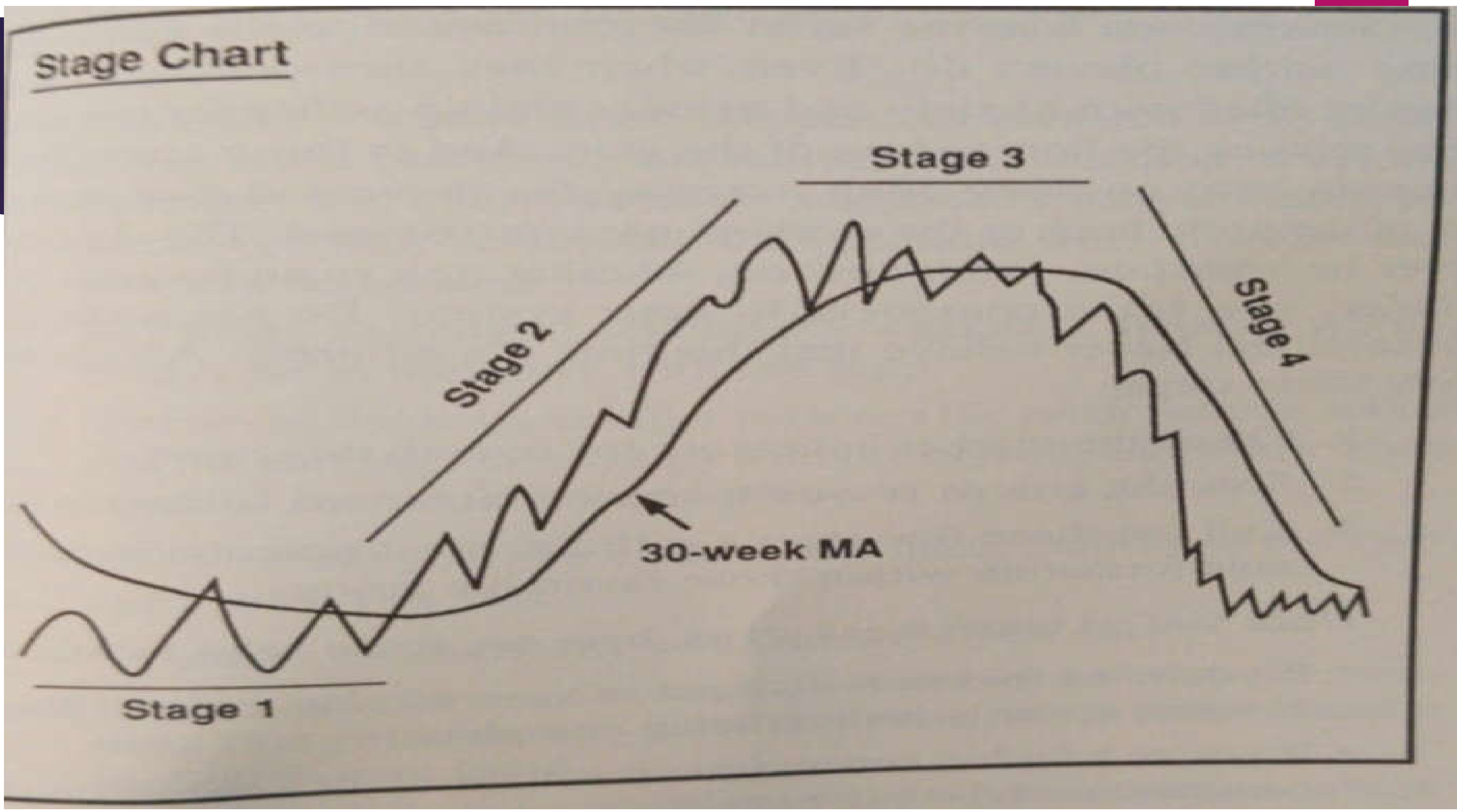


New Years Gift

- Focus on the LEADING GROUPS. Focus on the BEST STOCKS IN THOSE GROUPS. CLEAN AND SIMPLE CHART PATTERNS. VOLUME SURGE THRU PIVOT. CNONTROL RISK.
- LET THEM RUN AS LONG AS POSSIBLE. TRENDS PAY MORE THAN ALL IN AND OUT ACTION

TREND TRADING

- HIGHER HIGHS, HIGHER LOW, RISING MAs = UPTREND
- LOWER HIGH, LOWER LOW, DECLINING MAs = DOWNTREND
- While it sounds overly basic, basic can be very effective & profitable. No need to overcomplicate it or add various indicators trying to out-think the trend



Stage Chart
Stage 1
Stage 2
Stage 3
Stage 4
30-week MA

Trading Secret

- 2 TO 1 RATIO
- AVERAGE GAIN AND AVERAGE LOSERS
- Paul tudor Jones, Mark Minervini, George Soros all have about 50% win rate, no need to be perfect, goal is average gain is bigger than average losers, over time you will make money.
- For example Win if you trade 10 times, 5 win and 5 lose
- But you use 2 to 1 ratio system, cut winner and let profits run!
- $200 * 5 trades = $1000, $100 * 5 trades = $500,
- You still make money $1000-$500 = $500.
- Therefore Average gain > Average lose is a must to know your performance and where you are!

Growth Stock 2020

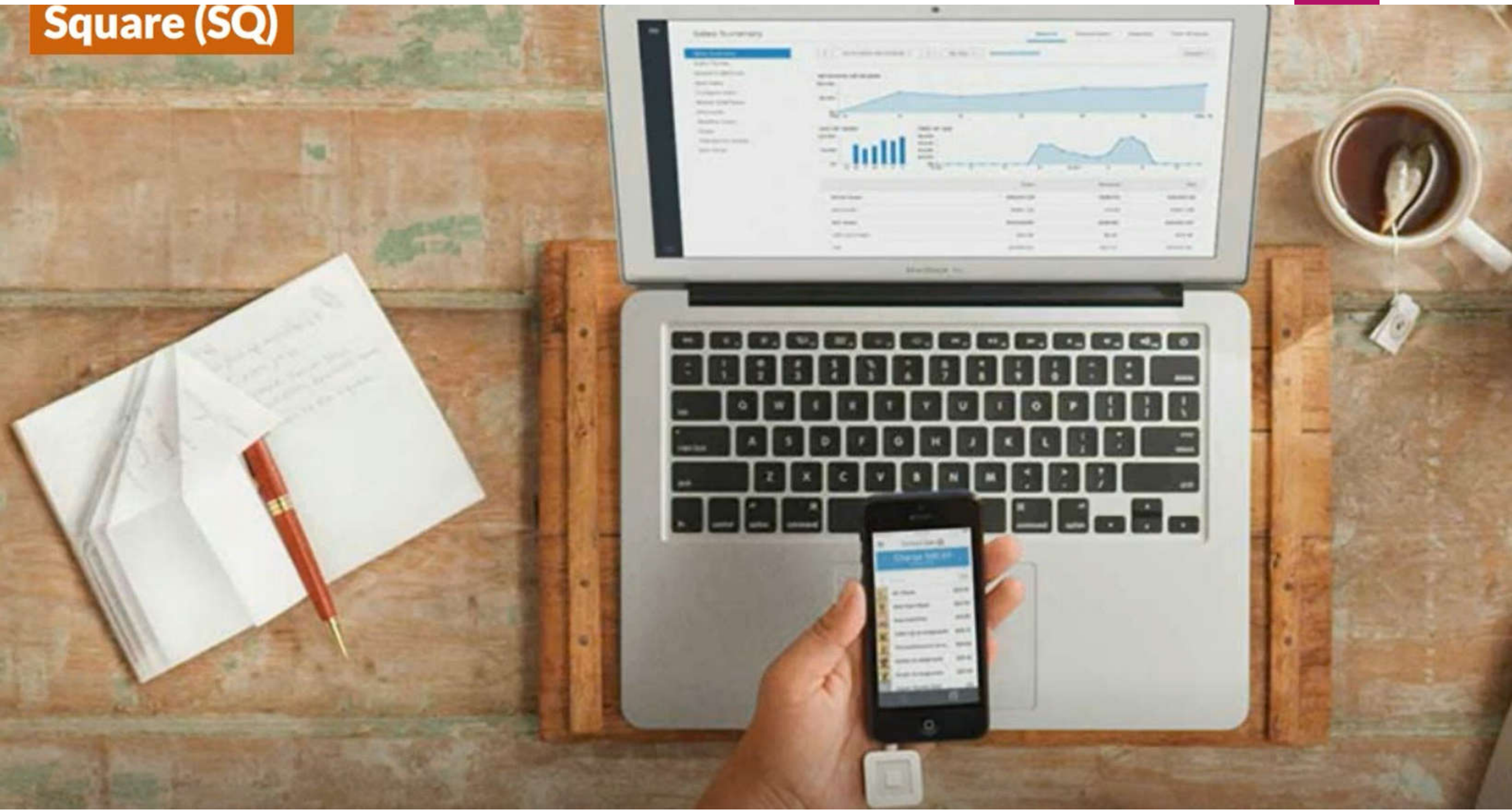
	WIN		LOSE
PERFORMANCE	11		4

AVG GAIN	AVG LOSS	WIN %	TOTAL TRADES	LG GAIN	LG LOSS	WIN/LOSS RATIO	BATTING AVG
18.40%	-8.56%	73.33%	15	38.52%	-13.95%	2.8	73%

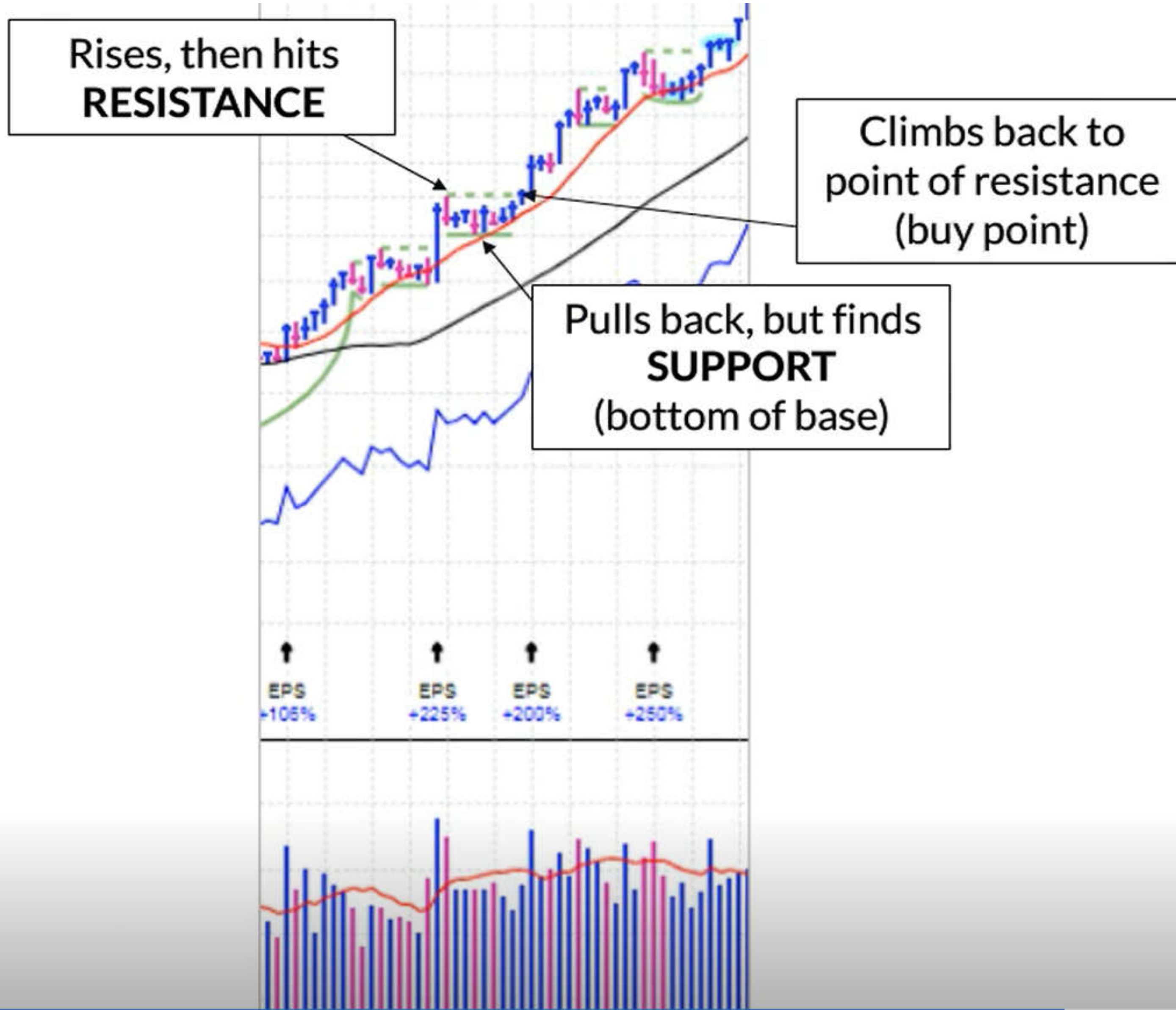
Stock	Profit	%		Stock	Loss	%
LULU		38.52%		PYPL		-8.91%
CPRT		9.72%		TSM		-9.29%
ZS		0.54%		DDOG		-13.95%
MSFT		21.08%		NVDA		-2.08%
NFLX		14.16%				
DOCU		17.62%				
CHGG		10.42%				
PINS		31.56%	Open Pos			
ZM		7.97%				
TSLA		33.11%	Open Pos			
SNAP		17.74%	Open Pos			
Total		202.43%		Total		-34.22%
Overall		168.21%				

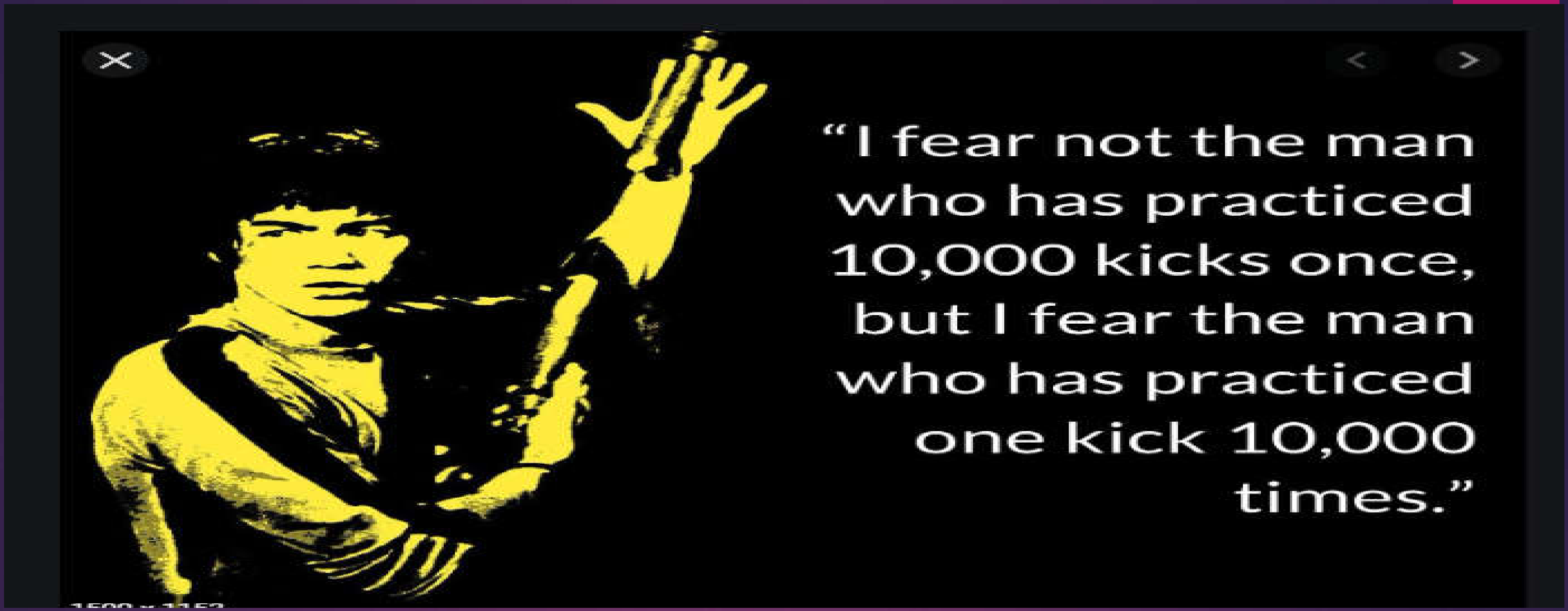
Name of Stock	(Symbol)						
Date	Shares	Buys	Cost	Shares	Sells	Proceeds	
	0		$ -	0		$ -	
							Percentage
					Gain	$ -	

Square (SQ)



Square (SQ)
Weekly Chart




“I fear not the man
who has practiced
10,000 kicks once,
but I fear the man
who has practiced
one kick 10,000
times.”

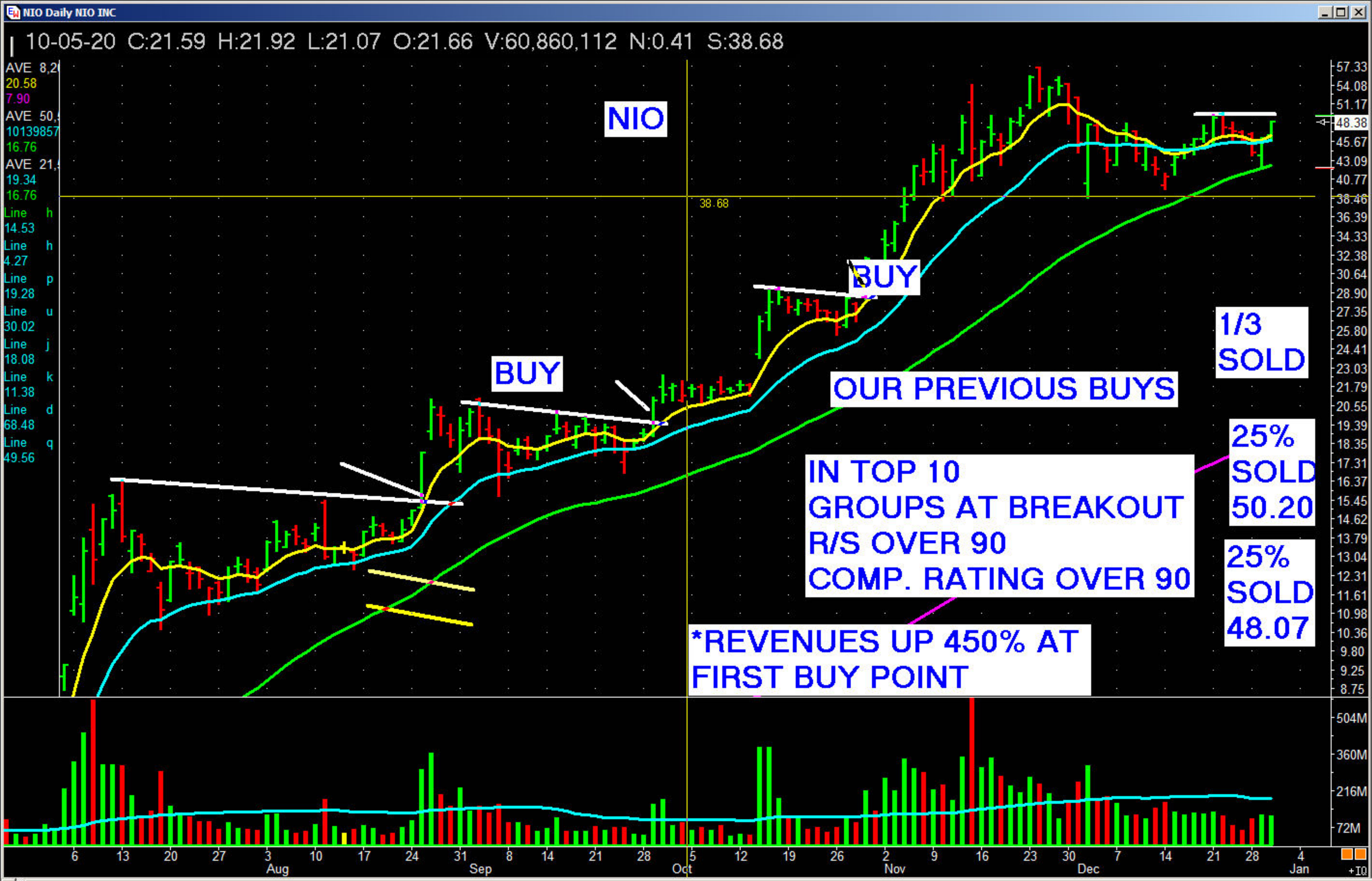
- BRUCE LEE

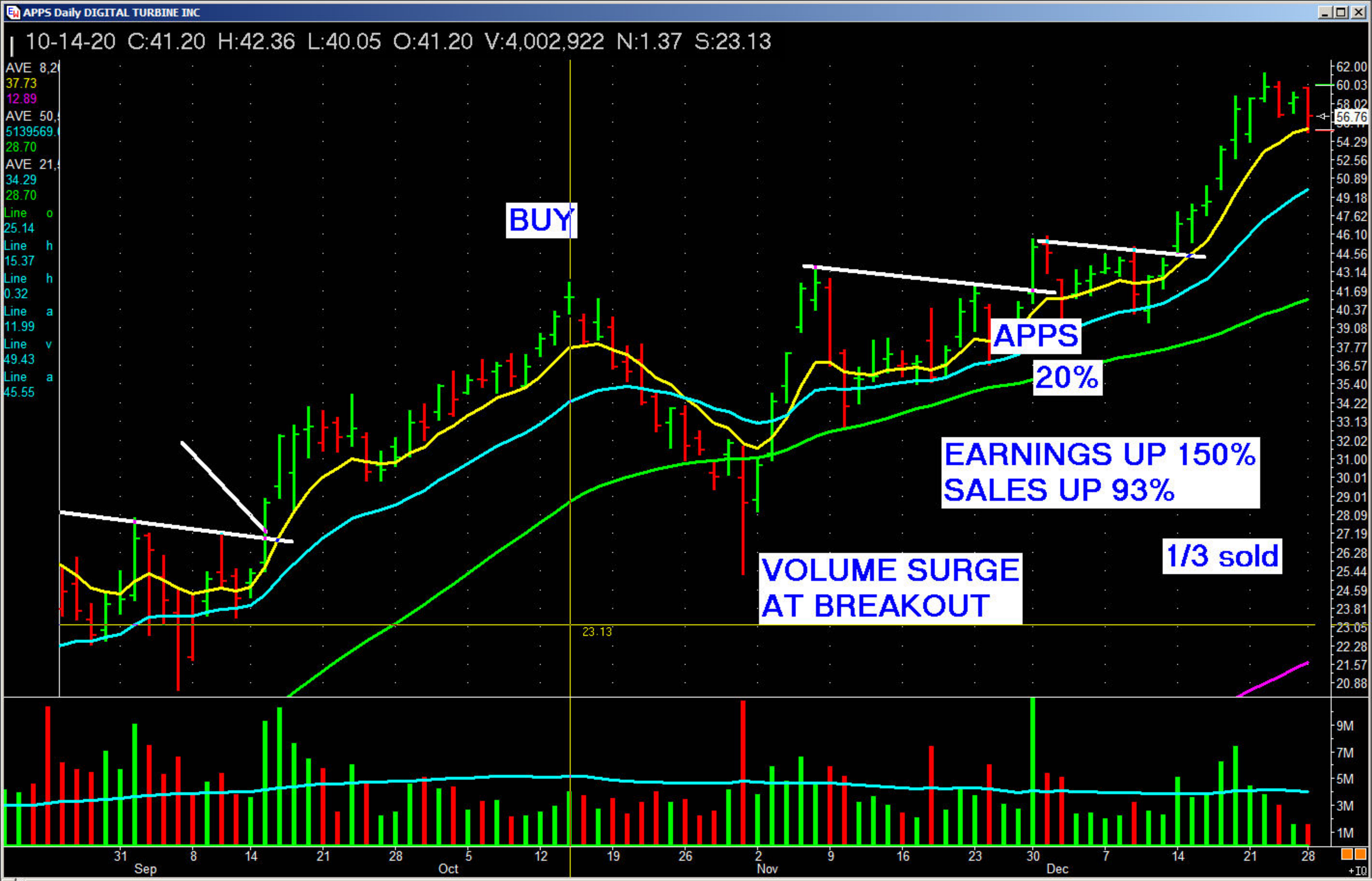
Cutting Losses

1. Cutting losses is a part of trading
2. Cut your losses quickly

Loss	Gain needed to break even
7%	8%
20%	25%
33%	50%
50%	100%
75%	300%


TSLA Daily TESLA INC.
12-29-20 C:665.99 H:669.90 L:655.00 O:661.00 V:22,910,811 N:2.30 S:379.41
TSLA
BUY
Sep
Oct
Nov
Dec


NIO Daily NIO INC
10-05-20 C:21.59 H:21.92 L:21.07 O:21.66 V:60,860,112 N:0.41 S:38.68
NIO
BUY
BUY
OUR PREVIOUS BUYS
1/3 SOLD
25% SOLD 50.20
25% SOLD 48.07
IN TOP 10
GROUPS AT BREAKOUT
R/S OVER 90
COMP. RATING OVER 90
*REVENUES UP 450% AT FIRST BUY POINT


APPS Daily DIGITAL TURBINE INC
10-14-20 C:41.20 H:42.36 L:40.05 O:41.20 V:4,002,922 N:1.37 S:23.13
BUY
APPS
20%
EARNINGS UP 150%
SALES UP 93%
1/3 sold
VOLUME SURGE
AT BREAKOUT
Sep
Oct
Nov
Dec

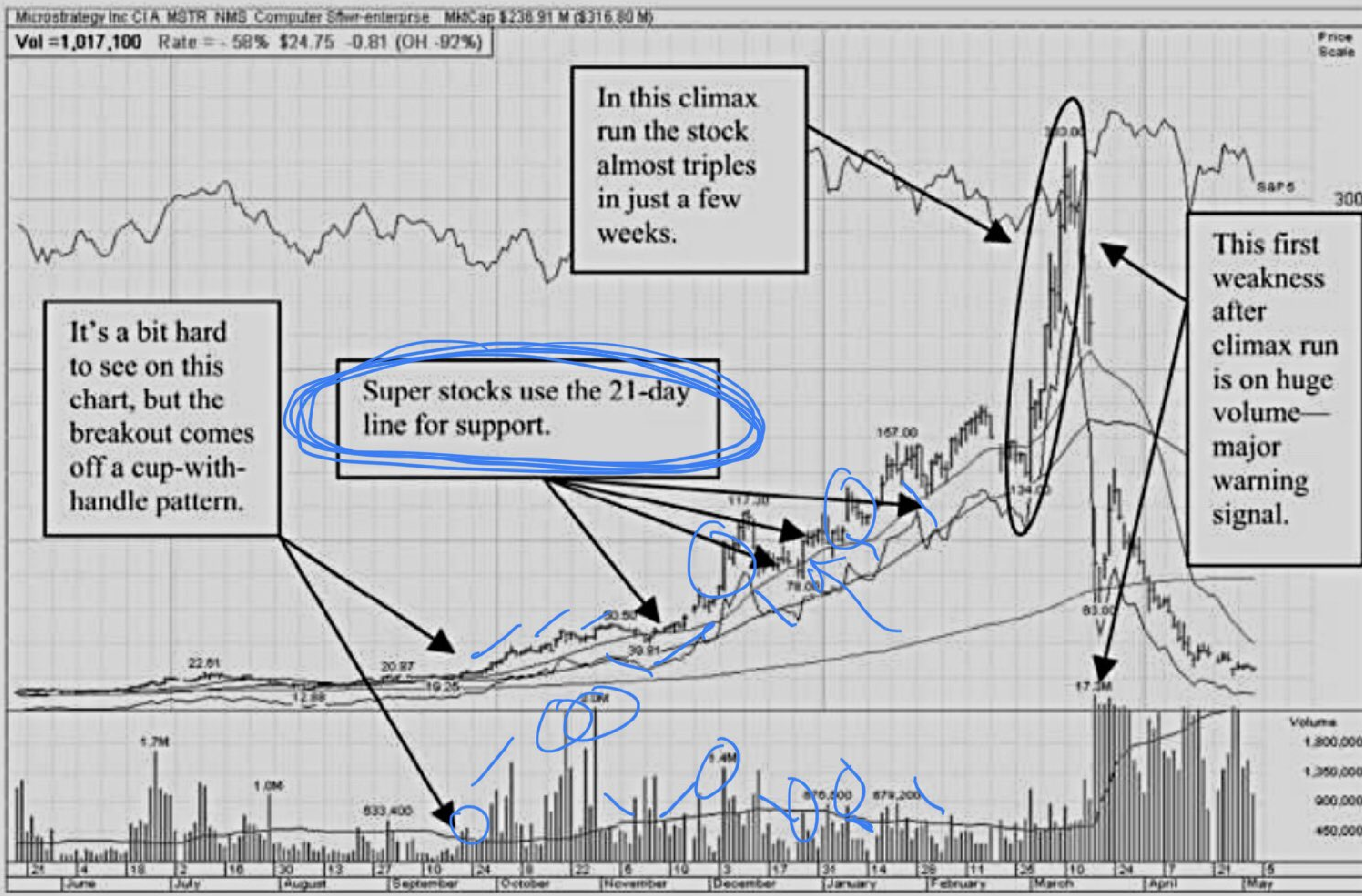
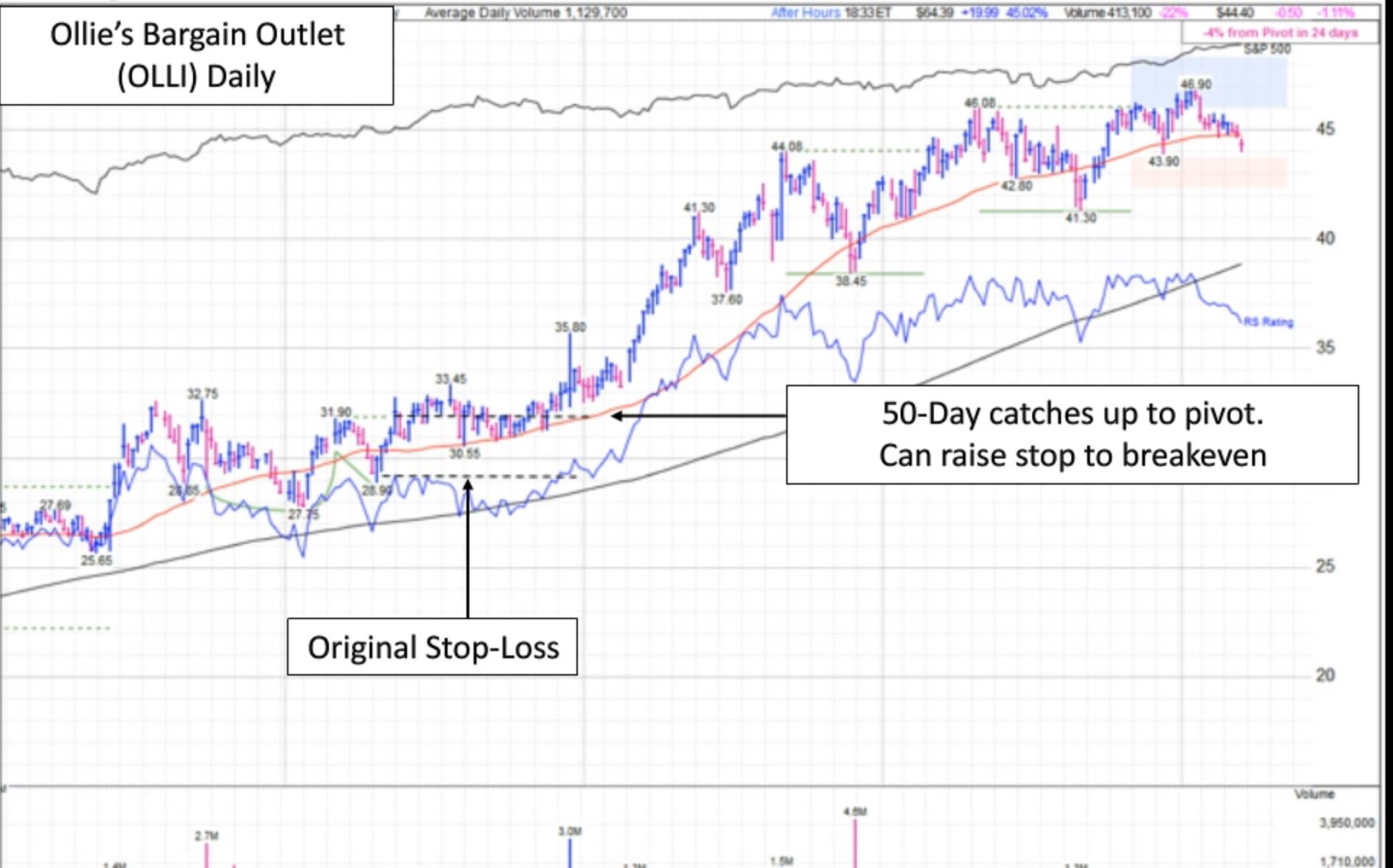


Figure 3-6 MicroStrategy, Inc. Daily Chart, 1999–2000

$NDX Nasdaq 100 Index INDX
25-Nov-2020
©StockCharts.com
Open 12112.11 High 12174.99 Low 12081.51 Close 12152.21 Volume 559.0M Chg +72.41 (+0.60%)
$NDX (Daily) 12152.21
MA(50) 11596.39
MA(150) 10786.98
MA(200) 10167.17
Volume 559,014,080
ATR(200) 198.160
SCTR-$NDX undef
$SECTOR:$INDUSTRY
84.0%
-14.7%
-10.1%
-6.2%
-2.2%
The Nasdaq 100 continues to tighten up
in a Volatility Contraction Pattern (VCP)
VCP Footprint 13W 14/2 4T
$NDX:$SPX 3.35
MA(252) 3.12


Ollie's Bargain Outlet (OLLI) Daily
Average Daily Volume 1,129,700
After Hours 18:34 ET
$64.39 +32.24 100.28%
Volume 981,000 +39%
$32.15 +0.95 +3.04%
+1% from Pivot in 1 day
22.53
22.22
18.97
19.75
28.72
22.81
26.55
22.25
24.70
28.60
24.12
27.55
27.69
25.65
32.75
28.85
31.90
27.75
RS Rating
30
25
20
15
Original Stop-Loss
Volume
3,540,000
5.0M
1.1M
1.6M
2.7M
9.1M
2.3M
1.7M
6.8M
7.5M
1.4M
2.7M



Ollie's Bargain Outlet
(OLLI) Daily
Average Daily Volume 1,129,700
After Hours 18:33 ET
Volume 413,100
-4% from Pivot in 24 days
S&P 500
46.90
46.08
44.08
43.90
42.80
41.30
41.30
38.45
37.60
35.80
33.45
32.75
31.90
30.55
28.90
27.75
27.69
25.65
RS Rating
50-Day catches up to pivot.
Can raise stop to breakeven
Original Stop-Loss
45
40
35
25
20
Volume
3,950,000
1,710,000
4.6M
3.0M
2.7M


Stage Analysis Investor method
Trailing Stop Loss
Weekly Chart
100
90
80
70
60
50
40
30
4th & 5th bases within the Stage 2 advance are more prone to failure. So watch for warning signs
Exit Trade
Stop Loss hit as price breaks below support
3rd base
30 week MA starting to lose momentum. Tactic change to more aggressive SL placement
2nd base
1st base
Stage 2A Breakout
Enter Trade
30 week MA
Initial stop loss (SL)
Raise SL on move back towards the high following each significant pullback
Important: Don't raise your stop loss until the price moves back near to the prior swing high of the most recent advance.
The stop loss should remain below the rising 30 week MA and each significant weekly swing low throughout the majority of Stage 2 advance, in order to give it enough room for its natural gyrations when consolidating after each advance.
Get more aggressive with your stop loss placement when you begin to see signs of Stage 3 developing.

MSTool - MarketSmith - Google Chrome

marketsmith.investors.com/mstool

DDOG | Daily | Weekly | Monthly | 60 Min | 12/31/2020 | Open Stock Ideas | MARKETSMITH BY INVESTOR'S BUSINESS DAILY

Datadog Inc Cl A

Tell us what you think! Learn more>>

Add to List: Potential TML

Datadog Inc Cl A (DDOG) NASDAQ Computer Sftwr-Enterprse (140/197)
www.datadog.com
Options Yes
Short Interest 3.8 days +9%

Market Capitalization	$29.98 Bil
Shares in Float	203.9 Million
Shares Outstanding	304.5 Mil(208.0 Mil)

$98.44 -7.84 -7.38%
Volume 8,417,000 -55%

HEADQUARTERS: New York, NY PHONE: 866-329-4466 IPO 9/19/2019 EPS Due 2/13/2021e

PROVIDES SAAS-BASED MONITORING PLATFORM FOR CLOUD APPLICATIO NS USED BY ENTERPRISES.

11/10/20 Expects Q4 2020 adjusted earnings of $0.01 to $0.02 per share on revenues of $162 mil to $164 mil

50-Day Avg Volume	3,790,200
Off 52-Week High	-16.7%
52-Week Hi-Lo	$118.13-$28.88

Year (Dec)	EPS ($)	Price($) High	Low
2013			
2014			
2015			
2016			
2017	-0.01		
2018	-0.04		
2019	-0.02	44	27
2020	0.18 est.	N/A	
2021	0.20 est.	11%	

Yield	NONE
ExDiv	N/A
Book Value	x38.32
Inventory T/O	N/A
U/D Vol Ratio	0.7
New CEO	N/A

EPS Rating	80
Group RS Rating	30
SMR Rating	C
Acc/Dis Rating	B
Composite Rating	86
Timeliness Rating	B
Sponsorship Rating	A
EPS Growth Rate	N/A
Earnings Stability	N/A
P/E Ratio	584 (22.5 X SP)
5-Year P/E Range	254-835
Return on Equity	[N/A]
Cash Flow	$0.02

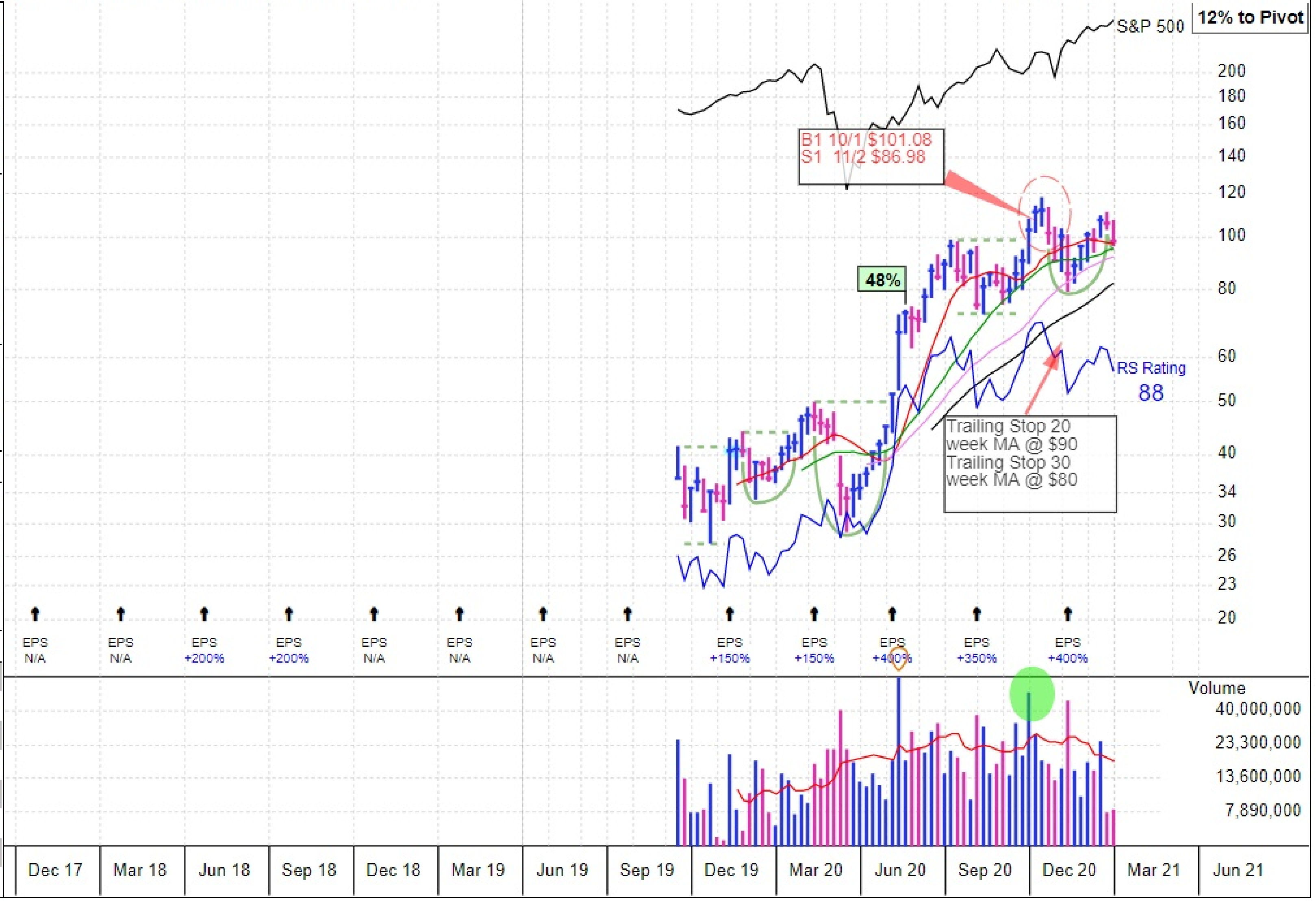
		Ownership	
Debt	N/A		
R&D	30.7%	Mgmt	1%
Alpha	0.39	Banks	1%
Beta	0.75	Funds	40%

Top RS in Grp	Symbol	RS	EPS Rtg
DigitalTurb	APPS	99	75
Magnite	MGNI	99	38
Domo B	DOMO	98	53
Audioeye	AEYE	98	51
CloudflareA	NET	97	55

No. of Funds	
Dec-19	164
Mar-20	235
Jun-20	560
Sep-20	682

Quarterly	EPS($)	%Chg	Sales($Mil)	% Chg
Dec-18	-0.02	N/A	61.6	+83%
Mar-19	-0.02	N/A	70.1	+76%
Jun-19	-0.02	N/A	83.2	+82%
Sep-19	0.01	#+150%	95.9	+88%
Dec-19	0.01	#+150%	113.6	+84%
Mar-20	0.06	#+400%	131.3	+87%
Jun-20	0.05	#+350%	140.0	+68%
Sep-20	0.05	+400%	154.7	+61%

12% to Pivot



Real-time prices by Nasdaq Last Sale. Real-time quote and/or trade prices are not sourced from all markets. Ownership data provided by Refinitiv and Estimate data provided by FactSet. reachus@mark

 12.31.2020

Chart Legend

Institutional Ownership	
Funds	40%
Banks	1%
Insurance Co.	0%

Management Ownership	
Percentage Held	1%
Outstanding Shares	305 Mil

Fund Ownership Summary	
Date	No of Funds
Sep-19	229
Dec-19	164
Mar-20	235
Jun-20	560
Sep-20	682

IBD Mutual Fund Index Ownership	
Fund	Fund Assets %
T. Rowe Price New Hor...	2.03%
Virtus KAR Mid-Cap Gr...	1.88%
Fidelity Contrafund	0.12%

Show Fund Ownership

Owners & Funds | Industry & Sector | News | Options | Checklist

SCREENS, ALERTS & NOTES

Potential TML | 45 items | Play

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DOCU | Daily | Weekly | Monthly | 60 Min | 12/31/2020 | Open Stock Ideas | MARKETSMITH BY INVESTOR'S BUSINESS DAILY

Docusign Inc

Tell us what you think! Learn more>>

Add to List: Potential TML

Docusign Inc (DOCU) NASDAQ Computer Sftwr-Enterprse (140/197)
www.DocuSign.com
Options Yes
Short Interest 2.1 days -12%

Market Capitalization	$41.47 Billion
Shares in Float	145.5 Million
Shares Outstanding	186.6 Million

$222.30 -22.63 -9.24%
Volume 10,291,800 -44%

HEADQUARTERS: San Francisco, CA PHONE: 415-489-4940 IPO 4/27/2018 EPS Due 3/12/2021e

PROVIDES E-SIGNATURE SOLUTION THAT ENABLES BUSINESSES TO DIG ITALLY PREPARE, EXECUTE, AND ACT ON AGREEMENTS.

12/03/20 Expects Q4 FY21 revenues of $404 mil to $408 mil

50-Day Avg Volume	3,760,800
Off 52-Week High	-23.4%
52-Week Hi-Lo	$290.23-$64.88

Year (Jan)	EPS ($)	Price($) High	Low
2014			
2015			
2016	-0.79		
2017	-0.74		
2018	-0.08	68	35
2019	0.09	76	38
2020	0.31	290	64
2021	0.74	est.	139%
2022	1.11	est.	50%

Yield	NONE
ExDiv	N/A
Book Value	x75.91
Inventory T/O	N/A
U/D Vol Ratio	1.7
New CEO	N/A

EPS Rating	75
Group RS Rating	30
SMR Rating	A
Acc/Dis Rating	C
Composite Rating	90
Timeliness Rating	C
Sponsorship Rating	B
EPS Growth Rate	N/A
Earnings Stability	N/A
P/E Ratio	359 (13.8 X SP)
5-Year P/E Range	209-999
Return on Equity	10%
Cash Flow	$0.89

		Ownership	
Debt	85%	Mgmt	14%
R&D	19.1%	Banks	2%
Alpha	0.44	Funds	62%
Beta	0.59		

Top RS in Grp	Symbol	RS	EPS Rtg
DigitalTurb	APPS	99	75
Magnite	MGNI	99	38
Domo B	DOMO	98	53
Audioeye	AEYE	98	51
CloudflareA	NET	97	55

No. of Funds	
Dec-19	762
Mar-20	947
Jun-20	1258
Sep-20	1333

Quarterly	EPS($)	%Chg	Sales($Mil)	% Chg
Jan-19	0.06	+500%	199.7	+34%
Apr-19	0.07	+600%	214.0	+37%
Jul-19	0.01	-67%	235.6	+41%
Oct-19	0.11	+999%	249.5	+40%
Jan-20	0.12	+100%	274.9	+38%
Apr-20	0.12	+71%	297.0	+39%
Jul-20	0.17	+999%	342.2	+45%
Oct-20	0.22	+100%	382.9	+53%

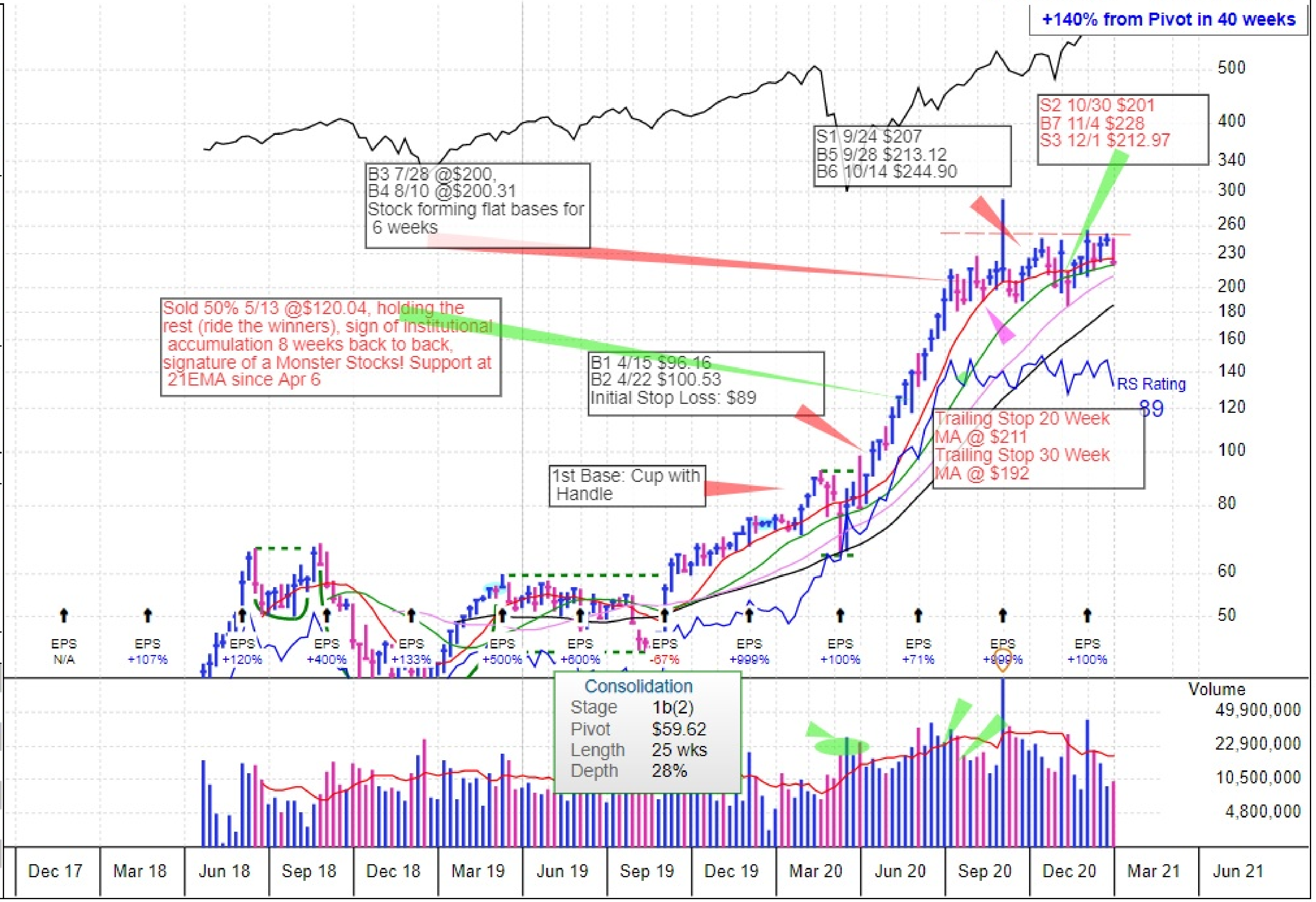

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Chart Legend

Institutional Ownership

Funds	62%
Banks	2%
Insurance Co.	0%

Management Ownership

Percentage Held	14%
Outstanding Shares	187 Mil

Fund Ownership Summary

Date	No of Funds
Dec-18	294
Mar-19	405
Jun-19	556
Sep-19	648
Dec-19	762
Mar-20	947
Jun-20	1258
Sep-20	1333

IBD Mutual Fund Index Ownership

Fund	Fund Assets %
American Century Foc...	4.03%
Virtus KAR Mid-Cap Gr...	3.4%
T. Rowe Price New Hor...	1.96%
Federated Herm Kaufm...	0.32%

Show Fund Ownership

Owners & Funds | Industry & Sector | News | Options | Checklist

SCREENS, ALERTS & NOTES

Potential TML | 45 items | Play

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ZM | Daily | Weekly | Monthly | 60 Min | 12/31/2020 | Open Stock Ideas | MARKETSMITH BY INVESTOR'S BUSINESS DAILY

Zoom Video Comm Cl A

Tell us what you think! Learn more>>

Add to List: Potential TML

Zoom Video Comm Cl A (ZM) NASDAQ Computer Sftwr-Enterprse (140/197)
www.zoom.com

Options Yes	Market Capitalization	$96.48 Bil	$337.32 -37.85 -10.09%
Short Interest 1.1 days +45%	Shares in Float	196.7 Million	Volume 27,569,000 -36%
	Shares Outstanding	286.0 Mil(198.7 Mil)	

HEADQUARTERS: San Jose, CA PHONE: 888-799-9666 IPO 4/18/2019 EPS Due 3/4/2021e

50-Day Avg Volume 8,610,100
Off 52-Week High -42.7%
52-Week Hi-Lo $588.84-$65.52

OFFERS CLOUD-BASED SOFTWARE PLATFORM FOR VIDEO AND AUDIO CON FERENCING, CHAT AND ONLINE COLLABORATION.

11/30/20 Expects FY21 non-GAAP earnings of $2.89 to $2.91 per dil share/raised revs guidance to $2.575 bil to $2.580 bil

Year (Jan)	EPS ($)	Price($) High	Low
2014			
2015			
2016			
2017	-0.01		
2018	-0.01		
2019	0.06	107	59
2020	0.35	588	65
2021	2.91	est.	731%
2022	2.96	est.	2%

Yield	NONE
ExDiv	N/A
Book Value	x115.69
Inventory T/O	N/A
U/D Vol Ratio	0.9
New CEO	N/A

EPS Rating	75
Group RS Rating	30
SMR Rating	A
Acc/Dis Rating	D
Composite Rating	87
Timeliness Rating	C
Sponsorship Rating	A
EPS Growth Rate	N/A
Earnings Stability	N/A
P/E Ratio	156 (6.0 X SP)
5-Year P/E Range	149-999
Return on Equity	25%
Cash Flow	$0.56

		Ownership	
Debt	N/A		
R&D	10.8%	Mgmt	1%
Alpha	0.76	Banks	0%
Beta	-0.18	Funds	30%

Top RS in Grp	Symbol	RS	EPS Rtg
DigitalTurb	APPS	99	75
Magnite	MGNI	99	38
Domo B	DOMO	98	53
Audioeye	AEYE	98	51
CloudflareA	NET	97	55

No. of Funds	
Dec-19	296
Mar-20	463
Jun-20	933
Sep-20	1178

Quarterly	EPS($)	%Chg	Sales($Mil)	% Chg
Jan-19	0.04	+300%	105.8	+108%
Apr-19	0.03	+400%	122.0	+103%
Jul-19	0.08	+300%	145.8	+96%
Oct-19	0.09	+800%	166.6	+85%
Jan-20	0.15	+275%	188.3	+78%
Apr-20	0.20	+567%	328.2	+169%
Jul-20	0.92	+999%	663.5	+355%
Oct-20	0.99	+999%	777.2	+367%

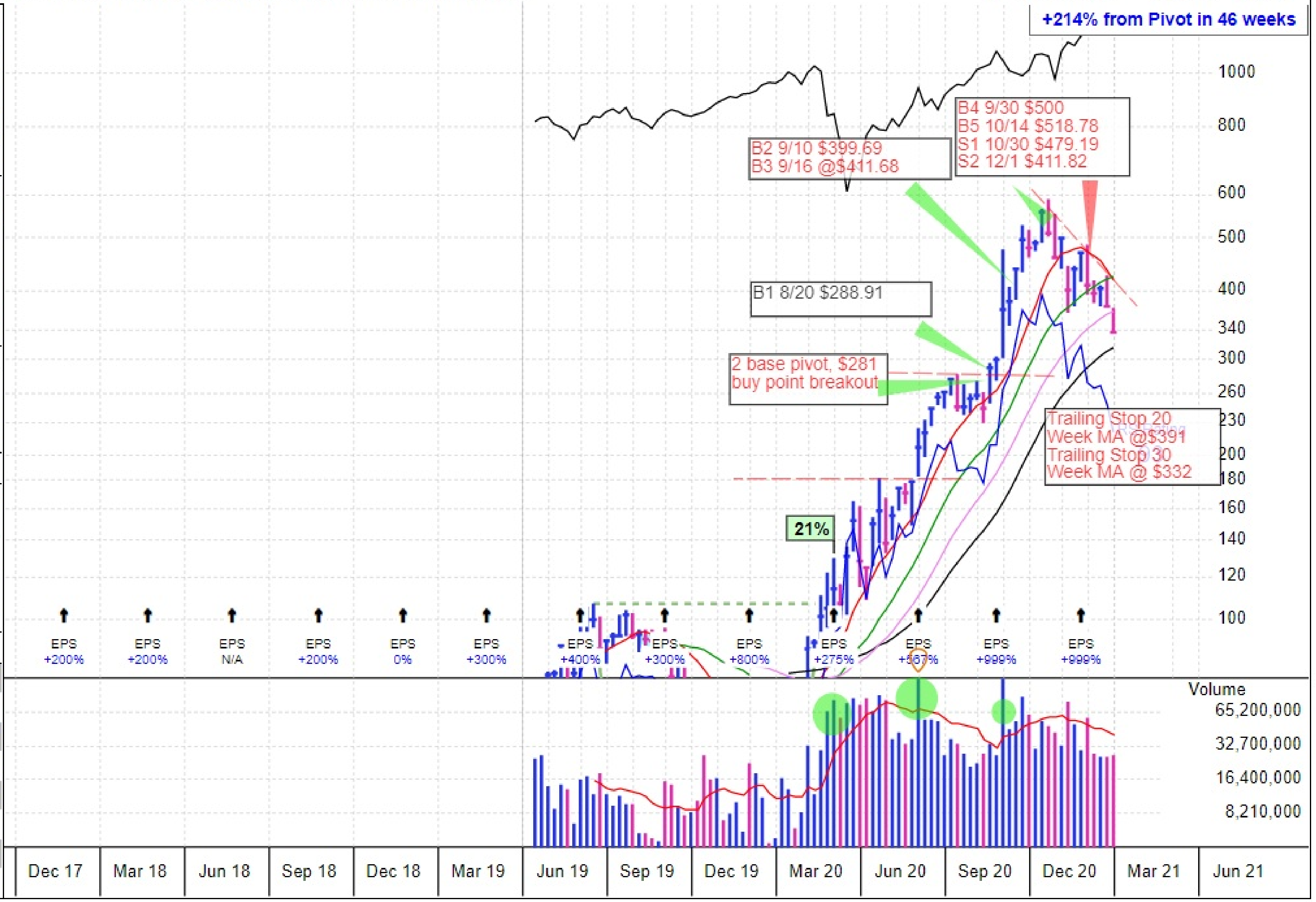

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Chart Legend

Institutional Ownership

Funds	30%
Banks	0%
Insurance Co.	0%

Management Ownership

Percentage Held	1%
Outstanding Shares	286 Mil

Fund Ownership Summary

Date	No of Funds
Jun-19	278
Sep-19	278
Dec-19	296
Mar-20	463
Jun-20	933
Sep-20	1178

IBD Mutual Fund Index Ownership

Fund	Fund Assets %
Fidelity Contrafund	0.03%

Show Fund Ownership

Owners & Funds | Industry & Sector | News | Options | Checklist

SCREENS, ALERTS & NOTES

Potential TML | 45 items | Play

CORE RISK MANAGEMENT: USING PRICE LEVEL, MAs TO AVOID MAJOR DOWNTRENDS

Markets move quickly, and the S&P 500 is -7.8% over the last 5 days, after making a new all-time high on February 19. I can absolutely state this, by using price levels to manage positions and not emotions or predictions, if markets trend back to the upside, I will be long and if they start to unwind to new lows, I will be in cash or short. It is not a prediction or an opinion, or alot of emotional decisions to make, it is a price based trading process.

If Price > x, Long and < x, Cash or Short.

Volatility and uncertain returns are one of the many reasons that stocks offer higher than average returns over time. I started trading in 1998, and my first two Bear Markets were 2000 and 2008, each down over 50%. I am in no way implying that we will go into a Bear Market at all, because I don't make predictions, but I do have considerable experience with fast moving 'down-markets'. The lows can come in very fast and at any time, whether it is today, next week or down the road. My plan is to manage any potential drawdowns, whenever they happen.

Here are a few ideas on how to handle higher volatility and sharp pullbacks:

1/ Have predefined downside risk levels.
I follow price, moving averages and uptrends. As long as my positions and/or markets are trending higher, I follow the trend. Staying long or adding in pullbacks works until it doesn't. I always have a key downside risk level below, either a key longer term moving average, which for example could be the 100-day, 150-day or 200-day moving average, or a key price level, in this case we can use $SPX

5/ Only trade your Egde – When in doubt. it's OK to sit out
Traders get paid to make money, not hit the buy and sell buttons all day long. Some traders thrive in higher-volatility environments and can trade them well, some do not. If one is not highly skilled at shorter-term, higher- volatility trading, than it is best to sit it out until market conditions come into their skill zone. In many market conditions the concept of not losing money is just as good, if not better, than trying to make money.

6/ Limited Testing
At some point, if I see what appears to be a possible technical low, either by testing key support, a key MA, price signal or a selling climax, I may use a 'test position', usually an index ETF, with a tighter than average stop level. If the low is in, the ETF will start to work and then I can manage it on the way up. If I am wrong in the position, the stop will get me out with an acceptable loss and I will reevaluate.

I do not want to see signs of a possible low, and then add multiple positions, a few ETFs and a few stocks because I see that the low might be in. It is much easier to focus on and manage one concentrated ETF position in volatile markets, than a basket of them or stocks. Single stocks are much more volatile in higher range times and the opening gaps can wreak havoc on stops.

7/ It is OK to wait
For many, instead of trying to find the technical low, another strategy is to wait for confirmation. This is the same as downside level triggers, but in reverse, upside trigger levels. A trader might set a rule that they won't add new money until price recovers by X% off the low or closes over a key price level or moving average overhead. This is a practice that many skilled traders use.

8/ Do less, not more
Higher volatility and downside testing for me means less activity, much more cash, and smaller positions, if any. If a pullback turns into a steep downtrend or a Bear Market, than Cash will outperform most by a wide margin. Nothing beats high cash levels in a downtrend or Bear Market.

9/ Hedging & Shorting, Pros and Cons
Some advocate hedging, which may have advantages and drawbacks. I won't go into advanced hedging strategies, only basic concepts. The most basic concept of shorting an index vs a basket of open long positions may reduce drawdowns, but not always. In the September 2019 drawdown and 200-sma test, many indices hardly budged at first, while single name high momentum tech stocks unwound 20-30%+. Anyone holding a basket of these momentum stocks saw their holdings unwind rapidly, while the index hedges hardly moved, creating no protection. The only true safe haven is green Cash.

Adding more exposure, say an index short, also means more decisions. If someone holds an index short and the market rallies X%, they may cover their short at a loss, only to watch the market then head lower and create more of a loss. Open positions equal more risk to manage. By far, Cash is the best hedge.

While I am not advocating for or against hedging, one needs to understand the nuances and not just assume they are protected because they think they are hedged. When I do hedge, a simple index ETF short works best for me.

Shorting is a different skill set as well, and one that took me a long time to become proficient at. My view is that the majority should avoid shorting at all, or wait until they have been consistently profitable on the long side for a few years. Trading short is a completely different skill set than trading long, especially in highly volatile markets. When I do short, I prefer an index short in a downtrend, as was the case in Q4 2018.

10/ Summary

Markets go up and down, stocks go up and down, and often down much faster than up. This uncertainty is part of the long-term return potential of stocks. It does pay to know when to shift the main focus from offense to defense, and when the focus shifts, it pays to have a well thought out plan and alot of patience.

The lows can come in at literally any time soon or no time soon. Let price levels determine the trading plan, not emotions or opinions. Once the selling is done, whether it is in one day, one week, one month or one year, there are often very good longer term opportunities that come up, for those who are in a position to take them. I keep a watch list and key buy levels of my top ideas, so that when the time comes, I am trading my plan, and not just chasing random symbols. Winning in markets is a lifelong endeavor for many, so it is a marathon, not a sprint. Very few get rich overnight in markets, but many can go broke in a short time frame if they do not have skill, discipline and patience. Once we learn how to manage the downside and drawdowns, and let price levels manage the process and not emotions, we take the next major step to long-term success.

3200 as an example. In this example, under 3200 I will be in 'minimize drawdown/no new positions' mode and over 3200 in 'long-side ideas' mode, always with stops and risk controls. What I want to do is avoid any potential major drawdowns, if markets unwind.

As long as prices are trading above the pre-determined moving average or price level, then the focus leans into looking for upside ideas and managing the uptrends. Defense is an every day priority, but in the strong uptrends, offense is a priority as well. If price breaks below my key risk level, then the focus shifts to managing downside risk, minimizing drawdowns, and managing exits.
2/ Don't chase downtrends or try to call 'the Bottom'
Once price is below the key risk level, I am going to stop trying to buy the pullback, and stop taking new equity positions, because I don't want to buy into the downtrend. Buying a lower-volatility pullback in an uptrend is a much different process than buying a pullback into a higher-volatility downtrend. Once the steeper selling starts, the goal is to minimize the drawdown and minimize volatility. The rallies in downtrends can be very sharp. If price closes back above my key price level or moving average level, than I can reevaluate the directional focus. I would much rather pay more to buy on the way back up, then pay less to buy into a downtrend.

Many have tried to 'call the top', and that strategy has cost them dearly over the last few years, as it is a very low win-rate idea to try to call major market tops and bottoms. Trying to call the bottom in a sell off is just as questionable of an idea. It is better to let price give signals as to when a low might be in.

3/ Don't try to be a Hero – Honor stop losses, have patience and sit on cash
I use pre-defined stops and exits on positions. Once they start to go off, that is the markets way of reducing the risk in the accounts. Instead of trying to find the next new buy, I let the stops go off and the cash build in the accounts. Having higher levels of cash in drawdowns is a great way to preserve mental capital as well as financial capital.

Our Blue Chip Daily Model Account ended last week at over 20% cash and 12%+ US Treasuries, and is at 34% cash with this week's exits. High cash levels reduces drawdowns and volatility and offers a less pressured decision making environment. Watching a downtrend play out while sitting on a high cash level is a favorable position to be in.

4/ Watch Daily Volatility
I use Average True Range (ATR) which is a simple calculation of the daily trading range for a security. When ATR starts to expand, that is a sign that volatility is picking up, and is often a sign of a bigger move to come. I focus on Price, price levels, moving averages and ATR, because none of these is predictive, they are basic calculations of price. If a moving average breaks down, or if ATR expands, these are simple to see, there is no interpretation required, as with chart 'patterns', and no prediction needed. Price is either above or below a moving average, ATR is either expanding, flat or contracting, it is black and white. The $SPX chart below shows ATR expanding into this move, from under 20 in December to over 30 in February and currently at 43. When ATR is expanding, this is a sign of higher volatility.

See all 17 of Marty Zweig's Investing Rules above, from a 1990 brokerage memo, and the 14 rules below that I apply on a daily basis. Marty Zweig was a legendary trader and investor who emphasized following price and trend, and is popularly known for two of his key market rules, which I subscribe to: "Don't fight the tape" and "Don't fight the Fed". His book "Winning On Wall Street" was one of the first investing/trading books that I ever read, having first read it in the early 1990's.

MARTY'S TOP RULES THAT I APPLY DAILY

1. The trend is your friend, don't fight the tape.
2. Let profits run, take losses quickly.
5. The cheap get cheaper, the dear get dearer.
6. Don't fight the Fed (less valid than #1).
8. Adapt to change.
9. Don't let your opinion of what should happen, bias your trading strategy.
10. Don't blame your mistakes on the market.
11. Don't play all the time.
12. The market is not efficient, but is still tough to beat.
13. You'll never know all the answers.
14. If you can't sleep at night, reduce your positions or get out.

15. Don’t put too much (or any) faith in experts.
16. Don’t focus too much on short term information flows.
17. Beware “New Era” thinking, i.e. it’s different this time because…

Stocks and the stock market are one of the greatest wealth building tools available to traders and investors worldwide. When managed the right way, stocks can provide superior long-term returns.

Volatility however is also a part of the process, and the uncertain returns of stocks is part of what provides for the higher longer-term returns. In the short-term, volatility can cause many to make emotional snap decisions, that in hindsight they regret, or that do not follow their longer-term plan. Following are some of my best ideas to manage daily volatility, both mentally and in the stock market.

1. KNOW YOUR TIME FRAME

Traders and investors need to determine what the overall time-frame is for their capital, and also what their risk-tolerance level is, which is based on their personality, objectives and ability to handle changes in value of their positions. If someone is trying to generate cash flow on a daily or weekly basis, then they will most likely have a very short-term, daily time-frame and will likely focus on that

2. ASSUME THAT EVERY POSITION WILL GET STOPPED OUT

Billionaire trader Paul Tudor Jones, in his Market Wizards interview (page 125) said "Every day I assume every position I have is wrong. I know where my stop risk points are going to be."

Often traders and investors don't want to use stops, or sell losing positions, because they don't want to take the loss. They tell themselves "it's only a paper loss" or "it isn't a loss until you sell it". These are both very wrong and a sure way to lose alot of money.

I go into every position expecting that it can be a big winner, based on my process and my time-frame, but I also know that any position can get stopped out at any time for any reason. Once we accept this, we realize that it is a necessity for

3. TUNE OUT NEWS, PREDICTIONS AND OPINIONS

The news media has an important job to do, but it is key to understand that not all of it matters. The media, both TV and digital, need stories and headlines to keep our attention for 24 hours a day, 365 days a year, and that means sensationalism and bold headlines, to get us to click onto the page. Any time they can post an article about someone who is predicting a 30% drop, or why the next recession is right around the corner, people will want to find out why, because we generally like predictions. The fact is that most of what we read online is no more accurate than a coin toss, or often worse, because it is based on someone's opinion or bias.

Go up one section to James Simons and his 50.75% win rate. If he can't predict markets consistently, what makes us think that anyone on social media or on TV can either?

Devote serious time and effort to really understand your own time frames, objectives and risk tolerance levels.
Use cash balances as a mental and financial buffer.
Learn to accept that minor losses are a part of any professional trading and investing program.
Use stop losses.
Don't take minor losses personally.
Actively manage risk by moving up stops and partially scaling winners at set intervals.
Tune out short-term news, like the futures markets and outside news

This might help. James Simons, believed by many to be the greatest trader ever, based on his returns, is said in a book about him to have a 50.75% win rate.

George Soros, another legend, is said to have a less than 40% win rate. They key is when they are wrong, they keep it in check, and when they are right, they look to maximize their winners.

In summary, when we accept that even the best of the best are right just over half of the time, we can embrace how to manage the losers and not take it personally.

MOVE UP STOPS & SCALE PARTIAL GAINS TO REDUCE OPEN RISK
Once positions start to work, moving up the original entry stop is one way to reduce the open risk. If the original position starts with a 12% stop, starts to work and the trader moves the stop up to 6%, then risk is cut in half. If the position goes up by a specified amount, maybe 10, 15 or 20%, then scaling back a piece of it serves to lock in some profit, and also reduces open risk. There is no set rule for when traders should scale out partial gains, if at all. Some want quicker gains, some want bigger winners.

The chart below, for current open position in Netflix, $NFLX, illustrates this. We took the position just over 369, with a stop just over 314. The position started to work right away, we moved up the stop and booked partial 20% gains just over 446.

For intermediate to longer-term traders and investors, like myself, who do not need the cash flow today, or who are focused on compounding higher than average returns over weeks, months and years, than shorter-term data like the overnight futures markets, or the random daily market ups and downs do not matter very much.

I don't focus on daily news, analyst opinions, or what anyone on TV, social media or in my personal network thinks about my positioning. I follow a consistent process based around price, math, position management and risk management. I have spent 22 years developing, refining and implementing my process and mindset, and have extreme confidence in it. Based on that, I focus on the process and tune out opinions, news and predictions.

If you have a intermediate to longer-term time frame, then a 5 minute chart on your positions or a random divergence doesn't matter. The daily, weekly and monthly charts will show the major trends.

The key here is that each person understand what their real time-frame and risk tolerance is. Some think that they are more risk tolerant than they really are, or that their time-frame is longer than it is. It is very important to get this all dialed in.

MANAGE YOUR CASH BALANCES

One of the best risk-management tools that I know of is to actively manage cash balances. Not only is cash a great volatility buffer, but it is also a great mental buffer as well. If someone is risk averse, and has only 20% of their account allocated and 80% in cash, they will most likely deal with daily volatility much better than if they have 100% of their money in the markets. This is often called by experienced traders "selling down to the sleeping point", which means if your exposure keeps you from sleeping, keep selling it off until it's not an issue.

In low volatility market uptrends, I might have 80-100% invested, and recently I have had anywhere from 0 to 50% invested. By adjusting cash balances, we can control how much we have at risk and keep a more even mindset and try to not override the process.

3. USE STOP LOSSES

The second best risk-management tool that I know of is to use stop losses on each position at entry. There are various opinions on stop losses and how to use them, but from a pure risk-management point of view, they are essential. Professional traders and investors focus on minimizing losses and keeping equity drawdowns in check. Using hard stops, GTC orders in the system, will serve to put a cap on downside risk, and also remove the emotional aspect of the trader having to press the sell button, or not. I place my order, get my position in, and put the stop in right away. That's it. If the position goes against me, that is the markets way of telling me that my position is wrong, so my risk is cut and I move on, with my capital intact. On the other side of this, some of my biggest winners over time, triple digit moves, started 5-8% down, but did not hit my stops, and then went on to big breakout moves.

Once the stop loss is in, there is no reason to micro-manage the trade on a tick by tick basis.

The chart below for a current open position in ServiceNow, $NOW, illustrates a recent position that we took just under 302, which traded to 308, and then down to 281 within two days, almost a 7% drop the day after entry. The stop loss below, just over 256 was in place to limit the potential loss. Instead of getting shaken out of the position, or second-guessing it, or trying to sell it and buy it back lower, I stayed with it, knowing the stop loss was in place, and within 7 days it traded up to 357, and is currently up nicely from the entry.

ASSUME THAT EVERY POSITION WILL GET STOPPED OUT

Billionaire trader Paul Tudor Jones, in his Market Wizards interview (page 125) said "Every day I assume every position I have is wrong. I know where my stop risk points are going to be."

Often traders and investors don't want to use stops, or sell losing positions, because they don't want to take the loss. They tell themselves "it's only a paper loss" or "it isn't a loss until you sell it". These are both very wrong and a sure way to lose alot of money.

I go into every position expecting that it can be a big winner, based on my process and my time-frame, but I also know that any position can get stopped out at any time for any reason. Once we accept this, we realize that it is a necessity for professional trading and investing, and we can learn to not take it personally.

This might help. James Simons, believed by many to be the greatest trader ever, based on his returns, is said in a book about him to have a 50.75% win rate. George Soros, another legend, is said to have a less than 40% win rate. They key is when they are wrong, they keep it in check,

TUNE OUT NEWS, PREDICTIONS AND OPINIONS

The news media has an important job to do, but it is key to understand that not all of it matters. The media, both TV and digital, need stories and headlines to keep our attention for 24 hours a day, 365 days a year, and that means sensationalism and bold headlines, to get us to click onto the page. Any time they can post an article about someone who is predicting a 30% drop, or why the next recession is right around the corner, people will want to find out why, because we generally like predictions. The fact is that most of what we read online is no more accurate than a coin toss, or often worse, because it is based on someone's opinion or bias.

Go up one section to James Simons and his 50.75% win rate. If he can't predict markets consistently, what makes us think that anyone on social media or on TV can either?

SUMMARY

Devote serious time and effort to really understand your own time frames, objectives and risk tolerance levels.
Use cash balances as a mental and financial buffer.
Learn to accept that minor losses are a part of any professional trading and investing program.
Use stop losses.
Don't take minor losses personally.

Actively manage risk by moving up stops and partially scaling winners at set intervals.
Tune out short-term news, like the futures markets and outside opinions.

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and when they are right, they look to maximize their winners.

In summary, when we accept that even the best of the best are right just over half of the time, we can embrace how to manage the losers and not take it personally.

MOVE UP STOPS & SCALE PARTIAL GAINS TO REDUCE OPEN RISK

Once positions start to work, moving up the original entry stop is one way to reduce the open risk. If the original position starts with a 12% stop, starts to work and the trader moves the stop up to 6%, then risk is cut in half. If the position goes up by a specified amount, maybe 10, 15 or 20%, then scaling back a piece of it serves to lock in some profit, and also reduces open risk. There is no set rule for when traders should scale out partial gains, if at all. Some want quicker gains, some want bigger winners.

The chart below, for current open position in Netflix, $NFLX, illustrates this. We took the position just over 369, with a stop just over 314. The position started to work right away, we moved up the stop and booked partial 20% gains just over 446.

Duckman's Relative Strength Techniques

(RS = Relative Strength; MAs = Moving Averages)

Here are some techniques I have found useful over the years to find stocks that stick out during a selloff, correction, or pullback. Nicolas Darvas eloquently stated in his book, (<u>How I Made $2,000,000 in the Stock Market</u>) "I tried to detect those stocks that resisted the [market] decline. I reasoned that if they could swim against the stream, they were the ones that would advance most rapidly when the current changed." This gentleman laid it all out for us and William J. O'Neil galvanized this concept and folded it into the CANSLIM methodology. Relative Strength is the single most underrated tool within the technical analysis spectrum in my opinion. Here are some ways to identify RS:

- RS line at new highs
- Stocks with an RS line pointed at 12 to 2:30ish before a stock breaks out or as a stocking is breaking out (upward trending with the greater the ascent angle, the better)
- Stocks making 52-weeks as the market is in a correction or pulls back
- Stocks making all-time highs
- Stocks NOT making a new low when the S&P500 and Nasdaq are
- Stocks holding above short-term MAs like: 8ema, 10sma, 21ema, etc.
- Stocks with short-term MAs in order: 5ema above the 8ema, 8ema above the 10sma, 10sma, above the 21ema, etc.
- Stocks that undercut long-term MAs like the 50sma or 200sma less than the general market undercuts those same MAs on a percent basis
- Support candle on weekly/daily which needs to close in the upper half and preferably not a gap down but doesn't necessarily have to be a positive week or day
- Stocks that closed green for the week or day while the general market was down substantially
- Stocks that did not participate in the most recent rally and now act calm and orderly in a corrective tape
- Tight range closes and a tight high/low candle on minimal volume on a weekly or daily chart during a bad tape
- High RS rating (preferably >87)
    - Note: The RS line is more of a leading indicator than the rating
- Top RS stocks in the top 40-50 industry groups
    - Pick the fundamentally most sound stock with good liquidity that has the strongest RS line of the GROUP and not just the market
- EPS driven gaps on BIG volume are huge institutions buying clues
- Stocks holding EPS driven gap gains (<10% from the gap day close) in the following days
- Stocks breaking out of a sound base
- Stocks basing or consolidating calmly sideways while the market makes new lows
- Stocks clinging on to MAs that it hasn't attached to in the past (character change)
- Stocks not making a new intraday low when the market does
- Stocks that open green or near green on a deep red open

Date: Dec 28 2020

Everything you need in your #trading:

1) Chart with price / volume / moving averages. Buy stock with strong earnings coming out of bases with huge volume in Market Confirmed Uptrend.

2) Strong Relative strength (RS) -Focus on Elite Leaders in Top 40 industry group out of 197 industry groups. The strongest stock in the strongest industry group. Example we want to find Elite leaders like in sports i.e Michael Jordan or Bruce Lee or Tiger Wood or Muhammad Ali - the best of the best leaders paid the highest price in their prime (strength beget strength) same concept in buying stock. Fish where the fish are. Look for top rated stocks in the top industry groups.

3) Great fundamentals like EPS and sales growth. Elite Leaders typically have > 40% earnings growth or > 40% sales growth (2 quarters average) and show accelerating earnings quarter after quarter. Triple digits the best - Monster stock. Focus on companies with big earnings growth and a game changing new product or service. Remember APPLE, CHIPOTLE, AMAZON, GOOGLE & PRICELINE all showed strong earnings quarter after quarter.

Forget all other crazy indicators. Mute CNBC, turn off news, noise. Focus on the most important power : price trends, key MAs, charts tells you a story, and listen to the chart, really really listen to what chart is saying.
KISS
Keep it simple = Smart.

The CAN SLIM system seeks companies with proven record of quarterly and annual earnings and sales growth showing strong relative price strength (RS) and supports from high quality institutions within 15% of its 52-week high.

Keys Benchmark MAs

I recommend back testing and see how these key MA works in action, that's how I understand and learn the POWER of using these Keys MA (price & trend rising)

Since my timeframe - intermediate to long term (6 months to 3 years), I use these keys MA as my guardrails:

1. 21 Day EMA (as a barometer that the stock is healthy and in a strong uptrend,). Like the Nasdaq, price have been above 21 Day EMA since Apr 6 to Sep 2! I'm raging bull because of this price action above 21 Day EMA.
Sell 10 to 20% of shares in particular stock into strength when > Average gains or Achieve 20-25% profit

Sell 5 to 10% if break above upper channel

2. 50 Day (10 week) SMA (key benchmark support area by most institutions, place where institutions typically will add shares and support the stocks. If the price breakdown (slice in heavy volume) below this key MA and charts shows lot of selling pressure, it is time to take profit off the
table (see Mark Minervini's breakeven better rule) Most key leaders will hold these key 50 day and can go amazing distance for quite some time!
My simple analogy: if stocks break below 50MA, it is like we are living under parents basement. There is only a little sunlight. If above 50day we are back upstairs.

4. 80 Day (16 week) EMA (sell some automatically due to traveling/work and use this as trailing stop. Sell 70% of share to protect profit when below this MAs.

3. 100 Day (20 week) SMA (sell some automatically due to traveling/work and use this as trailing stop) No question ask and give some wiggle room to determine if stock being supported at 50 SMA by the big institutions or not.
Sell 20% of shares in particular stock to protect profit when break down this key MA.

3. 150 Day (30 week) SMA (as a barometer of primary trend) - I only buy when price above this key MA (Stage 2). I called this Stage 2 Advancing Phase, the most rewarding phase. It has the highest probability of making money.
Sell remaining 10% of shares in particular stock (close remaining positions out) when break down below this key MA.

The Midterm Rule is designed to avoid selling a big winner too early and attempts to hold for an I-AP. The criteria for the rule:
- sell After 2 week closes under 10 week SMA and below low of the those 2 week with 6% or 3 weekly closes under 10 week (intermediate trigger) or
- sell 70% After break below 80 day (16 week) EMA
- sell 20% After break below 100 day (20 week) SMA or
- sell closes the week 30 percent off its peak or
- sell 10% weekly closes below 30 week SMA.

4. Focus on the life cycle of the stock market. Buy Aggressively in 1st and 2nd year of Bull market. Biggest gains made in the 1 to 2 years of a new bull market. By year 3 of underlying bull cycle, interim corrections typically become more frequent and uptrend become shorter and less powerful. Leading stocks start to top and decline. Apr 6 2020 Nasdaq Follow Through Day (FTD) starts Raging Bull Market cycle 1st year.

"To know which way it's going, I must observe and analyze the general market indexes daily and how the elite leaders are doing. Don't ever ask anyone: 'What do you think the market's going to do?'

Learn accurately analyze what the chart market indexes doing each day as it is doing it and the action of Elite leaders on the chart.

To know the primary change in market direction, after the daily averages is the way leading stocks act. If majority of the leaders break down, then Uh..no..something is happening and I better watch out. So know who's the elite leaders are, what they're doing, market averages and If I figure this out, I should be able to make decisions wisely

5. Remember the
analogy when climbing Mount Everest starting from the flat land, climbing from the bottom to the top (in between stock will build typically 1 thru 5 bases (taking rest/plateau/break) before reaching the top of the mountain and finally back down to the flat land (bottom) again.

Stage 1 Flatland = Bases and entry setup, use fundamentals triple digit earnings accelerated growth or triple digit sales accelerated growth 2 or 3 quarters for proper bases setup and trade only When stock displayed VCP characteristic.

Stage 2 Growth = Advancing Phase Uptrend- I'm buying when price above 150 day SMA (30 Week MA), higher highs higher lows is an uptrend - that is what matters in market.
The chart is as clear as it gets - higher highs & higher lows is an uptrend - that is what matters in markets.

Not put/call ratios, sentiment, divergences, PE or other distractions that some use to try to justify being on the wrong side or to try to fight the tape.

Stage 3 Topping = Distribution
Stage 4 Downtrend = Selling heavily when price slice thru heavily below 150 day SMA (30 week MA).

I avoid Stage 3 and 4 (time to take profit off the table, once in the stock, use technical action for selling).

In Stage 1, just watch the stock setting up and form bases. Always buy breakout from 1st or 2nd Bases in Stage 2 Advancing Phase (The most rewarding phase).

Principles bases on real market history of past outstanding leaders: For example that I'll hold the stock for another few months or through its first 15 to 20 percent correction I could as long as the price stays above or is supported at or slightly below 50 SMA (10 week) SMA. This has helped me very much in being able to sit with most of my big winners long enough to achieve the potential that was there but still get out when the end was near. As Jesse Livermore said, it's your sitting, not your thinking, that makes the big money for me.

In baseball you would never swing at a pitch 5-feet away from the plate, but traders do it all the time. The desire for action causes them to force trades and lose money during periods when they should be waiting for the proper conditions. Discipline is a principle of greatness.

Couple of GREAT tactics. Buy only stocks with great earnings and/or sales. Buy them breaking out of good bases with big volume surge. Ride trends. Sell some into strength when price becomes extended. Helps you make money, keep money, and control/lessen risk!

Be a cheetah õ .

Remember that it’s not just about setups. You want tailwinds behind you on new buys. Feedback on other new buys, status of TMLs, leaders, breadth, indices, and sentiment. Align this with a solid buying strategy and you increase your odds on the trade greatly. I called this edge.

Think of trading like flipping a coin; over many tosses the outcome may only be a 50/50 proposition. But what if you win $2 for every head and lose $1 for every tail; what would you want to do with that coin? Flip it as many times as possible... right? That's the secret

A trading program that runs the same stop rules (fixed 6-7% etc.) when $VIX is > 20 and is going to cause alot of whipsaw trades in the course of normal daily vol, esp. in higher volatility growth stocks. Thefore wider stop and smaller position size is required during high volatility.

I muted all financial/news media a few weeks ago, and my days have been very productive and low stress - I keep the screen on with no sound to see index prices, etc.

Perfect. Saw this myself and wondered why I was even looking at CNBC. It took about a year and a lot of time being a stubborn ass to realize PRICE AND VOLUME tell you everything you need to know about a stock. Keep it simple. ɵ Z

One of my top rules for buying pullbacks in uptrends, which is something that I often do, is to wait until they stop going down first.

There is a difference between predictive TA, which I don’t do, & reactive trend analysis, which is what I do.

Some like to predict w/ patterns, I don’t. I use trend & MAs to get into high win potential breakouts & uptrends, but I don’t predict anything & have stops on it all.

Just want to note, that your personal portfolios are always reflective of the countless hours you spend to study the markets, improve your edge, journal your journey, emotional intelligence, the discipline/indiscipline you exhibit.

This is not easy. You must work for it.

I'd rather pay a few $$ more to get something going in the right direction than try to time the low and get taken down further with it.

Knowledge can be passed as easy as a torch, but experience must be earned over time. You must allow the learning curve to unfold naturally. No matter how good your information is, you can't force experience. Embrace the process and unconditionally commit to going the distance.

Buying clean base breakouts, and/or uptrend continuation buys, is not the same as 'chasing' a stock.

I was also faced with the same dilemma I had known before. Should I sell? Should I got out altogether?
The answer this time was easy. It was the old tried & trusted answer. I did not have any reason to sell a rising stock. I would just continue to jog along with the trend, trailing my stop-loss insurance behind me. As the trend increased and building proper base buy points, I would buy more. If the trend reversed, I would , as ever flee like a disturbed burglar.

We have been hearing the 'Bear case' & seeing bearish divergence charts + top calls constantly.

As long as markets & leading stocks keep making new highs + higher highs/higher lows above rising MAs, I will keep leaning into the long side. If trends change, I will reevaluate.

No economic data, daily healthcare statistics, random ratios, sentiment readings, lamenting about Robin Hood traders or daily hand wringing about 'this will end badly'.

When the trend breaks down, it will show up on the screens, like it did in Feb/March 2020 and always does.

It often takes alot of time and experience + a good technical process to understand the difference. When stocks breakout of longer bases on volume, that's a clear market signal.

Once you read the Top 10 bestseller books in trading, back testing the system, start buying stocks in the market gradually, over time you will gain an edge, experience and wisdom! That I can guarantee.

Calling tops daily and/or trying to short breakouts & strong uptrends as we have seen, is usually not the best way to go.

Trading with the tape, following the money & the trend, locking in some gains along the way & raising stops while staying in the trends usually works best.

If you want to make big money trading stocks, stop trying to predict where the "market" is going and instead focus on nailing down decent profits in relation to the risk you take. Risk less than you gain and do it over and over. That's the system.

Improvement in trading is incremental and not instant
Understand that you will won't make it overnight. You'll make it over months/years not days/weeks
Slowly improve your game, your processes. Build your knowledge week to week, the goal should be having a process, not making $

Just because you lost money on a leadership stock, doesn't mean you can't buy it back. I used to take losing trades personally, it does not help your performance. Get in the habit of buying back losers if and when they shape up again if you want to be in monster stocks.

The reason why I prefer the earnings growth estimate is b/c the market is a discounting mechanism: It cares about the future. The reason why earnings surprises move #stocks is b/c they produce estimate revisions which is what institutions key on.

Higher highs & higher lows above a rising 8EMA, 21EMA & 50SMA is a clear uptrend.

Lower highs & lower lows, breaking below 8/21/50 is a near-term downtrend. They need to be managed differently, especially when volatility picks up.

My goals as a trader:
1. Risk and lose as little as possible
2. Average more on winners than losers
3. Nail down decent profits when I have them
4. Turn over edge as often as possible

Nowhere in there is buy at the lowest price or sell at the highest price.

It's best to follow a technical process & not rely on gurus for market calls & predictions. Many were calling for lower lows at the March lows, a retest all the way up and missed the turn by 6-8 weeks. Most predictions are a coin toss. The charts are much more consistent.

The separation between leaders and laggards becoming clearer and clearer in this market weakness/underpressure/correction

My point is get a strong entry point and don't chase extended stocks. If you missed the safe entry point, be patient because many stocks will come back and retest their breakout levels.

#Trading tip: Count the pullbacks after a breakout:

- 1st pullback is a great buy.
- 2nd pullback is still ok.
- 3rd pullback should be avoided.
- 4th pullback never buy it.

William O Neil, Martin Zweig, Stan Weinstein said: Stock Market is a contrarian beast, a discounting mechanisms. Stock sell on the future and not current fundamentals. Market will rally, recover 1st before the evidence of unemployment report and GDP appears few months later.
Stock market is a leading indicator. ALWAYS LOOKING AHEAD, 6 TO 9 months ahead.

Watch How the FED interest rates trends, now at Zero % - Buy buy buy and Bazooka money by the FED plus quantitative easing & stimulus by central bank Europe, Japan, China & UK - lot of liquidity into the market, no wonder the stock market goes to the Moon. Ѝ ̂ I
This Raging bull market will go down in history book as the best recovery ever.

Fighting the tape isn't my way; so when the intermediate and long term trends flip back to UP on my stocks, I'll be fully invested again.

Buy those leading stocks in Only Uptrending markets and When they break out of basing patterns on Large Volume and use pyramiding strategy to add to those winners.

Trade the chart on the screen, not what we think it should be or going to happen. I look at chart to see what has happened (facts). Not what will happen. The charts give me facts, but that's it.

There are tons of great indicators out there but at the end of the day, they are all derivatives of price & volume.

Understanding price & volume is an extremely important skill to develop.
I don't try to figure out where the market is going before the action. I let the market tell me where it is going.

What is the optimal mindset while in trading? BEST ANSWERS : SYSTEM

The market is designed to take your money or keep you out of the market and not to give you money. The more you ignore the news and monitor the price action in leading stocks, the more you will find liberation in your trading.

Learn from my foolish early years..

Don't trade until an opportunity presents itself. Knowing when to stay out of the markets is as important as knowing when to be in them.

My favorite situation is when everyone is scared to death bearish (including me), but there are lots of stock setups. No matter how strong my opinion or emotions, I always let the stocks dictate my investment decision. Maybe you could say this is one of my secrets to my success.

The best traders are the most humble. Always do your homework, study charts and post analysis learning from your mistakes.

Out of the gates let me break down the term trend following into its components. The first part is trend. Every trader needs a trend to make money. If you think about it, no matter what the technique, if there is not a trend after you buy, then you will not be able to sell at higher prices.
Following is the next part of the term. We use this word because trend followers always wait for the trend to shift first, then follow it.

Every good trend following system must automatically limit the loss on any position, long or short without limiting the gain. At any point if the original trend reversed, any position held must be closed at a limited loss!

Regardless of your approach, there is only one way to protect your portfolio from a large loss, and that is to sell when you have a small loss before it snowballs bigger. In three decades of trading, I have not found a better way. Every trader has to learn this the hard way.

5 biggest mistakes that I made when I first started trading:
1. Chasing stocks to far beyond buy points or forcing trades that had not yet a solid buy point.
2. Not religiously cutting my loss when it was small.

3. Not nailing down decent profits fast enough and often giving back much or all of my profits after I attained a decent gain.
4. Not protecting my breakeven point once I attained a decent gain.
5. Not using progressive exposure jumping in and out too fast or all at once instead of moving incrementally

These are common mistakes and they could be very costly. Every one of those mistakes stem from one thing ...not thinking Risk first!

I call myself a wanna-be position trader. I trade actively around a core position and attempt to hold stock through bases. I swing trade sometimes and do not day trade really.

There are dozens, if not hundreds of indicators, ratios and data points that traders & investors can look at.

Price and trend are the most important by far. Everything else takes a distant back seat, and usually supports confirmation bias.

My personal style is to find CAN SLIM quality stocks that display unusual RS. Entries are dictated by risk and the quality of the pullback/setup. Just some info on me and my timeframes.

Limit losses quickly. To paraphrase from Reminiscences of a Stock Operator, most traders hold on to their losses too long because they hope the loss will not get larger. They take profits too soon, because they fear the profit will diminish. Instead traders should fear a larger loss and hope for a larger profit.

Mark Minervini said the importance of developing patience. He refers this as developing "sit out power".
Sit out power means to wait for setups to develop. Without the discipline, it doesn't matter what strategy you have.

When you buy, your stock should also be in a proper buying range, not extended more than 5% past the ideal entry point. Don't chase it. If you miss the train, make sure you catch the next one that comes along.

GREAT LESSON: We can look at the news. COVID 19. Protests. Stores Closing. Schools not opening. Everything BAD. Or we can look at the charts and LISTEN to what they have been "SAYING" for months! I'll stick with the charts!

It is true that the market is brutal to most who challenge it. But so is Mount Everest, and that shouldn't—and doesn't—stop people from trying to reach the top. The beauty of a mountain and the market is that it has no favorites; it treats all challengers as equals.

It never was my thinking that made the big money for me. It always was my sitting. Got that? My sitting tight! Men who can both be right and sit tight are uncommon. I found it one of the hardest things to learn. In a bull market, your game is to buy and hold until you believe that the bull market is near its end.

When in an uptrend, shakeouts & pullbacks are needed to work off excesses. Find the rhythm of the market. There are mini buying windows within the 13 weeks of a FTD.

Remember, you want tailwinds when initiating. And it's not just about low risk spots. Put the wind at your back.

To outperform over time in high-win potential stocks:

- be comfortable taking calculated risks
- be willing to hold big winners in uptrends
- be willing to hold through drawdowns, position & market volatility, or getting stopped out at times
- be consistent every day.

Managing portfolio:
a. The big money is made by concentrating rather than diversifying.
b. Concentration will depend upon your individual comfort zone.
- How much you can put in any one stock?
- How much you can put in any one industry?
c. It is critical that you develop individual rules to prevent you from getting shaken out of leaders. The worst mistake is owning a leader and messing it up.
d. You need to develop these rules on your own to find your own personal weakness through your post analysis.

The big institutions control the market and interpreting what they are doing on a regular basis is far more powerful than listening to the news every day.

Strong technicals - On a longer-term timeframe, the 10-week moving average is historically known as an area of institutional support. From a shorter-term view, strong stocks and strong markets tend to hold their 21-day moving averages.

The Fed -There is a globally coordinated effort to keep interest rates low and the markets high. It's not our job to argue with it, it's our job to take advantage of it. The Federal Reserve is providing an insane amount of liquidity to make sure businesses and the economy recover from the recent downtown. As a result, this liquidity is also providing an equity friendly environment. There's a reason the late Wall Street legend

Marty Zweig said “Don’t Fight the Fed.” It’s not worth the aggravation fighting a machine that is determined to see the economy and the markets recover.

The leaders - Unlike 1999, the current market leaders have pristine balance sheets and earn a tremendous amount of cash. These companies continue to dominate internationally and have actually seen their businesses improve as a result of more people working from home and the increase in e-commerce.

I am always flexible with my approach to the markets. One of my favorite quotes from hedge fund legend Stanley Druckenmiller is: “Probably one of my greatest assets over the last 30 years is that I’m open-minded and I can change my mind very quickly.” In other words, if any of the above points change, such as distribution building up or the leaders breaking down, then I will shift to a more defensive posture.

My feeling is the market will occasionally “shake out” this exuberance with pullbacks along the way. Since the March lows, the market has seen several short-term pullbacks of 7-10% and this pattern is likely to continue just to keep the bulls in check. That is why it is so important to know my timeframe. If I am a intermediate to longer-term investor and you have strong entry points on your investments, then you have to be patient and sit through some volatility along the way.

Early on we are taught to "buy low" when in reality what often works significantly better is to "buy stocks that are going up".

There are tons of great indicators out there for gauging the market’s health, but at the end of the day, they are all derivatives of price and volume. So, understanding how to interpret price/volume action is an extremely important skill to develop.

We continue to see these posts all the way up of 'weak breadth', poor sentiment, only X% over X moving average...
Meanwhile market indices & multiple industries from FANG, retail, tech, cyclicals to trucking are breaking out cleanly.
Focus on price and trend-that is what pays.

Conventional wisdom (buy low) vs reality (buy what's going up).

By employing simple, but robust, price based Trend Following programs, I follow some very core concepts, which include:

Price reflects all known data
The future is unknowable
Noone can consistently predict future market moves
Markets go where they go
Trends can continue in both directions much further than most believe

Any outcome is always possible
People trade their beliefs and biases about markets
Many are so caught up in trying to “be right” they get anchored into unprofitable opinions and positions
The market doesn’t get it wrong, but traders and investors often do

I spent years try to learn how to forecast price until realising the secret isn't to forecast but build a set of systematic rules that provide an edge and trade it without trying to guess where to next.

While some traders like to buy low, we are growth stock trend investors (primarily long positions) , and we never try to catch falling knife (i.e. buy a stock that is in downtrend) on the hope that it has bottomed. We like to buy breakouts (i.e when a stock clears resistance) and sell higher. That's always the goal.

If you want to drastically increase your trading and investing returns, take 95% of the indicators off your screen and stop thinking that they can predict anything, because they don't.
Trade price, manage risk.

Most of the "news" you need is in the charts! Just have to know how to "read it."

Never buy an overextended stocks (a stock that trading far above it's most recent base)

Ed Seykota magical trading secrets:
Seykota took the new trader out to the beach. They stood there watching the waves break against the shore. The newbie asked, what is your secret?

Seykota said , " Go down to the shoreline where the waves break. Now begin to time them. Run out with the waves as they recede and run in as the waves come in. Can you see how you could get into rhythm with the waves? You follow the waves out and follow them in. You follow their lead.
Simply put "Trend following key MAs and price action and follow trends" Surf the Waves system.

Trend following is not a new concept. It goes back across names like Jesse Livermore, Richard Wyckoff, Charles Dow, Richard Donchian, Nicolas Darvas and this time Mark Minervini, Jim Roppel, David Ryan, Tom Basso and William O' Neil, Michael Marcus, David Harding, Ed Seykota - 50 day MA as key guardrail.

A few of the important points Jim Roppel keeps, in written form, in front of him each trading day. If you don’t know his story, read it - you’ll be amazed and inspired!

“Knowing the future is not important, knowing the trend is.”
“Rules Not Emotions”
“Follow the Volume”

If you can keep the average of all your mistakes and losses to 7% or 8%, you'll be like a football team on which opponents can never move the ball. If you don't give up many first down, how can anyone ever beat you?

My max losses only 10%, because I wait for the right moment. Most people will not wait for the environment to tip itself off. They will walk into the forest when it is still dark, while I wait until it gets light. Although the cheetah is the fastest animal in the world and can catch any animal on the plains, it will wait until it absolutely sure it can catch its prey.
For example there are times when I am sure Nasdaq is going up, but I don't try to pick the bottom and I am out before it tops. I just take the mid range where the momentum is greatest.

"Relative strength and trend trump volume. I consider volume to be gravy or a bonus, but not mandatory. I still want that volume, but I'm not going to demand it if the price closes dead high."

Trend following = follow the trend & buy the pullbacks in uptrends until it stops working.

Keep pushing for trend continuation until the market proves it wrong - then find new uptrends.

The same concept as playing the same hand or running the same play until it stops working.

cash on the way down. A few key items:

I did not predict any market bottom, because I don’t make market calls or predictions, I trade what is on the screen.

I still not making a market call of a low or not, or making any predictions.

Markets are constructive here, but any outcome is always possible. Markets have been strong for the last few days, but can correct or pullback at any time.

I have taken partial profits in some positions, and move dup stops in some other, so our risk exposure is minimal if markets turn back down.

I am more focused on individual charts and the stocks and markets that we are in, and not making broad index calls.

I have stayed focused on our process – reactive, price based analysis of the current charts, with key price levels and moving averages. I have not been focused on Covid news, economic news, or trying to predict the future based on a past index chart. I don't make equity decisions based off the bond market, or copper or anything else. Just price.

One key point that I have made over the years is that there is no reason to predict market tops constantly, when in reality it will always show up in the charts, with price breaking down below key price levels and moving averages. As fast as last week's selloff happened, price gave signals all week, and reactive price based traders like myself were able to respond and drastically reduce any drawdown, with no prediction necessary, simply reactive price analysis.

I gotta admit, it took me over 7 to 10 years of continuously reading Top 10 Bestseller books and trading by gaining experience in different market bull, bear, choppy, sideways to rewire my brain into trusting the trend and the charts, sticking to predefined stops and ignoring the media. I really wanted to thank you the Top 10 books from these great trader/speculators

Method Selling into Strength

1. Upper Channel Line Break, connect at least 3 points out of last base, use weekly log chart and scale out as you break above upper channel line. Sell 10 or 15% position , not sell all or none, better to use scaling approach.
2. Sell 1/2 of your position if > average gains and let the rest free roll, increase the remaining to breakeven points or trailing stops MAs.

Defensive Sell Signals

Typically a stock will display multiple sell signals when topping

1. Moving Average breaks - 80 Day MA (16 week) or 100 day MA (20 week) or 150 day 30 Week).
2. Use staggered trailing stop 16/20/30 week MA
2. Use Midterm rule.

Position Sizing:

1. Start initial 10% of portfolio on Each Trade
2. Size up or increase up to 20% if risk is <7%
3. Max 10% risk on each trade
4. Incrementally add 2.5% if it meets add criteria

Trading plan in different markets

Choppy Market
1. Trade Less, step away from market
2. Be Selective
3. Stick to names showing RS

Trending Market
1. Trade Breakouts
2. Stick to leaders & let them run
3. Stick to Favorite patterns
4. Try to press if trades are working
5. Increase exposure to +70%

Bearish Market
1. Stay mostly in cash
2. Monitor stock showing good RS
3. Keep exposure <10%

Zam's Rules:
1. Cut losses
2. Cut losses
3. See rules no 1.
4. Rules not Emotions : 78
Max initial stop loss 10% from your buy point or logical MAs support
5. Patience & Rules, Not Fear
6. Follow the Volume & Relative Strength
7. Volume Explosion Gap Up = BUY
8. Regain 50 SMA Explosive Volume = BUY
9. Don't fight the FED
10. The trend is your friend except at the end when it bends. Don't fight the TAPE (follow key MAs)
11. Think probability. High Reward/Low Risk entry setup (2/1 ratio). Focus on buying only Base 1 or 2 Breakout with huge volume confirmation or strong support at 50 day MA. Both must be in Stage 2 Growth Uptrend.
11. If my crystal ball in the shops, I use Stops.
12. Don't chase extended stocks.
13. Know and understand your average gain, average loss and batting average.
14. Bend like a tree in the wind. If Nasdaq >10 week, keep buying, if breakdown gradually be defensive, raise stops.
15. Keep in mind the following: You don't trade or invest in markets - you trade or invest according to your beliefs about the market.
16. Put a stop in each buy cause nothing is certain.
17. Avoid stocks below 50/200 day SMA
18. Avoid stocks that are stuck in a base
19. Look for volume confirmation

20. Never add to losing trade
21. Never chase due to FOMO

Top 10 Bestseller (Change my life)
1. How to make money in Stocks by William J O' Neil
2. Trade Like A Stock Market Wizard by Mark Minervini
3. Think & Trade Like A Champion by Mark Minervini
4. Secrets for Profiting in Bull and Bear Market by Stan Weinstein
5. The Lifecycle Trade: How to Win at Trading IPOs and Super Growth Stocks by Eve Boboch and Kathy Donnell
6. How I made 2 million dollar by Nicolas Darvas
7. Reminiscences by Stock Market Operator by Edwin Lefevre
8. How to make money in stocks Getting Started by Mathew Galgani
9. Winning on Wall Street by Martin Zweig
10. Monsters Stocks by Jon Boik
11. Market Wizards by Jack Schwager
12. Trend Following by Michael Covel

7 Famous #traders #MarketWizardwith a similar approach which works for more than 100 years:

- 1900: Richard Wyckoff
- 1920: Jesse Livermore
- 1950: Nicolas Darvas
- 1960: William O'Neil
- 1990: David Ryan, Jim Roppel
- 2000: Mark Minervini

Similarities: Price & Volume, Leading stocks, Trends & Key MAs > Anything else

Everyone's looking for the answer in a strategy. And yes, strategy is vital. It opens the door to the possibility of success. But it doesn't bring success itself.

It's you who does that.
It's you who has to go through that door.
And it's you has to survive on the other side.

Enjoy the journey towards financial freedom.