**SESSION I**

***only a genius can turn problems into profits***

**THE PROBLEM-SOLUTION**

In the high-leverage trading arena, most retail traders lose money. Those who make big money are institutional traders. So, to make good money in this game, you should become one of those institutional traders - starting out with small fund and grow over times. This booklet and subsequent trainings are all about how to make this reality happens for you.

**THE PHILOSOPHY**

If life unfolds itself as we projected, chances are we only have little gains from it. Why? Because most human beings do not have the faith to Think BIG. We think small and expect little. The worst part is that even our little expectations rarely turn out the way we expected. Worn out by shattered dreams, we scale back our imaginations, and be content with whatever life happens to offer.

Some intellectual giants - including but not limited to - like Einstein any many others have argued that imagination is more important than knowledge and hard works, more than degrees and credentials. But, why so many imaginative people still failed? Why most dreamers still have to wake up amid all these reality strikes of life?

The answer is: imagination alone is not enough. Most imaginary concepts are rather vague, not applicable and useable.

It would take intensive disciplinary thinking process to mold vague imaginative ideas into well-defined working models that would lead to success.

Now, having few general assumptions as paradign-framework for trading, what should we do to form these assumptions and principles into a sucessful working model?

**THE SOLUTION**

As an instutional trader, you should be able to choose what to trade, when to trade, and how to trade.

If you don’t know **what** to trade, then let us suggest you one instrument: Gold Future. Why? Because you can exploit very high leverage to make great money. In other words, with very small fund, you can make good money percentage-wise – I am talking about 20% -30% monthy.

First question tackled. Let’s move on to the second: “**When** to trade?” The answer is Now. But again why? The answer being that after the FED has inflated the USD after COVID relief packages, Gold has no choice but goes up in price. This is a very safe speculation based on a mathematical principle of calculus as follows:

Let’s define gold instrument as GOLD/USD.

So, when USD goes to the limit of positive infinity, GOLD will rise in value, based on the USD denominated pricing, which means which the same amount of Dollars we can only buy less Gold, or in other words, we can only by the same amount of Gold if we have more Dollars.

Thirdly, the hardest question to answer is: “**How** to trade?”

This is when you should need us. Without being properly trained - both from the philosophical thinking intellectual framework for this specialized field of trading, and the strategies, tactics, even down to the mechanics of trading, which all packaged into the system which delivers you a turn-key operation, which will ultermately offer a consistent and predictable profits over times, with very little and manageable risks - you simply cannot make money.

This little booklet only offers a surface skimed-through introduction into this world of very specialized high-leverage trading. After reading this book for the first time, maybe you’ll understand anywhere from 3% to 5% of the subject matter, and therefore not ready to make money in the real world of trading. To be properly trained to be a professional fund manager, you should come to our onsite training seminar. It’s a must.

Here the registration info: <https://mcaforex.com>

Even if you attempt to read this book many times over, chances are you’ll get confused. However, with all the resources we have in the classroom: the Math-Modeled Pre-Trade Simulator, active fund being traded right in front of your eyes, and many other resources, you’ll be able to understand the whole picture and the entire game. Nothing are like the hands-on experiences.

**STRATEGY and TACTICS**

We long gold because has the FED keeps printing USD and pumping credits into the US Dollar system, the USD must inflate. Therefore, in the long run, gold either disappears or rise in price - no other options. The odds of gold losing all its value is slim to none. Long human history has proved that. It’s safe to argue that the odds for the USD to inflate is guaranteed. Moreover, taking the stance that gold would outlive the USD is a very safe bet.

Secondly, now we have decided to long gold. But how? What strategies and/or tactics that we should use to reduce the trading risks and optimize the potential gains?

If you buy gold now, and if in the short-term timeframe, gold drops its price, the you would lose lots of money. Using high-leverage account, you could potentially being wiped out completely. So, what are the safe trading operations that you should deploy to safeguard your trading accounts?

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Let’s come back to the subject. Now that we project gold price will rise in the long run so we decided to long it. If gold price will rise immediately after we buy it, then we would make very little money. However, as soon as be buy gold, its price drops - which is against our expectation – what should we do next?

Well, we can convert anti-expectations into more profits. So, how exactly can we make more money when the market is against you? What’s the logics?

The answer is: Applying the TRENDING-COST-AVERAGE strategy into trading.

So, what exactly is TRENDING-COST-AVERAGE trading strategy?

We build the cost-average trading tactic on top of the assumption that in the long run, gold should be trending upward.

That means when gold drops its price, we spread out our capital and gradually enter into more long positions, so that when gold price rise again, we should take profit.

To understand this strategy, let’s get into the trading game. Following are the rules of the game.

**THE RULES of OUR TRADING TACTICS**

We disregard and truncate the decimals in gold price, and only interested in the full dollar numbers. For example, 1901**.50** and 1901**.90** is the same, which is 1901.

We must define the trading range.

For each price within the trading range, we would only buy 1 ounce of gold, NO MULTIPLE TRADES for the SAME PRICE.

To make our lives and works easier, we should use the trading simulator – which will be provided in the onsite seminary - to project the trade operations BEFORE executing your trades.

**USING THE CLASSROOM TOOLS (available for onsite training only)**

Using this tools, let’s simulate the first trading operations scenario.

**DEFINITIONS**

The trading range is defined by **eTP** and **mTP**. Please refer to the glossary for in-depth formal definitions.

**rAP** is the real average profit per trade, which has the volume of one troy ounce of Gold.

**aP** is the accumulative trade positions, which is the sum volume of the position size of the trades operation.

**P** is the profit.

**CASE STUDY 1 (simple gain)**

Our trading capital is $11,000

It’s Monday morning. Let say the current gold price is 1900

We expect intra-week high gold price to be around 2000

We define the trading range as 1900 .. 2000

So, we spread out our capitals, and therefore, for each price, we buy ONE ounce of gold

Within the same week, gold get to 2000, which is our projected/expected target profit price. We cash out for profits.

The result: we bought 100 oz of gold with the average price of 1950. So, on average, each oz of gold we would make $50.

Therefore 100 x $50 = $5,000 profit.

So, 45% capital gain within a week is not a bad idea.

Formula:

**P** = **aP** \* **rAP**

Where, in this case, aP is 100, rAP is 50, and P is $5,000.

**ELABORATIONS**

This booklet is written is the reversed-pyramid information model, where the most important information are being presented first, then the not-so-essentials, which are presented in the elaboration area. If you feel like you’ve mastered the philosophies and practives in this booklet, then go ahead and jump down to the RECAP part at the end of this booklet. However, if you feel the need of more understandings, please continue reading.

Most retail traders have following mindsets and accordingly characters:

* Having small accounts
* Unrealistic profit expectations
* Over-leveraged
* Over-trades
* Enter into large positions
* Being stopped out at high frequencies
* Accounts being blown up (a few times in their unprofessional career)
* Freak out when the market moves against their open positions
* Operate on the Fear-Greed psychological model
* Enter long positions when the market get higher
* Cut losses when the market get lower against the long positions
* Hope the market will move in their expected direction
* Being desperate during margin calls
* Believe that the market will reverse when their accounts are about to be blown up

Well, in this session and the following ones, we will tackle all these mindsets/situations/problems once and for all.

First real problem for trading high-leveraged account is that the account is so inediquately funded that it’s almost impossible to make consistent profits in the long run. Let say you open a trading account with only $5,000 capital with the leverage 1:100. Now, you want to double or even tripple your account in a very short time, let say in a matter of few weeks. With this unrealistic profit expectation, you have no choice but entering large positions. With large positions, you have only two mechanisms for risk control. One being setting sloploss very close to your open position. Two letting your account being blown up if you did not set the stoploss. Either way, you are most likely to be screwed up. You maybe lucky if you can get away a few times. But in the long run, when the odds are being controlled by the rule of chances, you are definitely being eliminated from this high-leverage trading game.

In simpler words, if your positions cannot withstand few hundred ***PricePoints*** when the market moves against your open positions, you cannot become a professional fund manager.

Define: **PrPt** is the PricePoint, which is the distinct gold price without any decimal. For example: 1901 to 1902 is one pricepoint.

By nature, high-leverage trading is a game of speculation, and by no means being the so-called “*investing*.”

Speculation implies very high risk. By definition, speculation is the forming of a theory or conjecture without firm evidence. It means you are to enter a venture in the hope of high gain but with proportional high risk of loss. With superior knowledge, skills, and practices, you can reduce this high risk to the level that you can be comfortable with. However, with insufficient knowledge, improper training, immature tempernaments, mal-practices, and without a trading system, you are most definitely destined for failures and disasters.

Having said all this, we would strongly suggest you to come to our onsite training seminar.

Here’s the registration: <https://mcaforex.com>

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**RECAP**

In this brutal game of high-leverage trading, whales will eat small fish. Don’t be a fish. Be a whale. You can start out being a small whale. However, over times, you should eat enough fish to become a bigger whale. Don’t set out to be a little fish, for sooner or later you will be swallowed by one of those big whales. A whale don’t just eat one fish to grow to its full stature, but many. You cannot become wealthy by winning a few trades. You need to win thousands and millions of small trades to make a successful career as a fund manager. So, don’t think like a gambler. Think like a vacuum. Just suck in any small gain possible, without exposing yourself to any serious risk. In the long run, after thousands and millions small winning trades, you will be among the elite institutional traders.

Good luck!

Keep reading..