



## Private Swing Room – FAQ & Guide

### **Purpose:**

The purpose of this swing room is to capitalize on swing trades on various stocks using a simple and transparent approach. We will use a mixture of long and short trades in order to capitalize on any market environment. I also will provide you with EDUCATION by explaining the concepts and process via private videos.

### **Process:**

1 – On a weekly basis, 5-10 trades will be posted on the weekend (usually Friday) ahead of the Monday open. This ensures you have sufficient time to enter trades into your brokers.

2 – Throughout the week, I will provide notifications when we are filled on a position as well as when we hit targets (via Private Twitter & Discord). Make sure to turn your notifications on Twitter (click the bell).

3 – Everyday at the market close (4pm Est), I will provide an updated trading log, so you can clearly see open and closed positions. If you are joining mid week you can take any trade that says “order open”.

### **General FAQ:**

1 – Risk Management - I keep my risk per trade set at 1-2% of my total trading account. For example, if I have a 10k account, I will not risk more than \$200/trade. Please watch this video on position sizing.

<https://youtu.be/oY1y1ZtbvkQ>

2 – Order Entry - I use Stop Limit orders for entries with brackets. All of my orders have a stop loss and a target once I enter the trades in my broker (interactive brokers). I use GTC (Good till cancelled) orders, so my orders stay open until I choose to close them. I will notify you when to close trades. Please refer to the pinned tweet for screenshots on how to input the orders and refer to this video:



<https://youtu.be/OjTgZKvPeEY>

3 – Trade Management – I use a scaling out method for taking profits as some of the trades we take can become the multi-year bottoms or tops for the stocks we trade. When we hit the 1<sup>st</sup> target provided in the log, you have a choice of taking off 20-50% of your position or nothing at all. From this point, I will let you know when we hit various other R multiple targets such as 1.5x, 2x, 2.5x etc. Continue to scale out as we hit various targets. How much of the position you exit at each target level depends on your trading plan and if you are using options/stocks. Also, your stop loss management is a personal preference.

#### Sample Scale Out (Conservative/Quick Turnover)

1 – 50% at 1<sup>st</sup> target, Stop goes to Break-Even

2 – 25% at 1.5X, Trailing Stop

3 – 25% at 2X, Trailing Stop

#### Sample Scale Out (Aggressive/Investor)

1 – 20% at 1<sup>st</sup> target, Do not move stop to allow for more room in the trade in case the stock retraces

2 – 40% at 2x, Move stop to Break Even

3 – 20% at 3R

4 – 15% at 4R, keep 5% as long term investment

I want to emphasize both approaches make money in the long run. The conservative approach allows you to turn over your capital quicker but will limit your potential upside that the Aggressive/Investor method provides. Additionally, aggressive stop loss trailing can lead to either protection of capital or a potential premature exit.



Also, if you have any form of decay such as options, you need to be able to determine based on your expiry which method would work the best. For options, my general rule would be to purchase ITM with 3-4 weeks out expiry. For stock, we can get away with holding for longer periods as we have no expiry to worry about.

The main message is pick one style that suits your personality and life constraints (i.e set and forget or if you can micromanage the trades) and stick with it.

### **Expectations:**

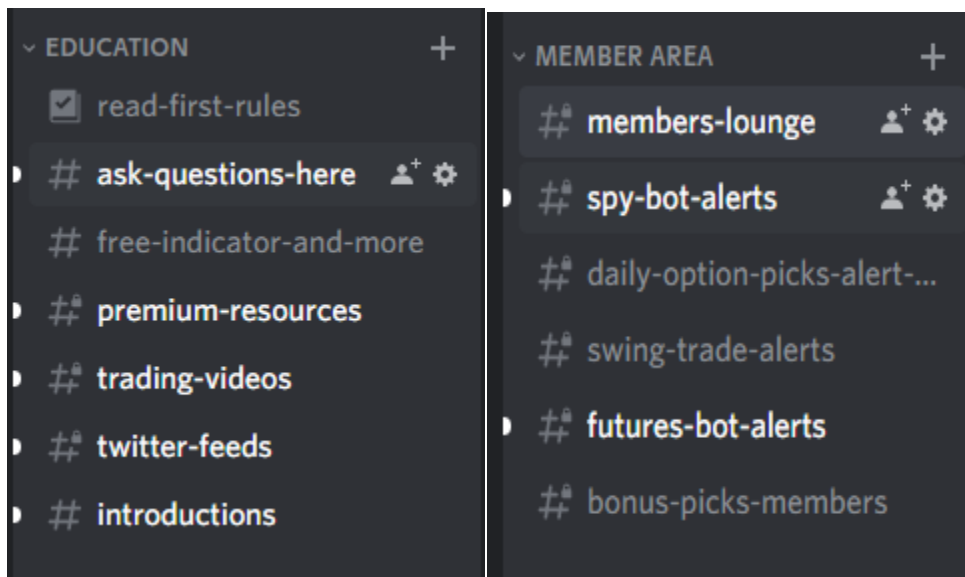
There will be winning and losing streaks in trading. Everything is a probability game and I stick to the numbers. Our goal is to have at least a 40% win rate on our trades in order to stay profitable, but do expect winning and losing streaks of up to 5-10. I recommend you focus on performance on a monthly and quarterly basis only. Trading is a business, and we will have highly profitable months and others with losers or break even trading. The main thing is taking a bigger picture look and ensuring our account is growing in the long term. As you make more money, slowly increase your risk per trade to allow your account to compound and grow.



# Discord Guide for Members:

## Education & Members Areas

See the premium resources for the TW Golden Indicators Premium and review the pinned messages for detailed guides. Please review all the pinned messages in each channel as they have valuable guides.



## Members Lounge & Alerts

1. Swing trade alerts as well as the tracker will be posted in the swing-trade-alerts
2. Day trade fractal trading bot alerts will be posted in the daily-option-picks-alert
3. Members will have access to daily VIP bonus picks on bonus-pick-members
4. Extra futures and spy alerts everyday

## Important Videos

<https://www.youtube.com/watch?v=Yy54bPC60G4&t=8s>



# The Truth About Trading & My Resources

The sole purpose of this newsletter is to be brutally honest with you on how to truly make consistent returns through trading. I want to pull back the curtain and let you in on the “secrets” needed to succeed and provide you with actionable setups.

*The key to success in trading (repeat everyday):*

*1 – I have no attachment to any stock or instrument, my job is solely to manage risk*

*2 – I am a Casino; I take all trades that fit my trading plan because I know my edge is profitable*

*3 – I always have a stop loss, target, and never risk more than 1-2% of my total trading capital*

*4 – I am at peace with the result of a trade before entering*

*5 – I understand I will take 100s of trades each year and I will not be bothered by win/loss streaks*

If there is only ONE thing, I want you to take away from this Newsletter it is to MANAGE YOUR RISK. Here is a passage from my book that I want you to read every single day.

## **Risk Management & Consistency**

Everything works in the stock market just NOT all the time. You can trade RSI, MACD, Bollinger bands, Volume, and they all will win for a period of time and lose for a period of time. YOUR JOB as a trader is to MANAGE RISK. Every *good* trading strategy WILL boil down to a 50-60% accuracy overtime and I know this from 1000's of hours of back testing.

To be profitable, follow this SIMPLE LAW:

AVERAGE WINNER > AVERAGE LOSER

Below is a table I've created showing the total number of winning trades (per 100) you need to win to be profitable:





R/R	1.5	2	3	4
Wins	41	34	26	21
Losses	59	66	74	79
Total	100	100	100	100
WR %	41%	34%	26%	21%

As you can clearly see, as the risk to reward increased the required win rate goes down. The sweet spot I've found is scaling out your positions and cutting your losers to get you close to 2X your average loser. In this case, you only need to win 34/100 trades in order to be profitable. NOW I know you can do that!

### What's next?

Come join me every Sunday at 9pm EST for Sunday Stock Talk on Youtube where I will review all trade ideas and setups + take your chart request/questions.

Subscribe Here:

<https://www.youtube.com/channel/UCVNiVH8UKQXBRr4j3jXUzBA>



### FREE Resources:

Complete beginner's guide to trading: <https://youtu.be/PU8-ybwZi5I>

Risk Management: <https://youtu.be/9pGm0E4pUBc>

Risk Management & Order Types: <https://youtu.be/oY1y1ZtbvkQ>

Order Entry: <https://www.youtube.com/watch?v=0jTgZKvPeEY&t=264s>

How to trade Futures: <https://www.youtube.com/watch?v=hIJALDylCck>

Mindset:

Investing:

Candlesticks: <https://www.youtube.com/watch?v=uHmlfh3DtZY&t=2s>

Trading Strategies:

Playlist: [https://youtube.com/playlist?list=PLFAKby4qxtHXreLNp1j5E9LLXtLR\\_J36](https://youtube.com/playlist?list=PLFAKby4qxtHXreLNp1j5E9LLXtLR_J36)

Inside Bar: <https://www.youtube.com/watch?v=3YWaeuQjxyQ&t=2s>

Time Frame Alignment: <https://www.youtube.com/watch?v=RniVY2av0nY>

Wicks: [https://www.youtube.com/watch?v=m7X1\\_rj-flE&t=171s](https://www.youtube.com/watch?v=m7X1_rj-flE&t=171s)

ORB: [https://youtu.be/O4\\_6-PTAQIY](https://youtu.be/O4_6-PTAQIY)

Trade Management: <https://www.youtube.com/watch?v=zT-kfZ1FXBQ>

Full Fibonacci Trading Course:

<https://youtube.com/playlist?list=PLFAKby4qxtHVXUxudppWUtGrsqHZZiRV>