

Investor Centre

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Day Traders Blog August 2018

August Debrief

- Events
- September
- August Debrief
- Day Trading Vs Live Trade
- Credit Card Changes

September

Congratulations to Tigers on a good victory for OT7 (US Labour Day) +60pts or +70pts and successful S&P ambush +21 pts (+ 55 pts SPI Equivalent). That makes for a good start to September with the RBA daily chase delivering +28pts as well.

September contained the US labour Day OT trades for Tigers that were correctly positioned this year. This includes the rising move where the US rose in the last week of August. Due to political instability and the potential serious consequence of a failed NAFTA agreement – we could not trade the August leg. In hindsight this was completely successful, and NAFTA had no effect on the US market which went to a new high.

Our market is being bounced around by a large institution which we can theoretically label as Macquarie Bank (MQG). They have become so dominant that IC Hot Stocks recommended MQG as a buy in the beginning of August. It is the ONLY bank that has been progressively climbing since January 2016.

We appear to be following the same pattern as last year that starts in July and runs through to October where the market is pushed from support to resistance in constrained trading – diverging from world markets and following its own trading pattern. It is currently between 6150 and 6300 (150pts range). Last year it was run in the same manner from 5600 to 5750 (150pt range).

September In the last 4 years:

- **Open Trade** has been significantly profitable in September (even in 2017 through the sideways movement of the market).
- **Daily Chase** turns on after a hibernation in August.
- **Night Market Ambush & LOF** return in force after August.
- **AST's** operate at about 50% for September.

August Debrief

Open Trades: (-\$1725) completely neutralised the highly successful daily chases (+\$1575). I do all trades in the TWB BUT the TWB recommended to do the Daily Chase OR the Open and so this means that if you chose to do the Daily Chase alone you had a good August. I have spoken to a few Tigers that have had successful Augusts.

Other Trades: There was only one – an NMA trade that resulted in +20 pts (\$500) that was enough to put August into a small profit. We do not normally run NMA's in August but our recommendation on 16th August was based on the current patterns for reversals rather than a general attack.

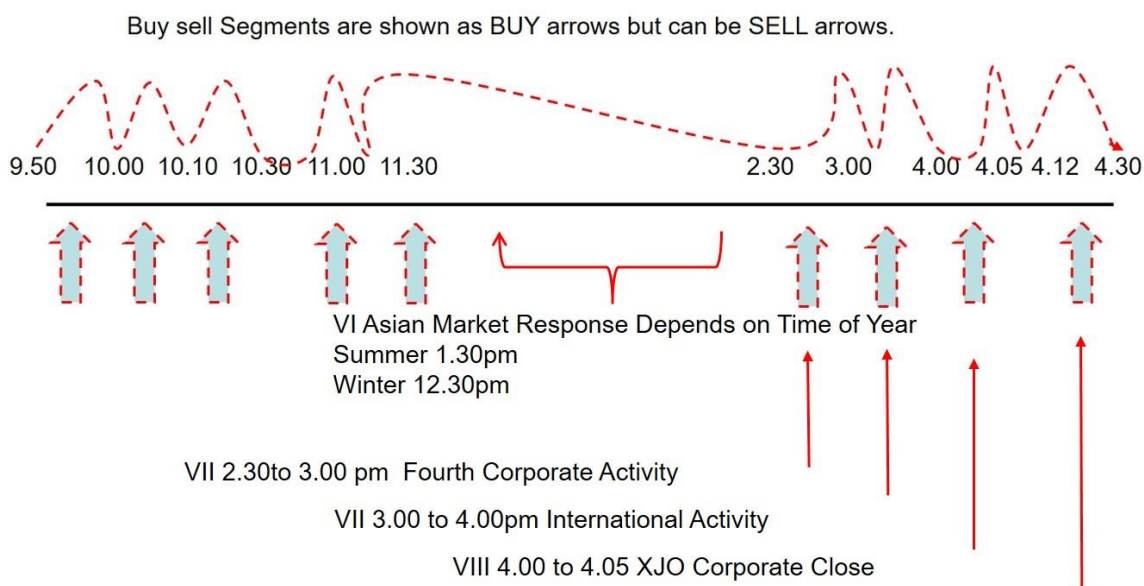
Monthly	
August	\$125.00
July	-\$2,025.00
June	\$ 2,725.00
May	-\$ 1,350.00
April	\$ 4,550.00
March	\$ 750.00
February	\$ 1,475.00
January	\$ 3,400.00
2018	\$19,650.00

Day Trading Vs Live Trading

Day Trading – Business Model

1. You do NOT need to see the market constantly.
2. You have a formulated attack plan for the day before the day commences.
3. Day Trading requires less than 30 minutes a day.
4. Day Trading uses a Limit/stop strategy – Be Right or Be Wrong.
5. Day Trading NEVER uses Trailing Stops.
6. Day Trading values the system over individual trade profit.
7. Day Trading trades for yearly profit/income.
8. Day Trading targets specific time segments based on behavioural mechanics allocated to institutional trading behaviour.

- I Institutional Insurance
- II Retail Market
- III Australian Institutional Activity Session 1
- IV Australian Institutional Activity Session 2
- V Australian Institutional Activity Session 3
- VI Lunch
- VII Hidden Dragon – Asian Market effects
- VIII International Institutions
- IX Market Close Out
- X Institutional Insurance close-out



9. Day Trading does NOT require significant experience for overall success.

10. Day Trading results are relatively easy to replicate and learn – assisted by the TWB giving you a daily trade plan for each day. Day Trading does not use current patterns and circumstances and has overall accuracy greater than 60% accuracy based on behavioural mechanics – the behaviour of dominant participants with the agenda to make money.

Day Trading is a fixed business model that has more than 15 years of historical reference that produces positive yearly results without significant understanding of the underlying market and can be compared with owning a Franchise that uses set formulas for an overall yearly outcome.

Live Trading

1. You are required to watch the market on an ongoing basis.
2. You have a tactical trading plan that evolves with the day.
3. Live Trading requires you to watch the market for opportunities.
4. Live Trading uses a tactical profit strategy based on user decisions.
5. Live Trading may deploy Trailing Stops.
6. Live Trading tries to make every trade a winning trade.
7. Live Trading looks for short-term capital return from each trade.
8. Live Trading assumes the market is a continuous ebb and flow and seeks to trade any opportunity across any timeframe using technical analysis as well as behavioural analysis.

Example:

6th September

TWB: O 6179 H 6230 L 6146 C > O

Short at Open 10/10 (Technical) or Long at Open 10-20 (Jody); 10.30 ATK regardless of position; 14/14 MS 21/15; AST 14/14;

The forecast was expecting a rise from oversold after the initial sell-off from retail 10.00am to 10.10am.

Result TWB

- Open (+10)
- ATK (-14);
- MS (+10)
- AST (0)

Total: (+6)

Live Trading:

- Long 9.50 to 10.00am (+10)
- Short from 10.00am to 10.09 (+10)
- Long from 10.10 to 10.20 (+10)
- Short from 10.20 to 10.30 (+10)
- Long from 10.30 to 11.00 (-10)
- MS new low Short Trail 10 (-10)
- Short from 1.30 Trail 10 on falling Asian market (-10)
- Express 4.05 (+10)

Total (+20)

But you had to be there.

Credit Card Changes

The recent credit card changes may affect some aspects of your derivative trading. City Index continues to offer a credit card deposit and withdrawal facility. This continues to be an effective way to deposit and withdraw funds from your derivatives account and is handy to increase funds for upcoming Tigers trades etc.

As of the 1st July, the ATO will have access to all payments and purchases from your credit cards that offer a credit facility. This does not include:

- 1) American Express (Not AMEX VISA).
- 2) Non-compliant credit facilities such as new credit that does not charge interest for purchases.

At this stage City Index will not accept payments and withdrawals to these credit facilities.