5 Steps to Greater Profits in 2019

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Clarify, Simplify & Multiply

This has been the Motto of Active Trend Trading from the beginning!

We continuously work to Clarify & Simplify through refinements to the system to make it objective and easy to both learn and use.

The purpose of all presentations is to provide our fellow Active Trend Trader Members a jump start to accelerate progress up the Learning Curve.

We welcome suggestions on how to improve the learning process!

Trade Wisely & Profitably,
Dennis W. Wilborn
Founder & Lead Technical Analyst

Five Steps to Greater Profits in 2019

Beginning Now December 2018 and carrying on through 2019

1. Follow a Solid Winning System – You don't have to invent it yourself!
2. Commit to Identify & Take Steps to Improve Mechanics
3. Practice Until Consistently Profitable -
4. Clarify – For Consistency
5. Simplify – For Consistency

Five Steps to Greater Profits in 2019

1. Follow a Solid Winning System – You don't have to invent it yourself!

- ❑ 5 Pillars of a Trend Trading System
  - ❑ What to Trade
  - ❑ When & Where to Enter
  - ❑ When & Where to Exit
  - ❑ What Strategy to Use
  - ❑ What To Expect

- ❑ Dr. Thomas Carr says a good trend trading system will have a 65-70% Win/Loss Ratio and Generate about 40% per year

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2. Commit to Identify & Take Steps to Improve Mechanics
   - ❑ TNT – Today Not Tomorrow
   - ❑ Journaling
   - ❑ Assess Past Trading
   - ❑ Identify Strengths & Weakness
   - ❑ Trading in the Zone by Mark Douglass
   - ❑ Trader Test: http://www.onlineinvestingai.com/blog/van-tharps-trader-test/

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3. Practice Until Consistently Profitable
   - ❑ Paper Trade, Paper Trade, Paper Trade
   - ❑ Commit to 60-90 Days
   - ❑ When you hit the design parameters of your system

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Five Steps to Greater Profits in 2019

4. Clarify – For Consistency
   - ❑ Written Game Plan
   - ❑ Visualize Your Executing your Game Plan
   - ❑ Physically Practice Your Game Plan

Five Steps to Greater Profits in 2019

5. Simplify – For Consistency
   - ❑ Eliminate Variables
   - ❑ Written Rules on One Page
   - ❑ Fewer Stocks/ETFs
   - ❑ Limit Strategies – Sometimes just one is enough!!

Learning to Be Consistent will Produce Greater Profits

Trading Consistency—One of the most desired trait of beginning and intermediate Traders

"Wealth creation is a derivative of mechanically addressing opportunity." TS

Golf Analogy: What's the easiest way to become a better golfer?

- **Become a better putter!**

If a golfer 3 putts every hole, and is able to reduce this to 2 puts every hole, they have improved their score by 18 strokes!

This is an 18 strokes improvement without changing anything else in their game!

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Mechanics of Consistency

Trading Consistency—One of the most desired trait of beginning and intermediate Traders

1. **Bring a consistent "you" to your trading**
2. **Build a "Go To" Play Book**
3. **Increase your size consistently with a process (Earn Your Size)**
4. **Create a report card for your trading mechanics**
5. **Be Open-Minded and Flexible**
6. **Be Bionic**
7. **Adapt to Different Market Types**

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Mechanics of Consistency

Trading Consistency—One of the most desired trait of beginning and intermediate Traders

1. Bring a consistent "you" to your trading

Create habits where your energy, processing ability, focus, preparation, anxiousness, physical fitness, blood sugar levels and fatigue are unvarying.

Markets are volatile, information changes, data moves quickly into and out of markets, requiring fast and accurate judgement. If the "you" that you bring to the markets is not constant, then a different "you" is processing that different information.

That combination heightens inconsistency.

Bring a similar "you" to each trading session to reduce volatility in your trading results.

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Mechanics of Consistency

Trading Consistency—One of the most desired trait of beginning and intermediate Traders

2. Build a "Go To" Play Book – The Guide for how your rules work

What are the specific variables of trades that work best for you? Archive those setups and then study, study, study them.

Trade them more often and bigger.

This is your business. When you know your business, then and only then can you run it more consistently.

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Mechanics of Consistency

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3. Increase your size consistently with a process – Earn Your Size

Sizing trades properly is essential for consistent trading.

Some get too big too quickly, which causes inconsistency and setbacks.

Consider bumping up risk and size by 20% after each substantial period of success. Some traders can grow capital significantly by doing little more than trading his edge consistently and using a process to increase his trading size.

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Trading Consistency—One of the most desired trait of beginning and intermediate Traders

4. Create a report card for your trading mechanics

The best traders work on themselves as much (or more) than they do on their trading.

What are the things you need to do—and more importantly will do realistically—each day to improve?

Grade your day on how well you completed the process that you created to improve daily.

Traders increase the probability of becoming a more consistently profitable trader when by focusing on completing a self-determined daily process throughout the trading day.

A side benefit is that you will also lower your trading stress throughout the day because your focus is on process.

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5. Be Open-Minded and Flexible

Many traders find it helpful to have a thesis (for example, Netflix (NFLX) is going to trade higher). That's fine, but be open-minded to data that suggests your trade is wrong.

Review trading session's performance with a focus on how open-minded did you remain?

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6. Be Bionic

Spend time each day tweaking and building filters for your best setups. Let technology allow you to play more offense with your favorite plays.

One filter can add greatly to capital growth during a Trading Campaign.

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7. Adapt to Different Market Types

Markets change, and traders must adapt to them. I trade much differently than I did when I began in the early 1990s.

We are currently on the potential cusp of a Bear Market.

Accordingly, you must trade the setups that are rewarded. For example, trendline breaks and support/resistance bounces are better set up than Bull Flags.

But these trades would have gotten creamed in 2008 and late 2007.

We have experienced a strong Bull Market for several years which may finally be running out of gas. Look for more downside or inverse trading opportunities.

Adapted and Be Prepare

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Trading Consistency—With the Active Trend Trading Systems

1. **Use the tools**
   - ❖ **Watch List - Simplified**
   - ❖ **Entry/Exit Rules**
   - ❖ **Adjust Trading Capital Allocations Quarterly**

2. **Select a "Go To" Routine**
   - ❖ **What parts of the Watch List will I always review?**
   - ❖ **What is my most effective Entry Trigger?**

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Trading Consistency—For the Active Trend Trading Systems

"Go To" Watch List - Seven Hi Octane Leveraged ETFs + 1 – Review Daily!

3 Index ETFs - Diversity
4 Leveraged ETFs – Seasonality & Patterns
1 Must have Stock

SPY
QQQ
IWM
IBB
GDX
USO
XOP

TSLA (or something like it)

These are my "Go To's" because I know each year, they will move multiple times for moves of 10% or greater. See Example of GDX.

Add High Quality Growth Stocks when appropriate

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Trading Consistency—
For the Active Trend Trading Systems

“Go To” Entry Set Up

- **TSI Tick Up**
  - **Daily Charts (Primary)**
  - **Weekly Charts**
  - **Intraday Charts**

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Preparing for Explosive Growth in 2019

Beginning Now December 2018 and carrying on through 2019

I Will Consistently…

1. Only trade IBD quality Growth Stocks or Quality ETFs on my watch list or Options on the same
2. Conduct my weekend and weekday analysis consistently
3. Journal every trade
4. Follow my Trading System Rules
5. Be Patient and Wait for Sound Strategic Entry Triggers

I commit to this plan and being a master trader in 2019.

Signed: *Dennis W. Wilborn*

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Mechanics of Consistency

- Summary

1. Understand How to Be Consistent
2. Have a Consistent "Go To" Plan
3. Trade the "Go To" Plan again & again & again…..
4. Be Patient with yourself!

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Overview of Magnificent 7 Leveraged ETFs - Objectives

1. Get to know the personality of each of the Sector ETFs within the Mag 7

2. Observe and Trade the Cycles

3. Is trading both sides worth the trouble?

4. What are the preparatory clues for trading