

Henry's Trading Plan

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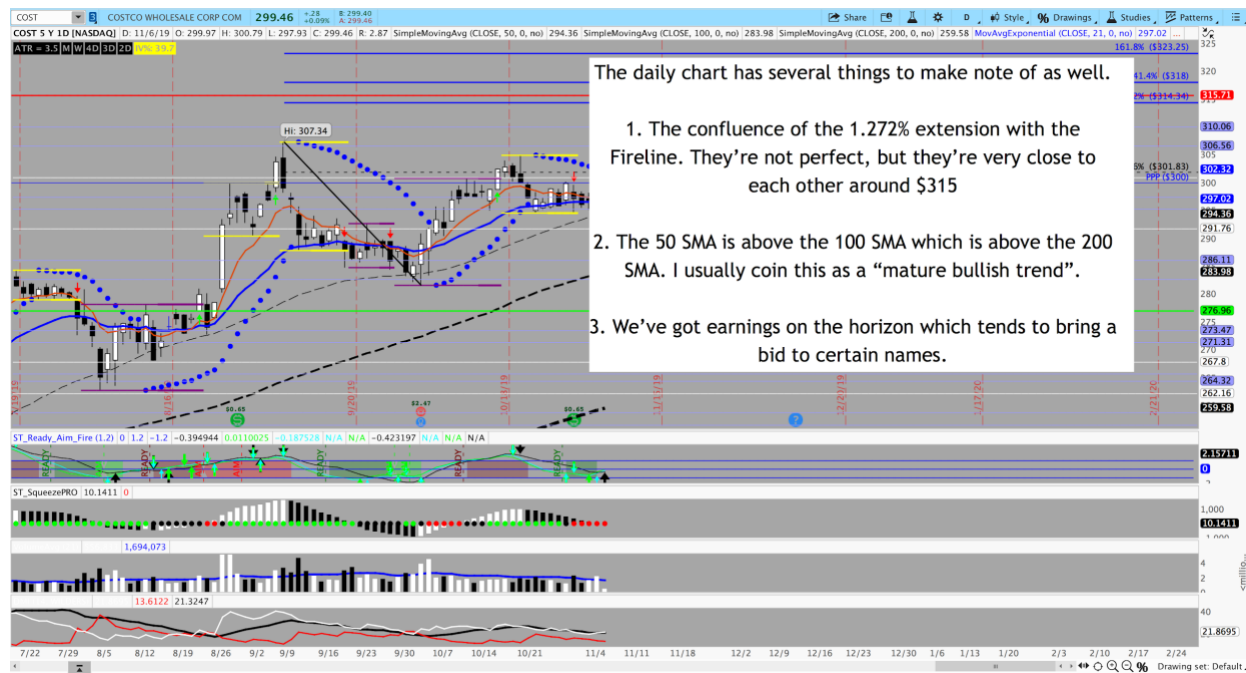
- ★ Why am I trading?
 - To gain financial independence
 - To gain technical competence in the markets
 - To have a better understanding of how financial markets work
 - To create a consistent source of income through options trading
- ★ What is my Approach?
 - I'll have a technical approach, working to buy a reversion to the mean on daily charts while *attempting* to maintain a theta positive portfolio.
 - I'll focus on swing trading **BULLISH** equity options in strong sectors that have weekly, 4D, 3D, 2D and daily Squeezes.
- ★ What are my Goals? Weekly/Monthly/Annually - Long Term?
 - Weekly, static wire of \$987
 - Continued compound growth
 - Withdraw half of my growth trading profits at the end of the year
- ★ What are my Objectives?
 - To create a bullish equity curve and promote a relaxed state of mind swing trading equity options - zero emotion. Meditation is helpful in this pursuit
http://bit.ly/hg_meditation
- ★ What Markets will I trade?

- Equity Options that have Voodoo Lines with a focus on CML Pro stock picks.
- ★ What Timeframes will I trade?
 - Weekly - 4 Day - 3 Day - 2 Day - Daily - 390m - 195m - 130m - 78m - 39m - 15m
- ★ What Setups will I trade?
 - Standard + Nested Squeezes - Fibonacci Clusters - High Short Interest - IV Run Into Earnings - IV Crush For Earnings - Directional Earnings
- ★ How will I find new symbols/markets to trade?
 - Review symbols that come through daily updates via Chaikin Analytics along with best in class rankings via the web platform
 - Review the symbols Carolyn currently has in play via Fibonacciqueen.com
 - Update the IBD 50 & IBD Innovators list monthly
 - Analyze Top 10 holdings inside primary Sector SPDRs - Update Monthly or Quarterly
- ★ What are my Entry rules?

- Enter weekly Squeezes near the 10/34 EMA zone.



- Enter daily Squeezes near the 8/21 EMA zone.



- Focus on 15 and 39 minute charts for entries, relying on Squeezes, a cross of the 8/34 EMA and clearing previous swing highs.

★ Where will I place my Stops?

- I will not use hard stops. 100% of my risk will be identified prior to taking an entry. If a swing entry is broken I will exit directional options with the option to hold spreads into expiration. Swing entries are considered “broken” on a daily close below the 21, or breaking the zone the trade was setup around.
- I’ll be more lenient with closes below the 21 EMA when the 50 SMA is within 2% of the 21 EMA.

★ What are my exit signals and where should I be taking profits?

- Profits should be taken at the 1.272% extension of previous swings
- Profits can be taken at the 1.618% extension if directional calls have more than 14 days until expiration.
- Profits should also be considered on a monetary basis - 80 - 100% return on any directional option - 30- 55% of initial credit received with naked options and small spreads. 55% - 89% of initial credit received on larger spreads and directional Squeezes while trailing up on a 15 and 39 minute 8/34 EMA cross.

★ How will I manage my risk?

- 100% of risk is calculated prior to entering a position. No position should ever lose more than 5% of my account value and more commonly should not exceed 2%

★ What is my Pre-market routine?

- Download Fibonacciqueen.com chart images
- Run a scan for Nasdaq 100 Squeezes
- Run a scan for Squeezes inside “Henry’s 21” stocks
- Run JC’s pre-market scan for any stand out volume/activity
http://bit.ly/hg_jcpremarket
- Run a scan for Squeezes with 10% of 52 week highs

http://bit.ly/hg_squeeze10

- ★ What is my Post-market routine?
 - Make notes on entry signals
 - Ensure any losing positions still fit within the criteria of the setup
 - Set profit targets for the next trading session

- ★ What Tools will I use for my trading business?
 - Simpler Trading Scanner - Tradervue - Chaikin Analytics - Investor's Business Daily

- ★ What is my process for Reviewing/Documenting Trades?
 - Snag It - Evernote - Tradervue - Handwritten Journal

- ★ How do I work to continue my education?
 - Read
 - Forward test new trade ideas with 1 contract
 - Expand into multiple accounts/brokerages - No less than 2 - No more than 5

- ★ Discipline and Mindset notes:
 - I will not buy a market when it's up more than 2% on the day. I will not short a market when it's down more than 2% on the day.
 - When the 10 day SMA of the \$PCVA closes above 1.0 I will not pursue directional, bearish equity positions.

- ★ Reasons to Allow Yourself to go FLAT
 - New equity highs, and a wish to spend some time at that high water mark.
 - Some type of drastic, potentially news driven event. Think MAR 21 2019 when the Fed announced there would be no additional rate hikes for the year and indexes surged higher after.

- You have a bigger position that has gone in your favor and you'd like to realize those percentage gains.

★ Trading Commandments:

- Anything can happen. Always make sure your risk is under control.
- Don't lose your ass on a Friday. Big moves tend to happen on Friday's.
- I don't need to know what's going to happen next in order to make money.
- Every moment in the market is unique. Use seasonality, but don't rely on it.
- Trade bullish charts in a bullish way. Trade bearish charts in a bearish way.
- Pride comes before the fall. No high fives.
- Moves tend to terminate near extensions of previous swings. Check this on weekly charts when considering daily setups.
- Pay attention to opposing analysis that triggers any kind of emotional reaction .
- Always go flat before taking any kind of vacation.
- Take a vacation.
- Trade the chart in front of you. Correlations can be helpful, but should not be the foundation for a setup.
- Allow yourself to go flat. There is no shame in having zero equity positions. We're focusing on *trading* and cash is absolutely a position.