NT Ultimate Candle, Delta and Fractal Swing Tool

Members Area Overview

Matt Brown
Founder, Head Trader

Newbie-Trader.com

Risks of Security Futures Transactions

CFTC RULE 4.41 HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN LIMITATIONS.UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING. ALSO, SINCE THE TRADES HAVE NOT BEEN EXECUTED, THE RESULTS MAY HAVE UNDER-OR-OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFIT OR LOSSES SIMILAR TO THOSE SHOWN.

DISCLAIMER: Futures and options trading involves substantial risk of loss and is not suitable for every investor. The valuation of futures and options may fluctuate, and, as a result, clients may lose more than their original investment. The impact of seasonal and geopolitical events is already factored into market prices. The highly leveraged nature of futures trading means that small market movements will have a great impact on your trading account and this can work against you, leading to large losses or can work for you, leading to large gains. If the market moves against you, you may sustain a total loss greater than the amount you deposited into your account.

You are responsible for all the risks and financial resources you use and for the chosen trading system. You should not engage in trading unless you fully understand the nature of the transactions you are entering into and the extent of your exposure to loss. If you do not fully understand these risks you must seek independent advice from your financial adviser. All trading strategies are used at your own risk. This software should not be relied upon as advice or construed as providing recommendations of any kind. It is your responsibility to confirm and decide which trades to make. Trade only with risk capital; that is, trade with money that, if lost, will not adversely impact your lifestyle and your ability to meet your financial obligations.

Risks of Security Futures Transactions

- Trading security futures contracts may not be suitable for all investors.
- You may lose a substantial amount of money in a very short period of time.
- The amount you may lose is potentially unlimited and can exceed the amount you originally deposit with your broker.
- This is because futures trading is highly leveraged, with a relatively small amount of money used to establish a position in assets having a much greater value.
- If you are uncomfortable with this level of risk, you should not trade security futures contracts.

Risks of Security Futures Transactions (Cont.)

- All information discussed is based on hypothetical market data. Future results may differ from historical market movements and material presented.
- All data presented is for educational purposes only and this is not a solicitation for trading.
- Full disclosure located at www.nfa.futures.org
- EminiJunkie.com, SMARE Investment Group, LLC nor the Presenter can be held liable for any trading actions taken based on information provided.

Vendor Affiliations with Service Providers

- Throughout this training and on my website I often will recommend a specific product, tool or service.
- In some instances I may have an affiliate relationship with a specific vendor in others I do not.
- I have first hand knowledge of the items and individuals and would not introduce you to anything I can not fully stand behind.

Top 10 Trading Mistakes Made by Newbies

- No Objective Reason To Trade
  - Traders should be using a high probability trading plan that has specific repeatable entries exits and stops.
  - A successful trading plan usually is repeatable across multiple markets and time-frames and should be thoroughly back-tested prior to implementation.
  - Just as a business should not operate without a business plan a trader should not enter a trade without a trading plan.
  - Entering a trade outside the rule sets defined in the trading plan is the equivalent of gambling.

Top 10 Trading Mistakes Made by Newbies

- No Stop Order / Letting Losers Run
  - Some traders hold on to losing positions far too long thinking or hoping, that the market will turn around and eventually turn their losing trade into a winner.
  - When in actuality most newbie-traders would not have the patience to let the loser turn into a winner even if the market had turned around.
  - When you open a trade, you can set a stop loss order – this is a point where the trade will automatically close if the market moves to that position.
  - It keeps small loses from turning into big losses or blown up accounts.

Top 10 Trading Mistakes Made by Newbies

- Live Trading Too Soon
  - Far too often a newbie-trader comes across a new trading system or methodology and tries to implement it in a live trading account far too soon before they totally understand all the nuances.
  - The same thing can happen with a proven system in a new/different market.
  - Each system, market, trading platform etc. needs to be learned and practice in a simulated environment prior to risking real money.
  - A good rule of thumb is to log at least 50 simulated trades prior to going live.

Top 10 Trading Mistakes Made by Newbies

- Lack of Patience / Discipline
  - If you're disciplined and stick with a tested trading plan consistently, you will, more often than not, profit over those who trade inconsistently.
  - Constant second-guessing can ruin the profitability and may eliminate the benefits of having a trading plan in the first place.
  - You should plan your trades and trade your plan.
  - Entering and/or exiting a trade early can be just as devastating to your account as gambling.
  - Without the patience to let a trade work you will never be able to establish your trading plans true probability of success.

Top 10 Trading Mistakes Made by Newbies

- Revenge / Over Trading
  - Revenge trading is when you get emotional over a lost trade and try to aggressively recuperate the loss.
  - In gambling this is often know as "doubling down".
  - When you have a loss as a newbie-trader your anxiety and stress levels increase and your judgment becomes cloudy and one has the tendency to over trade.
  - While it may be difficult, it's always best to accept the loss outright and not let your ego for being right dig you into a bigger hole.
  - Instead of revenge trading, focus your efforts and energy on studying what went wrong and figure out if you made a mistake in the execution of your trading plan.

Top 10 Trading Mistakes Made by Newbies

- Lack of Capital / Over Leveraged
  - Because a futures account can be open with as little as $2,000 at some brokerage firms many newbie-traders find themselves under capitalized and over leveraged.
  - Just like any business, a trading business needs to be properly funded to have the best chance of success.
  - Most trade management techniques call for taking a small profit when your trade starts working in your favor and keeping a partial position on as a runner.
  - To adequately do this, one would need to have 2 to 3 contracts at a minimum to trade in the mini sized futures markets.
  - A good rule of thumb is $10,000 per mini contract/lot; so a $20-30K account would be the minimum desired starting point.

Top 10 Trading Mistakes Made by Newbies

- Lack of Trade Management
  - The trading plan should have all the details specifically defined on when and where to take profits throughout the trade and how to adjust stops accordingly.
  - Prior to entering a trade the full risk/reward profile of the entry should be understood and accepted.
  - There should be no ambiguity on how to take partial profits and when/where to re-enter a working trade.
  - Newbie-traders will often exit a trade when it “feels” right or wrong.

Top 10 Trading Mistakes Made by Newbies

- Fear / Greed and Lack of Confidence
  - Trading can be difficult for the newbie-trader because it exposes all of your strengths and weaknesses almost immediately.
  - The fight between fear of losing, fear of missing out, fear of non acceptance, fear of failure and greed often have you second-guessing your system which tears at your confidence.
  - The lack of controlling these fears while in a trade will result in premature exits and stops not allowing your plan to develop the statistical outcomes needed to grade it objectively.

Top 10 Trading Mistakes Made by Newbies

- Quest for the Holy Grail
  - Newbie-traders will often jump from system to system trying to find the Holy-Grail indicator or strategy to make them successful.
  - In reality there are a countless number of way to trade the markets and the majority of the beginners problems lie in the six inches of gray matter between their ears.
  - It is best to find a trading style that matches your personality and allows you to implement the techniques discussed in these slides.
  - Spend time mastering your plan and implement it consistently prior to jumping on the next best thing.
  - Avoid becoming the “jack of all trades, master of none”.

Top 10 Trading Mistakes Made by Newbies

- Blame Game / Self Sabotage
  - Accountability is the hardest concept for newbie-traders to accept.
  - When you have a losing trade or are in a losing streak, don't blame your broker or someone else.
  - You are the one who is responsible for your own success or failure in trading.
  - Trading can afford you great monetary rewards and you need to be willing to accept the success with the failure.
  - Many traders are not conditioned to be open to success and end up sabotaging their own results.
  - Take control of your trades and your trading plan and look inward versus outward when things begin to derail.

Top 10 Trading Mistakes Made by Newbies

- Blame Game / Self Sabotage
  - Accountability is the hardest concept for newbie-traders to accept.
  - When you have a losing trade or are in a losing streak, don't blame your broker or someone else.
  - You are the one who is responsible for your own success or failure in trading.
  - Trading can afford you great monetary rewards and you need to be willing to accept the success with the failure.
  - Many traders are not conditioned to be open to success and end up sabotaging their own results.
  - Take control of your trades and your trading plan and look inward versus outward when things begin to derail.

Site Navigation

- Members Log In Area on Main Web Page Title Bar
- Member Specific Downloads and Training
- Training Length (15min)
- Open Training Access
- Continual Growth
- Review Sessions
- Additional Training