

# SWING TRADING MASTERCLASS

**SUPERPERFORMANCE** SETUPS



WEBINAR 3 | WORKBOOK

# **The Pivotal Point**

“Whenever I have had the patience to wait for the market to arrive at what I call a “Pivotal Point” before I started to trade; I have always made money in my operations.”

**Jesse Livermore**

# Buying Checklist



- Major Monthly/Weekly Consolidation
- Where are we relative to the 10 Week EMA?
- Identify the Change in Character (Bull Snort, Massive Gap)
- Is this stock exhibiting relative strength? Where are we in the index price cycle?
- Daily Chart Pattern (Pattern within a Pattern)
- Subtle Clues (Inside Bars, Volume Dry Up, Small Unfilled Gaps)
- Multiple Arguments/Confluence
- Is There a Catalyst? (Earnings, New, FDA Approval, Product Launch)
- Does the potential upside justify the risk?
- Is their resistance to the left or are we at new highs? What are my objectives for the trade?

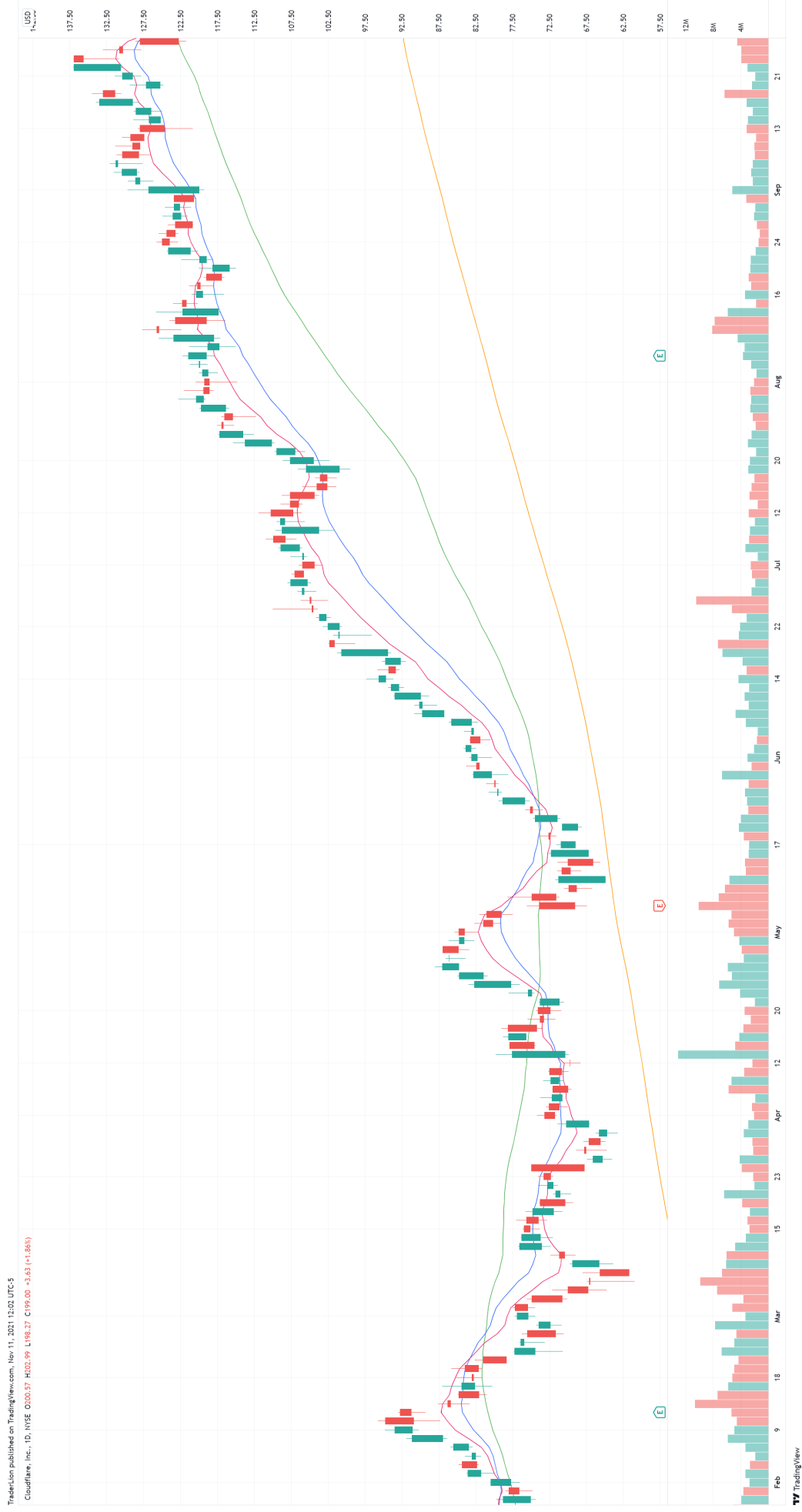
# Bull Flag



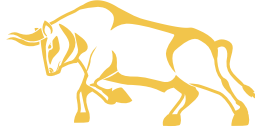
- Short-term pattern of lower highs and lower lows.
- Marks a contraction in volatility.
- Best if on light volume.
- Essentially a multi-bar pullback following a strong advance.



# NET

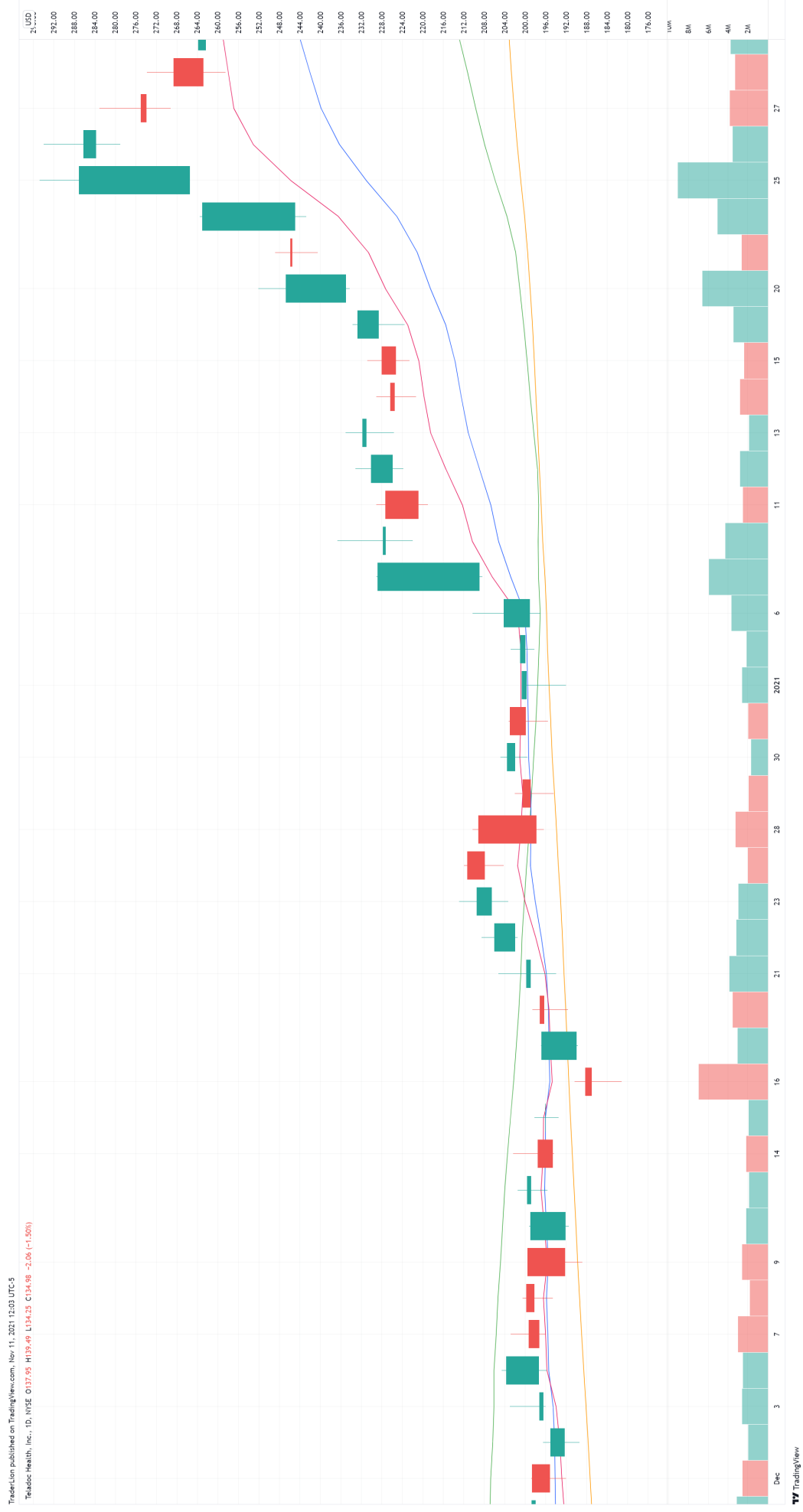


# Bull Pennant



- Short-term pattern of lower highs and higher lows.
- Marks a contraction in volatility.
- Best if on **light volume**.
- Similar to a bull flag but with higher lows as the pattern builds

# TDOC



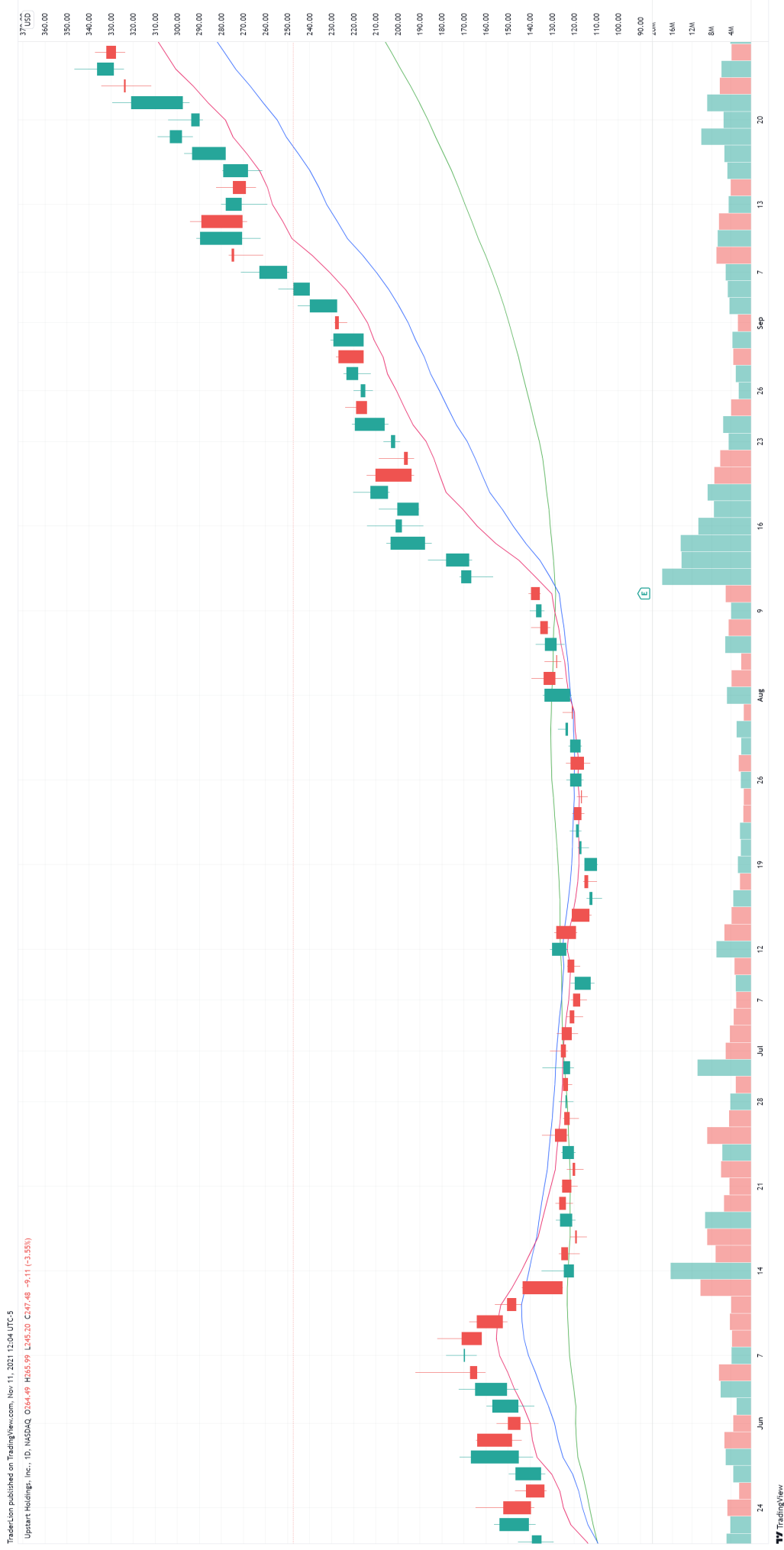
# Breakaway Gap

"BGU"



- Explosive gap out of a basing pattern or larger consolidation.
- Often occurs on news such as earnings, product announcement, FDA Approval, etc.
- In my trading, the majority of the time this is an earnings gap up out of a larger basing pattern that has been built out on the weekly chart.
- Highly recommend reading about this strategy more in **"Trade Like an O'Neil Disciple."**
- Generally, I am looking to piece into the gap up in pieces in the post-market, pre-market, and general session or I am looking for a lower time frame entry on the intra-day chart.
- Many of the best breakaway gaps will **start running right on the open or follow through on the first day gap higher the following day.**

# UPST

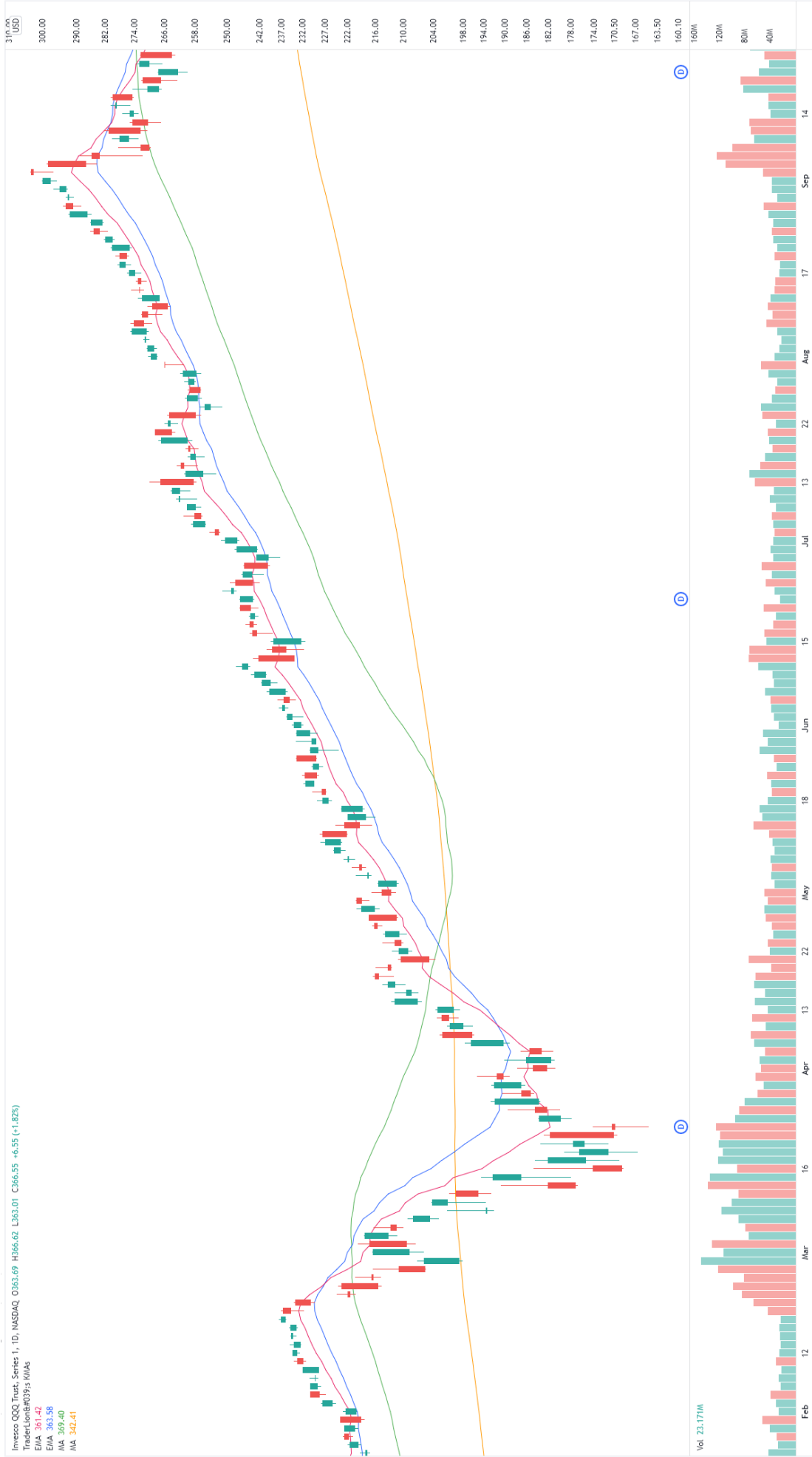


## Post-EPS Flag/Base



- Some gap ups will **pull back** for 2-3 days before beginning their advance.
- Often these set-ups will wait for the **10 or 20EMA** to catch up to the price, will find support, and will then start their advance.

# ASAN



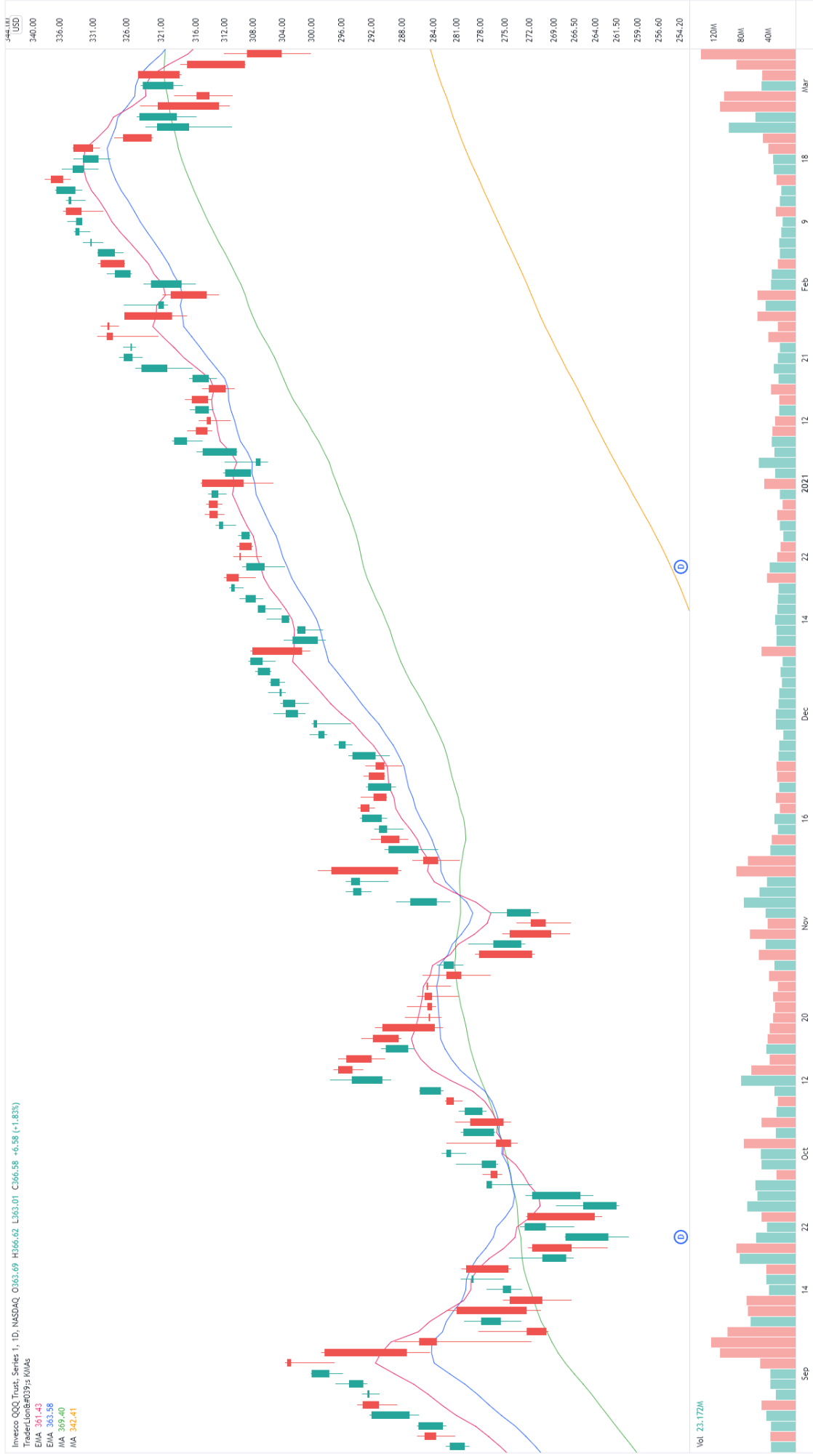


# Descending Channel



- A multi-week pattern of lower highs and lower lows on the daily chart.
- Will look like a bull flag on the weekly chart.
- Near the end of the pattern will see the price action tighten at some point and some sort of higher low build as buyers step in and show they want to be more aggressive.
- The triggering of this pattern is usually aligned with a Wedge Pop up through the moving averages.

# NVDA

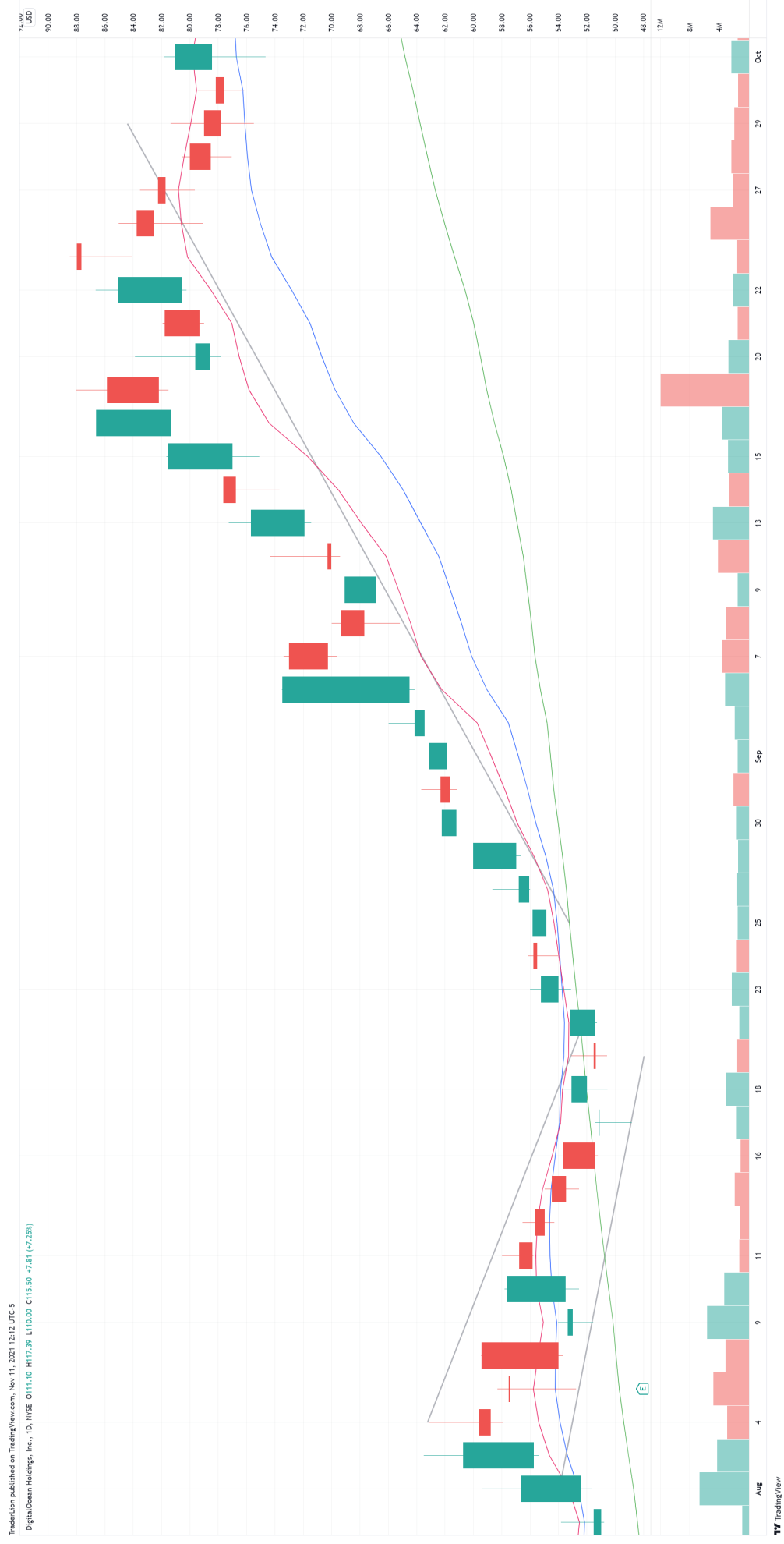


# Descending Wedge

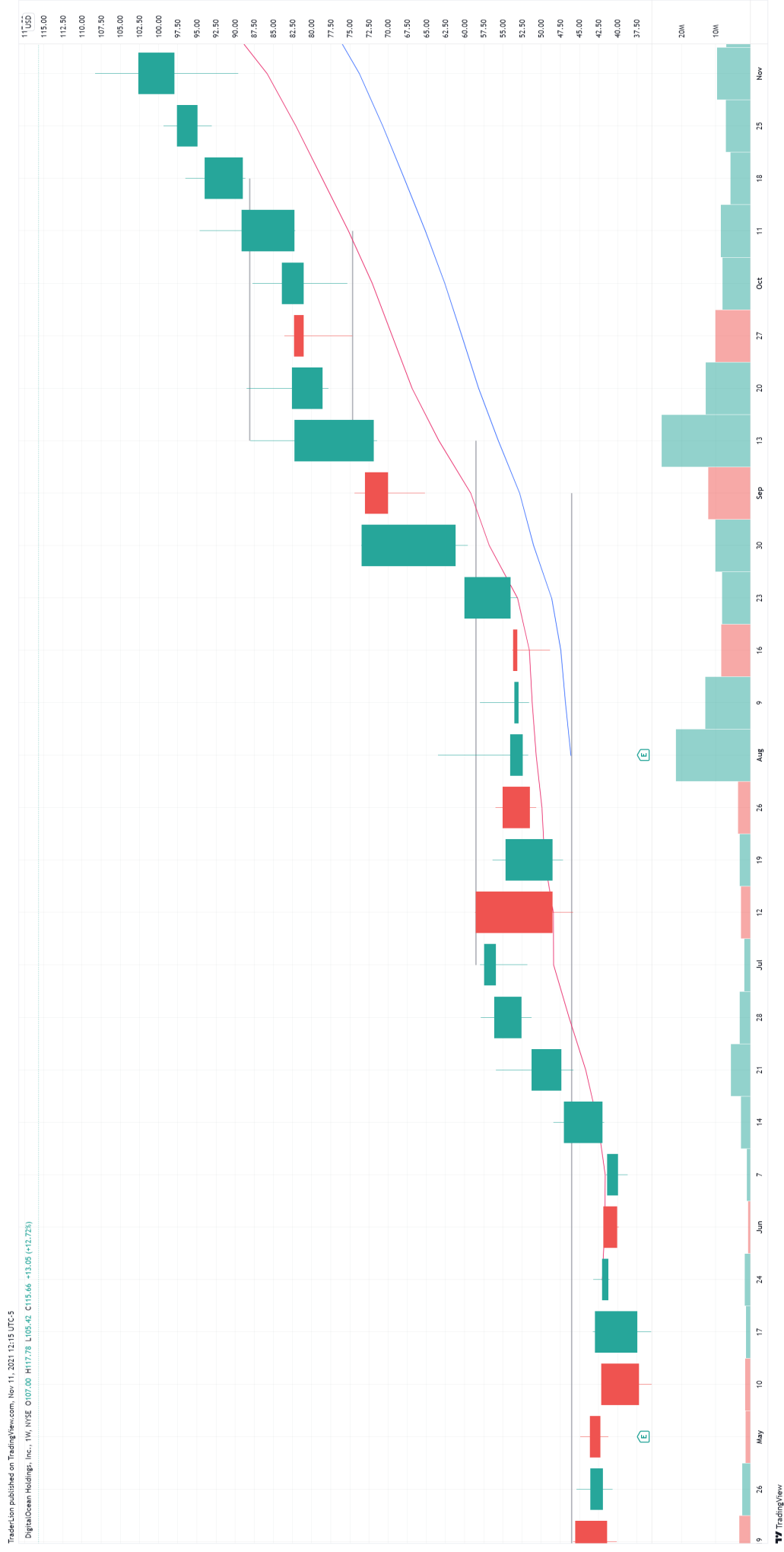


- Similar to the Descending Channel but price tightens as the lower lows become less and less pronounced.
- A sign sellers are becoming less aggressive as the pullback continues.
- I often look for price to make a new low and reverse higher showing that buyers are overpowering sellers as the pattern continues to build out.
- I call this “No sellers down low” or the Stock is “Getting sold out.”
- Seeing that price action may be a sign to start looking for tightening action, inside bars, volume dry up, or other signs that an upside trigger may be set to take place.

# DOCN



**DOCN**

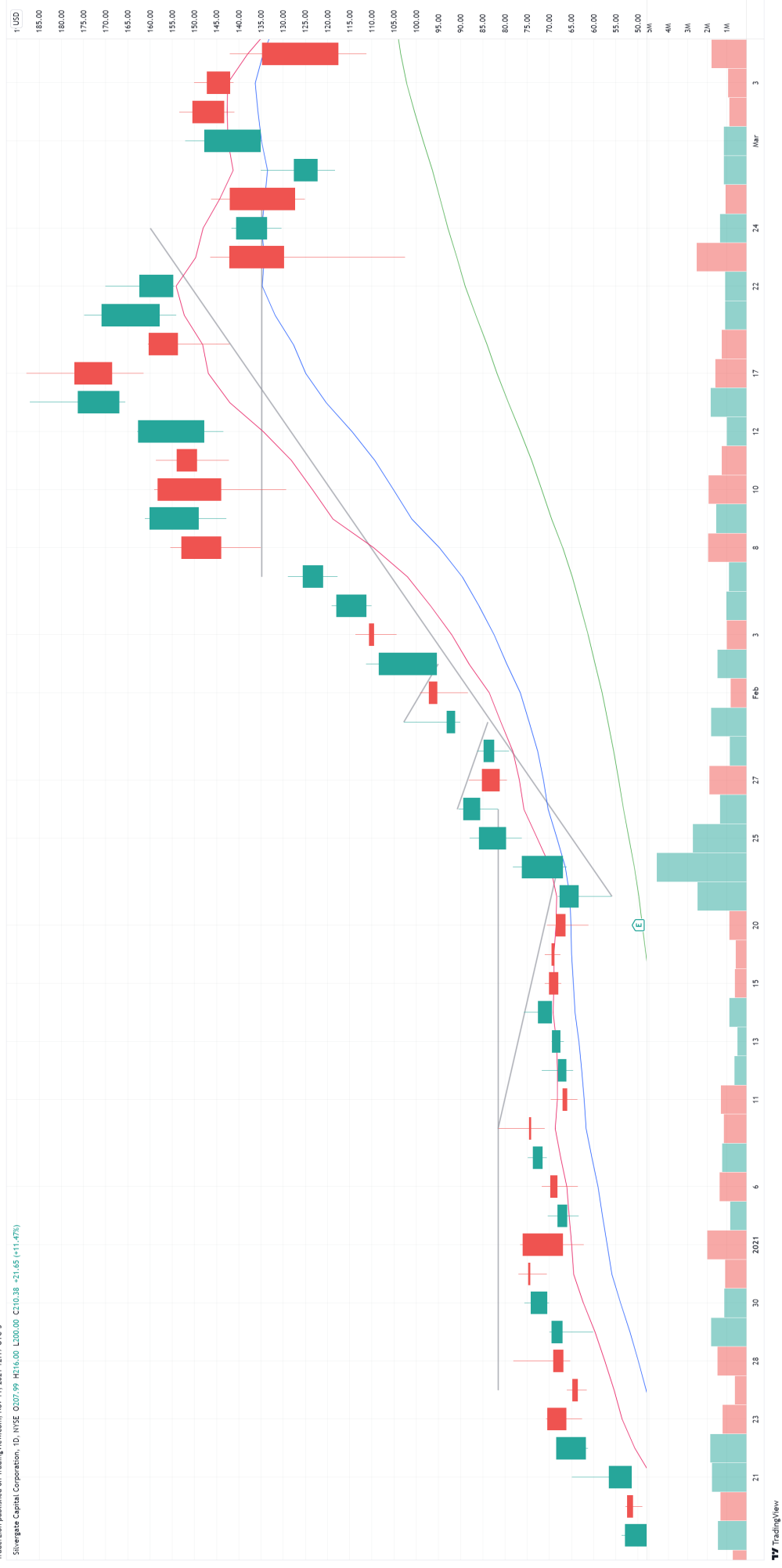


# Flat Base



- A simple horizontal consolidation. No reason to overcomplicate.
- If a second or third stage pattern, it would likely be in the range of 5-8 weeks in length and would follow a previous advance.
- If an initial base, it may be multiple months or even years in length.
- Often will see price action tighten, volatility contract, and a shorter-term “flagish” type pattern develop prior to the upside trigger from the pattern.
- Want to see volume come into the stock when the upside movement out of the pattern takes place.

TraderLion published on TradingView.com, Nov 11, 2021 12:17 UTC-5  
Silvergate Capital Corporation, 1D, NYSE O207.99 H216.00 L200.00





# Cup N Handle

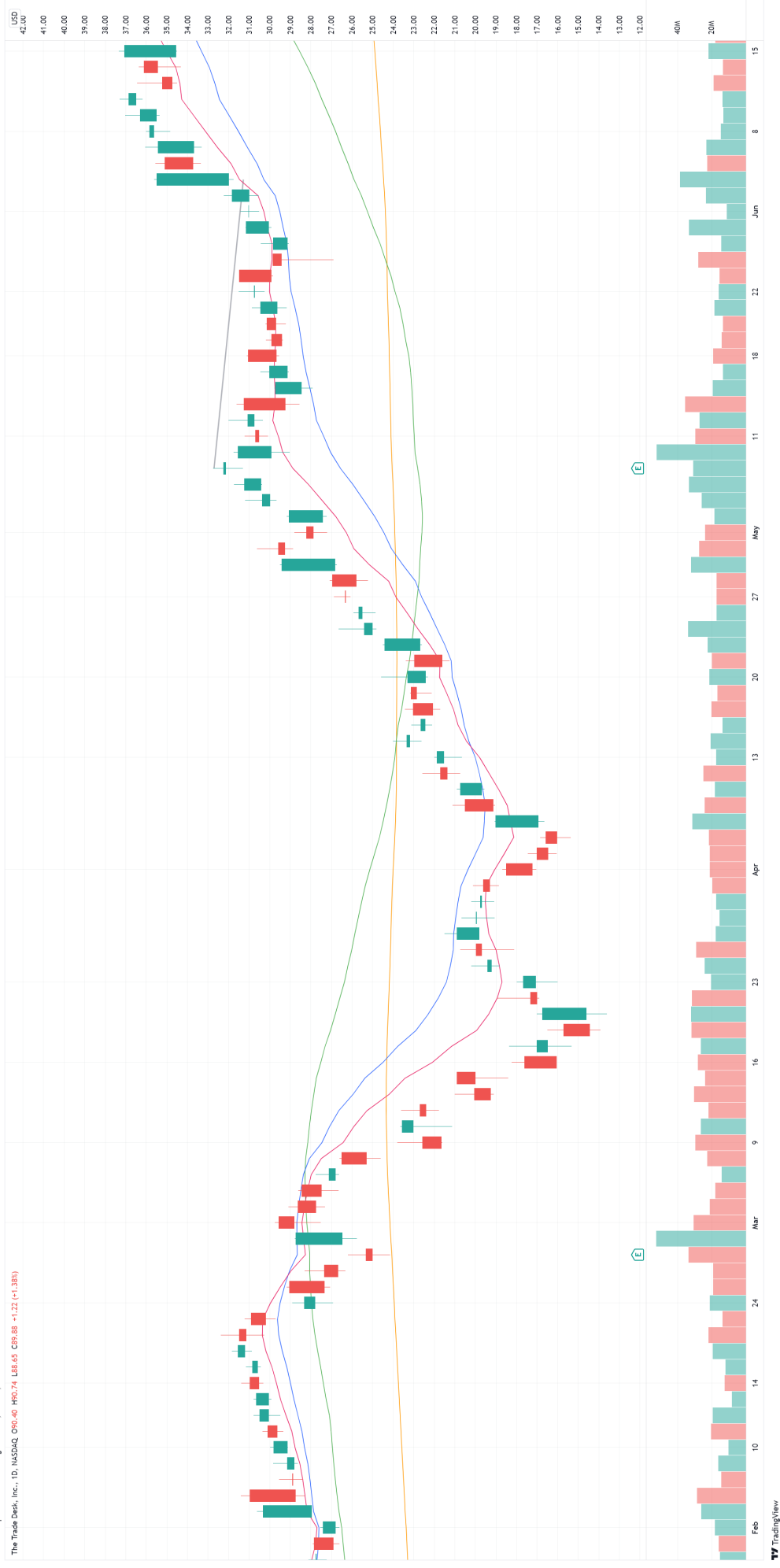


- A simple cup with a handle of tightening price action.
- The bottom of the cup is usually initiated with a Wedge Pop, there will be an EMA Crossback as the right side builds, and the actual handle tightens in the form of a Base n Break.

# TTD

Transaction published on TradingView.com, Nov 11, 2021 12:18 UTC-5

The Trade Desk, Inc.: 1D: NASDAQ OYO:40 H50.74 L48.65 C49.88 +1.22 (+1.38%)



# Double Bottom



- Consolidation with a shakeout or failure on the lows.
- I call this a 2B reversal (Victor Sperandeo)
- Essentially, there is a stop run or shakeout, often followed by a Wedge Pop.
- The traditional trigger is when the midpoint pivot high of the base is triggered.
- I look for a shorter-term/tighter flag/pennant often marked by an EMA Crossback of some sort.

TradingView published on TradingView.com, Nov 11, 2021 12:19 UTC-5  
 Roblox Corporation, 1D, NYSE, OHLC, 26 H(00:41 L93.03 OH11 +2.85 (+2.99%))

# Wick Play



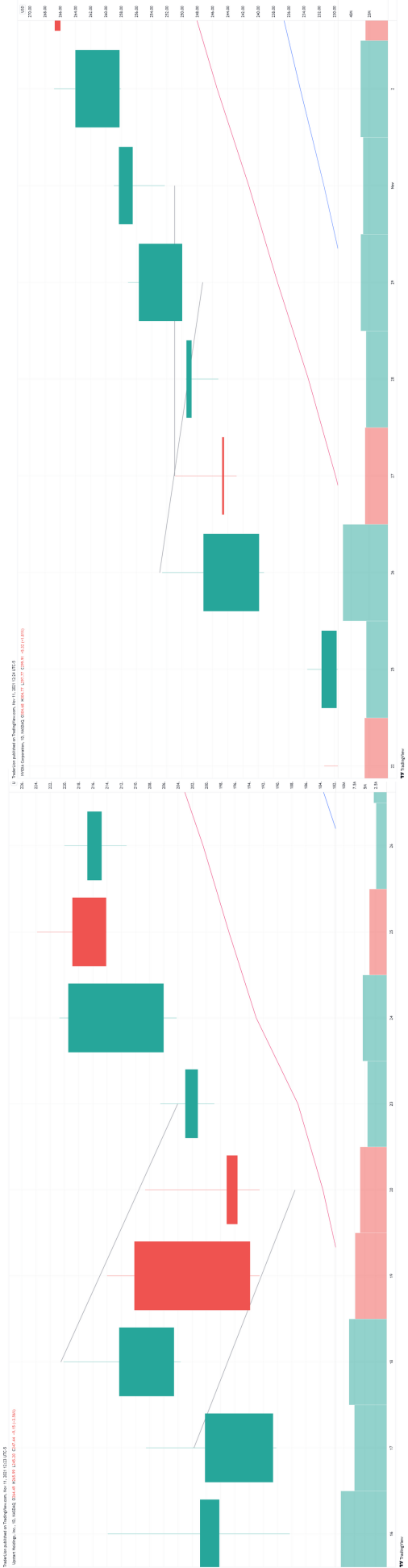
- Price bar with an upside wick.
- The next price bar trades the entire session inside that previous day's wick. This is an inside bar and it is best if there is also a dry-up in volume.
- The triggering of the initial wick marks the trigger for the pattern.

## Psychology

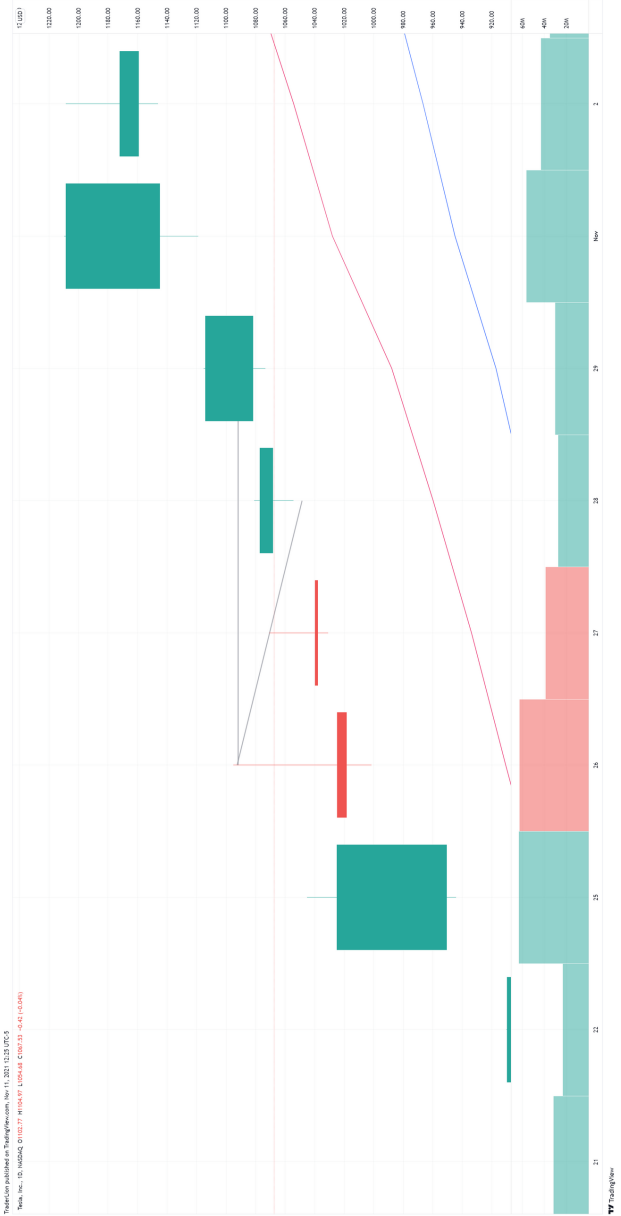
- Sellers sold down the stock to create the wick.
- Buyers then supported the stock inside that wick.
- When the highs of the wick are taken out it is a sign that buyers have overpowered those initial sellers.

# UPST

# NVDA



# TSLA



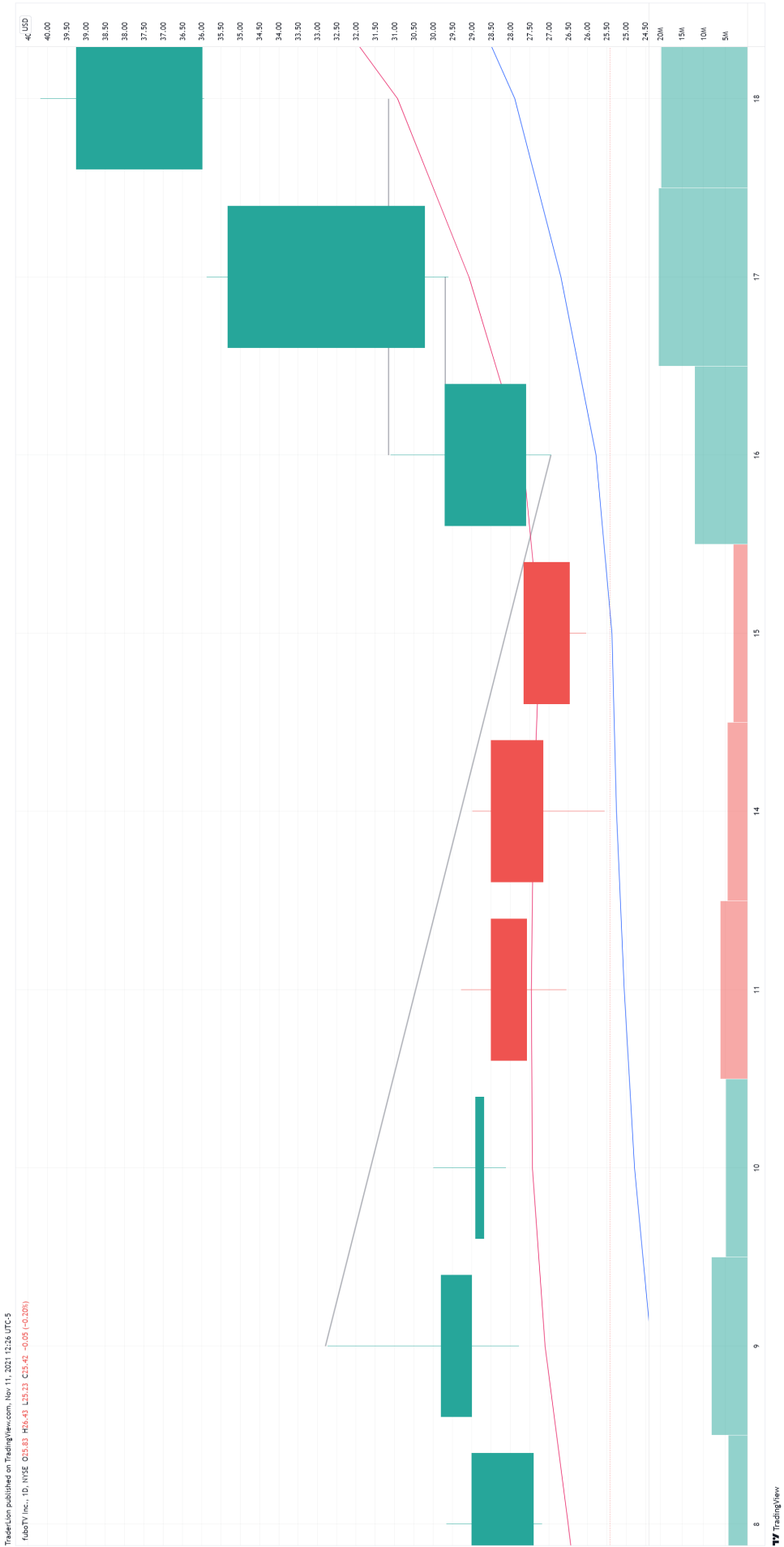
# In The Wick



- Sellers sold down the stock into the close of the previous session.
- The stock gaps higher the next session and holds the gap up allowing you to manage risk vs the previous day's close.
- This should always be treated as a supplemental pattern or a way to manage risk vs the previous day's close.



# FUBO

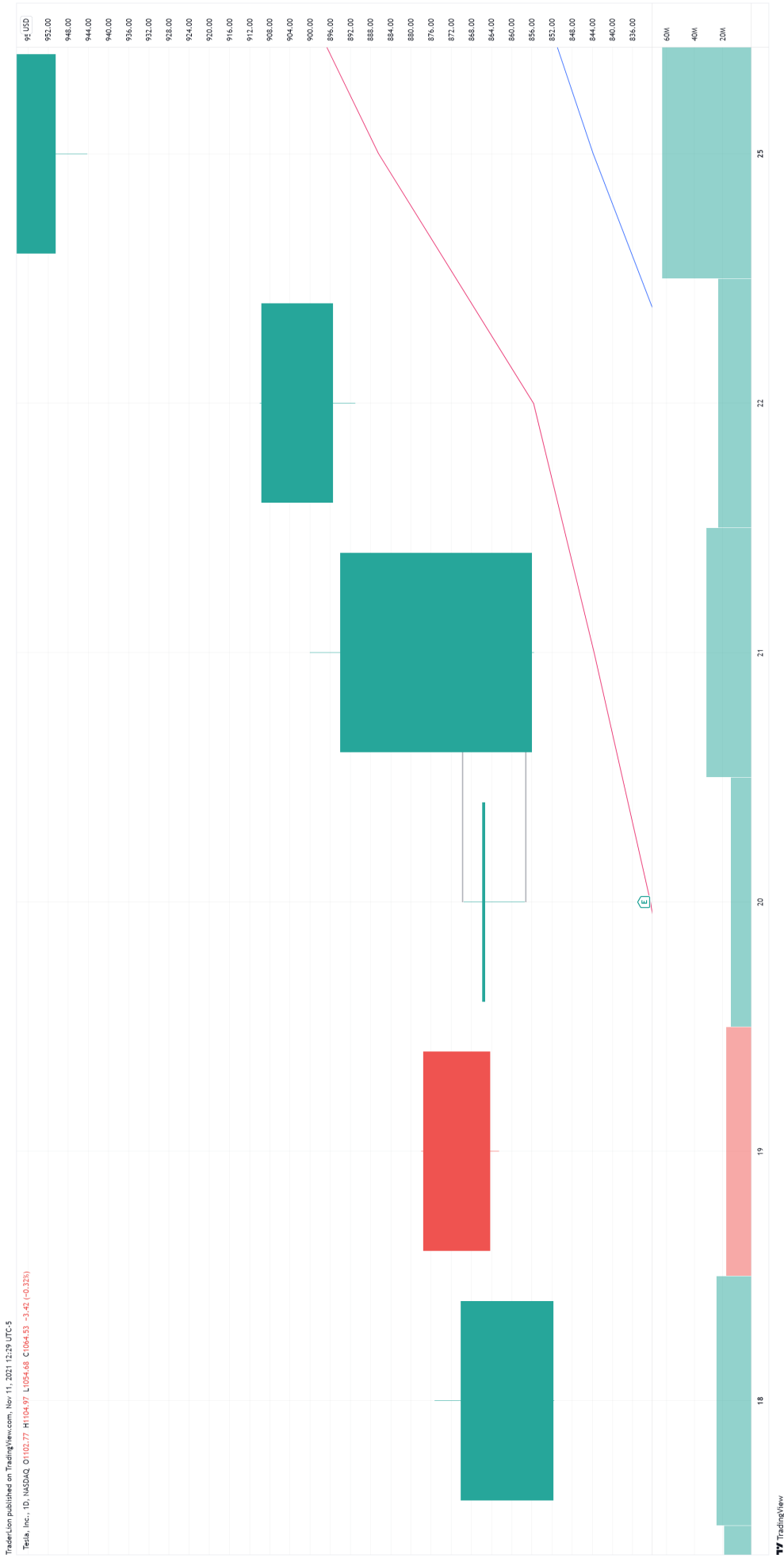


# Outside Reversal



- Looking for a strong trending stock.
- Then a 2-5 day pullback.
- Want to see price trade down and then back up through the previous days low in some way.
- Can be in the form of a gap down that gets bought up (Bullish Counter-Attack, Engulfing, or Piercing).
- Price may trade down through the previous day's low and then back up through that low. (Hammer)
- This often aligns with support into the 10/20 EMA on the daily chart.
- This can be an early entry to a developing bull flag.

# TSLA

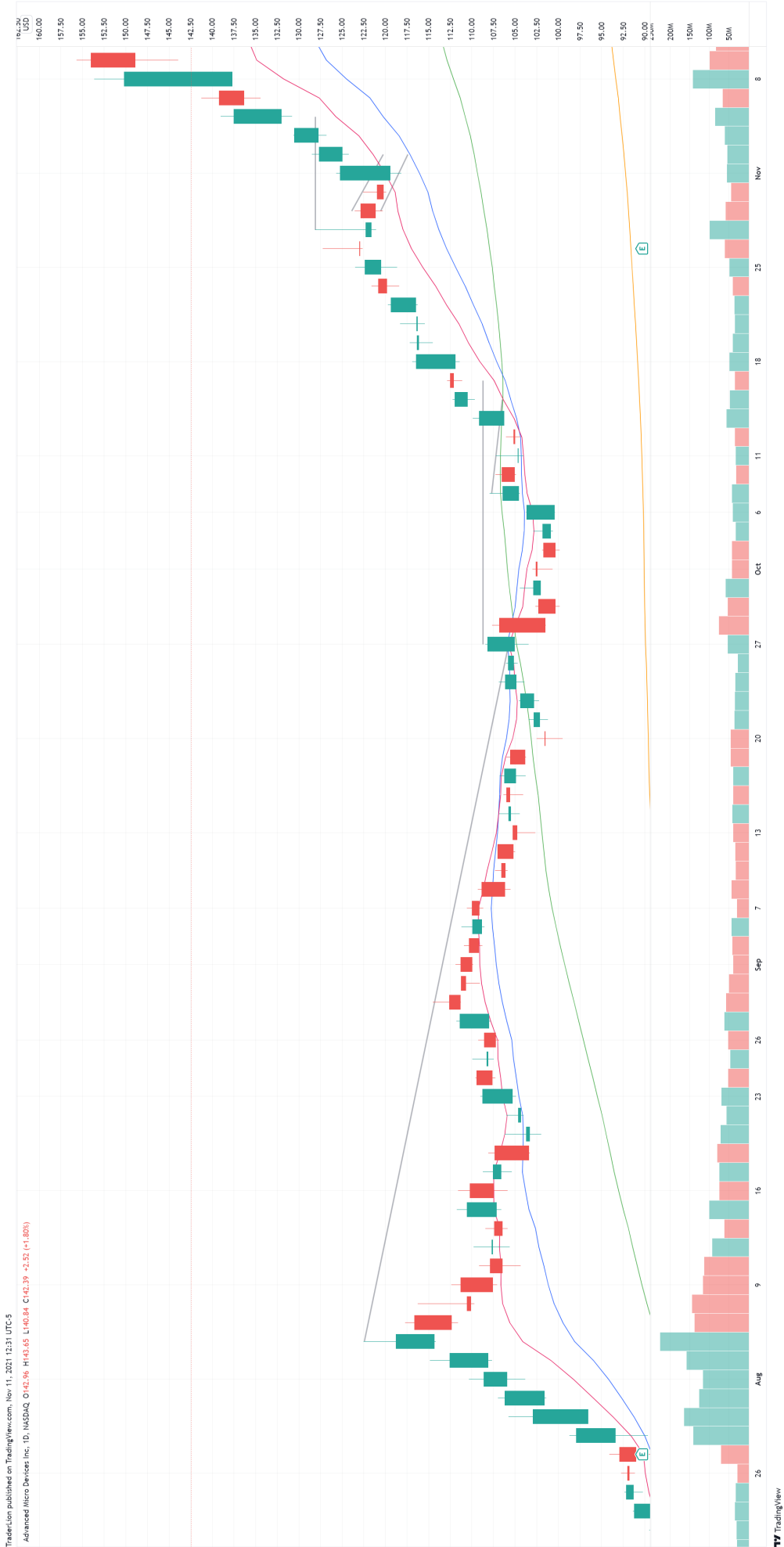


# Inside Bars



- When a price bar trades inside the previous sessions bar.
- This is a sign of a contraction in volatility.
- Extreme volume dry up is a very positive sign.
- When the highs or the lows of the inside bar are taken out it can often lead to a move in that direction.

# AMD

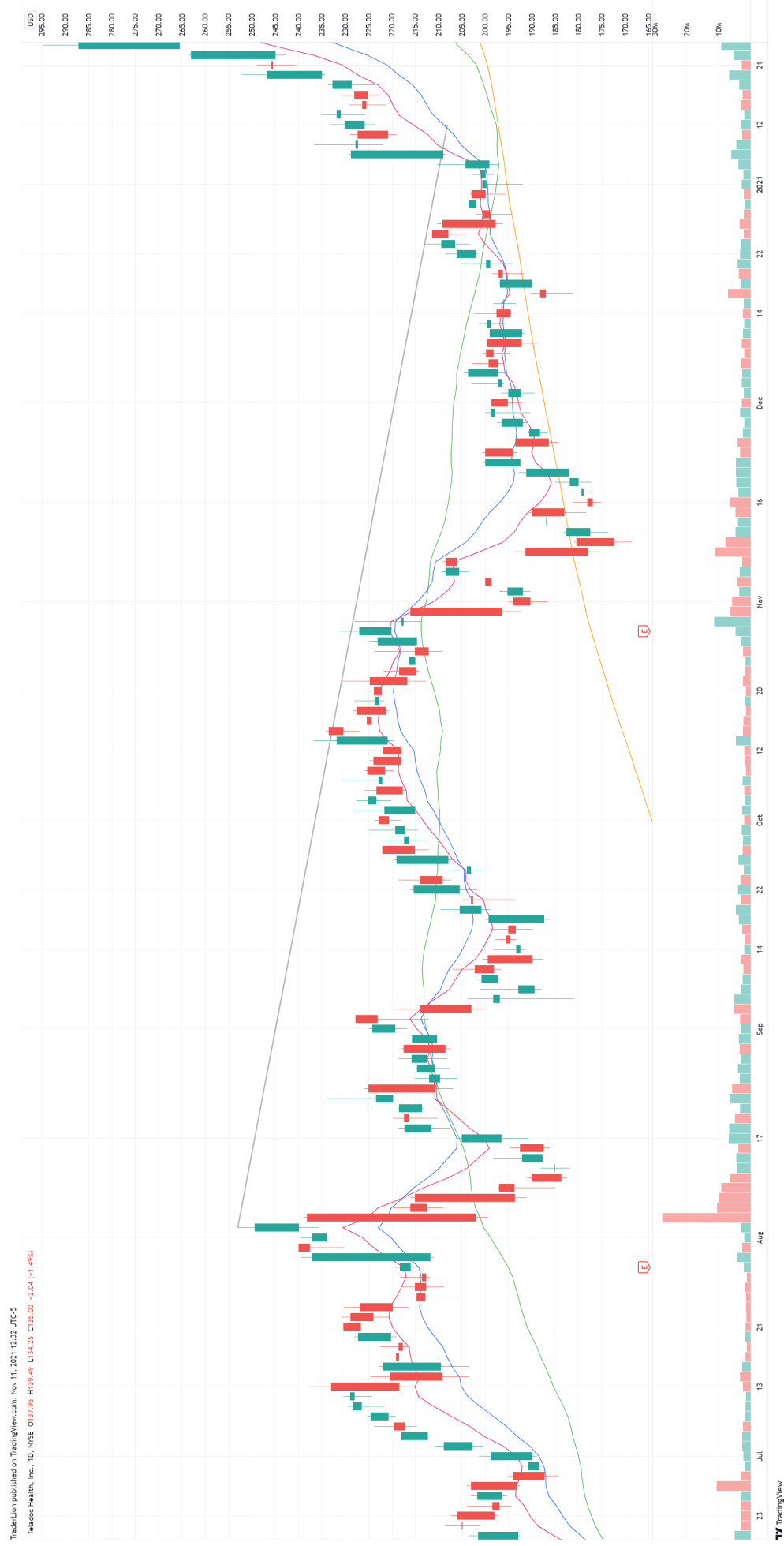


# Failures, Traps, Shakeouts



- The more shakeouts on the lows a base has the closer it may be getting to an upside move.
- A positive thing to look for when analyzing different patterns.
- Shows sellers do not have the power to follow through down but also weakly held shares are being shaken out of the market.

# TDOC



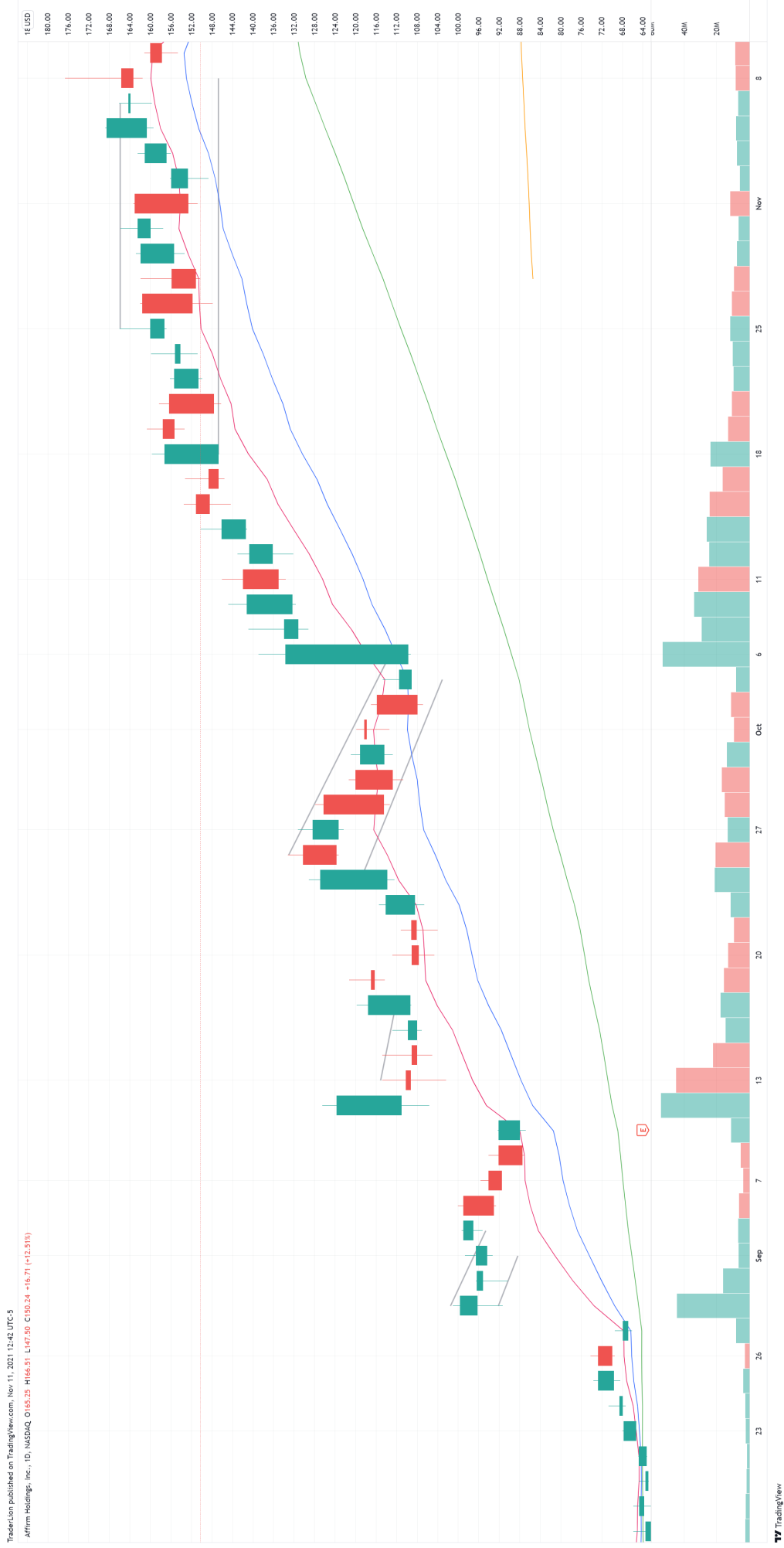


# Buying in Pieces

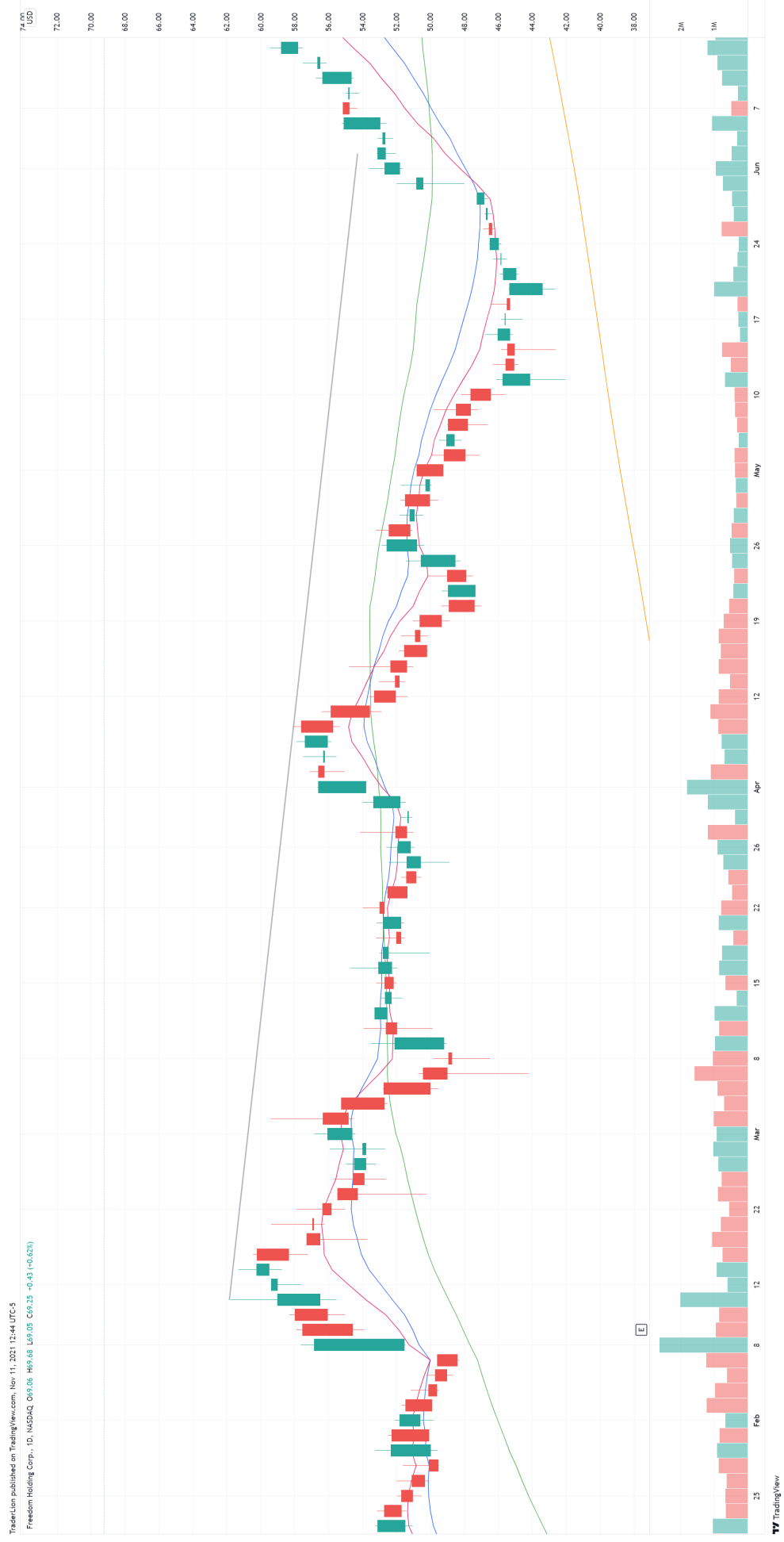


- The goal is to get a large position without taking excess risk.
- To do so you have to buy in pieces and average up while raising your stop loss.
- For Example, use an outside reversal set up into the 20EMA for an initial purchase with stops at the low of the day or below the 20EMA. At the close, this pattern looks like a Bull Flag.
- Add on a breakout of the Bull Flag and increase your stop loss to the low of the day of the bull flag breakout day

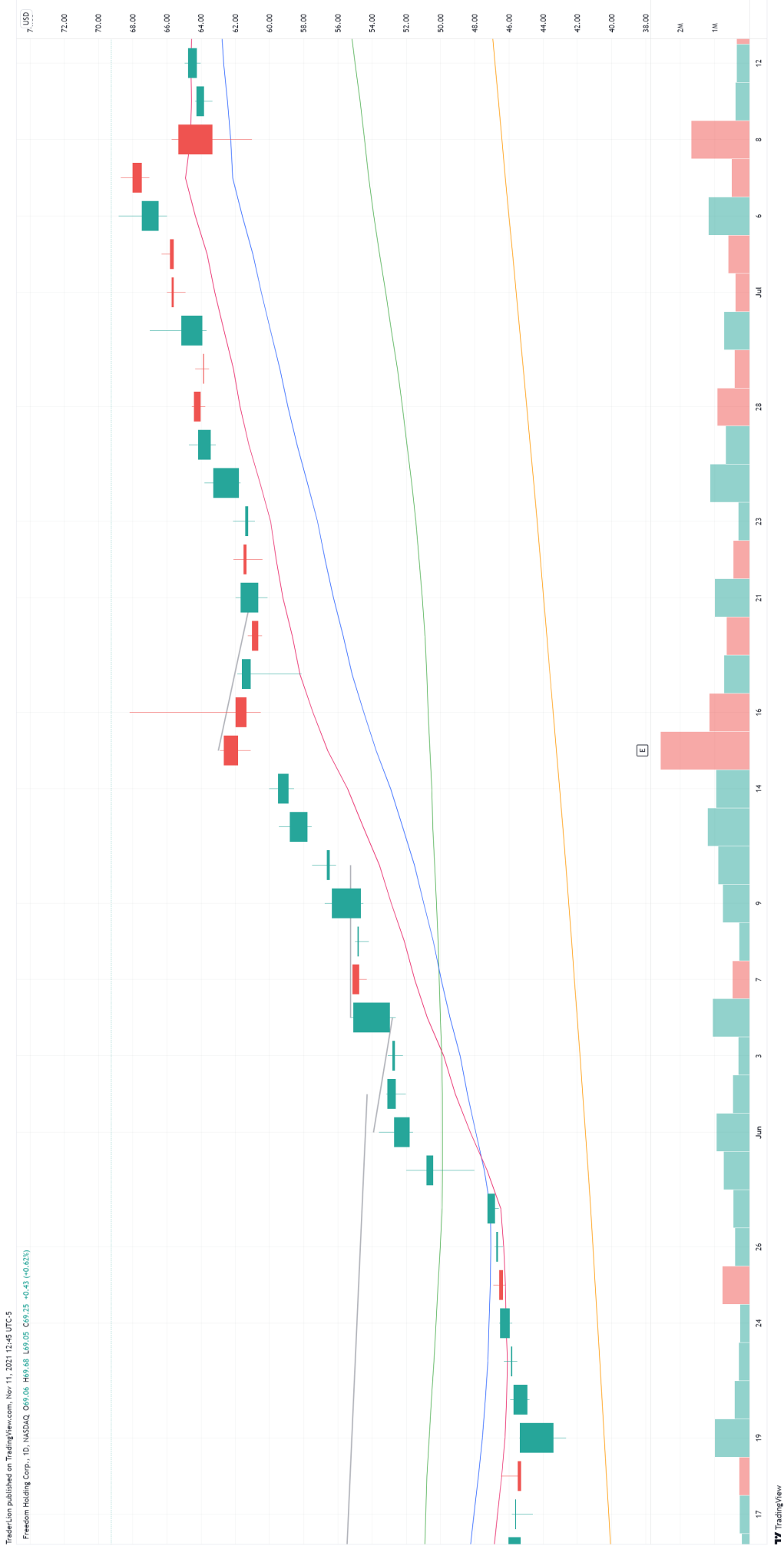
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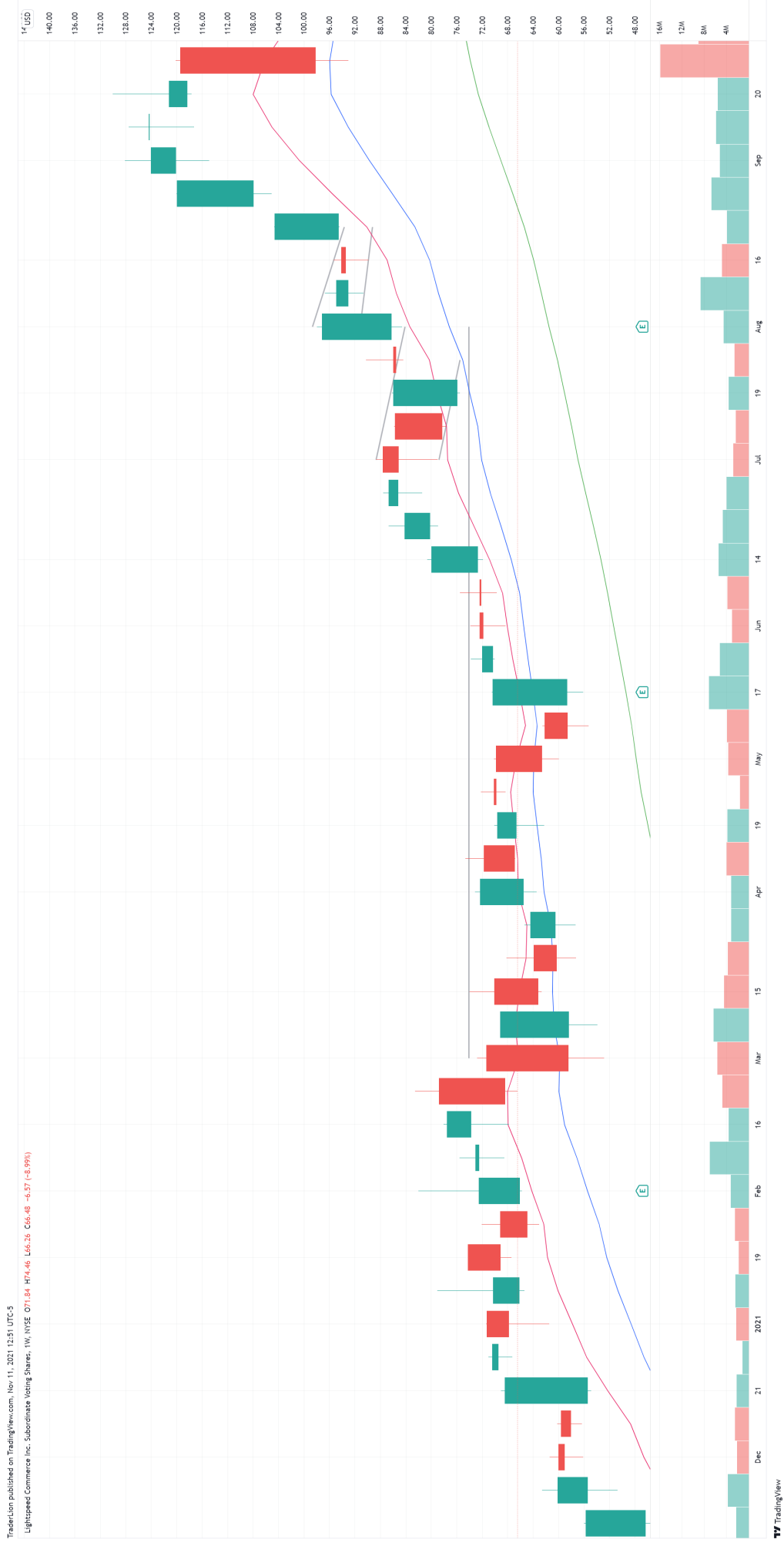
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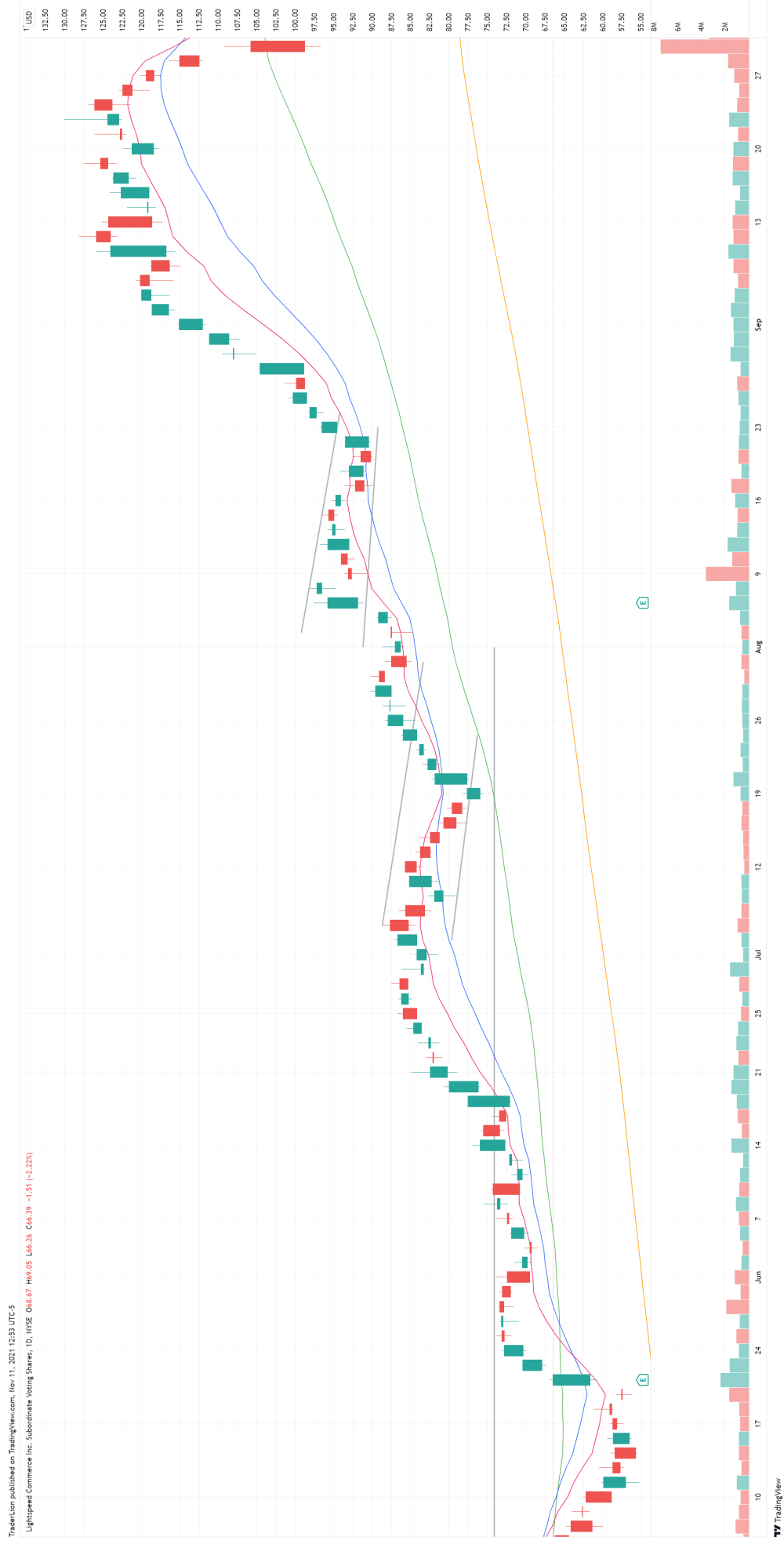
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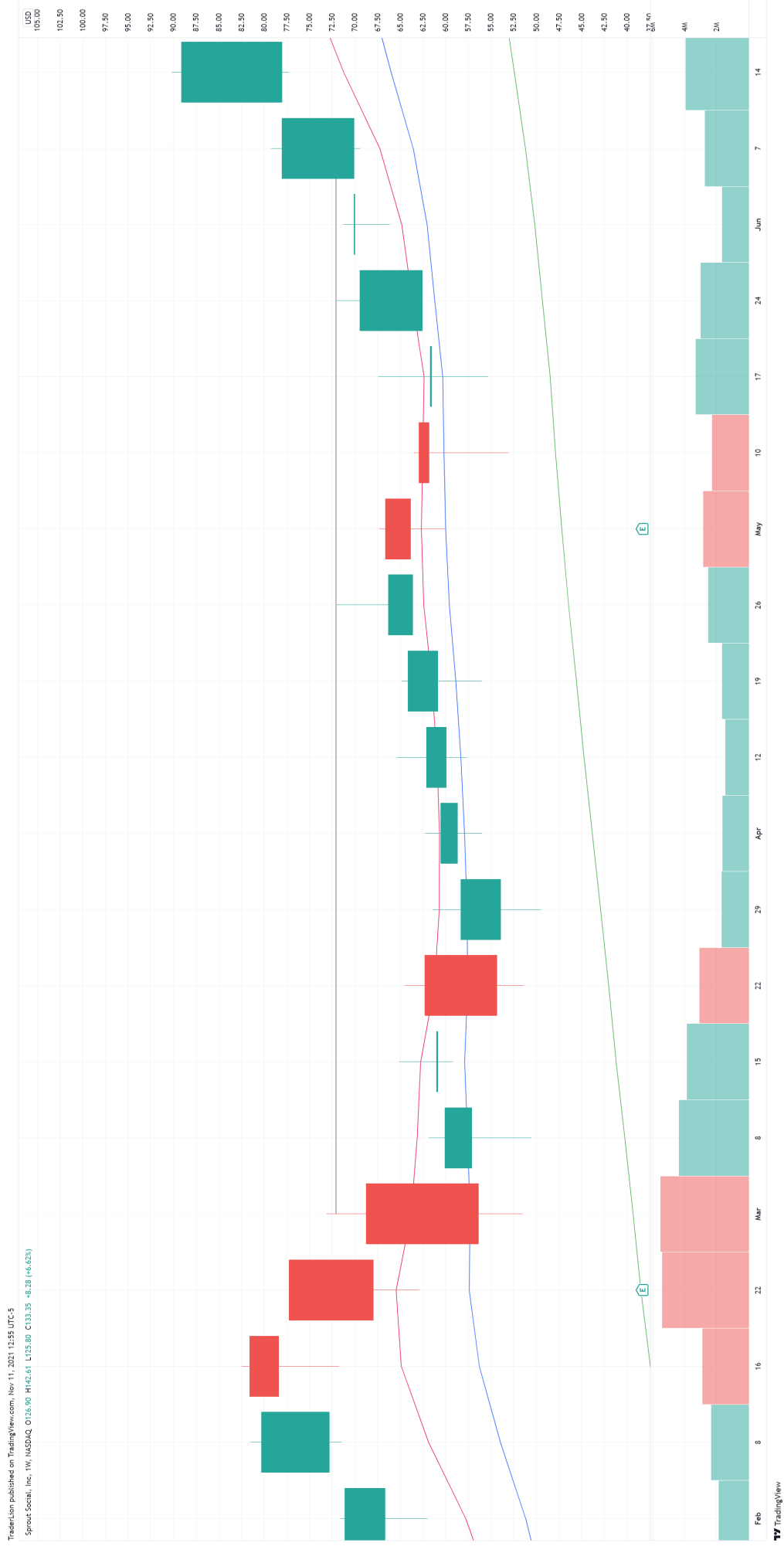
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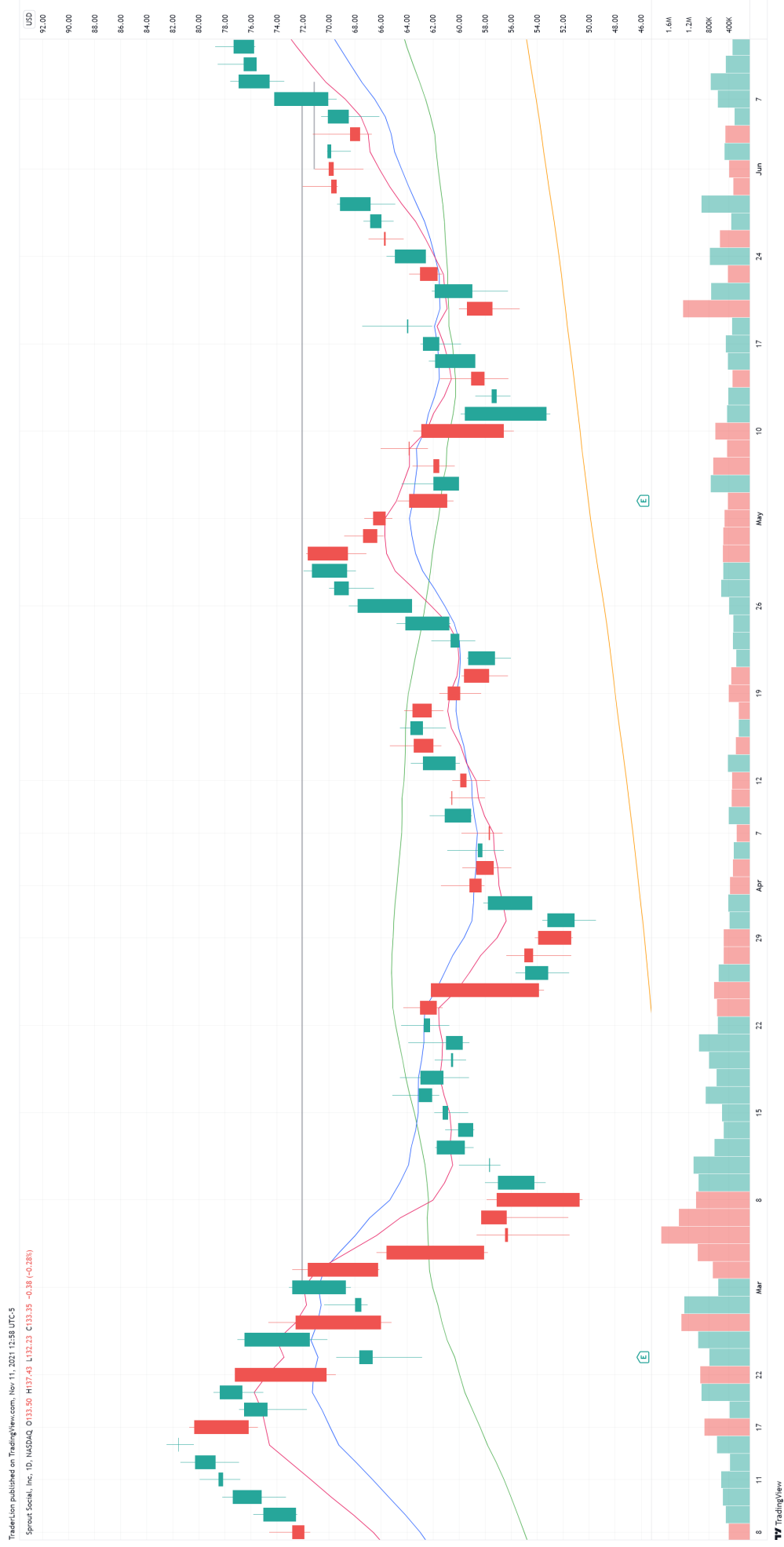
# LSPD



# SPT



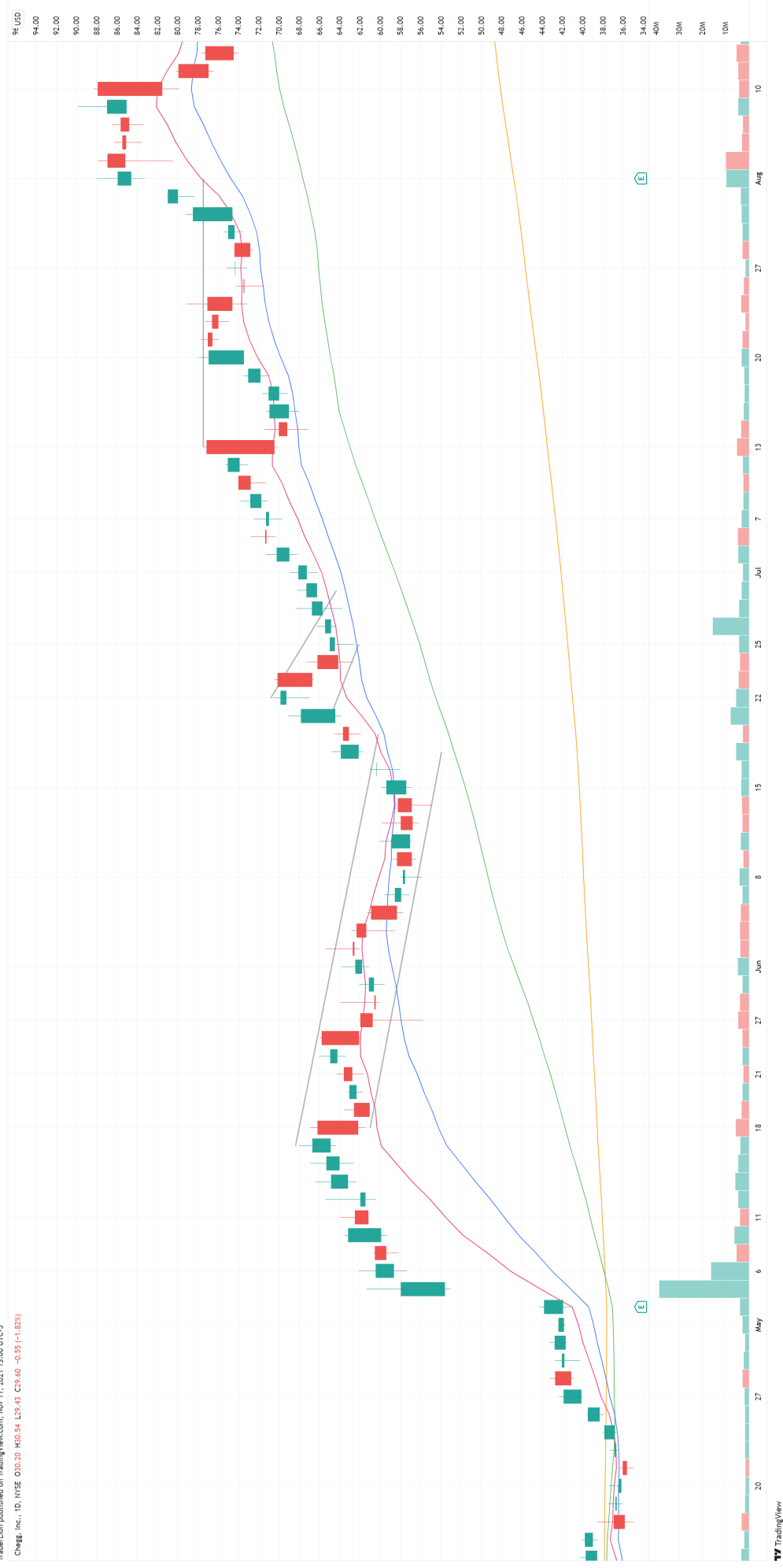
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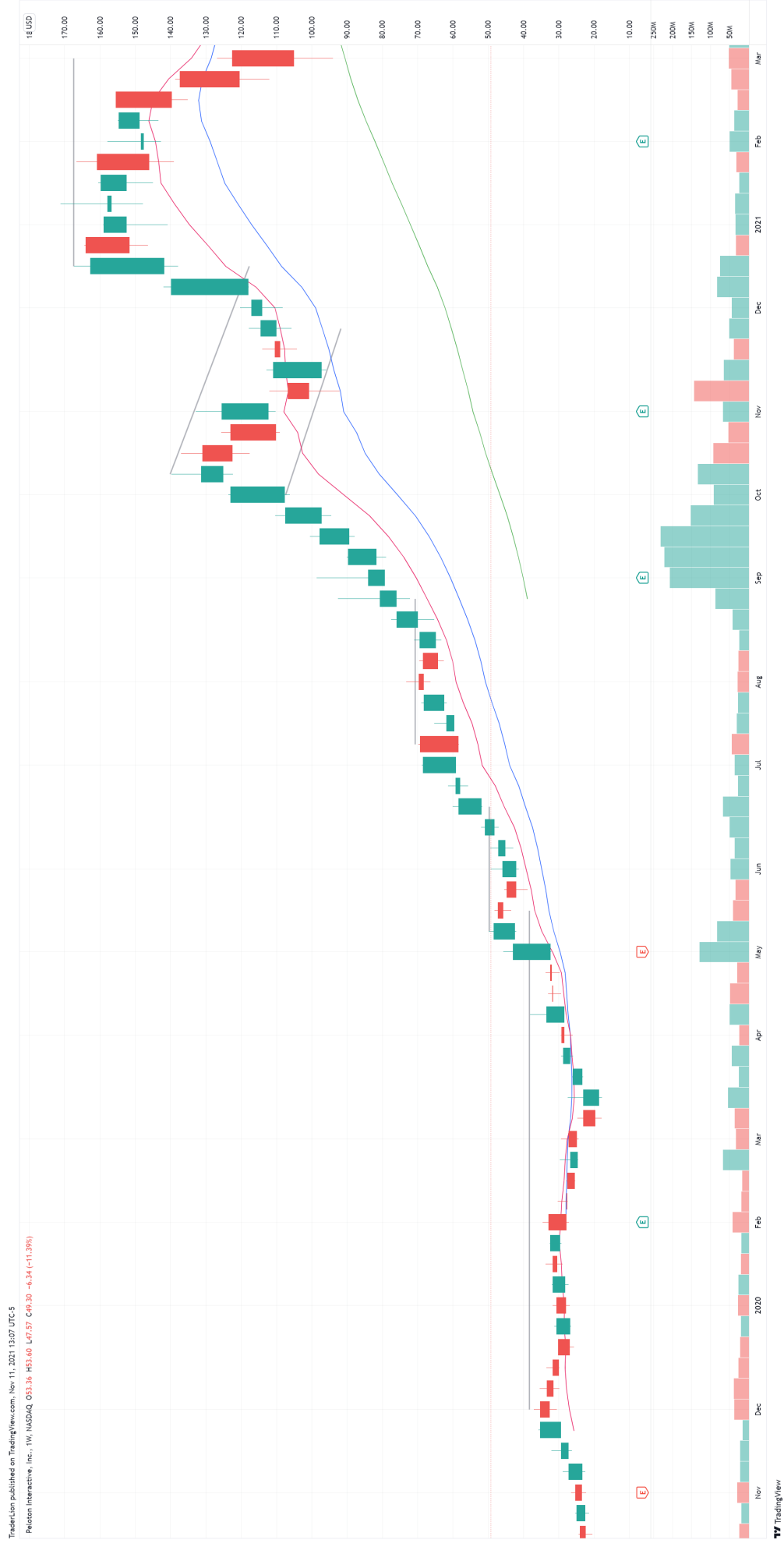


# CHGG

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Chgg, Inc., 1D, NYSE 030.20 H40.54 L29.43 C29.60 -0.55 (-1.82%)

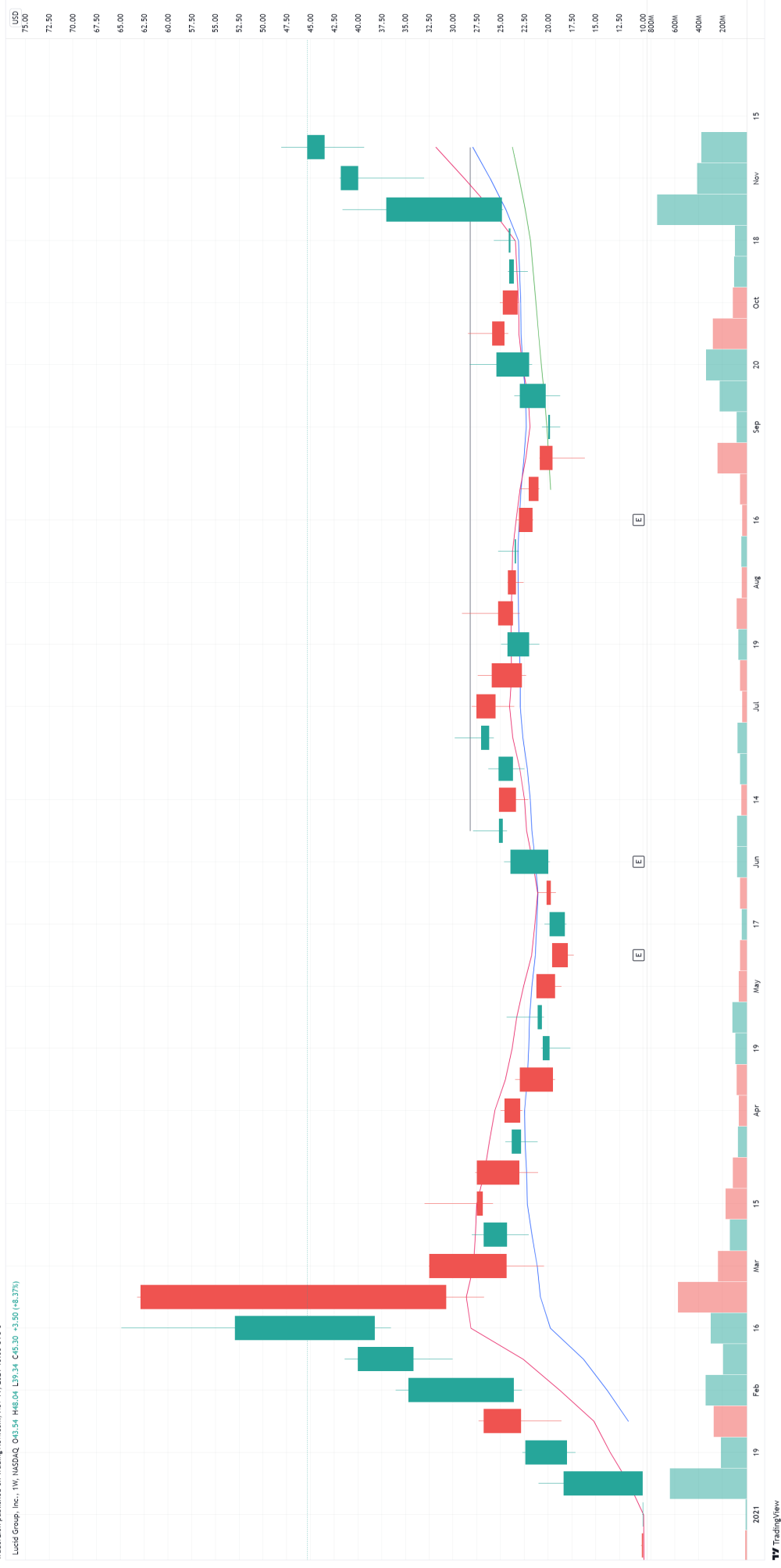


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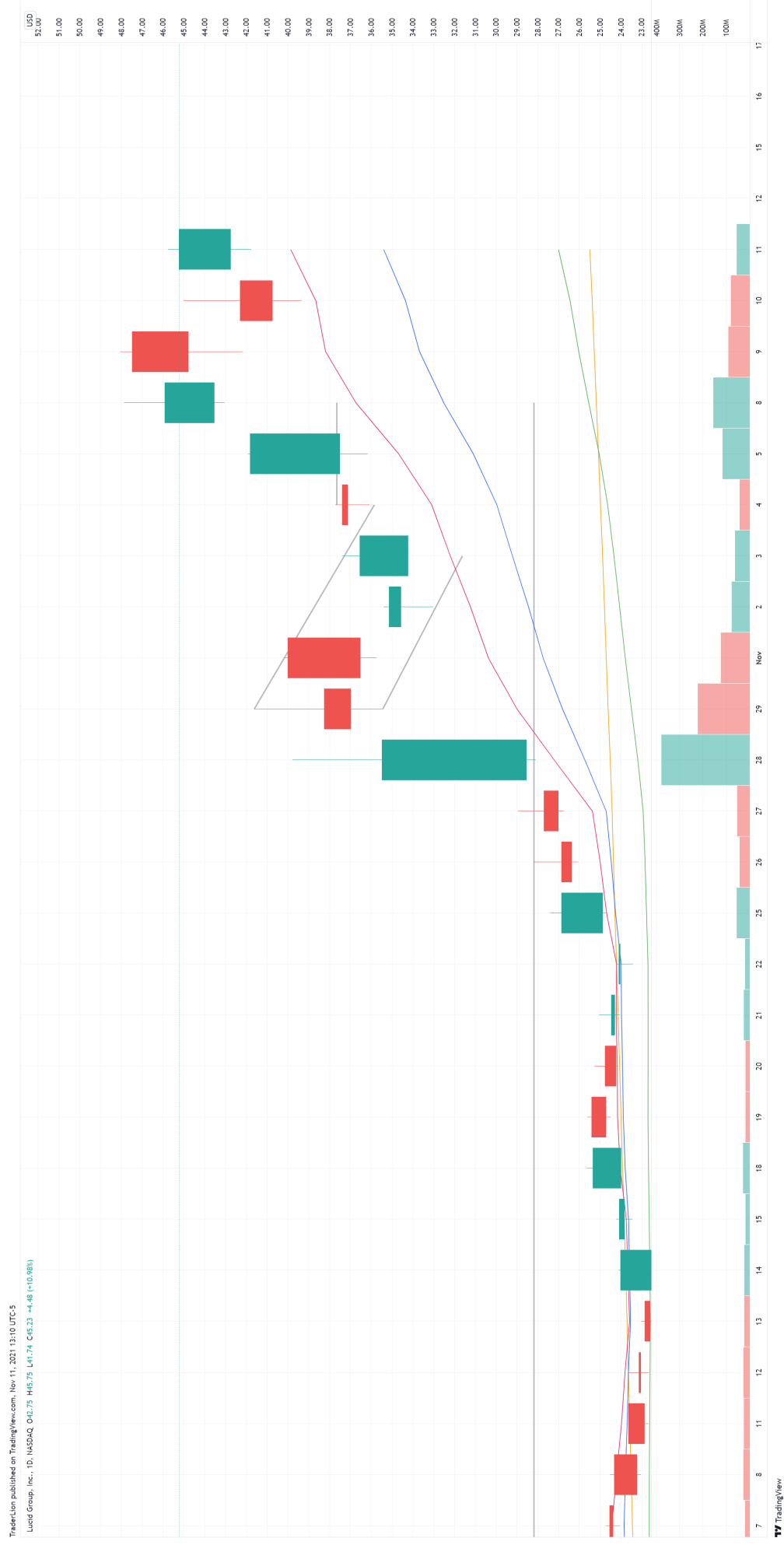


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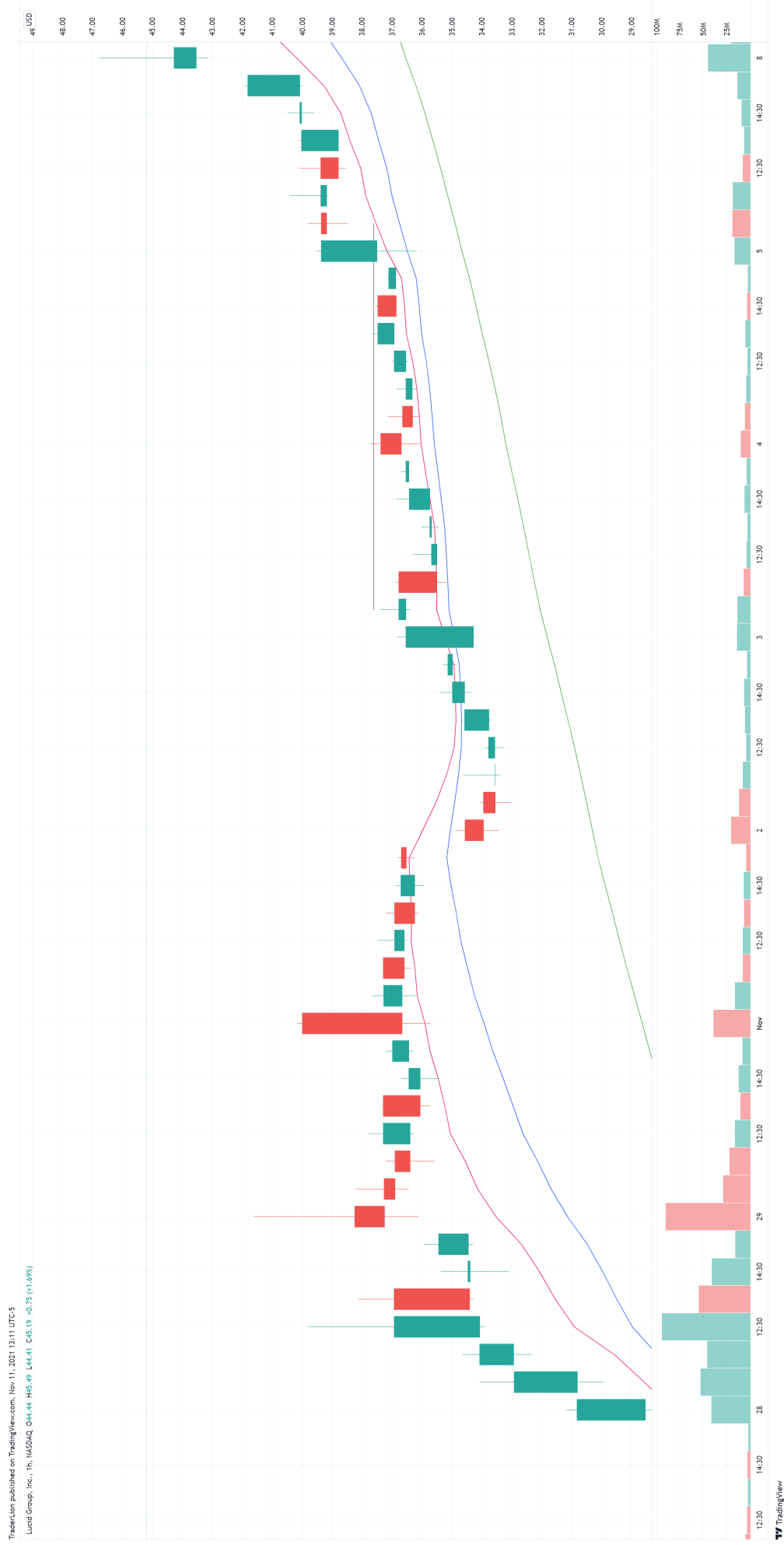
Trade: 100 published on TradingView.com, Nov 11, 2021 13:08 UTC-5  
Lucid Group, Inc., 1W, NASDAQ, O41.54 H46.04 L39.34 C46.30 +3.50 (+8.37%)



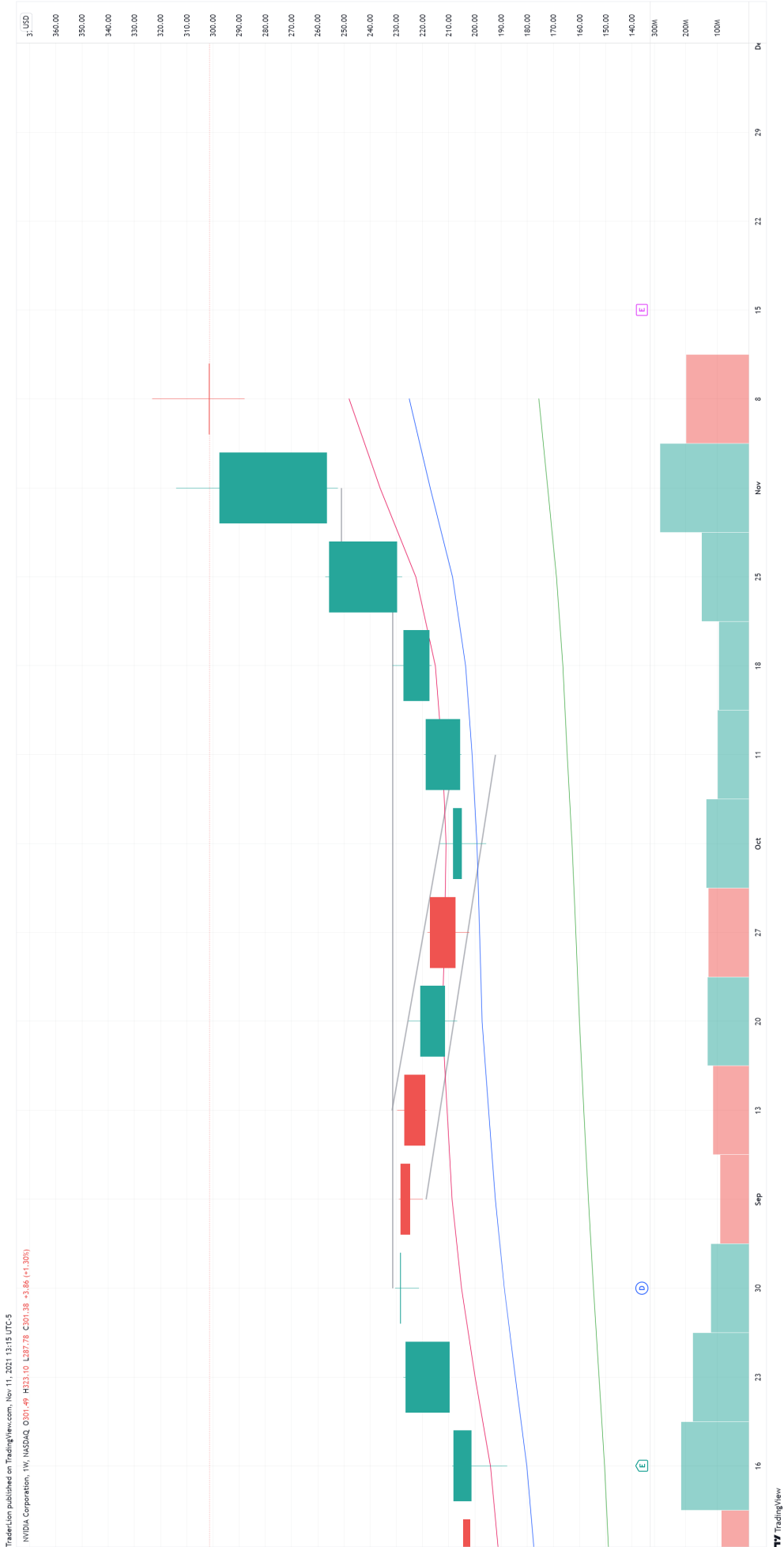
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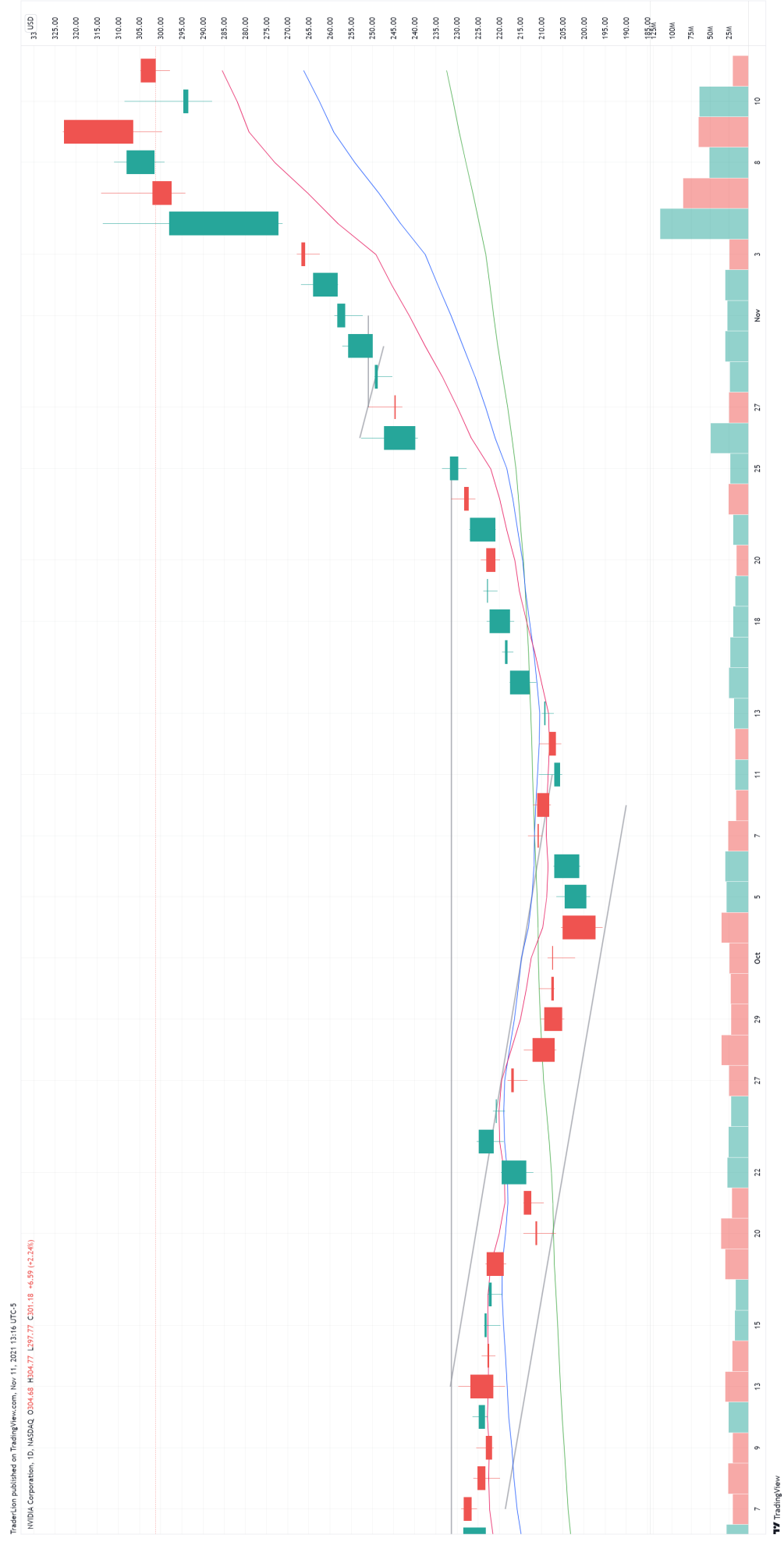
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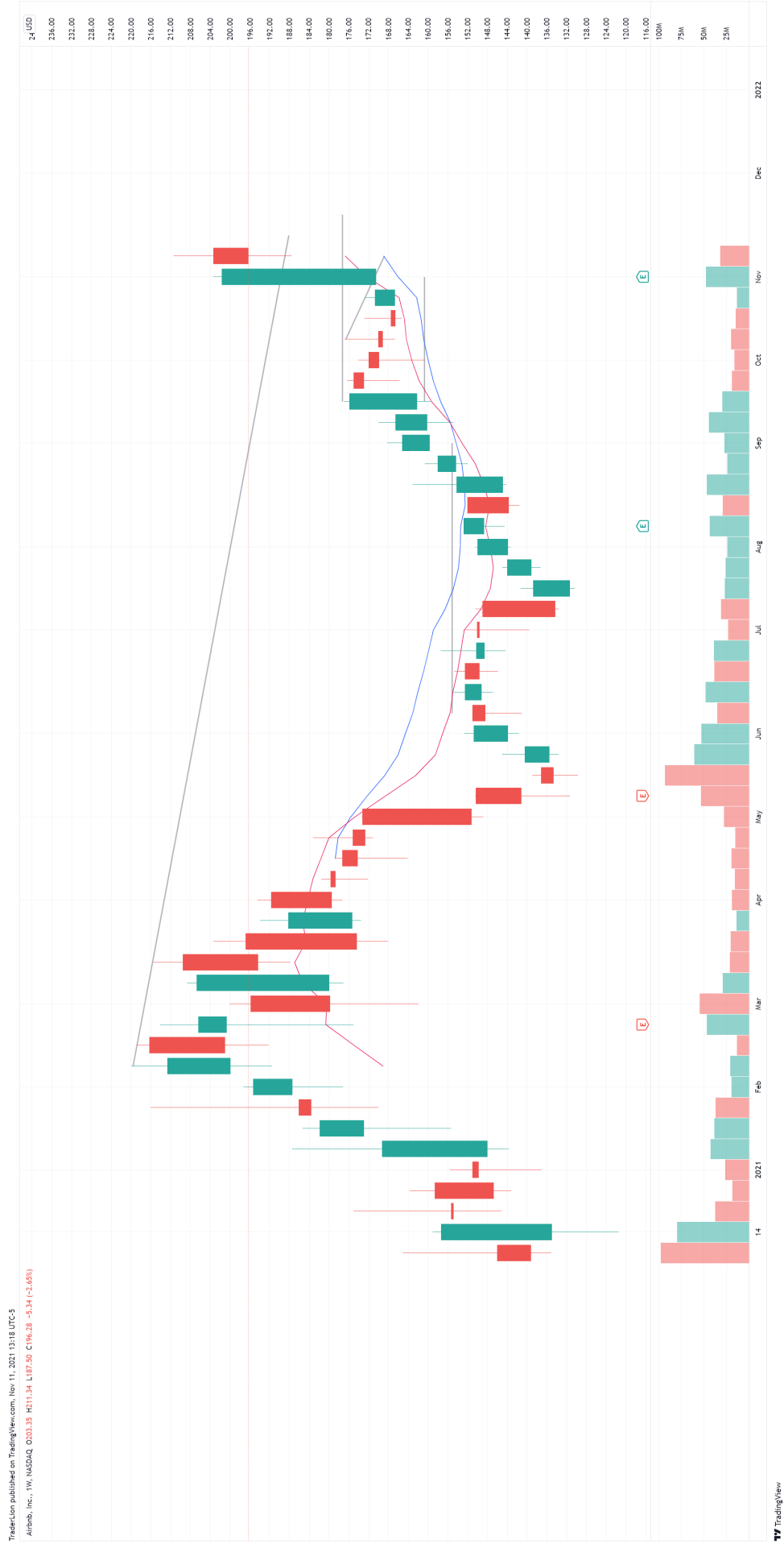
# NVDA



# NVDA



# ABNB

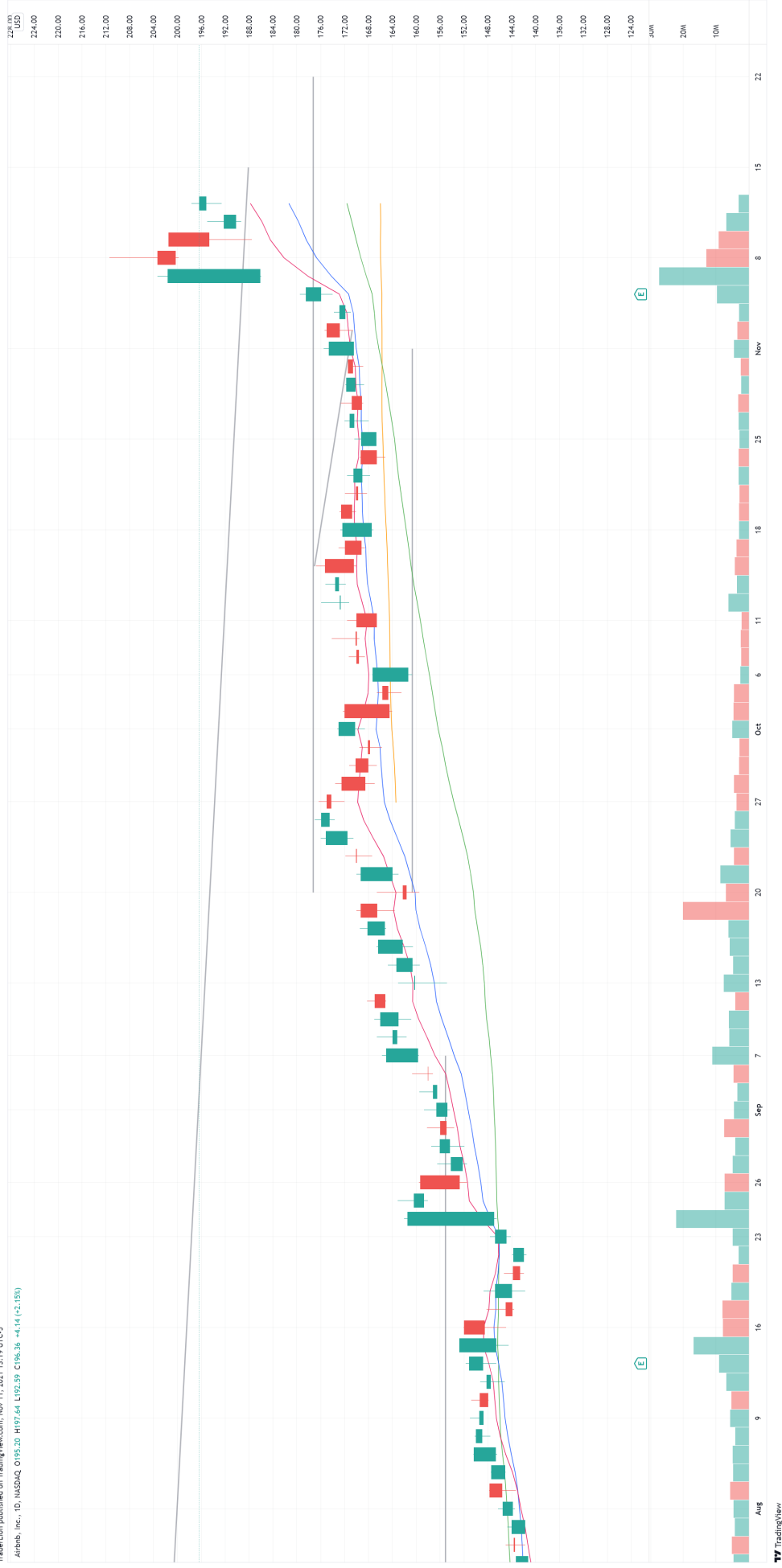




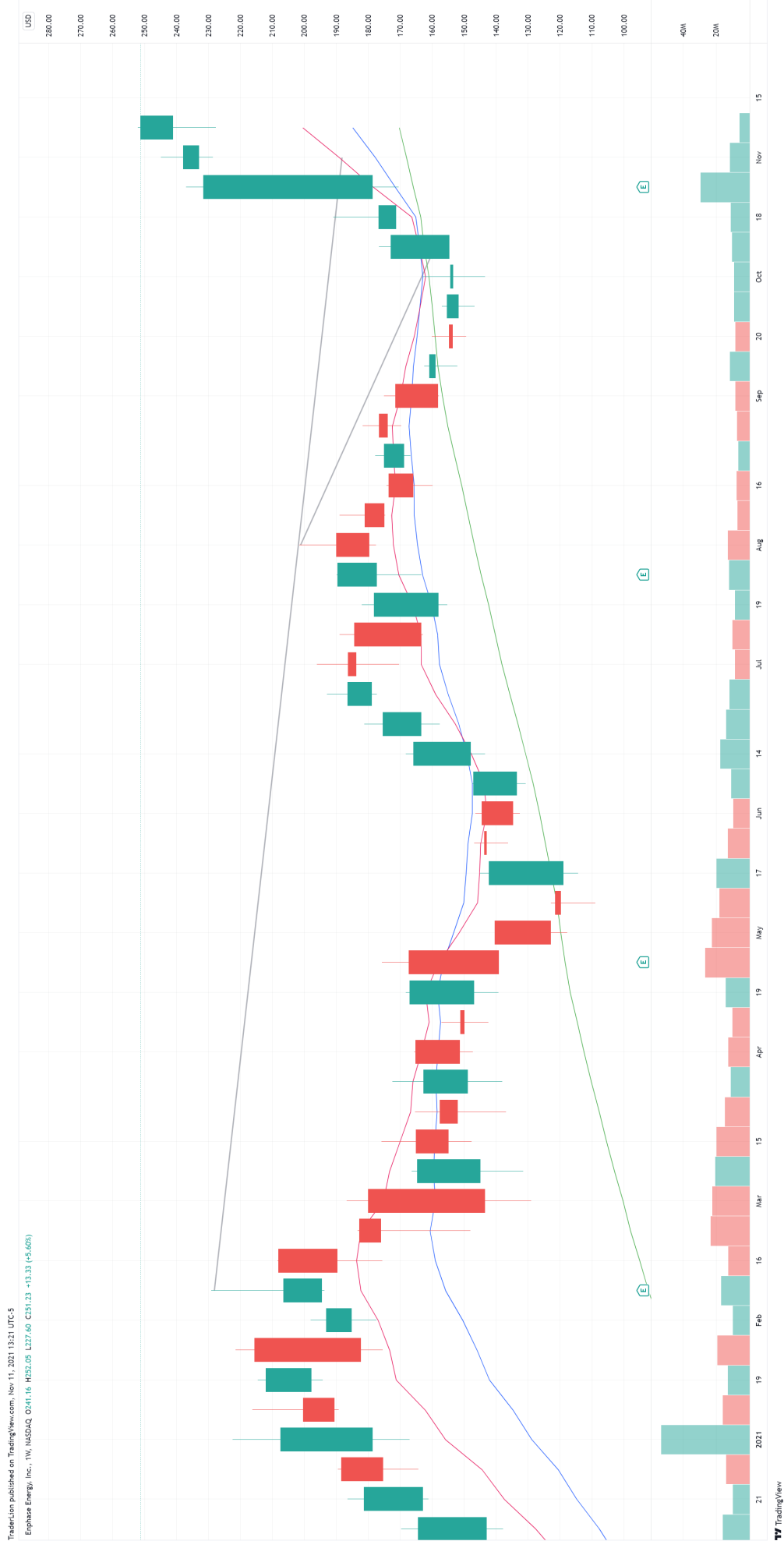
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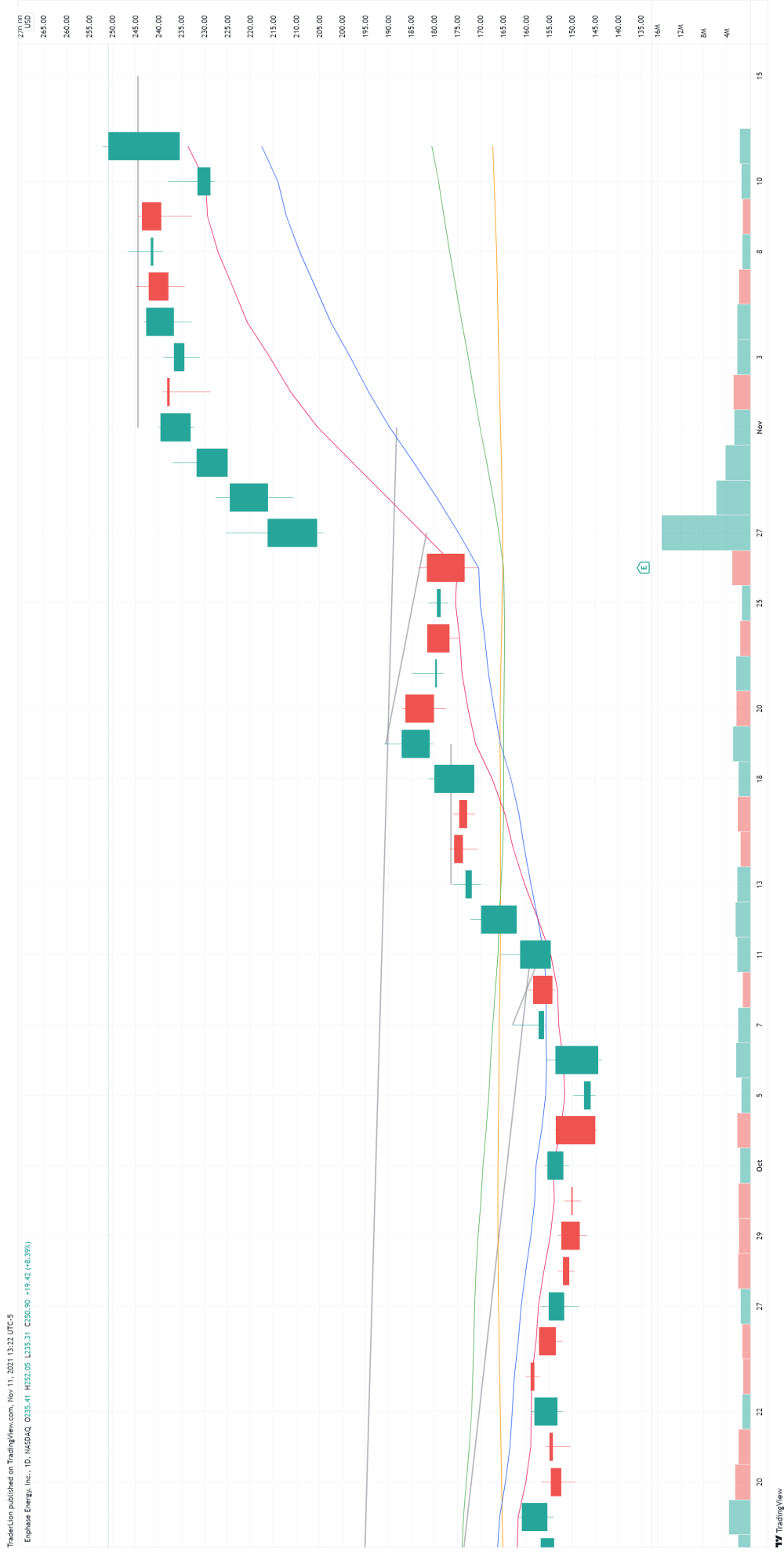
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# ENPH



# ENPH

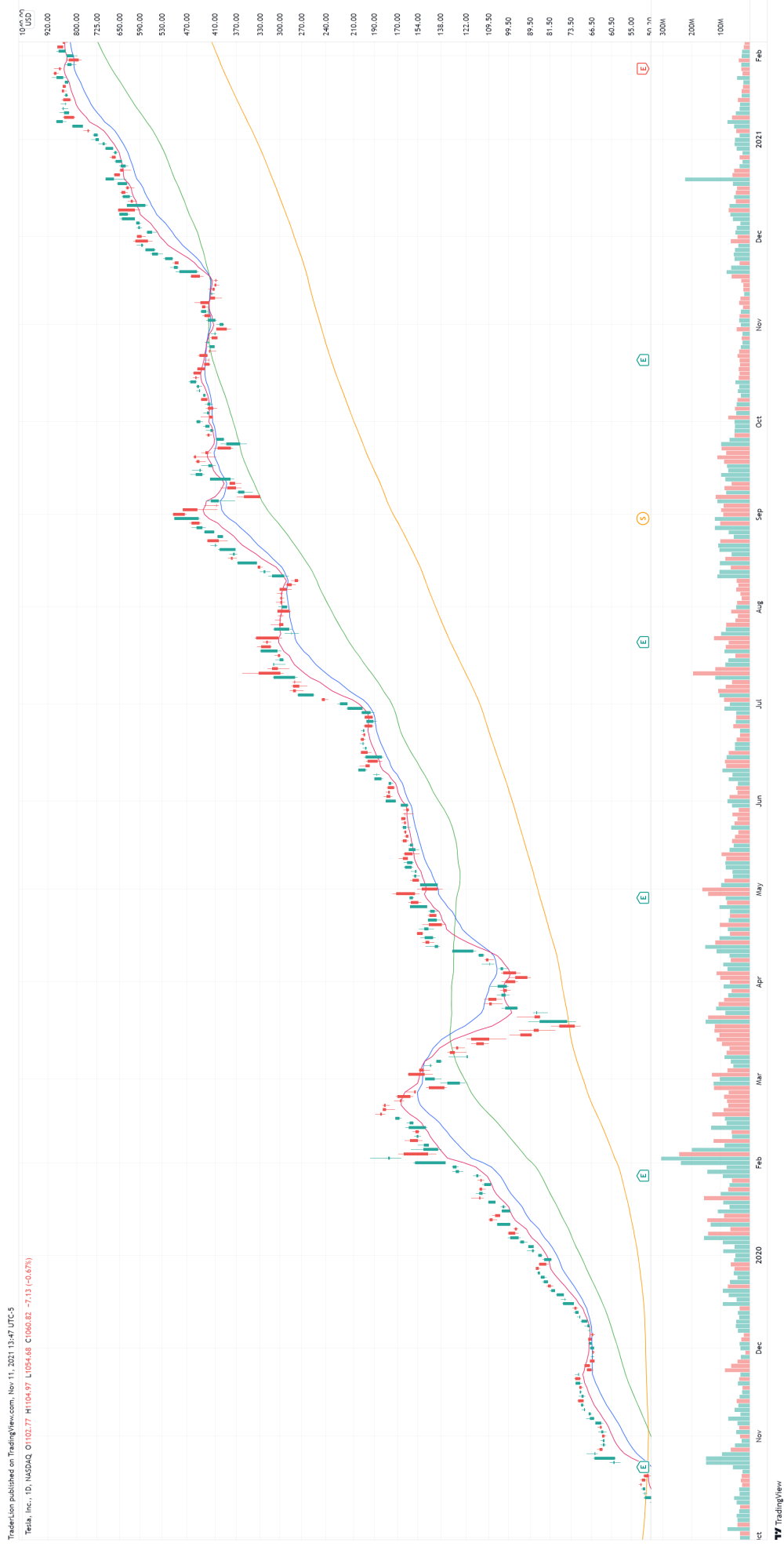


# **HOMEWORK**



Label the setups you have  
learned on the following  
chart of **TSLA**!

# TSLA



**OLIVER KELL | SWING TRADING MASTERCLASS**

1.

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**Snap a pic** of your homework

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2.



**Tweet it!**

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