

champion

# SWING TRADING MASTERCLASS

superperformance

OLIVER KELL

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# Webinar Series Overview

1

## MARKET CYCLE MASTERY

📅 October 16th

REC WATCH NOW

**Simplify** your chart analysis and learn how Oliver interprets **Price Action**.

2

## FINDING TRUE MARKET LEADERS

📅 October 30th

REC WATCH NOW

Learn how to **build watchlists** and identify the absolute **best opportunities** in the market.

3

## SUPERPERFORMANCE SETUPS

📅 November 13th

REC WATCH NOW

Spot **repeatable patterns** that put the odds in your favor.

4

## SELL CRITERIA & RISK MANAGEMENT

📅 December 4th

🕒 11:00 AM EST

Learn how to **protect profits** and manage positions.

5

## BUILDING A CHAMPION MINDSET

📅 December 18th

🕒 11:00 AM EST

Develop a **winning mentality** and new habits to support your new **growth**.

# Agenda



- The Importance of Stop Losses
- Initial Stop Loss Placement
- Price Strength Confirmation
- 10/21 EMAs
- Trendlines
- Extensions
- Frozen Ropes
- Signs of a Weakening Trend
- Position Management Examples

REC

**Yes, it will be recorded!**

# STOP LOSSES

## STOP LOSSES ALLOW YOU TO CONTROL THE RISK/REWARD EQUATION.

- Initial stop losses allow you to understand your initial principal risk, determine position size, and manage your portfolio.
- Rising stop losses allow your to protect your open profits.
- Final stop losses allow you to exit positions that may have run their course so you can re-allocate that capital to new opportunities.
- **Stop losses move up but never down.**
- It is best to try to wait for the end of the day or week if possible but when a stop loss is hit it should be executed as you never know whether a stock will recover or continue lower.
- Different stop loss strategies work better in trending markets vs non-trending markets and there is an art to the overall implementation of which approach to use.

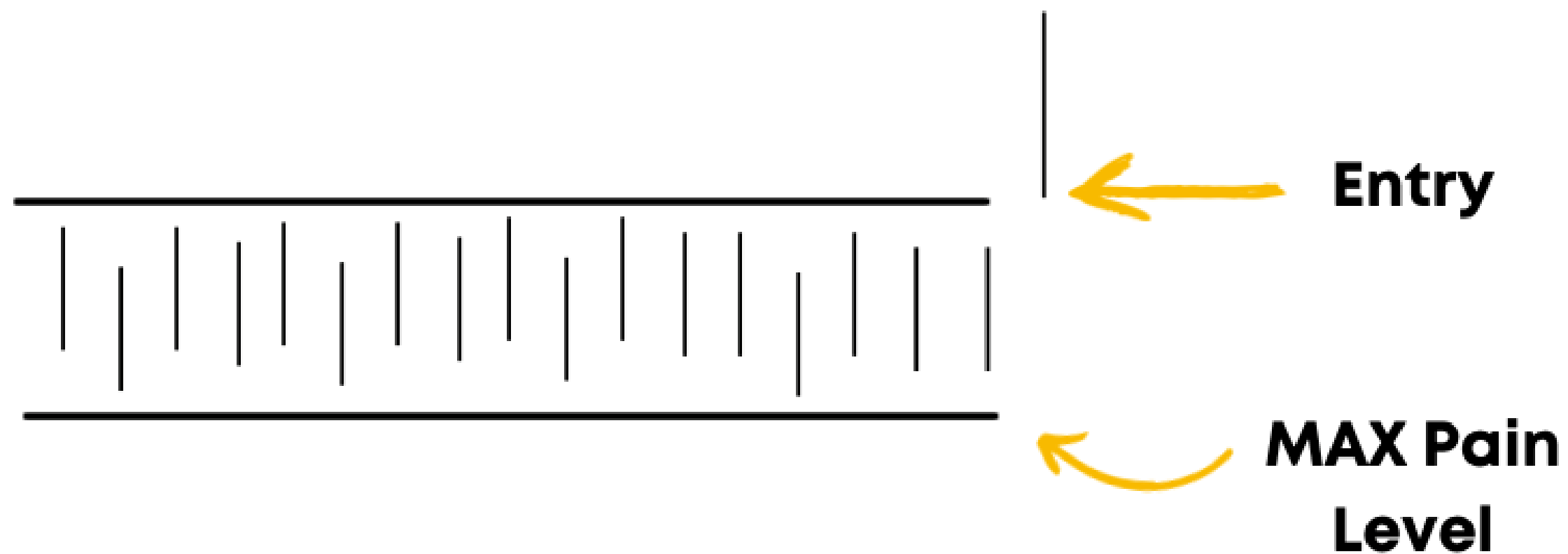
# BREAKOUT

## DAY STOP

- If you buy a breakout the breakout should not fail or your reason for buying is no longer present.
- The stop should be placed at the breakout day low if it is a firm break higher or the previous days low if you want to give the setup more room.
- **Pivot Manipulation:** Managing your stop around the actual pivot point you create for yourself.

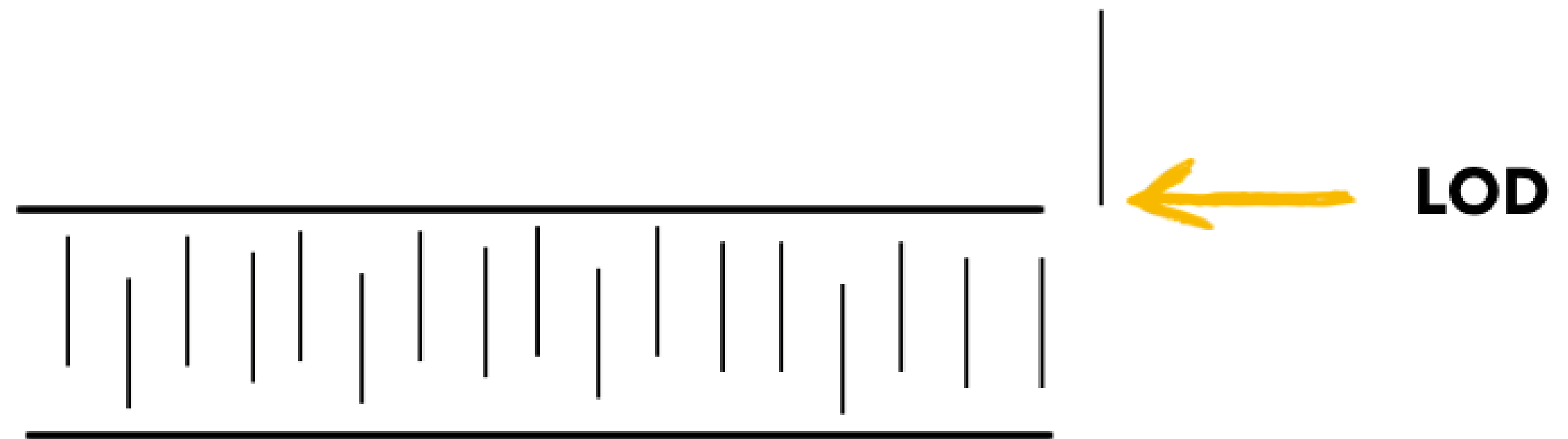
# STOP LOSSES

## Below Shelf



# STOP LOSSES

## Stop Low of Day

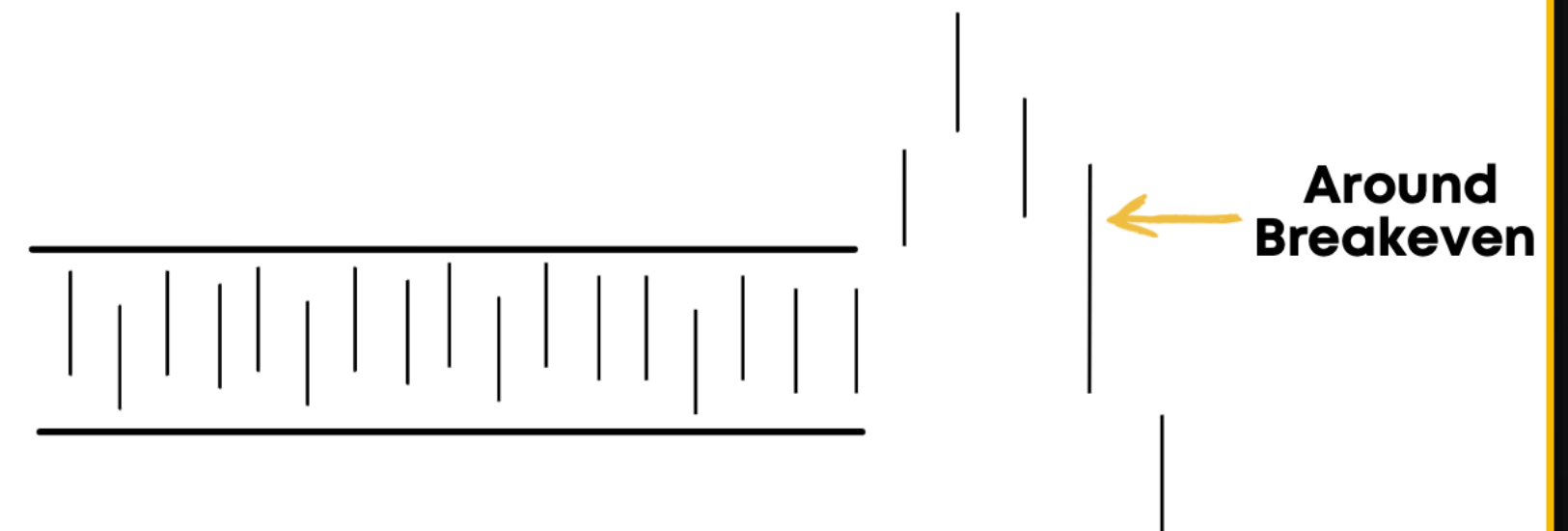


# STOP LOSSES

**Follow Through**



**Follow Through**



# PRICE STRENGTH CONFIRMATION

## IGNITE BARS

**PSC:** When price moves up, pulls back, and then “re-confirms” or makes a new price high you want to raise your stops to below that near term consolidation. The goal is to raise your stops as price advances but allow for consolidations.

**IGNITE BARS:** Ignite bars are wide range bars that hold significance due to their positive price action. The lows of these bars should not be lost. They hold more weight if they occur on heavy volume.



# 10/20 EMA

- Use the 10/20 EMA as a trailing stop loss.
- If a stock has shown to respect a specific moving average, that moving average should be the one tracked. (2-3 touches to matter)
- The further into a trend a stock gets or the more “touches” a moving average has the more relevant it is going to be.
- This is an excellent strategy in trending markets as it gives the stock room to wiggle but can keep you in a multi-month trend.
- In choppy markets moving averages become less relevant.

- ✓ Tested the 10 day three times → RELEVANT
- ✓ Example of 2<sup>nd</sup> Extension topping the stock as well....20%+++ extended from 10 Week at top



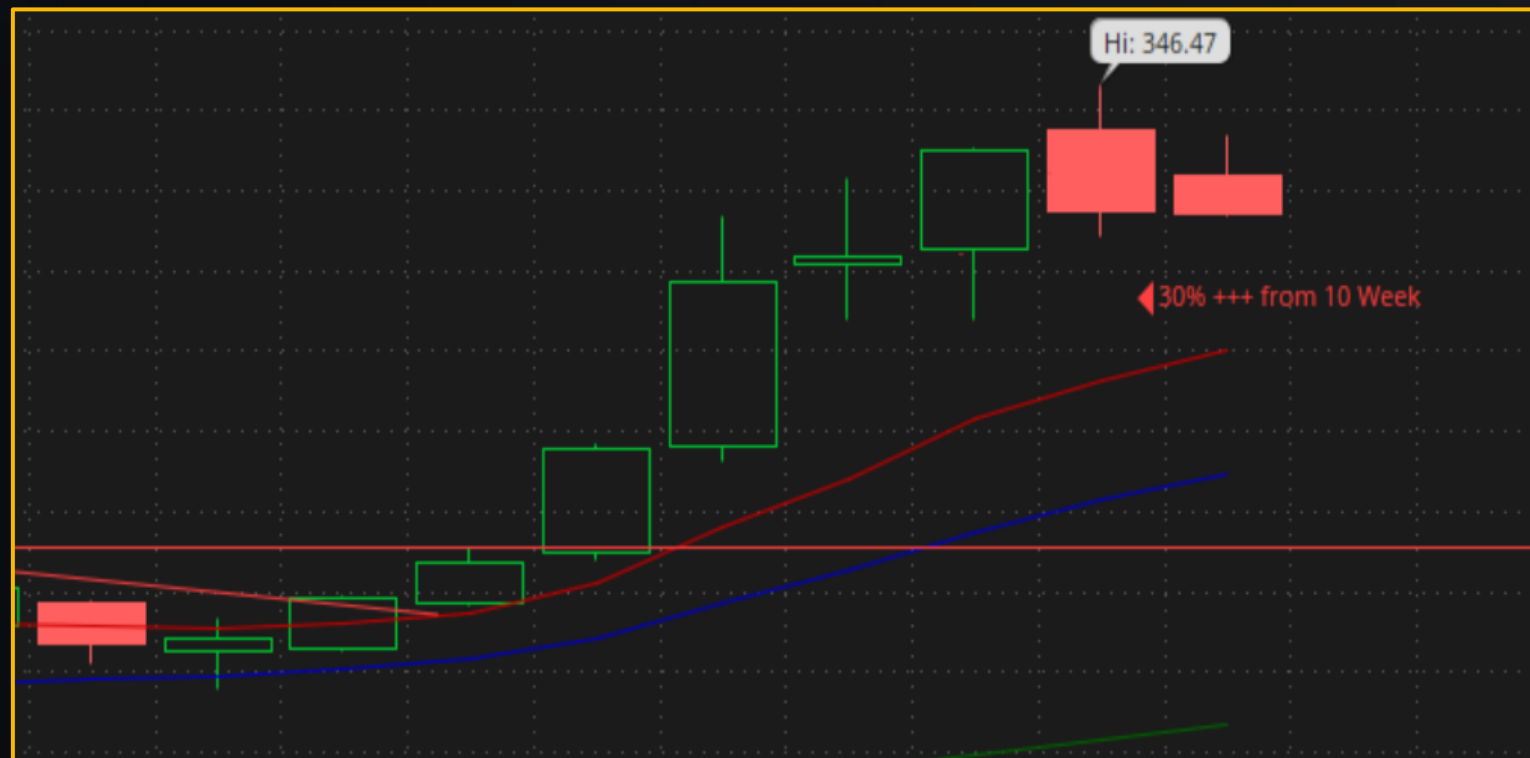
# TRENDLINES

A valid trend-line should have at least **three touch points**. Therefore, this approach for selling does not come into play often since it takes time for it to develop. It can be a great tool for multi-week trends that have had two to three pullbacks which define a trend-line.



# EXTENSIONS

- When stocks stretch to an extreme from the 10EMA they are likely to snap back. This is especially important when price is also extended from the Weekly 10EMA.
- Excellent sell strategy in non-trending/choppier environments.
- In trending environments, you may reduce into strength only to see the stock move higher.
- The second extension often leads to a basing period and the third extension (if you get there) very likely leads to a longer basing period in my experience.
- **The % extension from the 10 day is at your discretion** and you have to take the stocks personality into account.



WEEKLY

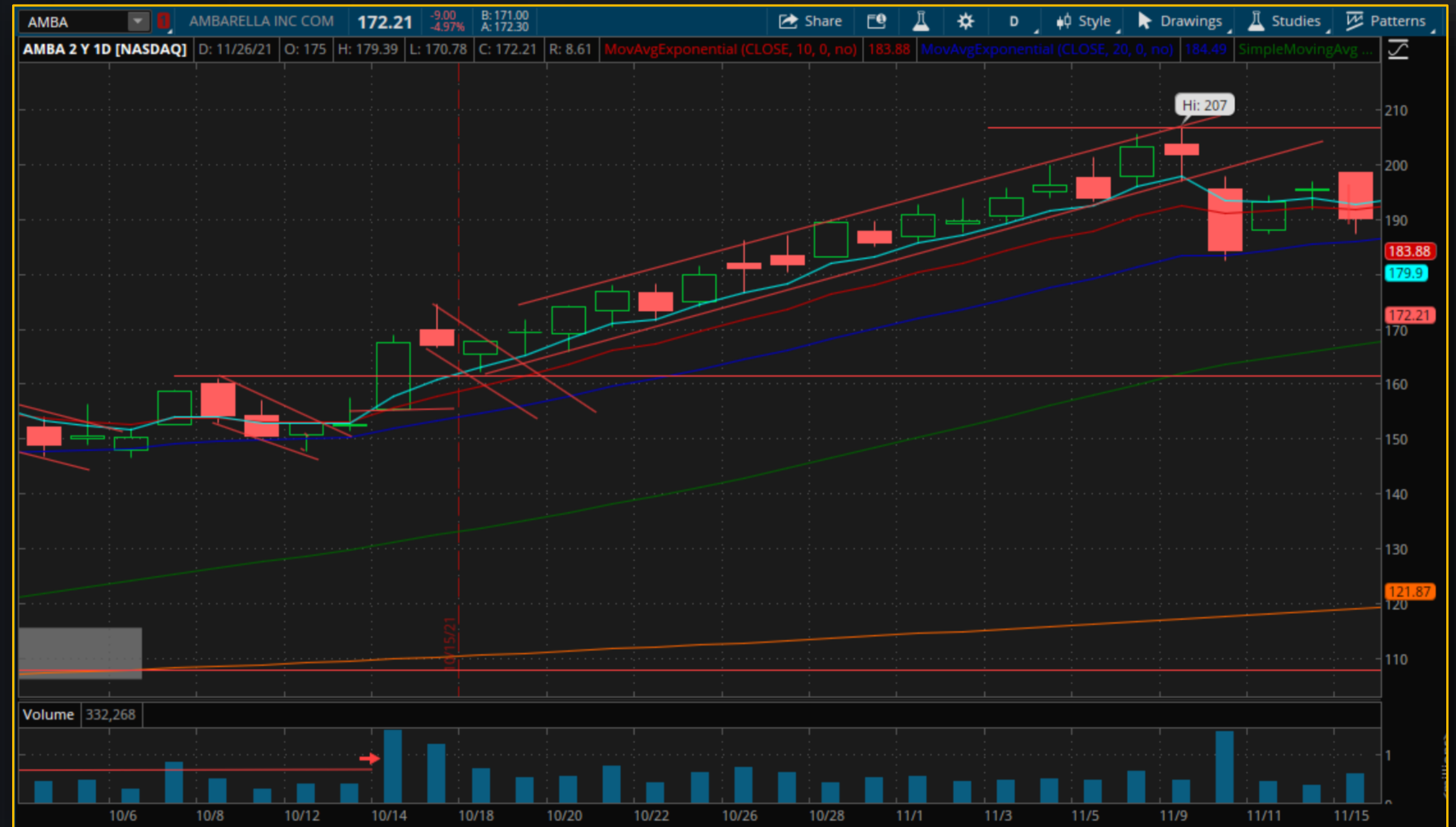


DAILY

# TIGHT MINI CHANNELS

## FROZEN ROPES

- These are multi-week moves with low volatility that become obvious to all participants. Extremely tight “frozen ropes.”
- Learned this concept from Dan Zanger and often when they break the profit taking can un-wind the entire move very quickly.



# RISK/REWARD

## SELLING

### SELL SOME, HOLD SOME

1. Selling an initial quarter to half your position within the first 3 to 5 days after a breakout at 3 to 5 times your initial risk.
2. As the trend progresses, if you start to see red flags or early signs of distribution it may make sense to further reduce another third to quarter of the position.
3. Lastly, you can reduce the final piece into an extreme extension or get stopped out on weakness on the loss of a rising trend-line or the 10/20EMA depending on what strategy you are implementing.

### SELL MARGIN INTO STRENGTH AND EQUITY INTO WEAKNESS

- If trading with margin, it is very important to take some of your position into strength from my perspective.
- I view margin as the cherry on top that allows you to juice returns so you want to be more pro-active in taking the leveraged part of the position off so you can better let the non-leveraged position work.

### What if the stock gets so far from my stop loss that my open exposure is too high?

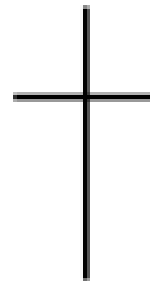
- This can often align with an excess extension and plays into the risk reward equation.
- The saying sell some, hold some comes into play for me here. If you determine that you are going to give back an excess amount of gains relative to what you think your potential upside profit might be, then it makes sense to reduce some of the position to continue to keep the risk/reward relationship in your favor.

# CANDLE COMBOS AS CLUES

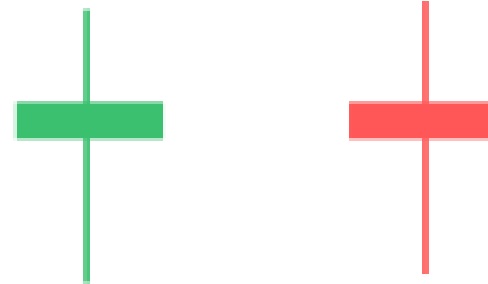
- Use volume for confirmation when analyzing candle stick patterns.
- Heavy volume with little movement = stalling
- Wide range Ignite Bars on very little volume = Retail Buying
- **All candle sticks need to be taken within context of the bigger picture. Where have we come from? Where are we in the trend? How far from the 10 Week and 10 Day moving average are we?**
- Do we have multiple concerning candles in a row or over the last few weeks as we advance?

# INDECISION CANDLES

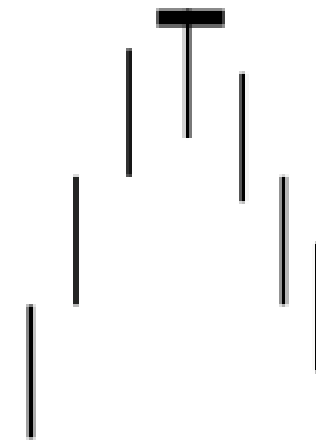
**Doji**



**Spinning Top**

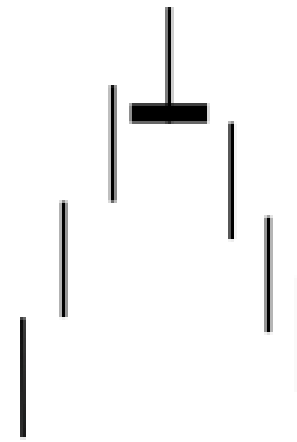


**Hanging Man**

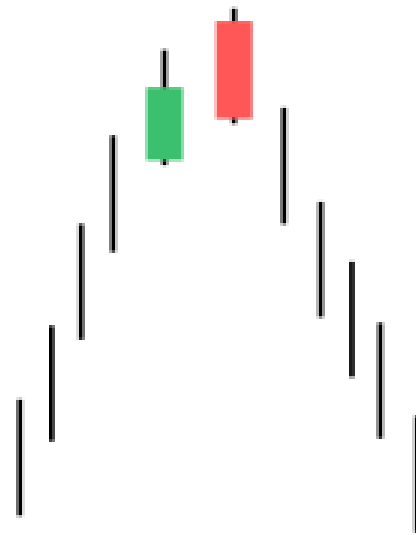


# REVERSAL CANDLES

**Shooting Star**



**Bearish Counter**



**Outside Reversal**



# SIGNS OF A WEAKENING TREND

1. Stock starts showing relative weakness → **This can sometimes be a major red flag and should be respected if persists.**
2. Price consolidates sideways through a valid trend-line
3. Price consolidates through a moving average it has started to respect
4. Multiple candles which are negative
5. Top tails bar after bar showing that buyers are not strong into the close
6. Price takes out the previous day's high multiple days in a row but is unable to push higher
7. The overall rate of change of the move has begun to slow down
8. **Takes these signals in context of where we are. Are these “red flags” showing up as the stock is extended from the 10 week and 10 day?**  
Yes. Ok, much more relevant.

**Are we seeing a shooting start on day 4 after a strong breakout?**

Ok. Well maybe some shorter term traders took some money off the table and it needs to rest but it is really just beginning its trend.....**Context! Context! Context!**

# ROUGH OVERALL STEPS OF EACH TRADE

1. Max pain stop loss below shelf. Determine position size based on this.
2. As the breakout really starts to work adjust to the breakout day low
3. As we get follow through rough stop area to breakeven
4. Where are we in cycle? How do I want to play this? Is this a quick swing or a top dog with a great entry out of a bigger basing area? Swing....selling extension. Booking gains.
5. Early in the cycle raising stops as we reconfirm higher prices and raise stops to below the consolidations. Be reasonable though. **Our goal is to let the trade work and not choke it off.**
6. As we progress and test moving averages on pullbacks is the stock showing us it wants to find support on a specific MA? The 10EMA or the 20EMA? Let the stock guide and give feedback as to its personality. Earlier in the cycle resist the urge to take profits. Let it pull back and build its trend.



# ROUGH OVERALL STEPS OF EACH TRADE

7. As we get deeper into the trend has a trend-line developed with 2-3 touches? Are we tracking a specific moving average?
8. Are we getting extended from the ten week EMA? If so, are we looking for the second extension on the daily to sell partials into?
9. Later in the cycle, are we seeing an acceleration in the price action? Frozen rope structure? Starting to respect a faster moving average than the majority of the run? EG the 5 day even. If so, let's look to be raising stops with the price action.
10. What clues is the stock offering up? Multiple stall candles or signs of a weakening trend?
11. Take your sell signals on a loss of the respective moving average or a trend-line.
12. If don't sell the second extension or it doesn't materialize allow the wedge drop to protect you and take you out of the trade. (Never going to be perfect but the cycle will protect you).
13. Be patient. Let the market re-set. After a nice run it often takes a couple weeks for things to re-build and re-set.

# UPST

## 2021



CRWD

NOV/DEC

2020



PTON

2020



# FSLY

## 2020



# LVGO

## 2020



ZM

END OF

2020



NET  
2020



NVDA

2021

PART 1



## PART 2



ROKU

PART 1



# ROKU

## PART 2



TSLA  
2019



# TESLA

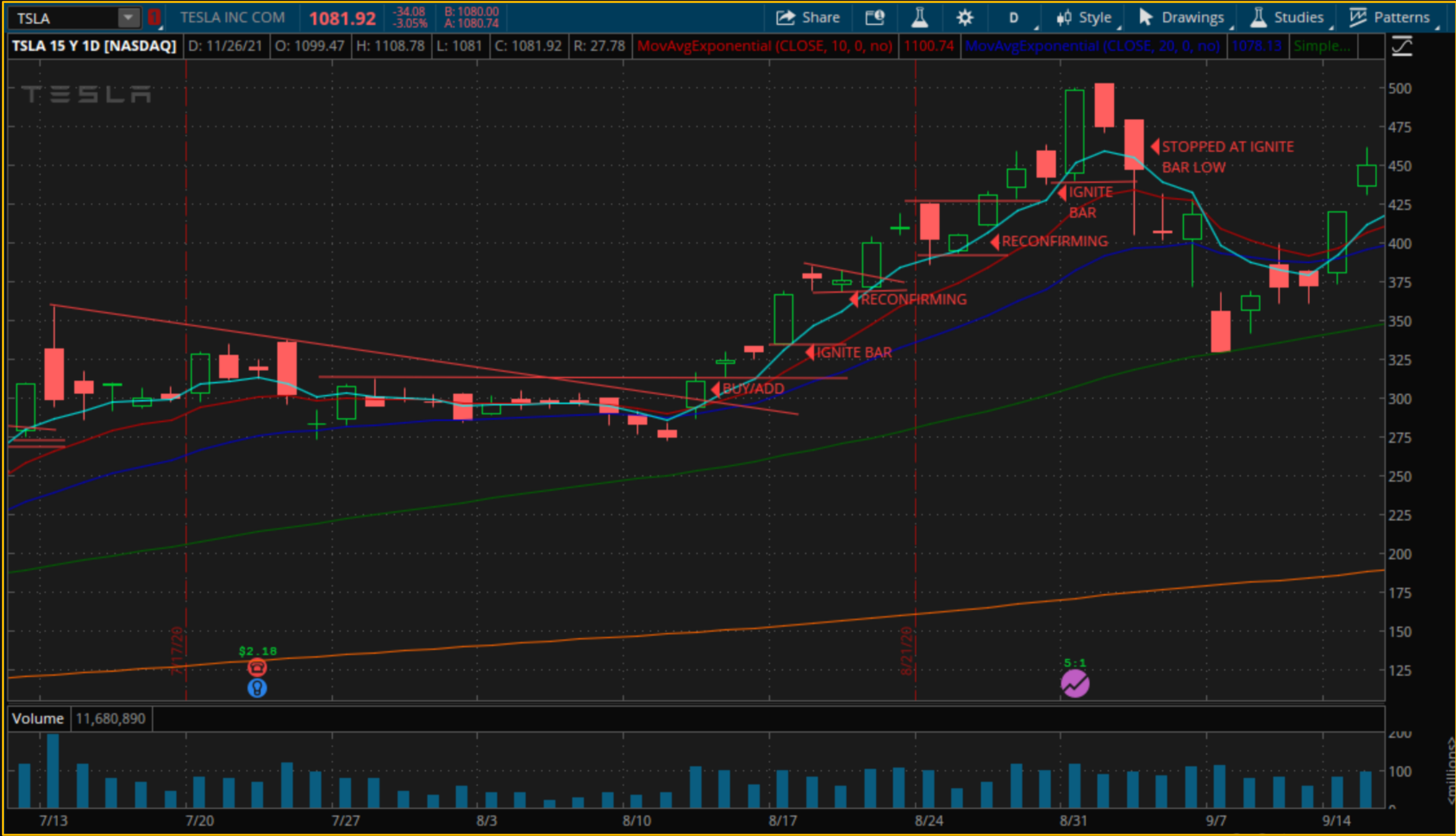
## 2020

### PART 1



# TSLA

## PART 2



TSLA

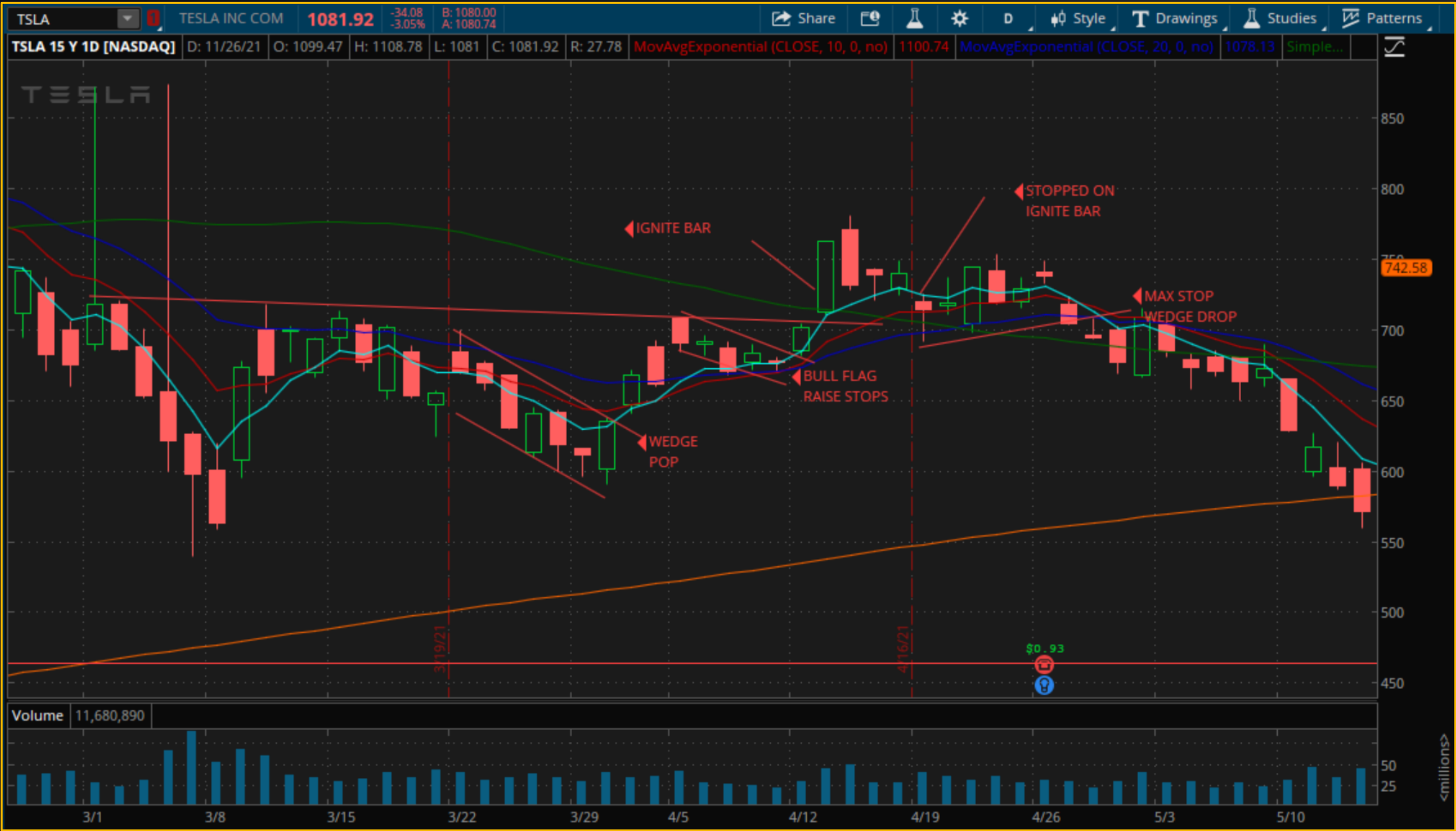
2020

PART 3



# TESLA

## 2021



# TSLA

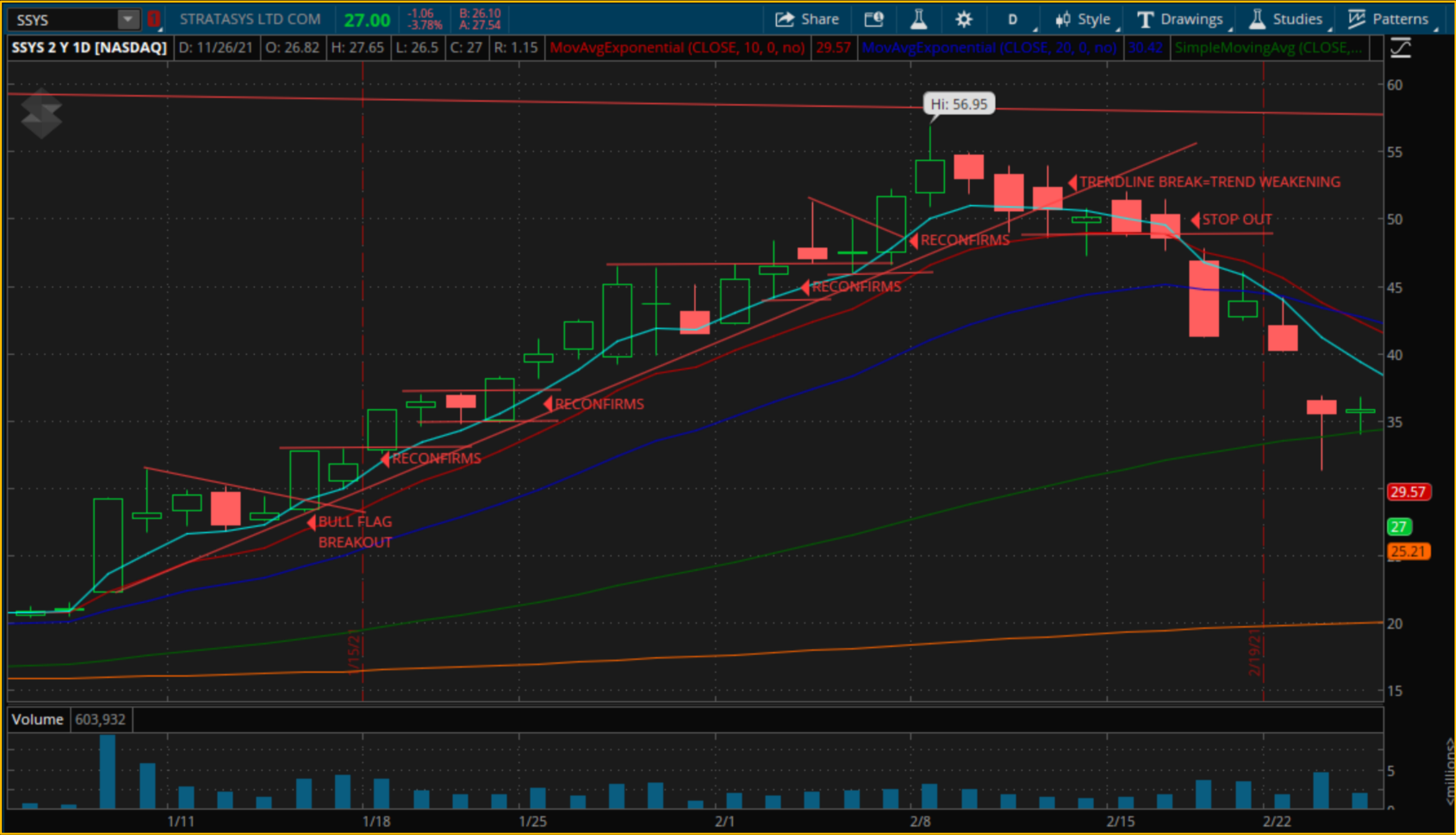
## 2021



SI



SSYS



# Homework: Mark Buy/Sell/Position Management Points for TTD

