

# Successful Trading Skills



**By Thomas Barmann**

**If you want to succeed as a trader or investor, you must develop and strengthen specific skills.**

In this publication, we invite you to the world of trading. You learn to be a probability thinker and we offer you a step-by-step approach for trading success with focus on your wants and needs.

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## About the Author

His introduction to trading came when he was 22. Over the decades, he acquired a wealth of knowledge, how private investors can make money in the financial markets. To do so, he developed algorithms and software for high probability trading with defined trade situations, entries, exits, and stops.

He trades by taking advantage of spotting and trading along with institutional money moves, minimizing risk, and compounding interest. The crowd follows the leaders. As a private investor, you can do that, too. Your edge is that you are faster in and out of investment than institutions are able to.

He aims to make the world a better place by sharing knowledge and giving education. A very small group of people keeps the knowledge of how to trade the financial markets, and those who enter unprepared most likely donate their money to those who know.

For more information, please check:

**Blog Posts:** [WordPress](#)- and [Blogspot](#)

**Join our Facebook Community:**

<https://www.facebook.com/TradeWhatYouSee>

**Experience a Live Interview at 52 Trades:**

<https://www.youtube.com/watch?reload=9&v=bl0e89B5ZOY>

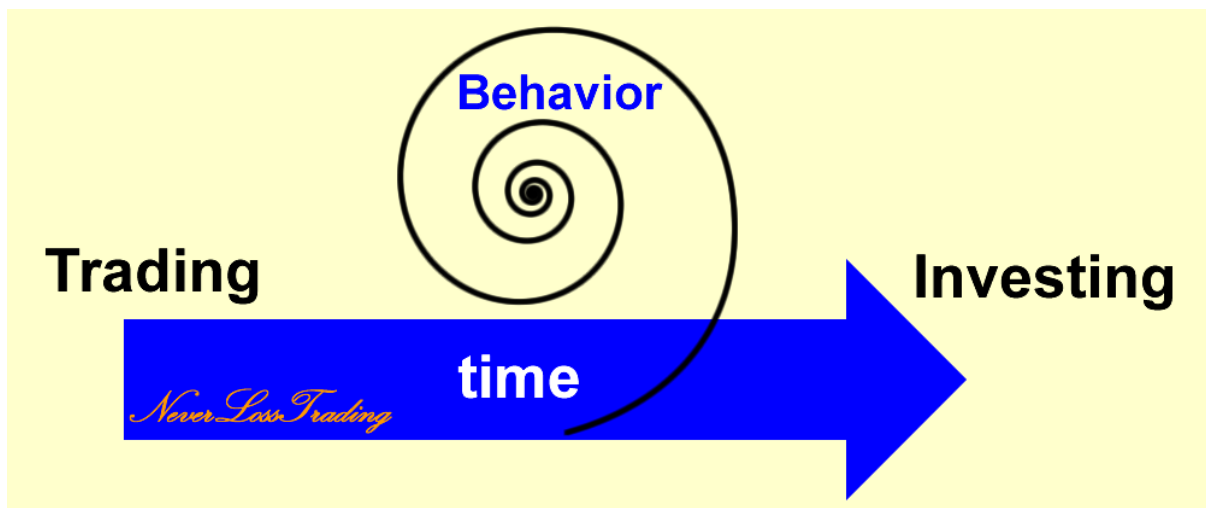
Good trading,

Thomas Barmann

# 1. Introduction

If you want to succeed as a trader or investor, you must develop and strengthen specific skills.

The difference between a trader and an investor is in the time of holding an open position; the decision-making process is the same. However, you are shorter-term oriented when trading, and you have less time for sound judgment and execution. Hence, let us continue using the term trading synonym for shorter and longer-term investments.



NeverLossTrading is not a promise not to lose a trade; it is a concept to repair trades instead of stopping loss: Never Stop Loss Trading was a bit lengthy.

# 2. Skill Development

As a trader, you need the ability to work with yourself first. In every trade situation, you and you alone decide if you want to be part of it or not: ambiguity and uncertainty about the trading decision made are what you expose yourself to constantly. Trading brings a level

of uncertainty of the outcome of your decision into your life, which you will rarely find in any other profession.

Winning is easy; losing has to be learned:

Fear is an emotional reaction in the brain that starts with a stressful stimulus and ends with the release of chemicals that cause a racing heart, fast breathing, energized muscles, among other things, also known as the fight-or-flight response.

Most traders operate with a random decision-making base:  $\leq 55\%$  predictability and believe they can make \$100,000 investing \$100. Think about what is wrong with this relation.

In this eBook, we want to talk about high probability trading that starts at 65% winning.

Ambiguity or uncertainty of an outcome of our decisions triggers in our brains fear reactions: Imagine, you operate with a likelihood of 65% for predicting the directional price moves of underlying assets regardless if you want to trade Stocks, their Options, Futures, or FOREX pairs.

A 65% probability for being right means that you operate a failure rate of 35%: You are always under the pressure of dealing with the fear of losing.

Let us compare the trading/investing environment with other real-life situations:

The chance of ending up in a fatal traffic accident is 0.011%. You have a 99.989% chance that you are safe driving a car and with increased skill safer. In

comparison to ending up in a fatal traffic accident, trading is 327,102 times riskier for experiencing the deadly failure of losing all your money than driving a car.

In some areas of proficiency, we even strive for Six Sigma Certification to confirm an individual's capabilities concerning specific competencies in Quality Management.

How to relate sigma and probability?

When a normal distribution of data is assumed, the likelihood of an occurrence to be in a one sigma distribution is 68%:

- 2-sigma: 95%
- 3-sigma: 99.7%
- 6-Sigma means that you operate with a 99.99966% probability and only a 0.00034% failure rate

When working on a job, after three years of experience, most people reach a 3-sigma proficiency rate: operating under a 0.3% expected rate of failure.

By everyday means, when you come to trading, you need to get used to operating with an 11,667-times higher rate of failure than you are used to from your job or business. Definitely a significant change in risk acceptance and handling, and you best get a coach, helping you learn how to accept and handle a 10,000-times higher risk.

**How will you cope with failure?**

By our research, typical human reactions to failure in trading or investing are:

## Typical Reactions to Trading or Investing Failure

Reaction to Failure	Probability	Relation to Trading/Investing
Spew of endless excuses and justifications	20%	The markets, the politicians, the news: Influences outside our reach caused the failure, and you find out that trading is not for you because of uncontrollable circumstances.
Blame the system	75%	The system is not right; we need to change it or need a new one.
Stick to the system, even on a losing strike	4%	Are accepting losing as part of trading or investing and move on.
Find a way to fix the failure	1%	Repair your trade or investment with adequate tools.

When we relate this to the sigma-model of a normal distribution: There is a 2-sigma chance of failure and only a 5% chance of being successful by our natural reaction to failure, and this bares the reason why 90% of new traders blow their account in the first six months or give up trading.

You have to risk failure in order to succeed, and the question is:

### What is your appraisal and decision-making basis?

The major but not the only critical factor in trading or investing success is your decision-making base's rate of success or failure, generally called the system.

Before we look at system elements and mechanical trading/investing at pre-defined rules, let us discuss mathematical models to predict the future.

The most common models used for making predictions are:

- Regression Analysis: Relations are built and extrapolated into the future out of a set of historical data. Models like moving averages do precisely this and end up being below 55% predictability.
- Normal Distribution: Assuming that the future price development is with a specific probability distributed around a mean value of a bell curve distribution.

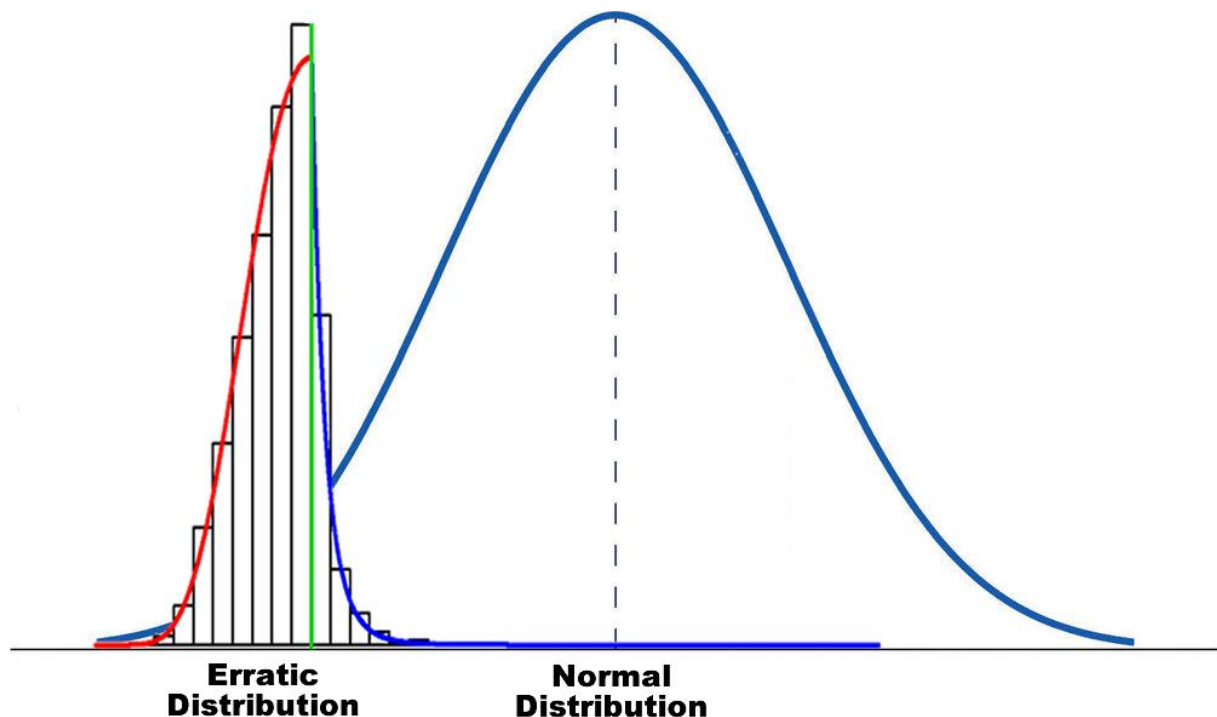
Let us cut the relation to reality short by two bold statements:

- In trading, extrapolating past happenings into the future will not lead to high probability decisions, else trading would be simple, and nobody would ever go to work.
- Price developments are not normal-distributed; thus, decision-making models based on a normal distribution do not work.

When prices are not normal-distributed, is there a mathematical model that better explains a price prediction model?

Yes: Prices follow an erratic mathematical distribution. Let us first paint the two models on the same scale and compare them:

## Erratic and Normal Distribution Compared



When an asset is accumulated (bought), other market participants notice and jump on the bandwagon quickly, raising the demand and prices jump up. Same on a sell-off.

You now know the reason for being late for a trade and why we wave so many hindsight millionaires:

- Prices are erratically distributed, not normal, and you better operate with a system that considers this in its algorithms.
- Do not extrapolate past actions into the future. Let your system extrapolate from the action of now, notifying you about underlying changes in supply and demand that might lead to strong directional price moves.



A natural model of this is the systemic reading: It predicts based on specified pre-happenings:

- the potential
- and the expected magnitude

of a potential earthquake.

Similar extrapolations help to bring trading to high predictability.

### **When comparing a 55% system and a 65% system, why do 10% make such a difference?**

We calculate the statistical likelihood of winning six or more trades out of ten, using a 65% and 55% system to demonstrate the difference.

Our days, we have many skeptics. If you want to find the basis for what we share on statistics, please check for the [Bernoulli experiment](#). Bernoulli was a Swiss mathematician living and influencing statistics in the seventeen hundreds. Let us now compare the experiment of trading at 65% and 55% probability.

### **Probability of $\geq 6$ Winners at 10 Draws**

(Bernoulli Experiment Statistics)

Winners	65% System	55% System
6	23.8%	23.8%
7	25.2%	16.6%
8	17.6%	7.6%
9	7.2%	2.1%
10	1.3%	0.3%
<b>Sum</b>	<b>75.1%</b>	<b>50.4%</b>

The table shows that predicting with a 65% likelihood gives you a 75.1% chance to achieve six or more winners, while a 55% likelihood only gives you a random chance of 50.4% to win more than you lose.

Now, you see the importance of a high probability system for your future trading success.

Aside from probability, the decision-making process is essential.

### **3. Rule-Based Trading**

#### **Do You Operate with Mechanical, Repetitive Rules with Little to no Room for Interpretation?**

Successful traders use a mechanical trading system. Surely not a coincidence.

A robust mechanical trading system automates the entire process of trading.

As a result, your system shall cover every aspect of trading, leaving virtually no decision to the subjective of interpretation:

Let your system provide the answers to your trading decisions. Following a system makes it easier for a trader to trade consistently. Decide based on a set of rules, which explicitly define what should be done: when to accept a trade and when not. Mechanics dominate your trading; little to no interpretation is left up to your judgment.

When you are convinced (back- and forward-tested) that your system makes money long-term, it is easier to act on your signals and trade according to the system, particularly during periods of losses.

Only by using a mechanical trading system that works and following it consistently, your trading will be consistent: Acting according to your system despite coming from a series of losses or a substantial profit.

### **Components a Trading System Shall Provide**

- Assets - What to buy or sell?
- Strategies - How to buy or sell?
- Position-Sizing - How much to buy or sell?
- Entries - When to buy or sell?
- Stop or Adjustment Levels - When do you get out of a losing position or adjust the trade?
- Exits - When to exit winning positions?
- Tactics - How to buy or sell?

### **Assets: What to buy or sell?**

The first decision is: which assets to trade. If you trade too few assets, you significantly reduce your chances of participating where prices move. In case you spread your opportunities too wide, you might lose overview quickly and not see the forest because of the trees.

### **Strategies: How to buy or sell?**

Do you want to buy the asset observed or a derivative like options contracts or a combination of stocks and options? Are you operating on buy-stop and sell-stop

orders to only be filled when your conditions are fulfilled? Trading strategies have a far reach, and we cover them intensively in our mentorships.

### **Position-Sizing: How much to buy or sell?**

A system- or signal-based calculation of how much to buy or sell is fundamental and yet is often glossed over or mishandled by most traders. How much to buy or sell affects both: risk and money management. Risk management is to evaluate your position-size by the evaluation of the chart situation you want to accept a trade at. Money management is about you controlling to stay liquid long-term by allocating your investments: assuring that you do not run out of money before the next solid trade situation occurs. How much to buy or sell is a crucial aspect of trading. You best use an odds-based position-sizing model, where the odds of the signal and the reward/risk relation define your investment. Most beginning traders risk far too much on each trade and significantly increase their chances of going bust, even if they follow a validated trading system.

### **Entries: When to buy or sell?**

Mechanical-based trading systems generate entry signals which define the exact price and chart condition to enter into a trade, whether by buying or selling the asset or entering into a directional price move with a derivative: Option or Future.

## **Stops: When to get out of a losing position?**

Managing losing trades is critical for long-term trading success. At trade entry, pre-define the point where you will get out before you enter a position or as we demonstrated before: Have a trade repair-strategy on hand that helps you reducing losses or even turning losers into winners.

## **Exits: When to exit winning positions?**

Many trading systems do not specifically address how to define the exit at entry. A robust and integrated trading system extrapolates at entry when to get out of a winning position. Only by that will you be able to pre-program your success and act on clear-cut rules.

## **Tactics – How to buy or sell?**

Once a signal is confirmed, tactical considerations regarding the mechanics of execution become essential: Know, how to send your orders to the markets when your trade conditions are met without the need for you to be in front of your computer.

## **How often are you prepared for flipping the coin?**

On a statistical coin flipping experiment, the number of opportunities you participate in will determine the outcome.

In trading or investing, things get a little more complex:

The instrument and time frame you trade for determines the potential risk and return of your decisions.

We generally favor percentage-based position-sizing models. The trading instruments you choose define the number of holdings needed in your portfolio of investments to reach an 80% engagement rate or investment rate.

Why not 100% engagement?

If things go wrong, leave 20% capital for potential trade repairs. Let us puzzle together an example:

- Capital: \$50,000
- Maximum of 3% risk per trade: \$1,500
- All calculations assume the same risk as reward
- We differentiate six trading styles
  - o Day trading stocks
  - o Swing trading stocks
  - o Longer-term investing in stocks
  - o Swing trading options
  - o Longer-term investing with options
  - o Day trading futures on the example of the /ES

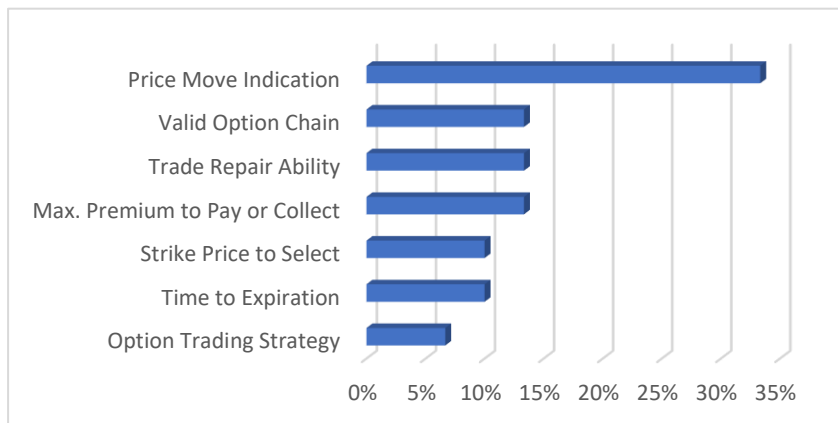
### Position Holdings for Different Trading Styles

Trading Strategy	Return to Trade for	Investment per Trade at 80%	Positions at 80% Engagement	Avg. Days in the Trade	Trades per Month	Expected Monthly Return at 65% winning
Day Trading Stocks	1%	\$ 40,000	1	1	20	6.0%
Swing Trading Stocks	2%	\$ 40,000	1	5	4	2.4%
Longer-Term Investing	5%	\$ 20,000	2	20	2	3.0%
Swing Trading Options	50%	\$ 1,500	26	5	20	300%
Long-Term Options Trading	50%	\$ 1,500	26	5	20	300%
Day Trading Futures (/ES)	8%	\$ 7,500	3	1	20	48%

Table-3 expresses:

- When day trading stocks at \$40k investment capital, you can invest your entire money per trade, and you still stay below the maximum risk per trade of \$1,500. The table assumes one trade per day at a reward or risk of 1%. In reality, multiple day-trades will be possible. At one trade per day, a monthly return on cash of 6% per month or 72% p.a. By using margin and increasing the number of traders, returns can be leveraged.
- When swing trading stocks at a 2% risk or reward, one position is still below the risk threshold of \$1,500, such, the trader just needs to engage in four trades per month, striving for a 2.4% monthly or 29% annual return.
- Investing longer-term in stocks requires at least two positions to stay below \$1,500 of risk per trade, with two trades per month and an expected return of 3% per month.
- Options traders are looking at fantastic return opportunities; however, they have a different challenge to manage: Assuming that the entire investment is at risk, we divide \$40,000 of capital by \$1,500, which results in the options trader opening close 26 positions. Dividing 26 by 20 days de-complexes the issue into one to two options trades to open per day, which is undoubtedly doable. The challenge in options trading is multifold by requiring answers to the subsequent decisions you need to make:

## Challenges for Options Traders



The graph shows the importance of the different dimensions of options trading, reaching from the price move indication by the system to the investment strategy to be best applied. You best find somebody competent and experienced for teaching you those. For more information on options trading: [contact@NeverLossTrading.com](mailto:contact@NeverLossTrading.com).

- In the Futures trader example, we calculated with three contracts per trade, one trade per day at \$500 risk or reward per contract, calculating a return potential of 48% per month: A steep number, which needs a functioning system and decision-making process.

### How can you put this into action?

Trading means dealing with ambiguity on a 10,000-times higher failure rate than the average person is used to.

To validate that you work on high probability, operate with a back- and forward-tested system, so you act with confidence and in the same manner if you experienced losses or increased profits.



Here is an example of entry conditions: The system formulates a price threshold: Buy > \$101 or Sell < 99. Thus, you can program conditional orders on your trading platform for trading the underlying or a derivative like an option. Your order will only go into the market when your trade conditions are met. This way, you do not need to control the trade; the system and computer do the work for you without you being in front of the screen. If you want to investigate further how and why this shall work, [sign up for our free webinars, reports, and publications...click.](#)

As you can see, trading is not easy; however, it can be learned. We take a holistic approach in our teaching, considering that every crucial element of the recipe is essential for taking a slice of the market. In addition, you must control temperature and time to get lovely pieces of cake out of the base ingredients used.



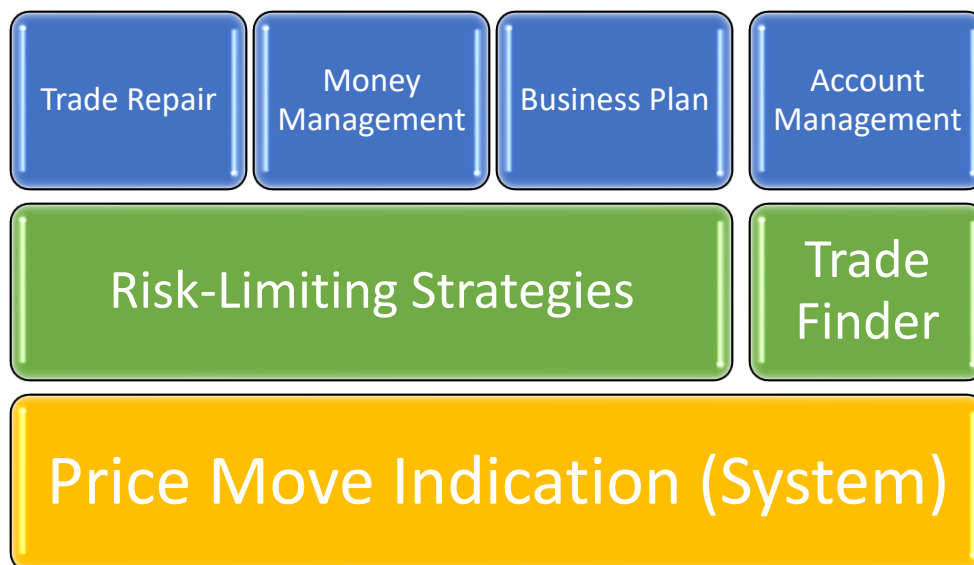
Unfortunately, by not following the recipe, temperature and time, traders get this:



- and sugarcoat the results after:
- I had winning trades...
  - I enjoy trading...
  - The next trade will make up...

Let me put together the ingredients for the recipe of trading success:

## Success Factors for Trading and Investing



In the graphic, you see that we gave two variables a more significant influence: System- and Risk-Limited Strategies. However, they do not provide a shortcut; all listed variables listed are critical to trading and investing success. Disregarding just one component can still be fatal for your long-term results.

By applying and believing in algorithmic trading systems, let us choose a quantitative approach to evaluate each component of a holistic approach to trading: We spell out a success formula using a scoring model with the following scales.

- 0, if nonexistent
- 1, for basic
- 2, for advanced
- 3, for fully implemented

Each success factor has a percentage weight relative to its importance. The actual score is calculated by multiplying the weight x 100 x the score. The following table expresses the max value of this calculation.

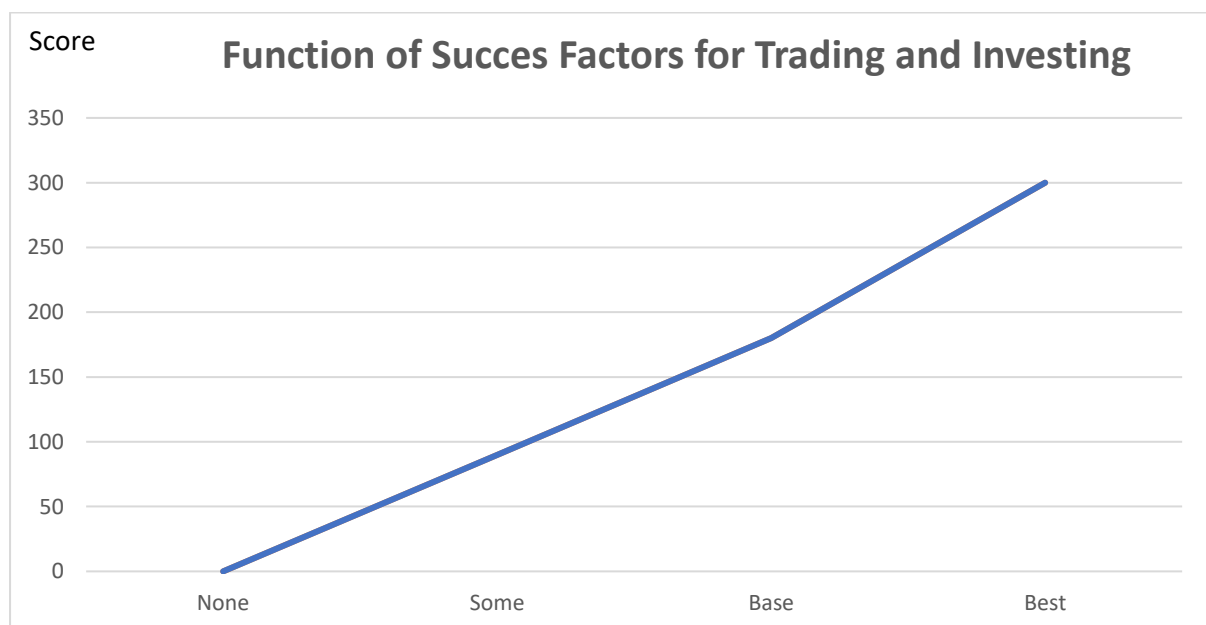
In the next step, we will build a function and highlight minimum requirements for entering the zone of being prepared for trading

and investing success to compare actual situations to minimum requirements.

### Components of a Holistic Approach for Trading or Investing Evaluated

Success Factor	Explanation	Weight	Score	Max
Price Move Indication	System-specified entries, exits, stops with a proven track record	30%	0-3	90
Risk-Limiting Strategies	Never lose more than anticipated and leverage your runners	20%	0-3	60
Trade Finder	Cater or get opportunities catered to you, system-validated and strategy-based	10%	0-3	30
Trade Repair	When a trade goes wrong, reduce your losses or even turn losing into a winning trade	10%	0-3	30
Money Management	<ul style="list-style-type: none"> <li>Stay around 80% Invested</li> <li>Operate with a system-balanced portfolio of long and short positions</li> <li>Define your investment volume by the odds of the trade setup</li> </ul>	10%	0-3	30
Business Plan	<ul style="list-style-type: none"> <li>Never get into the market unprepared</li> <li>Operate by a clear action plan, when to trade and when not to trade</li> <li>Follow a financial plan with a defined amount of trades expected and return rates</li> </ul>	10%	0-3	30
Account Management	Have an investment strategy for every account: 401(k), IRA, Margin, Cash Account	10%	0-3	30
<b>Total</b>		100%	21	300

Based on a weighted scoring model, a function between 0 (nonexistent) towards a max score of 300 can be extrapolated as follows:



A simple looking function, but where are the crucial points?



In essence, you need to score above 200 points for having a chance to produce long-term trading and investing success.

Let us pick an example of an average beginning trader:

### Scoring Model of an Average Beginning Trader

Success Factor	Explanation	Weight	Score	Total
Price Move Indication	Low probability or emotional entries	30%	1	30
Risk-Limiting Strategies	Long, operating with stops	20%	1	20
Trade Finder	Subscription or system for trade finding (does what others tell to do)	10%	2	20
Trade Repair	Not in the skillset	10%	0	0
Money Management	<ul style="list-style-type: none"> <li>Low investment level or 100% invested</li> <li>Similar lot sizes per investment</li> </ul>	10%	1	20
Business Plan	Nothing in writing; off the cuff investment	10%	0	0
Account Management	Random or provider following account management for 401(k), IRA, Margin Accounts	10%	1	20
<b>Total</b>			<b>5</b>	<b>110</b>

With a score of 110, this trader is not fit to produce long-term success. The minimum threshold to reach out for trading and investing success is  $\geq 200$ .

Behavior change and support in multiple dimensions are critical for making money from the financial markets. At the current stage, the trader is not ready to compete.

Trading and investing can be learned, but multiple critical factors need to be installed into your skillset and daily routine. Adults often tend to resent such feedback, feeling fit for everything; however, we want to caution you, money goes quick in the financial markets and those who fail to prepare, prepare to fail.

All of us can think back at school times; either you made the score or the team, but we had to pass minimum requirements. The same counts for trading and investing. The incumbent market players welcome you to lose your money; no need for you to pass a test or minimum score.

The good news: We can provide you with all components, reaching from system to account management. Such, we offer to work one-on-one with you, focusing on your wants and needs, building up your skillset and knowledge to develop you into the trader and investor you want to be.

The investment that pays the highest return is the investment in you: We provide individual training units in the price range of \$2,497 to \$9,997 and offer multiple systems and time units for working together:

- TradeColors.com: our introduction into algorithmic trading.
- NeverLossTrading Top-Line is the top of the line, providing the strongest and frequent setups to execute on.
- Multiple in-between systems work as stand-alone or in combination with other systems.

About 50% of our clients buy more than one system from us.

Why do they do so?

After earning the tuition for the first mentorship, they want:

- A higher participation rate and return from trading
- More knowledge
- To further expand their skillset

Basing your trading and investing decisions on defined rules is learnable, and we are here to support you!

Experience live how our systems work, to find which one is best suited for you: **+1 866 455 4520** or [contact@NeverLossTrading.com](mailto:contact@NeverLossTrading.com)

Schedule your consulting hour! Working one-on-one spots are extremely limited: Do not miss out!

In essence:

Find yourself a system and a coach, guiding you through the pitfalls of trading, helping you to overcome the personal challenges and system challenges.

## **Personal and System Challenges in Trading**

<b>Personal Challenges (Human Elements)</b>	<b>System Challenges (Technical Elements)</b>
<ul style="list-style-type: none"><li>• Ambiguity Handling</li><li>• Discipline</li><li>• Stay with a System</li><li>• Trading versus Gambling</li><li>• Available Time</li><li>• Financial Results</li><li>• Documentation</li></ul>	<ul style="list-style-type: none"><li>• High Probability <math>\geq 65\%</math></li><li>• Mechanical Rules</li><li>• Risk Management</li> <li>• Money Management</li><li>• Tailor-Made Trading Plan</li><li>• Financial Plan</li><li>• Action Plan (when to trade)</li></ul>

As this eBook expresses, trading is important to me, and I want to help you not to fall into many of the traps that people face when learning how to trade or invest.

Trading does not require you to pass a test or demonstration, making sure you are fit for the subject matter. However, those who are prepared take from those who are not, and we want to support you with our knowledge and experience.

Let us demonstrate how high probability systems work; however, there is more to learn, and we teach a holistic approach to trading and investing in our mentorships.

## **4. Examples**

We are more than ten years in business and cater to a small group of people, where we can jointly spend time to concentrate on sharing:

- Best situations to trade on
- Strategies to apply
- Position-sizing
- Money management
- Discipline
- Financial and business plan and more...

Adult learning works best one-on-one, considering your risk tolerance, affinity to specific assets like stocks, options, futures, and FOREX. This way, you can learn at your best available days and times. In our years of experience, we did not have two traders who followed the same plan and action.

To simplify your life, we developed a new way of trading by making purely price-based decisions using the NLT indicators. Read on and [watch the video](#).

More than 95% of the trading decisions derive from time-based charts that compare price development over time. Hence, it is pretty clear where most of the stops will sit, and you sure experienced situations where your stops were getting triggered and right after the market commences in your expected direction.

How to change this? Enter the world of price-based decisions based on NLT Timeless Charts.



The basis of our concepts are high probability setups that also work on time-based charts, but today, we want to invite you to eliminate time and act differently.

Let me give you a bit of background:

Our algo-trading parameters are back-tested using available historical and real-time data to demonstrate that we provide viable trading strategies.



Today's most algo-trading is high-frequency trading (HFT), which attempts to capitalize on placing a large number of orders at rapid speeds across multiple markets and multiple decision parameters based on pre-programmed instructions. However, this is not what we do. We call our systems and strategies Algorithmic Trading with Human Interaction: You remain the captain of your trading decisions. We propose only acting on meaningful time frames for price changes that keep trading costs, composed of commissions and slippage, in an acceptable range.

We customize our programs and mentorships to your wants and needs and highly recommend striving for multiple income streams rather than on one single strategy.

Systematic trading is our focus, and we share strategies for time-based and timeless setups.

At this point, you might ask yourself what timeless means?

Time is not a critical element, assuming that markets quickly adjust to a supply or demand change.

Considering this, we developed algorithms that purely look at price change as a decisive factor. We take the price change to trade for from a time-based SPU. SPU stands for Speed Unit, a measure of expected price change over time, a measure of statistical volatility.

Instead of explaining the nature and calculation of SPU, let us black-box the SPU and show how NLT Timeless

investment charts can help you make high probability decisions in the financial markets.

Acting with predictable moves is rarely a winning strategy.

If you use a dynamic, less predictable entry, exit, and stop definition, you certainly have the chance to increase your trading accuracy.

With NLT Timeless Trading, time is taken out of cohesion. This will make your decisions less predictable; however, the stronger argument of the idea is:

We are helping you to simplify your trading decisions by specifying conditions to execute bracket or OCO orders along with the price movement of underlying assets.

The system works for all asset classes: Stocks, Futures, and FOREX.

What we casually named variables are, in reality, results of an underlying change in supply and demand. In the base economic principle, price is a result of a shift in supply and demand. Time is not considered a determining factor. The model assumes that markets regulate themselves instantaneously by economic principles.

The typical problem for a trader is: In hindsight, you know what happened, and we want to help you predict the future price happening with high predictability and frequently by our systems and concepts.

**Money flow** accepts price as the resulting variable of a change in supply and demand and specifies potential price move setups with clearly defined:

- Entries (price threshold)
- Exits (targets)
- Stops (wrong assumption)

With our systems and strategies, we want to help you to higher accuracy:

- Only accepting a trade when the direction is confirmed
- Exiting at a pre-defined target, preventing for the price to pull back and taking your profits away before you realize them
- Choosing an adequate stop, so you are not taken out of a trade by a too-tight stop and keeping reward and risk in a meaningful balance.

**A Quick tip:** buyers and sellers move the market; whoever has the upper hand moves the market in their direction.

Let us show you why by a chart example, using a combination of NLT Top-Line and Trend Catching indicators focusing on Futures trading examples, while our systems work for Stocks and FOREX too.

If you are not considering futures trading by today, let us quickly give you in a short overview the advantages futures trading can give you:

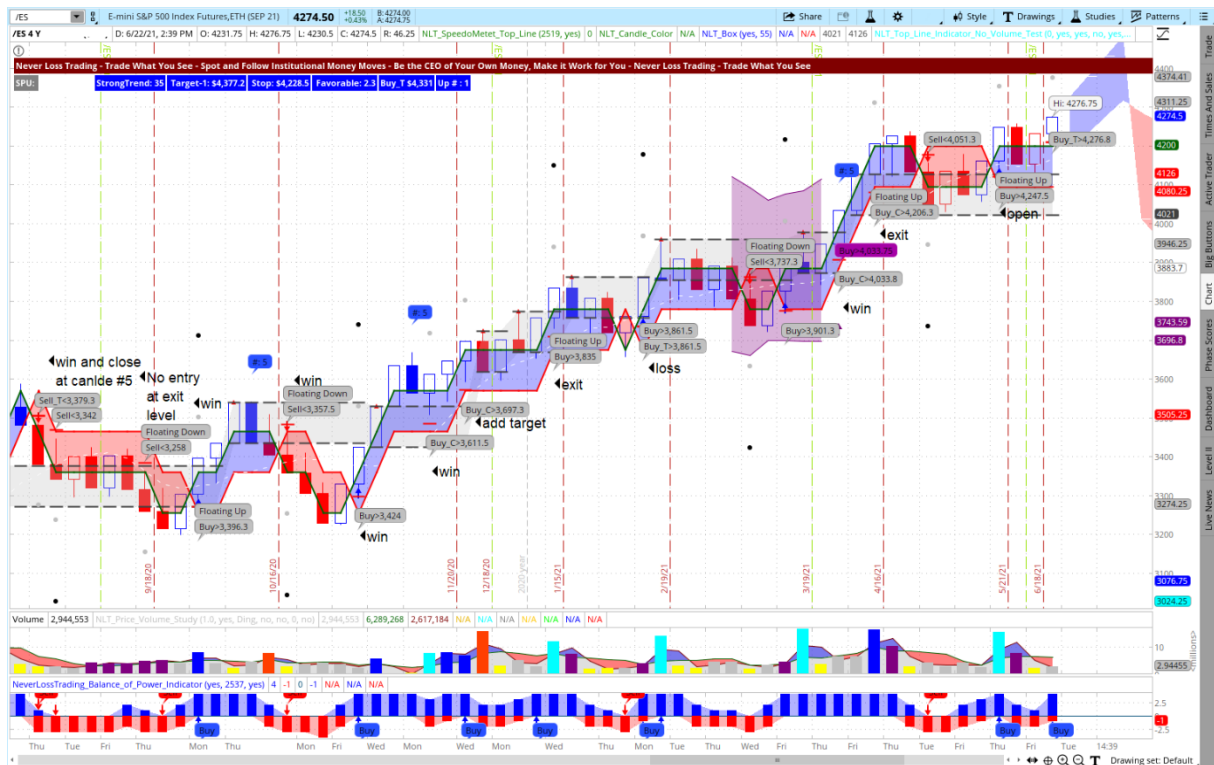
# Five Advantages of Futures Trading



We hope this simple graphic explains why futures trading is essential as an investment vehicle. However, there is another dimension to it: You can protect your assets using futures contracts for overnight hedging, and we explain all this and more in our mentorships.

With NLT Timeless Investing, we anticipate holding positions between one to five weeks, striving for targets above 100 Points (a price change of the underlying E-Mini contract  $\geq$  \$5,000).

# /ES NLT Timeless Investing Chart



From September 2020 to the end of July 2021, the NLT Timeless Indicators painted multiple trade situations on the E-Mini S&P 500 Futures chart. By following the rules, the trade exit was either at target, stop, or close candle #5. The chart shows eight trade situations:

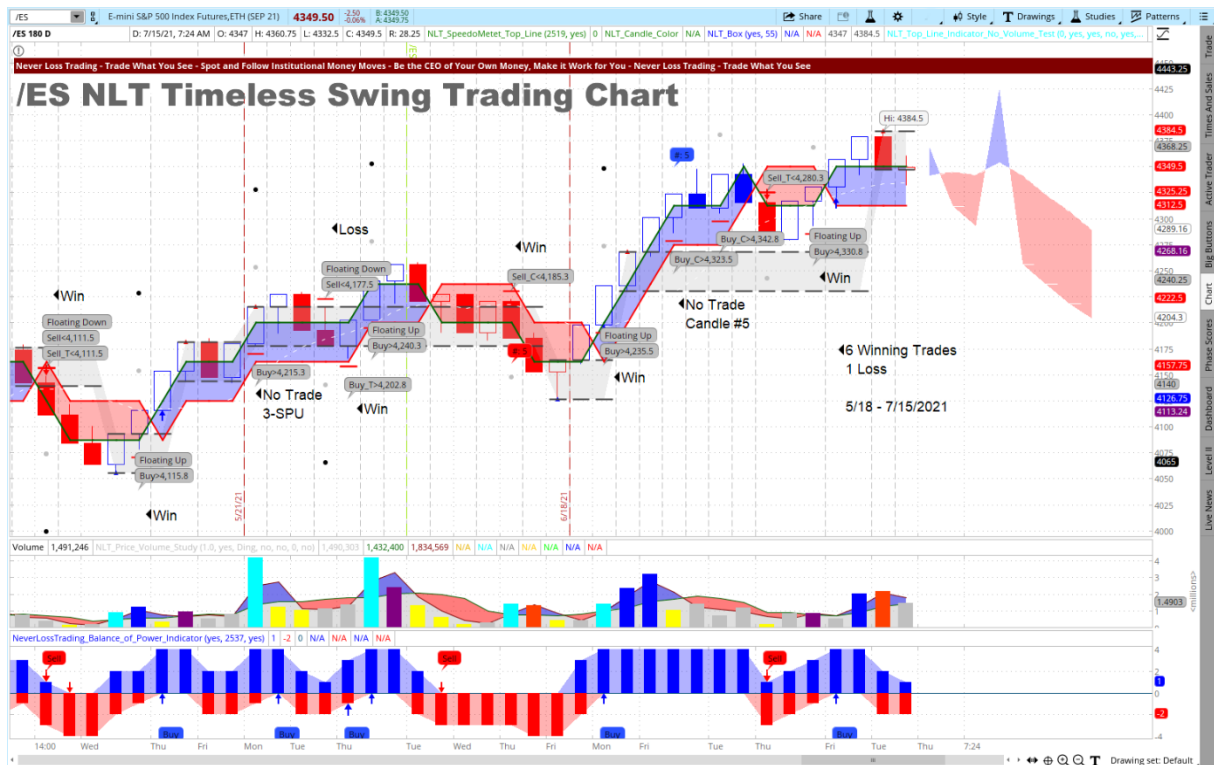
- Seven winners
- One loss

The NLT Timeless trading concept lets you act different, unpredictable and at high probability setups, with pre-specified reward/risk scenarios, providing you with opportunities for:

- Day Trading (multiple trades per day)
- Swing Trading (holding between one and five days)
- and Longer-Term Investing (holding for one to five weeks)

We definitively prefer and recommend taking part in each of those trade perspectives, producing multiple streams of income.

## NLT Timeless Swing Trading Example



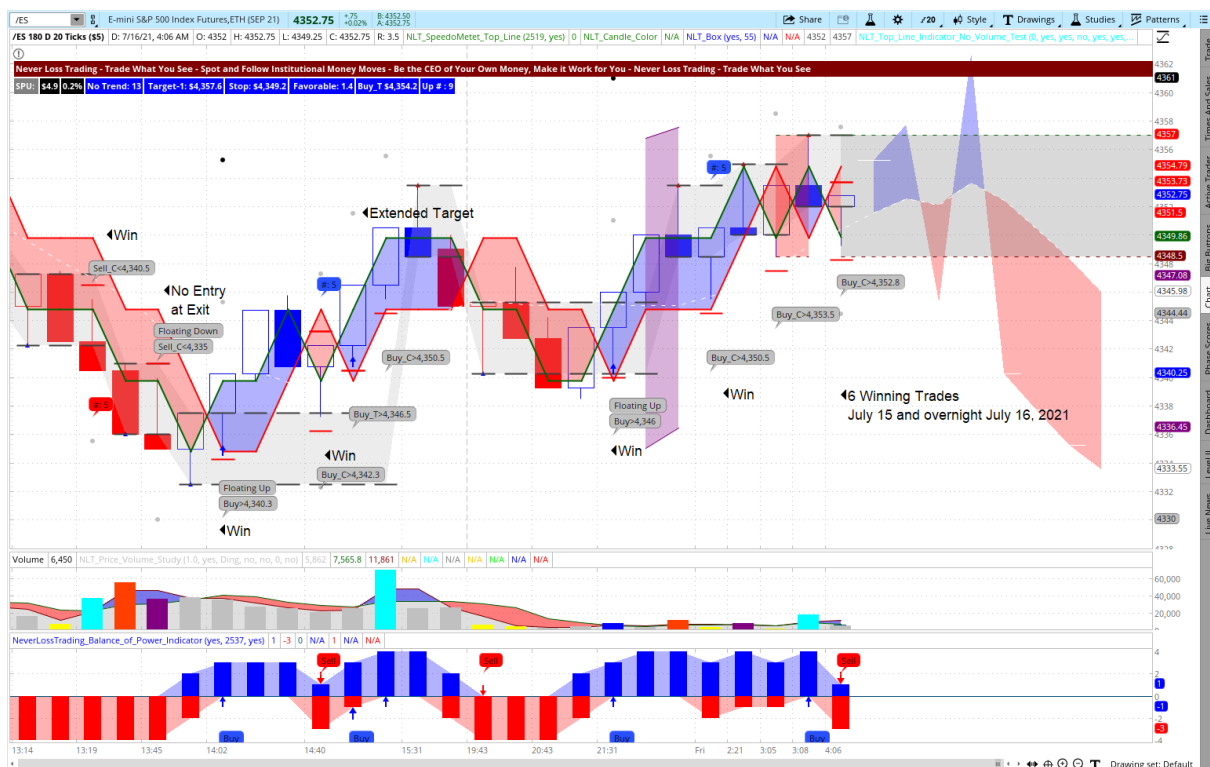
The NLT Timeless Swing trading example shows seven trading opportunities in the observed timeframe of May 8 to July 15, 2021. Six of them came out winners and one loss: definitively high probability.

The average value change of the underlying futures contract in our example was around \$2,000. When the associated risk would be outside your risk definition, you could also work with a micro contract, reducing your risk to 10% of the E-Mini contract which trades we share.

There are several rules involved in making sound trading decisions, and we share those with you in our mentorships. Let me invite you into some:

- The dot on the chart specifies the target, but you can also read the target from a dashboard on our charts.
- Stops are indicated by red crossbars.
- On the chart dashboard, you will also find an indication of where to place your buy-stop or sell-stop order and your trade will only be filled if the price of the underlying reaches the critical price threshold.

## NLT Timeless Day Trading Example



In a 24h period, the system produced six trading opportunities, and when focusing on multiple futures contracts, you can decide from a sound basis for day trading.

NLT Timeless Trading is only one way of putting our systems in action; let us also share some time-base

examples (and we pick some older charts, demonstrating our capabilities of the present and past). Each trade situation will be highlighted and explained, picking examples of:

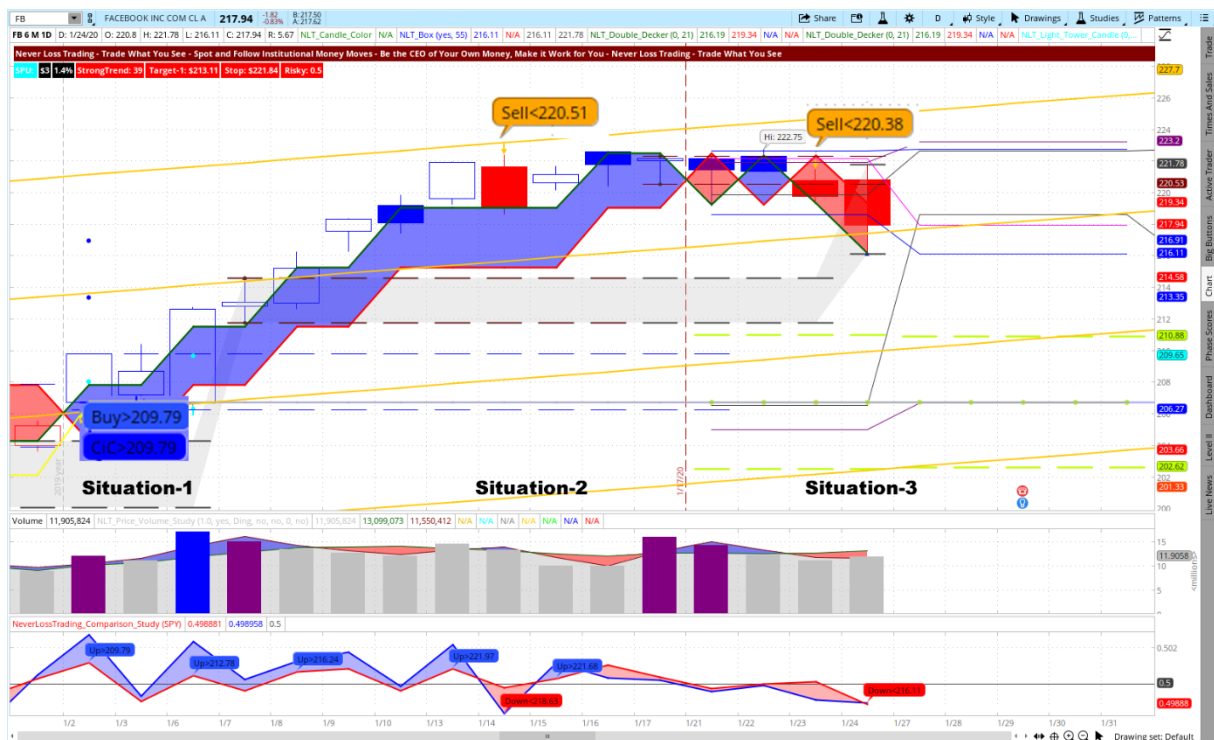
- FB swing trading from a daily chart
- /ES day trading of an index future
- AAPL: longer-term investing with weekly charts

To experience how our systems work real-time, schedule an online meeting with us:

[contact@NeverLossTrading.com](mailto:contact@NeverLossTrading.com), Subj.: Demonstration.

## 1. Swing Trading Example

### FB on the Daily NLT Top-Line Chart



NLT Top-Line is our flagship system and is chosen by many of our clients. Let us explain how it worked:



Situation Entry Rule	Signal	Trade Target and Stop	Result
Situation-1  Buy > \$209.79 CIC > \$209.79	Blue NLT Power Tower Buy Signal with CiC (Change in Command), indicating a big directional change: buyers are taking over from sellers.	Target-1: \$213.54 (max. 5-Candles)  Target-2: \$216.80 (max. 10-Candles)  Stop: \$206.30	On Situation-1, the price threshold was surpassed and led to a trade to target-2 and a respective win of \$7 when trading the stock or much higher returns by trading options.
Situation-2 Buy > \$220.51	The orange signal identifies a potential key price turning point, and if the low of the candle is surpassed in the following candle. The signal assumes a slight retracement, allowing for a potentially favorable entry.	The exit at target has two dimensions: Either exit after 10 bars or at a 2-SPU price move of \$27 (the SPU is appraised bar-by-bar) or at a major NLT Box Line (black dashed line on the chart).	The signal was not confirmed, no trade!  The price of the next candle never reached the price confirmation point (low of the signal candle).
Situation-3 Buy > \$220.38	Again an orange signal, this time confirmed, leading to trade at the favorable price point: \$220.38	The NLT Box Line at \$214.58 is the target of the trade.	At the time of writing this eBook, the trade is open.

## 2. Day Trading Example

### E-Mini S&P 500 Futures Index on 20-Minutes

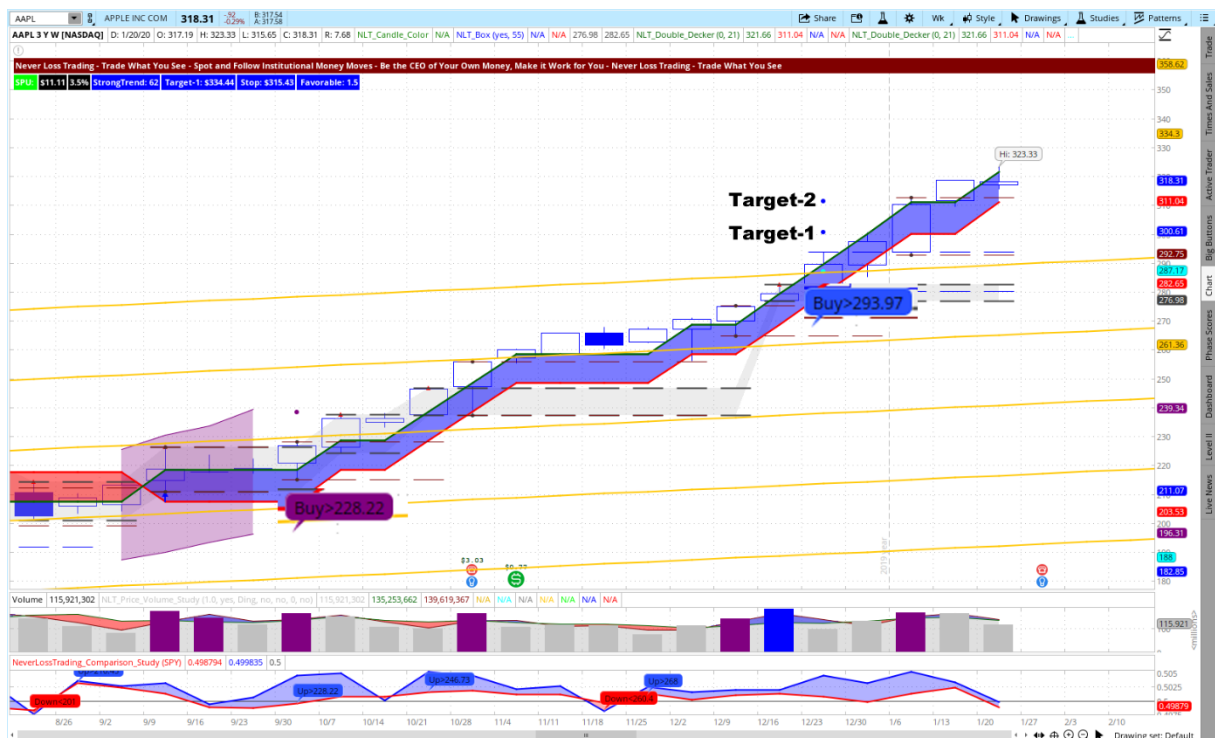


Situation Entry Rule	Signal	Trade Target and Stop	Result
Situation-1 Sell > \$3327	Red NLT Power Tower Sell Signal confirmed, leading to a trade.	In the trade to target, a purple sell signal confirmed a strong down move.	Instead of exiting the trade, we trail the stop by the red line and continue along all the way where you sell Target-2, at \$2,381
Situation-2 Buy > \$3283.5	The orange signal identifies a potential key price turning point; however, we do not trade this signal after 2:30 p.m. ET and ended the day with a 46-point gain, at the second target of the following sell signal: Sell < \$3,296.50	On strong up or downward trades, we trail the stop with the red line of the NLT Double Decker that is framing the price development in red (down) or blue (up).	A 46-point or \$2,300/contract at a strong downward moving day.

Surely, 46-point gains are not a daily given and happen when we get strong directional price moves; however, our systems produce opportunities every day, and we want to share with you how to find and act on those.

### 3. Longer-Term Investing Example

#### AAPL on the Weekly NLT Top-Line Chart



Situation Entry Rule	Signal	Trade Target and Stop	Result
Situation-1 Buy > 228.22	A purple NLT Buy Signal, which was confirmed in the next candle.	Purple signals occur after a time of directional ambiguity; hence we trail the trade by the red line on the chart.	Instead of exiting the trade, we trail the stop by the red line and continue along all the way where you sell Target-2, at \$311.66
Situation-2 Buy > \$293.97	Blue NLT Buy Signal is indicating that at Target-2, the trend might come to an end.	Profit-taking is the name of the game, and we do not mind that the price for the stock went higher; we traded for the majority of the uptrend.	An \$83.44 gain per share was achieved. When trading options, a much higher return is possible. In our mentorships, we share how to put option trades into your repertoire of strategies.

We are more than 10-years in the trading education business, teaching one-on-one at your best available days and times.

Trading our own account day-by-day and helping clients lets us provide long-term experiences and support.

Customer service and tailored mentorships are our virtue. Following this principle, we provide:

- Server-installed Software
- Real-Time Data
- System-Defined Entries, Exits, and Stops
- Position-Sizing
- Time-in-a-Trade
- Trading-Strategies
- Risk-Handling
- Business Plan (financial- and action plan)
- Own scanners to find investment opportunities
- Watch list indicators for finding changes in supply and demand on multiple time frames

Basing your trading and investing decisions on defined rules is learnable, and we are here to support you!

Schedule your consulting hour! Working one-on-one spots are extremely limited: Do not miss out!

**+1 866 455 4520** or [contact@NeverLossTrading.com](mailto:contact@NeverLossTrading.com)

With the NeverLossTrading concepts and education, we want to help you de-complex trading decisions and come to high probability trading by solving the challenges with the help of our systems on the spot:

### **Five Dimensions of Trading and Investing Decisions**



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Thomas

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