



Investor Centre

Trading Work book May 2016 Blog

April has seen some very low volatility days that has depleted our ability to earn from the market.

It was punctuated by the ANZAC day long weekend. However, commodity prices moved up with IRON putting on some big gains and oil lifting off its lows. Nickel, Zinc and Copper followed suit but have since commenced dropping in May.

The day market became much more tactical – relying on ASIA for its leads. Even the S&P followed ASIA leads only to seem them reversed most of the time in New York trading. This has made our market more difficult to predict.

May is a notorious BOOMERANG month for the Index with the normal pattern being two weeks of up followed by 2 weeks of down or 2 weeks of down followed by 2 weeks of up. The Index normally ends within 50 points of where it started for May. May started at 5250 on 2nd May (XJO). We can expect the banks preliminary dividends in the first 3 weeks of May to have some effect and that the market will fall after ANZ, NAB and WBC pay their dividend.

April Trades

Date	Open	Day Chase	10.30am	Informed drift	Mid Strad	Ambush	AST	Express	Tell	Summary
1/04/2016	21	40								
4/04/2016	21	30		14				4		
5/04/2016	-41				21	-30			30	
6/04/2016	-14		-14		21		-14	-4		
7/04/2016	4			-3		0				
8/04/2016	14	8			21					
11/04/2016	-15	-30		14						
12/04/2016	-42		14		10				30	
13/04/2016	21	40	14	21	14			0	21	
14/04/2016	42	33			14		0	-3		
15/04/2016	10	-30			-15				-21	
18/04/2016	-14			14						
19/04/2016	-14		-14	-14	0					
20/04/2016	14		14							
21/04/2016	-10				-15					
22/04/2016	14	-30			-15					
26/04/2016	-10		10		-7		0			
27/04/2016	10		-14		-14				21	
28/04/2016	-14	-21								
29/04/2016	14					-5				
Total Points	11	40	10	46	35	-35	-14	-3	81	171
Total Trades	20	9	7	6	12	3	3	4	5	69
Losses	9	4	3	2	5	3	1	2	1	30
Accuracy	55.00%	55.56%	57.14%	66.67%	58.33%	-100	66.67%	50.00%	80.00%	56.52%

Please note:

Open 1-2 Trades are listed as -42 or +42 but done passively they are -12 and +21.

Midday Fades are included in Midday Straddles.

There were no SOS's so the column has been excluded here.

There were no FTSE switch backs so the column has been excluded here.

Total points for the month was 174 which made for an average month (+200 is deemed to be a good month 50% return).

Open trades fell to 55% and netted just 11 points. We altered the open trade to 10/10 but all this did was save us points of loss.

Daily Chases were much more difficult to get across the line in a sideways market and netted just +40 for the month.

Tell Trades had the highest rate of success (80%) and delivered the most points +81 or nearly half the months total points.

The Morning Fade

Expiry 11.00am

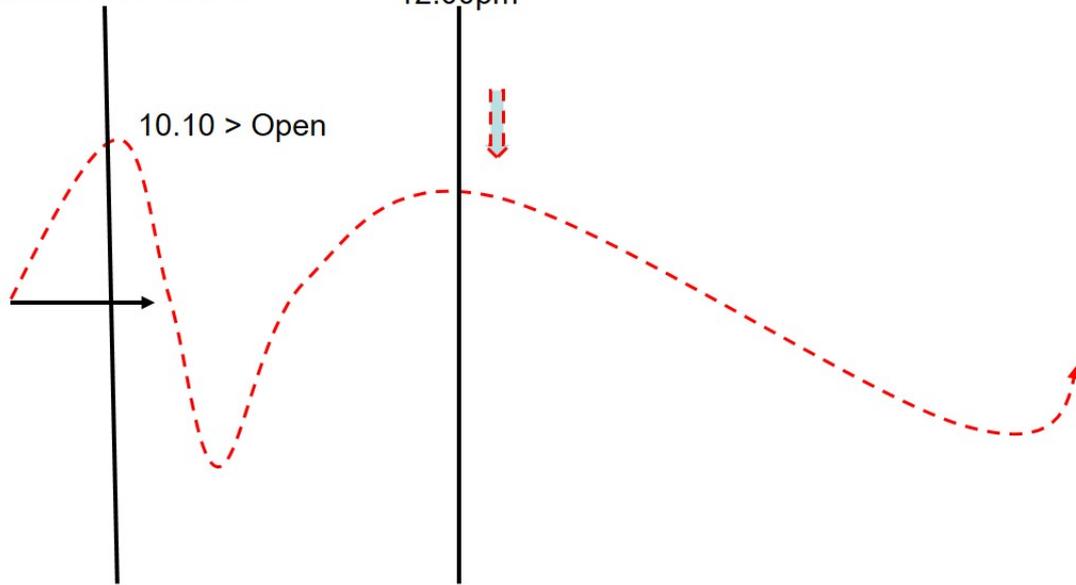
An old Platinum Tigers trade for LOW VOLATILITY markets is back and scoring well at the moment. It is the original component of the old Zig Zag in your current texts. The best execution of the MORNING FADE is at 10.10am where the insurance strike or first segment between 9.50am and 10.00am is down and flat. Then the retail market based on overseas movements sees the market rise into 10.10am with the opening of BHP, RIO, and the banks on XJO.

The Institutions then move to reduce the market and take it back to open or below. Ideally the market will be at, or close to, a high at 10.10am.

The advantage is the small stop for this trade – 8 points. However targets vary and an effective target is open or 14 points whichever is the lessor. Be careful that the limit is not less than 8 points.

Short after 10.10am

12.00pm



Stop: 8 pts

Limit: Open or 14 pts which ever is the lessor

Expiry 11.00am

Example:

FUT SP2016 (Min Tick) - FUT SP2016 (02 May 2016 to 02 May 2016) Last: 0; 5292.00, H: 5227.00, L: 5156.00, C: 5227.00, Vol: 99



NEW Instrument to Trade IC – AUS 200 CFD

We have not had an alternative to City index with the same leverage and ease of operation. With changes to City Index we have encountered a number of inconsistencies this year with the open and getting trades placed. We now have a NEW instrument that operates as a CFD but with no spread and emulates the real market by the underwriter.

The advantages are:

- 1) Australian Support.
- 2) No Spread.
- 3) No Night market Spread.
- 4) Absolute replication of the SPI market.
- 5) Funds protected by Australian Banking laws.
- 6) Brokerage paid rather than spread so no stop out at the high or low of the market.
- 7) Trailing stops and hedge positions.

The instrument is available on MetaTrader 4 with Halifax. You will need to open a new Halifax account to access it. This is exclusive to Investor Centre clients.

Demo Account

<https://halifax.com.au/csa/referral.html?p=csa1075&w=demo>

Account Opening

<http://halifax.com.au/csa/referral.html?p=csa1075&w=csa>

Good Hunting

Jody