Investor Centre

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Day Traders Blog December 2017

December Debrief

- Market Briefings Melbourne, Sydney, Brisbane
- January
- December Performance
- 2017 Performance

The Brief will cover:

Important information relating to our current market and who is profiting from direct manipulation in our market and how to predict it and make money from it.

Crypto Currencies – the ramifications and opportunities of trading derivatives on Bit Coin and what it means for the underlying instruments.

Australian Market - The shape of 2018 and what we can expect from the Australian Market. What stocks will prosper and what stocks will not.

Commodities – Commodities are looking strong for 2018. Gold is a currently leader and we will look at the seasonal nature of Gold and Copper and how they lead the markets.

$AUD – its effect on our economy and the expected rises and falls that dictate the performance of our market as we look at economic recovery from a stalled market.

Indexes - Using Indexes as strategic wealth creation, investment insurance, and what indexes to use and when. Investing using Indexes generates an investment factor of 10 times your normal return.

Getting 100%+ performance from trading and Investing. Performance of Trading Tigers, Day Trading, Wealth Accumulator, -Find Out how to get 500% return on small investment returns over a year.

January

Traditionally January starts slowly for the Australian market. This year we are expecting the US market to move up with the new tax laws for institutions promoting further buying in the US market. Our market will struggle to keep pace with a lack of buyers (and sellers). We can expect incremental rises over the first 2 weeks.

This proved not to be true for the second week where we had increased institutional insurance on a rising $AUD with gold rising early - indicating overseas caution. Despite the FTSE and the S&P going to new highs, our market has been sold back to 6000 eliminating all gains from the beginning of November where we first broke the 6000 barrier.

The third week of January is expected to see a dramatic increase in volatility in our market with an expected sell-off in the US market and UK markets. We are expecting to see falls of around 50 pts of US and about 150 pts of UK though UK does not have to follow suit.

The return to volatility normally brings with it the potential for making higher returns. Traditionally January sees an increase in the average accuracy of day trades accompanied with larger targets. January normally yields greater than 50% on a $10,000 account and this normally occurs in the last 2 weeks of January.

December Results

The Day Trading Results are now available from the Investor Centre Web site under the Day Trading Menu

http://www.investorcentre.com.au/dtresults.php?id=30

Open Trade: The Open Trade struggled in December with the market struggling to even make 10 pts with nearly 50% of all open trades expiring with out reaching stop or target. Whilst accuracy was reported at 44% - it really broke even.

Ambushes: Ambushes were the big earner for December with 7 attempted for 100% victories and $2200 or more than 40% of total profit for the month. We have moved from looking for ambushes at extreme range to trying to estimate effective range for getting filled.

AST: AST had a great accuracy over 70% again but these yielded little income as most expired in a small amount of profit without reaching target.

December was highly profitable for those who pursued all the trades. Once again, statistics indicate that an open trade failure sees a drop off in ongoing trades. The ambush beat the trend here with its simplicity to deploy before the market opens with known stops and limits and its low maintenance and auto-expiry of unfilled orders with the City Index AT PRO system.

2017 Yearly Outcome

The Day Trading account runs from January to December as per the Tigers Calendar. In 2017 the account started with $20,000 but traded 25 City Index $1 Australia 200 (Month) CFD's as per a $10,000 account. It started with $20,000 so that it could take all trades during the day without breeching the 400 rule defined in the Day Trading Course, Tigers course, and Day Trading School.

The account finished with $65,368.03 on 27/12/17. This represented a Net return on the Day Trading account of $45,368.03. This included:

- Tigers Trades that did not conflict with Day Trading (especially those executed in the S&P)
- Arbitrary Inversion Trades (These worked well in a sideways market)
- Arbitrary leap of Faith Trades (These performed well all year with a 74% accuracy)
- Arbitrary Convergence Trades
- Night Market Ambushes (deployed infrequently)

Total Attributed to Trading Work Book (TWB) Day Trades alone was $34,800. This could have been achieved with a $10,000 account and resulted in approximately 350% return on investment. Whilst this is a good return by itself, this has been one of the toughest years we have faced with frequent low volatility and continual divergence from S&P and market factors that drive our business model. It is the first year in the history of Day Trading that recorded 2 negative months for the year.

Yearly Summary of Trades

Date	**Open**	**Day Chase**	**10.30am**	**Inf Drift**	**12.00pm**	**Ambush**	**AST**	**Tell**	**S&P**	**FTSE**	**Total**
2015	64.07%	90.92%	58.12%	65.51%	69.20%		59.61%	61.70%			67.02%
2016	62.23%	56.40%	50.17%	60.72%	61.88%	63.89%	65.70%	73.21%	70.67%	48.33%	61.32%
2017	55.86%	55.77%	52.73%	66.30%	63.40%	75.56%	64.38%	66.45%	73.33%	79.17%	65.29%

Individual Trades

Open Trade: The Drop in accuracy in the Open Trade affected us directly. The Day Trading's most popular trade fell substantially from the 7 year mean average of 63.1% to a 7 year low of 55.86%. This dramatically affected our financial returns for 2017. As the most popular Day Trade it affected a lot of our Day Trading colleagues. Despite the introduction of the Day Trading School which was deemed the most informative course that has been offered by Investor Centre, attendees easily strayed from the business model in tougher months.

Daily Chase: Despite continued work to make this a primary trade (like the Open Trade and the AST); it failed to improve on the poor performance of 2016. We are currently reducing the amount of Daily Chases in favour of the more effective Ambush.

10.30 ATK: for 3 years now we have suffered a below 60% accuracy. We will remove it from the primary trades in 2018 and replace it with a Long @ Time. This removes the restraints of the 10.30 attack and allows us to tune the trade more effectively.

Informed Drift: A reduction in deployment has been met with a subsequent increase in accuracy. We will continue with highly selective deployment in 2018.

12.00pm trade covers both the Fade and the Midday Straddle. In 2018 the Fade will be separated from the Midday Straddle.

Ambushes: They have been retuned to get more fills and are achieving a high frequency of success where Daily Chase has dropped in accuracy. The effectiveness of the Ambushes as market Strangles are likely to continue to be successful in a constrained market. 75% was an excellent result.

AST: We continued the 2016 plan of selective and conditional deployment of the AST and replicated our 2016 result almost perfectly. This has taken the AST from our worst trade historically to a highly effective Day Trade.

Tell Trade: The Tell Trade has now been included in the TWB and once included as a conditional trade it rated at 74.4% slightly improving on the 2016 result. This remains a devastatingly accurate conditional trade.

S&P Trades: These included S&P 21 and S&P 42 Trades. The success rate was highly successful with the assistance of the TWB but these were infrequent, so the figure is not that exciting.

FTSE: The FTSE Switch Back improved dramatically from 2016 – primarily by reducing the number of FTSE Trades. The result looks good but the did not have any major contribution to the profit line.

The Overall Trade accuracy increased over the mean average 63.4% and represented an overall better outcome than 2016. The profit line did not follow due to the extended periods of low volatility and sideways movement in the market place.