The Monthly – July 2021

An archive of the completed month plus highlighted member content

Overview

- Thoughts on a Sunday Afternoon - Quick Access Links
- Factor Member Private Twitter - Evergreen & Educational
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Thoughts on a Sunday Afternoon
Quick Access Links

July

- [Thoughts on a Sunday Afternoon, July 4, 2021](#)
- [Thoughts on a Sunday Afternoon, July 11, 2021](#)
- [Thoughts on a Sunday Afternoon, July 18, 2021](#)
- [Thoughts on a Sunday Afternoon, July 24, 2021](#)

Factor Member Private Twitter
Evergreen & Educational

FactorMembers 🔒 @factor_members · Jul 5   ···

As an intermediate-term swing trader (hold time = one week to a month or so), my profitability does NOT depend upon me being right on trade picks, but rather depends upon my management of:
-Risk
-Ongoing trades
-Emotions
-Process

💬 1   ⟲   ♡ 25   ⬆️   ◫

FactorMembers 🔒 @factor_members · Jul 5   ···

There is a huge amount of freedom/liberation from understand with heart/soul/mind that my profitability does not depend upon me being "right"

And that getting stopped out of lots of trades for small losses is part of the calculus for long-term success

FactorMembers 🔒 @factor_members · Jul 5   ···

If you scroll through the charts of your list of markets and do not find a good possible trade....
that is a really good sign....
It shows that you are becoming more selective.
It is a bad sign if you scroll through charts to "find a trade"
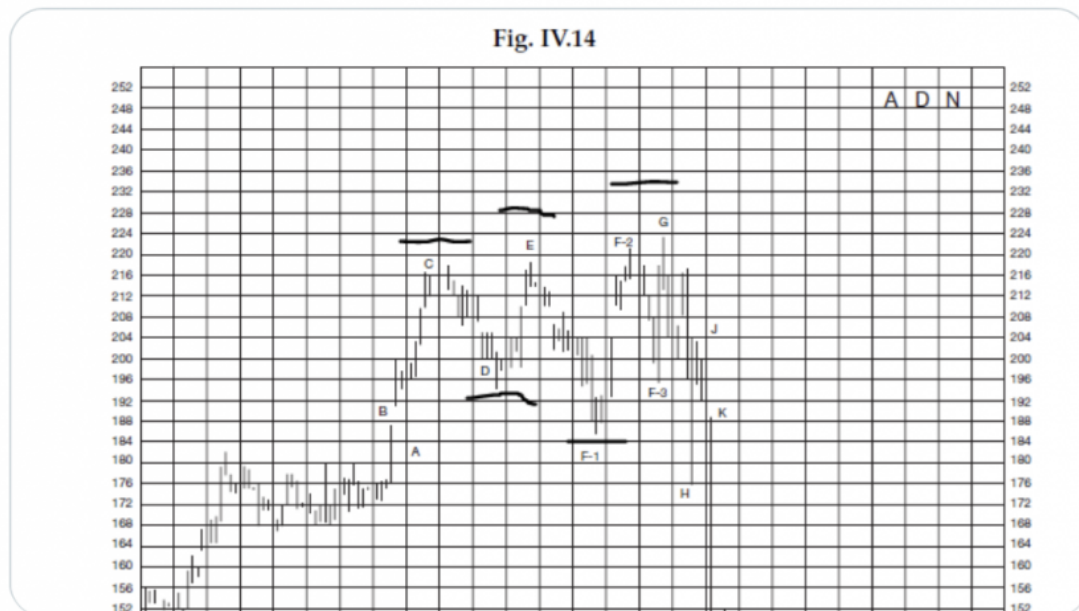
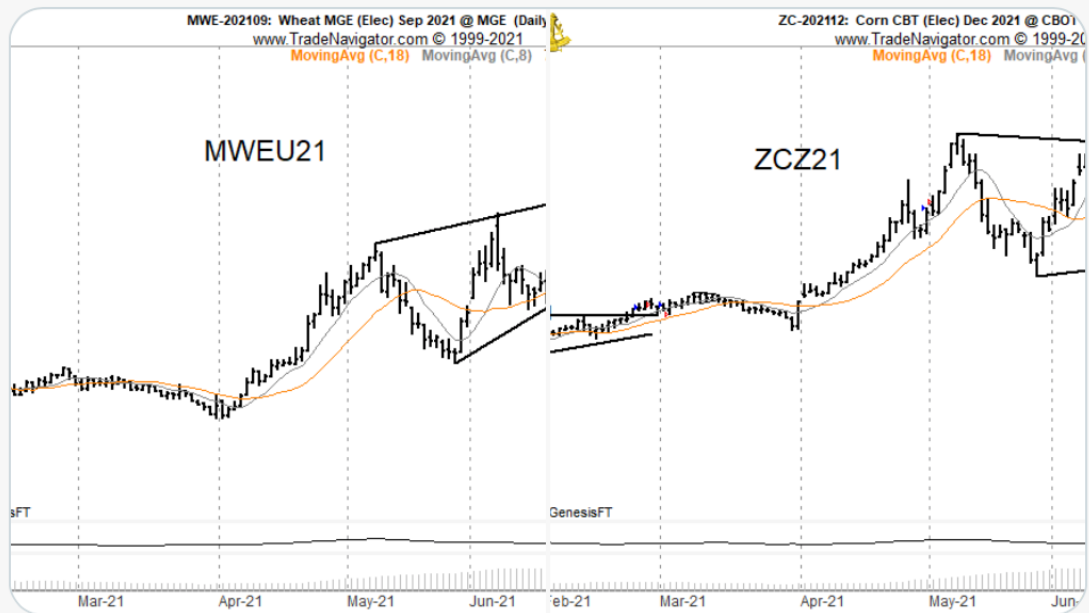**FactorMembers** 🔒 @factor_members · Jul 5

Trading Ultra ETFs (2X, 3X) is NOT a bet on price direction but a bet on the immediacy of price volatility

...

FactorMembers 🔒 @factor_members · Jul 6

A general rule in the grain business is to be short around Jul 4 if there is moisture in most of the Corn Belt. $ZC_F

...

FactorMembers 🔒 @factor_members · Jul 7

Trade management. $CAD provided a continuation sell signal on Tuesday. Wednesday's light retest and now new lows offers opportunity to lower stops on pyramid short position to Wed high. Tuesday's high is risk point on initial position (from Jun 15)
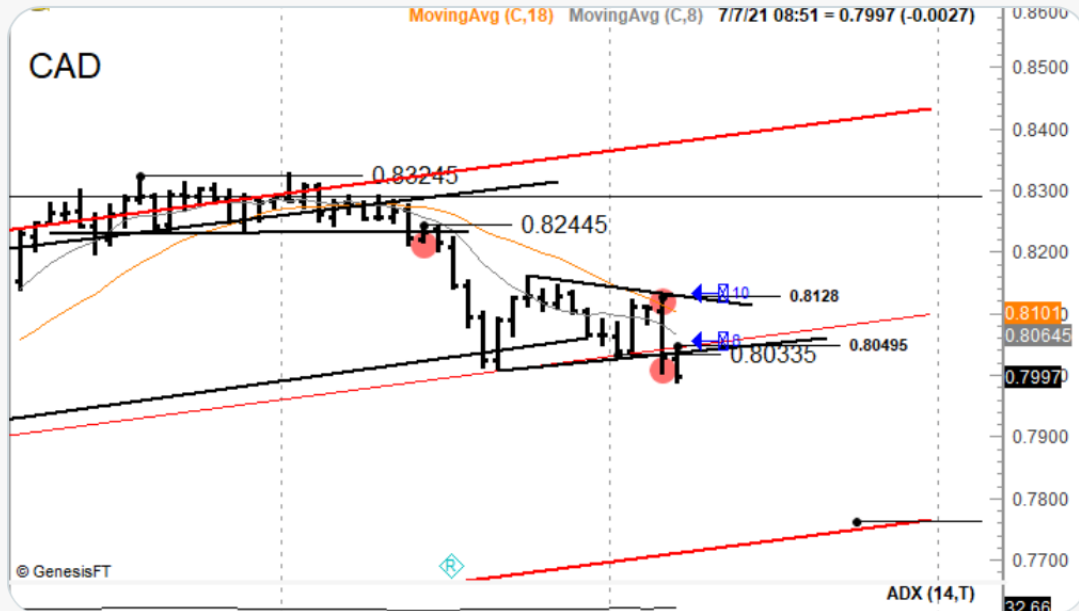
FACTOR			Trading Matrix			Market:		AMZN			6-Jul-21	
As of Jul 6			Trade Exit Techniques (Date/Price Exit Triggered)									
Trade Entry Techniques	Code	Date/Price Entry Triggered	Key hi/lo	LDR	LHR	Retest hi/lo	EOW loss	3DTSR w/ loss	3DTSR @ 70%	Reaction hi/lo	100 BP profit	18 DMA	8 DMA	Target
Code		Key BO price = 3552.25	K_H/L	LDR	LHR	R_H/L	EOW_L	3D_L	3D_70	Pivot	100BP	18MA	8MA	Target
Anticipatory	A													
Boundary	A_B													
3DTSR	A_3D													
SOS/SOW/hinge	A_W													
ADX/MA	A_ADX													
Breakout	BO	12-month rectangle												
ATR BO id	BO_ID	Jul 6 at 3605.02												
ATR BO close	BO_CO	Jul 6 at 3675.74												
Retest post BO close	BO_R													
Secondary BO	BOs													
→New BO close	BOs_C													
→New BO high/low	Bas_hl													
Continuation	C													

💬 3   ⟲   ♡ 16   ↑   �

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BATS:AMZN, 1D 3699.89 ▲ +24.15 (+0.66%) O:3717.38 H:3734.20 L:3678.91 C:3699.89

Amazon.com, Inc., 1D, Cboe BZX
Factor Suite (30, 18, orange, D, 3552.25, BUY, Intraday, 1, Intraday, fuchsia, Last Day >50% of Range, blue, 1, Closing Price, Closes, 3, 2 x Closing, Closing Price, gray, 0)
Factor ADX Scanner V2 (14, 14, 12, 18)

[Factor Chart Lab - Link to the original Tweet](#)

FactorMembers 🔒 @factor_members · Jul 11

1/2
You raise many outstanding points in this dilemma. Some thoughts:
1. Discretionary traders more subject to coulda/woulda/shoulda thinking
2. Review should be on process, not outcome of individual trades
3. Agility can be built into rules and need not be "impromptu"

> 🧑 **Dave A** @Dadutrades · Jul 11
>
> Replying to @Dadutrades and @factor_members
>
> The concern here is not for me whether the stock rises or falls after I exited in "reaction", but rather how I breach my own standard of not making impromptu decisions. There's a contradiction between "be agile" vs "sit tight"

💬 2   ⟲   ♡ 14   ⬆   ᵢₗᵢ

FactorMembers 🔒 @factor_members · Jul 11

2/2
4. "Sit tight" vs "agility" in a rules-based process could simply be fewer rules requiring a change in exit tactics
5. For me, "sitting tight" means limiting order entry to once per day (no orders during trading day) - living with the orders entered prior to trading day

💬 1   ⟲   ♡ 9   ⬆   ᵢₗᵢ

FactorMembers 🔒 @factor_members · Jul 11
6. I am quite disciplined to limit my trades to only those orders entered prior to trading day
7. I do wrestle with concept of whether my rules should lengthen my hold time in profitable trades
8. Use existing rules with daily chart for 50% of trade and weekly chart for other 50%

FactorMembers 🔒 @factor_members · Jul 13

Note: My orders are entered prior to daytime trading hours (about 5 AM for me)
I avoid entering an order in a possible trade I see during the trading day
Rather, if interested I wait to enter an order the next day
I maintain this practice as way to restrict FOMO

FactorMembers 🔒 @factor_members · Jul 22

In a nutshell, swing trading can be defined as follows:
1. Trading for a sustained thrust in an expected direction
2. Cutting the trade quickly if the thrust does not occur
3. Taking profits at a predetermined target
4. Exiting a trade when the thrust stalls

FactorMembers 🔒 @factor_members · Jul 22

My perspective on trading:
Do not expect to catch every move (this way FOMO does become a big problem)
Do not expect to catch bottoms and tops
Do not become obsessed over selected markets
Be willing to trade many markets
Avoid big losses
Expect to leave money on the table

💬 4   ⟲   ♡ 57   ↑   ᶦᶦᶦ

FactorMembers 🔒 @factor_members · Jul 24

Several other items:
-Avoid monitoring markets intraday
-Learn and practice self-forgiveness
-Avoid "coulda-woulda-shoulda" regrets

FactorMembers 🔒 @factor_members · Jul 30

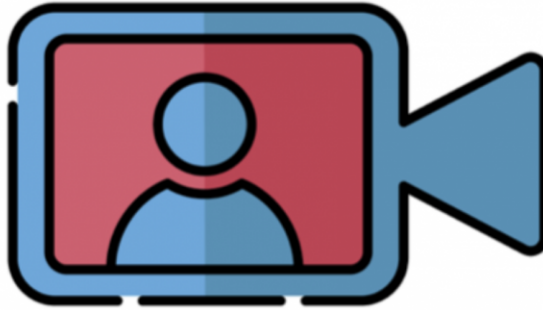What do I do when I lose 135 BPs on a trade for which I initially risked 60 BPs?

Get up, dust myself off and be prepared for my next signal.
$AMZN

- Are you following our private Twitter? [Steps for access](#)

Spotlight Links
To Watch & Read

The Factor Tracking Sheet Explained – Video

April 5, 2021 / by Peter Brandt

The Factor Tracking Sheet explained: How Peter uses it, abbreviations used, and links to download a PDF or Excel copy.

Watch

- [The Factor Tracking Sheet Explained - Video](#)

Read

- ["Coulda, woulda, shoulda" – a mindset that is NOT conducive to successful market speculation](#)
- [Connect with other Factor Members](#)
- [In 280 Characters or Less](#)

PDF of this Monthly

Original post: https://www.peterlbrandt.com/the-monthly-july-2021/