Twitter Thread by Bernie

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How I Trade

Easy. I trade with the trend. Buy low sell high for up trends. Sell high, buy low during down trends. I don't care about fundamentals. Often I don't even know what sector the stock is in. Half my trades, don't even know the name of the company.

I look at the setup. I look for skew. If a few other variables line up. I stalk it for an entry.

Then I use options to maximize my capital. I mitigate the risk with diversification.

How to spot the trend?

Let's take a look at this chart. Now. Let's trade it.

I have no idea how. There are no landmarks. It could be going up, or down, maybe sideways. If I have no clue where it's going. How do I make a plan? Where do I enter? Where is the exit?

Elliott Waves Principle

Now this one. A simple fact. If you see a 1-2 setup. 3 is next. 3 runs fast and hard. Usually between 100% to 161.8% of 1. However if price break down below 2. This trade is invalid. We have to consider an alternative.

Can you manage a trade like this?

How long does it take to learn Elliott Waves?

Months probably years to be an expert in it.

Not that is not going to do you any good eh? Years to master something before making any money.

Well. Here is the good news. You don't have to analyse it yourself. I found a service that will do it for you. The best in the business. I have nothing to do with it. I am just a subscriber myself. Also. I am far from being an expert.

You'll need to understand some basic principles. You don't have to know everything. Just the concept of it. I will provide you with my trades. When you have developed the confidence. You can subscribe to the service yourself for $99. You won't need me anymore.

Here is a PDF. This is a basic version of the book by Robert Prechter. The full version, you'll need to buy on Amazon.

https://t.co/hXiDAcRCeg

If you go into the service now. But you don't understand what you're seeing. It going to be overwhelming. This is because there isn't a shared language.

The thing about trading. There are about a million ways to do it. I am sharing 1 that I use. It's simple and repeatable. It can churn a small account fast. We'll talk about risks. I'll share my view. Then you can develop your own profile over time.

Why churn a small account?

If you can set aside a couple of thousand. Not your entire savings. The goal will be playing with house money ASAP. If all you have is a few thousand. Keeping it in the bank is not going to make you any richer. Neither will consuming it.

So we take money earned thru work and savings, make more money. Then use a portion of the profits to consume.

Why?

This way. The money you work for will always be there. It's your capital. You don't spend your hard earned money. The primary reason why rich people become richer and the poor become poorer.

I've never done this before. Making it up as I go along. Trying to explain what is inside my head. So I apologise if it's not polished like a course for sale.