Trading Business Plan for \_\_\_\_\_\_\_\_\_\_\_Enterprises at: xx Month 20xx

Address: Phone:

Email:

**TRADING VISON**

* Beginning (Month, Day, Year) \_\_\_\_\_\_\_\_\_\_ Enterprises will begin live day trading to \_\_\_\_\_\_\_\_\_\_\_. Within \_\_\_ year(s) from live trading, \_\_\_\_\_\_\_\_\_\_ Enterprises will execute the day trading strategies to facilitate a working income to allow for a full-time occupation as a professional day trader.

**TRADING MISSION STATEMENT**

* \_\_\_\_\_\_\_\_ Enterprises mission is to systematically and consistently grow our assets under management by leveraging sound trading strategies while offering world-class flexibility to achieve personal goals.

**TRADING BUSINESS TIMELINE**

* To achieve success, the owner will begin an intense education & simulated trading program with the highlighted bench marks below.
  + Month Day, Year – Decided to pursue Day Trading as a profession.
  + Month Day, Year – Develop an educational plan
  + Month Day, Year – Begin Simulator Trading
  + Month Day, Year – Choose a broker

**SWOT ANALYSIS**

|  |  |
| --- | --- |
| **Strengths** | **Weaknesses** |
|  |  |
| **Opportunities** | **Threats** |
|  |  |

**TOOLS & SERVICES**

1. I will use \_\_\_\_\_\_\_\_\_\_\_\_\_\_ internet provider who offers \_\_\_\_ Mbps download and \_\_\_ Mbps upload speeds on a (Fiber/Cable) network.
2. I am or am not affected by FINRA’s pattern day trader rule and have choose to use \_\_\_\_\_ as my broker.
3. I will use \_\_\_\_\_\_ trading platform to execute my trades.
4. I choose to (utilize BBT/purchase) scanners through \_\_\_\_\_\_\_\_ services.
5. I choose to utilize (word/Excel/OneNote/Chartlog/Trader Vue) for my technical/mechanical/psychology journal
6. I choose to utilize (Excel/Chartlog/Tradervue) for my statistical analysis of trades.
7. I choose to join \_\_\_\_\_\_\_\_\_\_\_\_\_ Day Trading community.

**EDUCATION PLAN**

**MECHANICAL & TECHNICAL SKILLS**

**PSYCHOLOGY SKILLS**

**TRADING RULES**

**Rule 1**: Day Trading is not a strategy to get rich quickly

**Rule 2**: Day Trading is not easy. It is a serious business, and you should treat it as such

**Rule 3**: Day Traders do not hold positions overnight. If necessary, you must sell with a loss to make sure you do not hold onto any stock overnight

**Rule 4**: Always ask, "Is the stock moving because the overall market is moving, or is it moving because it has an unique fundament catalyst."

**Rule 5**: Success in day trading comes from risk management - finding low-risk entries with a high potential reward. The minimum win:lose ratio for me is 2:1

**Rule 6**: Your broker will buy and sell stocks for you at the Exchange. Your only job as a day trader is to manage risk. You cannot be a successful day trader without excellent risk management skills, even if you are the master of many effective strategies.

**Rule 7**: Retail traders trade only Stocks in Play, high relative volume stocks that have fundamental catalyst and are being traded regardless of the overall market.

**Rule 8**: Experienced traders are like guerrilla soldiers. They jump out at just the right time, take their profit and get out.

**Rule 9**: Hollow candlesticks, where the close is greater than the open, indicate buying pressure. Filled candlesticks, where the close is less than the open, indicate selling pressure.

**Rule 10**: Indicators only indicate; they should not be allowed to dictate.

**Rule 11**: Profitable trading does not involve emotion. If you are an emotional trader, you will lose your money.

**Rule 12**: …..

**PLAYBOOK**

**TRADING TENETS**

* You need to constantly analyze the balance of power between buyers and sellers and bet on the winning group
* Regardless of the environment, technical or fundamental analysis, the top priority will always be risk management
* You need sufficient self-discipline to follow your trading plan, to avoid getting overexcited or depressed in the markets, and to resist the temptation to make emotional decisions
* Being good at trading is the result of mastering the skills of trading and recognizing the fundamentals of a good trade
* Trade by focusing on the process not the outcome

**TRADING FRAMEWORK**

* Stock must gap up or down at least \_% but not more than \_%
* Stock must have some type of news catalyst
* Stock’s Volume should be greater than \_\_\_\_\_\_\_ shares of pre-market volume
* Stock’s Float should have more than \_\_ million shares
* Stock’s Average True Range should be between \_\_\_ & \_\_\_.
* Stock’s Short Interest % should not be greater than \_\_%
* Stock’s Pre-market trading should be more than normal
* Will trade the following exchanges
* Stock’s Relative Volume should be above \_\_%

**TRADING STRATEGIES**

* **\_\_\_\_** Setup
  + Time:
  + Chart:
  + Indicators:
  + Confirmations:
  + Entry:
  + Stop Loss:

**JOURNAL**

**MECHANICAL & TECHNICAL ANALYSIS**

**PSYCHOLOGICAL ANALYSIS**

**STATISTICAL ANALYSIS**

**TRADE PLAN**

**MONEY AND RISK MANAGEMENT PLAN**

* I will risk $\_\_ or \_% of my account per trade
* I am allowed to scale up my $ risk per trade after being profitable for \_\_\_ weeks.
* My daily profit target is $\_\_ or \_\_% of my account
  + I have platform Risk controls enabled: Yes/No
* My daily max loss is $\_\_ or \_\_% of my account
* My Max 30 days loss is $\_\_ or \_\_% of my account
* I am allowed a max of \_\_ trades per day
* My break-even win accuracy is \_\_%
* I stop trading or wind down when the clock reads \_\_\_

**STRATEGIES AND PATTERNS**

* I do not trade the first \_\_ minutes after the open
* I trade stocks with at least \_\_ million share float
* I prefer to trade stocks with a price range of $\_\_\_ to $\_\_\_

**TRADE MANAGEMENT**

* I take \_\_% of my position at on each partial while exiting
* I move my stop to break-even after taking my first partial: Yes/No
* I seek a realized return of \_\_ times the amount I risk
* My stop losses are Mental/Hard

**ACCOUNTABILITY**

* Following my plan is important since:
* I can do this because:
* When I feel like deviating from my plan I will:
* When I break a rule or violate my trading plan, the consequence will be:

**GOALS (Specific, Measurable, Attainable, Relevant, Time-Based)**

**YEARLY**

**QUARTER 1**

January

February

March

**QUARTER 2**

April

May

June

**QUARTER 3**

July

August

September

**QUARTER 4**

October

November

December

**ACTION PLAN**

* Trading station will consist of:
* I will join a trading community by
* I will complete an educational plan by
* I will research tax planners who are knowledge in day traders by
* I will choose a broker by
* I will search for a trading buddy by
* I will have an initial trading routine by

**Sample Set – Trading**

* Sample Set 1 (Sim) – I will trade all strategies to determine what I see best and what feels comfortable and smooth to trade.

**EARNINGS DISTRIBUTION PLAN**

* Distribution of end of the week earnings will follow the flow chart below
  + Tax Account coverage
  + Fixed Costs
  + Retirement Account
  + Re-Invest in the Business (i.e. equipment upgrade, tools, resources)
  + Owner distribution
* The following percentages will be adhered to when fulfilling the above requirements
  + 15% - Tax Account
  + 10% - Retirement Account
  + 55% - Re-investment in Business
  + 15% - Owner distribution