

My 35 Best Stock Market Strategies, Tips & Techniques



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35. I trade small cap stocks, better known as penny stocks. They are easier than larger companies that are more boring and efficiently priced.

34. At first, I started with \$12,000 and my accounts weren't growing at all. I was investing in big companies, and my account would go from like 12,100 to 11,900. And for several months, my account didn't do much. When I started gravitating towards lower-priced stocks, that's when in my first year, I went from 12,000 to over \$100,000. You can't do that with big companies.

33. You need to have losses. You need to have mistakes. It makes you a whole person. Ideally you can control the losses, though.

32. Small gains add up over time. A lot of people think that you have to make a million dollars at one trade, that you're going to find the next Facebook. Trust me, you're not. The odds are that you're not going to do that. So, for me, I want to take singles because they're higher odds.

31. Too many people are trained to believe in a 9 to 5 job with a constant paycheck, and the stock market doesn't reward your time that you put in. It rewards knowledge and strategy. Some of my most profitable trades only took a few hours.

30. Losses are not bad if you can contain them and learn from them. They are an essential part of your education. As I said, I do not win 100% of the time.

29. 70% of investors fail to beat the major stock market indices every single year. And 90-95% of traders lose money. It is due to wanting action and playing guessing games, not strategizing, not trading like a sniper, and treating every trade like a business. The problem is, is that most people, again, try to conquer everything with Wall Street. They think that they know every industry, every stock, and they're smarter than everyone. I realize I'm not that smart, and that's okay.

28. I am never 100% certain about any stock. This is not about illegal inside information. I use my experience and my knowledge so that I trade predictable patterns that I have always focused on for nearly 20 years now. Every single trade is new and different. But the patterns don't trade much because human nature doesn't change.

27. I will never try to catch the exact bottom or the exact top of any stock move. In fact, I usually only profit from roughly one third or one-half of the move, selling too quick or selling too late.

26. You do not have to be bullish all the time. In other words, it doesn't matter if the market is up or down, I find opportunities in all markets. This is probably one of the best things about my strategy.

25, my top students and I are wrong often, but we cut losses quickly. We do not let small mistakes turn into big disasters. As I said, I'm winning roughly 74% of the time. So 26% of the time, I am wrong. But that 26% of the time, my losses are much smaller than my gains.

24. This one is one of my favorites. I only trade gimme-setups and I am very proud of that. One of my haters actually sent me an email one time, and he said, "You know what? You only trade the easy patterns. Let me know when you want to be a man and you trade the difficult patterns." And I just responded, "LOL," because, yeah, I trade gimme patterns. That's not a bad thing. This isn't like

Olympic diving here, where there's judges that are going to rank me based on the degree of difficulty here, okay? I trade easy setups. They make less money than most people on Wall Street.

23. If you look on this chart, you can clearly see that this stock, it doesn't even matter what the stock is, but in this case, the stock bumped up at around \$37 a share, and it bumped up against that, quote resistance. And it failed, twice. But the third time was the charm. Once it broke 37, it went to the 40s. That is a breakout. That is what I like to do.

22. Shorting breakdowns. Here's another chart, and I just want to show you, you can see a clear line here where every time this stock drops, right at that line, it bounced. You can see it a few times. But, actually, in this case, it was the fourth time when it finally broke down below that line. So breakouts are on the way up, breakdowns are on the way down. But the fourth time, when it finally broke, that's what led to lower levels. So for me, I'm looking for breakouts on the way up, and I'm looking for breakdowns on the way down. And yes, you can short sell.

21. sometimes I like to dip-buy when support holds. Here's the chart, and you can see these little blue arrows every single time this stock, which is Amazon. I normally wouldn't trade this, but this is a good chart that I wanted to show you. You can draw a flat line here, and you can see that this stock had massive, massive support at it looks like around \$61-61 a share. So every time it got there, it pretty much bounced and went higher.

So sometimes, I like to dip-buy stocks when they hold support like this, for the bounce.

20. For me, I wait for the stocks to come to me. I wait for the perfect setups to come to me. If it's anything else that is out of the ordinary for me, I simply do not touch it. Now I know that's tough, because there's so many different stocks moving every single day. But if you can do this, you will have great success. You have to be disciplined. That is what I teach. Also, I like to buy the breakout the next day over the previous day's high. I'm not just going to invest in any stock. I want to combine the news catalyst with a chart catalyst, and very similarly, I want to short the breakdown the next day, below the previous day's low.

19. K.I.S.S. – keep it simple stupid, and as Leonardo De Vinci said, “Simplicity is the ultimate sophistication.” For me, I don't care what you look down on or look up to. I just want to make money, and keeping patterns simple, keeping news simple, keeping catalysts simple works the best for me

18. It's easy to focus on the potential rewards As I mentioned just a few slides ago, sometimes I dip-buy at technical support, but that has built-in risk management. If I'm dip-buying at a very specific level, then I expect that specific level to hold. No matter what the news is, no matter what stock it is, I expect that specific support level to hold. And if it does not, which I'm okay with, I cut losses quickly.

17. You do not have to trade every day. Wait for the best setups. They will make you rich. This is so, so, so important.

16. Never, never, never, never feel uncomfortable in any trade or investment. If it's not doing what you want, just get out.

15. always live to trade another day. There will be new trade opportunities around the corner, guaranteed, every few days, sometimes every few weeks, sometimes every day. But you have to be around to be able to capture it.

14. my goal is to make between 20% and 50% within a few hours or days. I know that sounds crazy to those outside my niche since big companies only go up or down 20% or 50% over several years. But that is why my penny stock niche is better. There is much more volatility as long as you're prepared and you have rules. And even if I don't capture it all...again, I never capture all of the move. I aim to take the meat of the move. So oftentimes you'll see me make 5%, 10%, 15% gains, which I'm fine with. It's all right not to capture the whole move.

13. I've become a better trader and teacher over time. You learn what works best, and you optimize and you go with that. It is key to track how your strategies and various patterns perform. The only reason that I know about buying breakouts and breakdowns so well is because I've looked at it and I see that these work best.

12. Use a trade journal. Keep track of your trades; the good, the bad, the ugly. That is the key to making you a better trader. Use a paper and pen. Use an Excel spreadsheet or use Profit.ly. Profit.ly is a website where you can post your trades and keep track of your trading record along with notes, too.

11. if you're going to set goals, be sure to make them count. I got a letter from President Obama a few years ago, and I went to the White House and met with members of his administration. I was one of these young entrepreneurs, and he recognized me, and the White House recognized me. And that was one of my goals from the get go.

10. when there's no great setup, I do not need to trade every day, and my mindset is that of a retired trader. I will only come out of retirement when a trade is so good that I would actually feel guilty missing it.

9. never follow anyone else's alerts, not even mine. Use mine only as lessons on the entries and the exits. Use all the information that you can of traders and publicly listed research for you to craft your own plan and make the best strategy that you can on your own.

8. Again, I don't care whether this market is a bull or a bare, most stocks follow the market. I only trade volatile outliers, and I am prepared in all markets. I'm even more aggressive on my longs in bull markets, but I'm also more aggressive on my shorts in bare markets. It's good to have a well-rounded strategy.

7. You need to short-sell stocks, okay. Shorting stocks can be very predictable.

6. I have students who study and trade eight to twelve hours a day. Some prefer one to two hours, some only 30 minutes a day. View this as creating a lifetime of wealth. Not just a few hundred thousand dollars. Not even just a hundred thousand dollars, okay. With stock trading and market knowledge, you have a short window before something distracts you. But don't wait until you're old and gray.

5. Trade the actual stock. Not press releases, not management promises.

4. Fear of missing out, FOMO. Avoid FOMO at all costs. FOMO can and will lead to making poor decisions. It doesn't matter if you miss out on something. Again, there are so many opportunities. You will learn from every single one of them, and be better prepared the next time.

3. This is a screenshot of my StocksToTrade software. This is my terminator for right now, where I want to look for the hottest stocks every day. As I said, the biggest percent gainers. And tools like StocksToTrade helps dramatically. This is my new B.F.F. It helps me with scans and charts, and level one, and level two and breaking news and fundamentals and preprogram strategies. And it's only going to get better.

2. I have many small losses and small gains, but those do not move the needle on my overall account growth. I never aim to make a few cents a share on any stock trade, okay. That's what happens when the stock isn't living up to my expectations and I get out for whatever reason.

1. Look for a mentor/group of successful traders who can speed up your education. I really wish that I had that, but I'm 100% self-taught. Now my goal every day is to be the mentor to you that I never had. You will learn every single thing that I just taught, if you go through my same kind of journey for nearly 20 years. Or you can learn from me and my millionaire students and we can help speed it up and you can learn everything within a few years, or better yet, even a few months. That is why I bound out of bed every single day. Thinking about how confused and, frankly, just how sad I was in the beginning.