

Trading Checklist

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- Before Buying
 - Check the markets and trade in the direction of the prevailing market trend.
 - Check the industry - are the stocks showing signs of topping out or bottoming?
 - Make sure the industry is top ranked.
 - Look at the weekly scale for any threatening chart patterns.
 - Find another chart pattern in the same stock and see how it performed in the past.
 - Check the indicators.
 - Check how this industry is doing compared to others.
 - Wait for price to turn up before buying.
 - Get a quote before trading.
 - If the stock is up too much intraday, skip the trade.
 - Look for overhead resistance.
 - Look for underlying support.
 - Avoid any stock showing a dead-cat bounce within the last six months.
- When to Sell
 - The stock is about to hit your stop.
 - A bearish chart pattern has broken out downward.
 - The stock has closed below an up-sloping trendline.
 - Price has hit the target.
 - Stocks in the industry are topping out.
 - The market is up but the stock is down.
 - Indicators are diverging from price.