Trading Checklist

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# Tasks:

☐ **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.**