9/23/22 (+$31)

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TL;DR

On September 23, 2022, the SPY experienced a ranging day, closing with a grade of B+. The author emphasizes the importance of being selective in trades, respecting risk/reward ratios, and not hesitating to act on quality setups, even after achieving gains.

9/23/22

Grade: B+

Goals: Be more selective and raise winning %

Reminders/Aphorisms:

- Don't fight the trend;
- Be patient, take good set-ups
- Respect at least 2:1 R/R

Overview: SPY yesterday had a ranging day between 377.5 and 373.5. Overnight the SPY moved down a couple of points through the 373-370 demand zone I had. The next demand zone we have is the 363-362. I believe that the SPY will likely crash at open, however if we do move up we will likely either bounce back down at the 377.5 level. If it goes through that level it has room to 380. However we continue on a macro downtrend.

Trade Analysis:

- Trade 1 was my only trade of the day on the SPY with full share size. When I noticed that the market was selling off from the get go, I then realized that it was struggling at the 370.5 level around where I had my prior demand zone (now supply zone). After struggling at that level for a while the sellers took over and it moved down. When it retested VWAP and the 9 EMA the move rejected and I got in. While I got in a little low, it still caught the move I was looking for. I took my partial at my 50c target and took the remainder at close to $1, which was a big win. This was a quality set-up and pretty risk free.
- NOTES: I did miss out on a couple of other trades on the day mainly because I was green already and it's a Friday. If I see setups I should not be afraid to take them. For example, the first gray arrow was a massive rejection at three points of interest (1- VWAP; 2 - 20 EMA; and 3 - downtrend [not shown above]). Once I saw that there was a rejection of those three levels I should have taken a short. This was a strong

move and I could have easily gotten at least $1.50 per share. The second gray arrow was a period of consolidation after the break of the 5 minute trend line. Rather than jump in on the 1 minute break, I rermembered by past lesson to wait for 5 minute confirmation. While this could have been a longer hold, if I respected my 25/50c R/R I would have ended up taking another winner on this.

Lesson moving forward: Don't get comfortable being green - if there is a good setup don't be afraid to take it.

FAQ

What was the SPY's performance on September 23, 2022?

The SPY had a ranging day between 377.5 and 373.5, ultimately closing with a grade of B+.

What trading strategy did the author emphasize?

The author emphasized being selective in trades, maintaining a good winning percentage, and respecting at least a 2:1 risk/reward ratio.

What was the author's only trade of the day?

The author's only trade was on the SPY, where they entered after a sell-off at the 370.5 level and took profits at their target prices.

What lesson did the author learn from the day's trading?

The author learned not to get comfortable being green and to take good setups without hesitation.

What demand zones were mentioned for the SPY?

The demand zones mentioned were 373-370 and the next one at 363-362.