December 1, 2022 (-$146.25) - Let The Trades Come To You

By natemadden1994 · December 2, 2022

TL;DR

On December 1, 2022, the author faced a challenging trading day, resulting in a loss of $146.25 and marking the fourth consecutive red day. Despite previous successes, the author reflects on the importance of discipline over strategy, particularly after experimenting with futures trading. Key takeaways emphasize waiting for high-probability setups and avoiding trades driven by fear of missing out (FOMO).

December 1, 2022 - (6 Trades) (-$146.25)

Overall Grade: C

Day Summary: Today was my 4th red day in a row, something I haven't accomplished since March. It's funny because last week I had a perfect 7-7 trade week, and this week I feel like it has been such a struggle for me, even though there have been better moves in the market this week than last. It's a little disappointing but I realize that it is more a lack of discipline than strategy. I didn't review yesterday, but I traded Futures for the first time, today being my 2nd day, and will be trading futures from here on our. Fuck Options lol.

1YR:1D - SPY

****Note that we have reached the top of the overall yearly downtrend****

1D:5M - 1D:1M - SPY

<u>Trades</u>

<u>Trade 1</u> - Short 2 Contracts @ VWAP after Data Candle

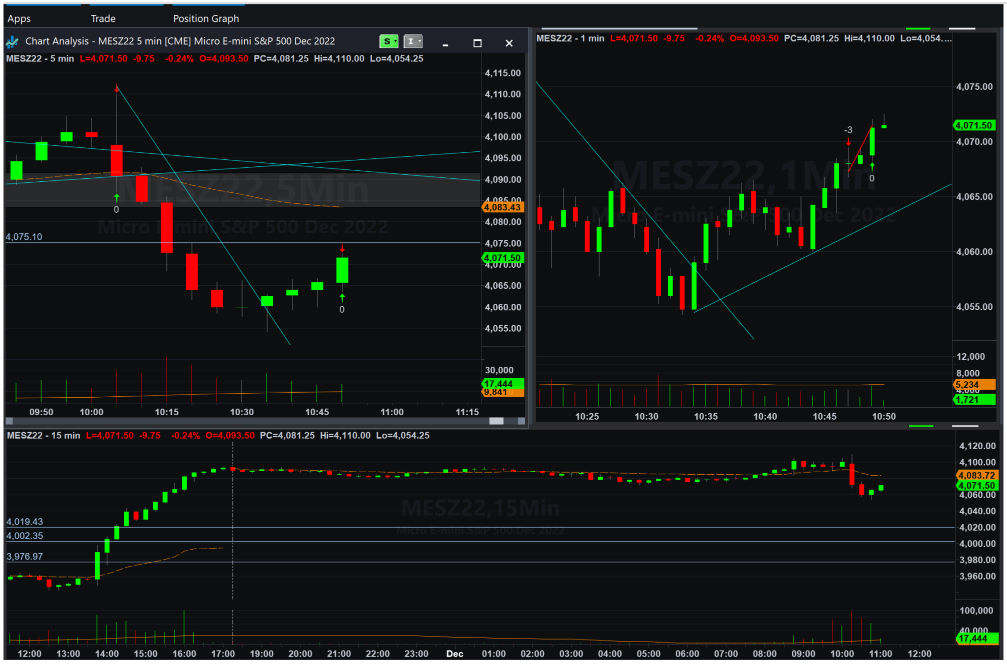
Grade: A for set up, C for holding

- This trade could have been a day making trade if I held, and it was only a 2 contract position
- I did take this trade with small size to test out my hot keys that I just set on TradeStation, but I still should not have covered this position because it did not give me any reason too
- I also said yesterday we could get a big sell off today after the Fed sparked rally yesterday
- I had a great entry on this trade and next time I shouldn't be scared to hold

FIX: Don't kill a trade if it doesn't give you any reason to sell, especially if it barely tests your entry

Trade 2 - Short 3 Contracts **(No Set Up)**

Grade: D



- No reason to take this trade. Waste of money
- I was basically shorting during the first green move after the big sell off hoping it would remain weak
- Hoping is not a strategy
- I know trades like this don't work, so why take this garbage ??

FIX: Don't short grinding uptrends. Don't guess tops.

<u>Trade 3</u> - Short 3 Contracts **(No Set Up)**

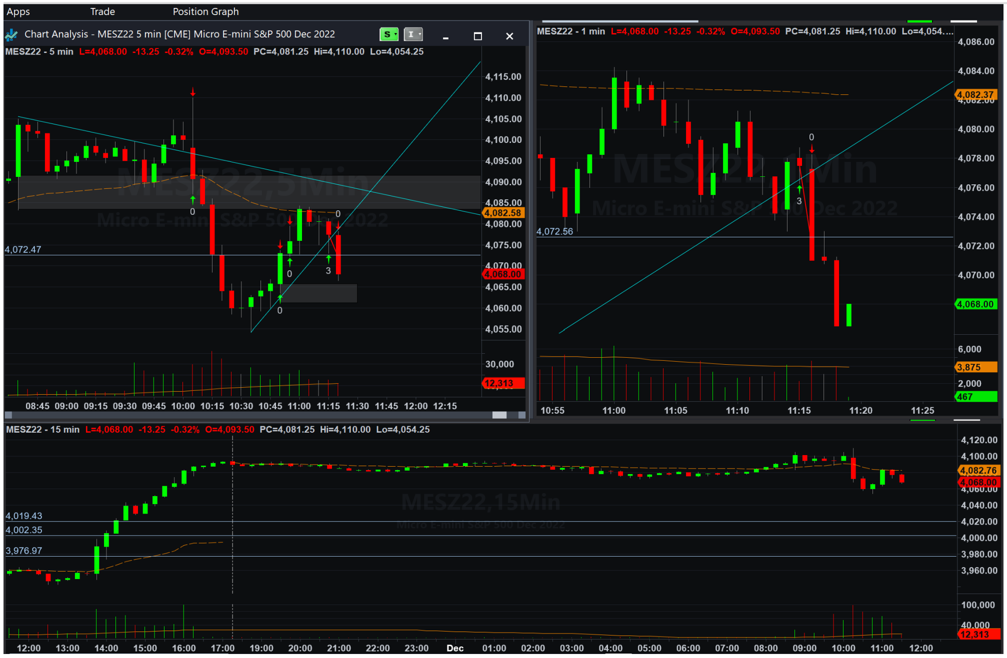
Grade: D-

- Same shit. Don't waste time or money guessing tops in an uptrend, no matter how weak it seems
- We have all learned in 2022 not to short frontside moves, no matter how weak
- Death By A Million Paper Cuts

FIX: Be mroe disciplined and value your money. Again, don't short grinding uptrends. Don't guess tops.

Trade 4 - Long 3 Contracts

Grade: B-



- Right idea, wrong timing
- I went long at the bounce off support once it recovered its uptrend, but this quickly failed
- The idea wasn't bad, this trade just didn't work out
- My entry was also high because I took it after the bounce, so it made this trade a bit uncomfortable, but I'm glad I waited for some bounce confirmation instead of just anticipatingthe bottom at the support level. Even though this trade didn't work out, doing this will save me money in the future
- I was technically buying at the top of a small downtrend channel, so that made this a tough entry

FIX: I don't have a great fix for this trade. Try not to buy at the top of a channel I guess, although I was expecting a VWAP test, which did eventually come

<u>Trade 5</u> - Long 5 Contracts @ Support Reclaim

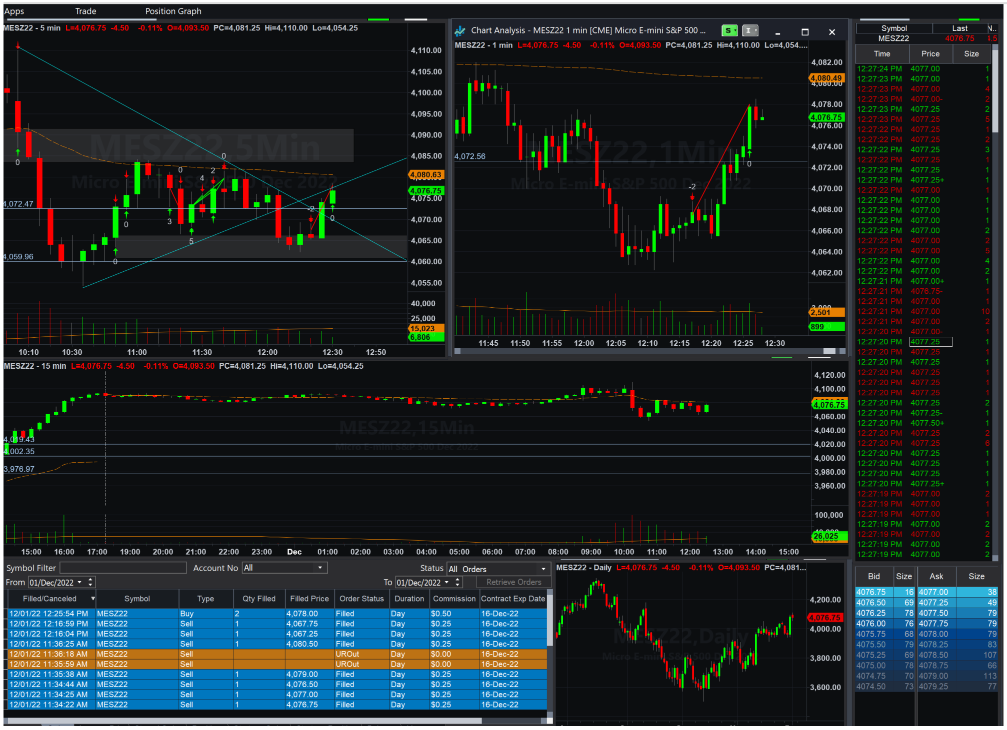
Grade: B+

- Although this trade was a roller coaster, I was confident it would test VWAP
- I held decently well, but it was tough to hold all 5 contracts because I was down 165$ already when I took this trade, and that was my max size of the day
- I scaled off 1 contrcat at the first attempt at a breakout, but held most of my position, and actually added 1 closer to the break
- All and all, even though it developed roughly, I'm happy with this trade. This should have been 1 of the 2 trades I took today **(Trade 1 & 5)**

FIX: No crucial fix I can find

Trade 6 - Short 2 Contracts @ What I though was going to be a lower high

Grade: B



- I was just simply wrong on this trade
- I had planned to use the intraday demand zone to get a good short entry but I entered a bit early do to FOMO, however I recognized that, and that is why I only entered with 2 contrcats
- Next time it would be better to just stick to my plan. Had I done that I would not have taken this trade because it didn't meet my entry criteria
- I held this loser too long because my bias was just too strong. Trade what the chart is showing you, not what you want to happen
- I could have cut this loser and got back in if I really wanted too

FIX: Follow your plan for starters. Secondly cut losers quicker. Even with small size I was able to lose $100 on this trade

Takeaways: I need to remember to wait for my high probability set ups and not give in to FOMO, otherwise it's just better not to trade. If I eliminated **Trades 2 & 3** alone, I would have been red 60$ today, and that is nothing now that I'm using 3-5 contracts. rading should be simple. Let the trades come to you. Just like you let the fish come to you while spearfishing, and let the waves come to you while surfing.

Easy Money: Trend continuation on sell off after data candle, especially after yesterdays Fed sparked run up

FAQ

What were the main issues faced during trading on December 1, 2022?

The author experienced a lack of discipline, leading to poor trading decisions and a loss of $146.25.

What type of trades did the author focus on?

The author traded futures for the second time, moving away from options trading.

What were the key takeaways from the trading day?

The author emphasized the importance of waiting for high-probability setups and avoiding trades based on FOMO.

How did the author grade their trades?

The author graded their trades from A to D, reflecting on both the setups and their execution.

What was the overall grade for the trading day?

The overall grade for the trading day was a C.