November 9, 2022 (+$123.00) - Sometimes Greed is Good

By natemadden1994 · November 9, 2022

TL;DR

On November 9, 2022, the author executed five trades, achieving a total profit of $123. Despite a successful day, they acknowledged mistakes in trade management and emphasized the need to hold onto winning trades longer. The post highlights the importance of understanding supply and demand zones in trading strategies.

November 9, 2022 (5 Trades) (+$123.00)

Overall Grade: B

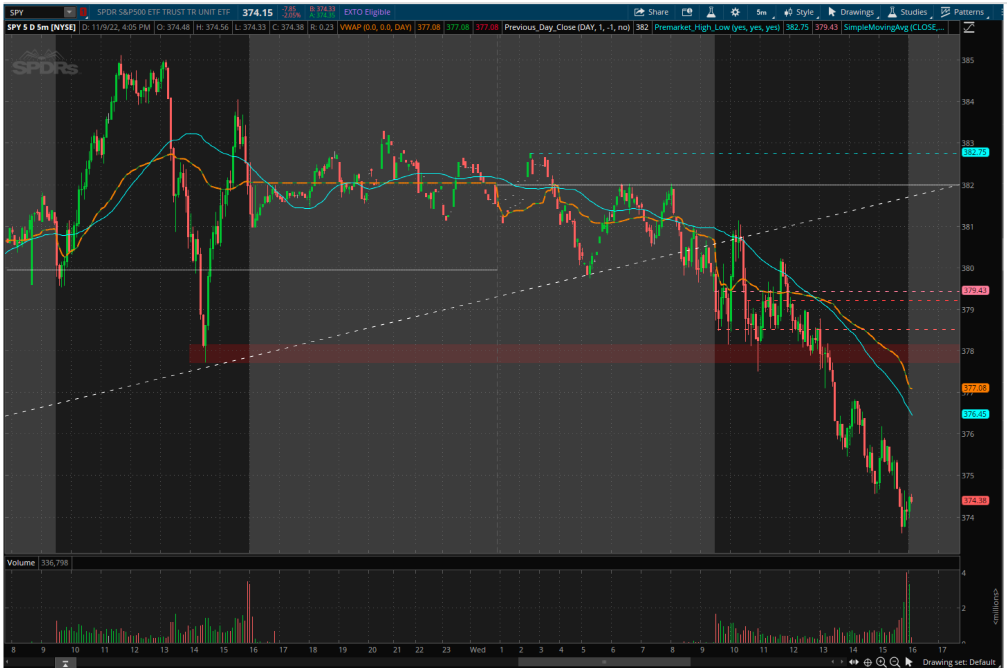
Total Winnings (Fees Included)	108.02	Total | Closed | Open*	5 | 5 | 0	Avg Position Amount	2.40
Total Losses (Fees Included)	-0.99	Total Winners	4 (80.00%)	Avg Position Cost	11.53
Net Profit (Fees Included)	107.03	Total Losers	1 (20.00%)	Avg Win	27.00 (2.68%)
Profit Margin	99.08%	Total Scratches (Net P/L = 0)	0 (0.00%)	Avg Loss	-0.99 (0.20%)
Commissions	15.60	Max Consecutive Winning	3	Avg Trade Duration	1 Mins 36 Secs
Reg Fees	0.37	Max Consecutive Losing	1	Avg Win Duration	1 Mins 49 Secs
Total Fees	15.97	Largest Winning Trade	60.01 (4.53%)	Avg Loss Duration	43 Secs
Gross Profit (Fees NOT Included)	123.00	Largest Losing Trade	-0.99 (0.20%)	Avg Scatch Duration	-
Avg Daily P&L	107.03				

Day Summary: Today felt like easy trading. I took 5 trades and I won on every single trade (excluding 2 contracts on Trade #2 because the total P/L of the trade was still positive). However, I still made **A LOT** of mistakes, despite having my best green day since Sept 19. Days like today show me how much I still have to learn. This could easily have been a $200-$300 green day, yet again due to the fact that I'm such a bitch at holding my winners. So the crazy thing is, I need to be more greedy lol. I have gotten quite good at risk management since March and I feel like, for the most part, I am in control of my losers. Now its time to get greedy on those winners. What I can't seem to get into my head is that you need those big winners to overcome your losers. I am actually lucky my win % is high enough to justify this right now, but this can't be comfortably sustained unless I make sure I have winners that eat up 2-3 regular size loses.

1YR:1D

1D:5M - 1D:1M

As for the chart today: I drew a demand zone from yesterdays big bounce zone where we recovered $7 of our $8 sell off and it was respected extremely well today. See below photos:



Using this demand zone alone could have set up so many nice trades today, especially the final retest short to the Rest-Of-Day Selloff. This level will be important going forward.

Trades

Trade #1 - Long 3 Put Contracts from VWAP during Downtrend (Trend Continuation Short)

Grade: C+

- Not super happy with this trade. Decent I suppose because it rejected off of VWAP and I took it to the low, but that very well could have been a Higher Low off of PM Low
- I did take profits too quick on this but I'm glad I just got out at the low because I wasn't real confident taking this trade
- I need to avoid taking tiny scalps like this with options because it's almost not even worth the fees

FIX: Wait for a better set up than this. No need to take this is Trade #1 of the day

Trade #2 - Long 3 Call Contracts on trendbreak retest (Trend Reversal)

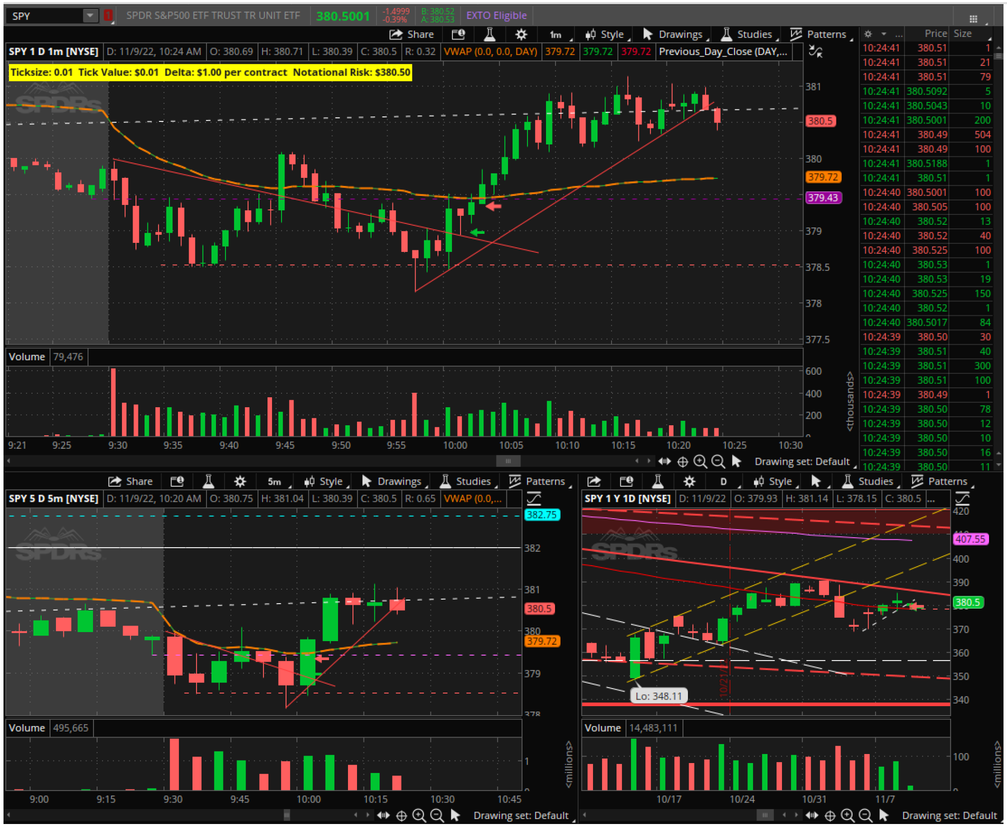
Grade: D+

- Too sharp of a trendline to try to get a reversal from
- I was basically guessing at the first bottom. Way harder to determine risk without having a recent low to base it off.
- Got lucky to be green like 3$ on this trade because 2 of the 3 contracts closed small red
- No need to take this trade. Avoid trading like this. This was FOMO from not holding Trade #1 from 2 minutes earlier
- Also, in most cases, there is no reason to take a trade immediatly after closing another

FIX: Don't try to get reversals, especially without a prior formed bottom. At least I didn't try to guess the bottom randomly, I did wait for a "trend break"

<u>Trade #3</u> - Long 3 Call Contracts Trendline Recovery after Double Bottom (Trend Reversal - Right Side of The V)

Grade: A-



- This is the first A-grade trade I have given myself since I started reviewing
- This coulda been a day making trade. I was very confident in this trade, with a good entry. The previous double bottom was my indication to hold this trade to at least retest the previous HOD and I BITCHED OUT!!
- I think I netted like 70$ on this trade but it could been a $150-200 trade. I NEED TO HOLD A TRADE LIKE THIS. **I NEED TO BE GREEDY!!**
- I'm actually most disappointed in this trade even though it was my biggest winner of the day simply because it would been fucking awesome to let this trade play out and I had no reason to close it really
- The PM LOW (Purple) was right there at VWAP so I suppose I was worried about that but I should have taken 1 or 2 contracts there and let at least 1 ride because of the double bottom.

FIX: As usual hold the winners, or at least scale out of them if I feel like my emotions are getting the best of me.

<u>Trade #4 & #5</u> - Long 1 Put Contract on Trade #4 - Long 2 Put Contracts on Trade #5 (Attempted Reversal Rollover Trade)

Grade: A-

- I grouped these 2 trades together because they really could have been 1 Trade
- I took 1 contract on Trade #4 because I didn't want to risk my daily profits but took 2 contracts on Trade #5 because I was more confident it was going to roll over
- I should've at least had a target at the demand zone
- I actually like this trade because I've seen it so many times in the past and I knew that low from the morning wasn't going to hold again after already testing it for the previous 15mins
- I wanted to add into the break and should've, although if I did it on Trade #4 I probably woulda panic sold out when it didn't go immediately

FIX: Target to demand zone at least as this was the significant level of the day so far. Add into the breakdown of the initial day bottom to increase profits.

Takeaways: Pay attention to supply and demand zones when you see them being respected. Hold winners as usual. Don't take dumb trades like Trade #1 & Trade #2

Easy Money: The easy money today was to, for sure, play the demand zone from yesterday after it showed to be important.

FAQ

What was the total profit for the day?

The total profit for the day was $123 from five trades.

What mistakes did the author acknowledge?

The author acknowledged mistakes in trade management, particularly in not holding onto winning trades long enough.

What trading strategy was emphasized?

The author emphasized the importance of understanding and utilizing supply and demand zones in trading strategies.

How did the author grade their trades?

The author graded their trades with varying scores, with the highest being A- for trades that showed strong potential.

What lesson did the author learn from this trading day?

The author learned the importance of being greedy with winners and avoiding impulsive trades.