

FLIGHT PREPARATION Lesson # 7

Right. This part is all about flight preparation. Page 1 of the PDF. To fly or not to fly. All I wanna say is that the reason for giving it is to bring you in a concept of a business .the written document must present every detail in a chronicle order of your business action from entry to entry. Now I am using a flight schedule as u can see on page 2. I am using this in the equity market. In the stock market. Its just my way of preparing for the day or for the week. It doesn't matter if I am long or short or medium term.

What it tells me on point number 1 , A1, is the over all rhythm, to fly or not to fly, that you gotta decide everyday. Is the weather right to fly today or not. In our case with 4 hour candles, so I would say at least 2 candles away from news, you gotta decide are u gonna fly or not. Non- farm payrolls, interest rates I sit on the side lines, I ve got another strategy that I am using so thats important to decide, to fly or not to fly, what does the over all weather looks like. Then pre inspection report, its before u take it on, so u look at the currencies, run through all the currencies you are interested in, 2,3,4,5, . I see some one who at one stage was looking at 19, I don't know how they do that. But whatever you decide to , do a pre inspection, go and see which ones meets certain criteria, look at the motion, candle sticks, trend lines, everything. Even the news. What news came out , or is gonna come out, that day, or during that week.

Runway approach is just , if you have decided which one you are gonna take. You sit on the runway, you sit in front of your computer. You can decide, right now, is the time that you are gonna press the button.

Then you have to take off. There is a lot of stuff there you gotta have in mind. Emergency landing. I have got it there. If something goes wrong do you have an emergency landing plan. Have u got a crash procedure. Whats gonna happen after u pull the trigger and your system goes down. You cant get it back up for 8 to 12 hours. It can happen. Have you got a plan for that.

Emergency landing, should the thing goes against you, what is your plan of action. So thats very important to have all those things.

Then I have got an in flight . Do you have emergency procedure in-flight. If you have to run to the store real quick, and when you are there you remember, oh I did not put my profit target. I was watching it live. I have my stop loss in place but not my profit target. when you got home , it hit your profit target, which you had in your mind , but you did not put in your close order. So now it comes back all the way and takes your stop loss order out and you are 20 pips down. Be alert, watch the gauges , thats in flight.

Right, some people take a trade , put their profit target and stop loss off they go. Then they come back after 10 hours to see how the trade went. You can do it that way, if you are sure, no problem. Stick with the flight plan that I have got here. Then I have got stock breathing. Remember that the market is breathing up and down, and up and down. While it is in that breathing zone, it is a comfortable zone. You don't need to be scared, so get acquainted with the breathing of the market.

Landing preparation. When its near your profit target, be prepared for landing. Have you got emergency procedure. It might just turn around 3,4,5 pips before 30 minutes start falling. How are you gonna do. Landing, decide, you push the button , take action and down you go.

Then your flight report. The rights and the wrongs, the positives and the negatives. Could you have optimized it more. Could you have taken more pips off it.

Then I have got this on page 3. Risk is always involved. The trend is your friend . The market is older than you and is better so you are gonna read through that. Buts thats basically how I do my equity trading. The reason why I put this in here is because you gotta have a business plan, on how you are gonna do it, how are you gonna prepare. The moment you switch on your computer on what are you gonna do. You are gonna sit back and say , right I am gonna stick to the rules. You are gonna sit there and decide how am I gonna trade this day in terms of my emotions. If you had a fight with your wife last night, don't think you are gonna have a nice day trading. Your emotions have to be relaxed. Get yourself relaxed. And decide before hand the emotion that you are gonna use that day. I am gonna stick to the rules, I am gonna work out my plan and thats how I am gonna do it. And when you

have done your analysis, and you are prepared and you sit there waiting to pull the trigger all of those things must be in place. because the moment you pull the trigger there is no turning around. At the last moment, while sitting on the runway waiting to pull the trigger, you can still pull out. Do u have an emergency plan to say hold on I am not gonna take this thing in the air. Still your decision. Get your self a business plan, get yourself a procedure and you will see It will benefit you.