

BEST AND BETTER TRADING

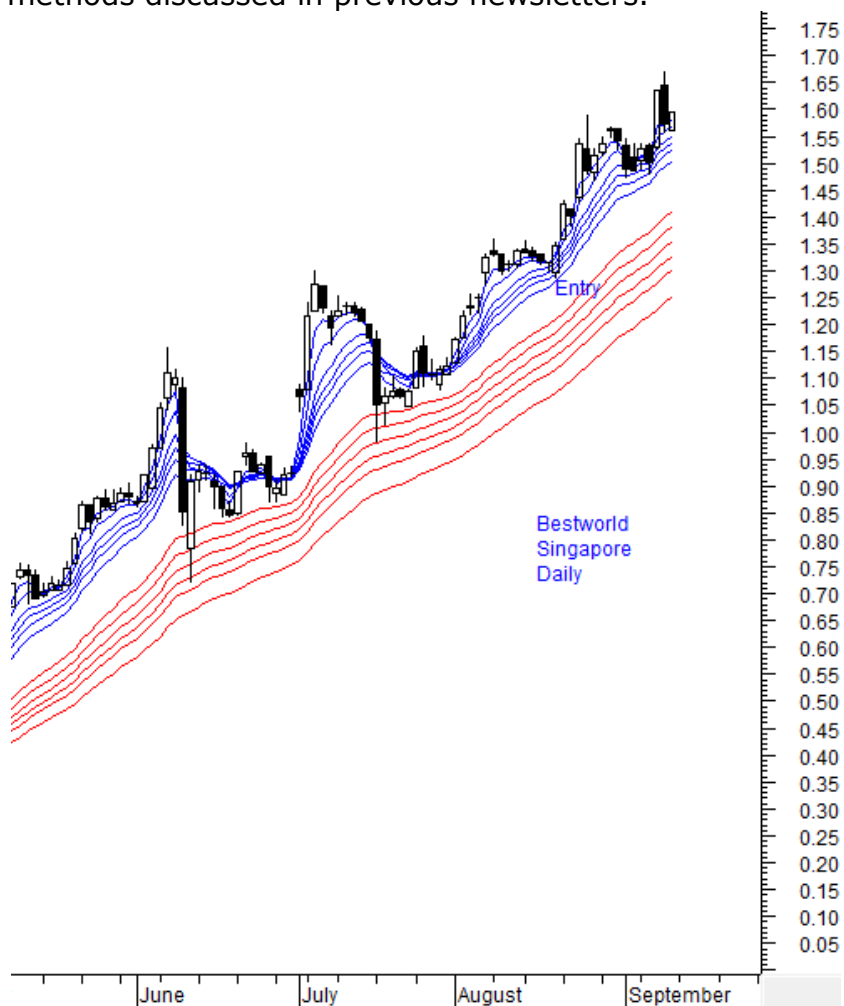
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This is a classic GMMA trend trade. The main concern is the setting of the protect profit stop loss. We use the lower edge of the short term GMMA and the count back line method. A close below either of these is an alert signal. A close below both of these is a confirmed exit signal.

CBL stop is near \$1.49. GMMA stop is near \$1.50.

Trend behaviour is strong and stable so the trade remains open.

We add BestWorld as an example of this method. The long term GMMA is well separated showing a steady trend. Price uses the lower edge of the short term GMMA as a rebound support point. We apply the standard GMMA analysis methods discussed in previous newsletters.



For case study purposes the entry is taken at \$1.30 as the rebound rally develops.(Note price readjustment) We add 15,385 shares for a 20,000 position. Stop loss is at \$1.28 and puts \$370 at risk, or less than 0.44% of total trade portfolio. Initial target is near \$1.90.

Stock code	BESTWORLD
Total investment pool money in account	100,000
Your investment risk for this trade	2,000
Average entry price	1.30
Stop loss	1.28
Cost of trade	20,000.00
Number of shares buy	15,385
Loss if sell at stop loss	307.69
Risk % of total investment pool money	0.31%
Planned Profit exit price	1.600
Profit	4,615.38
Trade profit %	23.08%