

GMMA TRADE CLOSED

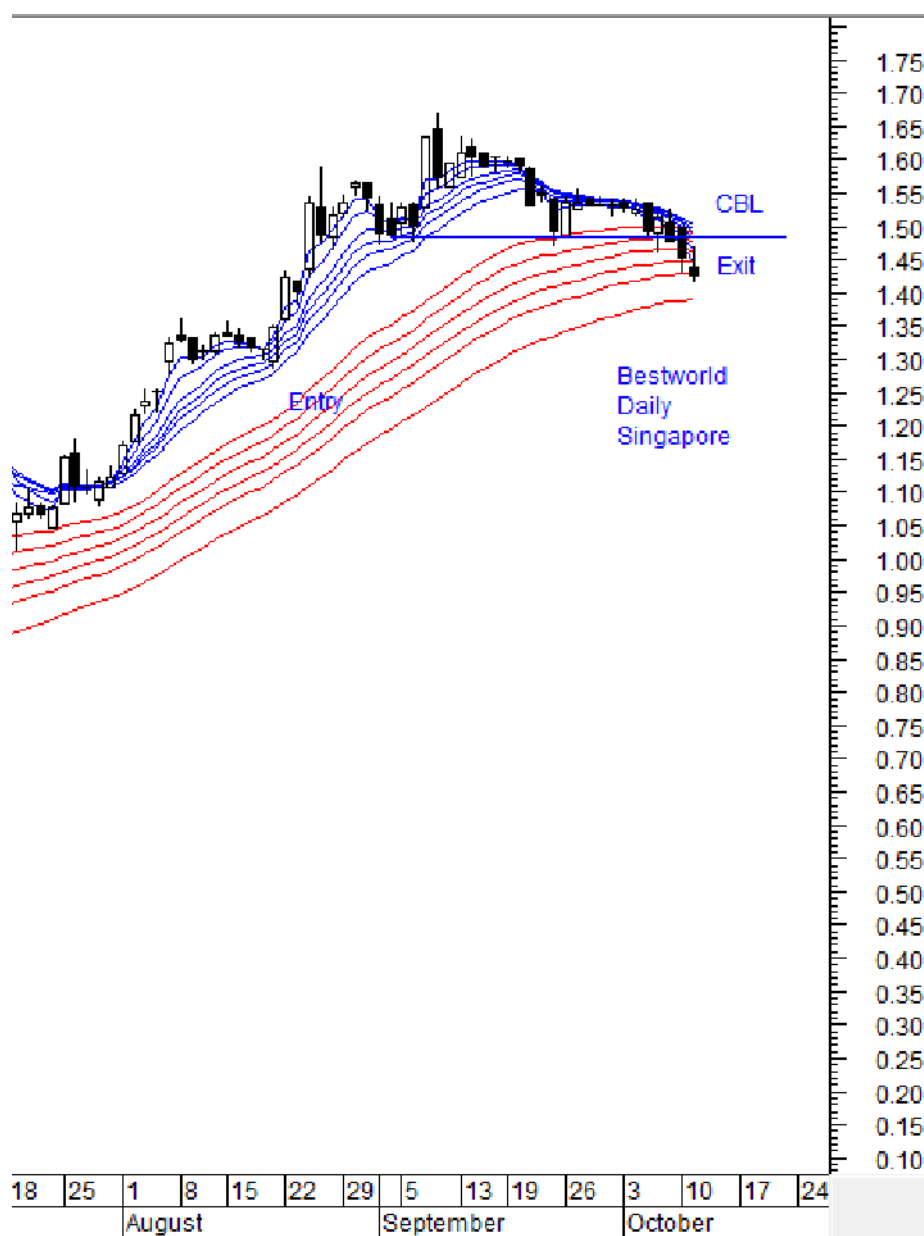
By Daryl Guppy

Bestworld is closed near \$1.50 after the close below the CBL line and the move below the lower edge of the short term GMMA.

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 so the exit was taken.

This gives a \$3076 profit or 15.38%.

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 We add 15,385 shares for a \$20,000 position. Stop loss is at \$1.28 and puts \$307 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	1.500
Profit	3,076.92
Trade profit %	15.38%



