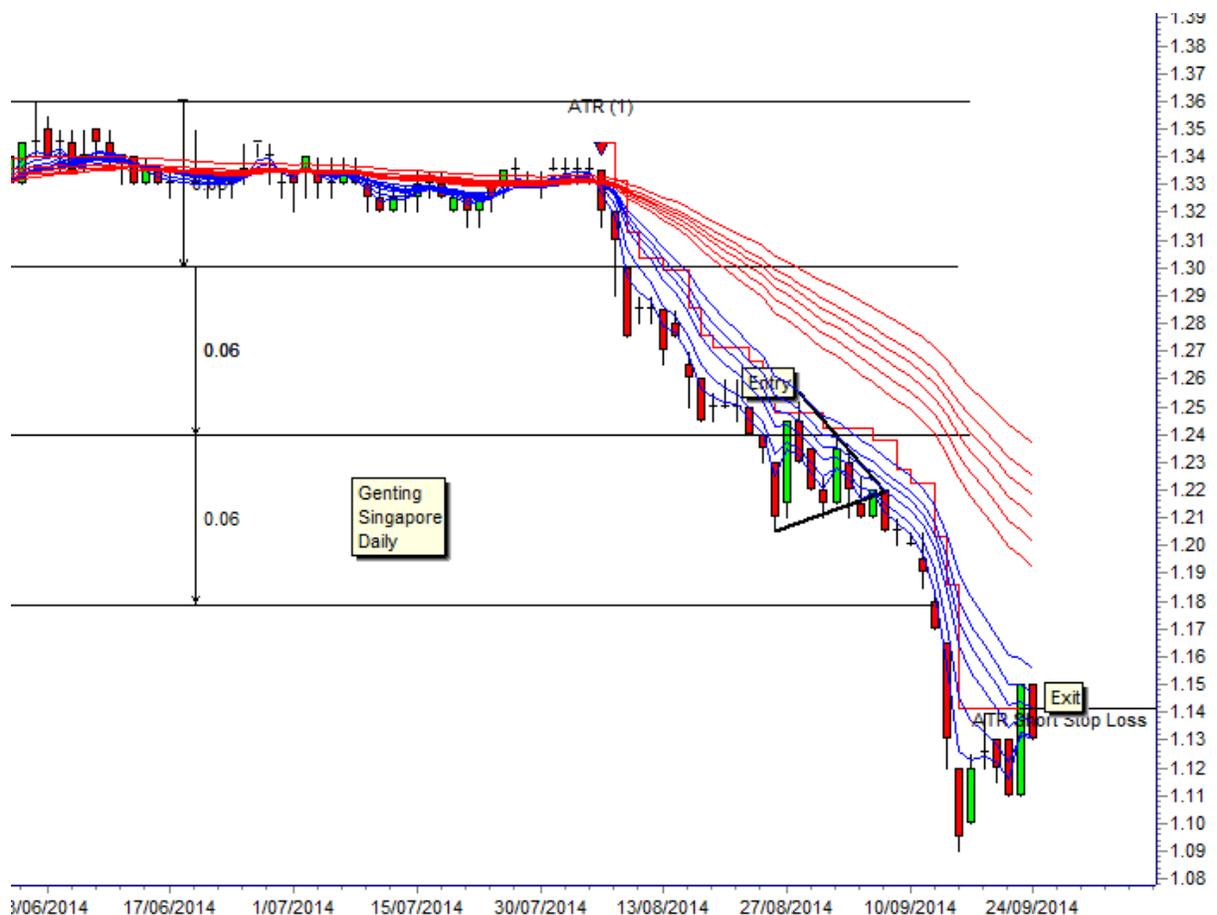


Falling Genting

By Alexander O'Malley

The rally in the Genting price has hit our ATR stops. We exit the trade on the following day. This takes some profits off the table however we following the trading plan and take a reasonable profit off the table. This has been a textbook trend trade. We found the trade when price had already established a downward trend with the break from the trading band. Price broke through both the initial price target and the secondary price target of the trading band. This puts price into a very fast downward moving trend and we use a trailing stop loss as our exit point to allow price the breathing room it needs to continue. The rally during the week has hit our stops and the trade is exited, even if we feel that trend could continue. This is trade discipline.



Genting was entered using the Macquarie Bank warrant U8GW. Spending \$19,968 to acquire 192,000 warrants and warrant quoted price \$0.104. U8GW is exited at warrant quoted price \$0.13, putting this trade in a profit of \$4,992.00 or 25%.

CASE STUDY PORTFOLIO

Genting is closed for profit of \$4,992 or 25% The case study portfolio return is \$65,182 or 65.2% for the period starting April 1, 2014. Trade size is generally kept constant at \$20,000 in the case study portfolio so it is easier to compare the case study trades over this and other years. Warrant and CFD trades are generally kept constant at \$10,000. FX trades are generally kept constant at \$5000. This reflects the risk in each of these asset classes. The case study portfolio is reset to a nominal \$100,000 in trading capital in April 1, 2014. As each trade is closed in the case study portfolio we update the equity curve. Only realized profits or losses are added to the portfolio equity curve.

