

TRUMP BUMP PATTERNS

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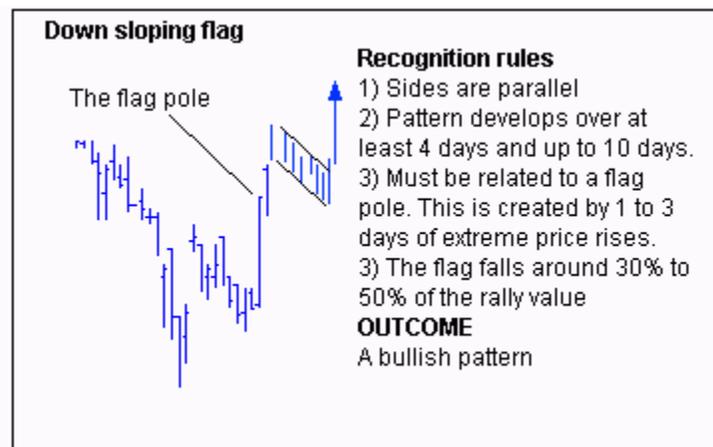
We trade the Trump bump using the %gain search. This search ranks all traded stocks by their % gain yesterday compared to the close of the day previous. This stock pool is then inspected for good trading opportunities. This is a very suitable search method to identify rally type behaviour and this is consistent with the Trump effect.

The search yields some good candidates, and for case study purposes we show three different types of rally trade opportunities.

FLAG PATTERNS

We always look for flag patterns and Genting captured our attention last week. Traders were ready to enter the trade when the price moved above the flag trend line.

The flag forms when the initial enthusiasm for the stock flags (excuse the pun). There are few sellers as most new stockholders are holding onto their recently acquired positions. Buyers collect stock from long time stockholders who are selling into the unexpected strength, but who are a little frightened that it will not persist. Gradually prices move downwards, but maintain a steady trading band. This is the key characteristic of this chart pattern. The sides of the down sloping flag are parallel. Once nervous stockholders have been bought out the price has nowhere to go but up and a down sloping flag often proceeds to do just that on a gap opening.



The trade is entered near \$0.89 as the price breaks above the upper edge of the flag pattern.



The stop loss is placed just below the upper edge of the flag pattern near \$0.87. This puts \$449 at risk, or less than 1% of total trading capital.

Stock code	GENTING
Total investment pool money in account	100,000
Your investment risk for this trade	2,000
Average entry price	0.89
Stop loss	0.87
Cost of trade	20,000.00
Number of shares buy	22,472
Loss if sell at stop loss	449.44
Risk % of total investment pool money	0.45%
Planned Profit exit price	0.990
Profit	2,247.19
Trade profit %	11.24%

The exit target is near \$1.03 for a 15% return.

TREND LINE REBOUNDS

This trade with NOBLE has several facets. First it's a commodity trade which taps into rising commodity prices. Second it's a Trump trade based on the idea that his infrastructure build is good for commodities. This it's a recovery trade.



The trade entry is near \$0.18 with a stop loss near \$1.17. It's a tight stop in a rising trend. Initial target is near \$0.21 for a 16% return.

Stock code	GENTING
Total investment pool money in account	100,000
Your investment risk for this trade	2,000
Average entry price	0.18
Stop loss	0.17
Cost of trade	20,000.00
Number of shares buy	111,111
Loss if sell at stop loss	1,111.11
Risk % of total investment pool money	1.11%
Planned Profit exit price	0.190
Profit	1,111.11
Trade profit %	5.56%

The stop is tight with \$1,111 at risk, or just a little more than 1% of total trading capital.

TREND REBOUND

The Golden Agri case study shows a developing uptrend rally. The trade is managed with a 1*ATR stop.



Trade entry is near \$0.38 with stop loss at \$0.36. This puts \$1,052 at risk or 1% of total trading capital.

Stock code	Golden Agri
Total investment pool money in account	100,000
Your investment risk for this trade	2,000
Average entry price	0.38
Stop loss	0.36
Cost of trade	20,000.00
Number of shares buy	52,632
Loss if sell at stop loss	1,052.63
Risk % of total investment pool money	1.05%
Planned Profit exit price	0.410
Profit	1,578.95
Trade profit %	7.89%

There is no target for this trade, although resistance is near \$0.43. The ATR stop is used as the primary exit signal. Stops are tightened as the price moves towards \$0.43.