

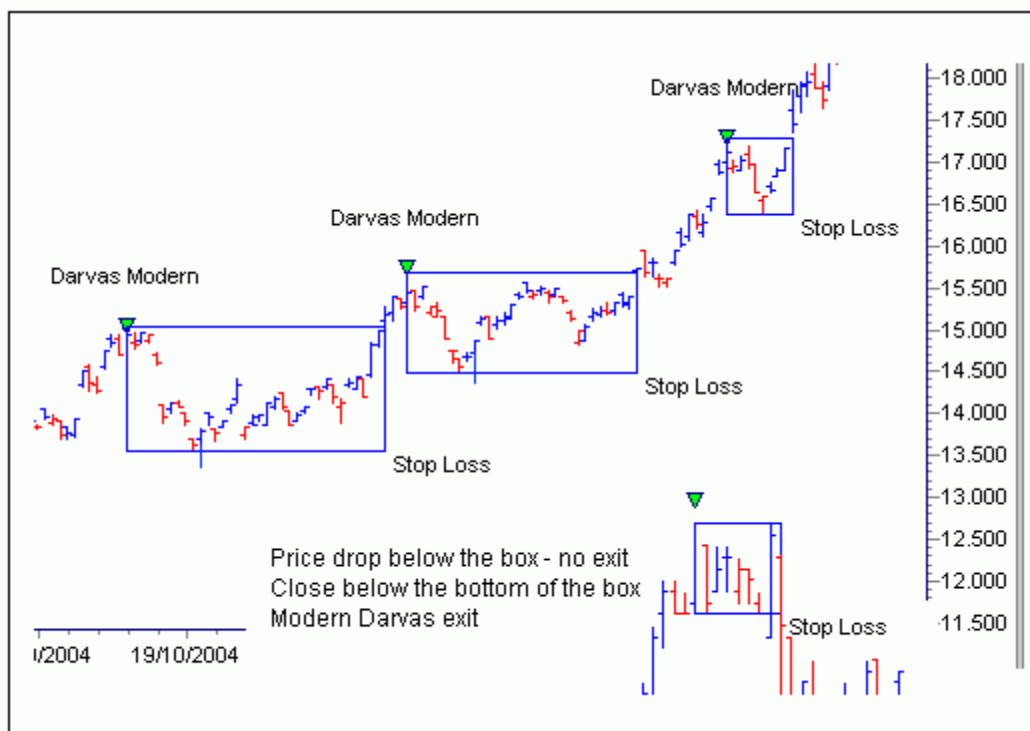
DARVAS BOX TRADING

We add \$800 Super as an example of Darvas Box trading. The stop loss is at the lower level of the box. \$800 Super has shown a consistent Darvas Box trend.



The user selects the high to be used as the potential starting point for the Darvas box. The GTE Darvas tool will automatically plot lower and upper box lines.

When a breakout from the box occurs, the box will be automatically closed. This is a stand-alone indicator that is not combined with any other methods.



TACTICS

- Breakouts above the Darvas box confirm trend continuation. Traders can buy breakouts.
- Aggressive traders buy while prices are within the confines of the box in anticipation of a breakout.
- Breakouts below the box suggest trend collapse. This is a stop loss signal, and an exit is taken.

RULES

- Sell when price closes below the bottom of the Darvas box
- Breaks above the upper edge of the box signal trend continuation
- Buy bullish breakouts to new highs

Stock code	\$800 SUPER
Total investment pool money in account	100,000
Your investment risk for this trade	2,000
Average entry price	0.99
Stop loss	0.97
Cost of trade	20,000.00
Number of shares buy	20,202
Loss if sell at stop loss	505.05
Risk % of total investment pool money	0.51%
Planned Profit exit price	1.150
Profit	3,232.32
Trade profit %	16.16%

The trade is entered at \$0.99 with the stop loss at \$0.965. This adds XX shares with a risk of \$505.05 or .05% of total trading capital.

SPECULATIVE TRADE SELECTION

This trade has a planned exit around \$0.44 for a 12% or better return. The position of the countback line stop loss is adjusted to \$0.395. This puts the trade in profit. If the stop is triggered then the trade can be closed at a profit.

Duty Free is added as an example of a countback line CBL breakout trade. This breakout pattern is a common feature in the current market. The trade is managed using the value of the CBL as a stop loss.



Entry is made near \$0.39 with a stop loss at \$0.38. This adds 51,282 shares and puts \$512 at risk or 0.5% of total trading capital.

Stock code	DUTY FREE INT
Total investment pool money in account	100,000
Your investment risk for this trade	2,000
Average entry price	0.39
Stop loss	0.38
Cost of trade	20,000.00
Number of shares buy	51,282
Loss if sell at stop loss	512.82
Risk % of total investment pool money	0.51%
Planned Profit exit price	0.400
Profit	512.82
Trade profit %	2.56%

SPECULATIVE TRADE SELECTION

This trade will be closed. The price has closed below the stop loss line. The trade is closed at the best possible price on the day after the close below the CBL line. We will bring you the exit next week.