



July 31, 2024

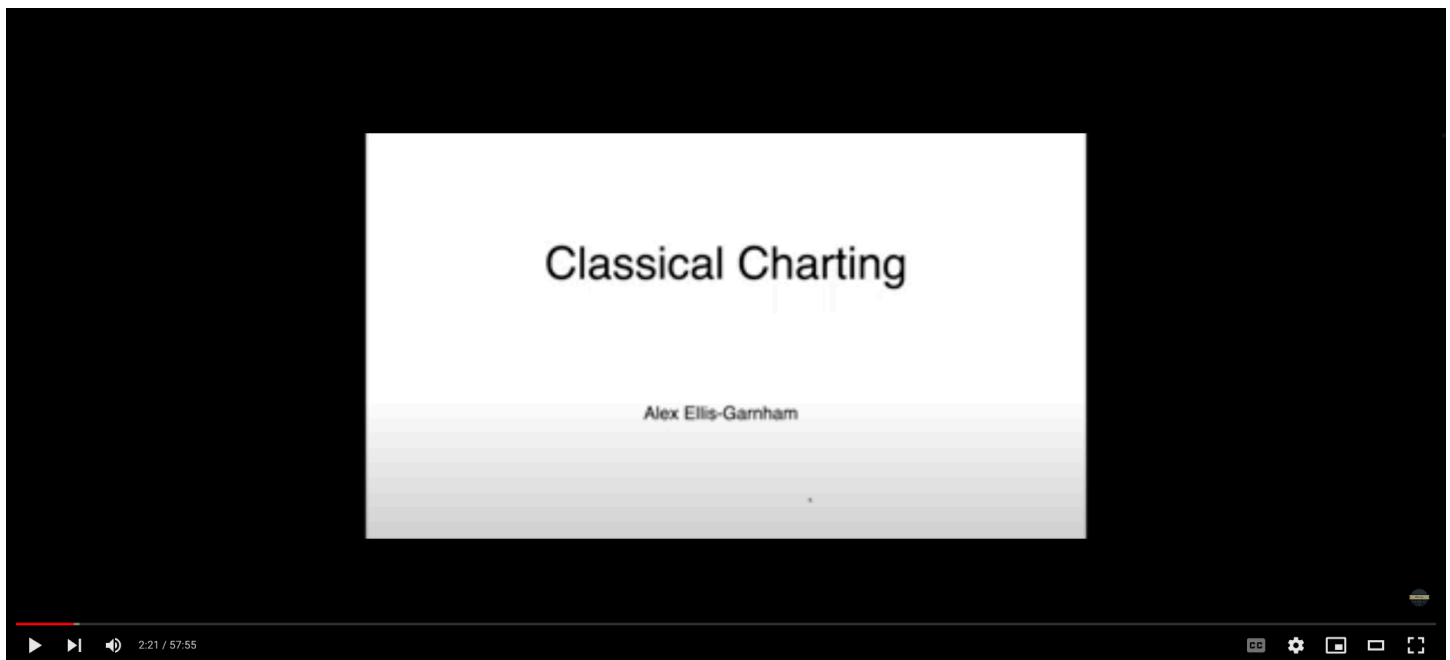
## THE LONG PULL: MOHO Idea Lunch #6 w/ Alex G

A big thank you to those who joined live for Friday's MOHO Idea Lunch webinar on classical charting with *Collective* member Alex G. I learned so much from Alex and hope you did, too.

The webinar had three parts:

- **Part 1:** How Alex finds classical charting trade ideas
- **Part 2:** How Alex manages open trades
- **Part 3:** Challenges Alex faces in his trading

If you enjoyed Mike G's webinars, you will *love* this one. Alex provides a one-stop video to get you from zero to one on trading classical chart patterns.



MOHO Idea Lunch #6: Classical Charting Lessons w/ Alex G

Unlisted

All

For you

Recently uploaded

Watched

Watch the entire webinar [here!](#)

You can read my Cliff Notes below.

### Part 1: How Alex Finds Trade Ideas

Alex uses three websites to find classical charting patterns:

- 1) [Finviz.com](https://finviz.com)
- 2) [Chartmill.com](https://chartmill.com)
- 3) [Investing.com](https://investing.com)

I use Chartmill and Finviz. They're both great and will provide more chart pattern ideas than you could trade.

The other website I'd add is [Barchart.com](https://barchart.com). I know it's popular, but for some reason, I only started using it two weeks ago.

I filter by "new highs" and "new lows." With keyboard arrows, you can quickly scan through hundreds of charts, and I love the UI/UX.

Whatever you choose, keep it simple, keep it repeatable.

## Part 2: How Alex Manages Open Trades

Alex has a different approach to managing open trades than I do (or Mike G). For reference, I follow the strict BAT for Entry/Initial Exit and then use the 8EMA Hard Stop for open position trade management.

Here are Alex's notes for trade management.

### Trade management

- All trades set up via BAT tool
- Position sizing risking 50bps
- No more than 6 open positions at once.
- Profit target ranging from 2.5R – 4R depending on market conditions
- Active management – if it's not performing, I can be quick to cut.
- Limited trading around earnings\* – look to cut 50% position up or down if earnings fall while in a trade.
- Adding expected pattern move based on Edwards and Mcgee
- No hard and fast rule around stops once the pattern is in flight
- Still on the journey...

There are a few wrinkles to Alex's process. For example, Alex actively manages trades versus letting the 8EMA hard stop decide when to exit.

It feels more like Peter Brandt's trading style (not a bad thing!). Alex quickly cuts stocks that aren't working even if they haven't hit the 8EMA.

Alex also adjusts his profit target depending on market conditions. So, where I use a static 4R profit target, Alex uses either 2.5R or 4R. It all depends on the market and trading instrument.

As Alex mentioned in the webinar, *"There is no hard and fast rule around stops once the pattern is in flight."*

This brings us to the final part of the webinar ... Alex's current trading challenges.

### **Part 3: Alex's Trading Challenges**

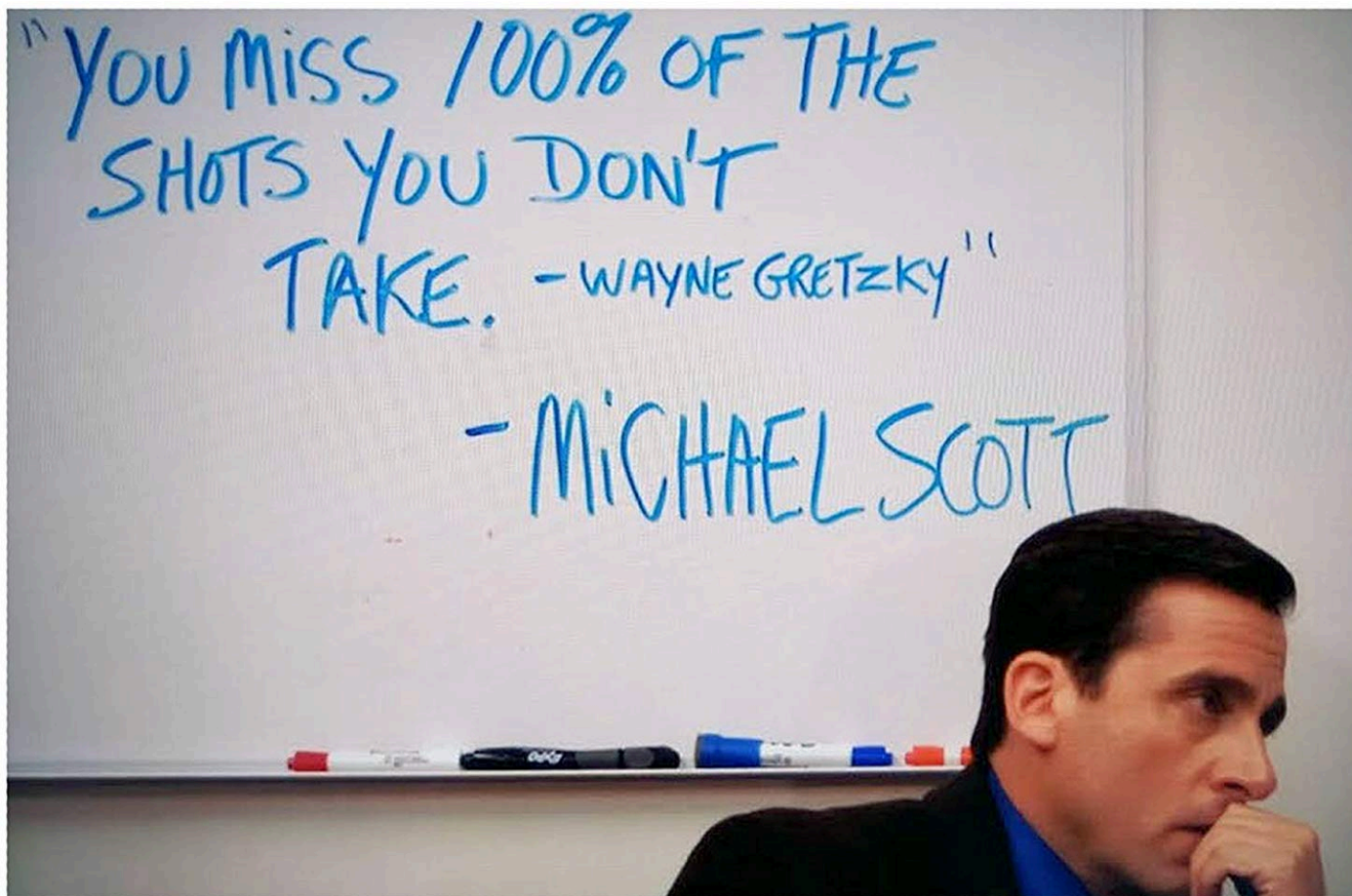
Alex mentions a few specific trading challenges he faces (see below).

#### **Challenges continued..**

- Not having a hard set of rules once the trade is open can lead to indecision and loss of profit.
- Alert management
- Allocation of capital
- Wanting to take every trade.. PFSI
- Quality of set ups

I struggle with the last two challenges. Sometimes, I feel like the trades I take don't work ... then I watch the trades I *don't* take sprint to their 4R profit target.

This leads to FOMO ... *"If I take all the trades, I won't miss any."* At least, that's what I tell myself.



But this leads to overtrading and taking suboptimal trades. Remember, trading is like surfing.

**There will always be another wave to surf.**

### **Conclusion: Make Trading Work For You**

I loved this webinar because it shows how a trader can take a few fundamental principles (Edwards & McGee's classical charting, the BAT tool, etc.) and add their unique strategies/rules to **create a system that works for them.**

I hope the webinar inspires you to tinker with your trading system until it fits like a tailored suit.

Because that's what trading is all about. Find what works for you and trade like an artisan.