

High Base



Strategies

Long Stock
 Covered Calls
 Collars
 Buying Calls
 Married Puts
 Selling Puts
 Leap Write
 Bull Call Spreads
 Bull Put Spreads

Trade Setup

Trade Trigger

	Stock breaks high of consolidation period
	Stock breaks recent group of relatively equal highs
	CCI
	Golden Cross
	Stochastics / MACD

Risk/Reward

Target	
Entry	
Stop	
R/R Ratio	

Trade Management

ATR	
1 st Stop	
2 nd Stop	
3 rd Stop	

Always

Uptrend- Stock just made a new swing high

Off of swing high, stock trades sideways (consolidates) in a narrow range with relatively equal highs and equal lows.

This consolidation should bring the price back into a “wholesale” price area (lower trend line, 20 SMA or 50 SMA)

Stock consolidates a minimum of 5 days

Minimum 300,000 shares in average daily volume

Reward to Risk ratio: minimum 2:1

No earnings date in the next 10 days (DO NOT hold through earnings!) AND no significant pending news on horizon

Helpful

Volume tapers throughout consolidation period

Stock is in a strong area of the market (top down approach)

GER fundamental analysis score > 70