

Your plan should have three components.



- When to Buy
- What to Buy
- When to Sell



WHEN TO BUY

- What will trigger me to enter the market?
 - Ex – VectorVest Confirmed Up Call



WHAT TO BUY

1. What criteria will I use to enter a trade?
 - Ex – EPS rising, Price < Value, Price moving higher after 10AM
 - Ex – MACD crossover & Volume > AvgVol
2. How many stocks will I buy at once?
 - Ex – Two stocks per day until I reach 10 positions
3. How much will I invest in each stock?
 - Ex – I'll invest one tenth of my total capital into each.



WHEN TO SELL

1. What will trigger me to exit the market?
 - Ex – VectorVest Confirmed Down Call
2. What will be my stop criteria?
 - Ex – 10% trailing stop
3. What is my profit target? What will I do when my profit target is hit?
 - Ex – 30% gain, if hit I will sell half my positions and tighten stops to 10% below current price



Risk Management Guidelines

- Limit your loss to no more than 1% of your total capital.
- Never lose more than $\frac{1}{2}$ your profit!



5 Steps To Success

1. Take Personal Responsibility
2. Establish Risk Management
3. Buy Safe, Undervalued Stocks Rising In Price
4. Trade With The Market
5. Make A Plan, Write It Down & Follow It