

Secrets to Setting up a Winning Trading Plan



Disclaimer

All the ideas, methodologies and technical approaches outlined in this E-Book are for educational purposes only. Your trading outcome is your responsibility alone. Past performance is no guarantee of future performance. Reading this E-Book or agreeing to be coached makes no guarantee that with the best tools available you will become a successful trader.

Clearly understand this:

- Neither attending coaching sessions, nor receiving educational materials are an invitation to trade.
- Trading requires risking money in pursuit of future gain. That is your decision.
- Do not risk any money you cannot afford to lose.

Copyright Notice

(c) 2006 by Meredith Moon. All rights reserved. Reproduction and/or distribution in any form without express written permission is strictly prohibited.

Secrets to Setting up a Winning Trading Plan

Key features to a winning trading strategy:

1. You need a system of set rules that are easy to follow, and proven through back testing and paper trading so that you have complete belief in your system and a full understanding of it through all the practice.
This can take a lot of trial and error which is where the experience of a trading coach or mentor can help guide you to save time and help with the discipline required to develop a balanced system.
2. This system of set rules needs to suit your personality, beliefs and expectations from the market. This E-book will help you ask yourself a set of questions which will help you get to know “you” as a trader and help you think about where your strengths and weaknesses lie.

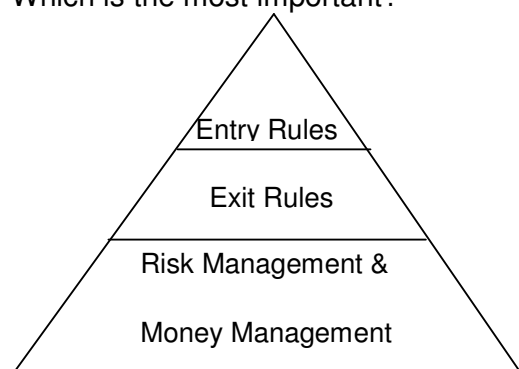
Anyone who has done even just a little bit of trading will know that it can be an emotional rollercoaster, dealing with the fear of loss of your hard earned savings or dealing with the greed and excitement that occurs with winning trades. In my experience the only difference between a struggling trader and a super trader is their money mindset, this being clear they can then stick with their own personal trading strategy

Your Trading Plan

Needs to have the following:

- **Entry Rules**
- **Exit Rules**
- **Risk Management**
- **Money Management**

Which is the most important?



Mez Moon

Share Trading Coaching

Visit the site to get your **Free Traders Tool Box** <http://www.mezmoon.com>

mez@mezmoon.com Ph. 0418 535469

One on One Coaching on the following: - Increase Confidence & Performance - Trading Plan Analysis - Money Management
- Trading Tools - Trading Psychology - Goal Setting - Contracts For Difference Specialist - Real life Trading Techniques

Secrets to Setting up a Winning Trading Plan

Your Trading Plan (continued)

Each part of your plan will affect the other; the perfect plan will be a balance of all of the above.

Most people concentrate on the least important element in trading system design — Entry. They also ignore the most important element Money & Risk Management otherwise known as position sizing, you'll notice in the above diagram that Money and Risk Management are the foundation for the rest of the plan, if this foundation crumbles, down will fall your plan.

As a coaching client you will learn at least two types of position sizing systems that will help you lower your overall risk, while at the same time, helping you achieve more consistent performance. There are also many different Entry and Exit Systems which you will also learn.

Your trading strategy plus your money management, multiplied by your own clear thinking, personal courage and discipline equals your trading results.

- *What are your current methods for each of the above? (Entry, Exit, Money & Risk Rules)*
- *You need to have statistical back testing results for your rules. eg how many times out of ten does this win?*
- *You should set goals on each of the above (have goals for creating each of the above and also have goals for results from each of the above eg. How many trades out of ten are ending in profit? What is my Win/Loss Ratio?
eg. It is Feb 2005 I am earning an average of ...% per month/year (what ever time frame you choose). Goal to be written down and in the present tense. When achieved what is my reward?*

Answering these Questions will help you find the perfect trading system for YOU

Only about 5% of the world's traders and 20% of the world's investors, consistently make big money. What these winners do is not complex. In fact, simplicity is one of the keys to making money. And you can do it too! I can help you to develop your own trading system that fits your own style of trading. But to develop a system that fits you, you need to really think about what you want. It's not a trivial task.

Assessment of Self:

1. What are my beliefs about myself?
2. Who am I?
3. How would I describe myself?

Mez Moon

Share Trading Coaching

Visit the site to get your Free Traders Tool Box <http://www.mezmoon.com>

mez@mezmoon.com Ph. 0418 535469

One on One Coaching on the following: - Increase Confidence & Performance - Trading Plan Analysis - Money Management
- Trading Tools - Trading Psychology - Goal Setting - Contracts For Difference Specialist - Real life Trading Techniques

Secrets to Setting up a Winning Trading Plan

Assessment of Self: (Continued)

4. Am I a risk taker or am I cautious?
5. Am I good with numbers?
6. Am I good with research?
7. Am I emotional?
8. Am I good with details?
9. Can I see the forest and not the trees or the other way around?
10. Am I a people person?
11. Am I an ideas person?
12. Am I organised?
13. Do I get caught up in what I'm doing and forget things?
14. How good is my memory?
15. How good are my math skills?
16. How good are my programming skills?
17. What kind of help do I need?

How valid are these beliefs? Ask friends & family.

Where are my strengths & weaknesses and how do I work around these weaknesses?

What are your beliefs about the markets?

We really only trade our beliefs; we don't trade the markets themselves.

I have had two different clients believe the market is headed in two different directions and they both profit. Why? It depends on their beliefs and how their system is set up around those.

Assessment of you as a Trader:

1. Are the markets random or not?
2. If they are random, how can I still make money?
3. If they are not random what edge do they give me that I can capitalise on?
4. Do you believe in buy and hold, why or why not?
5. What type of trading best suits you?
6. Are you more a trend follower or band trader?
7. What kind of trading indicators do you like?
8. What type of time frame do I like and suits my lifestyle?
9. Does a bar chart really represent the market?
10. What are your favourite indicators that really represent the market and why?
11. What are the top 5 keys to making money in the markets?
12. How well does my personality fit trading?
13. How much do I need to be right?
14. How much do I need to have others around me to feed my ideas?

Mez Moon

Share Trading Coaching

Visit the site to get your Free Traders Tool Box <http://www.mezmoon.com>

mez@mezmoon.com Ph. 0418 535469

One on One Coaching on the following: - Increase Confidence & Performance - Trading Plan Analysis - Money Management
- Trading Tools - Trading Psychology - Goal Setting - Contracts For Difference Specialist - Real life Trading Techniques

Secrets to Setting up a Winning Trading Plan

15. Am I a people person or an ideas person?
16. How well do I tolerate losses?

Assessment of you as a Trader: (continued)

It is crucial to have the answers to these questions written down because there is going to come a time where your system is tested by a reversal in the market. You're going to run into a statistically significant number of losses in a row and it's at times of maximum stress that you are going to fall back on the quality of your beliefs and that's going to determine whether or not you follow through with your system. There's a lot of good systems that you are going to run into draw downs and if you abandon them in one of those draw downs you are going to miss out on all the potential for the upside.

As a coaching client I will work with you, to help figure out how the answers to these questions affect your trading, together we can build the system that is right for you. Maybe you already have a system that almost works but you'd like it to be more consistent and more profitable, we can also work together to see how with maybe just a bit of fine tuning your system can give you the results you hope for.

I hope this E-Book has helped you think about what could be holding you back from having all the successes in trading that you deserve. If you wish to speed up your learning curve with a mentor and coach, I look forward to working with you.

Happy Trading!



Mez Moon
Full Time Trader and Coach

Mez Moon

Share Trading Coaching

Visit the site to get your Free Traders Tool Box <http://www.mezmoon.com>

mez@mezmoon.com Ph. 0418 535469

One on One Coaching on the following: - Increase Confidence & Performance - Trading Plan Analysis - Money Management
- Trading Tools - Trading Psychology - Goal Setting - Contracts For Difference Specialist - Real life Trading Techniques