

BUILDING YOUR STOCK DECISIONING PROCESS

SCA Financial Club Stock group meeting June 16th 2023

FOCUS.. FOCUS.. FOCUS ARE YOU TRACKING WHAT MATTERS TO YOU?

1. Your Goals, your allocation... you are who you are
 - Are you looking for dates or friends? Quality or excitement?
 - 60/40
 - What's on your shopping list
 - i. Growth
 - ii. Income
 - iii. Safety
 - other
2. Triggers: choose wisely grasshopper
 - Economic cycle
 - Market cycle
 - Gov't spending
 - other
3. Fundamental
 - Market reaction to news
 - i. ZTS earnings May 4th
 - ii. SMCI earnings May 3rd
 - iii. AAPL VR head set June 6th
 - iv. LIN earnings early May
 - Competitors
 - i. AMD or NVDA or an ETF
 - ii. KO or PEP
 - ETF vs single stock vs active fund
 - i. TAN or FSLR or RUN or FSLEX
 - ii. INVERSES/ leverage
 - 1848 are you digging for gold, or selling the gold miners pan, blue jeans etc
 - Good companies can get too expensive, can also get too cheap (see TSLA)
 - Is a bad stock a bad company? (any retailer who has failed) a bad business (movie theaters), or just a bad stock with potential (SOFI, PLTR)
4. Individual stock calculations
 - Revenue/ market value
 - EPS
 - PEG
 - Other

5. Technicals

- New high/ new low
- Bollinger bands...support /resistance
- RSI MACD
- Moving average cross
- Cup and handle
 - i. Other chart pattern.. see below
- Other

6. Opinions

- Find a bull and a bear; as every dog has his day, or all fame is fleeting
- You have your own world view, please find, pay for, an opinion from a group that has a different world opinion
 - i. You can be right or you can be rich. Oh, but if you get rich...
- Read what they aren't saying
- Learn to question their assumptions
- Are you paying for advice? You should be!
 - i. How many others are paying (CNBC club)
 - ii. $\frac{1}{4}$ of 1%
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7. OMG I bought a stock.. Confirm relationship

- Size matters. Start with % of a full position.
- Is this a date, a friend, a LP
 - i. Time, energy, money
- When is it over?
 - i. Stop loss
 - ii. Why'd I buy it? See below
 - iii. Alternative

8. Trade cards

- Date
- Price I paid
- Value of sp 500,
- Value of appropriate tracking index
- WHY
 - i. Trigger
 - ii. Calculation
 - iii. technical
 - iv. other
- monitor results

9. PAPER TRADE

- Market direction 50%/25%/25%
 - i. If market goes up, I am buying XXX
 - ii. If it goes down I am.....
 - iii. Same data as trade card

CHART PATTERNS



INV. HEAD & SHOULDERS



BULLISH FLAG



ASCENDING TRIANGLE



HEAD & SHOULDERS



BEARISH FLAG



DECENDING TRIANGLE



FALLING WEDGE



SYMMETRICAL TRIANGLE



DOUBLE BOTTOM



RISING WEDGE



SYMMETRICAL TRIANGLE



DOUBLE TOP

