

The master swing trader pdf free download

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Description: Master today's Volatile Stock Markets - and profit in the years to come. With more than 50,000 copies sold, Alan Farley's "The Master Swing Trader" has become the definitive guide for maximizing profit from short-term price moves. Now in his highly anticipated companion volume, "The Master Swing Trader II: The Market Survival Toolkit", Farley builds on his proven strategies and techniques, and delivers new tips for consistently beating the markets - today and in the future. Steep market index fluctuations in the recent past have presented tremendous opportunities to investors - but to those with the right tools to take advantage. Farley uses real-world case studies to show defensive trading strategies in action, and offers prescriptions for prospering in the post-crash environment. However, this book isn't just limited to post-crash investing, but shows how you can find new market opportunities with reduced risk to profit in virtually any economic scenario. Application-oriented - this title is filled with market-tested examples of defensive investing strategies in action. It offers rock-solid advice for winning in today's markets and positioning yourself for future opportunities. It features sections on: cross-market analysis; convergence-divergence relationships; risk management; market profile (managing multiple positions); and, more.

Transcript:SwingTraderToolkitTheMasterThis page intentionally left blankSwingTraderToolkitThe Market Survival GuideA I A N S. F A R l e yTheMasterNew York Chicago San Francisco Lisbon London Madrid Mexico City Milan New Delhi San Juan Seoul Singapore Sydney TorontoCopyright 2010 by The McGraw-Hill Companies, Inc. All rights reserved. Except as permitted under the United States Copyright Act of 1976, no part of this publication may be reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of the publisher. ISBN: 978-0-07-175955-7 MHID: 0-07-175955-7 The material in this eBook also appears in the print version of this title: ISBN: 978-0-07-166400-4, MHID: 0-07-166400-9. All trademarks are trademarks of their respective owners. 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This limitation of liability shall apply to any claim or cause whatsoever whether such claim or cause arises in contract, tort or otherwise.For Donna Wife, Mother, and Truth SerumThis page intentionally left blankC o n t e n t sForeword Preface xviiiAcknowledgments PART ONEixixPARsiNg THE MOdERN MARKETSChapter 1Prospering in the Postcrash Environment The Paradox 4 The Diabolical Market 7 Twenty-First-Century Inefficiencies 10 The Survivalist Trader 13 Defining Your Trading Edge 15Chapter 23The Crooked Playing Field 23 Index Futures 25 Program Trading 29 Program Trading: Observations and Strategies 31 Action-Reaction-Resolution 37 Working with Cross-Market Influences 40 Trading versus Technical Analysis 43 The Real World: Awakening to Insanity 44viiiContentsPART TWOCYCLES, sHOcks, AND sEAsONALITyChapter 3Revisiting the Market Clock 51 Trend Relativity Calendar Perils 53 54 58 62 The Electronic Trading Day Options Expiration Earnings Season 66 Aggressive-Defense Cycles 70 Shock SpiralsChapter 472Relative strength75 77 82 85 90 86Three Relative Strength Tools Reading the Buy-Sell Swing Ideal Time versus Ideal PriceIdentifying Reversals and Counterswings The Real World: Reading between the LinesPART THREEREdisCOVERING PROFITABILITYChapter 5The Nature of Winning Positive Expectancy Yo-Yos 107 9997 101The Survivalist Trading Plan Long-Term Profitability The Real Bottom Line 110 112ContentsixChapter 6Survivalist Trading strategies Swing Analysis 117 123 Convergence-Divergence115Defensive Short Selling 126 50-Day Moving Average Strategies 132 Volume 136 139 142 147 151 Fibonacci PlaysCountermarket Plays Bilateral Entry 148First Hour Range BreaksThe Real World: Paranoia and ProsperityPART FOURMANAgINg OPPORTUNITYChapter 7Market Entry159 161 165Margin and Capitalization Pulling the TriggerChapter 8Anticipation versus Reaction 168Positions, Markets, and Trading styles 171 Subdividing the Stock Universe Exchange-Traded Funds Position Choice Baskets 188 191 179 183 177 173Sizing, Scaling, and Exposure Survivalist Holding PeriodsxContentsRemote Trading194 198The Real World: The Needle in the HaystackPART FivECONTROLLINg ExPOsUREChapter 9Position Management Stops 207205 212Survivalist Stop Strategies Overnight Holds 215 218 End of Day ChecklistChapter 10Mastering the intraday Market 221 Ready, Set, Go 222 228 231 233 236 242 Tape Reading 224 Tape Reading Tells Pre- and Postmarket Premarket Checklist Trading the News Gap Strategies Rinse Jobs 249 Event Risk 253 The Chopping Block 255 The Real World: Riding the Tiger 258Playing the Pre- and Postmarkets 238Intraday Buy-Sell Swind 245ContentsixPART sixMANAgINg Risk ANd REWARChapter 11The Nature of Losing The Performance Cycle Overtrading Drawdowns Washing OutChapter 12265 268270 272 276 274 277Trading Mistakes Self-DestructionCapital Preservation Trade Collaring Exit Strategies 285 Collaring Strategies 295281 290 302 305Final Thoughts on Risk Management Mastering the Survivalist Trade 303The Real World: The Master Swing TraderGlossary 311 321Bibliography Index 323This page intentionally left blankF o R E W o R DAn Farley is well known as the author of The Master Swing Trader, for his insightful columns at TheStreet.com, and for his many contributions to the trading education community. His Web site, HardRightEdge.com, is an Internet pioneer, providing a virtual wealth of trading information, education, and analysis. Over a decade after its creation, that portal remains a valuable reference tool for industry professionals and beginning traders alike. Like most individuals, I first saw Alan at trade expos during the tech bubble era and on television, as a frequent contributor to CNBC. We were finally introduced in 2000 at a small seminar in Arizona and became friends three years later when he participated with me in a large trading conference in Scottsdale. Alan and I continued to work together in the intervening years, both as business partners and as trading educators. I've had many opportunities to observe him firsthand during this time, both as teacher and trader, and cant help but admire his keen insight on price behavior and near-fanatical obsession with controlling risk. These are attributes that have enabled Alan to survive and prosper while others in the trading community have been decimated by unprecedented volatility and market turmoil. So, while you likely know Alan Farley as an accomplished author, I've come to know him as a master technician, an elite trader, and a close friend. Traders and investors are now rethinking their approach to the financial markets in response to the 2008 market crash. Notably, the past decade has left buy and hold investors out in the cold, whereas swing traders like Alan have excelled. Since the crowd historically gets it wrong, theres never been a better time to look at, and to master, the market strategies that Alan has been teaching for over a decade. His latest offering is destined to take its place alongside other classic trading books, including his first volume, and should be an invaluable reference for every serious-minded trader. I've reserved a place for this eagerly awaited sequel in my collection. Kerry Szymanski Harmonic Edge www.HarmonicEdge.comxiiiAThis page intentionally left blankP R e F A C eFew interesting things have happened since I wrote The Master Swing Trader in 2000. Lets see. There was a terrorist attack on lower Manhattan; two bear markets; a credit meltdown; burst b

