Five Steps to a Profitable Trade

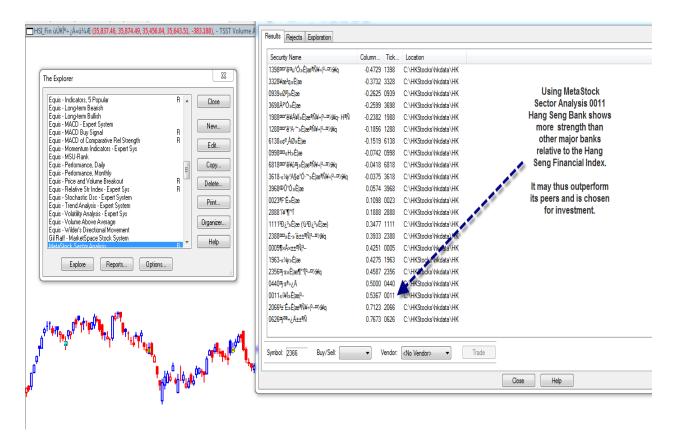
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The charts below show the procedure for entering a trade with a high probability of being profitable:

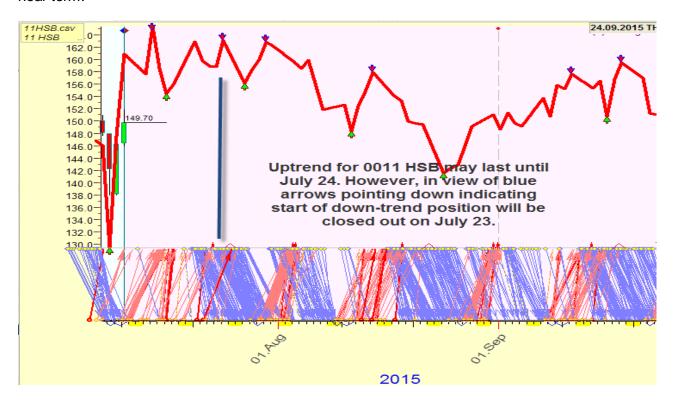
Step One. Identify sector with a strong seasonal uptrend for the current period:



Step Two. Identify stock with good strength relative to the respective industry index. In this case we are focusing on bank stocks and use the Hang Seng Financial Index as a benchmark:



Step Three. The projection for 0011 Hang Seng Bank shows the trend is likely to be up in the near term:



Step Four. The buy order was entered on July 10 as the trading system generated a buy signal and the MACD lines cross over indicated the start of a possible uptrend:



Step Five. The position is closed out on July 23 with a gain of HK\$9.20 per share equal to 6.3 percent for the two week period or an annualized gain of about 150 percent.

