TRADING DOCTRINES IN THE CROSSHAIRS

DOCTRINES TO TRADE BY AND A LIFESTYLE TO ENJOY

BY
DAVID M. BLAIR
THE CROSSHAIRS TRADER
INTRODUCTION

My life changed a few years back when I discovered what should have been obvious all along: that losing money was not such an enjoyable and life sustaining option after all. I know that sounds odd to say but in order to master the market we must first master ourselves.

What follows is an introduction to the trading doctrines that form the basis of the Crosshairs Trading© methodology. There are eight of them. I am sure I could add others but with these you will get a really good idea of how I approach the market.

While the doctrines serve the purpose of introducing you to Crosshairs Trading© in particular, they can also serve as a good introduction to trading methodology in general. My purpose here is not to sell you a system but to introduce you to what I feel is a solid way to approach trading and the markets. It is not the only way and I do not claim it to be so.

Whether or not you wish to join me on this journey, it is my desire that there is something here to help you reach your goals both inside and outside of the charts.
DOCTRINE ONE

CROSSHAIRS TRADING© DOES NOT PROMISE TO MAKE YOU RICH OVERNIGHT!

Many stock and options trading books, and especially stock and options trading websites, promise to make you rich in a very short period of time. Crosshairs Trading© promises that it can help you on your way to becoming a better trader...

...only you can decide what that will do for your bottom line.

I firmly believe that one of the biggest traps set by marketers of get rich quick trading systems is the false sense of security they promise. Do not get me wrong, there are plenty of great trading sites and systems out there for you to consider. I have used several in the past while honing my skills and continue to read the writings of a very limited number of well respected traders and investors, but none of the ones I respect ride the get rich quick bandwagon and
for good reason: each one lives within reality, not illusion. Why lie and lose respect? You will find out for yourself soon enough that there are no lottery tickets on Wall Street. I do not have one so there is no reason to ask. Those respected traders who choose to aid in the development of other traders, do so knowing that the real secret to success is that there is no secret, only the discipline to follow a set of rules that can help others make sense of the stock market. While you are learning this lesson, the professionals are making money; therefore, the sooner you learn the sooner you can join them.

Crosshairs Trading© does not offer a quick fix providing temporary results, but rather a whole new trading perspective that will allow you to maximize your abilities more often and more reliably no matter your current trading knowledge. Crosshairs Trading© will share with you how to become much more than a mere student of technical analysis. If you are a beginner, you can learn to trade better sooner. If you have been trading for some time, you can learn how to trade more confidently.

I am not going to lie to you and lose respect so please understand me as I agree with the professional traders with whom I associate and respect: there are no get rich quick fixes, only the discipline to follow the very rules you create.

No matter your current level, you can learn how to enjoy trading as you move successfully from the self-defeating emotions of fear, frustration, confusion, doubt, anger, depression, etc. to the calm, controlled emotions of confidence and self-trust.
How can Crosshairs Trading© help you become a better trader?

Certainly not through the simple act of joining my newsletter or taking the Crosshairs Trading© training course.

That answer comes as a surprise does it not? It is almost as if I do not want you to give Crosshairs Trading© a try. I do, but with a cautionary note since I have no idea of your current level of success or where you are in your understanding of basic trading principles.

If fact, you may be reading this because you are disappointed with your current and/or past experiences with trading sites and are now asking “what can Crosshairs Trading© do for me that other strategies and membership sites could not?” This is a very good question and one that deserves attention.
Joining a website about stock and options trading will not in itself make you a better trader anymore than, say, reading *Gray’s Anatomy* would make you a better surgeon. How can my trading methodology possibly help improve your trading when I have never witnessed your trading and have no knowledge of your current level of expertise? While there is a library of information that can adequately teach you the fundamentals of stock and options trading, I believe post fundamental knowledge and the emotional problems associated with it comes from the way a trader approaches the market.

Maybe, just maybe, you are reading this and are frustrated about all the different techniques, indicators, charting software, etc. there are to help traders make sense of the stock market. You just cannot figure out which one or ones to use and in what combination. In fact, there are websites and books that thrive on sharing so many different trading set-ups and strategies that they can cause your head to spin. Talk about confusion!

Studying all the information out there about stocks and options and seeking to understand all the different ways to trade each market comes from an egocentric “need to know”. My acceptance of a minimalist market view was the springboard I needed to rid myself of an ego that prevented me from becoming a successful trader. My ego was the problem and it may be yours as well.

There is no way you are ever going to learn everything there is to learn about the stock market and trading, so quit trying and start focusing. My goal is to help you stay focused on a simple, rules based approach while your goal will be to become a better trader.

*If Crosshairs Trading© allows you to become a better trader then both our goals will be realized.*
DOCTRINE THREE

GET RICH QUICK DREAMERS AND THRILLSEEKERS NEED NOT APPLY!

How many trading systems have you traded with little, if any, consistent success?

This is where marketers of get rich quick trading systems make their money—
with novice traders who seek a magic elixir, a holy grail of trading. By their
very nature, these systems separate the art of trading from the trader and
separate what is real from what is promised. Get rich quick systems set up
unrealistic expectations for traders who expect and are promised lottery style
results. Is it any wonder then that the percentage of successful traders is so
low? [SEE MY EBOOK: WHEN 10 IS GREATER THAN 90 and you will
understand better what I mean].

Just take a look at some headlines from various websites and two from the
back page of a national newspaper:
I have a secret too: there are no secrets! I have a winning percentage too: my winning percentage.

Most systems are approached from the knowledge of the designer and his phenomenal winning percentages with little focus on the potential of the trader seeking advice. What can the winning percentages of another trader do for you? Is it not just for show? Trading can be a circus you know, full of pure entertainment. In fact, many turn trading into “The Greatest SHOW on Earth”! If entertainment is what you want, then entertainment you will surely get!

But if what you want is to slow down and understand how to make the market work for you, then you can actually make money as a result of the uncontrollable emotions of the gamblers, dreamers, and thrill seekers who are willing and able to give you their money while chasing the elusive trading secret that will make them rich beyond their wildest dreams.

Crosshairs Trading© focuses on the potential of the individual and his or her own ability to build a steadily rising equity curve. Now, is that not what you really want?
DOCTRINE FOUR

TRADE TO MAKE MONEY OR MAKE MONEY TRADING?
THERE IS A DIFFERENCE!

The proper attitude once learned becomes your teacher for life. Anyone can make money on a trade. Crosshairs Trading© will reveal a way to make money trading.

What Crosshairs Trading© offers is a radical departure from traditional technical analysis. Current trading culture leads us to believe that technical analysis is the only weapon at the trader’s disposal. This kind of teaching reduces trading to nothing more than a screen full of red and green arrows, dots, or buy/sell alerts.

With these systems you are being taught to trade the system and respond to signals much like the famous Pavlov’s dog experiment, only this time it is your tail that is wagging!
These teachers give advice about when to buy and sell but no advice on how to trade. They want you to learn how to trade their system; I believe in having you learn how to trade. Here the lazy and ignorant are taken advantage of.

Crosshairs Trading©, and the indicators used in combination to form the crosshair, are based on nothing magical and nothing secretive. I have simply taken a few tried and true indicators, combined them, and then applied them to a disciplined mindset, thereby providing the trader with a highly probable outcome of success.

Crosshairs Trading© is worthless unless the trader understands the strategy behind it. This same principle applies to the assembly instructions for a child’s bike. If all you have is a hammer and the instructions are not in your native language you are going to have a hard time enjoying that bike! I can give you the indicators and the rules but if you do not know how to put them together you will never enjoy making money using them.

Purveyors of trading systems give advice about when to buy and sell but no advice on how to trade. They want you to learn how to trade their system; I believe in having you learn how to trade. Here the lazy and ignorant are taken advantage of.

There is a big difference, much like the wisdom “give a man a fish and he eats today, teach a man to fish and he eats for a lifetime.”

**Sell a trader a trading system and he trades today; teach a trader how to trade prepares him or her for a lifetime of trading.**
DOCTRINE FIVE

FOCUS ON THE HOW AND THE WIN WILL FOLLOW!

The traditional way of instruction creates a dependent relationship between the student and the teacher.

Because of this, the student never breaks free from the teacher. The child never leaves the nest. The mother never cuts the strings. Is it any wonder the purveyors of trading systems do not want to reveal the HOW TO of their system, just the WHEN TO? If they revealed the HOW TO of their systems then you would not need them anymore. By creating dependence they generate income.
Crosshairs Trading© trains you for a life of independence by helping you understand who you are and where you want to be; by helping you grasp the difference between the illogical nature of the markets versus your logical rules; and by helping you focus on your inherent abilities and not the trading results of a market guru. You are all alone trading. You and only you make the ultimate decision to pull the trigger, so what more reliable guide could you have than yourself? You simply need the knowledge and the guidance to help you along the way.

In fact, the very best teachers are known by the students they teach because their students eventually develop a greater understanding of that which is taught. Take, for instance, Butch Harmon, who is considered to be one of the best (if not the best) golf coaches on the planet, even though he only won one PGA golf tournament in 1971, his last year on the tour. Since then he has gone on to coach some of the greatest players in the history of golf. His ‘students’ have combined for over 100 tour victories as a result of his teaching and include the likes of Phil Mickelson, Scott Adams, and Tiger Woods, to name a few.

My greatest desire for those who follow Crosshairs Trading© is for each person to develop into a better trader than I could ever hope to become. There is no ego stroking in the crosshairs, only ego control.

For those who wish to learn, Crosshairs Trading© can teach you how to trade and when best to trade.

By learning HOW you can turn the WHEN into WIN.
DOCTRINE SIX

KEEP YOUR FOCUS ON WHAT YOU CAN CONTROL!

In trading, it is absolutely essential that you focus only on those things under your control.

Every single trade should be controlled by purposeful action with the goal of making money. Why make trading anymore complicated than that? To do so would be to take your eye off the goal. Do not waste your energy over those things which you will never be able to control. Just like you cannot change a tiger’s stripes, you cannot bend the market to your will, so why try?

Surprising economic news, earnings guidance surprises, analysts upgrades and downgrades, major market participants decisions to enter and exit the market, etc. are not under your control. All of these can affect your trading one way or the other, if you let them.
Trying to control the uncontrollable can lead to the following, neither of which can help you become a successful trader: disappointment and doubt. For one, you are disappointed when you enter the “perfect” bullish trade based on your fail safe technical analysis and the next morning the company issues a warning killing any potential profit target you set. You suffer disappointment and doubt at the same time as you question your analysis and your set-up.

What you should really be focused on is your belief system. Let me explain. If you believe every trade will work, then meet your new closest friends: doubt and disappointment. If, however, you believe that anything can happen in spite of your wonderful analysis then you will accept whatever the market gives and go on to the next trade. Crosshairs Trading© pulls no punches and does not hide behind the veil of perfection. There is no perfect trading system and there is no reason for me to teach you otherwise. Learn to control your preconceived beliefs and you will learn how to respond to the uncontrollable.

What Crosshairs Trading© will help your learn is how best to respond to the uncontrollable while focusing on the controllable. Your trading results will suffer when you focus on the wrong target.
DOCTRINE SEVEN

WHAT YOU BELIEVE IS WHAT YOU SEE!

What can you control?

You can control what you choose to learn, see, and believe.

Since the markets are so fluid and are made up of so many variables, it is essential that your learning be focused on a specific segment of the market and a particular strategy within that segment. Your beliefs about the market will dictate what you see. For example, if you believe there is some secret way to trade and only those “in the know” can make money, then you will continue to search for that secret, wandering around from site to site and reading one book after another. On the other hand, if you believe that making money in the market is based on focus, simple rules, and a tough mental discipline, then you will see the opportunities among all the “noise” in the markets. By staying
focused you will be able to see opportunities more clearly which, in turn, will help reinforce your beliefs.

By focusing on your belief system the uncontrollable (DOCTRINE SIX) will not drive your trading but will take a back seat to your success. By keeping your focus on the very simple things that you can control such as your attitude, your rules, your focus, your discipline and your knowledge of future known events (e.g. an earnings report) you will be focused on the opportunities that the market provides.

The market has the surprisingly unique ability to take your money when you least suspect it. Here is why: the market’s many variables –let’s call them details- are impossible for one human being to master nonetheless understand; therefore, the trader has to take a variable, locate an opportunity within that given variable, and then master the minute details within that opportunity.

**THE MARKET**

**VARIABLES**

**OPPORTUNITIES**

**DETAILS**

**MASTERY**

Controlling this process is essential to your success and is at the heart of Crosshairs Trading©.

*With your reinforced beliefs you will see the opportunities others are missing. While the others search you discover!*  
*You will find that it is in the most simplest of things that the truth is discovered!*
DOCTRINE EIGHT

TRADING IS A PROCESS NOT A DESTINATION!

If your success lacks consistency it may be due to the misguided understanding of the process involved.

Trading is not a destination, but a daily process of learning what you can trust and developing trust in what you have learned. This trust is active not passive in that your trust is not guided by some computer program with buy and sell signals (passive), but guided by your own research, experience, and commitment to your style of trading no matter the conditions (active). By focusing on the process you can eliminate the tension, fear, lack of confidence, and loss of trust associated with the lack of understanding that inhibits you from the success you seek.

Who better to trust than yourself? Who can understand you better than you? Crosshairs Trading© can help you trust yourself and can help provide the confidence you need to enter and exit the market.
THE BOTTOM LINE

All of the above is the foundation upon which my trading methodology is based. Crosshairs Trading© is not for everyone but before we go any further, let’s quickly cover what Crosshairs Trading© is by looking at what it is not:

1. **Crosshairs Trading© is not day trading.** We focus on strong, multi-dollar moves that can last anywhere from hours to weeks depending upon the chart used, the general market conditions, and the projected profit and loss targets. On average, there can be anywhere from 10 to 25 possible trades a month. The number can vary depending on current market conditions.

2. **Crosshairs Trading© does not focus on penny stocks.** We focus on high volume ETFs and strong leadership stocks from each of the major sectors of the S&P 500 that average at or above 1M shares a day in volume, are at least $15 a share, and are optionable.

3. **Crosshairs Trading© does not trade multiple setups and markets in the pursuit of capturing every market move.** In fact, more time is spent outside the market than in as we focus only on the highest probability trades that must meet very strict criteria or there is no trade. While out of the market the focus is on building patience as we prepare for the next round of crosshair trades.

4. **Crosshairs Trading© is not for those who seek the “excitement” of the markets.** Crosshairs Trading© is boringly repetitious. I developed my trading methodology around the understanding that trading should allow an individual adequate time to live a meaningful and fulfilling life, spending as much time as possible outside the charts.

5. **Crosshairs Trading© is not a long or short only trading methodology.** Crosshairs Trading© is designed to trade in bullish, bearish, and neutral markets. Whatever the market is willing to give is what we will be willing to take.
Although I have written several blog articles about the crosshairs methodology, I will provide a little more thought and detail here in an effort to make organized sense of how Crosshairs Trading© works.

A HIGHLY PROBABLE INDICATOR COMBINATION

I have no secret indicator that can find highly probable trades. I continue to agree with Solomon who said that there is “nothing new under the sun.”

Trading is based on human emotion and human emotion has not changed over thousands of years. There is no indicator or charting technique that can be invented that can take into account all the collective emotions of each person trading the market at any given time. It is not and will never be possible. Therefore, in order to trade you must make sense of the cumulative emotions of traders by developing rules for entering and exiting the market. I have developed my rules around several indicators that when used in combination with one another and in conjunction with a few other factors provide a very high probability of success.

These indicators are found in most trading platforms and are well known to most traders. However, the parameters for each indicator can have any number of combinations. For instance, Bollinger Bands (which I do not use) can be set for length and standard deviation in an almost innumerable combination. Who decides what combination is best? Do you simply use the defaulted settings provided by your trading platform? If so, why?

I have studied indicators alone and in combination for several years and have come to two conclusions: 1) no one indicator works well when used alone; and 2) no combination of indicators work well together when the parameters of each do not compliment the others. In other words, the indicators must give complimentary signals, not conflicting ones.

I use four indicators (outside the candlestick charts) with distinct parameters. When these indicators are used in combination with a few other factors (which
I will discuss), I have what I call a crosshair. It forms the basis of Crosshairs Trading©.

**SIMPLE MOVING AVERAGES**

The moving average is one of the oldest indicators and the most often used indicator in technical analysis. There are many different types of moving averages (simple, exponential, weighted, etc) and many different values (200, 50, 20, 10, etc.). Which ones do you use and in what combination?

The answer is up to the trader and no one way is “correct.” I choose to use three simple moving averages for support and resistance (200, 50, and 21) and refer to these as TANKS, signifying the gravity of each. In other words, if a stock is finding support at its 200 period SMA I refer to it as being supported by a force of 200 tanks versus the possible support of 50 or 21 tanks. I use these moving averages on two of three timeframes: the DAILY and the WEEKLY. I do not use them on my intraday timeframe.

I use two shorter simple moving averages to further support my crosshair. Each one runs very close to price and serve the purpose of adding strength to the other indicators mentioned above. These are used in all timeframes.

I have found that using a limited number of moving averages work best with the other combination of indicators I use. Adding to these would only create confusion and interfere with the simplicity I prefer. Also, when using too many moving averages on multiple timeframes there is a tendency to miss high probability trades. One chart will too often disagree with another chart, so much so that a tendency to over analyze interferes with the acceptance of the highly probable.

**MULTIPLE TIMEFRAMES**

I use three timeframes for trading: the WEEKLY, DAILY, and one INTRADAY chart. Each one of these can perform different functions depending on the chart used to enter a trade, which I refer to as the DEPLOYMENT chart.

The WEEKLY chart gives a general view of the market and the possible direction of the market for weeks to months. It is considered the WAR ZONE
chart. Rarely is the WEEKLY chart used as the DEPLOYMENT chart. The WEEKLY chart is used to support trades on the DAILY and INTRADAY timeframe.

The DAILY chart gives a general view of the possible direction of the market for days to weeks and is considered the TERRAIN chart. The DAILY chart can be used as the DEPLOYMENT chart and as support for the INTRADAY chart.

The INTRADAY chart candle closes twice a day, once in the AM and once in the PM. The INTRADAY chart provides possible direction for hours to days. The INTRADAY chart is only used as the DEPLOYMENT chart and finds its support on the DAILY and WEEKLY charts.

When used in conjunction, these time frames are well suited for the crosshair indicators and help support the multi-day, multi-dollar stock moves that I look for when making a trade decision.

**OTHER CONSIDERATIONS**

I consider the direction of the S&P FUTURES and the NASDAQ FUTURES when trading. I do not trade against the market as that would reduce the high probability of the crosshair.

To keep things simple I focus on a set number of leadership stocks and one particular pattern within these stocks. By focusing on a limited number of stocks I am able to easily read the stock’s movements and better understand when these stocks are close to setting up for a possible trade. I am also well aware of possible support/resistance areas and potential profit and loss areas before the crosshair is formed. This way I am prepared for the trade and ready to take action if and when a crosshair is formed; thus, my motto “Trading is war. Prepare your weapons.”

The crosshair is also able to help me calculate how long it will be before my next possible trade. I am able to do this because the crosshair indicators must first “set-up” in a certain way before the crosshair can form. When my crosshair has possible days before forming I then have the freedom to do other things, such as spend time with my family, work on a book project, play golf, etc.
CROSSHAIRS TRADING© IS A LIFESTYLE

When you really stop and think about it, Crosshairs Trading© is a lifestyle, not just a trading methodology. I have found that Crosshairs Trading© has helped me appreciate a better life outside the charts.

I have become more confident in my ability to provide for my family.
I have become more patient with family and friends.
I have become more understanding of those who hold a different opinion than I.
Life has slowed down as I am not as anxious.
I am happy knowing that my self-worth is not based on daily trading results.
I am at peace with a market that cannot harm me.
My need to know and participate has been replaced by the need to focus and anticipate.
Selfishness has been replaced with a desire to share.

Crosshairs Trading© has literally changed my life.

David M. Blair is a trader, author of the eBook WHEN 10 IS GREATER THAN 90, and the creator of THE CROSSHAIRS TRADER blog. David’s Crosshairs Trading© training course is known for its simplicity and focus on high probability trading opportunities. If you have any questions please contact David via his blog www.thecrosshairstrader.com. If you are interested in premium services check out the offerings on the next few pages.

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It is my hope that you enjoy the read and that you find it beneficial to your future success.

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IN THE CROSSHAIRS
SILVER MEMBERSHIP

The SILVER MEMBERSHIP option provides trades triggered by my computer programmed “RadarScreen” in the TradeStation® platform.

Here is an actual screenshot from NOVEMBER 25, 2009:

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<td>LONG</td>
<td>17.00</td>
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<tr>
<td>MHS</td>
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<td>62.92</td>
<td>LONG</td>
<td>17.00</td>
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<td>Daily</td>
<td>75.51</td>
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<td>23.79</td>
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<td>20.00</td>
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<td>Daily</td>
<td>29.10</td>
<td></td>
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<tr>
<td>AMP</td>
<td>Daily</td>
<td>29.41</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The columns (left to right) represent:

THE STOCK SYMBOL
DAILY TIMEFRAME
DAYS SINCE THE CROSSHAIR TRIGGERED
WHETHER A SHORT OR LONG TRADE
LAST PRICE OF STOCK
THE DAY’S VOLUME

The trades are based on stocks that meet the following criteria:

1. Trade above $15.00 a share.
2. Average volume of 1 million shares.
3. Optionable.

As you can see, there are potential trades almost every day. The trades are based on a combination of indicators that form the crosshair. The trades do not take into consideration other factors such as support/resistance, moving averages, general market conditions, etc. that are discretionary and best left up to the individual trader to assess.

Next is an actual screenshot of the Crosshairs chart for DIA (DOW Diamonds ETF). Long trades were triggered on 9/8/09, 10/7/09, and 11/5/09. The SILVER MEMBERSHIP provides an entry signal only. I do not discuss possible profit targets nor is there consideration for support/resistance or general market conditions. These considerations are completely up to the individual trader’s discretion.
This membership option is best suited for those who want to be alerted to potential trade opportunities only, without any discretionary guidance.

DAILY market updates (unless some unforeseen event prevents me from doing so) will be provided via an account number and password provided at the time of enrollment.

$37.00 MONTHLY

Enrollment is easy and is located on the home page of my site under CROSSHAIRS TRADING.

IN THE CROSSHAIRS
GOLD MEMBERSHIP

This is a premium membership service that not only lists high probability trades but provides the reasoning behind each trade based on the crosshairs signal. This allows you to make informed decisions about potential trades.

My stock selection goes through two screenings here. First, I use the TradeStation Securities, Inc. © “RadarScreen” with my pre-set crosshairs signal and then I use my QCharts® (e-Signal, Inc.) platform for additional confirmation of these trades.
Beginning with the first stock KMX, the DAILY short crosshair was triggered on 11/18/2009, three days prior to this screenshot. You can also see the other crosshairs that were triggered and how many days had elapsed since the last trigger.

I also scan my discretionary list of stocks for additional trades not signaled by the computer.

I look at discretionary factors such as:

1. Futures Charts (S&P, NASDAQ)
2. General Market Direction (DOW, NASDAQ, S&P 500, etc)
3. Support and Resistance levels on both the DAILY and WEEKLY charts.
4. Stock and sector specific news (such as earnings dates).
5. Adequate profit targets for a multi-dollar move.
6. Whether or not the stock is a leader or a laggard.

Once the stock in question passes the screens, then and only then will I mention the stock as a possible trade.

**BENEFITS OF MEMBERSHIP INCLUDE:**

1. Live webinars wherein I discuss factors influencing potential trades and how I look at the charts (scheduled at my discretion).
2. Screen shots of charts along with prerecorded videos discussing potential crosshair set-ups (scheduled at my discretion).
3. Potential profit targets and loss targets for triggered trades.
4. DAILY commentary about the possible direction of the market over the next few days to weeks.

Here is a sample screen shot of the last trade for APA, triggered in my discretionary trading account:
What you see is the crosshair signal line with an entry date (vertical line), and exit line (loss target) and a potential profit target (black parallel lines). This is a high probability trade because of support (off the 50 SMA/TANKS); a break through recent resistance (green line), and a multi-dollar profit target (100 “psyche” level). The general market was also trending up adding support to this long trade.

Here is the same trade from the TradeStation Securities, Inc. © Platform. As you can see my automated system triggered the same trade as above.

PLEASE SEE SAMPLE NEWSLETTER BELOW WITH AN EXPLANATION OF EACH CATEGORY. FURTHER EXPLANATION AND PRICING WILL FOLLOW.
With a market that has rocketed up for two weeks I believe we are getting a little too far away from earth even for the rocket man. Most of my charts are showing that it is time for some consolidation and/or retracement. However, I have never been one to guess a market top or bottom. Just as you think the market needs a rest it shoots higher. The market will always do what it is led to do. Maybe the rocket man is heading to mars instead of the moon. Until the market gives me a signal to go short or buy puts I will stay long and vice versa. The word now is patience. We wait for some consolidation and look to go long on stocks that are set up for another move higher. At the same time if the market decides to do more than consolidate, we will look at several stocks that are hitting some resistance and are ready to rollover with the market correction. A few points here and a few points there-no matter the direction-never hurt anyone.

Being the beginning of a new month we may have a little more upside the next few days so if I see stocks setting up I will move in on the long side but with a quick profit target and a tight stop. Existing positions will be given a little more room to run and then removed from battle. No need to stick around when you may not be wanted anymore.

Many of my WEEKLY charts are showing a good, strong crosshairs off support areas, especially in the oil services sector. Even a retrace to these support areas could take a week or so without damaging the overall strength of the move. This is why it is important to be patient and wait for new entry points on the DAILY charts, some of which could be poised for a rest.
Potential market moving news events and issues facing traders, such as earnings reports, a warning from a major leadership stock etc. will be mentioned here.

Economic calendar for the week will be posted here. This is posted on the weekend for the following week and will not change during the week.

**Monday, August 3**

10:00  Construction Spending, ISM Index  
2:00   Auto/Truck Sales

**Tuesday, August 4**

8:30   Personal Income/Spending  
10:00  Pending Home Sales  

**Wednesday, August 5**

8:15   ADP Employment  
10:00  Factory Orders  
10:30  Oil Inventory Report

**Thursday, August 6**

8:30   Weekly Initial Claims  
10:30  Natural Gas Inventory Report

**Friday, August 7**

8:30   **Non-Farm Payrolls**  
2:00   Consumer Credit
The following are potential long (call) plays.

**Deployed**

Stocks that have met the crosshairs criteria for entry will be mentioned here with potential profit and loss targets.

**Drafted**

Stocks that have formed a crosshair but may need to meet other criteria first (e.g. clear resistance/find support) before trading will be mentioned here.
Stocks that are getting close to DRAFT or DEPLOYMENT status. The stock is in a position on the chart(s) that could form a crosshair within the next few trading days.

ADSK (Autodesk): ADSK has pushed off the 21 tanks and through the 50 tanks on the WEEKLY and has not yet set up a crosshairs on the DAILY. A move back to the 50 tanks on the DAILY would correspond with a move to the 50 tanks on the WEEKLY. A move off this area would provide a great move to the 25 area.

The following are potential short (put) plays.

Stocks that have met the crosshairs criteria for entry will be mentioned here with potential profit and loss targets.
Stocks that have formed a crosshair but may need to meet other criteria first (e.g. clear support/find resistance) before trading will be mentioned here.

Stocks that are getting close to DRAFT or DEPLOYMENT status. The current stock price is in a position on the chart(s) that could provide an entry within the next few trading days.

Inspirational quotes and/or psychological topics will be covered here.

See you next time… IN THE CROSSHAIRS!

David Blair
DISCLAIMER

All of the foregoing is commentary for informational purposes only. All statements and expressions are the opinion of Crosshairs Trading, LLC. or its affiliates and are not meant to be a solicitation or recommendation to buy, sell, or hold securities. We are not licensed or registered in the securities industry. The information presented herein and on our related web site has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. The Crosshairs portfolio of Crosshairs Trading, LLC or its traders may, in some instances, include securities mentioned herein and on our web site. Estimates, assumptions and other forward-looking information are subject to the limits of forecasting. Actual future developments may differ materially due to many factors.

Because I trade with real funds and with a simulation account I have to provide the following:

U.S. Government Required Disclaimer – Commodity Futures Trading Commission. Futures and options trading has large potential rewards, but also large potential risk. You must be aware of the risks and be willing to accept them in order to invest in the futures and options markets. Don’t trade with money you can’t afford to lose. This website is neither a solicitation nor an offer to Buy/Sell futures or options. No representation is being made that any account will or is likely to achieve profits or losses similar to those discussed on this website. The past performance of any trading system or methodology is not necessarily indicative of future results.

Stock Trading Information CFTC RULE 4.41 – HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING. ALSO, SINCE THE TRADES HAVE NOT BEEN EXECUTED, THE RESULTS MAY HAVE UNDER-OR-OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFIT OR LOSSES SIMILAR TO THOSE SHOWN.

--END OF SAMPLE NEWSLETTER--
DAILY market updates (unless some unforeseen event prevents me from doing so) will be provided via an account number and password provided at the time of enrollment which will then allow you to receive the newsletter when updated and posted on my site.

$97.00  MONTHLY

Enrollment is easy and is located on the home page of my site under CROSSHAIRS TRADING.

*PLEASE NOTE*: While offering a free trail is suitable for day trading sites, it would not benefit you here since my trading style triggers a limited number of trades a month and, in many cases, require days to weeks to reach their profit potential. To really benefit from the focused position trading I advocate you will need to spend a few months deciding whether or not this style of trading is for you. If you are not satisfied with the service you may cancel at any time.
CROSSHAIRS TRADING© TRAINING PROGRAM

This is an intensive THREE MONTH training course where you learn how to trade IN THE CROSSHAIRS. Here are the features and benefits:

1. **Personal, one-on-one live teaching.** No recorded videos, no tutorials, no group meetings, and no paid teaching instructors. Just me and you and THE CROSSHAIRS via on-line webinars.

2. **30 hours of training scheduled over a two month period.** Training will consist of short, 1-2 hour focused webinars two to three times a week depending upon mutually agreed upon scheduling. This type of training promotes discipline, focus, and patience.

3. **Trading Psychology.** Along with the technical training will be lessons about the psychology behind the crosshairs and why it can help you control self defeating emotions.

4. **One year FREE “IN THE CROSSHAIRS” Membership.** Membership begins once training is completed and can aid you in your trading success by keeping you focused on what you have learned.

5. **Priority access to me.** Your inquiries and questions will take priority over the general emails from others. One hour a month webinar time will also be provided on an as needed basis once training is completed.

Crosshairs Trading© training program is limited to only five students per three month period. If all slots are full you may request to be placed on a waiting list. You will then be contacted once a trader has rotated out of the program. You must request an interview in order to be considered. This can be conducted via an internet webinar or by phone. Not all requests will be accepted. I reserve the right to refuse my services to anyone. The cost of the program is $4750.00.

Please contact me if you are interested: