

Prioritizing Capital Preservation in Trading



Thomas Barmann

In the complex and ever-changing world of trading and investing, the quest for a reliable strategy often centers around the fundamental principle of capital preservation.

Discover the essential skills required to navigate crucial price turning points and unlock the potential benefits of trade repair strategies.

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About the Author



At 22, he ventured into the world of trading, embarking on a journey that spanned decades. He accumulated a wealth of knowledge and became a seasoned expert in guiding private investors to financial success in the markets. Pioneering the development of algorithms and software, he crafted a high-probability trading and investing framework.

This innovative system meticulously outlines specific trade scenarios, empowering traders and investors to execute strategically at system-defined entry, exit, and stop conditions.

“Trade what you see: let the chart tell when to buy or sell!”

Learn to trade by spotting and trading with institutional money moves, minimizing risk, and compounding interest.

A very small group of people knows how to trade the financial markets, and those who enter unprepared pass their money to those who know. He aims to improve the world by sharing knowledge and giving education. To do so, he formed an education company in 2008. The mentorship programs of Nobel Living, LLC are taught one-on-one at your best available days and times.

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Publications

Thomas is the author of three books you can get at Amazon aside from many other publications:

- [Integrated Trading and Investing System](#)
- [My Stock Market Income](#)
- [Your Trading Career as a Private Investor](#)

Blogs: [WordPress-](#), [Blogspot](#)

Daily Warmup: <https://t.me/neverlosstrading>

YouTube: [Trading examples explained.](#)

Facebook: <https://www.facebook.com/TradeWhatYouSee>

Experience a Live Interview at 52 Trades:

<https://www.youtube.com/watch?reload=9&v=bl0e89B5ZOY>

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Good trading,

Thomas

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1. Intro

Prioritizing Capital Preservation in Trading

In the complex and ever-changing world of trading and investing, the quest for a reliable strategy often centers around the fundamental principle of capital preservation. Warren Buffett says, "The first Rule of trading is not to lose money. The second Rule of trading is not to forget the first Rule. And that's all the rules there are." This mantra, emphasizing the paramount importance of safeguarding capital, forms the bedrock of the NeverLossTrading concept.

Trading and investing success hinges on effective risk control. We will divulge the essential principles required to navigate today's dynamic markets.



Navigating the intricacies of trading is undeniably easier said than done. However, we aspire to provide you with a comprehensive overview of the possibilities because, as the saying goes, knowledge is power. Understanding the intricacies of trading empowers you to make informed decisions and confidently navigate the complexities.

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2. Cornerstones

Capital Preservation and Compounding

The NeverLossTrading approach pivots on the crucial objective of capital preservation. Our concept underscores the significance of protecting one's capital before seeking profits.

Losing 50% of your investment capital requires a daunting 100% return to break even—an arduous feat by any measure.

Achieving success in trading and investing requires effective risk control. We will divulge the essential principles required to navigate today's dynamic markets.

Heralded by Einstein as one of humanity's greatest inventions, the compound interest is a pivotal factor in trading and investing decisions.

To determine the years it takes for capital to double with a 10% annual return, you can use the Rule of 72. The Rule of 72 is a simple formula: Divide 72 by the annual rate of return.

In this case, $72/10 = 7.2$ Years.

Hence, if you produce a 20% annual return, your capital will take $72/20$, about 3.6 years to double.

The historical average yearly return of the S&P 500 is 12.02% over the last ten years as of the end of December 2023, assuming reinvested dividends. However, markets do not move in one direction solely, and you need to invest in knowledge to achieve such or above-market return rates.

During the pandemic, when the markets vastly dropped, many unprepared lost about 50% of their invested capital, and we want you to know ways of preventing such drawdowns.

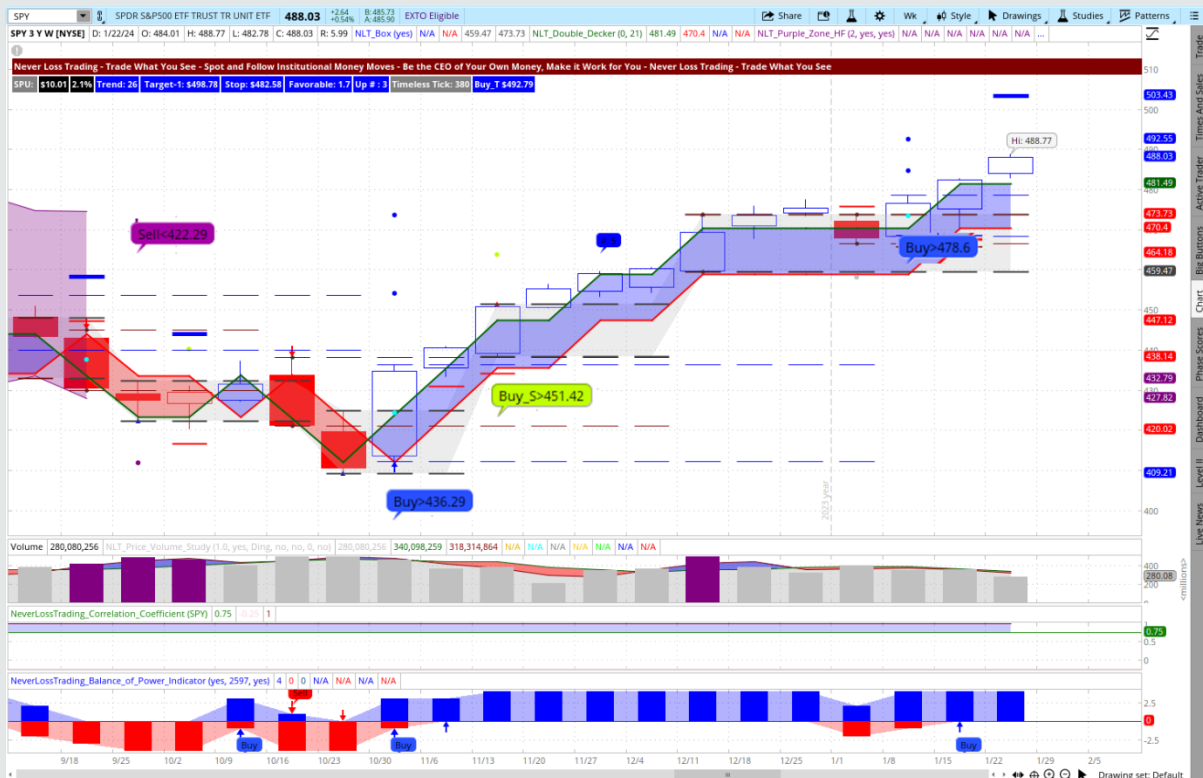
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One of our clients, a swing trader and longer-term investor who started in 2023 with a \$150,000 account, produced an annual income of \$66,000 in his first year – a whopping 44% return, by picking solid trades, protecting positions that would have come to a stop and constantly reinvesting.

He follows our philosophy from the understanding that a robust risk management strategy shields investors from catastrophic losses and provides a stable foundation for sustained success. Indeed, he takes his decisions from the NLT Alerts and NLT Charts. Take a peek and let the chart tell when to buy or sell.

SPY Weekly Chart with NLT Top-Line and SwingPower



Always consider: Investing in your knowledge and skills yields the highest long-term return, and we are here to share our concepts with a small group of people; we teach and coach individually.

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Tools and Strategies for Capital Preservation

Bringing the concept of never losing money to live, NeverLossTrading utilizes a spectrum of tools and strategies that operate decisively at pivotal price turning points. Spanning from the introductory system, TradeColors.com, to the pinnacle of algorithmic trading, NLT Top-Line, our arsenal extends to supplementary systems such as NLT Trend Catching, NLT Swing Power, NLT Price Breakout, NLT Reversal Signals, and more.

We offer you to find out what suits you best:

contact@NeverLossTrading.com Subj.: Consulting

We emphasize providing traders and investors with the means to identify opportune moments to enter or exit positions, minimizing exposure to adverse market conditions. However, we provide more and let us put it in an overview table:

Capital Preservation NeverLossTrading Style

Trading Style	Confirmed NLT Signals @	Capital preservation method
Day Trading	Price Turning Points of NLT Timeless Charts	Striving for weekly budgets with less trading is more
Swing Trading	Price Turning Points from NLT Daily Charts	Trade repair methods striving for weekly budgets
Longer Term Investing	Price Turning Points from NLT Weekly Charts	Trade repair methods with monthly budgets

Knowing how to prevent taking a stop-loss and, instead, repairing a trade is an essential tool we teach for swing trading and longer-term investing. But it also involves knowing which

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assets allow for easy trade repairs and which do not, which is an essential takeaway students learn in our one-on-one education programs. Why is Never Stop Loss Trading, which gave us our brand name, so important?

Imagine you are a swing trader or longer-term investor acting on high-probability setups; what would be a solid return to strive for per trade, what risk to take and how would repairing half of the losing trade to come to breakeven impact your expected returns?

Trading Style	Open Positions	Average Holding Time	Average Return on Cash per Trade	Average Risk per Trade	Trade Accuracy	Capital Turns	Expected Return without Repair	Expected Return with Repair	Higher Return
Swing Trading	10	5 Days	2.0%	2.4%	0.7	30	38%	49%	28%
Longer-Term Investor	10	5 Weeks	5.0%	6.0%	0.7	8	26%	33%	28%

While we don't guarantee identical returns, it's noteworthy that some of our clients consistently achieve or surpass the calculated examples. The crux of this illustration lies in the potential for 28% improved results, translating to an 11% or 5% higher annual return, through the application of trade repair at conservative expectations. Thus, acquiring the skill of trade repair becomes a valuable addition to your knowledge portfolio.

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Technical Analysis and Predictive Modeling

Technical analysis and predictive modeling play pivotal roles in the NeverLossTrading concept:

Trade what you see; let the chart tell when to buy or sell!

By leveraging advanced charting techniques, trend analysis, and predictive algorithms, traders gain insights into identifying key turning points, enabling proactive decision-making and allowing market participants to adjust their positions in

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anticipation of changing trends. We tune our teaching and coaching to your specific wants and needs, working one-on-one together. Understanding the intricacies of market dynamics and mastering the tools provided ensures that traders can make informed decisions in real time, fostering a sense of self-reliance.

Risk Mitigation Strategies

The concept goes beyond traditional risk management by offering comprehensive risk mitigation strategies, which include portfolio hedging mechanisms, position-sizing techniques, and dynamic exit strategies to adapt to market conditions. By integrating these tools, NeverLossTrading empowers traders to navigate the market's uncertainties confidently.

Here are some examples:

Day traders, immerse yourself in the power of meticulous record-keeping with our journaling system. In just 20 seconds per trade, you compile a comprehensive log. After twenty trades, gain invaluable insights into your performance, identifying strengths, areas for enhancement, and potential setups to remember for future trades.

We introduce innovative concepts centered around risk-based investment lots for our swing traders and long-term investors. Through meticulous record-keeping of transactions and trade adjustments, you gain a profound understanding of the risk profile and profit potential of each position you hold at any given moment. Elevate your trading with precision and informed decision-making.

Conclusion

In a financial landscape where market volatility and unpredictability are constants, the NeverLossTrading concept

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stands out as a beacon of stability with clear-cut decision-making from our charts, placing capital preservation at the forefront, providing traders with the tools and strategies to navigate the markets intelligently. Mastering the art of trading is not straightforward, but it is an acquirable skill. The journey demands a multifaceted preparation, drawing upon our extensive years of experience. We've identified pivotal skills that yield enduring dividends for traders, categorizing them into three essential domains:

Skills Needed to Succeed in the Financial Markets

System	Psychology	Preparation
Adaptive Model that follows the Action of Exchanges	Patience in Inaction	Unwavering Focus
	Focus on Price Movers Only	Rule Adherence
High-Probability Price Turning Points	Fact-Based Decision-Making	Economic News Awareness
	Resilience in Loss	Trade Repair Skills
	Adaptability to adjust strategies	Conditional Orders
Assets with Price Movement Identification	Patience and Trust	Self-Analysis
	Willingness to Learn	Time Management
	Perseverance	Physical and Mental Fitness
Stringent Entry and Exit Conditions	Mastery of Thoughts	

This publication aims to provide you with a broad overview of the essentials. If the intricacies captivate your interest, don't hesitate to email us. We eagerly await the opportunity to give you a detailed explanation of the required skills:

contact@NeverLossTrading.com Subj.: Skills.

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Let us explore the system component here and explain what is needed in today's market to make highly probable trading decisions.

3. System

What do you base your trading and investing decisions on?

You need a system that helps you to forecast price action with a high probability of above 65% accuracy to produce long-term income from the financial markets.

Unfortunately, most traders act based on a maximum of 55% predictability. Calculating the chance of winning six or more trades out of ten and comparing a 55% and 65% system: the 55% system has a 50.4% chance to succeed, while the 65% system has a 75% chance to bring you to more winning than losing trades.

What is behind working with a high-probability system?

A Glimpse of NLT Analytics

To invite you into our way of thinking and acting:

"Letting the chart tell when to buy or sell."

We best start with the market model we use and follow:

Adaptive model that follows the action of exchanges: Many systems follow a stringent mathematical correlation like the 1, 2, and 3 waves following the A, B, and C waves; however, the actual happening between supply and demand is not predictable by predefined repetitive cycles: The underlying structure can best be expressed in "fractals," and we invite you to a short intro to the [mathematical world of fractals](#), expressing the basis of our calculation models that replicate the natural happening.

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NeverLossTrading Price Move Model



1. **Prices accumulate** prior to a price move and our indicators are identifying this stage by measuring price-, volume- and volatility development, with the NLT-specific market pressure model.
2. Prices **test** the **high/low** of a range prior to breakout. Again, our sensors are triggered and alarm us.
3. **Breakout** to the next price increment. It shows and is highlighted right on our charts and picked up by our scanners.
4. The **price breakout is noticed** by key market participants and is either:
 - **Confirmed** – and we trade it.
 - **Not confirmed** – and we stay out.

Hence, we only open a transaction when other market participants confirm the new direction through buying or selling, driving the price past the system-set threshold. Our system specifies the positive exit with the entry condition, calculating "SPU" (Speed Unit) and such, defining the price move from entry to target to relate it in the second step to the system set stop, and we will explain how we calculate this component.

Definition of NLT SPU



NLT **SPU** = Price Move/Time Unit (Price Speed)

A dynamic measure, constantly adjusting to actual

SPU-Trade-Target:

Minimum expected price move after an institutional engagement is established

After defining two variables, we must specify the stop or trade adjustment level.

What is a trade adjustment level?

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Instead of closing the trade, it is the price where you will repair the trade. The idea of Never Stop Loss Trading gave us our brand name, but we shortened it a little.

So where to place the stop or repair level?

According to our research, a risk-to-reward ratio of 1.2 concerning is beneficial for several reasons:

- **Compensating for Uncertainty:** There's always a degree of uncertainty in trading. By employing a risk-to-reward ratio of 1.2, you provide a buffer that compensates for potential unexpected price movements or market volatility. This buffer helps account for the natural unpredictability of the financial markets.
- **Improved Win Rate:** A risk-to-reward ratio of 1.2 can contribute to an increased win rate. When the potential reward is slightly higher than the risk, successful trades impact your overall profitability more. Therefore, the favorable risk-to-reward ratio can help generate consistent profits even if your win rate is not extraordinarily high.
- **Balancing Risk and Reward:** Using a risk-to-reward ratio of 1.2 ensures that your potential reward is proportionate to the risk taken. In addition, it establishes a balanced approach to trading, where you aim to maximize your gains while managing and limiting potential losses.
- **Long-Term Profitability:** A risk-to-reward ratio of 1.2 can contribute to sustainable profitability over the long term. Maintaining a balanced risk-reward profile creates a solid foundation for your trading strategy, promoting consistent returns and minimizing the impact of occasional losses.

You might think that a 1.2 times risk to reward is unfavorable; however, calculate with an average winning percentage of 70%. For example, when you aim to gain \$250, you risk

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\$300. Quantifying the equation with probability, the expectation value of this setup is $\$250 \times 0.7 - \$300 \times 0.3 = \$85$. However, if you work with a narrow stop, you only win 20% of the time; for the rest, you get stopped, and the equation calculates as follows: $\$250 \times 0.2 - \$100 \times 0.8 = -30$, producing a negative expectation value with no chance of making money long-term.

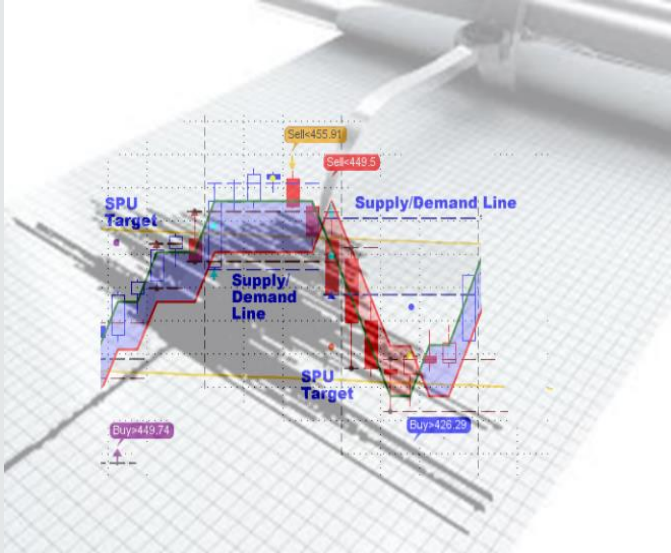
Statistical distribution of data is essential to make sound decisions; however, we always deal with uncertainty and will never be 100% right. Hence, risk management and money management are critical components to learn, and we teach those one-on-one in our training and coaching sessions, focusing on your specific financial goals and time available for trading. Solid decision-making is based on replicating the market in a proven model, and we integrate all that we shared above into our indicators and summarize the underlying decision-making basis as follows:

Algorithmic and AI Components in NeverLossTrading

Core Components	Integrated in NLT	Not Integrated
Adaptation to actual, not relying on fixed patterns or algos	Yes	
Complex non-linear decision making	Yes	
Considering actual news and social data		Partially
Real-time strategy adjustment	Yes	
Forecasting capability	Yes	
Rule-based trading	Yes	
Quantitative analysis and synthesis	Yes	

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Adaptation to Actual



All our indicators include a component of machine learning to analyze vast amounts of data, constantly adjusting to actual and not relying on fixed forecasting models. Our indicators include seismic readings, measuring market vibrations and pre-stages of a likely price breakout move.

Complex Decision-Making

Our systems and indicators can make complex, non-linear predictions, processing unstructured data to forecast critical price turning points with entry, exit, and stop rules.

Considering Actual News and Social Data

To date, we haven't discovered substantial value in utilizing natural language processing and sentiment analysis tools to gauge public sentiment from various sources like news articles, social media, and forums for predicting price movements with high certainty. Our strategy revolves around the belief that by focusing on the actions of market leaders, who often guide the crowd, we can stay ahead and anticipate price movements effectively. As a result, our decision-making process is grounded in economic news and corporate events rather than relying on social media chatter to shape our trading and investing decisions.

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Real-Time Strategy Adjustment

Our systems and indicators adapt to changing market conditions, and we teach you to adjust strategies accordingly, staying the captain of your financial future.

Forecasting Capabilities

Our systems can predict future market movements with high probability, identify trends, and even recognize patterns not apparent to human traders.

Rule-Based Trading

Algorithmic trading relies on predefined rules and instructions, helping you to act prepared when specific setups occur on your charts. These rules determine when to buy or sell assets based on specific conditions and parameters with split-second precision.

Quantitative Analysis and Synthesis

As listed under the headline: "Input Components to Extrapolate Price Moves," our systems analyze data from price change and reach to order flow.

In summary, you now know the components we consider for identifying highly probable chart setups to follow.

The visionary behind NeverLossTrading is Thomas Barmann; since 2008, he has harnessed the predictive potential of Algorithmic Trading and AI, aiming to let private investors participate in the financial markets with an edge.

Unveiling Analytical Evolution

Algorithmic and AI trading as a marvel is poised to revolutionize how traders and investors approach financial markets. What sets NLT analytics apart is its remarkable ability to provide

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highly accurate market forecasts at or above 70%. Those who heed the insights could see substantial growth in their investment portfolios.

What is your take away:

- Let your system spell out price turning points and how far they shall reach, applying mechanical rules rather than leaving room for interpretation.
- Price Moves are system-specified by direction and time
- To ensure that other market participants have the same directional assumption, we are entering orders above/below the system-specified price threshold.

Further System Requirements

Aside from the model following the natural action of changes in supply and demand, we formulated three further requirements:

1. **High-Probability Turning Points:** A systematic approach to identifying high-probability price turning points through fact-based analysis, utilizing systems, scanners, and alerts, is essential.
2. **Price Movement Identification:** Defining a price move's beginning and likely end with precision, facilitated by a robust trading system, is crucial for strategic entry and exit.
3. **Stringent Entry and Exit:** A systematic approach to entering and exiting trades based on well-defined conditions enhances consistency and minimizes emotional decision-making.

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4. Rule-Based Trading

Rule-based trading is indispensable for repetitive action and trading success due to its systematic and disciplined approach. By establishing clear rules and criteria for entries, exits, and risk management, traders can mitigate emotional influences, maintain consistency, and minimize impulsive decision-making. This structured framework fosters objectivity, helping traders stick to proven strategies and adapt to market conditions. The repeatability inherent in rule-based trading allows for the refinement and optimization of strategies over time, contributing to long-term success by reducing the impact of human biases and promoting strategic consistency.

Rule Adherence

Consistently following a well-defined set of rules and a written trading plan without deviation is a fundamental aspect of preparation.

A business plan is a formal statement of business goals compromised by a financial and action plan. It shall contain:

- The reasons attainable goals
- Action steps for reaching goals
- Background information about the resources needed to reach your goals
- Financial return on investment statement for specified periods.

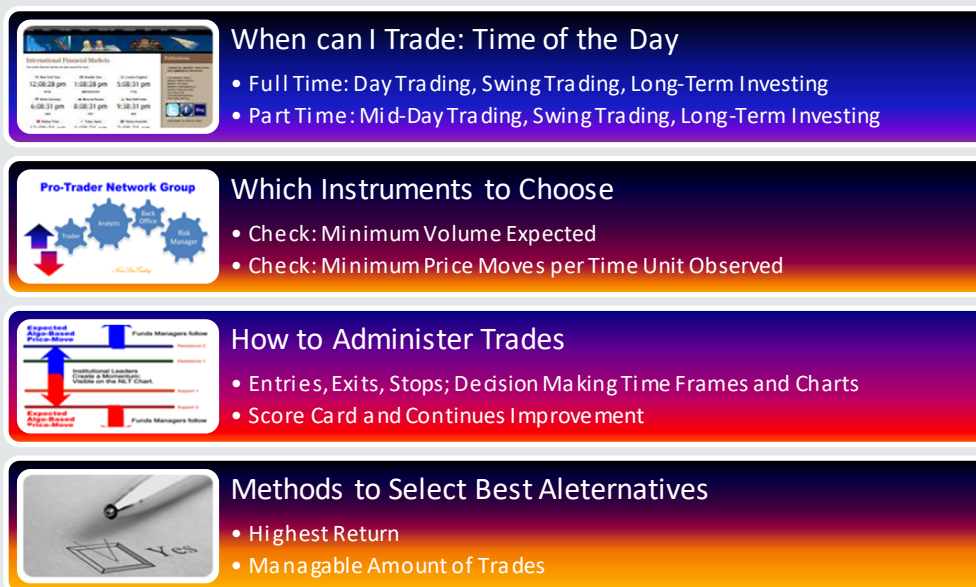
How much money do you want to make trading/investing?

As much as possible is not the correct answer:

"If you don't know where to go, you might not get there."

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To build your business plan, start with **When, Which, How** questions:



The four cards contain the following information:

- When can I Trade: Time of the Day**
 - Full Time: Day Trading, Swing Trading, Long-Term Investing
 - Part Time: Mid-Day Trading, Swing Trading, Long-Term Investing
- Which Instruments to Choose**
 - Check: Minimum Volume Expected
 - Check: Minimum Price Moves per Time Unit Observed
- How to Administer Trades**
 - Entries, Exits, Stops; Decision Making Time Frames and Charts
 - Score Card and Continuous Improvement
- Methods to Select Best Alternatives**
 - Highest Return
 - Manageable Amount of Trades

Decision-Making Summary:

- What time-frames can I, and do I want to trade?
- Which instruments do I want to trade/Invest in?
- How will I administer my trades (entries, exits) and strive for continuous improvement?
- What alternatives do I have? How do I appraise those and choose the best fitting for me?

We help our clients write a business plan for trading success, which specifies when to trade and when not (action plan). In addition, we help you to specify expectations from trading by the number of trades and average expectations (financial plan).

Time Management

Effectively managing time, especially during critical trading hours, is essential for preparation and trade execution. Each trader has their budget of available time for trading. We teach one-on-one and constantly adjust our trading systems to

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meet your wants and needs. We have been in the trading education business since 2008 and have never met two traders with the same affinity to:

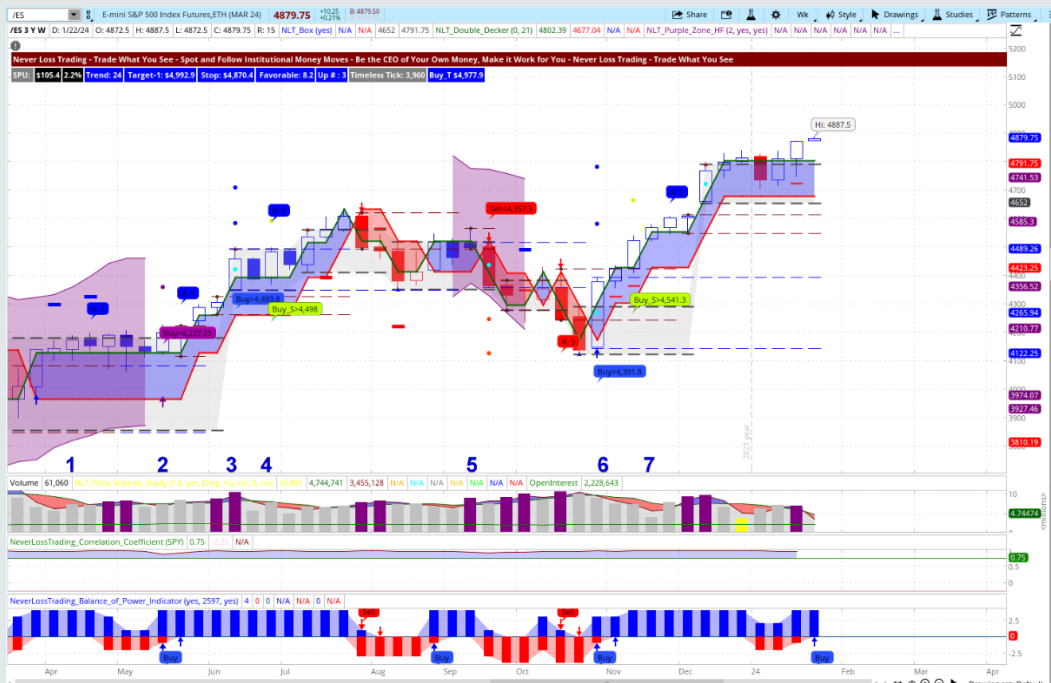
- Preferred assets
- Available time to trade
- Expected time of holding open positions
- Return rate expectation
- Account type to trade from
- And more

At this point, we best share trading examples.

5. Trading Examples

Longer-Term Investing Example

E-Mini S&P 500 Futures, NLT Top-Line and SwingPower



We rely on the NLT Top-Line setup for long-term trading decisions and the NLT SwingPower indicator. Both systems supplement each other and announce high-probability price

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moves without being correlated in their situation analysis. Our first example analyzes the stock market based on the E-Mini S&P 500 Futures contract development between March 2023 and January 2024.

On the chart, we highlighted seven situations and will explain how to read and act on them:

- Situation-1, highlights an NLT Purple Zone, reflecting ambiguity in the price direction, and as such, we do not accept signals in this zone. At the end of the zone, we take a directional trade if a signal occurs.
- Buying > \$4227.25 indicated a potential for going long in the underlying contract when the price move of the next candle surpasses this price threshold. This was fact and led to a trade to the upside with an exit at the purple dot on the chart.
- The following two buy signals were unconfirmed, and there was no trade execution.
- Signal-5 came in an NLT Purple Zone, and we did not trade it.
- Signal-6, Buy > \$4319.80 was confirmed and led to an upside trade to the second blue dot on the chart, where we took the exit, assuming a pullback.
- Signal-7 confirmed the upside price move to the second blue dot on the chart.

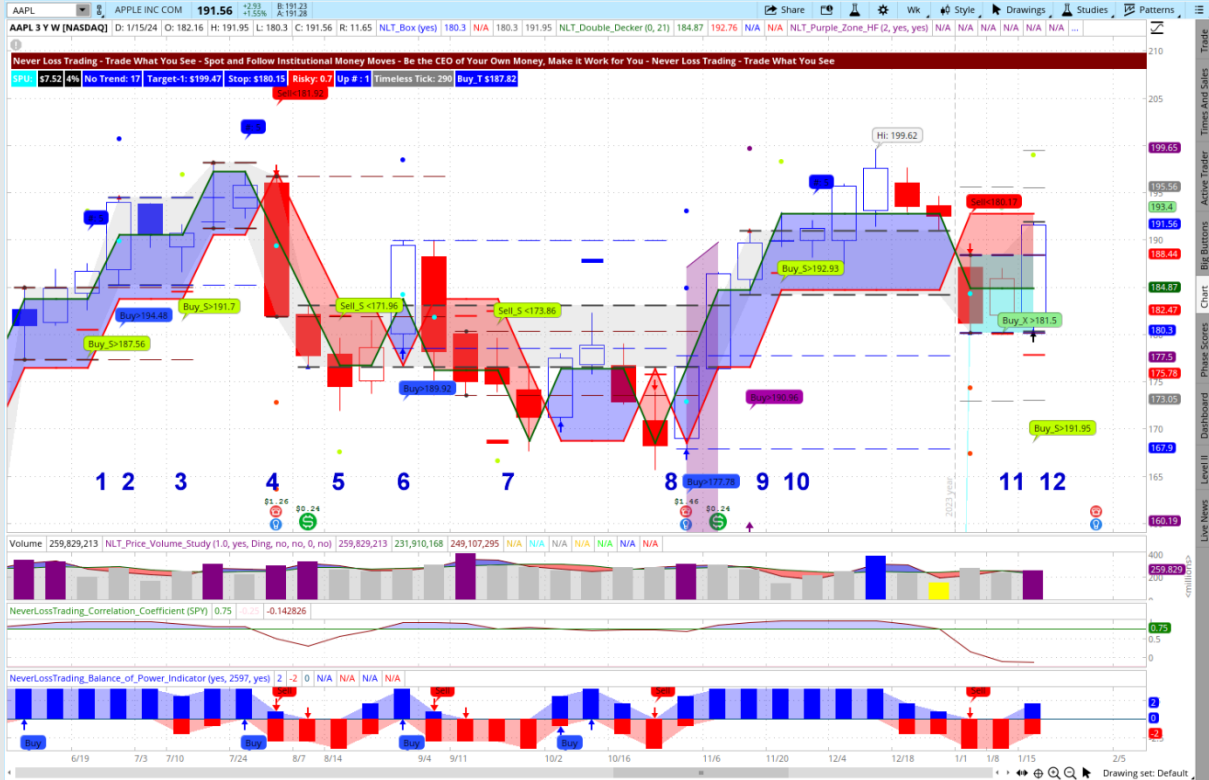
As you can see, we trade by clearly defined rules, letting the chart tell us when to buy or sell.

Let us pick a widely liked stock and do the same type of analysis to find crucial price turning points:

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AAPL, Weekly NLT Top-Line and SwingPower Chart



The chart shows the period from March 2023 to January 2024, with multiple trade indications.

Signal-1: Buy > \$187.56, confirmed in the next candle and lead to a price move to target. The following blue buy signal did not confirm at first, but secondly, we will never enter at the exit candle (one of our rules).

Signal-3: Buy > \$191.70 confirmed and came to target (dot on the chart).

Signal-4: Sell < \$181.92 confirmed, with a short cover at target (red dot). The following signals, 5 and 6, were not confirmed, and no trade followed.

Signal-7: Sell < \$173.86 confirmed, and even so, it was challenged after three candles in the price move it never came

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to the stop-level (red crossbar of the trade initiation candle) and reached the target.

The signals 8, 9, 10, and 11 lead to a trade that came to the system-defined target.

We picked another popular stock and highlighted trade situations and conclusions for TSLA. The chart shows eight trade potentials we will discuss.

TSLA, Weekly NLT Top-Line and SwingPower Chart

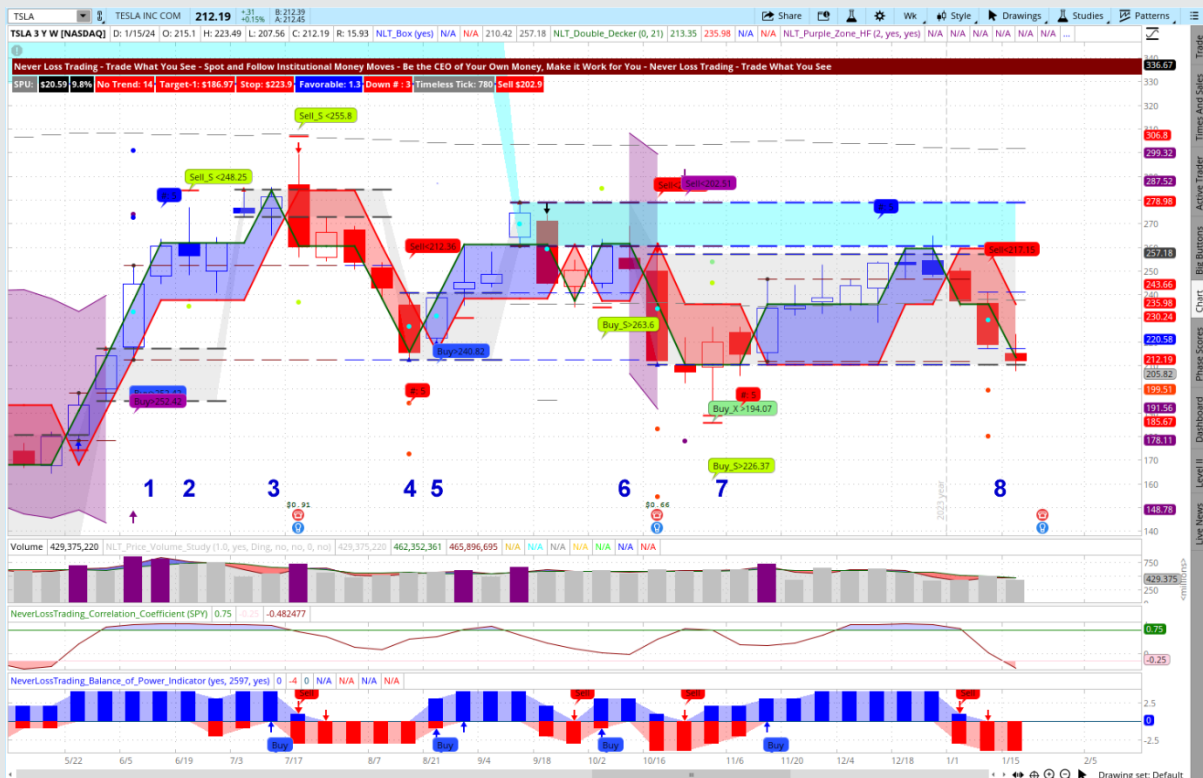


Chart Analysis

Situation-1 led to an upside trade to target (dot on the chart). Two independent indicators announced the long trading opportunity, and the next candle's price move confirmed the trade.

Signal-2 did not lead to a trade because we did not enter at the exit candle (same Rule as explained in the AAPL example).

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Signal-3: Sell < \$255.80 initiated a short trade to target.

Signal-4: The red sell signal was not confirmed, and we will only trade this signal on candle number one or two of an NLT series.

Signal-5: Buy > \$240.82 confirmed and came to target.

Signal-6: Sell < \$263.60 got stopped, and we did not enter the signals on the level of the exit candle of this trade.

Signal-7 worked, and the trade came to the system-set target.

Signal-8, did not lead to a trade because the NLT Box Line cut the price move to target short.

There are rules to learn, and we work individually with our students on their best available days and times to teach them how to read and follow NLT Signals by letting the chart tell them when to buy or sell: Trade what you see!

If this inspires you to make high-probability trading decisions, email us, and we will get together online to find out which of our systems or system combinations suit you best.

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Let us add another weekly analysis showcasing the bond market by the 30-year Bond Futures, which have been in a consistent uptrend since October 2023.

NLT charts serve as a sophisticated tapestry woven from multiple NLT Systems, offering a mosaic of buy and sell indications. The star of this final visual symphony is the underlying 30-year Bond Futures contract, a realm where precision and insight reign supreme.

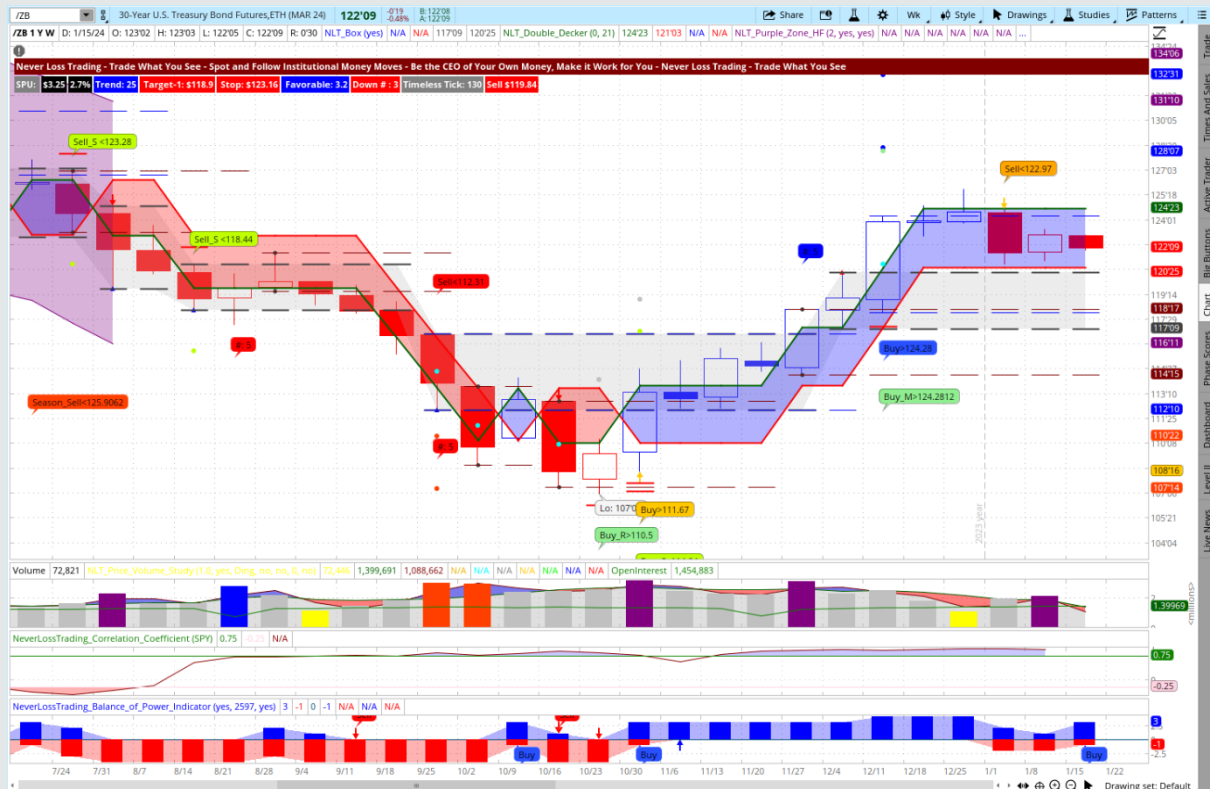
In 30-year Bond Futures, every move is a dance of seconds, where price changes are measured in increments known as

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'seconds,' each tick reflecting a shift of \$31.25 in the underlying contract price. Our charts transform this granularity into a metric scale, prorating incremental changes for clarity.

30-Year Bond Futures on a Multisystem NLT Chart



Check if you feel confident following what you see on the chart. Take, for example, the Sell_S signal at <\$118.44, denoted by the second yellow signal from the left. This indicator serves as a gateway to potential trades, suggesting an opportunity if the price in the upcoming week descends below 118'14. The intricacies don't stop there; the trade's destination is marked by the yellow chart dot at 115'29, guarded by a stop at the red crossbar at 122'11. Again, trade what you see and follow high-probability system setups with clearly defined rules.

We could continue adding chart examples but offer you the opportunity to see how our indicators perform live in an online

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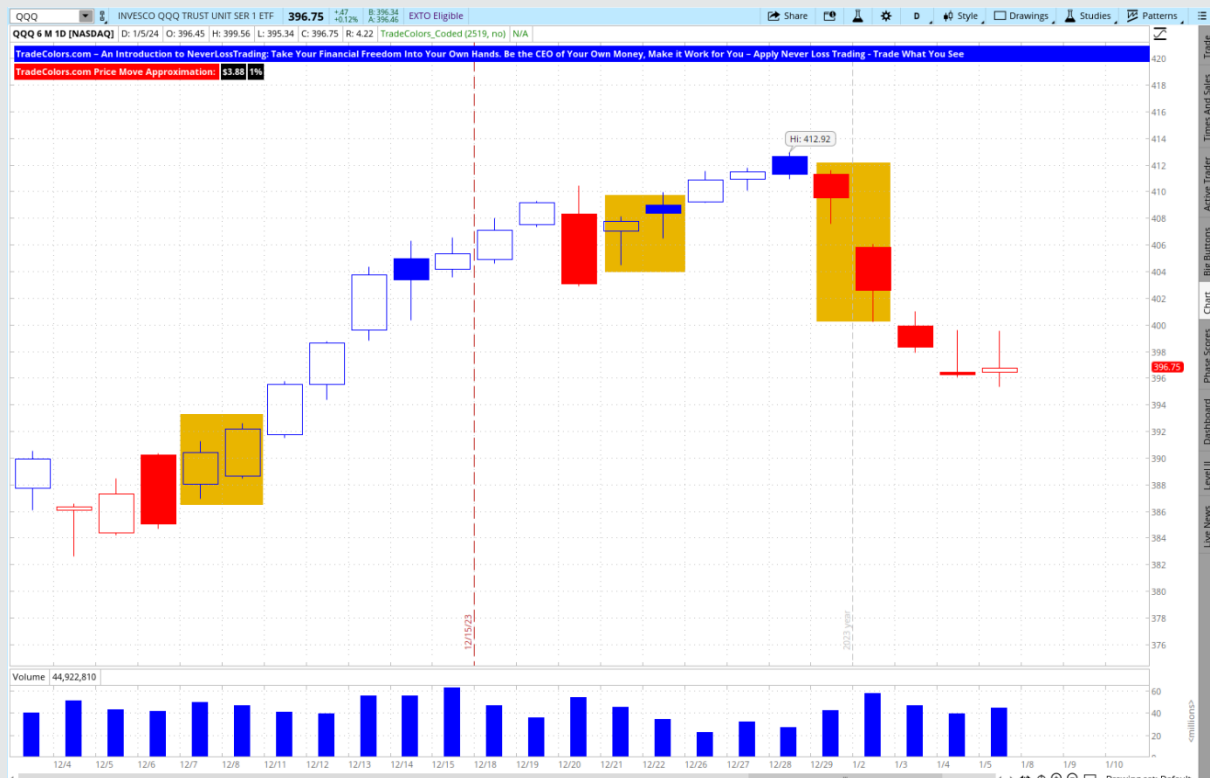
session, where we jointly find out which of our systems or system combinations suit you best.

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Swing Trading Example

Introducing our foundational algorithmic trading system, TradeColors.com. This fact-based system employs a unique color scheme, painting candles in blue for up-momentum and red for down-momentum. Executing trades is triggered when the price surpasses the high of the second pair of consecutive blue candles or the low of the second pair of consecutive red candles in the subsequent price movement.

TradeColors.com Swing Trading Chart (QQQ)



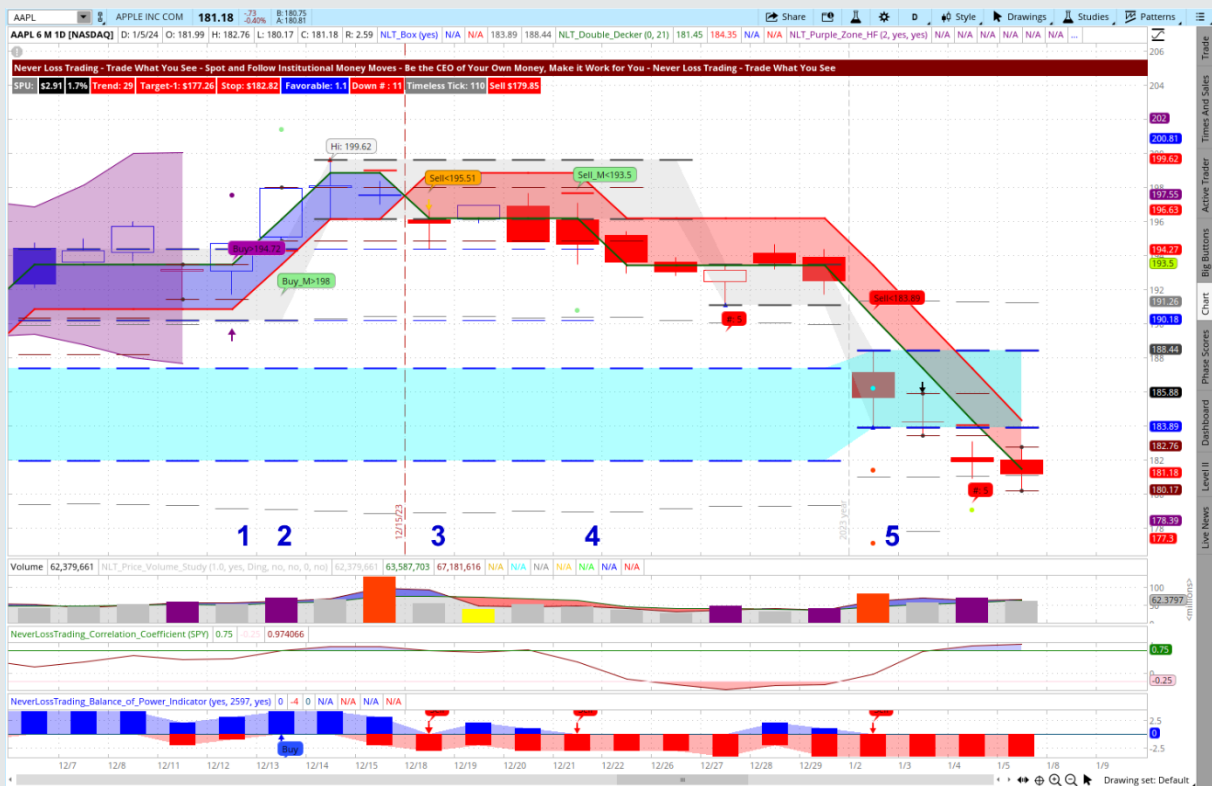
The QQQ daily chart shows three trade potentials with two new same-candle-color-setups that confirmed and came to their

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system-set target in the price development of the following three candles.

Next, you see an NLTdaily chart combining multiple systems for higher trading accuracy for December 6 to January 5, 2023, where our systems indicated five potential trading opportunities. We acted at three and will explain the reasons why.

AAPL Swing Trading Example: Trade What You See!



From left to right, the chart tells us the following action:

- NLT Purple Zone: We color up-moves in blue and down-moves in red; when the direction is undecided, a purple zone is put on the chart, indicating not accepting trade indications as long as the purple zone is present.
- With the ending of the NLT Purple Zone, we got a buy signal (1): Buy > \$194.72, which led to a trade to the upside with the target at \$197.62 (dot on the chart)

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- We disregarded the green buy signal (2) because we were already in a trade.
- Sell < \$195.51 (orange signal, 3) gave an overall directional warning that the price of AAPL had top pressure to drop, but the direction of this signal was not confirmed in the price development of the next candle; hence, there was no trade.
- Green signal (4), Sell_M < \$193.50, confirmed and initiated a trade with exit at \$187.15.
- The NLT Cyan Zone indicates longer-term support and resistance; we mainly take zone breakout trades. The red signal, Sell < \$183.89, provided the opportunity for a breakout trade that reached its system-set target of \$181.23 (dot on the chart).

For more details and to find out which system or system combination suites your trading target best:

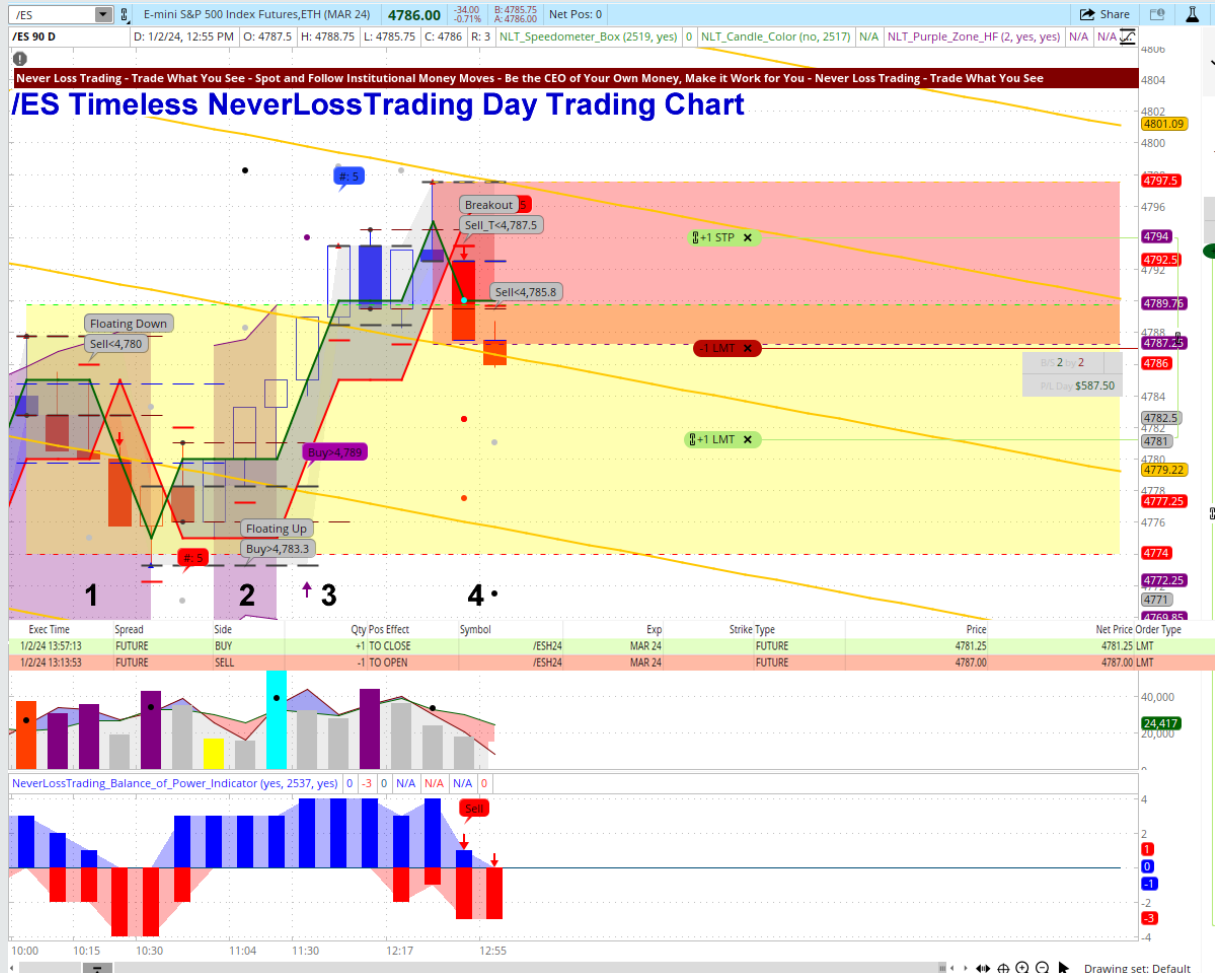
contact@NeverLossTrading.com Subj.: Consulting

Day Trading Example

NeverLossTrading provides a solid foundation for day trading, ensuring that students, regardless of their experience level, clearly understand market dynamics and order types by acting at crucial price turning points. The NLT concept focuses on trade repair instead of accepting the stop. There are methods of trade repairs for day trades, but for many retail traders, they are not applicable; hence, we work with buy-stop and sell-stop bracket orders, following system-calculated entries, exits, and stops. To explain the case, we take an actual trade from January 2, 2024, for the E-Mini S&P 500 Futures contract.

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NLT Timeless Day Trading Chart



In the above chart, we highlighted four potential trade situations:

- The first two trade indications occurred in what we call an NLT Purple Zone (indication of directional price ambiguity), and we do not trade as long as zones of price ambiguity hold.
- In Situation-3, the NLT Purple Zone ended in a long signal: Buy > \$4,789. The target for the trade was at the dot of the chart and the stop at the bottom of the indication candle.
- Situation-4 offered a short opportunity at a strong signal, NLT PowerTower Down, Sell < \$4787.50, combined with

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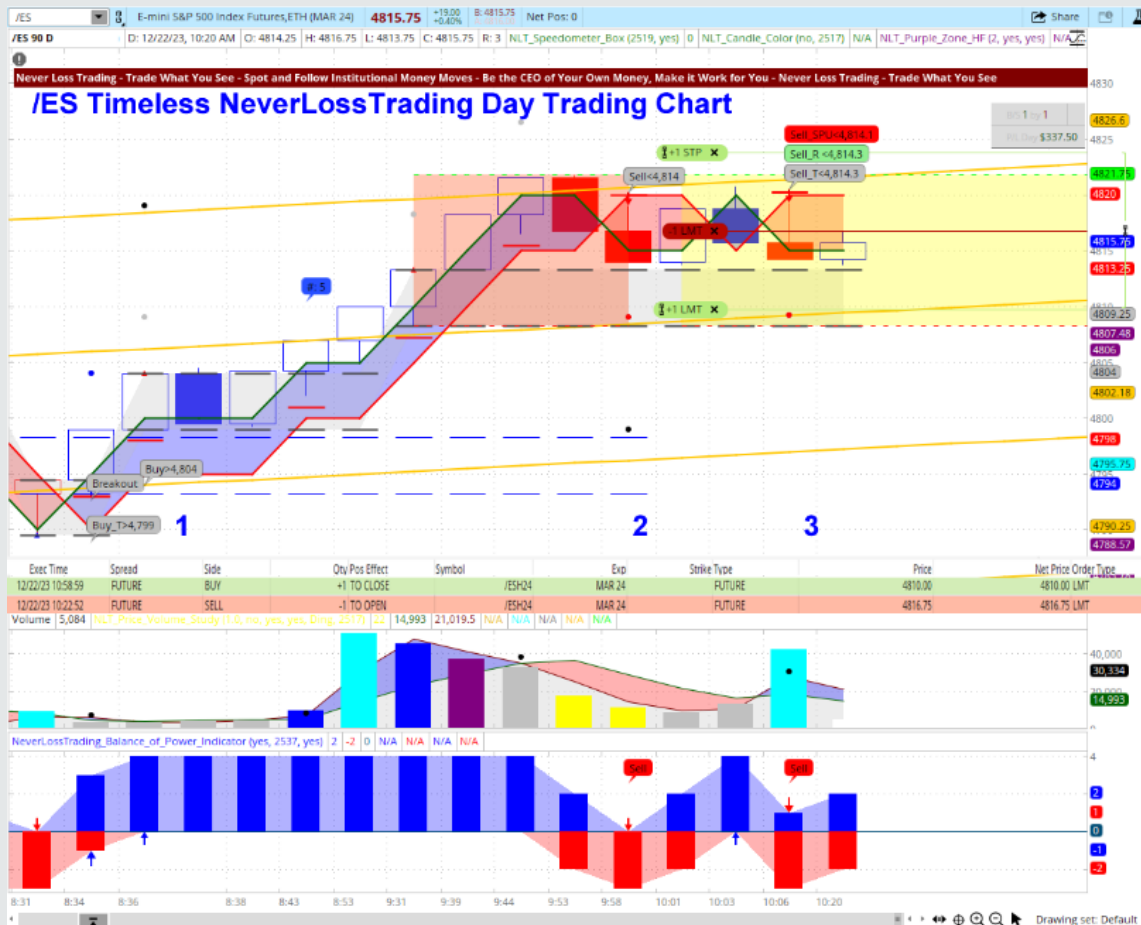


an NLT Breakout signal. Knowing from the NLT Dashboard where to enter, we placed a sell-stop order, which did not immediately fill but continued the price move and came to target (dot on the chart).

Our trading decisions come from system-defined situations that repetitively happen multiple times in a trading day, offering you the chance to participate in directional price moves.

In the shared NLT Day Trading Charts, we combine systems for higher accuracy to recognize potential trade setups with precision.

NLT Day Trading Chart Example



From the left to the right, we highlighted three trade potentials:

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- Situation-1: Long opportunity, expressed by two buy signals. The upward price move is trailable by the red line of the blue frame that follows the price momentum.
- Situation-2 did not lead to a trade because a black dashed line cut the potential price movement to target short, and we spared the trade.
- Situation-3: A short trade with a bracket order developed, came to target, and produced \$337.50 per contract.

With the help of our systems, traders act at crucial price-turning points, so you do not need to qualify if you trade the momentum, trend, or scalp, making informed decisions in the dynamic world of day trading.

Risk Management – Safeguarding Your Capital

The emphasis on risk management is a recurring theme throughout the book, echoing NeverLossTrading's commitment to preserving capital. Key takeaways include practical tips for setting stop-loss orders, managing leverage, and navigating the psychological challenges of day trading.

What sets NeverLossTrading apart is its commitment to hands-on learning. Practical examples and case studies walk students through real-life day trading scenarios, ensuring that theoretical knowledge is translated into actionable strategies.

Psychology of Day Trading – Mastering the Mind Game

Acknowledging the psychological challenges of day trading, NeverLossTrading addresses the intricate dance of fear, greed, and emotional decision-making. Strategies for maintaining discipline and emotional control are shared, providing students with tools to navigate the psychological nuances of trading and turning the challenge of the mind game into rule-based trading, offering a forward-looking perspective for traders looking to stay

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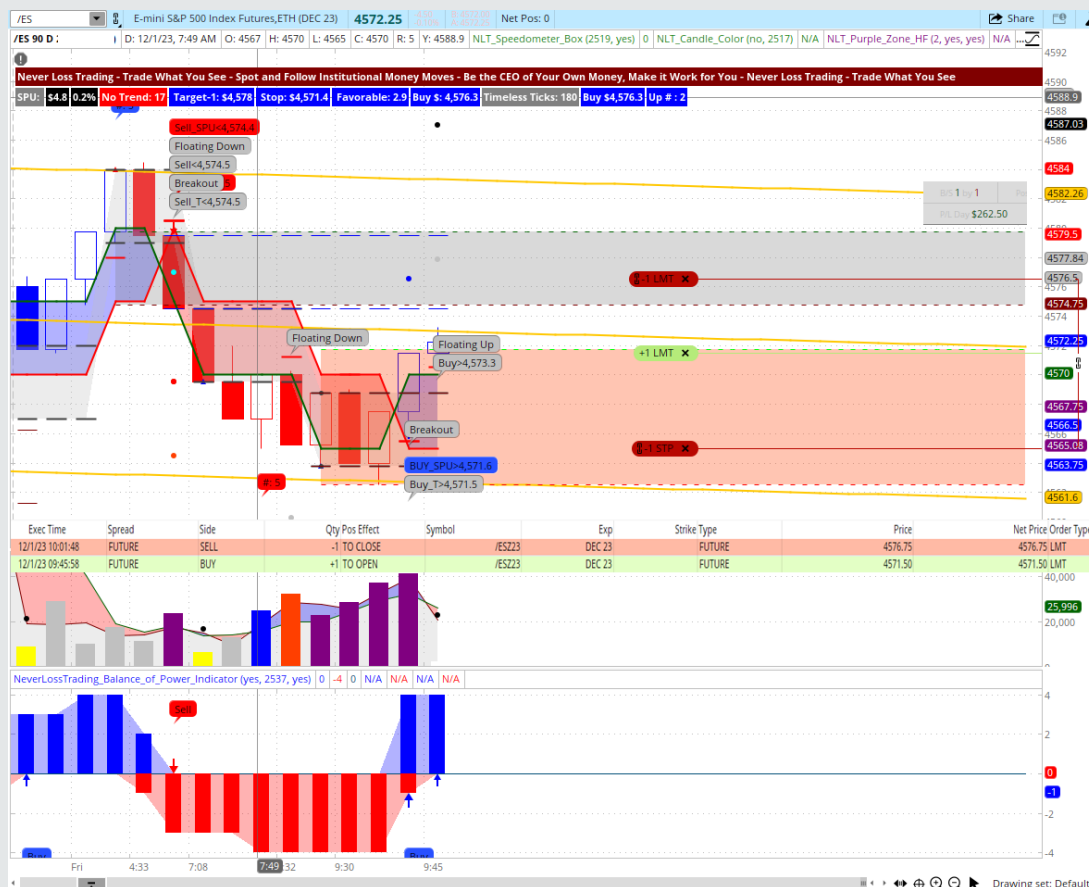
ahead of the curve, providing you a comprehensive guide to mastering day trading, where we serve as a valuable companion on your journey.

Risk Management

Day trading is about risk control, underscoring the importance of preserving capital. We take away discretionary decisions and offer system-set stop-loss orders, manage leverage, and navigate the psychological challenges of day trading.

Moving away from time-based trading to timeless trading, we always bring risk and reward to an acceptable level, substantially reducing the number of mistakes traders can make.

NLT Day Trading Example



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Could you act on a chart that says buy or sell, with the condition not to enter the same directional trade at the exit level?

When we find your interest and you are ready to invest in systems and knowledge, we are happy to get together with you in an online session to explore what we can do for you:

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Yes, our systems have rules to learn and follow, but they are learnable: We love quantitative decision-making instead of letting emotions and discretionary decisions dominate.

Our charts are from various trading days in the last four weeks to give you insights into our world of day trading and decision-making, and we are happy to share more in an online meeting.

If you want to stay in touch with us and receive our publications and trading tips, [subscribe here](#).

6. Offer

We equip traders with practical tools and methodologies to identify high-probability trade setups, helping them make informed decisions based on market trends and price action.

[Subscribe to receive our trading tips.](#)

Executing trades at the right time and price can be challenging, especially in fast-moving markets. NeverLossTrading offers techniques for precise trade entries and exits, allowing traders to capture optimal returns. With its focus on high-probability setups and systematic approach, NeverLossTrading helps traders improve their trade execution and timing, maximizing their profit potential.

We have a special offer for you: **ask for our 2024 startup.**

Prioritizing Capital Preservation in Trading



The financial markets are dynamic and ever-evolving, requiring traders to stay updated and continuously learn.

NeverLossTrading promotes a culture of continuous learning, providing educational resources, webinars, and personalized mentoring. Traders gain access to a wealth of knowledge and expertise, empowering them to adapt to changing market conditions and enhance their trading skills.

To succeed in trading, you best work with an experienced coach. Our #1 competitive advantage is the support and customer service we offer. Veteran traders have been through more ups and downs than you can imagine. So, experienced pros have probably experienced whatever you're going through. Suppose you are ready to make a difference in your trading. We are happy to share our experiences and help you build your trading business. Trading is not a typical career, and you best learn from those who are long-term in this business to cope with the rollercoaster of the financial markets. We are here to help and provide feedback on what you might be doing right or wrong. Strive for improved trading results, and we will determine which of our systems suits you best. The markets changed, and if you do not change your trading strategies with them, it can be a very costly undertaking. Hence, take trading seriously, build the skills, and acquire the tools needed. Trading success has a structure you can learn and follow.

contact@NeverLossTrading.com Subj. Demo, and we will find out which system package suits you best.

Good trading,

Thomas Barmann (inventor and founder of NeverLossTrading)

www.NeverLossTrading.com

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