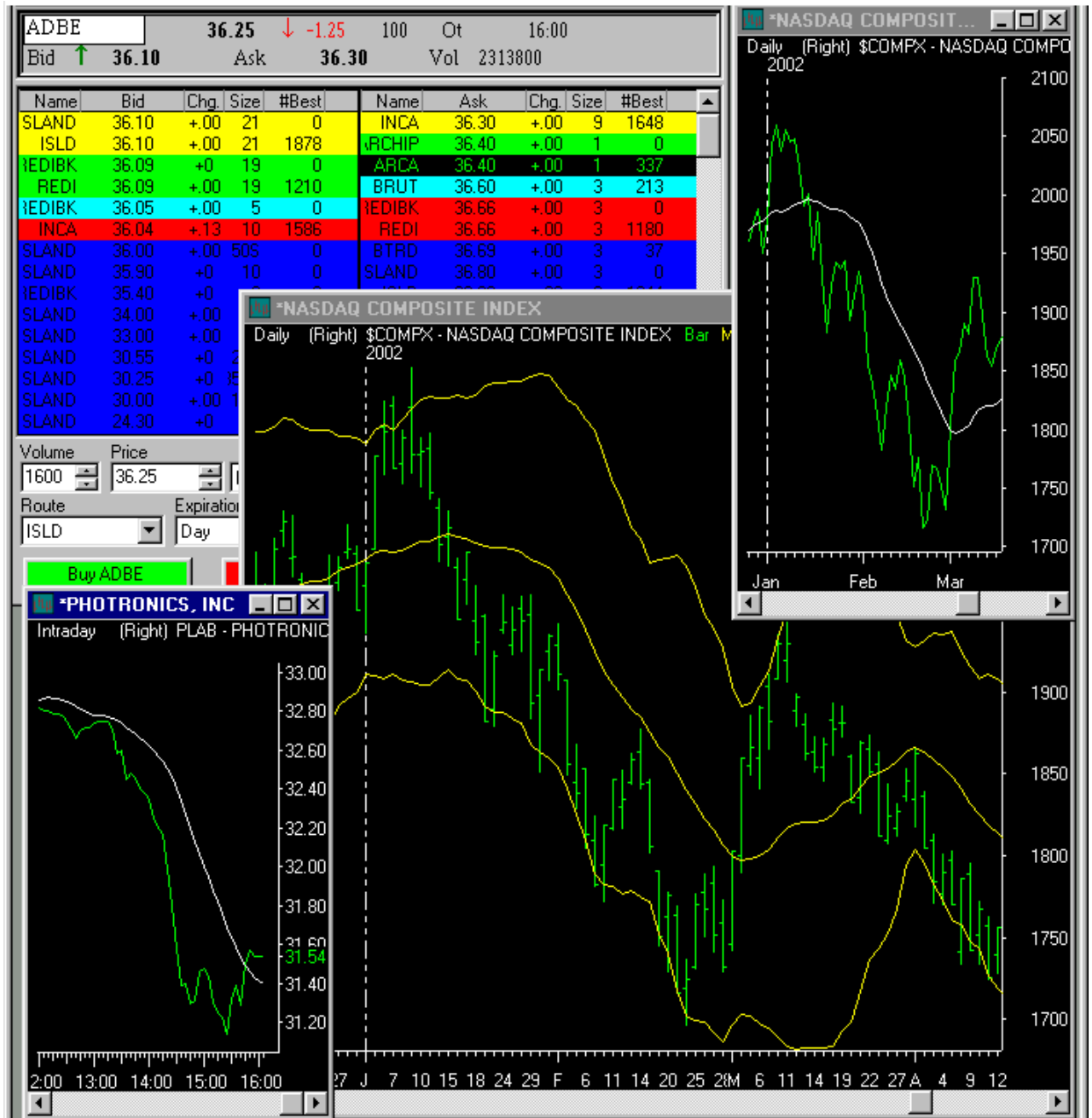


# "Insider Day Trading Secrets, Tips, And Strategies Program"



By Bill Barrett

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## Some Points From the Author

Before you get into the Free Preview I'll mention a few points. If you click on a link just use the back button at the top to return to this Free Preview.

As you click your mouse and scroll, release your mouse and the graphs will appear immediately.

This is not a get rich quick scheme. Trading the stock market is a business and should be treated as such. In the full "Program" you will be presented with the opportunity to choose if you want to become an "intra' trader (in and out the same day) or an "inter" (day to day, also known as swing trading) trader. Both methods can be lucrative.

In order to be successful in the stock trading business, one needs to be equipped with the proper tools, the proper training, education and a system that gives you a plan of attack.

A major problem to becoming a successful trader is the vast amounts of information overload. I have developed this program to help you overcome that obstacle.

It is designed to build the proper base for new as well as experienced traders. It gives you the insight on the exact tools you'll need for this business. It provides the education so that you are properly equipped.

You will also learn a system that guides you with precise entry and exit criteria. Simply follow the rules. This will afford you the ability to become consistent in your trading and give you a huge advantage over other traders.

Finally, it will guide you step by step through the training process. You will take your new knowledge of the stock trading business and directly apply it to the market without involving a penny of your money.

When you have achieved a level of success as described in the Program you will move on to the next step in the training process. Your goal is to hit the final step. Once you achieve this status, you'll have a source of income whenever you need it!

Here's a few comments I've received. Don't worry about the spelling or grammar, I've taken them directly from the emails.

*"yo Bill  
I love the practical application of your "Cash Flow Effect" Principle  
rgz  
Cleveland"*

*"Bill*

*Your course is well written right to the point, no fluff or wasted words. For someone wishing to learn how to trade your information is excellent for the day trader or inter day trader. The information you provide about entry points and more importantly exit points is well worth the cost of the course. There are a number of tips in the course that will pay for it the very first trade...also excellent service and response to questions etc.*

*Best Wishes*

*Gary P. Trader*

*"Dear Bill*

*I received your 1st day information. Thanks for the tips and information*

*Regards,*

*Varghese"*

*"Bill*

*Just a heartfelt thankyou for your generosity in sharing your powerful strategies. I have appreciated your openness, commitment and caring attitude. Your support is unbelievable.*

*Take care*

*Ric (down under)*

*"Mr Barrett*

*I have completed my review of your day trading program and web site. I must say that reading it taught me a lot about day trading. This comes in handy for me since I do attend trade shows and talk with several of our customers and potential customers.*

*Regards*

*M.H.*

And this was from the individual that puts out the data feed I use. I had to receive their permission to use the charts in my Program. I guess even the experts learn from my Program!!

Anyway, enjoy the Free Preview,

Bill

# "The Insider Day Trading Secrets, Tips, And Strategies Program"

Your Free Preview will be with the first section. I'll show you the exact graphs and charts that I use on my desktop and provide you with a brief description of their use. Each of these are instrumental in taking money out of the stock market.

I'll also go over some of the other players in this business. These are basically participants that you will be able to buy and sell too thru the Level 2 screen.

Finally, you'll learn a strategy that is extremely important to be successful in this business. I don't know of a pro out there that doesn't consider some viewpoint of this strategy when buying or selling.

You may also check out the Frequently Asked Questions section for any answers you may need.

<http://www.1stdaytradinginformation.com/faq.htm>

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## Section One

### “The Market, The Money”

**The market that we’re interested in trading as a professional day trader is the Nasdaq market. The stocks on the Nasdaq have excellent daily ranges and enough volume to provide ample profit opportunity. The Nasdaq market is also completely electronic. It gives us, the individual trader, an equal footing. We have the same access as any other participant, including market makers and large professional firms. The tools of the trade are available to all, not a select few. We have total instantaneous control over our orders.**

Some of you may be tempted to trade the New York Stock Exchange (NYSE), but please be aware that the NYSE is a “specialist” market. This means that when you buy or sell, your order goes to an individual standing on the floor of the NYSE who handles the order. The advantage is his and the insiders that he deals with.

The NYSE does have the “DOT” electronic system. However, if your order is not immediately matched up with another order, your order then goes into the specialists’ order book. At that point, you have lost all advantages and your order is under the control of someone else. This is not acceptable for a professional day trader.

There are a select number of NYSE and AMEX stocks that can be traded through ISLAND and ARCA (see below). However, they tend to be large cap companies with less trading opportunities. So in general stick with stocks listed on the Nasdaq

Let’s begin with “tools of your desktop”. At this point don’t worry about setting them up or where you get them. I’ll go over all of that in later sections

**Order Entry Screen:** This is where you set up your trading defaults and actually “click” to place your trades (illustration A).



Level II with Order Entry attached: **This is where you decide to whom you are going to trade with (illustration B)**

AMAT						41.87	↑ +1.84	300	Ot	15:23	
Bid ↓		41.86		Ask		41.87		Vol 11574800			
Name	Bid	Size				Name	Ask	Size			
Tier 1	41.86	4				Tier 1	41.87	99			
Tier 2	41.85	8				Tier 2	41.88	3			
Tier 3	41.83	27				Tier 3	41.89	7			
Name	Bid	Chg.	Size	#Best							
LSPD	41.86	+1.55	3	444	ARCA	41.87	+0.00	96	728		
MONT	41.86	+0.00	1	24	ARCHIP	41.87	+0.00	96	0		
SLAND	41.85	+0.00	6	0	SLAND	41.87	+0.00	3	0		
INCA	41.85	-.01	2	1285	ISLD	41.87	-.01	3	1552		
ISLD	41.85	+0.00	6	1626	SLAND	41.88	+0.00	3	0		
JPHQ	41.83	+0.00	1	25	SLAND	41.89	+0.00	2	0		
NFSC	41.83	+0.95	10	77	TMBR	41.89	+0.00	2	416		
SLAND	41.83	+0.00	16	0	EDIBK	41.89	+0.00	3	0		
EDIBK	41.82	+0.00	1	0	REDI	41.89	+0.00	3	887		
SLAND	41.82	+0.00	1	0	SLAND	41.91	+0.00	3	0		
REDI	41.82	+0.00	1	502	RSSF	41.91	-.10	1	36		
EDIBK	41.81	+0.00	4	0	PERT	41.92	-.32	9	11		
CIBC	41.80	+0.00	1	0	JPHQ	41.93	-.05	1	19		
SLAND	41.80	+0.00	60	0	EDIBK	41.95	+0.00	2	0		
ARCHIP	41.80	+0.00	10	0	ARCHIP	41.95	+0.00	19	0		
HRZG	41.80	+0.00	1	10	SBSH	41.96	-.10	1	2		
ARCA	41.80	+0.00	10	643	ARCHIP	41.96	+0.00	3035	0		
SLAND	41.79	+0.00	8	0	GSCO	41.97	+0.01	10	156		
BRUT	41.79	-.07	8	203	EDIBK	41.98	+0.00	1	0		
SNDV	41.78	-.25	1	4	INCA	41.98	+0.00	2	1016		
LSPD	41.78	-.00	1	17	ARCHIP	41.98	+0.00	4	0		

Volume	Price	Stop Price	Vol Type	Order Options
1600	41.83	41.85	Partial	<input type="checkbox"/> Bid/Offer <input type="checkbox"/> Exer
Route	Expiration	Account Type	Reserve Amt.	<input type="checkbox"/> Pref. <input type="checkbox"/> ISLD
ISLD	Day	Margin	300	<input type="checkbox"/> Conditional Order
Buy AMAT		Sell AMAT		Cancel All AMAT
Sell Short AMAT				

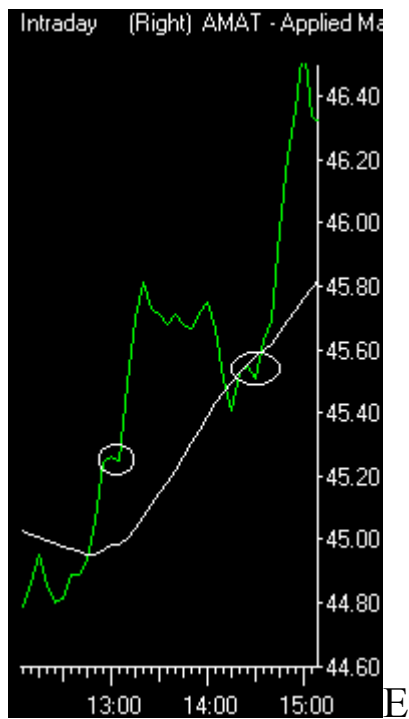
**Market and Sector Quote Screen:** This is where you determine whether money is flowing in or out of the market and which sectors of the market are weak and which are strong (C).

Symbol	Chg. %	Change
\$GSO.X	-2.14	-4.13
\$GSV.X	-1.02	-1.67
\$GIN.X	-.65	-.67
\$BTK.X	-.51	-2.72
\$GIP.X	-.33	-.40
\$COMP>	-.25	-4.90
\$DJI	+.46	+45.25
\$GSM.X	+1.26	+3.36

**1 Minute Bar Chart:** This is where you will determine your exact entry and exit points (D).



**Scan Chart:** These are the charts that are scanned for trading opportunities (E).



**A Cash Flow Effect Chart (CFE):** This is the chart you will use to determine the Cash Flow Effect (CFE) of the market (F).



**Time and Sales Screen:** This shows the actual trades that are being made on a given stock. It can be colored coded for quick scanning to determine a stocks momentum. Green for an uptick in price (asking price or higher), red for a downtick in price (bid price or lower) and white for a neutral tick in price (in between the bid and the ask). Illustration (G).

KLA-TENCOR	
Price	Volume
52.84	500
52.84	200
52.84	100
52.84	100
52.84	100
52.83	100
52.82	100
52.80	400
52.82	100
52.82	100
52.81	200
52.81	100
52.80	100

**Position Screen:** This is where you can quick scan to see all of your open positions. When you place an order and it's executed, it will show up here and give you a dynamically updating account. This is an excellent tool to use when you have many open positions at the same time (H).

Symbol	Net Po	Open P&L	Last	Net Cr
AMAT	0	0.00	42.14	+2.11
KLAC	0	0.00	54.30	+2.72
Totals	0	0.00		

To day trade effectively you will need each of the above on your desktop.

Let's now go over our order routing (placing your order) possibilities (refer to illustration B).



You can place your orders with “ECNs” (Electronic Communication Networks.) Different trading platforms show different symbols on the Level II screen so I have included both versions. They are:

1. Island / ISLD, INET,
2. Archipelago / ARCA and ARCHIP

Those are the two main ones you will be dealing with. Commit them to memory. Another is INSTANET / INCA. You can see that INCA is at 41.85 on the bid. You won’t be using INCA, but it is important that you are aware of it.

Basically all other symbols on the Level II screen are market makers. The major market makers are:

1. GSCO / Goldman Sachs
2. MSCO / Morgan Stanley
3. MLCO / Merrill Lynch

4. LEHM / Lehman Brothers
5. SBSH / Smith Barney
6. MONT / Montgomery Securities
7. NITE / Knight Trimark
8. HRZG / Herzog

There are others, but the important point to remember is: “ other than ISLD, ARCA, INCA, all other symbols on the Level II screen are market makers.” Please refer to illustration **B** and study it.

At this point I need to explain one other major benefit of the Nasdaq.

This is what I refer to as “**Cash Flow Effect (CFE).**”

Insider Secret:

***Having Cash Flow Effect on your side will definitely improve the number of successful trades you will have.***

CFE is described as the “top down effect of money flow.

The Nasdaq can be broken down as such: The overall market, the sectors, the tier one stocks in each sector (large companies,) the tier two stocks, (mid-size companies) and the tier 3 stocks (small companies.)

Unknown to most individuals, the Nasdaq market is not as random as you are led to believe. The Nasdaq has a certain flow to it...CFE.

Here is the key point: as the market sells off, so will the sectors and tier one stocks, then money will flow out of the tier 2 stocks, then out of the tier 3 stocks. So, if the overall market is selling off, and the sector and tier 1 stocks are selling off, then you do not want to be buying a stock in that sector.

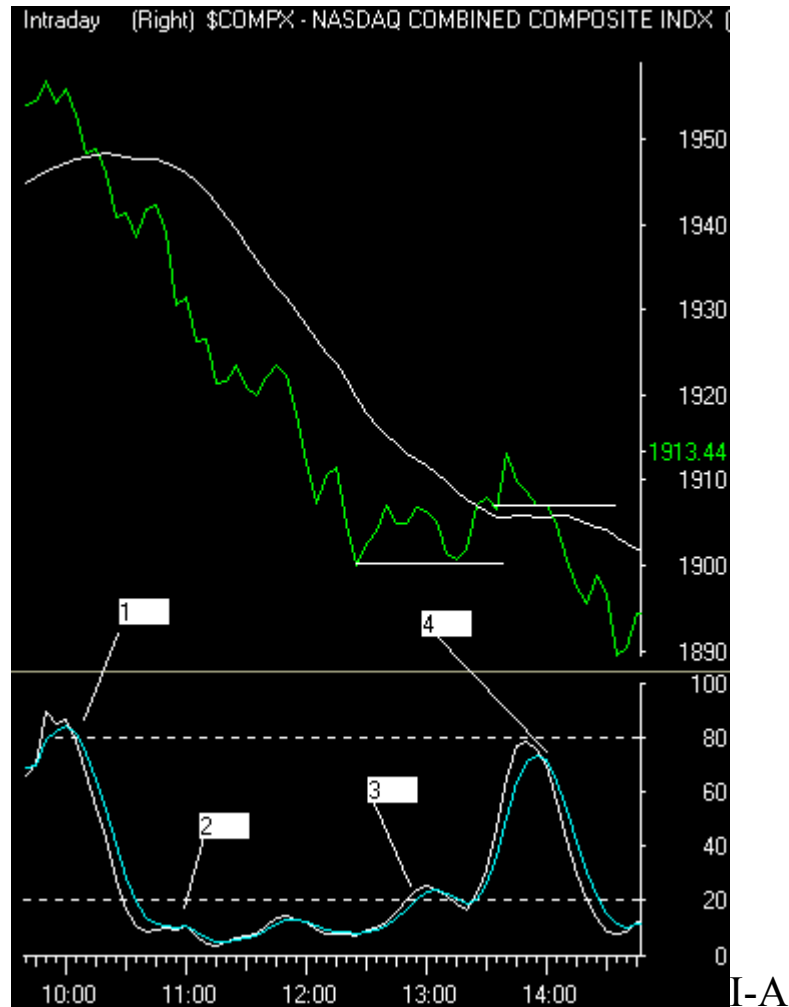
The opposite also holds true. If the market, sector and tier 1 stock are all moving up, you do not want to be selling a stock in that sector.

Many traders use this to their fullest advantage, and depending on your monitor space, you can too. You can have a chart of the overall market (symbol COMPX), a chart of a sector(GSM.X which is the semiconductor sector) and a tier 1 stock.(AMAT which is Applied Materials a tier 1 semiconductor stock) Then you can make sure the direction of these three charts are in the same direction as your trade. Your data provider (section five)

will provide you with stock and sector symbols.

On the other hand, I have developed a simpler, less space consuming method. It is a technical chart of the Nasdaq market along with a quote screen containing the symbols of the Nasdaq, Dow Industrials, and each of the sectors. Don't be too concerned with the setup of the chart (I'll go over that in section five).

This chart is heavily "high cap" weighted. Meaning, its movement is mostly derived from high cap stocks. (large tier 1 companies) Therefore, as it is moving up or down, so is the CFE. See illustration I-A



The rules are as follows: When the white line is above the 80 mark (upper dotted line) and then crosses below the blue line and the 80 mark, then the CFE is down. The CFE remains down unless the white line crosses back above the blue line when it is in between the 80 and 20 mark and the green line passes above the last peak. If the white line goes below the 20 mark, the CFE remains down until the white line crosses above the blue line and the 20 mark.

At this point, the CFE remains up unless the white line crosses below the blue line when it is in between the 20 and 80 mark and the green line passes below the last trough (low area) of the green line. Are you still with me? Ok then. If the white line goes up to and above the 80

mark, the CFE remains up until...that's right, the white line goes below the blue line and the 80 mark.

Example:

#1) The white line crosses below the blue line and the 80 mark so the CFE is down

#2) The white line has not crossed the 20 mark, so the CFE is still down.

#3) The CFE changes to up because the white line has crossed above the blue line and the 20 mark. Note right after that, the white line almost immediately crosses back below the blue line while it is in between the 80 and 20 mark. However, the green line did not pass below the last trough so the CFE remains up.

#4) The CFE switches to down. Why? Because the white line crosses below the blue line while it is in between the 80 and 20 mark and the green line goes below the last trough.

I'll explain the setup and lines of chart **I-A** in section five. At this point, learn and understand the concept.

Now to further support your CFE conclusion, you will also take a quick glance at your "market" Quote screen. (See illustration **C**) In this case, all the sectors are red (CFE down), except the GSM.X, which happens to be the semiconductor sector.

So, if the CFE chart above is heading up, then the only sector I would be looking at trading in the up direction would be stocks in the semiconductor sector. And if the CFE chart (illustration **C**) is heading down, then I could short stocks in any of the other sectors.

By combining the current "Cash Flow Effect" of the market with your trading signals and patterns you'll learn in a later section, and combining those with the insider secrets and tips you'll also learn, YOU will be on your way to taking out big dollars from the market!

So why not fully arm yourself and really take money out of the stock market with the complete "Insider Day Trading Secrets, Tips, and Strategies Program." Don't forget, **I'll Guarantee Your Satisfaction And Make It Risk Free! You can receive a \$200 rebate, so you see... you risk absolutely nothing!!**

For complete Program click here: <http://www.1stdaytradinginformation.com>

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