



Hi everybody this is TJ with the Backpack Trader. I had an idea for a video and I thought I would just turn on the mic and start recording so hopefully, it turns out well. You know, when the markets are on fire and are moving up and up and up that's when people start calling me from all over. Friends that I haven't heard from for months and maybe even years, just out of the woodworks.

Everyone knows that I've been doing this business for so long and people finally start believing the headlines on TV and they want to participate. They feel like they're losing out on, you know, what may happen next and everyone wants to know is the market going to keep going up? What should we do? Should I get in? And my answer to them is always, you know, your guess is as good as mine because I don't trade like that. I mean yeah, I might chase an idea from time to time.

Oftentimes I regret it. What I find that works best for me is to continue with trade plans that have worked and continue to work over and over again. I've got my day trade plans. I've got my swing trade plans. One of my favorite day trade plans, no surprise, because you've probably seen me do a million videos on it but it's crude oil. Crude oil futures is a great day trading plan and I'm showing today's session because I wanted to illustrate to you this price range.

Crude has gone up to over \$60 a barrel. Now, that may not be pleasant for us at the pump, it definitely costs more to drive our car and go places and that kind of sucks.



On the other hand, if you're trading crude you're going to make it up with the profits that are coming from these trades because the trades are now back to where they used to be, they're larger. When crude was trading down in the \$50 or lower per barrel, in the 40s and lower, the trades got smaller too and the trading in crude was tough.

In fact, we had our crude oil inventory report session once a week when that report comes out. We trade that. We do it in the live trade room been posting these videos on YouTube forever and the trading just got really hard. Even that reliable session wasn't so reliable.

But guess what? It's back and it's great! And I hate paying more at the pump, but I love the fact that I'm making more on my trading which offsets the rise at the pump multiples 10 times over if not more. Today for example, these are short trades by the way you could tell because a little plus sign is the entry, it's below the market. You can see it's moving lower.

We start right at 9AM and there was a little trade here that really wasn't a trade because I use these lines to make tiny adjustments. These lines mark support and resistance levels or moving averages so I usually will move this entry up a little bit above the blue line and that keeps me out of the trade. So the first trade was a short and we're trying to get to target one as our primary objective with a single contract and that was good for 18 cents. That's \$180 per contract and that's getting short at 9:08 in the morning, New York time, and then hitting that target literally a few seconds later.



I mean 180 bucks in a few seconds and if that was too fast, which for some it might have been, you just take the next trade. The next trade is a different color but it works the same way. You've got the short. This is even a larger trade. Target one is 20 cents, that's 200 bucks and as you grow your account you could put on additional positions and you could go to the larger targets.

But this is what I'm talking about. Is the market going up? No, it's going down. So while the markets are going up in general, I'm day trading crude oil, and as it's going down I'm making money. I don't care if it goes up or down, that's what I usually tell people. And I try not to listen to headline news, because headline news when it finally meets the headlines, it's already too late.

What works and will always work is a trade plan that you can prove to yourself and do it the same way each and every day. This plan has been working for years. It's no different today, only that it's gotten better because crude oil has gotten more expensive.

So my outlook on the market is to settle in on something that works. Don't try to do too much. You don't need too much. I could just do this the same way each and every day over and over again, and as my account grows I can give myself a raise by moving my finger from the one to the two and doubling up on contracts. And as my account grows even faster go from the two to the three, when I have three contracts I could take profit at target one target two target three, eventually add a target four maybe even trail for the larger move down.



Now, whether using this strategy or any other strategy. The point remains, it's all about the trade plan, trade plan, trade plan, trade plan.

All right, so hope you enjoyed this video. I'll be back with more on the next round. This is TJ with the Backpack trader. See you next time.