



## WELCOME TO F.I.T

**OUR MISSION** is to educate, support and encourage you on your journey to  
FINANCIAL INDEPENDENCE.

Congratulations on taking the initiative to join the FIT FAMILY! Whether you're new to trading or a seasoned trader, our diverse community can help you develop and fine tune the necessary skills to make financially sound decisions about your trading. We're not just here to help you make money, we're here to help you save it! Education is the foundation of what we do at FIT, and continuous learning is always a part of our mission.

Let's get you FIT...

In this document you will find the following:

1. Chat room overview
2. Useful links
3. Commonly seen chart patterns
4. Personal trading rules for success
5. FAQs and trading lingo

# 1. Chat Room Overview

- Join our Slack room: FITraders [www.fit-family.slack.com](http://www.fit-family.slack.com)
- The Slack app is available for Apple and Android users
- For new Slack users here is a beginners video that will help you get familiar with how Slack works <https://www.youtube.com/watch?v=7YUTc4Cigc8&t=81s>
- Get familiar with the different channels in our chat room. Our #main-trading-chat channel is where most of the action happens!
- Emoji's are another great form of communication in the chat room. Most of them are common but you'll come to learn the FIT favs, such as the twerker for celebrations!
- We're always looking for new ways to test your knowledge and put your technical analysis skills to practise. Check out our #whiteboard channel, where we play FIT Games and encourage members to share strategies and game plans.
- **Chat room rules for success**

**Ask questions...**if you don't know what someone is referring to, just ask!

**Be a supportive and respectful Team Member...**we are not competing against one another, we're looking to grow together.

**Call outs...**if you see a play let the team know, that way we have more eyes on the market and we are winning as a team.

**Use threads...**Keep our workspace organized and accessible by using threads!

**Private Messages...**For any personal talk please use the Private message function, ensure to be considerate of people's time during market high impact hours. Avoid asking non-personal questions in private because questions asked in the public chat helps everyone learn.

**No tolerance policy...**we are a diverse inclusive community and such everyone is treated equal, we will not tolerate any discrimination or harassment

**Celebrate...**Celebrate our successes together! Celebrating success helps others learn from your winnings. It's also important to share lessons from losses.

## 2. Useful links

- Check out the FITraders Youtube channel for countless hours of content on technical analysis. Don't forget to join us for LIVE coverage up to three times DAILY, starting at

8:45am est. Then check out our Youtube Playlist where you'll find a growing collection of educational content and our new Drink Smoke Learn series.

<https://www.youtube.com/channel/UCaUsDJOHW-vMJ2E6fw-t5Mg>

- Want even more video content? We highly recommend UKspreadbetting on Youtube for information, education and entertainment.

<https://www.youtube.com/user/ukspreadbetting>

- Investopedia - a leading source of financial content. Tip: great source of information on most chart patterns. <https://www.investopedia.com/>

- Stockwatch - Realtime quotes subscription based service. Many traders use it to get access to Nethouse. <https://www.stockwatch.com/>

- Subscribe to our social media channels on:

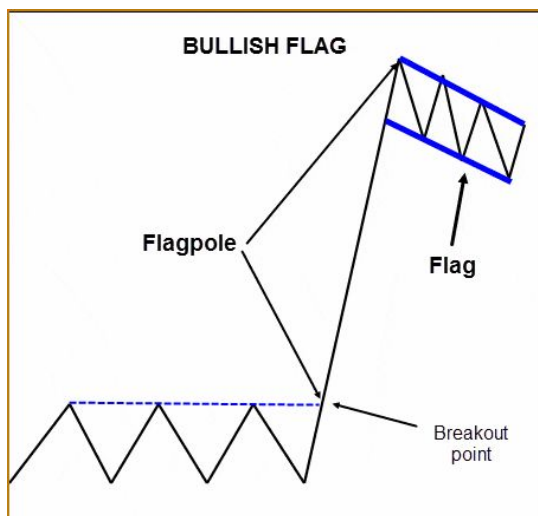
Instagram- [www.instagram.com/FITraders](http://www.instagram.com/FITraders)

Twitter <https://twitter.com/FITradersRick>

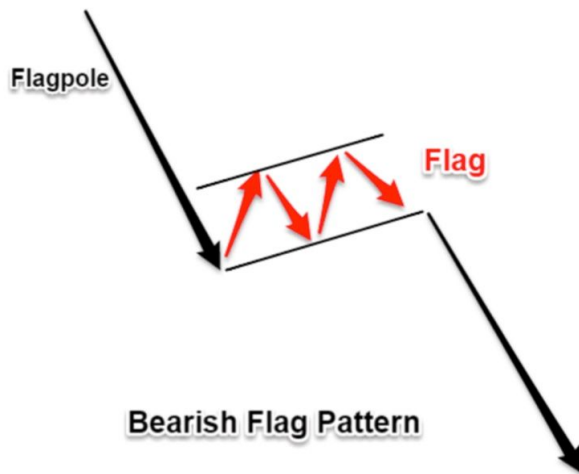
### 3. Commonly Seen Chart Patterns and Candle Sticks:

## Chart Patterns

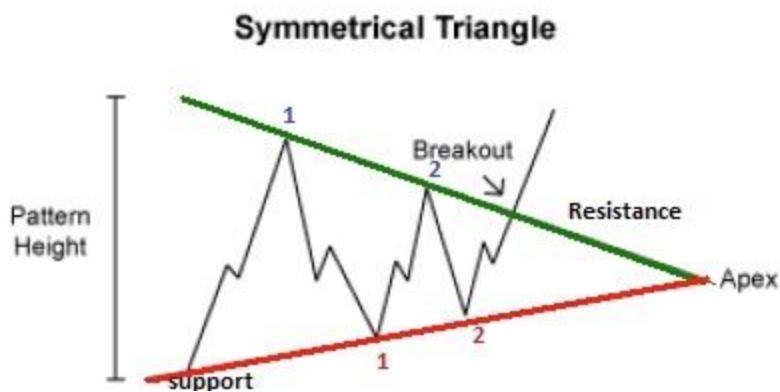
**Bull Flag:** Found in uptrends. Resembles a pole and a flag. Typically a flag forms after a sharp movement up with high volume and the price begins to consolidate.



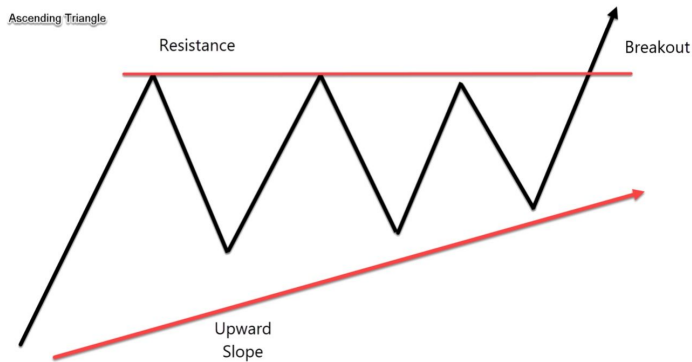
**Bear Flag:** Identical to a bull flag but in the opposite direction.



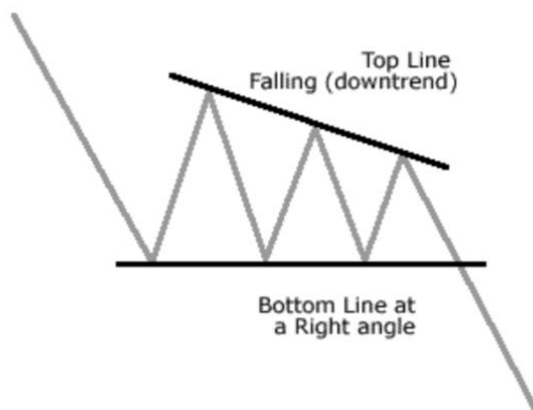
**Symmetrical Triangles:** These occur during price consolidation before a price is forced to breakout or break down. The target for the breakout or break down is the same distance of the widest part of the triangle.



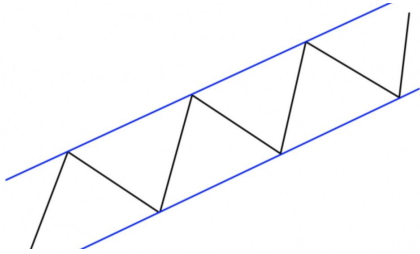
**Ascending or Descending Triangles:** An Ascending Triangle occurs when the lower trendline is rising while the upper trendline is horizontal. The Descending Triangle is when the upper trendline is sloped downwards while the bottom trendline is horizontal. Generally an ascending triangle is bullish and a descending triangle is bearish.



Descending Triangle

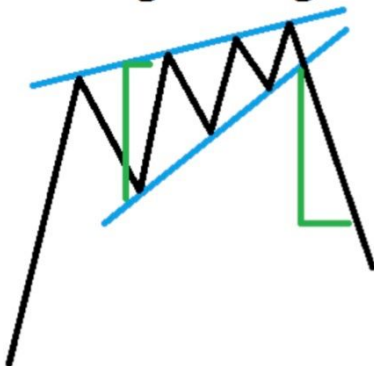


**Channels:** A continuation pattern that trends up or down. The upper trendline acts as resistance while the lower trend line acts as support.

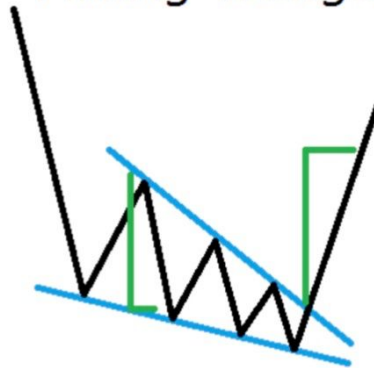


**Wedges:** These are reversal patterns that form when the price level of an asset starts to move within a narrowing range angled up or down. In a triangle the price moves sideways but in a wedge the price moves up or down. Once a breakout happens from a wedge, you can anticipate it will happen in the opposite direction of the pattern.

Reversal  
Rising Wedge



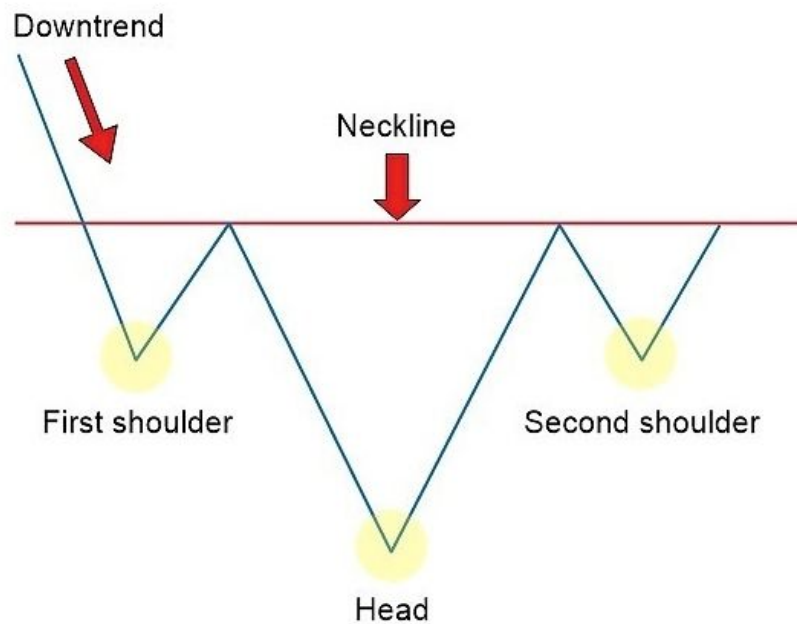
Reversal  
Falling Wedge



**Head & Shoulders:** These are reversal patterns. It resembles a baseline with 3 peaks, the outside two being close in height and the middle (the head) being the highest point, with a defined neckline. You will likely notice the volume increases once the price breaks the neckline.



**Inverse Head & Shoulders:** Head and shoulders in the opposite direction.



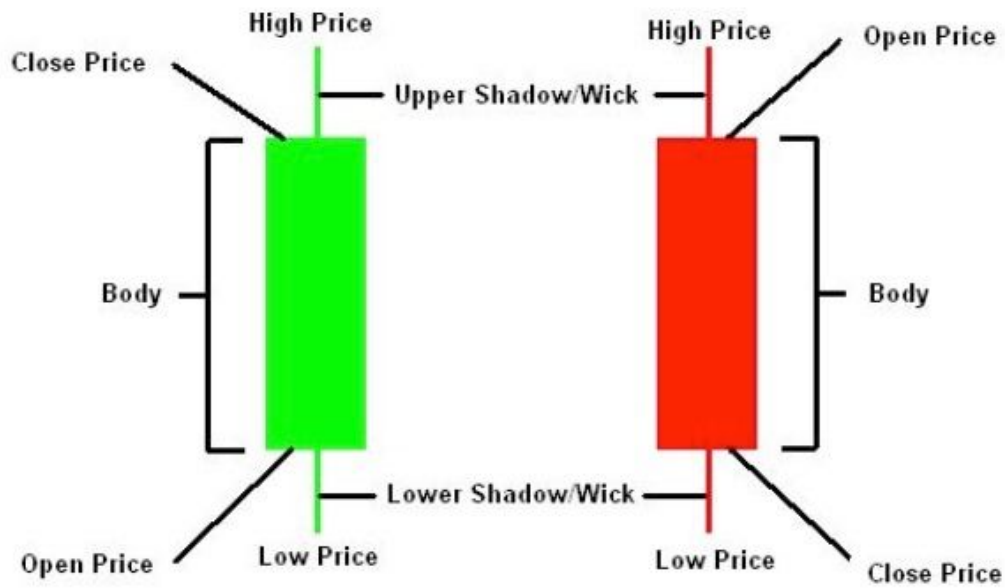
**Cup & Handle:** This is a bullish continuation pattern that forms at the top of an uptrend. During the formation of the rounded bottom ('U' shaped) you will trade near flat levels with volume consolidating. The right side of the cup does not break resistance and consolidates. This forms the handle in a slight downward drift. The handle should not retrace more than 50% of the right side of the cup.





## Candlesticks

How to read a candlestick:

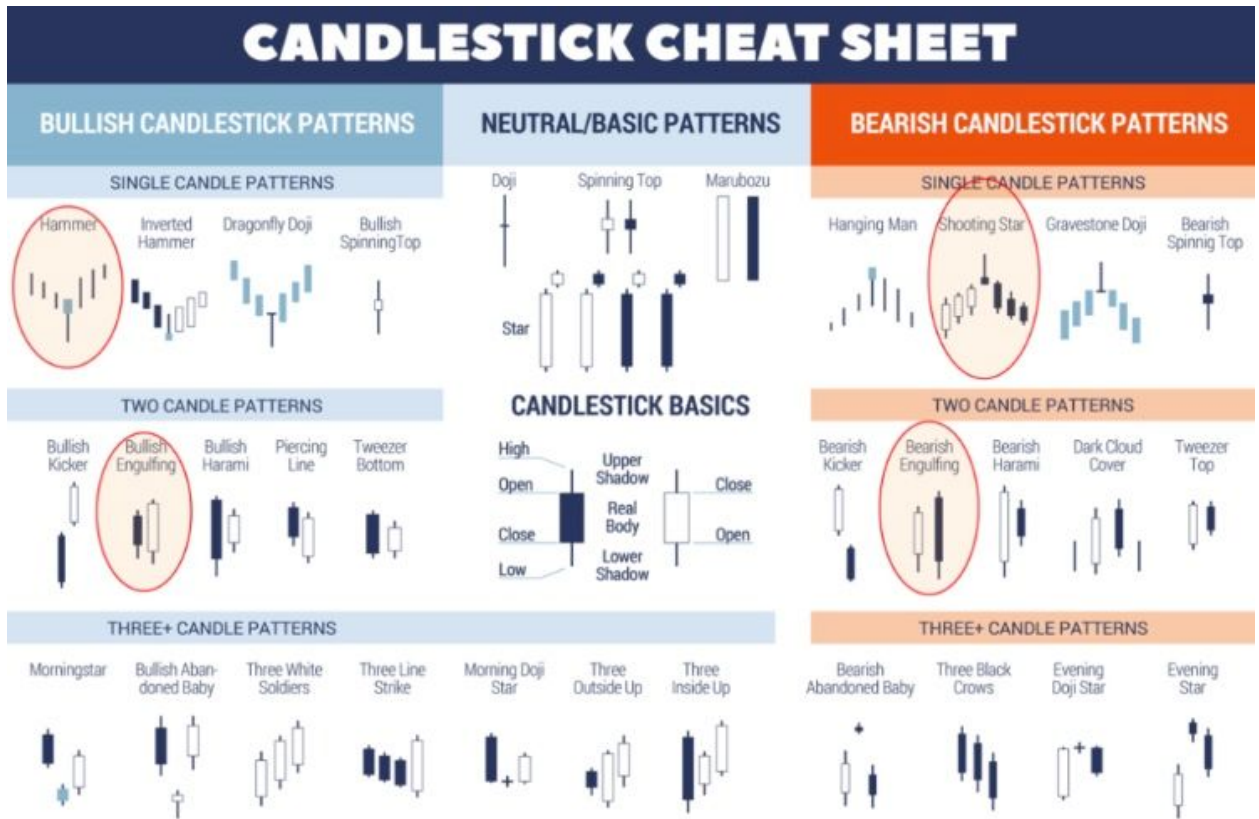


Candlest

**Bullish Candlestick**

**Bearish Candlestick**

Sample of Candlestick formations:



## 4. Personal Rules for Success

- Don't over trade
- Every entry must have a stop loss target
- Take gains off into momentum
- No FOMO - a million more trades will come!
- Don't add to losers
- If a level breaks without authority it's a trap
- Don't celebrate until you exit the trade
- Be patient with winners and impatient with losers
- It's ok to be wrong, it's not ok to stay wrong
- Always have an exit target
- Don't let recent experiences affect your next trade
- Recognize your emotions; Fear, Greed, Hope, Regret
- Ignore forums
- Play with house money
- Find your edge

## 5. FAQs and Trading Lingo

### FAQs

#### **I'm new to trading, where do I start?**

If you're new to trading you will want to start with opening a self-directed brokerage account. I.e., QuestTrade, TD waterhouse, BMO Investorline.

#### **Which charting platform do you recommend?**

We recommend Tradingview. Link: <https://www.tradingview.com/>. They offer a limited free version and a paid version. Please note that the free version is 15 mins delayed. You can also check out investing.com and create an account.

#### **What are some commonly used Technical Analysis indicators?**

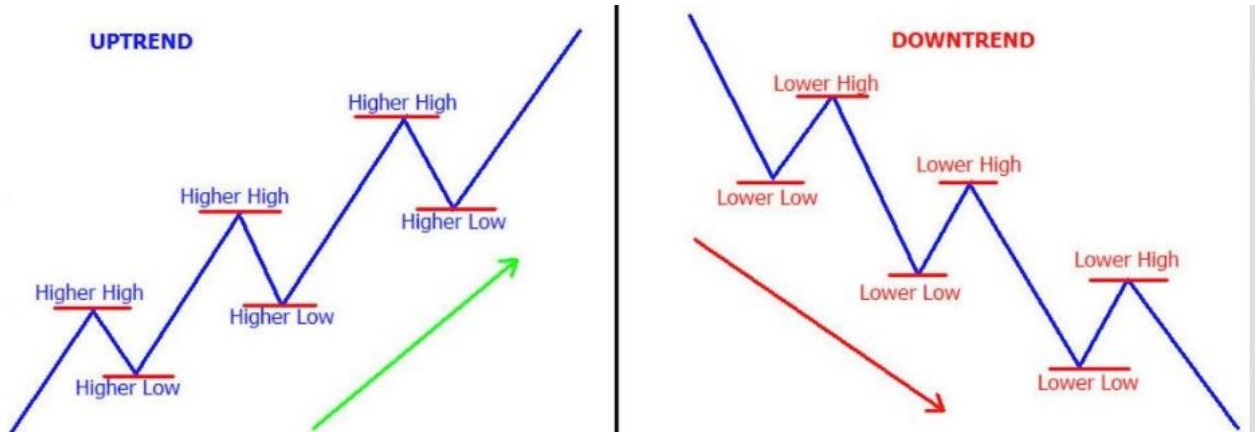
In general, technical analysts look at the following broad types of indicators: Price Trends, Chart Patterns, Volume and Momentum Indicators, Moving Averages, as well as Support and Resistance Levels. You'll see a combination of indicators used in our trading community.

#### **What are some guiding principles used by successful traders?**

Trade with a game plan and rules. What you put into your trading is what you'll get out of it. Don't just roll out of bed and make random trades without preparation. See above for a list of Personal Trading Rules that were developed through blood, sweat and tears. Learn from others so you don't have to make common mistakes.

#### **What is a Bull and Bear Trend?**

Prices don't move in a straight line. An uptrend is a series of Higher Highs & Higher Lows, it reverses into a downtrend only when we have a sequence of Lower Higher Highs and Lower Lows. It's imperative that you understand what trend you're trading in. Equilibrium occurs on a chart when we have a series of Lower Highs and Higher Lows (no defined bull or bear trend).



## Acronyms

Acronym	Meaning	Acronym	Meaning
<b>HH</b>	Higher High	<b>E/R or ER</b>	Earnings Report
<b>HL</b>	Higher Low	<b>PM</b>	Pre-Market
<b>LH</b>	Lower High	<b>AH</b>	After hours
<b>LL</b>	Lower Low	<b>R/R or RR</b>	Risk to Reward Ratio
<b>ATH</b>	All-time highs, no previous price history resistance	<b>FOMO</b>	Fear of Missing Out
<b>NLOD</b>	New low of day	<b>VWAP</b>	Volume Weighted Average Price
<b>NHOD</b>	New high of day	<b>ETF</b>	Exchange Traded Funds
<b>EOD</b>	End of day	<b>BB, UBB, MBB, LBB</b>	Bollinger band, Upper Bollinger Band, Middle Bollinger Band, Lower Bollinger Band
<b>H&amp;S</b>	Head & Shoulders	<b>C&amp;H</b>	Cup & Handle
<b>iH&amp;S</b>	Inverse Head & Shoulder	<b>iC&amp;H</b>	Inverse Cup & Handle

## Traders Lingo

**Bull Break** - break of price level resistance

**Bear Break** - loss of support levels

**52 week High** stock has reached its highest price level in the past 52 weeks

**52 week Low** - stock is at its lowest point in the past 52 weeks

**Averaging down** - this is a common term when buyers are buying more stock to bring down their average price...not recommended by FIT leaders

**Fake out** when a level breaks without follow through, it's referred to as a fakeout

**Bear Market** - When the market or sector is in a downtrend with lower highs and lower lows on the daily timeframe

**Bull Market** when the market or sector is in an uptrend with Higher Highs and Higher Lows on the daily timeframe

**Green** - reference to candle stick above previous candlestick close

**Red** - reference to candle stick below previous candlestick close

**Leg** - Next larger move up or down - often continuation in trend ie. next leg up.

**Low Float** - companies with fewer share structure or locked shares owned by insiders or institutions causing a reduction in shares actively traded

**RIP** - sudden spike

**Rug Pull** - Having the stock drop fast and quick, often occurs after a large or parabolic move upwards

**Scale in/out** - Buying or selling in pieces to allow you to accumulate or to unwind a larger position

**Sector** - Group of stocks that are in the same category or that are related to one another.

Sometimes used the classification of stocks as they are held in specific ETFs. ie. CAD MJ

sector - weed, apha, acb

**Spread** - difference between the bid and ask prices of the stock - ie. difference in the supply/demand of the stock

**VWAP** - Volume weighted average price - stock indicator based on where stock price is trading in relation to it. When price action trading below it - stock is considered bearish/weak, or if trading over the VWAP considered bullish or stronger