# StockMarketWolf

## Trading Strategy Summary

2026 Course (28 lessons) + Beginner / Day-Trading Crash Course

Compiled from the full app.stockmarketwolf.com curriculum
Video lessons analyzed frame-by-frame (charts, EMAs, levels, option chains read on-screen)

# StockMarketWolf — Trading Strategy Summary (2026 Course + Beginner/Crash Course)

> **What this document is.** A single consolidated, faithful summary of Drew "StockMarketWolf" Diaz's trading method, synthesized from two source bodies: 1. **The paid 2026 course** — 28 per-lesson notes (`c01`–`c28`), each a Gemini extraction made by watching the actual video frames + audio. On-screen chart levels, EMA settings, option-chain values, and scanner columns were captured directly. These are cited inline as **[c01]**…**[c28]**. 2. **The free YouTube method** — the earlier, critic-verified channel playbook (`stockmarketwolf/PLAYBOOK.md`), cited as **[PB]**. The site's "Beginner Course" is his YouTube *Day Trading Crash Course*, which the playbook already covers.

> Every claim traces to a source note or the playbook. Exact numbers, levels, EMA periods, percentages, and settings are preserved verbatim. Where the course and the channel reinforce each other, that is noted; where they differ or the course adds detail, it is flagged (see Section 12). Several lessons used non-SPY examples (BTCUSD, NQ futures, TSLA, small-cap biotechs) to teach a concept — those are marked where they appear, since the technique generalizes to SPY.

> **Important caveat on EMA periods.** The course is internally inconsistent about the secondary EMA: the dominant, repeatedly-shown stack on the futures/level lessons is **9 / 20 / 50 EMA** [c12, c13, c14, c25, c27], but the SPY options lesson and several others show **9 / 21 EMA + VWAP** [c18, c22, c23]. Both are recorded faithfully below and reconciled in Section 12. Do not treat "20" and "21" as interchangeable when coding — they are a known open question.

## 1. Overview & trading philosophy

**Who he is.** Drew (Andrew) Diaz, @StockMarketWolf. The course bio states he began trading in **2009 at age 19** as a single father, claiming **16 years of market experience (2009–2025)**, and began day trading in **2016–2017** [c01]. (A later lesson states "current age 35," "trading start 2009," "business launch 2017 at age 27" [c02] — internally slightly inconsistent on age/dates, recorded as-is.) Academic background: Bachelor's in Biology, Master of Science in Biotechnology (Biomedical Tissue Engineering), MBA in Finance and Management; worked at Amgen 2014–2023, rising from cancer-lab technician to QA Manager [c01]. The channel knows him as "Drew/Andrew Diaz" with degrees in Biology/Biotech and an MBA in Finance [PB] — **the two sources agree on his identity and credentials.**

**Markets & style.** The curriculum covers **options, futures, and shares**, with bonus sections on investing and swing trading [c01]. His day-trading instruments are tightly scoped: - **Options** — index ETFs **SPY, QQQ, SPX** for daily 0DTE setups, or large caps **TSLA / AMZN / AAPL** [c22, c23]. The channel states this even more sharply: **S&P 500 (SPY options or /MES futures) ~90% of the time, TSLA ~10%** [PB]. - **Futures** — Nasdaq **NQ / MNQ** and S&P **ES / MES** index futures only [c16, c20, c23, c26]. - **Shares** — only **volatile small-cap / biotech stocks ($1–$25)**; explicitly *not* mega-caps like SPY/TSLA for share day-trading, because their percentage moves are too small [c19, c23].

**Core beliefs (reinforced across both sources).** - **Technicals apply identically across every asset class and timeframe** — candles, support/resistance, EMAs, and volume behave the same on options, futures, and shares [c08]. - **Quality over quantity.** In the first 7 months of 2025 he made more profit than all of 2023 on the same capital while taking **3x fewer trades** [c01]. "Over-trading decreases profitability." - **Trade the level, react — don't predict.** Wait for a candle to *close* before acting; never guess news direction [c12, c16] — the channel states the same ("Don't get faked out by the wick. I let the candle play out") [PB]. - **Holistic discipline drives performance.** He frames trading success as downstream of physical health, sleep, family, and faith — see Section 11. This is the single most-emphasized theme of the course's opening lessons [c01, c02]. - **"Earn your setup."** Start cheap and minimal; upgrade equipment only once consistently profitable [c03]. - **Master of One.** Mastery of a single edge beats being a generalist [PB].

## 2. The core method in one page

The repeatable engine is **multi-timeframe support/resistance + EMA confirmation + a level break (or retest)**, executed level-to-level. End to end:

1. **Map levels top-down, before the open** [c11, c13, c15, c27, c28]. Draw horizontal support/resistance working **right-to-left** (current price first, scroll back): - **1-Year / 1-Day chart** → **red lines** (major yearly levels). - **1-Month / 30-min (or 1-Day) chart** → **yellow lines** (monthly levels). - **5-Day / 5-min chart** → **white lines** (intraday levels). Enable **Extended Hours** to see pre-market highs/lows. - Favor levels respected on **both** sides (acted as support *and* resistance historically) [c11].
2. **Define the playbook.** Pick the levels where you'll go long (calls / buy) vs short (puts / sell) and the targets between them ("level to level") [c10, c27, c28].
3. **Wait for price to reach a level near the EMAs.** The chart must not be "extended" (gapped far from the moving averages) and must not be in a **chop zone** (EMAs flat, cutting through candle bodies, price squeezed in a tight range) — if it is, **do not trade** [c15, c27].
4. **Trigger on a candle CLOSE through the level, confirmed by EMAs** [c12, c16, c18]: - *Long:* candle **closes above** the resistance/level and above the **9 & 20 EMA** (conservative: also above the 50 EMA). Enter on the **open of the next candle**. - *Short:* candle **closes below** the support/level and below the EMAs. Enter on the next candle's open.
5. **Cross-check confluence.** Confirm the four heaviest Nasdaq components — **NVDA, AAPL, MSFT, AMZN (~43% of the index)** — are moving the same direction; if they're split, expect chop and skip [c12, c27].
6. **Manage with a fixed 2:1 bracket and trail on the 9/20 EMA.** Set stop and target as an automatic OCO/bracket order (options: –**25% stop / +50% target**, the "5025" template), scale out level-to-level, and ride the runner as long as candles close beyond the **9 EMA** [c18, c21, c25, c27].
7. **Stop after 1–2 trades.** One win = done for the day 95% of the time; two losses = done [c24, c28].

The same engine has three entry "flavors" (Section 5): the **breakout/price-break**, the **break & retest**, and the **pullback-to-EMA**.

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## 3. Indicator stack & exact settings

The course's primary chart is a **5-minute candlestick chart** (5-Day / 5-min for day-trading) [c12, c25]. Verbatim indicator configurations as shown on-screen:

| Indicator | Exact setting (verbatim where shown) | Color (course) | Purpose | Source |
|---|---|---|---|---|
| **9 EMA** | `MovAvgExponential(CLOSE, 9, 0, no)` | **Green** (TOS setup, scanner) / **blue–cyan** on TradingView | Primary short-term trend; entry timing; trailing-exit line | [c12, c25, c23, c13, c14, c16] |
| **20 EMA** | period 20 | **Yellow** | Pullback target / dynamic support; secondary trail; entry confirmation (with 9 EMA) | [c12, c25, c13, c14, c16] |
| **50 EMA** | period 50 | **Red** | Trend filter; ultra-conservative entry gate ("clean air" below/above it); final exit threshold | [c12, c25, c13, c14] |
| **200 EMA** | period 200 | **Green** (on BTCUSD example) | Long-term trend context | [c13] |

| | | | | |
|---|---|---|---|---|
| **21 EMA** *(alt stack)* | `MovAvgExponential(CLOSE, 21, 0, no)` / `EMA[9,0,CLOSE]` + `EMA[20,0,CLOSE]` both appear in c22 | Red | Paired with 9 EMA on the **SPY options** and **small-cap scanner** charts (see Section 12 on the 20-vs-21 split) | [c18, c22, c23] |
| **VWAP** | `VWAP(2.0, 2.0, Day)` (c21); `VWAP[2,2.0,-2.0,DAY,YES]` (c22) | White/gray dashed (c18); **yellow/orange** (c23) | Intraday structural bias (above = bullish, below = bearish) | [c18, c21, c22, c23] |
| **RSI** | `RSI[14, 70, 30, CLOSE, WILDERS, YES]` | sub-panel | Overbought/oversold context (shown, lightly used in course) | [c22, c23] |
| **MACD** (`wolfmacdindicator`) | standard `12, 26, 9` Exponential | sub-panel | Momentum confirmation (custom-named study) | [c23] |
| **Volume** | standard bars; 20-period MA on the share lesson; `Overlap volume` in TOS | overlaid | Breakout confirmation | [c19, c25] |
| **Custom Wolf studies** | `selloffindicator(14,70,30,CLOSE,WILDERS,no)`; `wolfVolumeFinder(2000,9999,2000,2)`; `wolfmastindicator (EXPONENTIAL)` (EMA ribbon) | various | Proprietary scanner/oscillator overlays | [c23, c19] |

**EMA color convention (TOS, from the setup lesson):** 9 EMA green, 20 EMA yellow, 50 EMA red — saved as a study set named **"EMAs"** [c25]. The course states the **three functions of EMAs**: (1) timing the entry, (2) acting as dynamic support/resistance, (3) telling you when to stay in a winner (stay in while price respects the EMA) [c25].

**Note on the alternate stack:** the SPY 0DTE options lesson explicitly labels the chart `MovAvgExponential(CLOSE, 9)` green and `MovAvgExponential(CLOSE, 21)` red, plus VWAP [c18]. The option-chain lesson shows **9, 20, 50, AND 200 EMA all plotted together** plus VWAP and RSI [c22]. The "introductory" candle lesson shows three EMAs (red/green/yellow) but the periods were never opened in settings [c08]. The channel records the same 20-vs-21 ambiguity as unresolved [PB].

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## 4. Reading the chart

**Candles** [c08]. Body + wicks; wicks mark the High (HI) and Low (LO). Green = bullish (opens low, closes high); red = bearish (opens high, closes low); **Doji (+)** = open ≈ close = indecision/exhaustion. **Candle size = strength of sentiment** (large green = strong bullish; small green = weak). The "exhaustion cycle": weak → strong → very-strong green, then a **Doji at the swing high** signals buyer exhaustion and a likely reversal; mirror at swing lows for longs. *(Taught on NQ1! futures, but explicitly framed as universal to all assets.)*

**Three directions, two velocities** [c08]. Price goes up, down, or sideways; each can be **slow (S)** low-volatility or **fast (F)** high-amplitude.

**Support & resistance** [c09]. Support = "floor" (price bounces up); resistance = "ceiling" (price turns down). **Role reversal:** a broken ceiling becomes the new floor, and a broken floor becomes the new ceiling on the retest. Multi-layered (the bouncy-ball-in-a-hotel analogy). Taught with a simple $1 (support) / $5 (resistance) / $10 (next resistance) scale.

**Drawing levels — the multi-timeframe protocol** [c11, c15, c27]. Work **right-to-left**, color-coded by timeframe: red (yearly/1-Day), yellow (monthly), white (intraday/5-min). Look for levels with historical significance on **both sides of the field**. Real captured NQ levels from the lessons: `26,456.75`, `25,731.25` (yearly resistance), `25,520`/`25,505.50`, `25,350`, `25,200`, `24,001` (yearly support), `22,400` [c11]. TSLA example levels: `$463.30`, `$450.00`, `$448.50`, `$447.50`, `$415`, `$390`, `$300` [c15].

**"Level to level"** [c10, c11]. Trade strictly *between* drawn boundaries. **Long** = bounce off support OR break above resistance (then run to the next resistance). **Short** = rejection at resistance OR break below support (then run to the next support). The two hard "don'ts": **don't go long right beneath resistance** (no room) and **don't go short right at support** (likely to bounce). Channel reinforces this as the flagship setup [PB].

**Chop / "garbage" zones — when to stand aside** [c15, c27]. Identify chop when: (1) EMAs are flat and cut through the middle of candle bodies, and (2) price is squeezed in a tight range between two levels (no profit potential). Mark it with a **purple rectangle** and take **zero** trades inside it.

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## 5. Entry strategies

All entries share one rule: **wait for the candle to CLOSE through the level before acting** — entering mid-candle dramatically increases fake-out risk [c12, c16]. The course teaches a spectrum from highest-reward/highest-risk to lower-reward/lower-risk [c14, c15]:

### 5.1 Level-to-Level (aggressive, highest win-to-reward)

Enter directly at the support/resistance level the moment it holds (long) or rejects (short), *before* EMA confirmation [c10, c14, c27]. Highest profit margin because the entry is earliest, but you're trading "blind" to trend momentum, so it carries the highest failure risk. Requires a **strict, pre-defined invalidation point**.

### 5.2 The Price-Break / Breakout (the EMA-confirmed break)

- **Long:** price is above support, candle **closes above the level AND above the 9, 20, (and for the ultra-conservative version) 50 EMA**, with "clean air" to the next resistance. Enter on the **next candle's open** [c12, c13, c15].
- **Short:** mirror — candle closes **below** the level and below the EMAs, with clean air down to the next support. The **ultra-conservative short** waits for a break clearly **below the 50 EMA** so there's no dynamic EMA support left underneath [c12].
- *On the SPY 0DTE options lesson specifically* [c18]: wait for the **first 5-min candle to close**, mark its high as resistance, wait for price to pull back and hold above the **9 & 21 EMA**, then enter on the candle *after* one closes above that morning resistance. This is the most directly codeable SPY entry in the course.
- *Taught on BTCUSD* in c13 (pre-market resistance `24,572.50`) — generalizes to SPY.

### 5.3 Break & Retest (tightest stop, best R:R)

The course's preferred lower-risk entry [c14, c27]: 1. Price **breaks** above resistance (long) / below support (short). 2. Price **pulls back** to retest the broken level. 3. The level **holds** in its new role (old resistance = new support; old support = new resistance). 4. **Trigger:** enter on the **first confirming candle** that bounces off (long) / rejects (short) the retested level. Stop goes **just below the retest low** (long) / **just above the retest high** (short) — "the tightest possible stop loss," which is why R:R is best. Caveat: **the market doesn't always give a retest** — track your metrics and don't force it [c14].

### 5.4 Pullback to EMA (re-entry on an extended trend)

When a strong trend has run far from the EMAs, **don't chase** — wait for a pullback [c13, c14, c27]: - **Long:** wait for price to drop back to the **20 EMA** (and/or a prior level now acting as support). Confirmation: a green reversal candle touches/closes at the 20 EMA; enter on the **open of the second consecutive green candle**. Stop **directly below the 20 EMA** [c13, c27]. - **Short:** mirror — wait for price to rally back up to the 20 EMA or 50 EMA, fail to break above it for ~20–25 minutes (4–5 candles), then enter as price breaks back down under the 9/20 EMA [c14, c16].

### 5.5 The "Perfect Storm" A+ setup (course's highest-conviction trade)

The highest-probability trade occurs when **NQ (or your index) breaks a key level and its EMAs at the exact same moment that NVDA, AAPL, MSFT, and AMZN are *all* breaking their own key levels and trading on the correct side of their 9/20 EMAs** [c27]. All 5 charts align → trade 100% of planned risk. Partial alignment = **"B-grade"** = trade at reduced (e.g., 50%) risk. He notes he once went **5 weeks taking only 3 day-trades** waiting for A+ alignment [c27].

**Universal entry filters (do/don't):** never enter a long while price is below the 9/20 EMA (they act as overhead resistance); never short while price is above the 9/20 EMA (they act as support) [c27]. For beginners, **avoid the first 5-minute candle** of the open — it's the most volatile and fake-out-prone [c13]; if you miss the opening breakout, wait **15–25 minutes** for a clean pullback rather than chasing [c13].

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## 6. Exit & trade management

**Targets — level to level.** The profit target is the **next major drawn support/resistance level** [c11, c12, c15, c27]. Scale out and "cover some profits" *along the way* — don't wait for price to tag the exact line, since it may stall or reverse just before [c11].

**The fixed 2:1 reward-to-risk rule** is the backbone of every exit (Section 7 has the per-instrument numbers). For options the canonical bracket is **+50% target / –25% stop** [c18, c21, c22, c25].

**Trailing on the 9/20 EMA** [c12, c13, c16]: - Stay in the trade as long as candle **bodies close beyond the 9 EMA** (above for longs, below for shorts). - If a candle closes back against the 9 EMA, watch the **20 EMA** closely — a wick above the 9 EMA that still **rejects off the 20 EMA** keeps the trend valid and keeps you in [c12]. - **Exit** when a candle **closes against the 20 EMA** (or, for maximum breathing room, the **50 EMA**) and/or breaks back through the original level [c12, c13, c16].

**Stop placement.** - **Structural (technical):** for longs, 1–2 points/ticks **below** the support level or the entry candle's lowest wick; for shorts, 1–2 points **above** the resistance or the highest wick. Break-&-retest stops sit just past the retest candle; pullback-to-EMA stops sit just past the 20 EMA [c14, c27]. - **Premium-based (options):** the –25% premium stop in the bracket [c18, c21]. - **EMA-based:** a clean close back above the 50 EMA (short) or below it (long) is the technical stop-out [c12].

**Scaling.** Trim incrementally as price hits intermediate levels; after the first target, the rest rides as a runner on the 9-EMA trail [c11, c27]. The channel adds a tiered scheme (PT1 10–25% → trim ■–¼ and move stop to entry; PT2 25–50%; PT3 50–75%; PT4 75–100%; keep ~¼ as runners) — the course's version is simpler (the fixed 2:1 bracket plus level-to-level scaling) [PB].

**The hard discipline rule:** once a bracket is set, **do not manually hold a position past its stop** hoping for a bounce — that is how a controlled $250–$500 loss becomes a $1,500–$5,000 account-killer [c21, c24].

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## 7. Risk management

This is the most numerically dense part of the course (lessons c16–c20). The unifying principle is a **strict 2:1 reward-to-risk ratio**, sized so the **dollar risk per trade is fixed** regardless of instrument.

### 7.1 The 2:1 ratio and why it works

At **1:1** you must win 50% of the time to break even; at **2:1** you only need to be right **~34%** of the time [c17]. A 10-trade simulation at a **40% win rate**: 4 wins × $500 = +$2,000, 6 losses × $250 = –$1,500, **net +$500** — profitable while losing the majority of trades [c17]. The channel states the same (2:1, ~33% break-even, same 10-trade math) [PB] — **strong reinforcement.**

### 7.2 Options (personal capital)

- **Risk per trade: 1%–3%** of total account value; **risk per day: under 4%, capped at 5%** [c18, c20]. *(Reinforced verbatim by the channel: 1–3% per trade, 5% daily cap [PB].)*
- **Standard exit ratio for liquid 0DTE/weeklies (SPY, QQQ): 25% stop / 50% target** [c18].
- **Cost per contract = premium × 100** (one contract controls 100 shares). Example: premium `$2.52` → `$252` per contract [c18].
- **Two sizing models** [c18, c20]:
- **Variable (setup-grade) sizing:** `Max Capital = (Account × Risk%) / Stop%`, then `Contracts = floor(Max Capital / Cost per Contract)`. On a $100k account at 25% stop: A+ setup (3% = $3,000 risk) → $12,000 → **48**

**contracts**; Decent (2%) → **32 contracts**; Mediocre (1%) → **16 contracts**.

- **Constant (flat 10%) sizing** for beginners: deploy a flat **10% of the account** per trade. On $100k → $10,000 / $252 ≈ **40 contracts**; realized risk at 25% stop = $10,080 × 0.25 = **$2,520 (~2.5%)**.
- Worked example from the TOS setup lesson [c25]: $50k account, 3% ($1,500) risk, $1.50 premium ($150/contract), 25% stop → **40 contracts** ($6,000 deployed); 25% stop fires at premium **$1.13** (–$1,500), 50% target at **$2.25** (+$3,000).

### 7.3 Futures

- **Point values (verbatim):** NQ = **$20/point**, MNQ (micro) = **$2/point**, ES = **$50/point**, MES = **$5/point** [c16, c20].
- **Leverage warning:** 1 NQ contract on an 80-point move = 80 × $20 = **$1,600**; 10 NQ on a 1,000-point move = **$200,000** [c16]. Use **micros (MNQ)** when capital can't absorb $20/point swings — they allow wider, more realistic stops (20–30 points) at the same dollar risk [c16, c17].
- **Sizing formula:** `Lots = Risk per Trade / (Stop points × Point value)` [c20]. Example: $1,000 risk, 25-point stop → NQ `1000/(25×20)=2`; MNQ `1000/(25×2)=20`; ES `1000/(25×50)=1`; MES `1000/(25×5)=8`.
- **Fixed-risk 2:1 ladders (to keep risk at exactly $250/trade)** [c17]: 1 NQ → SL 12.5 pts / PT 25 pts; 2 NQ → SL 6.25 / PT 12.5; 4 MNQ → SL 30 / PT 60; **5 MNQ → SL 25 / PT 50**; 6 MNQ → SL 20 / PT 40. (5 MNQ and 6 MNQ were boxed in green as the "sweet spot.")
- **Static futures target/stop** (the "putting it together" lesson): **40-point target / 20-point stop on NQ/MNQ** (2:1) [c27]; worked example: $600 risk, 39-point stop on MNQ → `600/(39×2)=7.69` → **size down to 7 MNQ** (always round down) [c27].

### 7.4 Shares (small-cap)

Stocks move **1:1** with price (no leverage), so the ratio is scaled up [c19]: - **20% profit target / 10% stop loss** (2:1); an alternative **10% target / 5% stop** is mentioned [c19]. The course's automated small-cap bracket per the channel is **+10% / –5%** [PB]. - **Flat $10,000 per position**; `Shares = Allocation / Entry price`. Risk capped at **$1,000** (10% of $10k) [c19]. - Examples: BIMI @ $1.50 → 6,667 shares, PT $1.80, SL $1.35; ALMS @ $8.60 → 1,163 shares, PT $10.32, SL $7.74 [c19].

### 7.5 Daily limits & the "Half-Half-Half" prop rule

- **Max 2 trades per day**, win or lose — walk away when you hit it [c17, c24, c27, c28]. Base target is **1 trade/day**; if the first is a win you're done **95% of the time** [c28].
- **Max daily loss = 2 losing trades** (e.g., –$250 and –$250 = –$500) → stop for the day [c17, c28].
- **Two losing days in a row → take the next two days off** to reset [c28].
- **Prop-firm "Half-Half-Half" sizing:** halve the trailing drawdown limit three times to set per-trade risk. On a $2,500 drawdown (Apex 50K eval): $2,500 → $1,250 → $625 → $312.50 → **risk ~$300/trade** (allowing ~10 consecutive losers before failure) [c17, c20].
- **Per-trade standard:** target **$500 profit / $250 stop** (2:1), adjusting contract size for minis vs micros [c28]. The course also presents fixed risk tiers of **$300 / $600 / $900** by account size [c27].

### 7.6 Account rules (PDT)

- **Margin ≥ $25,000:** unlimited day trading, instant settlement [c04, c25].
- **Margin < $25,000:** Pattern Day Trader rule — max **3 day trades per rolling 5 business days** [c04, c25].
- **Cash account:** PDT-exempt but limited to settled cash (options settle T+1 / ~24h). Workaround = **stagger capital** (e.g., $5k split $2k Mon / $2k Tue, reuse settled Monday funds Wednesday) [c04, c25].

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## 8. Options specifics

**The "2 T's" of option risk: Time and Type** [c22].

**Time (expiry):** - **0DTE** (expires same day): low premium, very high theta-decay risk, exceptionally high % returns if right. Index ETFs (SPY/QQQ/SPX) have **daily** expirations — ideal for daily 0DTE [c22]. - **Weeklies:** higher premium, lower risk (more time to work), lower % return; can be swing-held through a temporary drawdown [c22]. Individual tickers (e.g., TSLA) only expire **weekly on Fridays**, and their premiums are pricier early in the week [c22].

**Type (strike — the "Goldilocks" rule):** - **ATM (at-the-money):** strike nearest the underlying price → the recommended **default** ("best balanced") [c22]. Example: SPY at `685.63/686` → trade the **686** strike [c18, c22]. - **OTM:** cheapest, highest leverage/%-return, highest chance of expiring worthless (e.g., 684 put when SPY is 686) [c22]. - **ITM:** most expensive, lowest risk, lowest %-return [c22].

**The performance comparison that justifies ATM/0DTE** (real option-chain values from a 12/5/25 SPY down-move) [c22]: - SPY 685 Put 0DTE: open `$0.80` → peak `$3.50` (**+330–375%**); same strike weekly: `$3.81/$4.00` → `$6.00` (**+50–55%**). - 686 Put ATM 0DTE: `$1.00` → `$3.00` (**+200%**); 684 Put OTM 0DTE: `$0.50` → `$2.50` (**+411%**); 688 Put ITM 0DTE: `$2.00` → `$5.90` (**+195%**). - **Decay warning:** a wrong 0DTE call decays to **$0.01 (–100%)**; the weekly equivalent only loses ~35%. **Never hold a losing 0DTE all day** [c22].

**Directional rule:** expect up → buy **Calls**; expect down → buy **Puts**. **As a beginner, always BUY calls/puts — never SELL them** (selling = unlimited risk; buying caps loss at the premium) [c10, c21].

**Standard option bracket:** the **"50/25"** OCO template (+50% limit / –25% stop) [c18, c21, c22, c25]. Layout convention: **calls on top, puts on the bottom** of the chain/grid [c22, c25].

**Session restriction:** options day-trade **only during regular hours (6:30 AM–1:00 PM PST / 9:30 AM–4:00 PM EST)**; never hold them into pre/after-market [c23, c25]. (Shares and futures can trade extended hours.)

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## 9. Scanners & watchlist

**The small-cap "Stock Hacker" scanner (TOS, run in pre-market)** [c23]: - **Price (`Last`):** min **$1.00**, max **$25.00**. - **Volume:** min **75,000** shares (liquidity floor). - **Scope:** Scan in *All Stocks*; Intersect ; Exclude . - **Show limit 1000**, **sort by Volume descending**; save the query as **"pre-market."** - Load into a watchlist (e.g., "above 1"), add the **`Mark % Change`** column (type `%` in the column search) to spot gappers, link it to the chart via **Link Color 1 (Red Link)**, and arrow-key down the list to review charts. - *(Course scanner variant per the channel: Ask/Last ≥ $0.85, Volume ≥ 85,000, plus a `Price Change` study of ≥1.5% vs 15 bars on a 30-min timeframe, and a ≥5% pre-market gap — see Section 12 [PB].)*

**Pre-market prep workflow (per instrument)** [c23, c28]: - **Small-cap shares:** filter to top **gapping-up** names by % change → **validate a news catalyst** (FDA approval, product release, corporate deals, management change, new funding) on the Live News feed → top-down chart analysis (1-Year/1-Day → Monthly → 5-Day/5-min) → run levels through the risk calculator → **trade long only** on a break of pre-market resistance. **Never short low-float runners** [c23]. - **Options:** ignore the scanner; trade only **SPY / TSLA / AMZN / AAPL**. Do the same top-down analysis, then **pre-load both the call and put contract templates** into Active Trader *before* 6:30 AM PST; at the open, grab the live premium, run it through the Excel calculator for exact size, and execute on the level break [c23]. - **Futures:** trade only **/NQ or /ES**; map 1-Year/Month/5-Day levels; pre-stage order templates [c23].

**Session time-segments (PST)** [c23]: Pre-market ≤ 6:30 (gray background); Regular Hours 6:30–1:00 (black background); After-hours ≥ 1:00. The **6:30 AM candle is the most volatile/highest-volume of the day**. Volatility windows: **Open 6:30–8:00**, Intraday 8:00–11:59, **Power Hour 12:00–1:00**. **Always draw daily/monthly/yearly levels BEFORE the open** [c27, c28]; never be in a trade when high-impact news drops [c28].

**The "Simple 8" market-watch grid** (2×4) [c25]: **SPY, NQ, NVDA, AAPL, MSFT, AMZN, AVGO, META** — apply the saved style with EMAs to all 8 to read sector strength/direction, then flip to the execution grid to trade. The channel's confluence grid lists the same heavyweights [PB].

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## 10. Execution & platform

**Brokers / accounts.** - **Charles Schwab (Thinkorswim)** for US retail (options/shares/futures); **Interactive Brokers** for non-US [c04, c07]. Must use **Thinkorswim *Desktop*** — not web or mobile [c07, c25]. - **Futures via prop firm: Apex Trader**

**Funding** paired with **Tradovate** (preferred over WealthCharts/Rithmic). Discount code `APEXWOLF` (also written "Apex Wolf") [c05, c06, c28].

**Apex evaluation & payout rules** [c05, c06, c17]: - 50K eval: $187/mo (as low as ~$50 on promo), **$3,000 profit goal**, **$2,500 trailing drawdown** (fail at $47,500). Plans scale: 25K (4 contracts / $1,500 goal / $1,500 DD), 50K (10 contracts / $3,000 / $2,500), 100K (14 / $6,000 / $3,000), 150K (17 / $9,000 / $5,000), 300K (35 / $15,000) [c06, c17, c20]. - Funded (PA): one-time activation fee ($50–$100); to request a payout, trade ≥ **8 days** with ≥ **5 green days** (non-consecutive OK) and ≥ **$2,600 profit** on the 50K [c05]. Build a **$5,000–$10,000 buffer** before withdrawing (passing $5k secures the trailing threshold) [c28]. - **Copy/group trading:** Tradovate native "Groups," or NinjaTrader 8.1 + **Replikanto**. Group math: `Total contracts = #accounts × contracts-per-account` [c06, c26]. He runs **~20 linked PA accounts** to multiply a single ~$5k profit into ~$100k [c06].

**TOS setup essentials** [c25]: Flexible Grid (uncheck Sidebar); Appearance → check **Fill up**; Options tab → uncheck **Show theoretical price**; Time Axis → **30 bars expansion right**, uncheck Show Expiration Friday; General → **Overlap volume**; save the style ("2025"/"2026", include study set). Build a **4-chart grid** (left = SPY underlying; top-right = call contract; mid-right = put contract; bottom-right = futures/shares). Active Trader set to **5 Day : 5 min**; add **Position** and **PL Open** columns.

**Order types & brackets** [c21, c25]: - Options: load the contract → change template **Single** → `TRG w/ bracket` → toggle **$ / %** to percentages → set Limit **+50%**, Stop **–25%** → save as **"5025"** with **Auto Send** for one-click execution. Click **Buy MKT** to enter. - Futures (TradingView): check Take Profit / Stop Loss boxes → **Buy** (blue) to go long, **Sell** (red) to go short; exits in ticks/$ (e.g., TP $100 / SL $50, or $250 / $125). - **Critical shorting rule:** to exit a **short futures** position you must click **Buy** (to cover) or **Flatten/X** — clicking **Sell** again *adds* another short [c21].

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## 11. Psychology & discipline

This is, by volume, the most-emphasized theme of the course — three full lessons plus the intro and conclusion [c01, c02, c24, c28].

**The "Message to Self" — internal change first** [c01, c02]. Before charts, strategies, or equipment, the trader must align five life components: **Health, Wealth, Knowledge, Love/Happiness, Faith.** His own physical transformation (215 lbs / 38% body fat → ~156–160 lbs / ~13% body fat) is presented as the direct cause of his trading jump. The rule: you can't expect to make hundreds of thousands while neglecting your spouse/kids, sleeping poorly, eating badly, and skipping fitness. A chaotic personal life guarantees **anger, tilt, and revenge trading.** "You are your problem and you are your solution." "Fall in love with the process."

**The Big Three destructive emotions: Fear, Greed, Ego** [c24]. Two cautionary case studies: - **Drew's $100K tilt day (2022):** up $8,500 in the first 5 minutes Friday, exited early, re-entered out of ego, lost it back, **revenge-traded with bigger size**, kept doubling, ended the day **down ~$98,000** (and verbally lashed out at his family). - **The student's tuition ruin:** turned $125k into $250k by Friday with no risk management, then **greed + fear** rode it all back to zero — children's college money gone. "I would much rather realize a $1,000 loss than a $100,000 loss."

**Concrete discipline rules** [c24, c28]: - Maintain the strict **2:1 ratio** and always use **automated bracket orders** to remove emotion. - **Trade only the first hour** (6:30–7:30 AM PST); if you catch a runner, set alerts and **walk away** — don't watch ticks. - **1–2 trades max per day**; ideally just one. **Two losses in a row → done. Two red days → two days off.** - Stay **completely numb** — excitement on wins or anger on losses both mean you're trading wrong. - **Work/life boundary:** once you leave the trading office you are a spouse/parent, fully detached from market results.

**The pre-trade self-check ("don't trade if compromised")** [c28]: bad sleep, family conflict, no desire to trade, or inability to give 100% focus (no phone/TikTok) → **don't trade.** Drew works out before trading. **Trade the chart, not your P&L** — once in, look only at the chart.

**The learning loop** [c28]: Read it → Watch it → Do it → Teach it. Four stages of mastery: subconscious incompetence → conscious incompetence → conscious competence → **subconscious competence ("flow state").** Practice over years is mandatory; books and videos aren't enough.

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## 12. Course-vs-channel: what's new or different in the paid 2026 course

**Where they reinforce each other (high confidence):** - Identity, credentials, and biography [c01 ↔ PB]. - The **level-to-level S/R + EMA + candle-close break** core method [c10–c15 ↔ PB §3.8]. - **2:1 R:R, 1–3% per-trade risk, 5% daily cap, ~33% break-even math** [c17, c18 ↔ PB §5]. - **Quality over quantity / patience / no revenge trading / react-don't-predict** [c01, c24 ↔ PB §9]. - The **mega-cap confluence** read (NVDA/AAPL/MSFT/AMZN drive the index) [c12, c27 ↔ PB §3.5]. - **Trail on the 9 EMA; exit on a close against it** [c12, c13, c16 ↔ PB §3.13]. - **Small-cap scanner** (price band + ~75k volume + % change + catalyst) [c23 ↔ PB §8]. - The **–25%/+50% options bracket** ("5025" / TRG w/ bracket in TOS) [c18, c21, c25 ↔ PB §4].

**What the course adds or makes more concrete than the channel:** 1. **A full futures curriculum with exact point-math and prop-firm mechanics** — Apex/Tradovate eval rules, the **Half-Half-Half** drawdown-sizing rule, NQ/MNQ/ES/MES point values and lot formulas, and **group/copy trading** (Replikanto, 20 linked PA accounts) [c05, c06, c16, c17, c20, c26]. The channel mentioned Topstep/Tradovate only in passing; **Apex is the course's chosen prop firm.** 2. **The "2 T's" options framework** (Time × Type) with a concrete ITM/ATM/OTM premium-performance table and the explicit **ATM "Goldilocks" default** [c22] — more structured than the channel's strike notes. 3. **Two formal options-sizing models** (variable setup-grade vs constant 10%) with worked contract counts, plus a **dedicated risk-calculator spreadsheet** (yellow = input, orange = override, white = formula) [c18, c20]. 4. **Explicit Break-&-Retest mechanics** as a named, preferred lower-risk entry with the tightest-stop rationale [c14] — the channel treated breakout and retest together more loosely. 5. **A grade-based sizing system** (A+ "Perfect Storm" = full risk; B-grade = half) tied to multi-ticker confluence [c27]. 6. **Static futures targets** (40-pt PT / 20-pt SL on NQ) as a simpler alternative to the channel's tiered % ladders [c27]. 7. **A complete TOS build-from-scratch walkthrough** (Flexible Grid, "5025" Auto-Send template, "EMAs" study set, "Simple 8" grid) [c25]. 8. **The small-cap shares risk model** (20%/10%, flat $10k allocation) made explicit with BIMI/ALMS examples [c19].

**Where they genuinely differ (open questions — do not silently reconcile):** - **20 EMA vs 21 EMA.** The course's futures/level lessons use **9/20/50** [c12, c13, c14, c25, c27]; the **SPY options and scanner lessons use 9/21 (+VWAP)** [c18, c22, c23]. The channel records the identical split as unresolved [PB §11]. **Treat as a config choice, not a fact** — the majority/explicit-slide value is 20, but the SPY-specific lessons say 21. - **50/100/200 — EMA or SMA?** The course shows **50 EMA** on execution charts [c12, c25] but the channel notes course slides teaching 50/100/200 **SMA** as macro "defense lines" [PB §11]. Likely split by timeframe (EMA intraday, SMA macro) but never stated outright. - **Power-hour timing:** course says **12:00–1:00 PM PST** [c23]; channel's course-seg note said **11:00 AM–1:00 PM** [PB]. - **Reversal trading:** the channel persona says he is **not** a reversal trader (levels must break) [PB], yet the course teaches **Doji reversals** [c08] and **confluence buys/shorts at levels before the break** (the aggressive level-to-level entry) [c14, c27]. Persona-vs-course tension, unresolved. - **Small-cap scanner numbers** differ ($1–$25 / 75k volume in c23 vs $0.85 / 85k / 1.5%-vs-15-bars in the channel's course-seg) [c23 vs PB §11].

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## 13. Lesson index

| # | Lesson (file) | One-line takeaway | Source note |
|---|---|---|---|
| 1 | Welcome / Intro (`c01-intro.md`) | Scope (options/futures/shares), his bio, and "discipline starts with physical health." | c01 |
| 2 | Message to Self (`c02-message-to-self.md`) | Align Health/Wealth/Knowledge/Love/Faith before you trade; personal chaos → tilt. | c02 |
| 3 | Equipment (`c03-equipment.md`) | "Earn your setup"; 16GB-RAM laptop + portable monitor; **always a wired mouse**. | c03 |
| 4 | Self / Brokers (`c04-self-brokers.md`) | Schwab (US) / IBKR (intl); cash vs margin; the **$25k PDT** rule and cash-staggering. | c04 |

| | | | |
|---|---|---|---|
| 5 | Apex (`c05-apex.md`) | Trade futures via Apex prop firm (code `APEXWOLF`); 50K eval = $3k goal / $2.5k DD. | c05 |
| 6 | Apex + Tradovate (`c06-apex-tradovate.md`) | Link Apex→Tradovate (Demo); plan sizes; runs ~20 PA accounts to multiply profit. | c06 |
| 7 | TOS Download (`c07-tos-download.md`) | Use **Thinkorswim Desktop** only (not web/mobile); admin phase done. | c07 |
| 8 | Candles (`c08-candles.md`) | Candle anatomy, green/red/Doji, sentiment by size, Doji-at-extreme reversals. *(NQ example.)* | c08 |
| 9 | Support & Resistance (`c09-support-resistance.md`) | Floor/ceiling; **role reversal**; multi-layered levels. | c09 |
| 10 | Level to Level (`c10-level-to-level.md`) | Trade between levels; long on bounce/breakout, short on rejection/breakdown. | c10 |
| 11 | S/R on a Real Chart (`c11-sr-real-chart.md`) | Multi-timeframe level drawing (red/yellow/white); trigger candle → next candle entry. *(NQ.)* | c11 |
| 12 | EMAs + S/R (`c12-emas-sr.md`) | 9(blue)/20(yellow)/50(red) EMA as dynamic S/R; close below 50 EMA = ultra-safe short; 9-EMA trail. *(NQ.)* | c12 |
| 13 | EMAs + Price Break (`c13-emas-price-break.md`) | Breakout vs **pullback-to-20-EMA** entries; don't trade the first 5 min. *(BTCUSD example.)* | c13 |
| 14 | Break & Retest (`c14-break-retest.md`) | Aggressive level-to-level vs EMA-confluence; **break-&-retest = tightest stop**. *(NQ.)* | c14 |
| 15 | TA Overview (`c15-ta-overview.md`) | Full top-down recap; level-to-level has best win/reward; **avoid chop** (flat EMAs). *(TSLA.)* | c15 |
| 16 | Risk — Futures (`c16-risk-futures.md`) | NQ=$20/pt leverage math; use MNQ when small; breakdown short below level + 50 EMA. | c16 |
| 17 | Risk — Futures 2 (`c17-risk-futures-2.md`) | **2:1 ratio**, $250/trade, Half-Half-Half, **2 trades/day max**; 40% win rate still profits. | c17 |
| 18 | Risk — Options (`c18-risk-options.md`) | **SPY 0DTE: 9/21 EMA + VWAP, ATM strike, 25% stop / 50% target**, variable vs constant sizing, OCO bracket. | c18 |

| | | | |
|---|---|---|---|
| 19 | Risk — Shares (`c19-risk-shares.md`) | Small-caps move 1:1 → **20% target / 10% stop**, flat $10k/position. *(BIMI, ALMS.)* | c19 |
| 20 | Risk — Final (`c20-risk-final.md`) | The risk-calculator spreadsheet; futures lot math; Half-Half-Half → ~$300/trade on a $2.5k DD. | c20 |
| 21 | Orders (`c21-orders.md`) | Bracket/OCO automation; the **"5025"** template; **never click Sell to exit a short**; only BUY options. | c21 |
| 22 | Option Chain (`c22-option-chain.md`) | The **2 T's** (Time/Type); 0DTE vs weekly; **ATM = Goldilocks**; ITM/ATM/OTM premium table. | c22 |
| 23 | Small-Cap Scanner (`c23-small-cap-scanner.md`) | TOS scanner ($1–$25, vol ≥75k, sort by vol); per-instrument pre-market prep; session windows. | c23 |
| 24 | Psychology (`c24-psychology.md`) | Fear/Greed/Ego → tilt; the $100k tilt-day and tuition-ruin case studies; numb + walk away. | c24 |
| 25 | TOS Setup (`c25-tos-setup.md`) | Build the platform: Flexible Grid, "5025" Auto-Send, "EMAs" study set, "Simple 8" watch grid. | c25 |
| 26 | Futures Group (`c26-futures-group.md`) | Copy/group trading via Tradovate Groups or NinjaTrader+Replikanto; `accounts × contracts` math. | c26 |
| 27 | Putting It Together (`c27-putting-together.md`) | The **"Perfect Storm" A+** multi-ticker confluence; all 6 setups; grade-based sizing; 40/20-pt NQ. | c27 |
| 28 | Conclusion (`c28-conclusion.md`) | Pre-trade self-check; pre-market routine; **$500/$250 2:1**; 1-win-and-done; Apex "start over" blueprint. | c28 |

## 14. How this maps to the user's SPY 0DTE bot

The **single most relevant lesson is c18 (Risk — Options)**, with c22 (Option Chain), c21/c25 (Orders/TOS bracket), and c23 (pre-market prep) as direct support. Here is what is codeable versus discretionary.

**Directly codeable (mechanical rules):** - **Instrument & strike:** SPY 0DTE, **ATM strike nearest the underlying** (e.g., SPY 685.69 → 686 call/put) [c18, c22]. - **The exit bracket:** OCO with **stop = entry_premium × 0.75 (–25%)** and **target = entry_premium × 1.50 (+50%)** — a fixed 2:1 [c18, c21]. This is the cleanest single rule to feed the bot. - **Position sizing (constant model):** `contracts = floor(0.10 × account / (premium × 100))`, or risk-based `contracts = floor((account × risk%) / (premium × 100 × 0.25))` with risk% ∈ {1,2,3} by setup grade [c18, c20]. - **The morning-range breakout entry:** mark the **high of the first 5-min candle**; require a later 5-min candle to **close above** it

while price holds **above the 9 & 21 EMA**; enter on the **next candle's open** [c18]. The mirror (close below first-candle low, below EMAs) for puts. - **Hard guardrails: 1–2 trades/day max**; **two losses → halt**; **daily loss cap ≤ 5%**; **skip the first 5-min candle**; options only inside 6:30 AM–1:00 PM PST [c17, c23, c24, c28]. - **Trail logic:** keep the runner while 5-min candles close beyond the 9 EMA; flatten on a close against the 20 EMA [c12, c13].

**Needs discretion / would need parameterizing before automation:** - **"Clean break" definition** — the course says "candle closes through the level" but never quantifies penetration distance, body %, or a volume floor. The bot needs an explicit `break_ticks` + `body%` + `volume_multiple` config (the channel's critic panel proposes defaults) [c18 vs PB §11]. - **20 vs 21 EMA** — pick one as a config constant. The SPY options lesson uses **21** [c18]; the rest of the course uses **20**. Expose `secondary_ema_period`. - **Mega-cap confluence gate** (NVDA/AAPL/MSFT/AMZN alignment) — directionally clear but has no numeric "same direction" threshold; needs a defined % move over N bars to be codeable [c12, c27]. - **Chop detection** (flat EMAs through candle bodies, tight range) — a useful no-trade filter but visually defined; needs a quantified EMA-slope + range-width rule [c15, c27]. - **News blackout** — "never be in a trade when high-impact news drops" requires an economic-calendar feed and a blackout window [c28].

**What to feed into the queued strategy (priority order):** 1. The **–25%/+50% OCO bracket** on the ATM SPY 0DTE contract (the core, unambiguous rule). 2. The **first-5-min-candle range break + 9/21-EMA-hold** entry, with the next-candle-open execution and the first-candle skip. 3. The **daily guardrails** (1–2 trades, two-loss halt, 5% daily cap, session window) as hard stops on the bot. 4. The **constant 10% (or risk-based) sizing** formula. 5. Defer the **confluence, chop, and clean-break** filters to a v2 once their thresholds are parameterized — these are where the course relies on discretion.