



# Hit and Run Trading Success Guide

By Jeff Cooper  
Professional Trader & Author

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# About Jeff Cooper



Jeff Cooper began his trading career at Drexel Burnham in 1981. In 1986, Cooper went out on his own, choosing to trade exclusively for himself.

After establishing a successful career as a trader, he went on to write two best-selling books: *Hit and Run Trading: The Short-Term Traders' Bible* and *Hit and Run Trading 2: Capturing Explosive Short-Term Moves in Stocks*.

Today, Jeff trades from his home in Malibu, California, and authors Hit and Run Trading for professional traders, portfolio managers, and individual investors across the globe.

# Welcome to Hit and Run Trading!

Thank you for joining Hit and Run Trading!

You now have access to:

- A morning newsletter detailing my macro market outlook (delivered Monday through Friday around 8:30 a.m. ET)
- An evening newsletter with new trade ideas for the next day (delivered Sunday through Thursday at 6:30 p.m. ET)
- My private Hit and Run Trading Twitter feed where I share trading ideas and analysis in real time

I created this guide to Hit and Run to ensure you come on board with a complete understanding of what you're getting.

We'll go through each piece of the service so you can get the most out of your experience and start off on the right foot.

Our goal is to help you become a more successful trader through a combination of actionable ideas and analysis.

All trade ideas are given with simple, clear instructions so you can execute with confidence.

So please, take 10 minutes and carefully read this guide.

Yours in Trading,

-Jeff Cooper

# Frequently Asked Questions

**Q: Which of Jeff's ideas should I take? How much money should I put in each trade?**

All readers must make trading decisions based on their own risk tolerance and preferences.

**Q: I am interested in an annual Hit and Run subscription. How can I upgrade my membership?**

Call our team at 1-888-998-3548, and you can make account changes in minutes.

**Q: I have a question. Can Jeff answer it?**

As a subscriber, you have access to the Hit and Run Trading private Twitter feed. Through Twitter, you can contact Jeff directly to ask questions about his trading.

Please keep in mind that Jeff does not offer personal coaching or personalized trading advice.

If you have a question about your Hit and Run subscription or about other offers from Jeff Cooper (such as his Hit and Run books), you can contact T3 Live at 1-888-998-3548 or [info@t3live.com](mailto:info@t3live.com) and we'll do our best to help you.

**Q: What strategies are used in Hit and Run Trading?**

Jeff uses a variety of strategies from his methodology, including those based on breakout, transition and pullback patterns. Descriptions of those strategies can be found in the Hit and Run 2.0 Training video series, included with your subscription. Jeff's newsletters may also provide insight into his strategies.

# Frequently Asked Questions II

## **Q: When are Hit and Run newsletters released?**

The morning report is sent out Mon.-Fri., before the opening bell. Nightly Stock Reports are sent out at 6:30 p.m., Sun.-Thurs., in preparation for the next trading day.

Hit and Run subscribers can follow along with intraday trading updates by following Jeff's private Hit and Run Trading Twitter page.

## **Q: Do I need any special software or trading platform?**

No. Hit and Run Trading uses standard strategies available at most brokerage firms, and no special software or platform is required. However, traders may choose to create or purchase a Square of Nine wheel similar to the one Jeff uses to follow along with his predictions.

## **Q: How do I access the Twitter feed?**

The Hit and Run Trading Twitter feed is private, so only approved followers can see his Tweets. As a Hit and Run subscriber, you can be approved to follow the page.

First, make sure you have a personal Twitter account. Accounts are free and can easily be set up at [www.twitter.com](http://www.twitter.com). Once you've made your account request to follow @hnrtrading, reach out to [customerservice@t3live.com](mailto:customerservice@t3live.com) to be accepted.

# About the Morning Report

The morning report is released Monday through Friday before the opening bell.

To ensure you receive the newsletter in a timely fashion, please add **customerservice@t3live.com** to your address book.

You can also access Hit and Run content in your personal portal at [t3live.com/my-portal](https://t3live.com/my-portal)

Let's take a quick look at what you'll find in the morning report.



## Does Green October Mean the Coast is Clear Until Year-End?

October 30, 2019

By Jeff Cooper

In the morning report for July 26, 3 Signs Of An Impending Top, I said there were 3 indications of a top:

1) With Thursday's session, the **NAZ** registered 6 combined Hindenburg and Titanic alarm signals in the past 7 days.

The last 3 similar clusters were late 1999, early 2000, summer 2007, and summer 2015. This is one reason why any confirmed sell signal from here must be respected. The **SPX** 20 day m.a. has not been breached since being reclaimed on June 6.

2) Another indication of a top is something we mentioned earlier this week. Let's recap.

The major bear market low occurred in early August 1982 at 102 SPX. The range from the Aug 1982 low to the March 2000 top at 1553 is 1451 points.

The morning report is an in-depth look at the broader stock market's activity, taking into account market cycles, current trends, and chart patterns. It can include information about multiple related stocks or focus on only one.

Jeff also shares his trading predictions and the strategies he intends to use.



# About the Nightly Stock Report I

In addition to the morning report, Jeff sends out a Nightly Stock Report at 6:30 pm from Sunday to Thursday. The nightly newsletter includes new trade ideas plus an overview of in-play positions.



Hit and Run Nightly Stock Report: October 30, 2019

Positions Disclosure: PAGES, GDXJ, AG, AG calls, GOLD, SSRM, WPM, LYFT, CGC, CDLX, ROKU, COUP, PTON

## New Day Trades

### CDNA Short

**Pattern:** Continuation play

**Entry Trigger:** 25.90

**Stop:** 1 pt



At the top of the newsletter, you'll see a positions disclosure, which lists the tickers of stocks that Jeff is currently playing.

# About the Nightly Stock Report

After the Positions Disclosure, Jeff lists his day and swing trade ideas, along with corresponding charts. Jeff includes the ticker, long or short, the pattern, entry trigger, stop, and target. Please note that not all trades have targets.

If the entry trigger (either a specified price and/or opening range breakout) is hit the next trading day, that stock is officially in play. If the stock hits the listed stop price, the trade is over.

## New Day Trades

### CDNA Short

**Pattern:** Continuation play

**Entry Trigger:** 25.90

**Stop:** 1 pt



# About the Nightly Stock Report III

Underneath the new trades, you'll see a list of updates. If the trade says 'Pilot,' it is a half-sized position. You will also see the entry, stop and P&L of that stock, and any actions taken.

## Swing Trade Updates

### Longs

**ROKU Pilot Long:** Entry: 149.13, Stop: 146.13, P&L: +0.30

**CDLX Pilot Long:** Entry: 39.64, Stop: 38.14, P&L: +0.96

**[CLOSED] TSLA \$310 Weekly Puts Pilot Long:** Entry: 1.75, [Sold half for a 0.07 gain, and half for a 1.61 gain]

**WPM Pilot Long:** Entry: 27.05, Stop: 25.80, P&L: +0.25

**GDXJ Pilot Long:** Entry: 37.68, Stop: 36.43, P&L: +0.55

**PAGS Pilot Long:** Entry: 38.50, Stop: 36.50, P&L: -0.53

# About the Nightly Stock Report IV

The nightly newsletter concludes with a list of the uptrending and downtrending stocks that Jeff is watching.

## The Trading Report Hit List

### Uptrending

ROKU

PDD

QURE

RETA

CDLX

INMD

DOCU

TTEK

WPM

AG

# Intraday Updates

In addition to the newsletters, a Hit and Run subscription comes with access to Jeff's private Hit and Run Twitter feed.

In the feed, Jeff provides market commentary, new trade ideas and updates to existing trades in real time. This keeps you 100% up to date with Jeff's strategy.



In order to follow the Hit and Run Twitter feed, you must first create a free Twitter account. Once you've activated your account, you can request to follow Jeff's feed; after sending the request, reach out to [customerservice@t3live.com](mailto:customerservice@t3live.com) to be accepted.

# Hit and Run Trading Basics I

## Swing Trade Entry/Exit Procedures

Jeff's swing trades include the pattern name plus entry trigger, target, and stop loss prices. Jeff may not name the target price immediately, but will manage it later on.

Jeff's trade management strategy is simple.

When the stock hits the stop, Jeff gets out.

And, unless otherwise noted, when a stock hits Jeff's target price, he sells/covers half the position and moves the stop to breakeven (the entry trigger).

Here are two examples using the format seen in the Nightly Stock Report.

Example long trade:

**Apple (AAPL)**

*Long*

**Pattern:** LROD

**Entry trigger:** 100

**Stop:** 1.50

**Target:** 2.00

Here, the trade is initiated if Apple hits 100.

If the stock gains 2 points to hit 102, Jeff sells half the position for a 2 point profit, and moves the stop up from 98.50 to 100 (the breakeven point).

# Hit and Run Trading Basics II

Example short trade:

**Tesla (TSLA)**

*Short*

**Pattern:** Hook, Line & Sinker Sell Signal

**Entry trigger:** 215

**Stop:** 2.00

**Target** 3.00

Here, the short trade is initiated if Tesla hits 215.

If the stock falls 3 points to hit 212, Jeff sells/covers half the short position for a 3 point profit, and moves the stop down from 217 to 215 (the breakeven point).

In both cases, watch for subsequent alerts and read the Nightly Stock Report for updated stops and target prices.

When Jeff initiates a new swing trade intraday, or makes an adjustment to an existing swing trade intraday, he'll send a Tweet.

# Hit and Run Trading Basics III

## Performance Tracking Rules

In the Nightly Stock Report, Jeff presents long and/or short trade ideas with entry price, stop price, and target price.

Occasionally, Jeff will wait to set a target price as he assesses the optimal course of action.

Trade ideas are designated as day or swing trades. However, depending upon market conditions and individual stock action, holding periods are subject to change.

All positions are considered LIVE and ongoing until they hit a stop or target price (or are otherwise exited by Jeff with a corresponding Tweet or instruction in the Nightly Stock Report).

If a day trade is not closed out through a predetermined target price or an alert, it will be considered closed out at 3:55 p.m. ET.

In addition, during the day, Jeff issues additional trade ideas and updates existing trades.

In these cases, Jeff uses market orders, placing more value on ensuring an execution is achieved and less value on the price of execution.



# Hit and Run Trading Basics IV

## Entry / Exit Prices

There is no guarantee you'll receive the same execution prices as we list in Hit and Run Trading. Hereinafter is a description of how we determine execution prices for those listed in Tweets. (Our results do not account for commissions, taxes, slippage, or other costs.)

### **For trades with a Specified Entry/Exit:**

The price listed for entry or exit in Hit and Run Trading is considered the execution price if the stock executes at this price in the market.

Example: AAPL long entry at \$155 -- the position is triggered long if the stock trades at \$155, and \$155 is our entry price.

The same applies to execution when exiting positions.

Example: Following the example above, if our exit price is \$157 and the stock trades at \$157, we consider \$157 our exit price.

### **For trades entered/exited intraday - Alerts:**

We will take the price listed in the market for the symbol 2 minutes after the Tweet is sent to subscribers.

Specifically: if the Tweet is sent/posted at 12:00 p.m., we will take the CLOSE of the 1-minute bar at 12:02 p.m.

If no trades print during the 12:02 bar, we take the price of the very next print.

# Hit and Run Trading Basics IV

## Opening Range Breakouts/Breakdowns

For an Opening Range Breakout (long), the trade is taken when the stock goes 10 cents above the high of the opening 30 minute bar.

For example, if the high of the opening 30 minute bar is \$100.00, we track a long execution if the stock goes to \$100.10. This is our official entry price (\$100.10).

For an Opening Range Breakdown (Short), the trade is taken when the stock goes 10 cents below the bottom of the opening 30 minute bar.

For example, if the low of the opening 30 minute bar is \$100.00, we track a short execution if the stock goes to \$99.90. This is our official entry price (\$99.90).

## Swing Trade Gap Rules

A 2-point opening gap on a swing trade negates the entry.

Example: If we have a \$30 long entry and the stock opens with a gap above \$32, the entry is negated.

However, if it gaps up on the open and is below \$32, we take the entry using the opening price as our cost basis.

## Day Trade Gap Rules

A 1-point opening gap on a day trade negates the entry.

Example: If we have a \$30 long entry and the stock opens with a gap up that is above \$31, the entry is negated.

However, if it gaps up on the open and is below \$31, we take the entry using the opening price as our cost basis.

# Hit and Run Trading Basics V

## Extended Trading

Sometimes, one of Jeff's positions will hit a stop or target price in premarket or after-hours trading.

We only exit positions in extended trading if Jeff specifies it in a Tweet.

Otherwise, we manage the position based upon the resumption of normal market action.

## Booking Profits/Losses on Opening Gaps

On rare occasions, a stock will gap through a target or stop price on the open. In these cases, we book a profit or loss on the opening price.

Example on Winning Trade: We are long Apple from \$100 with a target of \$102. If it gaps up to open at \$105, we will book a 5 point gain.

Example on Losing Trade: We are short Tesla from \$215 with a stop at \$217. If it gaps up to open at \$220, we will book a 5 point loss.

## Full Positions and Half Positions

Readers should size their positions as they wish, but for the sake of simplicity, the Daily Market Report uses 2 position sizes -- Full and Pilot (pilot means half-sized).

By default, all positions are a Full size for our tracking purposes, unless Jeff specifically calls it a Pilot position.

Jeff uses Pilot positions when he believes it makes sense to proceed slowly with a new position.

Sometimes, Jeff will turn a Pilot position into Full position with a second trade.

# Pattern Names, Tactics and Strategies

A **Plus One, Minus Two Buy Set-Up** occurs when the 3-Day Chart is up (3 consecutive higher highs on the Daily or the prior circled 3-Day Chart high is exceeded), and then you have 2 consecutive lower lows on the Daily. A **Minus One, Plus Two** is the exact opposite.

A **Lizard** is a new 10-day high (or low) that has an open and close in the bottom 25% of the day's range. In the case of **Lizard Sell Signals**, the stock runs up from the open and tails off into the close. **Lizard Buy Signals** are the opposite.

A **Holy Grail Buy Setup** is a pullback in an uptrending stock to its 20 day moving average. (reverse for Holy Grail sell setup)

A **Gapfill** is as it sounds self-evident a fill of a recent gap.

An **Expansion Pivot Buy Signal** is a move over the 50 DMA with the largest range in the last 10 days. When this occurs on a gap, it often indicates a momentum move higher (ie - Expansion Pivot Gapper). An Expansion Pivot Sell Signal is a move below a 50 DMA with the largest range in 10 days.

A **180 Buy Signal** occurs when a stock is trading above both its 10 and 50 DMA's and closes near the high of the day following a prior day's close near the low of the range.

A **Triangle Pendulum Pattern** occurs when a stock traces out a triangle, breaks one way and then breaks up the other way: false moves lead to fast moves.

An **N/R 7 Day** is the narrowest range in the last seven trading days. N/R7 days usually precede an expansion of range in volatility over the next few sessions.

# Pattern Names, Tactics and Strategies II

An **LROD** is a lightning rod or a large range outside day. Large range indicates momentum and momentum often precedes price.

A **Peek-a-Boo High** is a new 60-Day closing high but not a new intra-day high. In other words the new closing high is veiled by the prior intra-day highs.

A **Hook, Line & Sinker Sell Signal** occurs when a stock pivots out of a consolidation or pullback and immediately reverses. A Buy Signal is a mirror image.

Strongly trending stocks typically do not pull back for more than 1 to 3 days. A 1-2-3 Pullback Buy Pattern may be three consecutive lower lows or two lower lows and an inside day. A 1-2-3 Pullback Sell Set-Up is the opposite of the buy pattern.

An **Expansion Breakdown** is a move to a new 60-Day low on the largest range in the last ten sessions. An Expansion Breakout is the opposite ie- a move to a new 60-day high.

A **Gilligan Sell Signal** is a gap open to a new 60-Day high with a close at quarter of the day's range.

A **Pause Day** is just as it sounds - a narrow range day after a large range thrust. Since the nature of price behavior is to Thrust-Pause and Thrust in the direction of the initial thrust there is a better than average likelihood for continuation on day three.

A **Train Tracks. Train Tracks Sell Signal** as the name implies is a straight up bar followed by a straight down bar - a new 60 day high with a large range followed by a stab down with an equally large range. A Train Tracks Buy Signal is the reverse.

# Pattern Names, Tactics and Strategies III

A **Boomer** is two inside days after a large thrust verging on a new swing high.

An **Angular Rule of 4 Breakout** is a breakout over a 3-point declining trendline (bullish). An Angular Rule of 4 Breakdown is a breakdown below a rising 3-point trendline (bearish).

A **Kaiser Soze'** (from the movie The Usual Suspect) is a signal that follows the principle that false moves lead to fast moves in the other direction. In other words, a large range or outside day up that subsequently sees price stab back through the breakout day triggers a Kaiser Soze' Sell Signal. (Reverse for Kaiser Soze' Buy Signal).

A **Jack-in-the-Box Buy Signal** is a narrow range pause day following an expansion breakout (a large range breakout to a new 60-day high).

A **Boomerang** is a breakout above a "Line formation" or a flat that subsequently sees price quickly stab back below the breakout day.

A **Power Surge Buy Set-Up** is derived from a higher Swing low. A Power Surge Sell Set-Up is derived from a third lower Swing high.

A **Signal Day +1** means a day after a signal generated. The following day is worth watching as often there is a "fuse" or a Pause Day following a signal.

\* This denotes patterns that are in the spirit of the particular pattern being referred to. The market is not a fine Swiss watch: patterns seldom set-up perfectly.

# Educational Videos

In addition to the newsletter and private Twitter feed, you have access to Jeff's Hit and Run 2.0 video course (located in My Member Portal, <https://www.t3live.com/my-portal/> )

This program takes a deep dive into Jeff's trading style and strategies. The series is self-paced and allows traders to fully digest each pattern. Taking this course will dramatically improve your understanding of Jeff's analysis.



# About T3 Live

T3 Live was founded to help investors like you generate income and build wealth.

Our approach includes a mix of trading, training, and technology to help you succeed in all market conditions.

T3 was founded by traders, not marketers.

We know what works because we've been in the trenches, trading for a living.

If you have any questions about this report, your account, or any of our services, please email us at [info@t3live.com](mailto:info@t3live.com), or call us at **1-888-998-3548**.