



Trade 12
Scale into long ARKK

	Date		25-Apr-22
	Security		ARKK
	Long, short, other		Long
	The idea	Idea source	Elevator pitch
Events or news			
Deviation from fair value			
Pattern recognition / indicators			Same pattern as every other bubble. Question is will it hold the lows or die a death?
Filters	Tailwind or headwind and why?	Narrative cycle	It's pretty easy to make fun of Cathie Wood these days. There is a short ARKK ETF. Sentiment is bearish but has been for a while.
		Positioning and sentiment	
		Events and catalysts	
		Correlated markets	
		Technicals	\$29 is the COVID low. \$40/\$50 is the round trip zone.
	Alternative hypothesis	What might go wrong? Pre-mortem	ARKK is CMGI.

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Tactics	Trade structure	Best asset, market, structure?	ARKK		
		Microstructure considerations	No		
		Entry	49.01	45.01	43.01
		Stop loss	28.84		
		Take profit	TBD		
Other reassessment triggers		None. Stick to the plan.			
Risk management	Conviction level	TYPE I, II, or III	TYPE II		
	Free Capital	\$	100,000		
	% of free capital		2.00%		
	\$ at risk		2,000		
	Solve for position size		120		
	Any issues with liquidity or capacity?		No. Tiny position.		
Execution	Execution notes (limit, market, etc.)				
	Automate or outsource stop loss		Yes		
	Enter trade in journal		Yes		
Psychology	What emotions are involved here? Do I feel anything unusual? List emotions or possible pitfalls.		Hard to buy this dip given the disgraced strategy of paying any price for "Disruptive Innovation"		
Performance Analysis	Post-mortem				
	Lessons				
	What is working and what is not?				

Stick to the original plan