

Equity Earnings Strategy

A detailed, bulletproof checklist that'll walk you step by step through executing the Quantitative Earnings System from start to finish, even if you've never used a trading system before.



Macro Ops
Target. Deploy. Profit.

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Fallible is where you can hang out and talk stocks, business, money, finance and whatever else you want.

We publish new videos almost every day on our [YouTube channel](#). Our videos include stock market analysis, business model dissections, trade examples, psychology tips, and of course, breakdowns of our favourite finance movies and TV shows.

WHAT IS MACRO OPS?

Macro Ops is Fallible's parent company. It's a global macro research and consulting firm I (AK) co-founded with my buddies/business partners Alex and Tyler. We cater mostly to institutional clients such as hedge funds, pension funds, family offices, and sovereign wealth funds. And of course we have individual traders and investors in there too.

So if you're an advanced trader too, definitely come hang out with us at www.macro-ops.com

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1. Go to “Sectors Tab” on the Equity [Earnings Strategy spreadsheet](#) and identify which sectors are highlighted in Yellow
2. Once the appropriate sector is identified go to the corresponding sector tab ie “XLP”
3. The list of the equities within the S&P 500 Sector SPDR’s sector (XLP for example) will be displayed by symbol and report date. Those with report dates after today will be highlighted in Yellow.
4. Add the Sector, Symbol and Report Date to the “Watchlist Tab” on the spreadsheet so you have a central location to keep track of upcoming trades. You can also keep track of your entry price and date as well as your exit price and date, plus P&L.
5. Next we go to our charts. Go to your charting package and enter in the symbol using the DAILY charts
6. Identify what day is the earnings report of the stock on the watchlist

7. Entering your position (must meet each condition in order to continue)
 - A. Look at 10 day period leading up to earnings report
 - I. Must see bollinger bands inside of keltner channels.
 - II. Must see a bar closing below the bottom of both the bollinger bands & keltner channels .
 - B. Look to enter within the 5 day period before earnings report once conditions in (7a) have been met. Conditions in (7a) may also be met within this 5 day period. Once conditions have been met, each new bar is considered a signal bar.
 - C. Ensure the distance from the top of the signal bar to the bollinger bands midline is at least 1.5x the distance from the high to low of the signal bar
 - D. Place a buy stop at a tick above the high of the signal bar
 - E. Place protective stop a tick below the low of the signal bar
 - F. When the next day's bar moves higher than the signal bar's high, this shows strength coming back into the stock. You will be automatically entered as price moves in the right direction.
 - G. If not entered (buy stop not activated), adjust previous parameters (distance, buy stop, protective stop) to the next day's signal bar. Repeat until earnings are reported.

8. Take profits by placing limit orders at the midline of the bollinger bands (the dark circles between top and bottom bands)
 - A. If midline doesn't hit, exit end of day on the earnings report day .