

2025-04-09

AEHL

Previous trades can always affect the focus and mentality of going into the next trade (this trade of 29% loss), especially the last trade (43% profit).

This became a simple case of ignoring fundamental indicators to safely shorting when the last trade, though a success, throws those fundamentals out the window out of necessity.

In the previous trade of FMTO (2025-04-08), also shorted... there was absolutely no continuity of 1-minute candles or volume bars... so the short sell became based solely on the ability to act quickly on the price level of 678% as FMTO then reached its peak of 705% within the same minute of being sold short. But the end result was a buy to cover for a 43% profit.



With AEHL, however, there was more continuity of 1-minute candles and volume bars to take better advantage of those indicators.



But one very short red candle with accompanying very short red volume bar were not enough of an indicator to move forward with the short sell at that time at \$4.45 (104.13% from previous close of \$2.18),

but those indicators were completely overlooked. There was no news indicator for AEHL for the day, but MarketWatch news was still checked anyway. The last news item listed was for 2025-04-01 (8 days ago):

https://mindfirewall.com/wp-content/uploads/2025/04/2025-04-09_AEHL_news_april_01.pdf

"Antelope Enterprise Announces One-for-40 Reverse Stock Split"

"Class A Ordinary Shares Will Begin Trading on a Split-Adjusted Basis on April 4, 2025"

On April 4 (5 days ago) AEHL went up to \$4.94 from a previous close of \$2.10 (135%).

Today (April 9) the peak was \$8.41 from a \$2.18 previous close (286%).

Apparently, the news of April 1 had some longevity.

Nevertheless, a single short red candle (which was completely overlooked) was not sufficient to move forward with a short sell at \$4.45. It was premature given the previous news, even though that news was 8 days old.

Part of the success of the FMTO short sell the day before can be attributed to the fact that no news existed whatsoever in the MarketWatch screener... and a price that was already nearing peak when spotted.

With AEHL the news was 8 days old, but it still had repercussions.

A better and more likely scenario and outcome, based on the AEHL chart...

https://mindfirewall.com/wp-content/uploads/2025/04/2025-04-09_AEHL_chart.png

...would be to wait until after 3 red candles / volume bars. This happens at 11:00am where a \$6.25 short sell could have been placed. Price dips to \$5.60 where a stop loss could have been placed at \$5.65.

This results in a relatively small but safe gain of about 10% as opposed to either a 15% loss from a \$4.45 short sell and \$5.25 stop loss... or what actually happened which was a 29% loss from \$4.45 short sell and \$6.25 stop loss.

Hedging the trade could have been a possible option, using the margin account to short sell at \$4.45 with a stop loss at \$5.25 and using cash account to go long at \$5.25 and cashing out at \$6.25

With a \$1000 cap limit per trade:

with the 224 shares that were actually played:

short sell with stop loss @ \$5.25 = \$179 loss

buy long @ \$5.25 (190 shares) and ride to \$6.25 = \$190 gain

total profit = \$11

A total profit of \$11 is better than a \$402.20 loss on \$6.25 stop loss from a short at \$4.45

It all sounds good in hindsight... as opposed to being in the action in the spur of the moment.

PROBABLY SHOULD HAVE JUST TOOK AN IMMEDIATE STOP LOSS AT \$5.25 for a \$179 (15%) loss

instead of carrying it to \$6.25 for a 29% loss (the hope was for AEHL to never reach \$6.25, but it peaked at \$8.41 (286%)... although it dropped back down to \$4.45 at close of regular trading (the price at which it was short sold... for a possible break even if held until end of day).

The three 1-minute candles in a row would have been the best bit (if not overlooked).

With a \$1000 cap limit that would have been 160 shares if shorting at \$6.25, so the gain would have been \$96 as opposed to \$11 if hedging as previously described.

If losses were cut at \$5.25 price mark the loss would have been \$179 (instead of \$402)

With the \$330 gain from the FMTO trade the day before, the two-day total would have been a \$151 gain (instead of a two-day \$72 loss).