

RETURN TO YOUR ORIGINAL

READ THE FIRST ANSWER BEFORE CHANGING IT

Open the Market A record you wrote in lesson one.

YOUR OWN RECORD



ORIGINAL ANSWER

Read without editing

SEPARATE REVIEW

Leave blank for now

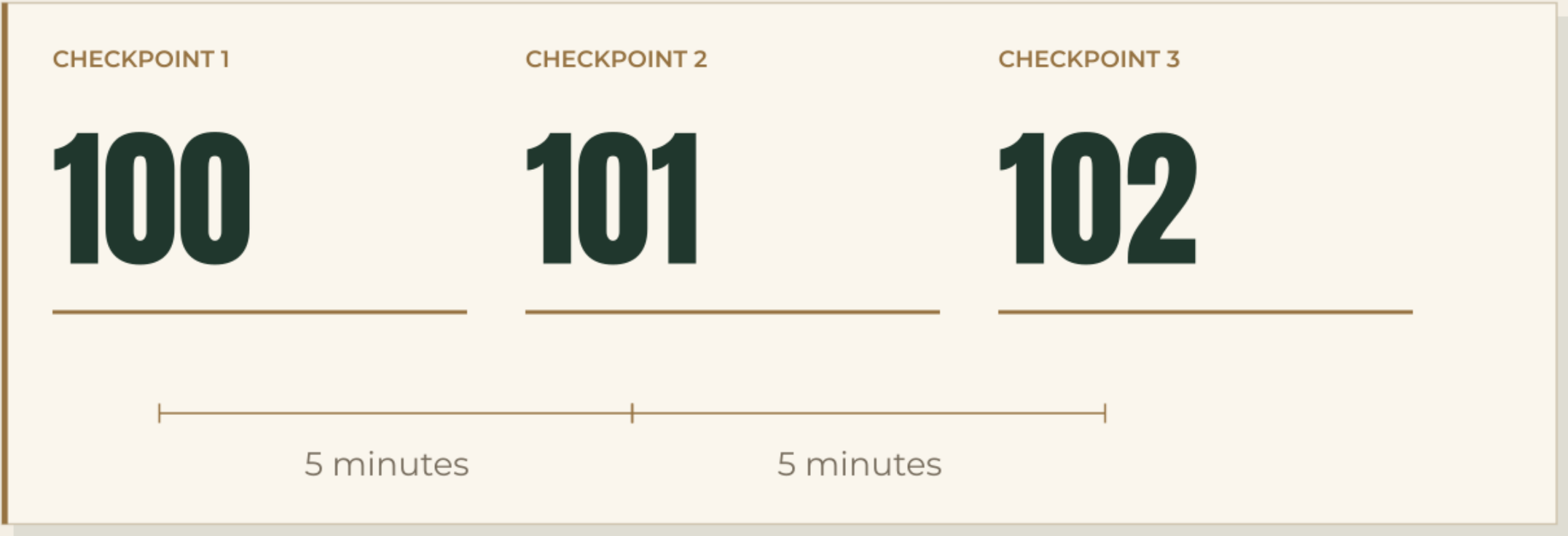
Keep the original visible and place a separate review beside it.

THE CASE HAS NOT ADVANCED

KEEP THE INFORMATION BOUNDARY INTACT

Market A still contains only three recorded prices.

MARKET A • UNRESOLVED



NEXT CHECKPOINT

Not supplied

No next price, volume, intervening path or transaction costs have been supplied.

ILLUSTRATIVE ORIGINAL

FOUR KINDS OF STATEMENT CAN SHARE ONE PAGE

The sample below is an illustration, not your actual answer.

ILLUSTRATIVE ORIGINAL · 24 OCT 2026

OBSERVATION

Prices rose across the checkpoints.

INTERPRETATION

Buyers are committed.

EMOTION

I feel afraid of missing the move.

MISSING INFORMATION

Volume was not supplied.

Label the statement; preserve the original wording.

ANNOTATION 01

AN OBSERVATION STAYS WITHIN THE SUPPLIED RECORD

Three checkpoint prices increased.

OBSERVATION AND ADDED DETAIL

SUPPORTED

Three recorded prices increased.

100

101

102

NOT SUPPLIED

A continuous rise between checkpoints.

?

The record does not reveal every price traded between the checkpoints.

ANNOTATION 02

AN INTERPRETATION NEEDS ITS OWN SUPPORT

"Buyers are committed" is an interpretation.

ILLUSTRATIVE ANNOTATION

ORIGINAL QUOTE

"Buyers are
committed."

CLASSIFICATION

Interpretation

QUALIFICATION

Participant intention is not established.

Rising recorded prices alone do not establish participant intentions.

ANNOTATION 03

A FEELING EXPLAINS THE PERSON'S STATE

"I feel afraid of missing the move" records an emotion.

STATE AND EVIDENCE

PERSONAL STATE

Fear of missing the move

MARKET EVIDENCE

100 · 101 · 102 only

The feeling is relevant to the decision, but it is not new market evidence.

ANNOTATION 04

MISSING INPUTS REMAIN MISSING

Name the information that your explanation or calculation would require.

MARKET A • MISSING INPUTS

?

MARKET EVIDENCE

Volume and intervening
prices: unknown

?

PRODUCT DEFINITION

Instrument and point value:
unknown

?

COSTS AND EXECUTION

Costs and order conditions:
unknown

Do not import the separate futures example into Market A.

YOUR FIRST ANNOTATION

MARK THE LAYERS IN YOUR OWN ANSWER

Pause and label one observation, interpretation, feeling or missing input.

LEARNER PAUSE

01

1 · QUOTE

Copy one original
sentence

02

2 · LABEL

Observation /
interpretation / emotion /
missing input

03

3 · PRESERVE

Add the annotation
separately

Use a separate note. Do not rewrite the preserved original.

ILLUSTRATIVE REVIEW

CLARIFICATION CAN JUSTIFY A REVISION

Revise the claim without pretending the market supplied new evidence.

ILLUSTRATIVE REVIEW · 24 OCT 2026

ORIGINAL · PRESERVED

"Buyers are
committed."

REVISED EXPLANATION

Three recorded prices rose; commitment is not established.

REASON

Clarification of supplied evidence; no new price.

Example review date: 24 Oct 2026. The original remains beside it.

RETAINING IS ALSO A DECISION

A REVIEW DOES NOT HAVE TO CHANGE THE ANSWER

Retain a statement when the original reason still holds.

ILLUSTRATIVE REVIEW • RETAIN

ORIGINAL QUOTE

"The next price is unknown."

REVIEW DECISION

Retain

REASON

No next observation has been supplied.

Explain why it remains justified instead of changing it to appear improved.

A SEPARATE COMPLETED CASE

A LOSS TOTAL LEAVES THE DECISION UNEXPLAINED

The earnings example has a known outcome; Market A does not.

SEPARATE EARNINGS DEMONSTRATION

PLATFORM FACTS

Entry · quantity · exit · loss

MISSING EXPLANATION

Why enter? What supported the idea? Why exit?

Keep the two cases visibly separate.

EARNINGS CASE · BEFORE ENTRY

RECORD WHAT WAS VISIBLE BEFORE THE CHOICE

After earnings, the stock trades above its recent range and holds there.

SEPARATE EARNINGS CASE · INFORMATION AT ENTRY



INTERPRETATION

Higher trading may persist.

A reason to examine, not a guaranteed outcome.

QUALITATIVE DIAGRAM · NO PRICE OR TIME SCALE

The rationale concerns sustained higher trading, beyond the opening jump.

EARNINGS CASE • INTENTION

CONNECT THE ACTION TO THE STATED IDEA

The trader enters a modest long position on a pullback.

SEPARATE EARNINGS CASE • INTENDED ACTION

HIGHER TRADING AFTER EARNINGS

- Long on a pullback

SUPPORTING STRUCTURE

EXIT REFERENCE BELOW THE STRUCTURE

RECORDED RATIONALE

Higher trading has persisted after earnings.

Exact price and quantity are not supplied.

QUALITATIVE DIAGRAM • NO PRICE OR TIME SCALE

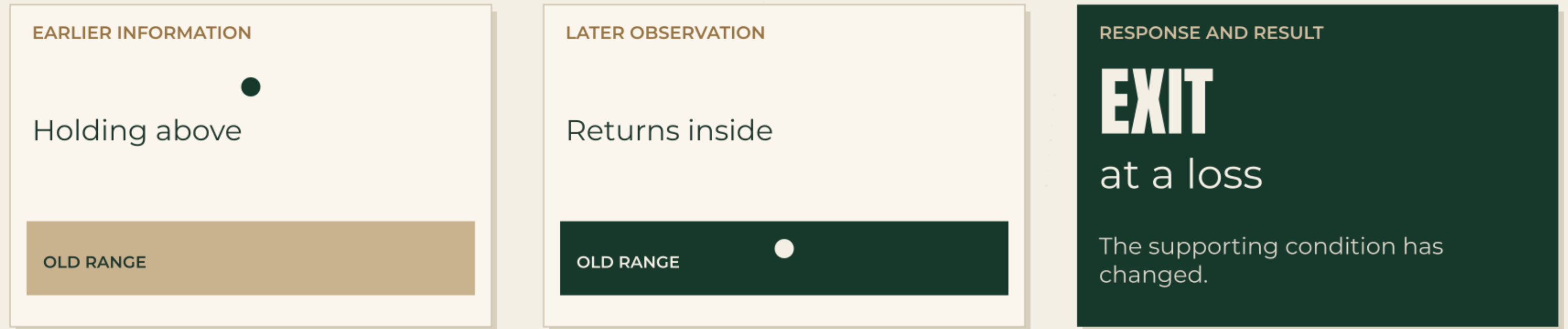
The exit reference sits below the structure supporting the pullback idea.

EARNINGS CASE • LATER

ADD THE OUTCOME IN ITS PROPER PLACE

Later, price returns to the old range and the trader exits at a loss.

SEPARATE EARNINGS CASE • LATER DEVELOPMENT



QUALITATIVE DIAGRAM • NO PRICE OR TIME SCALE

The later return does not belong in the record of what was known at entry.

A RECORD THAT CAN BE FOLLOWED

KEEP THE CHAIN OF REASONING VISIBLE

Situation / interpretation / action / later change / response.

SEPARATE EARNINGS CASE • COMPLETE EXPLANATION



QUALITATIVE DIAGRAM • NO PRICE OR TIME SCALE

The result belongs in the chain; it does not replace the chain.

WHAT ONE RESULT CAN ESTABLISH

A LOSS DOES NOT DIAGNOSE THE WHOLE METHOD

First compare the action with the method and the information then available.

TWO DIFFERENT REVIEW QUESTIONS

METHOD EFFECTIVE?

Requires comparable evidence
beyond one outcome

METHOD FOLLOWED?

Compare intended rules with
recorded actions

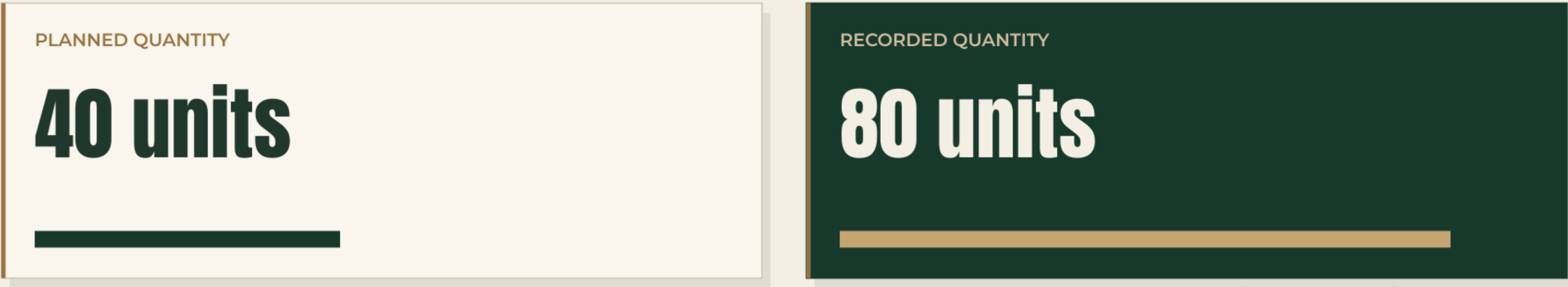
One completed trade cannot establish whether the approach is profitable.

SEPARATE QUANTITY REVIEW

COMPARE FORTY PLANNED UNITS WITH EIGHTY ENTERED

Ravi's dated plan specifies 40 units; the platform records 80.

SEPARATE PRACTICE EXAMPLE • RAVI



EXIT CONDITION Followed: return inside the old range

This is a separate existing practice example, not the earnings trader's supplied quantity.

A SPECIFIC CORRECTION

LOCATE THE DISCREPANCY BEFORE JUDGING THE PERSON

The documented issue is quantity selection or entry, not a verdict about character.

SPECIFIC MECHANISM AND UNSUPPORTED VERDICT

SUPPORTED REVIEW FOCUS

Intended quantity versus submitted quantity

REVIEWABLE CORRECTION

Check the quantity before commitment

NOT ESTABLISHED

The person or whole method is a failure

An explanation should identify a mechanism that can be reviewed.

ENOUGH DETAIL TO UNDERSTAND

ADD THE REASONING THAT RAW FILLS CANNOT SUPPLY

A useful record is concise, but not cryptic.

A COMPACT REVIEWABLE RECORD

01

TRACEABLE FACTS

Market situation and
recorded actions

**02**

REASONING

Why the action followed

**03**

LATER DEVELOPMENT

What changed and how
you responded

Keep relevant context and remove detail that hides the decision.

RETURN TO MARKET A

BUILD A FOUR-LINE REVIEW BESIDE THE ORIGINAL

Quote / classification / revise or retain with reason / next check.

YOUR REVIEW · ENTER TODAY'S DATE

REVIEW DATE: YOUR DATE

ORIGINAL · PRESERVED

Keep your first answer beside this separate review.

1 · ORIGINAL QUOTATION

Copy the exact sentence

2 · CLASSIFICATION

Observation / interpretation / emotion / missing information

3 · DECISION AND REASON

Revise or retain; explain why

4 · NEXT CHECK

Name the information or question

Use the date of your review and keep the first answer unchanged.

ILLUSTRATIVE COMPLETED REVIEW

NAME WHAT CHANGED IN THE EXPLANATION

The example changes a claim about commitment, not the supplied prices.

ILLUSTRATIVE REVIEW · 24 OCT 2026

ORIGINAL QUOTE

"Buyers are committed."

CLASSIFICATION

Interpretation

REVISION AND REASON

Recorded prices rose; participant intention remains unestablished.

NEXT CHECK

What observable evidence could challenge this interpretation?

The next check is a question; the exercise does not supply its answer.

YOUR REVIEW

PAUSE AND WRITE THE REASON IN YOUR OWN WORDS

Revise or retain one statement, and explain the choice.

LEARNER PAUSE • YOUR OWN ANSWER

REVIEW DECISION

Revise or retain

REASON

What changed, or why the original still holds

NEXT CHECK

One information need or question

Your review can identify a clearer assumption without claiming new market knowledge.

WHAT YOUR RECORD CAN ANSWER

A CLEAR RECORD HAS LIMITS AS WELL AS VALUE

The record can explain a decision; it cannot settle an unknown outcome.

WHAT THE RECORD ESTABLISHES

CAN EXPLAIN

Available evidence · reasoning ·
intended action

CANNOT ESTABLISH

Unknown next price · profitability
from one result

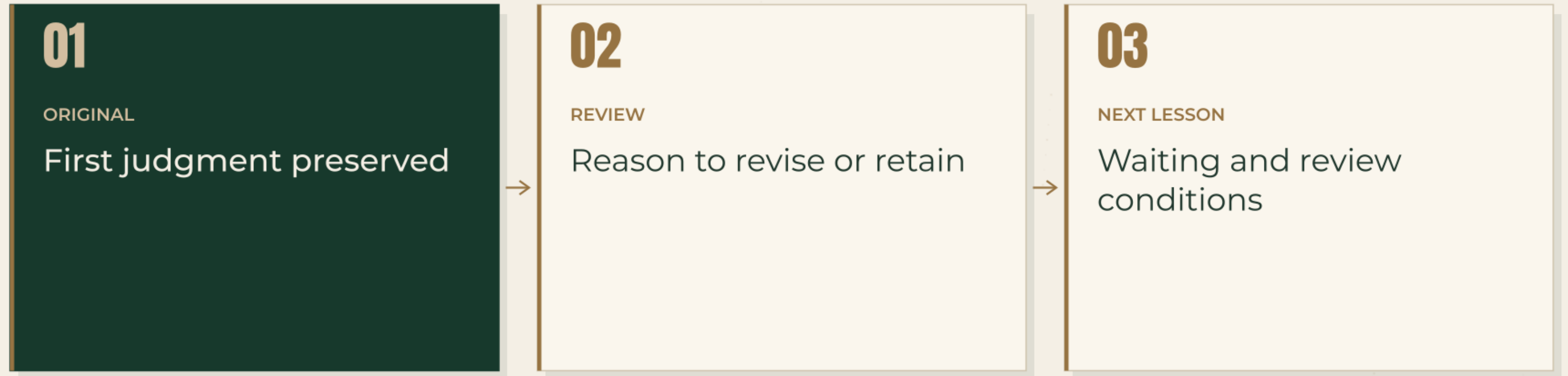
Use the separate practice questions to test the same distinctions.

CARRY THE RECORD FORWARD

PRESERVE THE QUESTION FOR THE NEXT DECISION

Keep the original and its dated review together.

ONE RECORD CARRIED FORWARD



Next, make the reason for waiting and the condition for review explicit.