

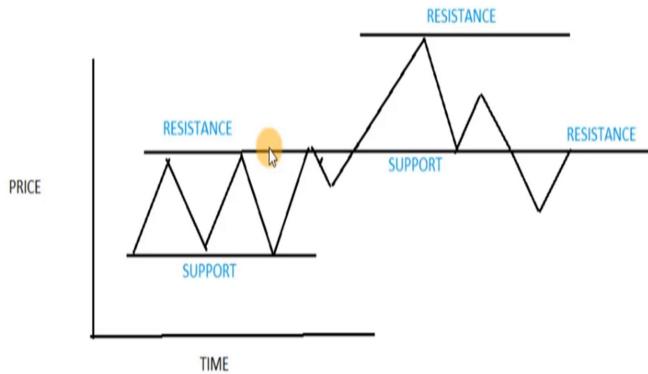
Technical Analysis - 2

31 May 2025 13:36

<https://iyotibansalanalysis.com/>

Support & Resistance:

SUPPORT AND RESISTANCE



Two Types of Support and Resistance:

- Static - (Any line which do not change, it is fixed level)
- Dynamic - Moving Average (Price is working in the new dynamic range)



Moving Average & Price Channel: Both are acting as a dynamic support and resistance level.



CROSOFT CORP. D, BATS chart showing support and resistance levels.



Trade in Support & Resistance Level:

Resistance Level: The point at which a sufficient supply is available, which prevents the price from going high.

Support Level: The point at which a sufficient demand is available, which prevents the price from going too low.

But the support level does not always hold true, similar to the resistance level.

Sometimes the value can also penetrate the level.

If two support line or two resistance line is very close to each other then it will create a zone.

Why Use Zones Instead of Exact Lines?

- Prices rarely reverse at a single point; instead, they react within a range.
- Using zones helps reduce false signals and better reflects real market behavior.

How Are These Zones Identified?

1. Historical price reactions – multiple touches with reversal.
2. Volume profiles – areas with high trading activity.
3. Indicators – like moving averages, Fibonacci levels, or Bollinger Bands.
4. Psychological levels

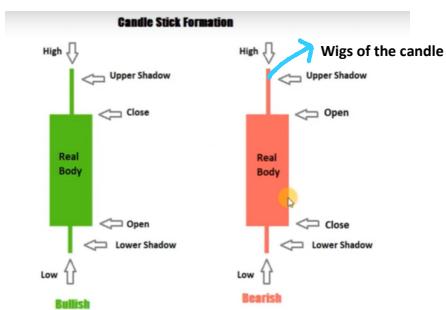
Few example of high volume and price movement:



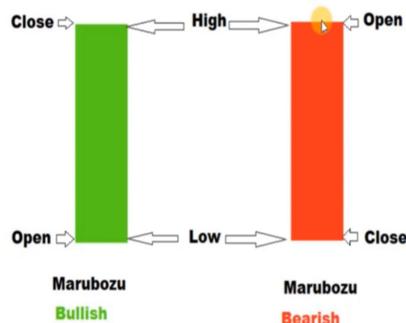


Volume: It is a measure of the number of shares that change hands during the timeframe. It is guided by psychology and news. If there is good news about the company, then there can be more buyers who will buy the stocks, and the reverse in case of bad news.

Candlestick Pattern:

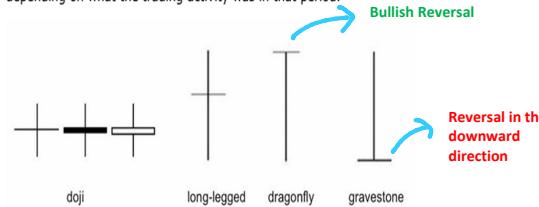


Marubozu - A green (or white) marubozu signals strong conviction among buyers, while a red (or black) marubozu indicates sellers have eager to flee.



The Doji

The Doji is a candlestick where the opening and closing prices are the same (or almost the same). It can take many forms, as shown here, depending on what the trading activity was in that period.



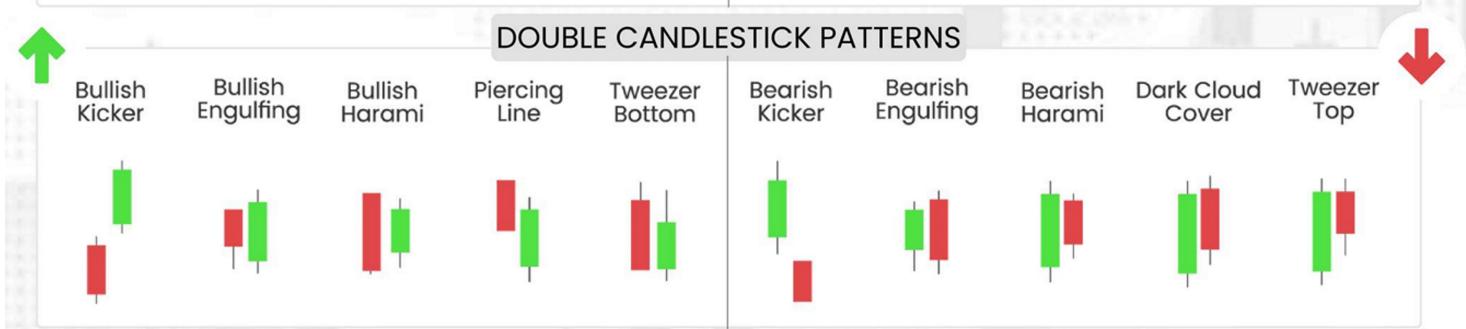
Bearish and Bullish engulfing patterns also a reversal pattern.

0213.50 H213.90 L204.10 C205.15
0204.90 H211.45 L203.85 C206.30

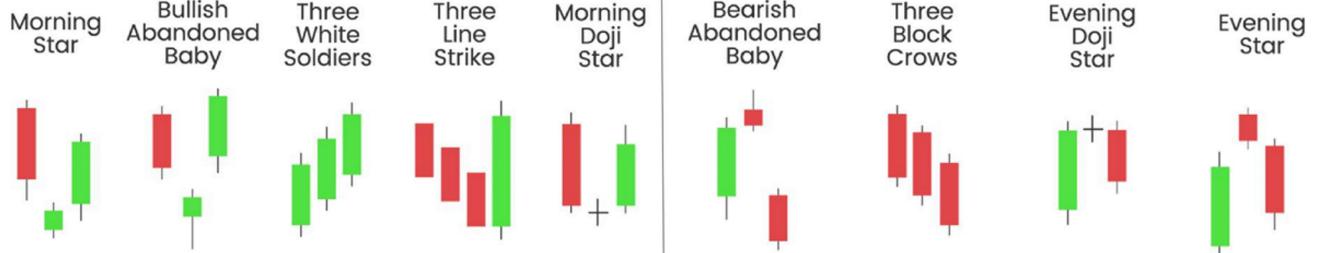
SINGLE CANDLESTICK PATTERNS



DOUBLE CANDLESTICK PATTERNS



TRIPLE CANDLESTICK PATTERNS



CONFIRMATIONS

Three Inside Up

Three Outside Up

Three Inside Down

Three Outside Down



Heikin Ashi chart calculations

Price	Candlestick	Formula
Open	Previous candle	(Open + Close)/2
High	Current candle	The highest point
Low	Current candle	The lowest point
Close	Current candle	(Open + High + Low + Close)/4



3D Charting:

Generally, below is the way to choose the timeframe:

Time Frames To Be Chosen

- ▶ Intraday Trading – 15 Minute Chart
- ▶ Positional Trading – Daily Chart
- ▶ Long Term Investment – Weekly Chart

But in 3D chart we should focus not only in a single time frame rather we will focus on multiple time frame,

Positional Traders

Here, our focus would be on the Daily timeframe, but we have to draw the support and resistance lines for both the hourly and weekly timeframes before making any decisions. **We have to start with weekly and go below.**

1 Hour

Daily

Weekly

Intraday Traders

5 Minutes 15 Minutes 60 Minutes

Here, our focus would be on the 15 min timeframe, but we have to draw the support and resistance lines for both the 5 min and 1 hrs. timeframes before making any decisions. **We have to start with 60min and go below.**

Investors

Daily

Weekly

Monthly

Here, our focus would be on the weekly timeframe, but we have to draw the support and resistance lines for both the daily and monthly timeframes before making any decisions. **We have to start with monthlys and go below.**