Support and Resistance Strategy With RSI

**Support** → Where falling stock will stop falling further is called support level.

**Resistance** → Where growing stock will stop growing further is called resistance level.

We should buy the stock at support level and sell the stock at resistance level in normal trading.

Volume at the resistance and support level decides the continue railey of the trend.

If at resistance the volume is higher then → It may be change that stock will continue in uptrend and will break its resistance level. It will no longer return from the resistance.

We should consider proper time frame as per our trading strategy:

For intraday → 1 min/ 3 min time frame

For swing trading → 15 min/ 1 hr time frame.

How Support/Resistance RSI Strategy works:

1. If RSI is oversold i.e. RSI <= 30 and Stock is on Support 🡪 Buy the stock or buy the call option.
2. If RSI is overbought i.e., RSI >= 70 and stock is at resistance level:

Sell the stock or Book profit or buy the put option.

This strategy is applicable for Intraday and swing trading.