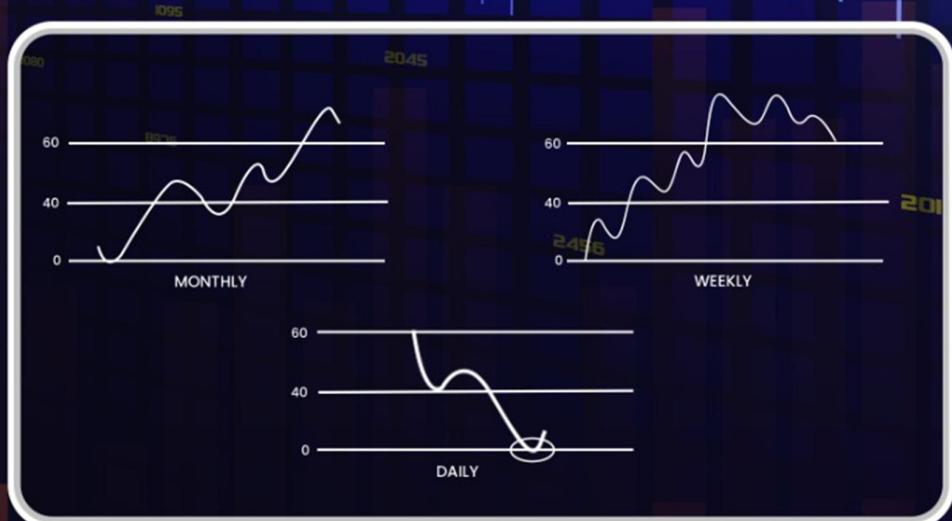


# THE COMPLETE GFS GUIDE

My Best 20 GFS Trade Setups of All Time



VISHAL B MALKAN

LEARN SIMPLE YET SO POWERFUL SWING TRADING STRATEGY  
**GRANDFATHER - FATHER - SON (GFS)**

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# MOMENTUM

## ➤ What is Momentum?

1. Momentum means speed.
  2. Speed is defined as **distance divided by time**.
  3. Think of your **car's speedometer** — it tells you how fast or slow you're going:  
**220 km/h → Very fast**  
**20 km/h → Very slow**  
**60–70 km/h → Average speed.**
- The RSI works exactly like a **speedometer for the market**. It tells you how fast or slow the market (or stock) is moving — its **momentum**.

# RELATIVE STRENGTH INDEX (RSI)

## ➤ Understanding RSI – The Speedometer of the Market

1. The **Relative Strength Index (RSI)** is a **technical momentum indicator** developed by **J. Welles Wilder Jr.**
2. It measures the **speed and magnitude of price movements** of a security over a defined period, oscillating between **0 and 100**.

- In our **unconventional RSI approach**, we focus on the **60–40 range** instead of the traditional 70–30.

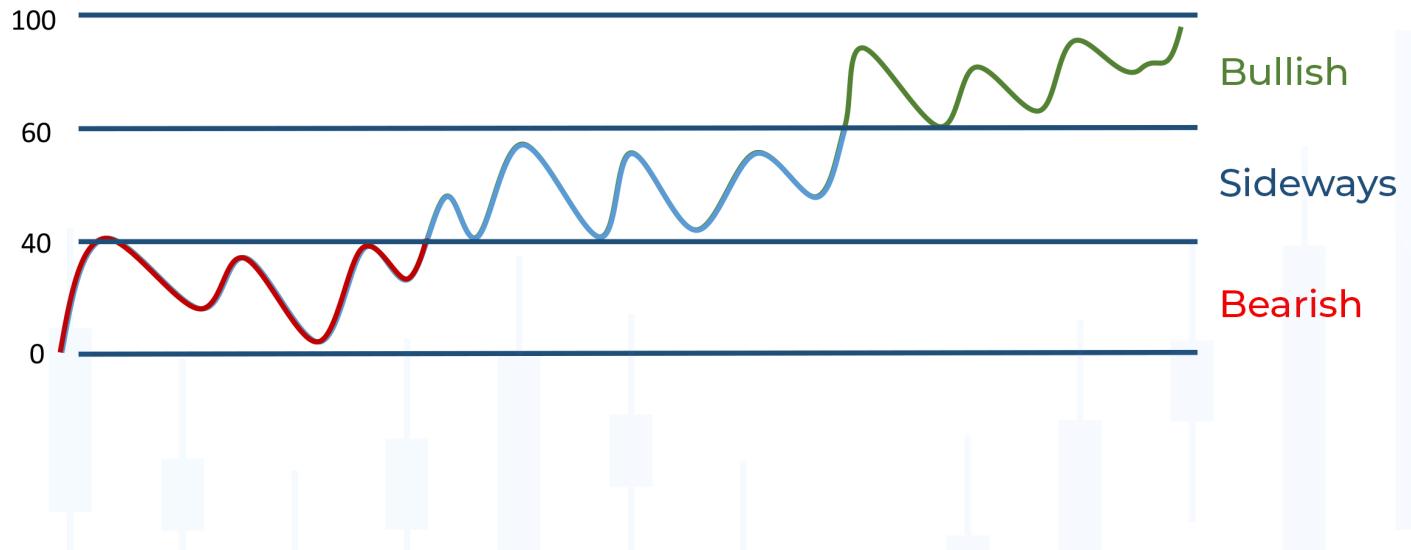
**Above 60 → Bullish zone**

**Between 40–60 → Sideways zone**

**Below 40 → Bearish zone**

# UNCONVENTIONAL RSI

## RELATIVE STRENGTH INDEX (RSI)



## RSI RANGE

### TREND

**Uptrend**

**Strong Uptrend**

**Downtrend**

**Strong Downtrend**

**Sideways**

### RANGE

**40-80**

**60-80**

**60-20**

**40-20**

**40-60**

## ➤ Understanding the Basics

The Grandfather–Father–Son (GFS) setup is Vishal's signature RSI-based strategy that connects long-term, medium-term, and short-term trends into one powerful framework.

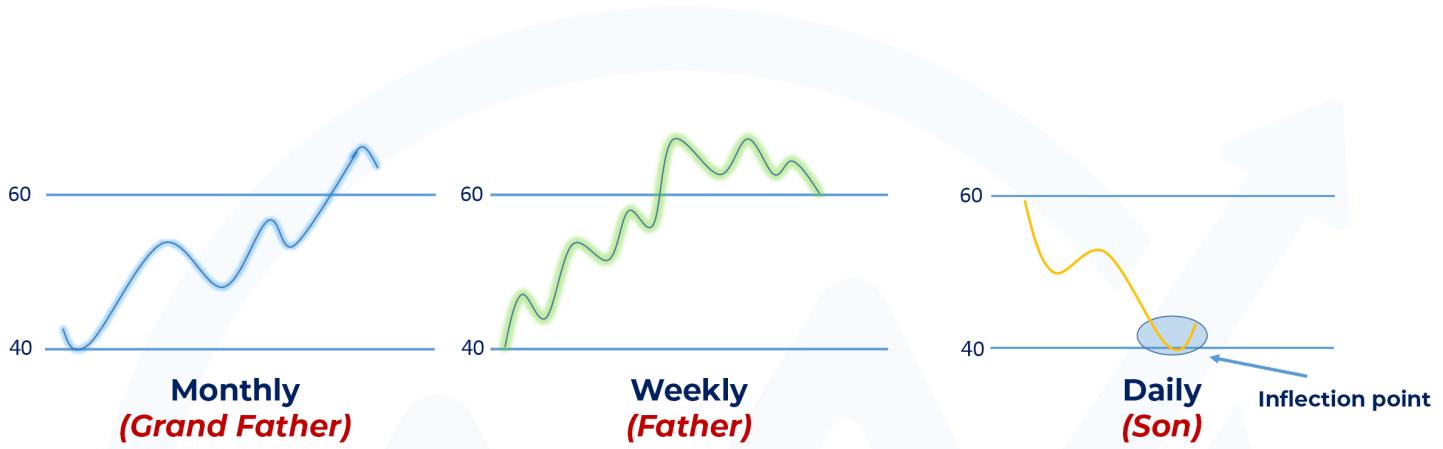
Built on the foundation of RSI, GFS helps identify trend continuation with precision and minimal risk.

In this manual, you will learn the GFS strategy and six types - from regular and special GFS setups to concepts like first GFS, double GFS, CIP, and Touch and go GFS.

This manual simplifies every layer through charts and examples, entry–exit logic and risk management.

# ► GRAND FATHER / FATHER / SON (GFS) ◀

## 5 STAR TRADING STRATEGY - LONG



- Monthly RSI above 60
- Weekly RSI above 60
- Daily RSI near 40

**Entry** = Above Signal Candle high

**Stop loss** = Lowest low of the Swing

**1st Target** = 60 RSI Levels

**Note:-** Can use 3-5 bar trailing stop loss



# **8 TYPES OF CATEGORIES IN GFS SETUP**

## **CATEGORY 1 – REGULAR GFS**

Classic alignment occurs when the monthly RSI is greater than 60 (RSI), the weekly RSI is greater than 60, and the daily RSI takes support at 40, signalling a low-risk Setup.

## APOLLOTYRE – MONTHLY



## APOLLOTYRE – WEEKLY



## APOLLOTYRE – DAILY



## OBSERVATION

### APOLLOTYRE :-

- This is a **regular GFS setup** where the **RSI takes support near 40** along with a **small-body candle** formation. The **entry** is placed **above the high** of the candle, with the **stop loss below the low**, and the **previous swing high** acting as the **target**.
- This is a **standard GFS setup**, where every element — **entry, exit, stop loss and target** — is clearly defined and marked, making it a textbook example of the GFS pattern.

## CANBK – MONTHLY



## CANBK – WEEKLY



## CANBK – DAILY



## OBSERVATION

### CANBK :-

- Canara Bank – This is another **regular GFS setup**, where the **RSI takes support near 40** and a **small green candle** forms at that level. You can also notice **2–3 candles of consolidation** before the **breakout** happens.
- The **entry** is taken above the **breakout candle**, with the **stop loss below the low**, and the previous swing high serving as the **target**.
- This is a **classic example of a standard regular GFS**, demonstrating clear **RSI support, consolidation, breakout, and defined risk-reward structure**.

## CUMMINSIND – MONTHLY



## CUMMINSIND – WEEKLY



## CUMMINSIND - DAILY



## OBSERVATION

### CUMMINSIND :-

- This is another **regular GFS setup**, where we see a **hammer candle pattern** followed by confirmation. The **entry** is taken **above the hammer candle's high**, with the **stop loss** **below the low**.
- In this case, there is also a **gap**, which acts as an important **resistance zone** and therefore serves as the **initial target** along with the **previous swing high**.
- However, as you can see, the **target was easily achieved**, and the price **moved further beyond it** — reminding us that the **swing high is just the first target, not necessarily the final one**.

## CATEGORY 2 – SMALL CANDLE GFS

If the daily candle is a small green body,  
it gives us a low-risk entry.

## AUOPHARMA – MONTHLY



## AUOPHARMA – WEEKLY



# AUROPHARMA – DAILY



## OBSERVATION

### AUROPHARMA :-

- In this setup, the key thing to notice is the **small candle formation**. When the candle is small, the **stop loss becomes smaller**, which naturally makes the **risk-reward ratio highly favorable**.
- In cases like this, the ratio often reaches **1:3 or even 1:4**, as seen here. This setup offers a **very simple, low-risk trading opportunity**, making it one of the most efficient GFS setups.
- **Remember:** Never ignore a small candle GFS — it's a low-risk, high-reward setup that can deliver excellent results.

## **NTPC – MONTHLY**



## **NTPC – WEEKLY**



## NTPC - DAILY



## OBSERVATION

### NTPC :-

- In this example, you can see a **very small, almost tiny candle** forming the setup. Once the **confirmation** comes, it turns into a **smooth and clean trade** with an impressive **1:4 risk-reward ratio**.
- These are the kind of **low-risk, high-reward** trades you should always look out for — and take with confidence when the setup aligns perfectly
- **Key takeaway:** A small candle with confirmation often leads to a strong, effortless trade — don't miss these opportunities

### CATEGORY 3 – TWO GFS ON SAME LINE

When two GFS setups align back-to-back and the daily candle shows a small green body — it's a sign of quiet accumulation.

This gives you a low-risk, high-reward entry because momentum is building while volatility is still low.

## TRENT - MONTHLY



## TRENT - WEEKLY



## TRENT – DAILY



## OBSERVATION

### TRENT :-

- Here, you can see how the **trend remains strong** and the **GFS setups** continue to perform beautifully. The **first GFS** worked perfectly — confirmed and **hit its target**. Then, the price **pulled back, retested the same GFS zone** and **formed another valid setup**.
- Both trades worked well within the trend — the **first one achieved its target**, while the **second one**, if managed with a **trailing stop loss**, could have delivered an exceptional **1:10 risk-reward trade**.
- **Key takeaway:** When GFS setups appear repeatedly within a strong trend, they offer multiple swing trade opportunities with excellent reward potential.

## **TORNTPHARM – MONTHLY**



## **TORNTPHARM – WEEKLY**



## TORNTPHARM – DAILY



## OBSERVATION

### TORNTPHARM :-

- In this example, you can see **two GFS setups** forming within a **sideways market**. Even though the movement isn't very smooth, each of these **GFS setups** could still have been traded as a **swing trade**.
- While this may not represent the **best or cleanest GFS**, it's still **worth considering** from a **risk-reward perspective**, as the setups maintained **defined risk and reasonable reward potential**.
- **Key takeaway:** Even in a sideways market, valid GFS setups can offer decent swing opportunities — focus on disciplined entries and controlled risk.



## CATEGORY 4 – TOUCH AND GO GFS

A sensitive reversal zone where RSI flirts with 40; if it holds, trend resumes up, if it breaks, trend shifts down.

## LT – MONTHLY



## LT – WEEKLY



## LT – DAILY



## OBSERVATION

### L&T :-

- In this example, we have what's called a Touch-and-Go GFS. Here, the RSI acts a bit tricky — it doesn't always behave perfectly. Remember, we follow RSI, but the market doesn't follow RSI — so we must respect the market's behavior. The RSI may not always touch exactly at 40 before reversing.
- In this case, the RSI dipped slightly below 40, then gave a confirmation candle, forming a valid GFS setup. After that, you can see 2-3 candles taking support near RSI 40 before the price moved strongly toward the target.
- **Key takeaway:** Be prepared for small variations — when RSI slightly dips below 40 but confirms with price action, it can still be a powerful Touch-and-Go GFS setup.

## TATAPOWER – MONTHLY



## TATAPOWER – WEEKLY



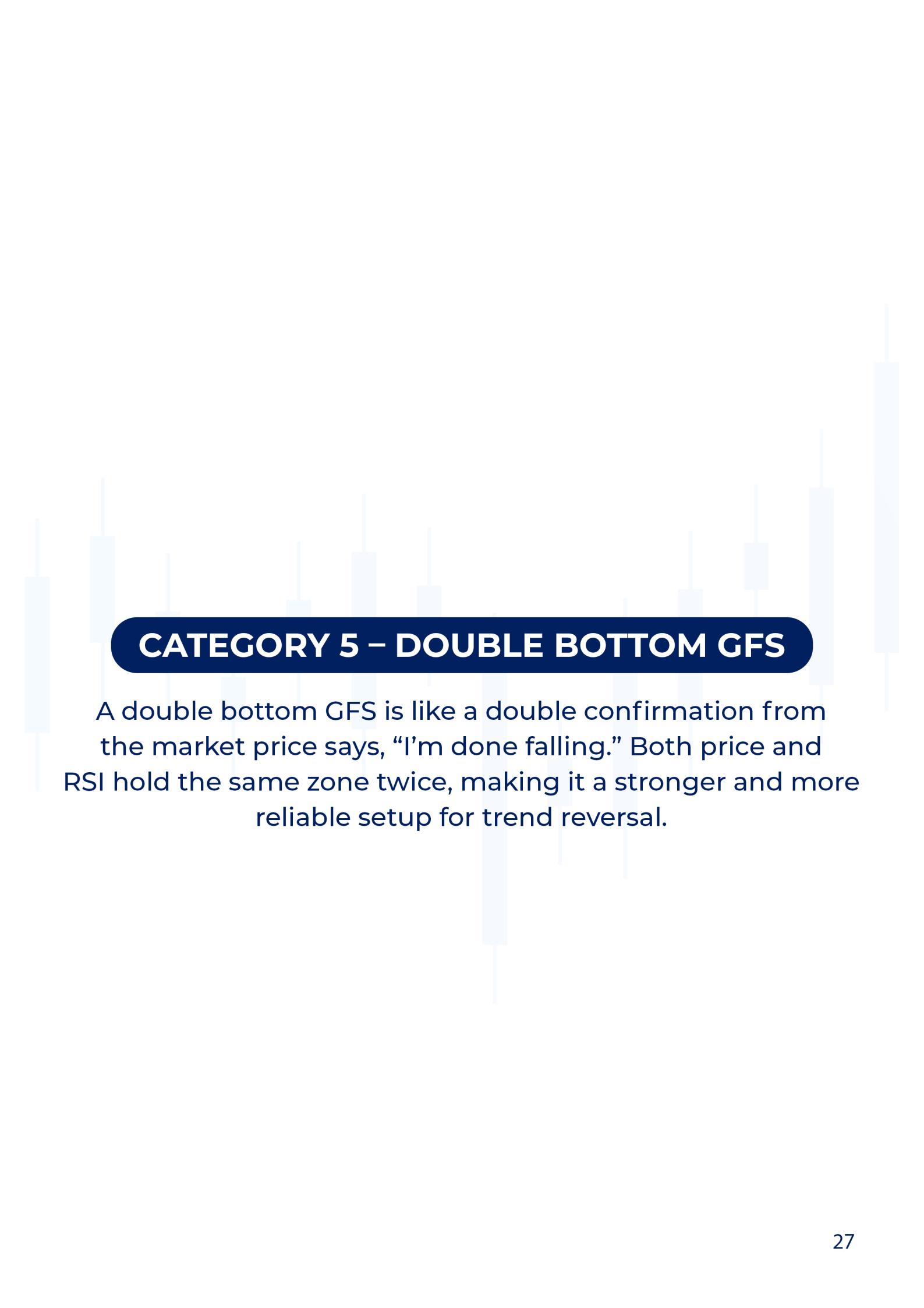
## TATAPOWER – DAILY



## **OBSERVATION**

### TATAPOWER :-

- In this example, you can see that the **RSI initially broke below 40**, and at that moment, it might seem like the **GFS setup has failed**. However, the price **quickly bounced back**, confirming that the setup was still valid.
  
- This highlights the importance of allowing a **small grey area** around RSI 40 — the market may **dip slightly below** before reversing.
  
- **Key takeaway:** Don't panic if RSI momentarily slips below 40. Allow some flexibility — the grey area often leads to strong GFS setups once confirmation appears.



## CATEGORY 5 – DOUBLE BOTTOM GFS

A double bottom GFS is like a double confirmation from the market price says, “I’m done falling.” Both price and RSI hold the same zone twice, making it a stronger and more reliable setup for trend reversal.

## GLENMARK – MONTHLY



## GLENMARK – WEEKLY



## GLENMARK – DAILY



## OBSERVATION

### GLENMARK :-

- This example is quite interesting. In **Glenmark Pharma**, once the RSI reached **40**, the price **dipped below the lower Bollinger Band**, showing temporary weakness. Then, it **moved slightly upward** and came back to **retest the RSI 40 level** — forming a **double bottom** pattern.
- This acts as a **double confirmation** that the price is holding and not going down further, making it a **much stronger and more reliable GFS setup**.
- **Key takeaway:** A double bottom around RSI 40 — especially with Bollinger Band confirmation — adds strong conviction to the GFS setup and increases trade reliability.

## **BAJAJFINSV – MONTHLY**



## **BAJAJFINSV – WEEKLY**



## **BAJAJFINSV – DAILY**



## **OBSERVATION**

### **BAJAJFINSV :-**

- We again see a **double bottom formation** at the **GFS zone**. The **first bottom** was a touch-and-go type setup that **slightly broke below RSI 40**, while the **second bottom took solid support at RSI 40** and then **moved up quickly toward the next target**.
- You'll often notice this kind of pattern when the **market is in consolidation mode** — the **double bottom near RSI 40** acts as a **strong confirmation** and a **very positive sign** for a potential upmove.
- **Key takeaway:** Double bottom formations near RSI 40 during consolidation phases offer powerful GFS setups with high reliability.

## CATEGORY 6 – RULE OF FIRST GFS

When the market hits all-time highs and monthly, weekly and daily RSI are all above 60, the first GFS that forms is your golden setup. It often kick-starts the next big leg of the rally – the strongest, cleanest GFS you'll ever see.

## LTF – MONTHLY



## LTF – WEEKLY



## LTF - DAILY



## OBSERVATION

### LTF :-

- Now we come to something very interesting — and one of my favorites — the **Rule of First GFS**. When the **market enters an all-time high zone & all three RSIs (monthly, weekly, and daily)** are **above 60**, the **first GFS** that forms in this condition becomes extremely powerful.
- This is what we call the **Rule of First**. The **first GFS** under such strong momentum conditions tends to work with **high probability**. That's why it deserves **higher confidence and sometimes even higher position sizing** compared to a regular GFS setup. You can think of the **Rule of First GFS** as a **7-star setup** — rare, strong & highly reliable.
- **Key takeaway:** When higher time frame RSIs are above 60 and the first GFS forms — trade it with confidence. The Rule of First is one of the most powerful signals in the GFS Playbook.

## DLF – MONTHLY



## DLF – WEEKLY



## DLF – DAILY



## OBSERVATION

### DLF :-

- In this example of **DLF**, we see the **first GFS setup** forming with a **very small candle** — a classic low-risk entry point. The trade achieved a **very strong target**, and if managed with a **trailing stop loss**, it could have easily turned into an exceptional **1:10 risk-reward trade**.
- This perfectly illustrates the **power of the first GFS** — a **high-probability, 7-star setup** that combines low risk, strong confirmation, and excellent reward potential.
- **Key takeaway:** The first GFS, especially with a small candle, often gives the best results — low risk, strong momentum, and huge reward potential.

## **DABUR – MONTHLY**



## **DABUR – WEEKLY**



## DABUR – DAILY

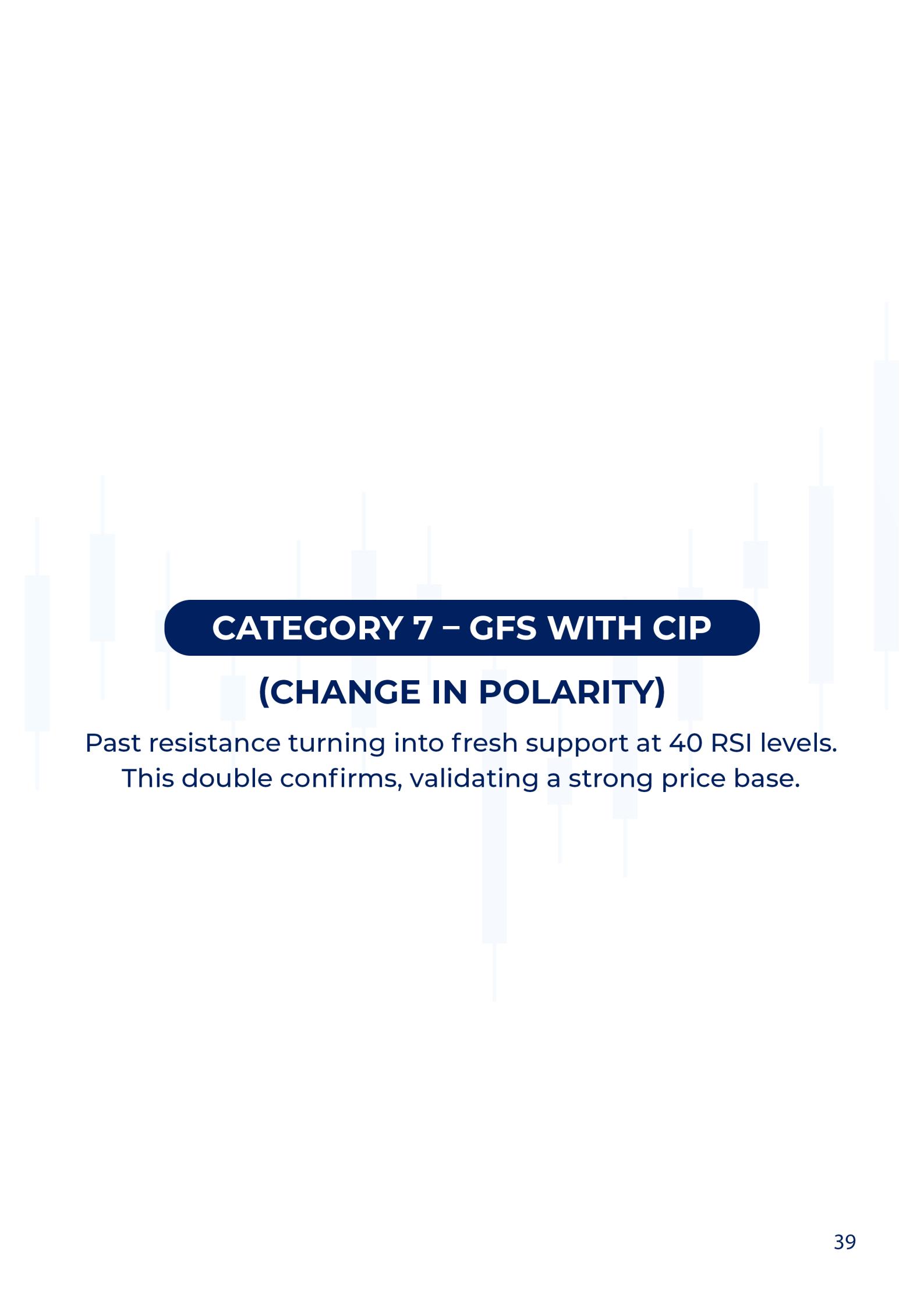


## OBSERVATION

### DABUR :-

➤ Here's another example — the **first GFS setup** in Dabur. It's a **clean, simple** and **low-risk trade**, following all the key GFS rules perfectly. The structure is straightforward, the confirmation is clear and the trade could have been executed **easily and confidently**.

➤ **Key takeaway:** First GFS setups like this are straightforward, low-risk opportunities — simple yet powerful trades you shouldn't miss.



## CATEGORY 7 – GFS WITH CIP **(CHANGE IN POLARITY)**

Past resistance turning into fresh support at 40 RSI levels.  
This double confirms, validating a strong price base.

## **APLAPOLO – MONTHLY**



## **APLAPOLO – WEEKLY**



## APLAPOLO – DAILY



## OBSERVATION

### APLAPOLO :-

- This is a **unique and powerful setup** in **APL Apollo**. The price is taking **support near RSI 40**, while at the same time, it is also **holding at a previous high**, as marked on the daily chart.
- This combination creates a **GFS setup along with CIP (Change in Polarity)** — where **previous resistance becomes new support**. Such alignment adds **extra strength and confirmation**, making this setup **far more reliable than a regular GFS**.
- **Key takeaway:** When RSI 40 support aligns with a previous price resistance (CIP), the setup becomes stronger and more dependable — a powerful confluence of technical signals.

## **TVSMOTOR – MONTHLY**



## **TVSMOTOR – WEEKLY**



## **TVSMOTOR – DAILY**



## **OBSERVATION**

### **TVSMOTOR :-**

- Here's another example with **TVS Motor**, where the **RSI doesn't exactly touch 40** — it stays slightly above 40, yet the setup remains valid.

This is also a **CIP (Change in Polarity)** setup, where the price is taking support near a **previous resistance level**. Just like we discussed earlier in Touch-and-Go setups — where RSI dips slightly **below 40** — it can also happen the other way around, staying **slightly above 40** and still giving a **tradable GFS setup**.

- **Key takeaway:** RSI doesn't need to touch exactly 40 — even slightly above or below can form a valid GFS setup, especially when supported by CIP confirmation.

## CATEGORY 8 – FAILED GFS

Even the best setups fail sometimes — that's part of trading. When a GFS fails, accept the stop-loss gracefully, protect your capital and wait for the next opportunity. Discipline after failure is what separates a professional trader from an emotional one.

## CYIENT – MONTHLY



## CYIENT – WEEKLY



## CYIENT – DAILY



## OBSERVATION

### CYIENT :-

- In this example of **CYIENT**, we see a **GFS setup that didn't work out as expected**. The price took **support near RSI 40** and even gave a **confirmation candle**, but soon after, a **wick or shadow hit the stop loss**, taking you out of the trade.
- This highlights an important reality — **no strategy is perfect**. Even a strong setup like **GFS** can sometimes **fail** due to market volatility or false triggers. In such cases, you may need to **re-enter** if the setup remains valid, or simply **move on** and wait for the next opportunity.
- **Key takeaway:** Every strategy, including GFS, has occasional failures. What matters most is discipline — accept the stop-out, protect your capital and wait for the next clear setup.

## GLENMARK – MONTHLY



## GLENMARK – WEEKLY



## GLENMARK – DAILY



## OBSERVATION

### GLENMARK :-

- Here's another example where the **GFS setup failed**, this time in **GLENMARK**. It initially formed a **double bottom pattern**, but the price broke below the second bottom, triggering the **stop loss** and invalidating the setup.
- Later, the stock recovered and offered a **re-entry opportunity**, but such situations can be **emotionally challenging** and **difficult to manage** in real-time.
- **Key takeaway:** Even strong setups like Double Bottom GFS can fail. Stay objective — if stopped out, wait for a valid re-entry confirmation rather than reacting emotionally. Discipline always wins over prediction.

# EVENT SPECIAL GFS

**US/India Election** - On special days, like the elections, when the market tends to be volatile, the GFS has confirmed its magic.

INDIAN ELECTION

## **NIFTY – MONTHLY**



## **NIFTY – WEEKLY**



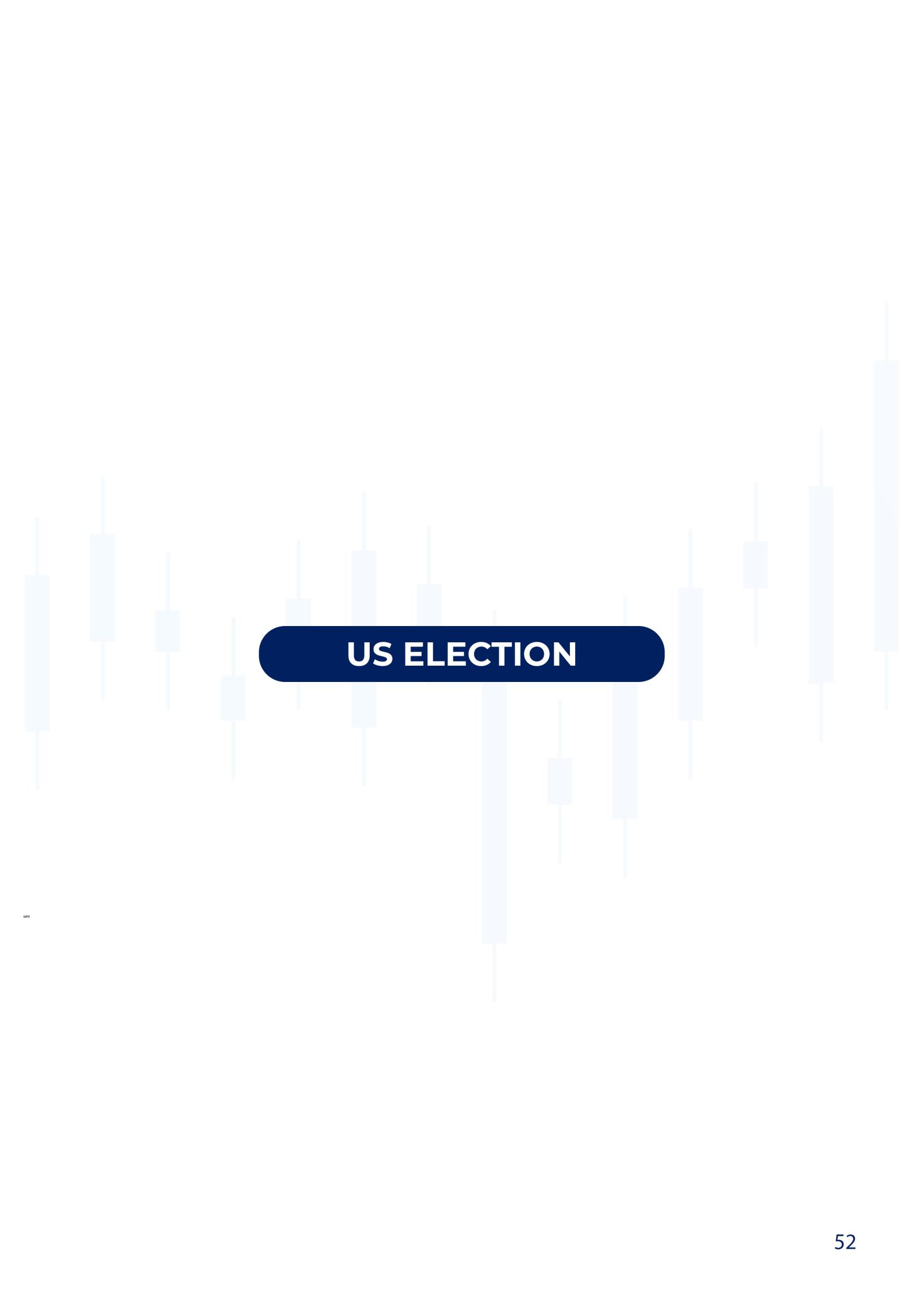
## **NIFTY – DAILY (ELECTION DAY)**



## **OBSERVATION**

### **NIFTY 50 :-**

- This is an example of an **Event Special GFS**, where the setup worked well even during the **Indian elections**. On **4th June**, Nifty formed a **large red candle** that took **support near RSI 40**, and from **5th June**, the market moved up strongly.
- However, such **event-based setups** usually have **big candles**, making them **high-risk, low reward** trades. Still, they act as **strong market cues**, showing **support and sentiment reversal**. On such days, it's wiser to **focus on individual stocks** moving with the same momentum.
- **Key takeaway:** Event-based GFS setups offer strong directional cues, even if the risk-reward is not ideal.



## US ELECTION

# DOW JONES – MONTHLY



## DOW JONES – WEEKLY



## **DOW JONES – DAILY (ELECTION DAY)**



## **OBSERVATION**

### **DOW JONES :-**

- The same thing happened during the **U.S. elections**. On **5th November 2024**, the **Dow Jones** formed a **Double Bottom GFS**, and from there, the market **moved up strongly and smoothly**.
  
- This shows that the **GFS setup has been tested even during periods of extreme volatility**, and both times — during the **Indian and U.S. elections** it has **proved to be reliable and successful**.
  
- **Key takeaway:** GFS performs consistently even in high-volatility environments, reinforcing its strength and reliability across markets.



## EXIT RULES FOR GFS SETUP

When the price touches RSI 60.

## **EXIT 1 – INITIAL STOP LOSS**

Your initial stop loss is the point where you decide to **cut the finger, to save the hand.**



## **EXIT 2 – PREVIOUS SWING HIGH**

Book profits near the last swing high it often acts as natural resistance where momentum slows.



## **EXIT 3 – RSI 60 RESISTANCE**

Acts as Resistance



## **EXIT 4 – TRAILING STOP LOSS**

Once the market moves in our favour, we use a trailing stop loss to protect our profits.



## RE - ENTRY

If price breaks above that previous entry point with RSI confirmation, it's an opportunity to re-enter the trade.



## OBSERVATION

### EXIT RULES :-

- 1. Initial Stop Loss:** The low of the setup candle acts as your first stop loss.
- 2. Target:** The previous swing high serves as your initial profit target.
- 3. RSI 60 Resistance:** If the RSI reaches 60 and forms a bearish candle, it's a signal to exit the trade.
- 4. Trailing Stop Loss:** If the price moves beyond RSI 60 or crosses the previous swing high, use a trailing stop loss to lock in profits.
- 5. Re-entry:** Occasionally, if your stop loss is triggered but the setup remains valid, you can look for a re-entry opportunity on the same GFS trade



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