

# AKA MENTORING 2019





# FACT!

**THIS WEBINAR CAN TEACH YOU ANALYSIS AND RISK MANAGEMENT. BUT YOU NEED TO UNDERSTAND THAT YOUR TRADING PROCESS WILL BE COMPLETELY YOURS WHICH WILL BE AS PER YOUR PERSONALITY, TIME CONSTRAINTS, CAPITAL, STRATEGY, EXPERIENCE ETC. THIS WEBINAR WOULD SHORTEN THE LEARNING CURVE BUT DON'T EXPECT A MIRACLE INSTANTLY.**



# Instructions

**KEEP YOUR MOBILE ALSO READY INCASE OF ANY POWER CUT OR NET ISSUES YOU CAN USE ZOOM ON IT.**

**KINDLY ASK QUESTIONS ONLY RELEVANT TO SLIDES OR TOPIC AS IT WOULD MAKE SESSIONS MORE PRODUCTIVE.**

**SUFFICIENT TIME WILL BE ALLOTTED TO ASK QUESTIONS. KINDLY REFRAIN FROM ASKING IN BETWEEN AS IT HAMPER THE FLOW.**

- **I WON'T BE ANSWERING ANY PERSONAL QUESTIONS WHICH I FEEL ARE OUT OF CONTEXT OR NOT IMPORTANT AS A PART OF LEARNING.**
- **AFTER EVERY 1.5/2 HOURS WE WILL TAKE 10 MIN SHORT BREAK.**
- **AT THE END THERE WOULD BE A 40 MIN QnA SESSION WHERE YOU CAN ASK YOUR DOUBTS**

- **IN CASE OF ANY POWER CUT HAPPENS, I DO HAVE A BACKUP FOR INTERNET, KINDLY DON'T PANIC AND JUST WAIT FOR 5 MINUTES.**
- **KINDLY DON'T WRITE ANYTHING WHICH IS ALREADY MENTIONED ON PPT AS IT WILL BE ANYWAYS SENT TO YOU.**
- **AT THE END THERE WOULD BE A 40 MIN QnA SESSION WHERE YOU CAN ASK YOUR DOUBTS.**





Search symbol

1D Views Display Studies Layout + [Menu] [Edit] [Refresh]

UBL

O:1390.00 H:1417.40 V:467 K  
C:1381.40 L:1371.25 D:09/03/2018

ATR Bands (5,3,y)  
(right-click to manage)

1574.77  
1437.05  
1401.37  
1366.54  
1339.57  
1299.33  
1250.00

STOCH (14)

53.03

VOLUME

4.00m  
3.00m  
2.00m  
577k

RSI (14)

58.97  
35

ADX (14,14,Y,N)

40  
27.20  
19.04

AROON

100  
75  
57.14  
25  
7.14

MACD (12,26,9)

75  
50  
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-50  
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ZERODHA

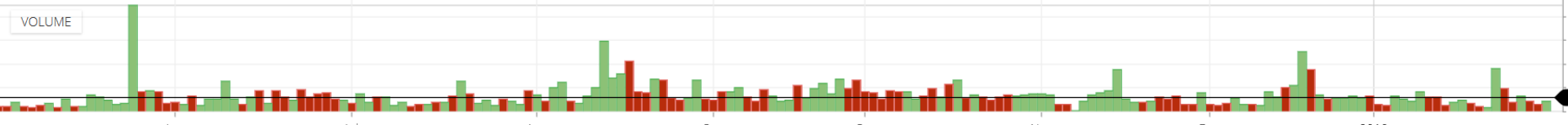
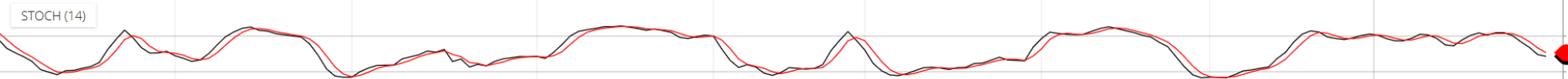
1D 5D 1M 3M 6M YTD 1Y 5Y All

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**WHAT IS COMMON  
BETWEEN ALL THESE  
SPORTS?**

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# 2 books

- Trade Like Warren Buffet
- - [James Altucher](#)

- Think Like a Billionaire
- - [James Altucher](#)







**1**

**LET'S START  
WITH  
DISASTER  
MANAGEMENT**









# LET'S SEE SOME PORTFOLIOS AND OBSERVE SOMETHING

Rakesh Jhunjhunwala 's Portfolio  
Porinju Veliyath Portfolio  
Dolly Khana latest portfolio



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# LESSONS

- Capital/Personality/Weightage – all are different.
- You can't get into pyramiding.
- You don't know when they exit until its too late.
- Brokerage houses are not always there to help.









“

**PROS JUST HAVE SIMPLE  
RULES AND THE ONLY  
DIFFERENCE BETWEEN THEM  
AND YOU IS THAT THEY  
STICK TO IT.**

# The biggest disasters of 2018-19



- 
- Zeel 1/25/2019
  - PNB 2/14/2018
  - BANDHANBANK 9/21/2018
  - DHFL 9/21/2018
  - PCJ 2/2/2018
  - INFEBEAM 21/9/2018
  - IBULHSGFIN 21/9/2018
  - UJIVAN 8/9/2018
  - EQUITAS 10/26/2018
  - SUNPHARMA 11/14/2018
  - SUNPHARMA 11/27/2018
  - SUNPHARMA 12/5/2018
  - SUNPHARMA 18/01/2019
  - CIPLA 11/05/2018
  - EICHER 1/02/2019
  - EICHER 9/24/2019
  - INDIGO 5/3/2018

- DLF 1/25/2019
  - DLF 2/2/2019
  - DLF 21/9/2019
  - TATAMOTOROS 10/10/2018
  - JETAIRWAYS 5/03/2018
  - BPCL 10/5/2018
  - HPCL 10/5/2018
  - IOC 10/5/2018
  - ASHOKLEY 18/7/2018
  - ASHOKLEY 11/14/2018
  - AND MANY MORE.....
  - My own RAIN industry story
- 
- 

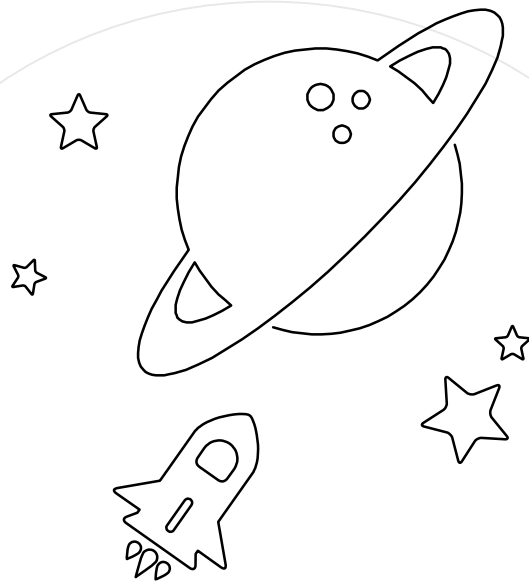
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# LEARNING?

- How can you avoid a DISASTER?







# VIX

BELOW 15 GOOD FOR BULLS

ABOVE 15 CAUTION

ABOVE 17-18 GOOD FOR WRITERS

12-14 GOOD FOR OPTION BUYERS



# COULD ONE SAVE MONEY BY FOLLOWING FEAR GREED VIX?

- YES
- 22-25 HIGHEST ALERT ZONES
- 19-22 HIGHER ALERT ZONES
- 16-19 STAY CAUTIOUS



# PCR

- PCR=.7-1 HIGH ALERT ZONES FOR BULLS
- PCR =1 AVOID BUYING OPTIONS OR TRADE IN INDEX FUTURES
- PCR = 0.5 WRITERS OF CALLS MAY SOON GIVE UP (CAUTIOUS BUYING)
- PCR= 1.1-1.6 HIT HARD ON LONGS



# **STOP LOSS DURING UNCETAIN EVENTS OR RISK EVENTS**

- ASK YOURSELF HOW MUCH CAN YOU AFFORD TO LOOSE AND STILL STAY IN THE GAME IN A RELAXED FORM?

**HEDGING CANNOT BE DONE WITH SMALL  
CAP BUT STOPS CAN BE SET.**





# HOW TO SET YOUR STOP LOSS?

- Comfort zones
- Strategy Based  
(VWAP-Intraday)
- HISTORICAL RISK





# 5 ways to avoid **DISASTER?**

- 40 EMA
- VIX
- PCR
- Strict TIGHT stops
- Simple DRAWINGS on LONGER TIME  
FRAMES



# 6 ways to MAXIMISE gains during DISASTER?

- 40 EMA
- VIX
- PCR
- Strict TIGHT stops
- Simple DRAWINGS on LONGER TIME FRAMES for HIGH PROBABLIY TRADES
- Look for HIGH PROBABILITY buys in oversold zones & shorts in overbought.



# SAFETY KIT

## **AGAINST**

- Brokers
- HNIs
- Other PROS
- Algos
- Insitutions
- \_Businessmen/women





# LET'S TALK ABOUT SL IN MORE DETAIL

## **NEVER**

Buy or Sell a scrip  
where it  
consumes your  
daily loss limit.

Take HEAVY orders  
in brackets.

## **ALWAYS**

Trail

**PICK LOW RISK  
HIGH REWARD  
ZONES USING FIBO  
PIVOTS**

## **ALWAYS**

Fix TARGET &  
CONTROL Greed

**BIG RED CANDLE  
CAN BE YOUR WAY**

SL Hunting

## **ALWAYS**

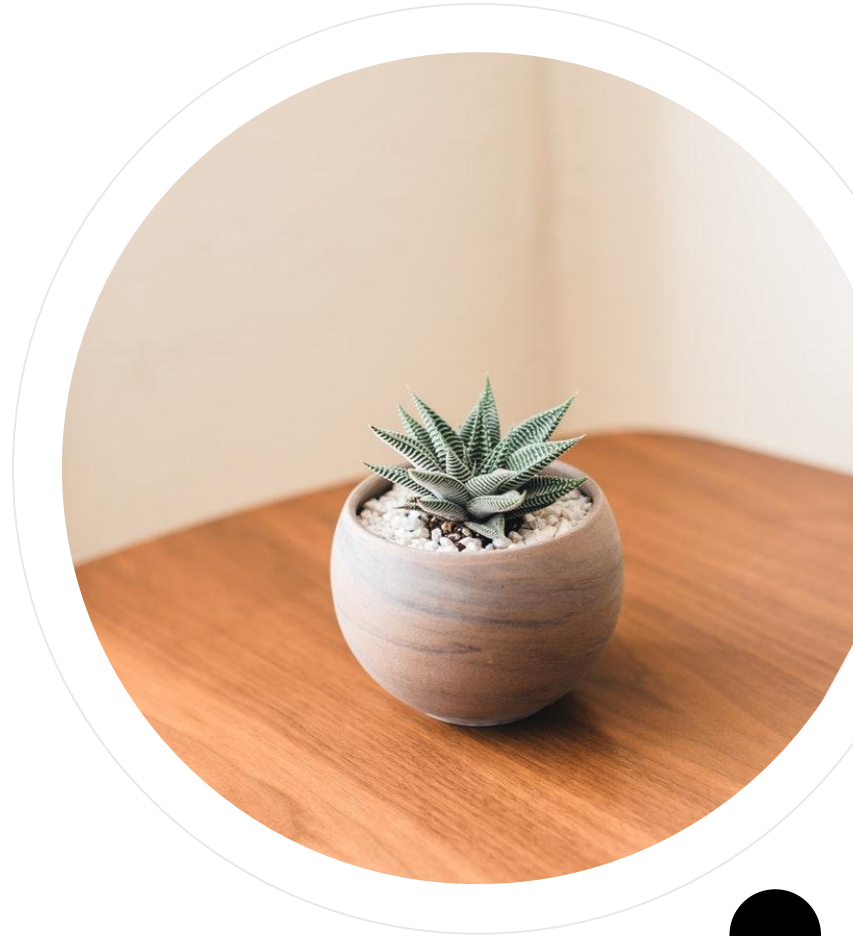
Use confluence  
STOP



# THE BIGGEST MISTAKE

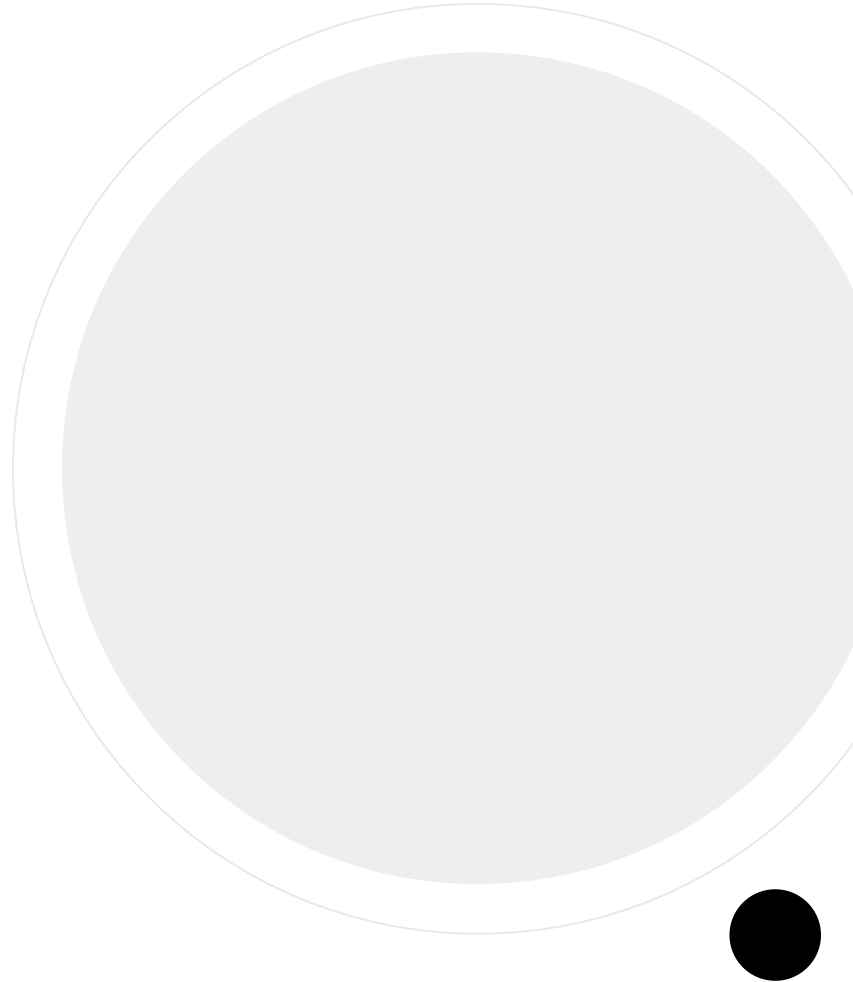
Considering a BULLISH breakout  
WITHOUT UNDERSTANDING what  
volumes are saying.

BREAKOUT WITHOUT NEWS ON DAY'S  
HIGH= 80% PROBABILITY FALSE



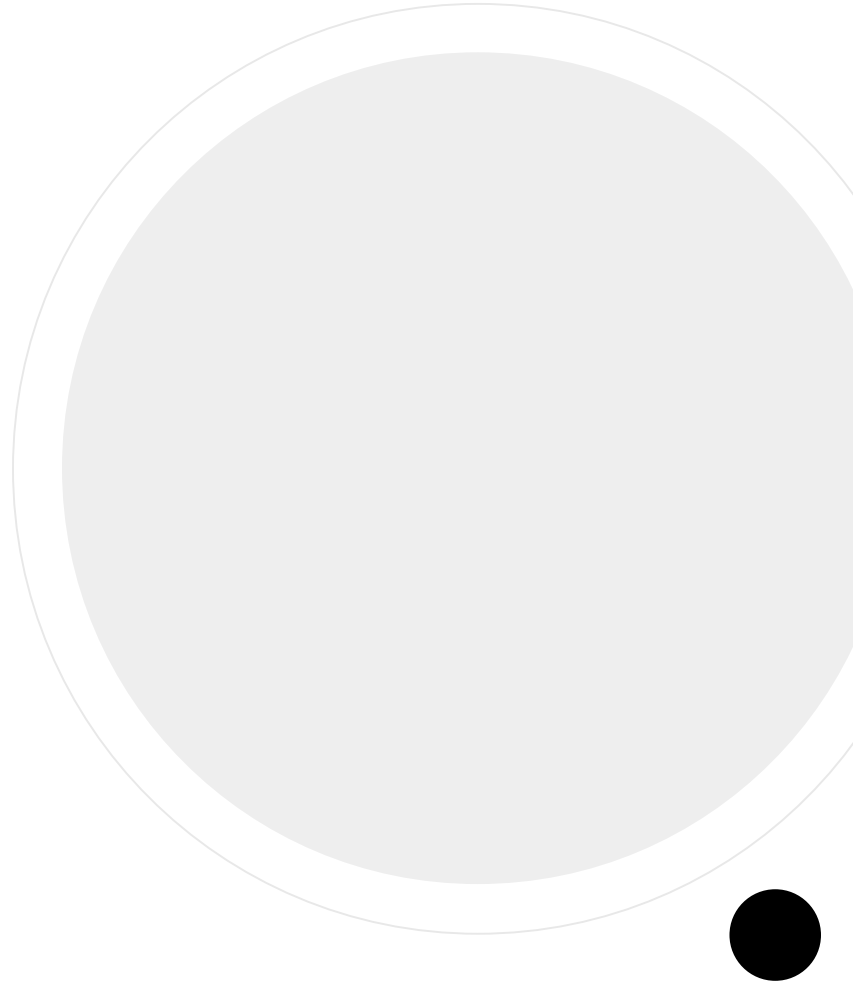
# DO OPPOSITE OF WHAT THEY THINK YOU GONNA DO?

- Or just wait...
- And use the FIBO magic



# 80:20 Rule applies here too

- 2 good trades can compensate for 8 bad ones.
- 2 bad trades can destroy all wealth made with 8 trades.





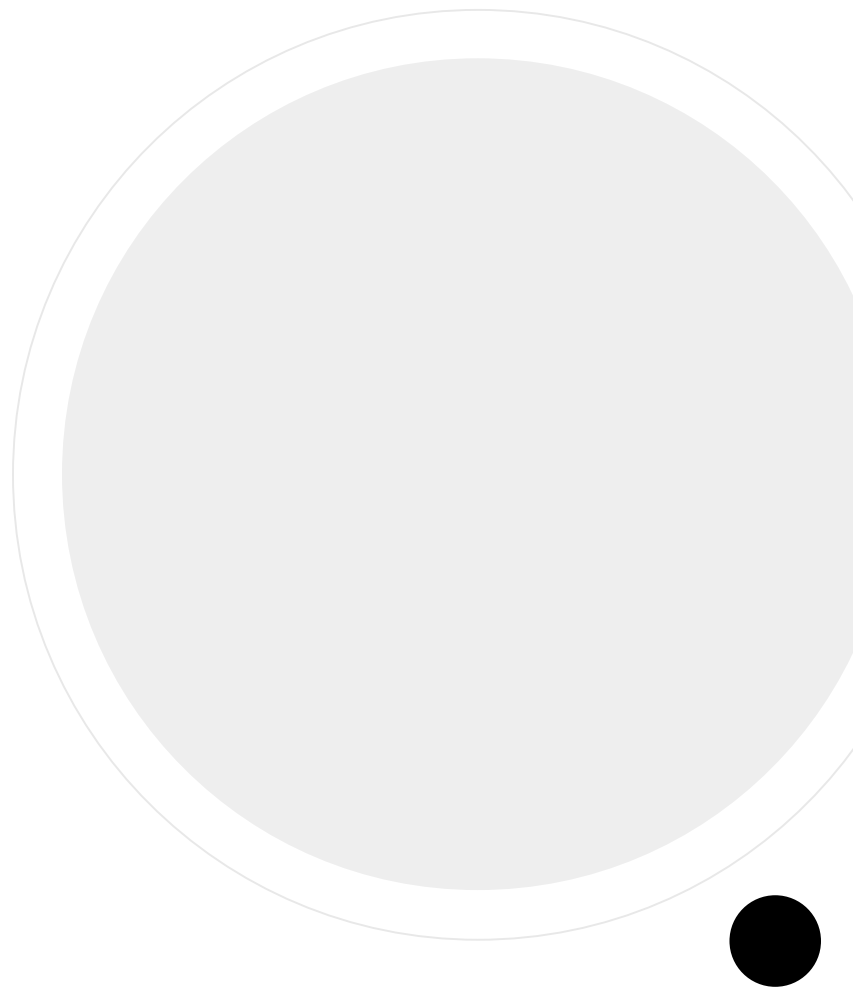


ALLOCATION OF CAPITAL

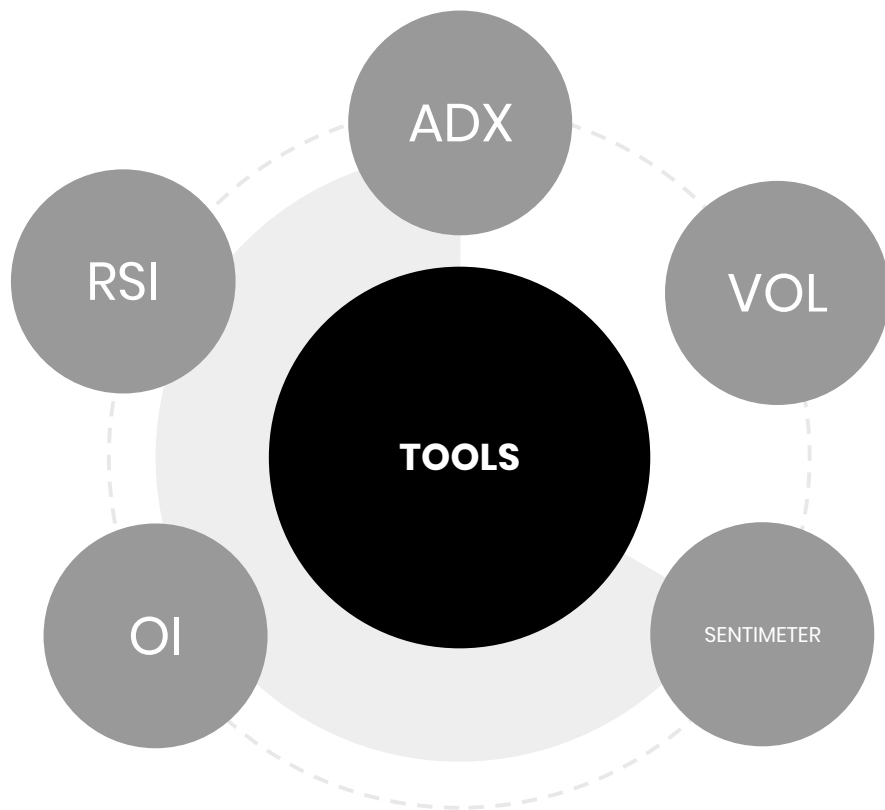
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# MY 3% MANTRA

- You will realize why ALL futures are not suitable for trading.



**It can be  
reduced  
greatly  
using 5  
tools**



# THE WONDER VALUES

	BUY ZONES	SELL ZONES	AVOID ZONES
SENTIMENT	ALL NEG	ALL POSITIVE	MIXED REVIEWS
OPEN INTEREST	P+V+OI	-P+V+OI	P+/- but no significant change in V/OI
RSI	>50	<50	80
ADX	>25	>25	BELOW 25 ABOVE
VOL	IF UP NEAR SUP	IF DOWN NEAR RESIS	SCATTERED






**YOU WILL MAKE MONEY WHEN :  
YOU GIVE WEIGHTAGE TO  
OPERATOR+PRICE+TREND – HOPE**



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# **HOW TO PICK STOCKS FOR INTRADAY AND POSITIONAL?**





**HAMMERS of ANY  
form  
40 day EMA  
FIBO Pivots  
FIBO Retracements  
DRAWINGS  
RSI+ADX  
And many more.....**





# UNDERSTAND THE BROADER PSYCHOLOGY

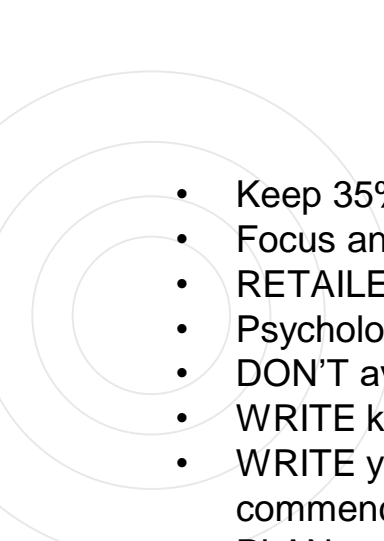
- Opening is for Amateurs while Close is for Professionals.
- Last one hour of trading is more important for TRADERS.
- Use only that part of TA that suits your style.
- Max Option selling happens a month before that too in illiquid scrips.
- High IV means punters will sell more of options on both sides.
- Buy as per View not as per CAPITAL.
- 3 Developmental stages of a trader :
  - a. Mechanically
  - b. Subjectively
  - c. Intuitively



# PSYCHOLOGY

- Don't FORCE trades. That's what PROS NEVER do.
- Your EDGE could be anything –
  1. Banknifty Expiry
  2. Nifty Expiry
  3. Banknifty Futures
  4. Stock Futures Intraday
  5. Stock Futures Swing
  6. Stock Futures Scalp
  7. Options Selling
  8. Options buying with Hedges
  9. Commodities
  10. Currencies
  11. Cash Investing
  12. Cash Scalps
  13. Cash Short Term
  14. Cash Intraday



- 
- Keep 35% capital always in spare while trading FnO.
  - Focus and Research ONLY 10 stocks.
  - RETAILERS focus on ACCURACY while PROS focus on EDGE.
  - Psychological levels of SUPPORT and RESISTANCE works well.
  - DON'T average. ACCEPT you are WRONG.
  - WRITE key levels on PAPER.
  - WRITE your next day plan on PAPER and READ before trading session commences.
  - PLAN entry,exit and avoid stocks/zones/prices.
  - Pros NEVER take PREMATURE entries.
  - **It's not the size of wins but the size of LOSSES which define a successful trader.**



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# TREND OF A STOCK

- Use multiple time frames mainly WEEKLY & MONTHLY.
- Check psychological levels.
- Basic channels.
- ADX
- Supertrend





**Designing a killer trading system is just half of the equation. FOLLOWING it to your preset rules in other.**



# ALL RULES REMAIN SAME IN ALL SORTS OF MARKETS/ASSETS



# **STEPS TO BECOME PRO**

NEWS! There is no fixed route!!







# **FnO Traders**

Making 15-30L/month

# **Expiry Traders**

Making 5-10L/month

# **Cash Traders**

Making 5-10L/month





# They all go through same process

1

**Paper trades+Simulation**

5-6 months minimum spent here.

2

**Getting a mentor**

Reduce the learning curve+ learn facts  
other than theory

3

**Backtesting+Automate**

Final stage after testing your system for  
atleast 1.5/2 years.



# Steps for Beginner

## **Get your basics right**

- Read
- Watch
- Research

## **Trade with main capital**

- Keep aside funds for bills.
- Journal everything.

## **Test with 500-1000**

- Paper trade
- WRITE your mistakes
- Build Strategy

## **Grow your capital via TRADING**

- Confidence would boost.
- Find limitations on bigger size.

## **Test with 1/5<sup>th</sup> of REAL capital**

- Check real time emotions for 2-3 months.
- Develop your edge.

## **Automate**

- Amibroker
- Finally your own system





**SURPRISE**



# Thanks!

**Any questions?**

**After the session will send a link. Do share  
your feedback.**

