

# Trading Strategy

I have used and backtested many strategies in the market but the main thing that works are, psychology Trading , Trap trading and Operator Trading

1. **Wyckoff method** : Big players and institutions accumulate shares at a reasonable price for a longer period of time in the accumulation phase, and after in the last phase of accumulation the supports breaks,

The stoploss of retail people get hit then that particular stoploss nothing but selling orders is absorbed by buying of big institutions and the price markup and trend.



# Details logic of wyckoff

## Wyckoff Logic

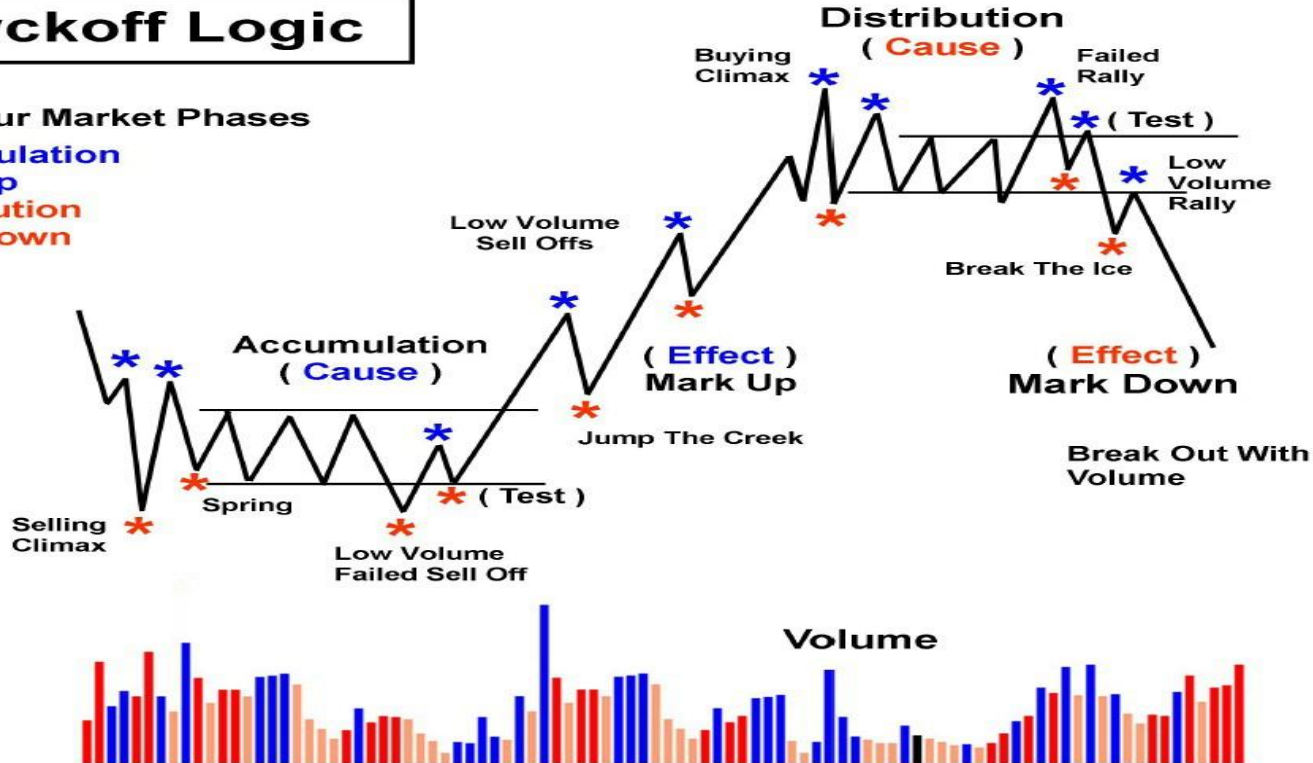
The Four Market Phases

Accumulation

Mark Up

Distribution

Mark Down



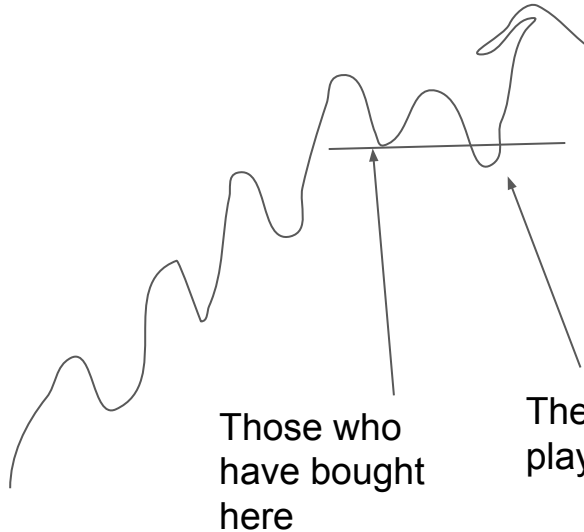
## 2. Trending stocks:

if a stock is trending upwards then it should not be on the down side of 20 ema for more than some bad days, so when ever price comes below 20 ema and after when price again comes above 20 ema we should buy it.



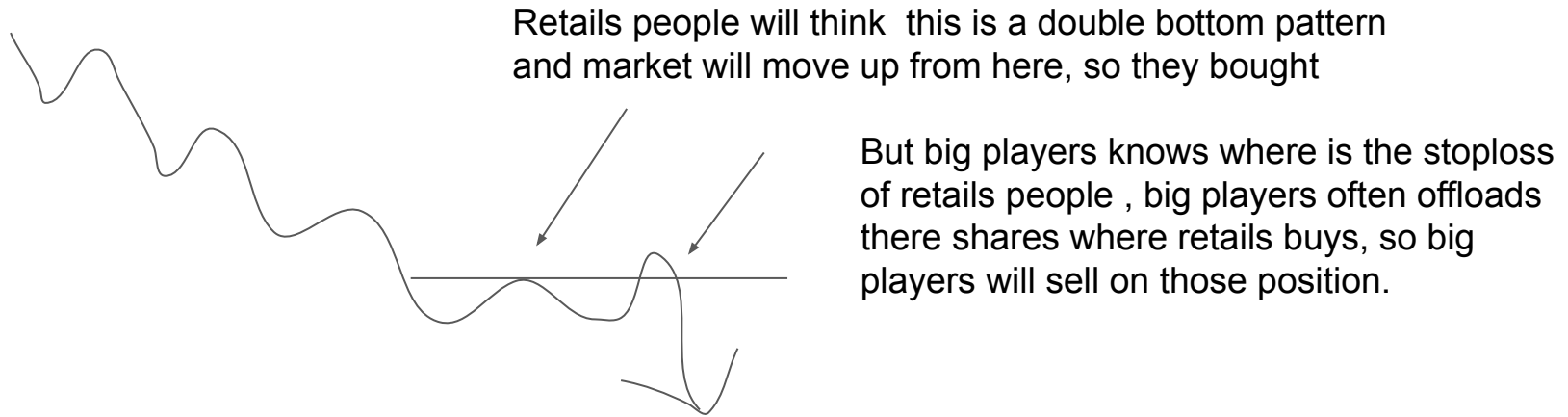
# Trap Trading ( Stoploss Hunting )

- For every seller there is a buyer and for every buyer there is a seller
- If Big players or institutions want to buy heavy quantity ,they need much more floating shares(liquidity) in open market otherwise they cannot buy it with their desirable price, price will move very fast with their huge quantity.
- So they make a false breakout of support , stoploss of retails get triggered those are nothing but selling orders and those selling orders gets absorbed as buying by big players or institutions or operators.



Retails people will think that this is a **double top** pattern and market should fall from here but they got trapped.

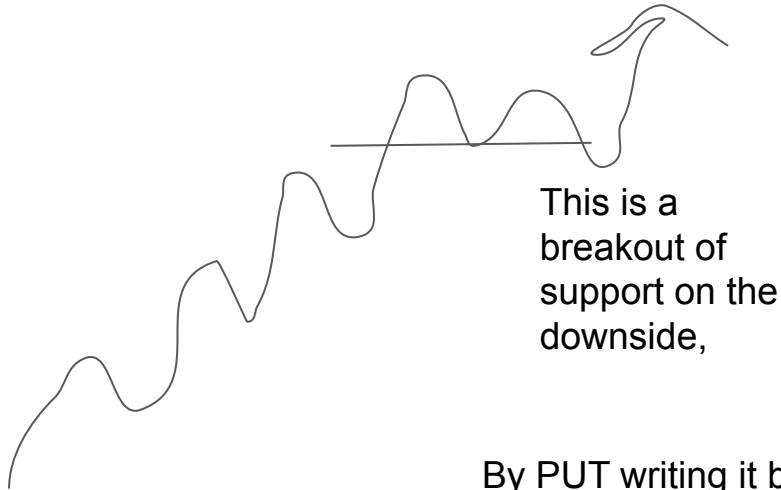
Big institutions need liquidity that's why they buy or sell by hunting stoplosses of the mass retail people,



- Market rally when shorts get covered or long positions get added.
- Market falls when long position gets covered or short positions get added.

# Psychology of a Option seller

Big players or professional Trades opts option selling most of the time as it has some time decay and other option greek as well, if market does not move according to their side then by theta decay(time decay) they will get profit from there by call writing or put writing.



When breakout happens on the downside the option premium of that particular stock is getting too much high, this is the best opportunity when a option seller can sell the PUT option with such a high premium so that they can get maximum profit even if market does not move upward by time decay concept of option.

By PUT writing it became a huge support after false breakout then market again rally on the upward side by hitting Stoplosses of retail people.

# Example of wyckoff (should go atleast to the next major resistance)



# This is the change of market structure from downtrend to uptrend





# Example of Retail Trap (at support breaking)



## Other strategies developed by me

1. Open=Low first 5 min candle from mean(cpr) for buying , and previous day should be an indecision candle in intraday trading with proper risk management.
2. Open=High first 5 min candle from mean(cpr) for selling, and previous day should be an indecision candle in intraday trading with proper risk management.
3. SL hunting at 9.16 am in the FnO stock section at previous day high and low and momentum catching by SL hunting of trapped buyer or seller for profiting in options.