

This video outlines a trading strategy called "Nifty Shop," which is designed for beginners and focuses on Nifty50 stocks. Here are the rules for this strategy:

Entry Rules (checked daily at 3:20 PM):

- **Scan for Dips:** Identify the top five Nifty50 stocks that are trading the furthest below their 20-day moving average [\[04:28\]](#).
- **Buy New Positions:** From the list of five, you can buy up to two stocks that you don't already own [\[04:47\]](#).
- **Averaging Down:** If you already own all five of the identified stocks, you can "average down" on one of your existing holdings. This means buying more of a stock that has dropped more than 3% from your last purchase price, prioritizing the one with the biggest drop [\[05:07\]](#).

Exit Rules (checked daily at 3:20 PM):

- **Check for Gains:** Look for any stock in your portfolio that is trading more than 5% above your average purchase price [\[06:31\]](#).
- **Sell for Profit:** Sell only one stock per day, choosing the one that has the highest gain [\[06:48\]](#).

Capital Allocation:

- **Fixed Amount:** You can choose to invest a fixed amount, for example, 15,000 per trade [\[07:20\]](#).
- **Dynamic Amount:** Alternatively, you can divide your total trading capital by 40 and use that amount for each trade. This allows your investment size to grow as your capital grows [\[07:31\]](#).

Key Principles:

- **Patience and Discipline:** The strategy emphasizes waiting for the right opportunities and sticking to the rules [\[13:07\]](#).
- **Risk Control:** By investing in large, stable companies and using a systematic approach, the strategy aims to manage risk [\[03:07\]](#).
- **Automation:** The presenter notes that this strategy can be fully automated with a small amount of code [\[08:12\]](#).