

Basics of Stock Market for beginners

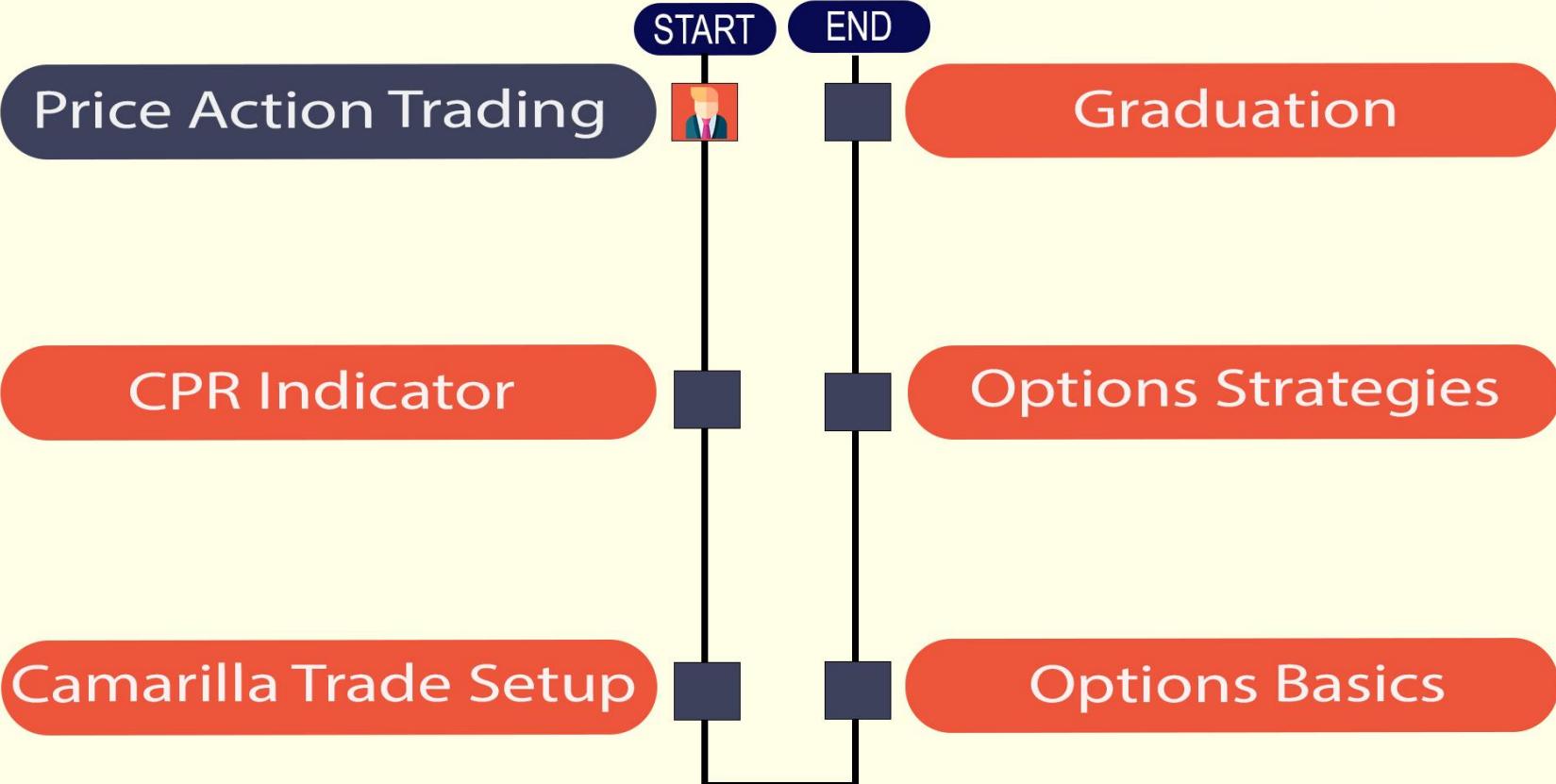


NOVICE HEDGE

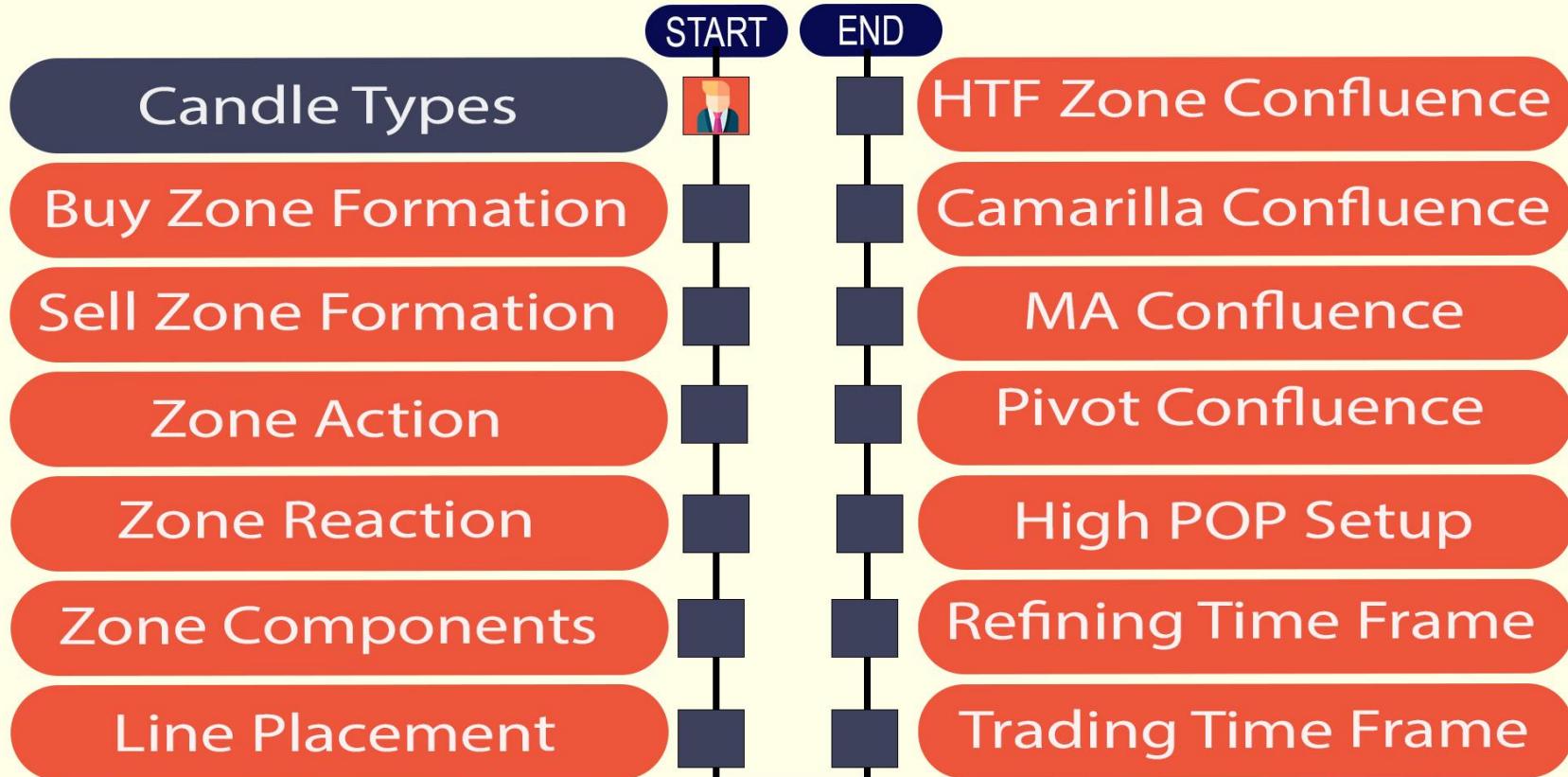
Mr. Ganesan Dharanidharan

Research Analyst & Branch Manager,
Alice Blue Financial Services,
Pondicherry.

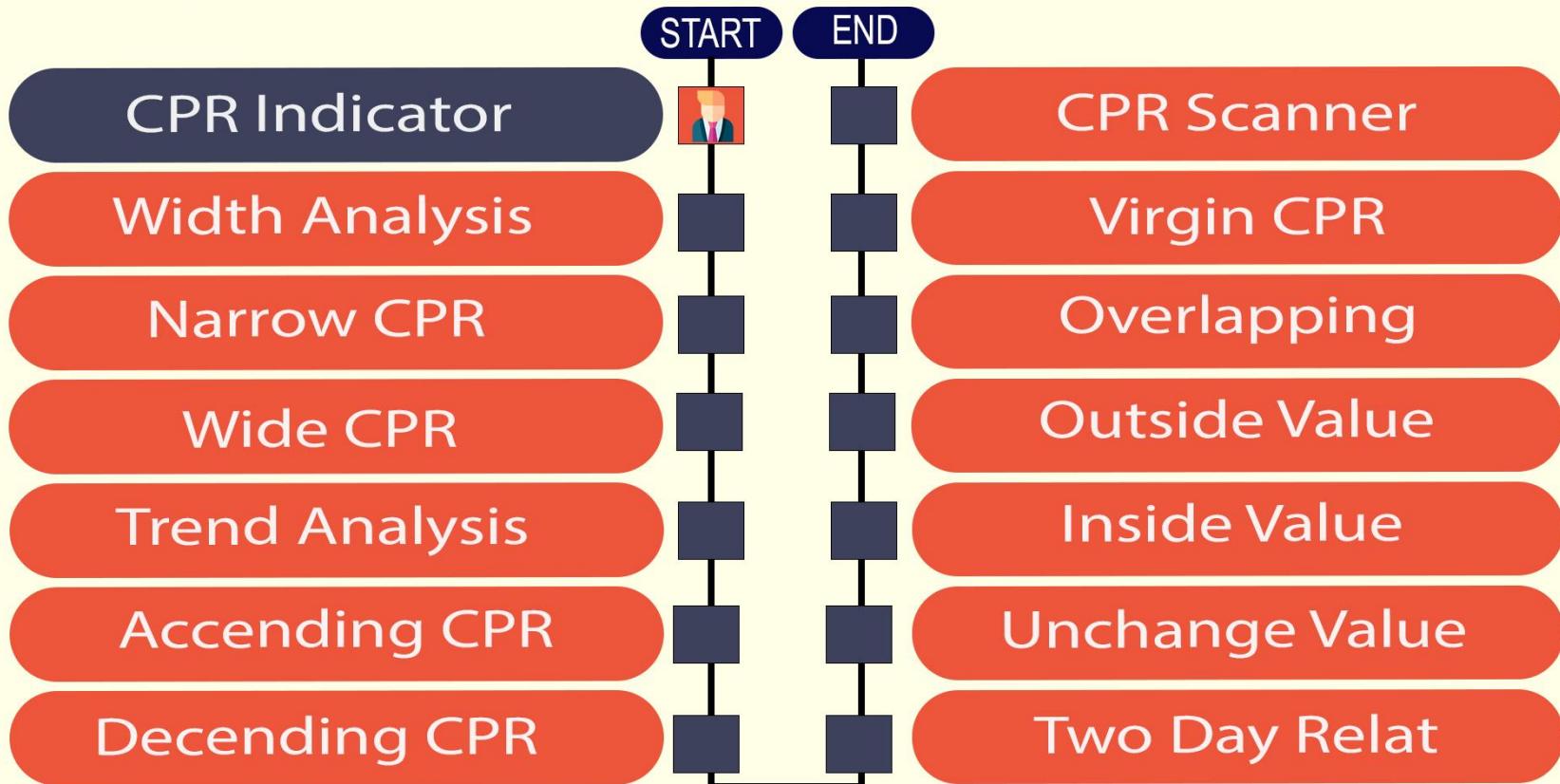
Module



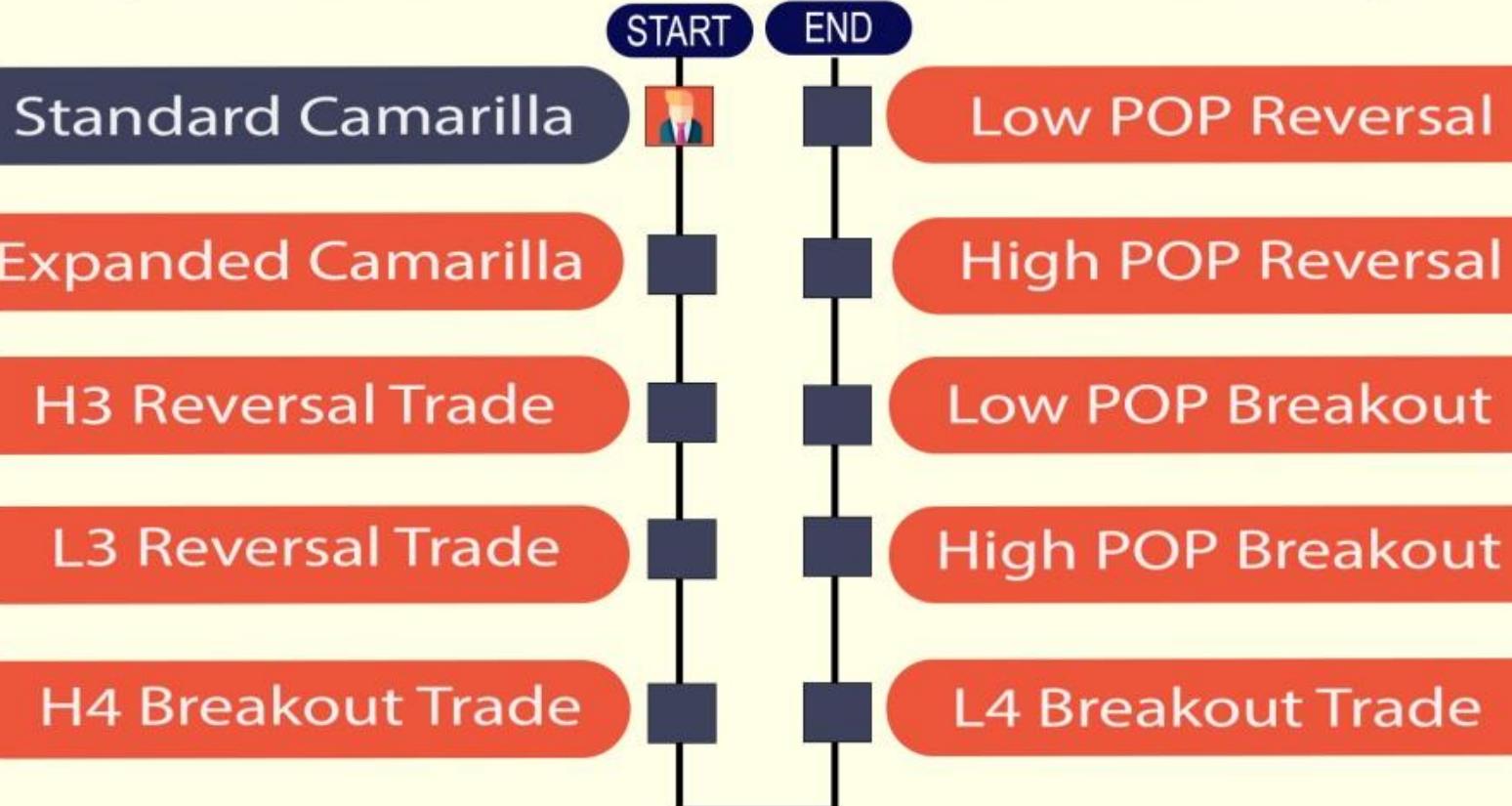
PRICE ACTION TRADING TUTORIAL



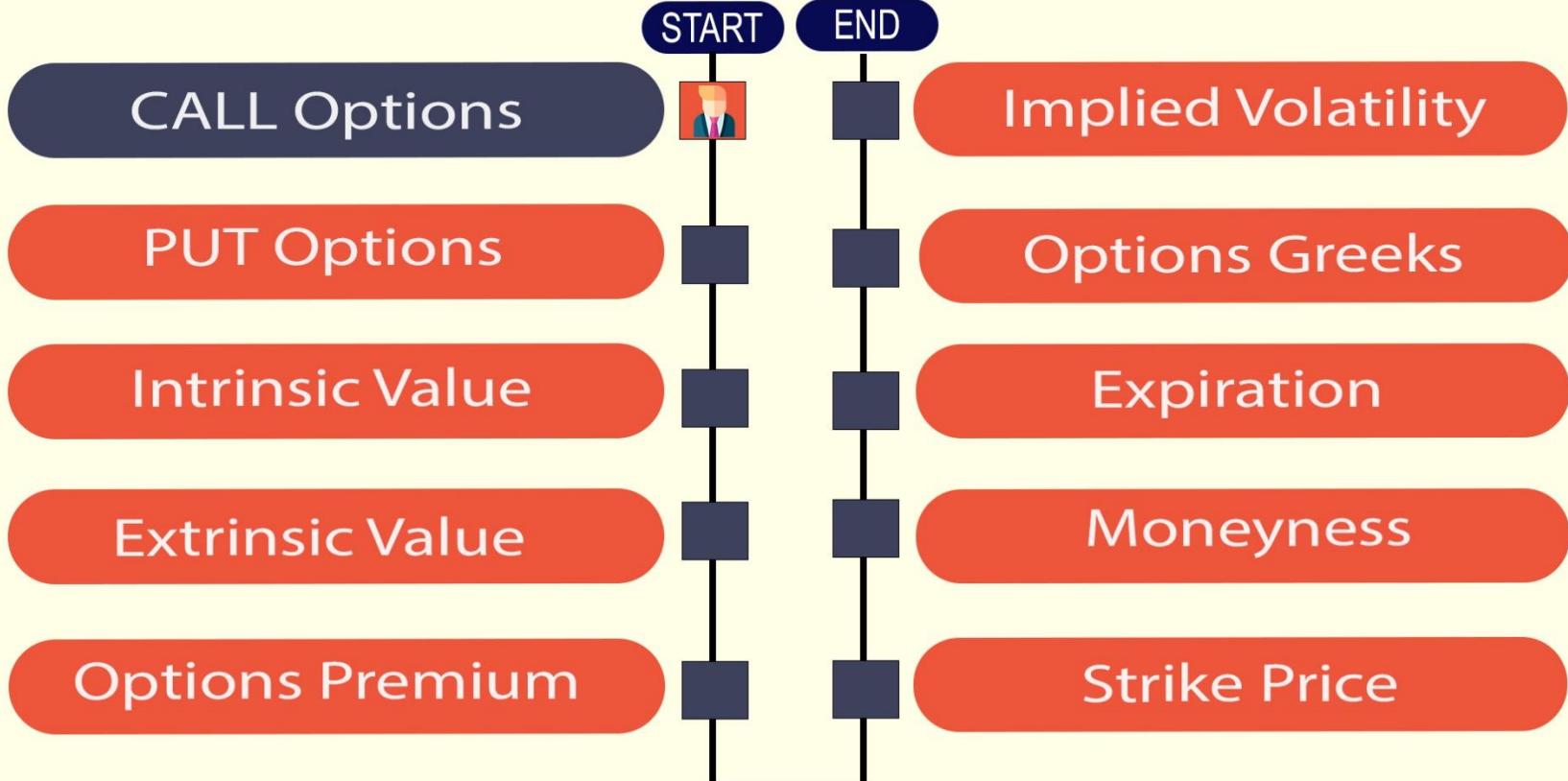
CPR INDICATOR TUTORIAL



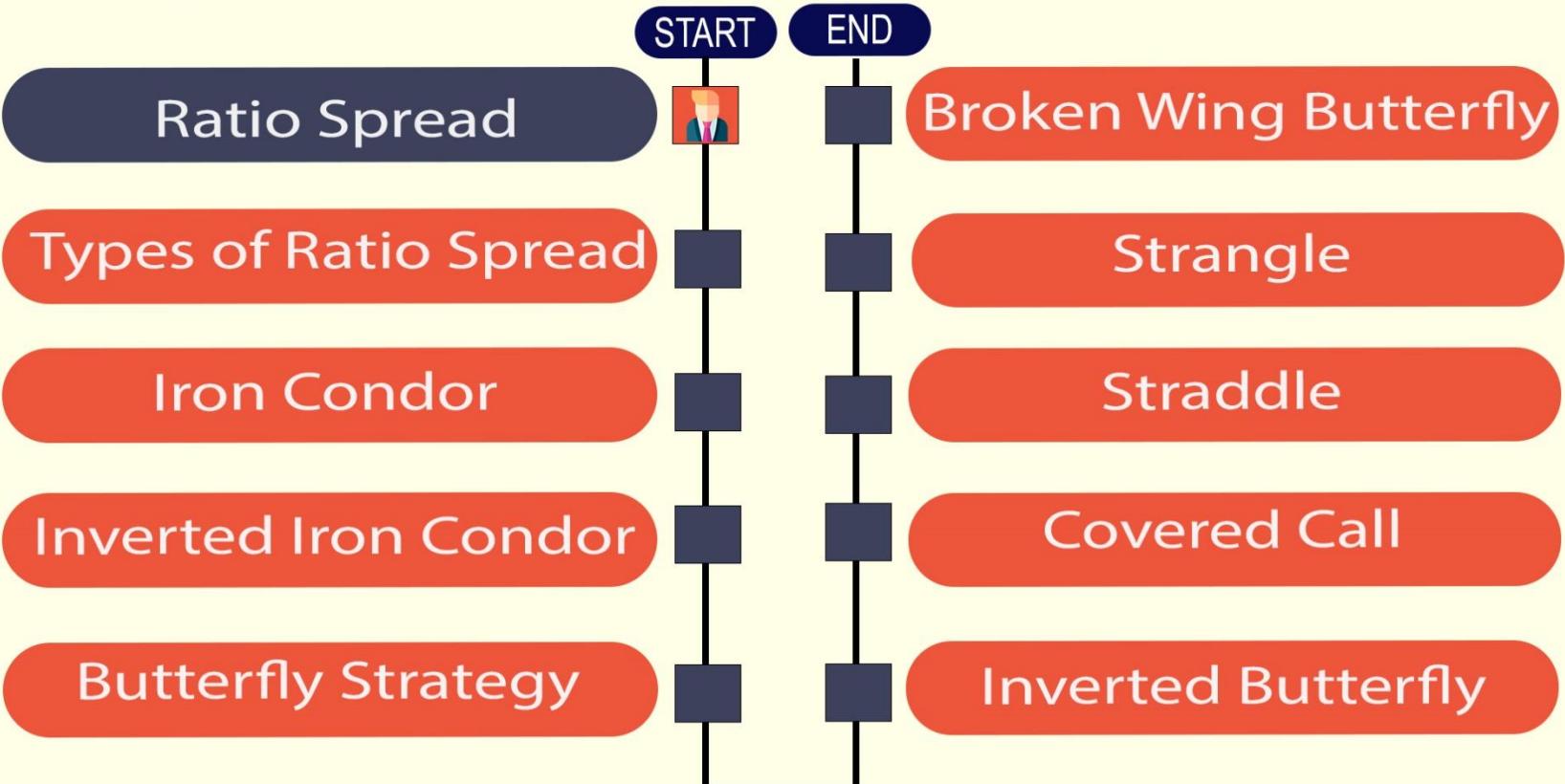
CAMARILLA TUTORIAL



OPTIONS BASICS



OPTIONS STRATEGIES



Market Players

- Initiative Buyer (Banks, Insurance Companies, Mutual Funds, hedge funds, etc.)
- Initiative Seller (Banks, Insurance Companies, Mutual Funds, hedge funds, etc.)
- Responsive Buyer (Retailer - We)
- Responsive Seller (Retailer - We)

Market Players

Initiative Buyer buy @_____ price

Initiative Seller sell @_____ price

Responsive Buyer buy @_____ price

Responsive Seller sell @_____ price

Market Players

Initiative Buyer buy @cheap price

Initiative Seller sell @expensive price

Responsive Buyer buy @expensive price

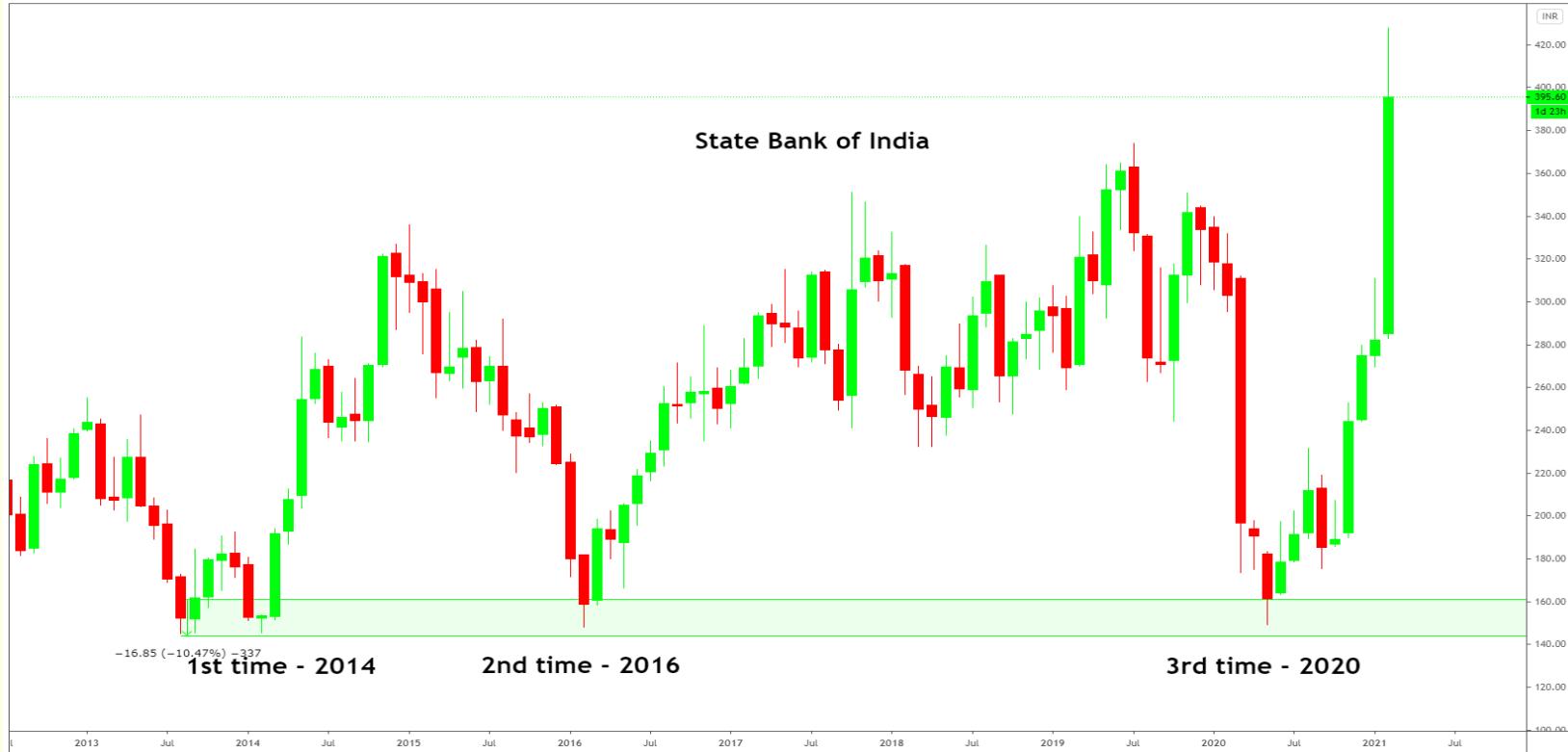
Responsive Seller sell @cheap price

Initiative Buyer or Seller

- They buy or sell in a **price range** (say 100 to 102), not at a price point(100) hence their orders are in huge quantity.
- For re-entry they will wait (**Time period**) until the price come back to the same price range where they entered earlier.

Price Range

Novice_Hedge published on TradingView.com, February 24, 2021 17:19:16 IST
NSE:SBIN, 1M 395.60 0.00 (0%) O:285.10 H:427.70 L:282.75 C:395.60



Price Action Trading

One Strategy

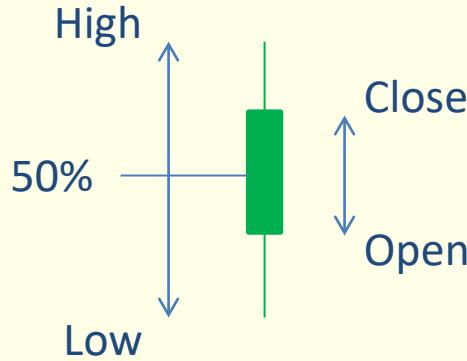
Any Exchange – Any Time Frame

Intraday – Swing – Investing

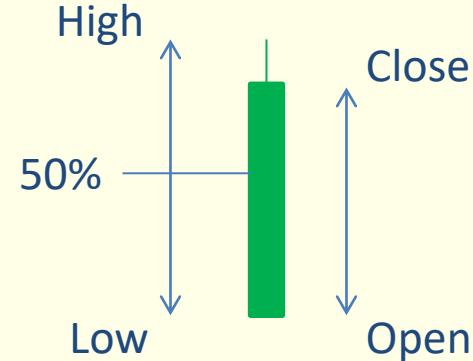
Stock – Commodity – Forex – Future & Options

---Supply and Demand---

Types of Candle

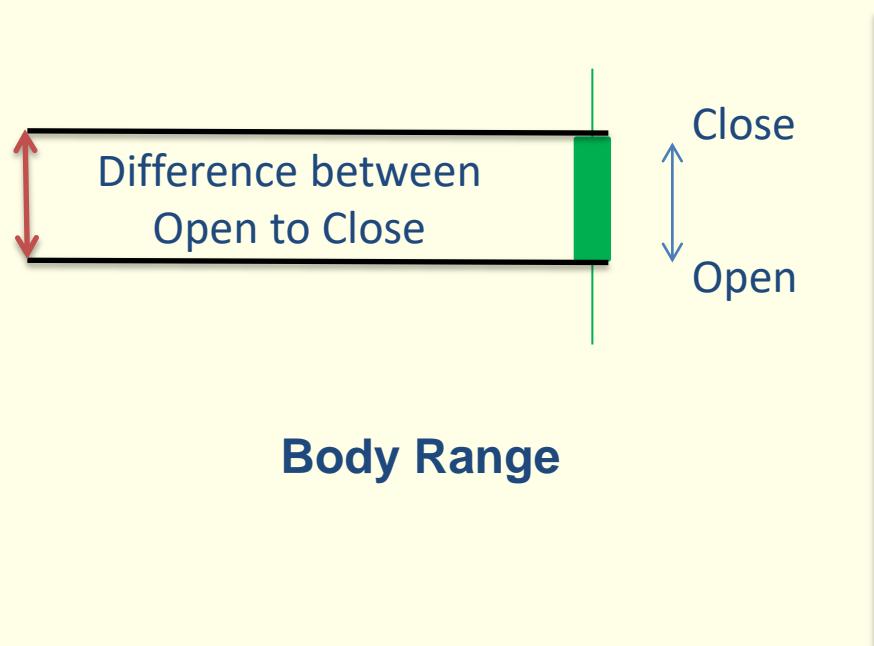


**Equilibrium Candle
(E-Candle)**



**Im-Balance Candle
(IB-Candle)**

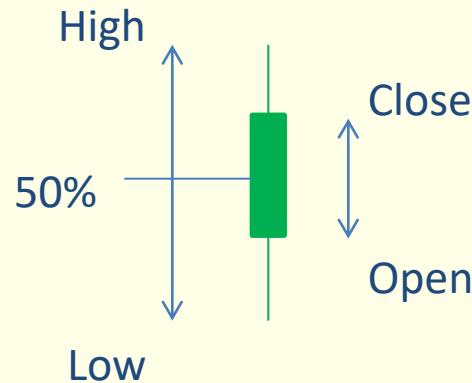
Terminology



Equilibrium Candle (E-Candle)

They imply that **transactions** are happening in a range thus Buyer and Seller are in balance

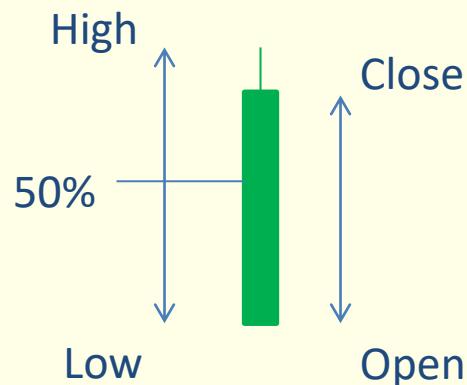
E-Candle => **Body Range <= 50% of Candle Range**



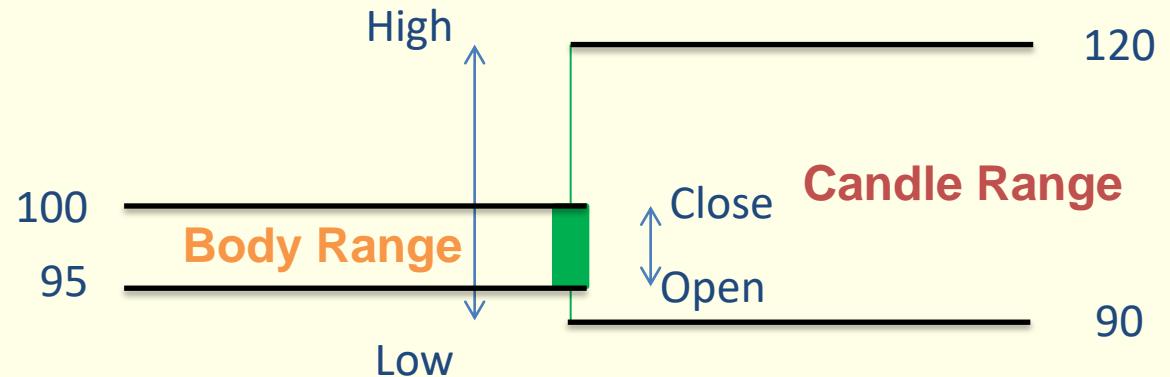
Im-Balance Candle (IB-Candle)

They imply **imbalance** between Buyer and Seller thus price starts moving either up or down

IB Candle => **Body Range > 50% of Candle Range**



Candle Identification



Body Range:

Open – Close

95-100

5 points

Candle Range:

High – Low

120-90 = 30 points

50% of Candle Range

$30 * (50/100)$

15 Points

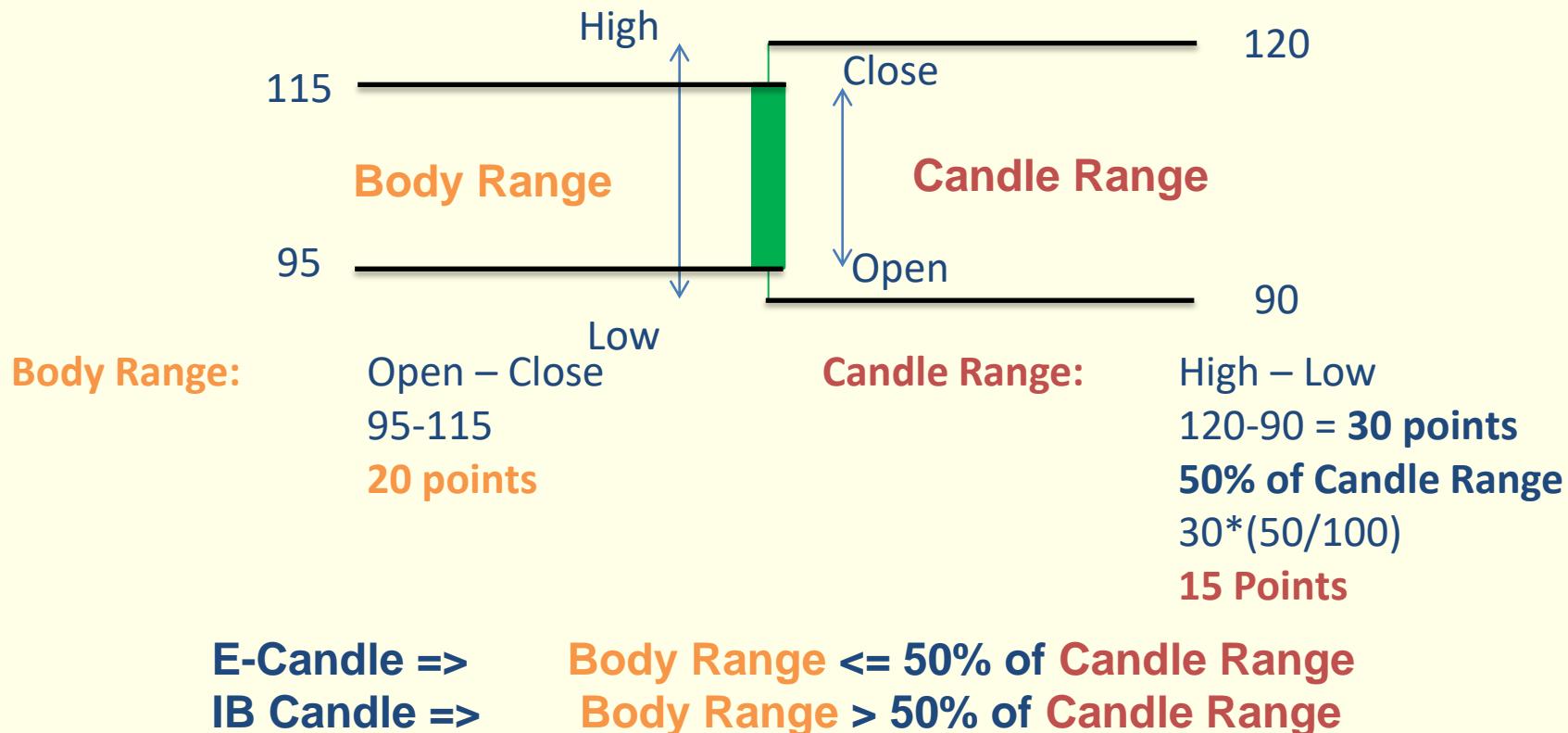
E-Candle =>

Body Range \leq 50% of Candle Range

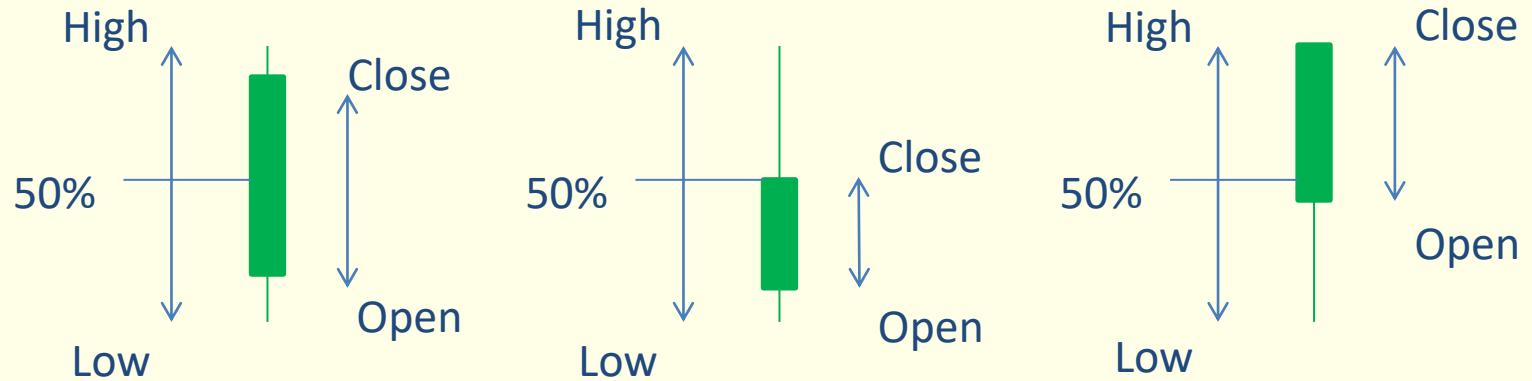
IB Candle =>

Body Range $>$ 50% of Candle Range

Candle Identification



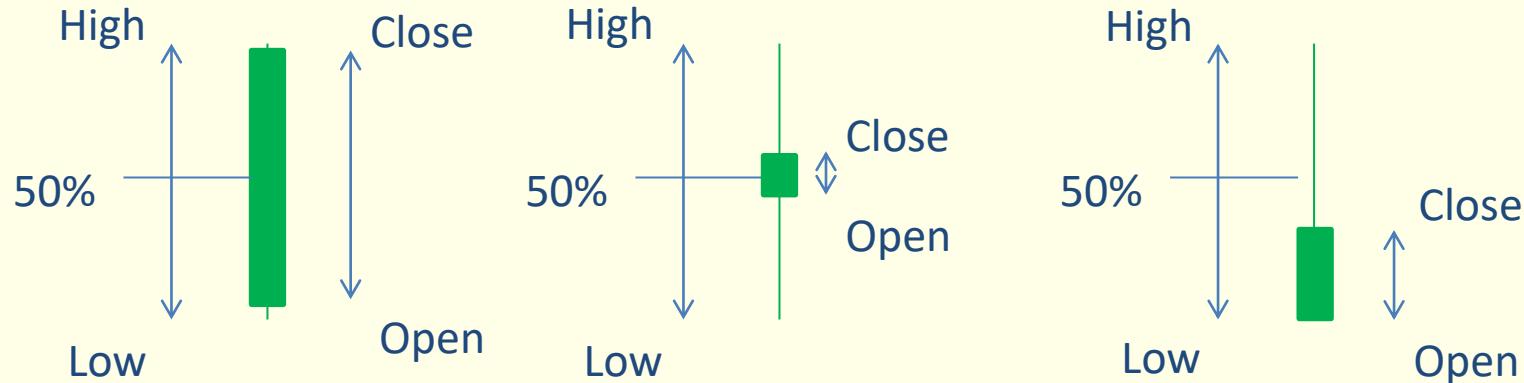
Candle Identification



E-Candle =>
IB Candle =>

Body Range \leq 50% of Candle Range
Body Range $>$ 50% of Candle Range

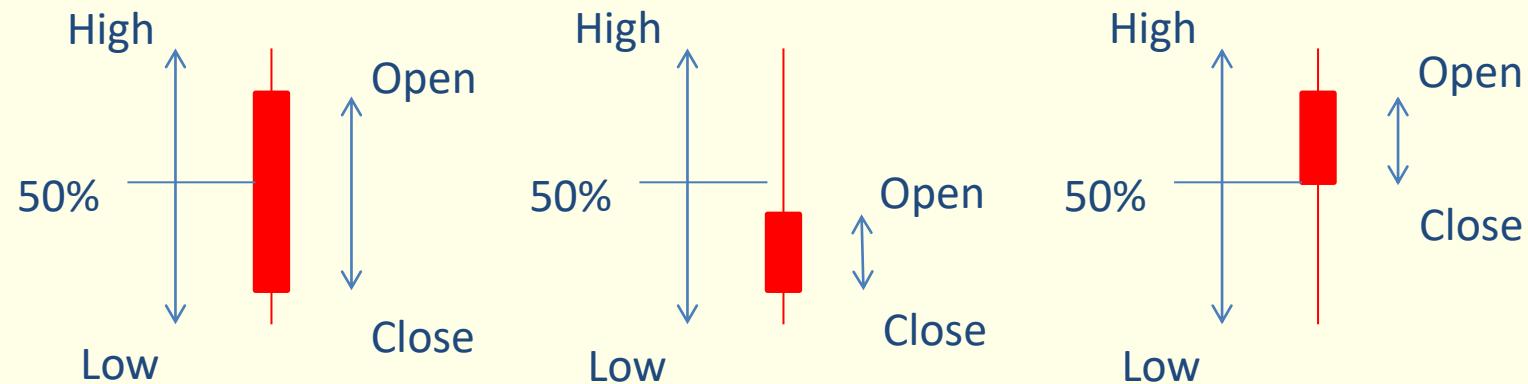
Candle Identification



E-Candle =>
IB Candle =>

Body Range \leq 50% of Candle Range
Body Range $>$ 50% of Candle Range

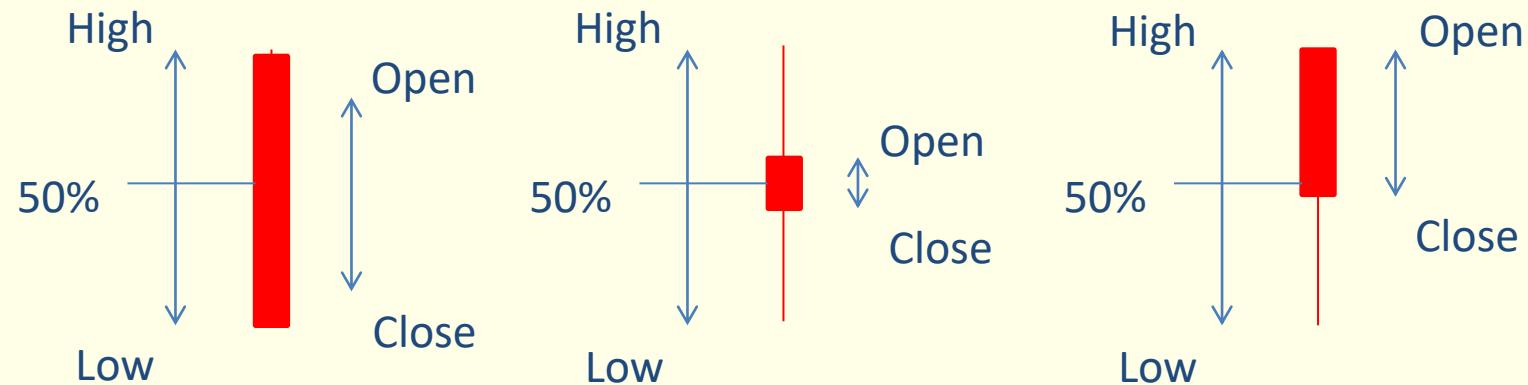
Candle Identification



E-Candle =>
IB Candle =>

Body Range <= 50% of Candle Range
Body Range > 50% of Candle Range

Candle Identification



E-Candle =>
IB Candle =>

Body Range \leq 50% of Candle Range
Body Range $>$ 50% of Candle Range

Zone Formation Components

Condition 1:

IB Candle

- >

E Candle

- >

IB Candle



Zone Formation Components

Condition 1:

IB Candle

- >

2 E Candle

- >

IB Candle



Zone Formation Components

Condition 1:

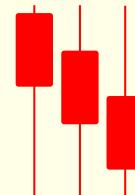
IB Candle

- >

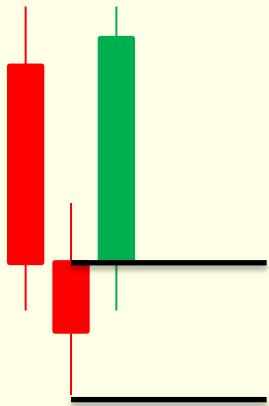
3 E Candle

- >

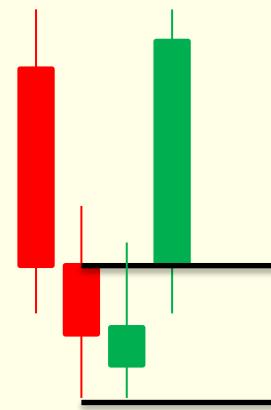
IB Candle



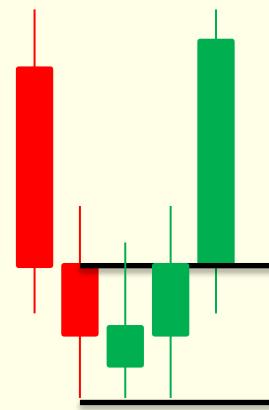
Reversal Buy Zone Formation



1 E Candle

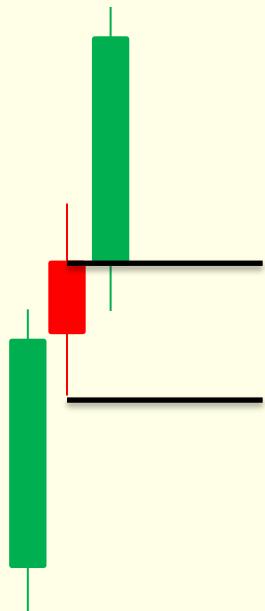


2 E Candle

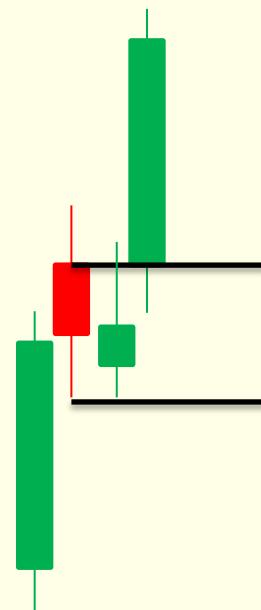


3 E Candle

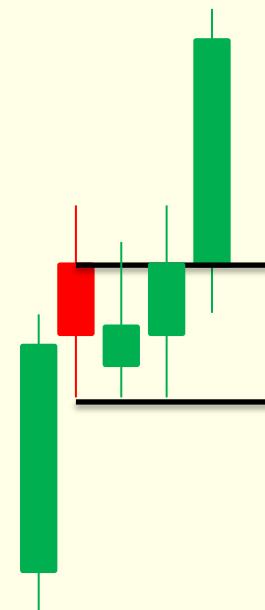
Continuation Buy Zone Formation



1 E Candle

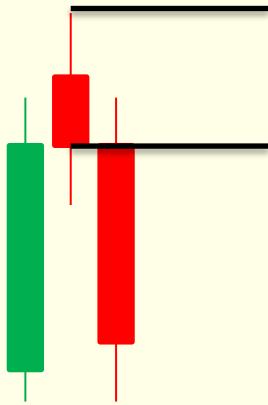


2 E Candle

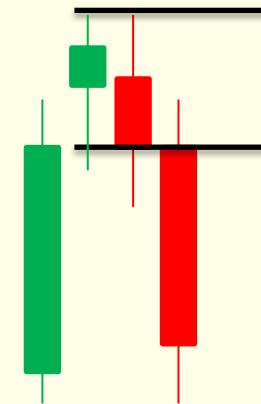


3 E Candle

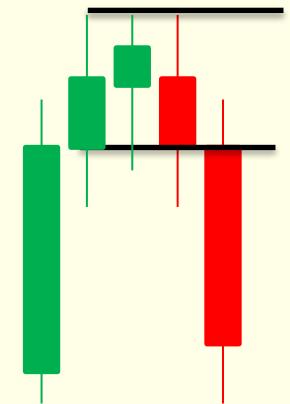
Reversal Sell Zone Formation



1 E Candle

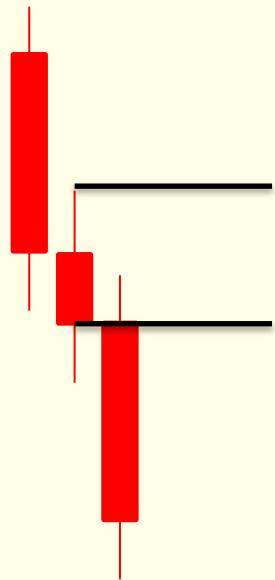


2 E Candle

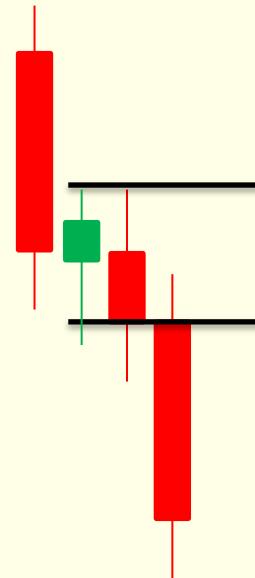


3 E Candle

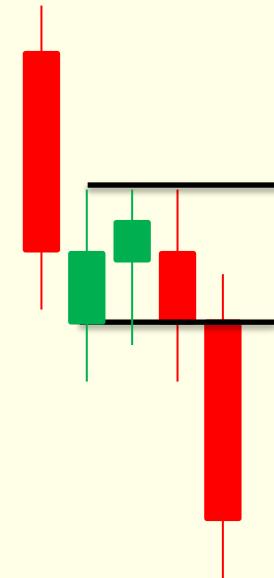
Continuation Sell Zone Formation



1 E Candle



2 E Candle



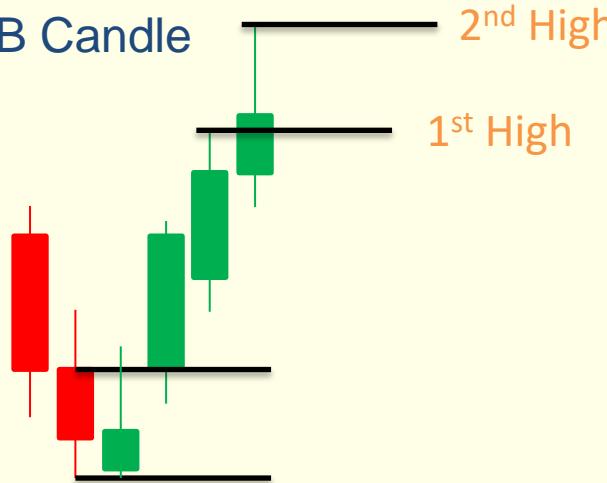
3 E Candle

Zone Formation Components

Condition 2:

Buy Zone :

The two candles immediately following the IB Candle must each make a new High. They do not have to make a Higher close, just Higher high. It can be an E Candle or IB Candle

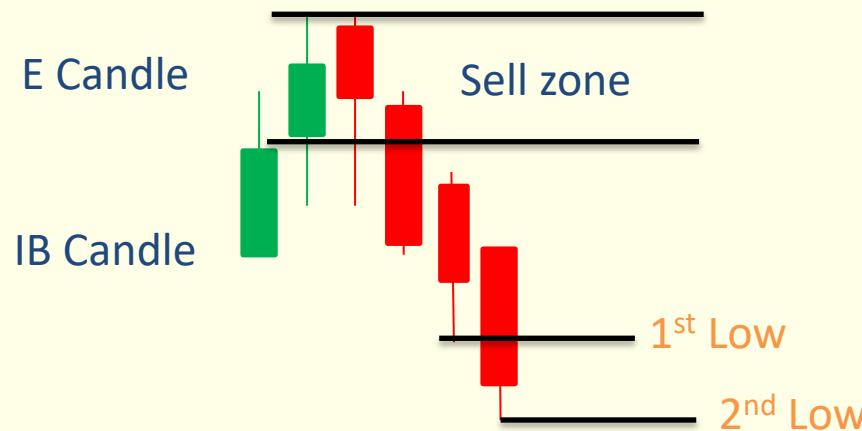


Zone Formation Components

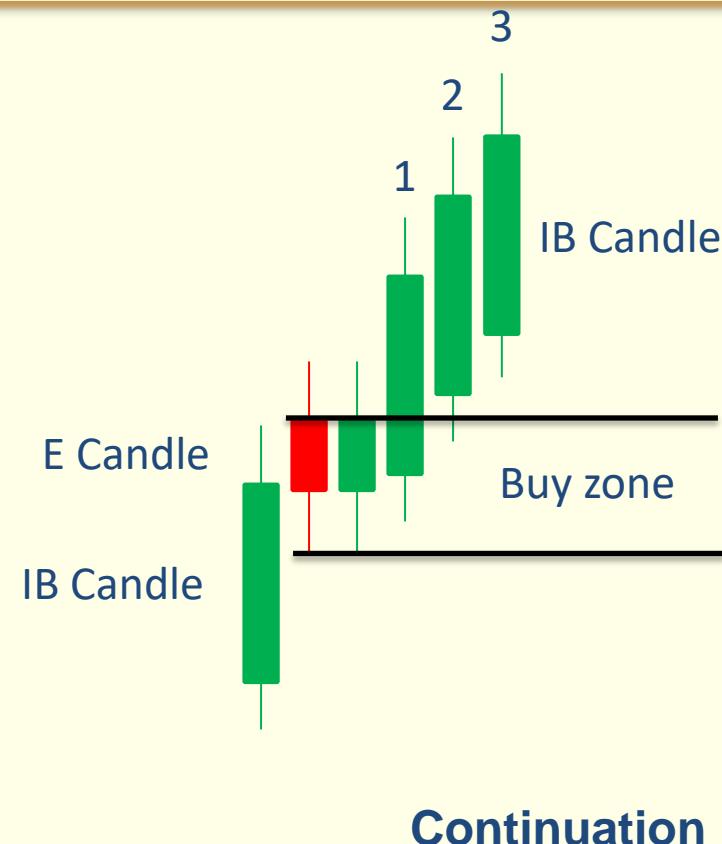
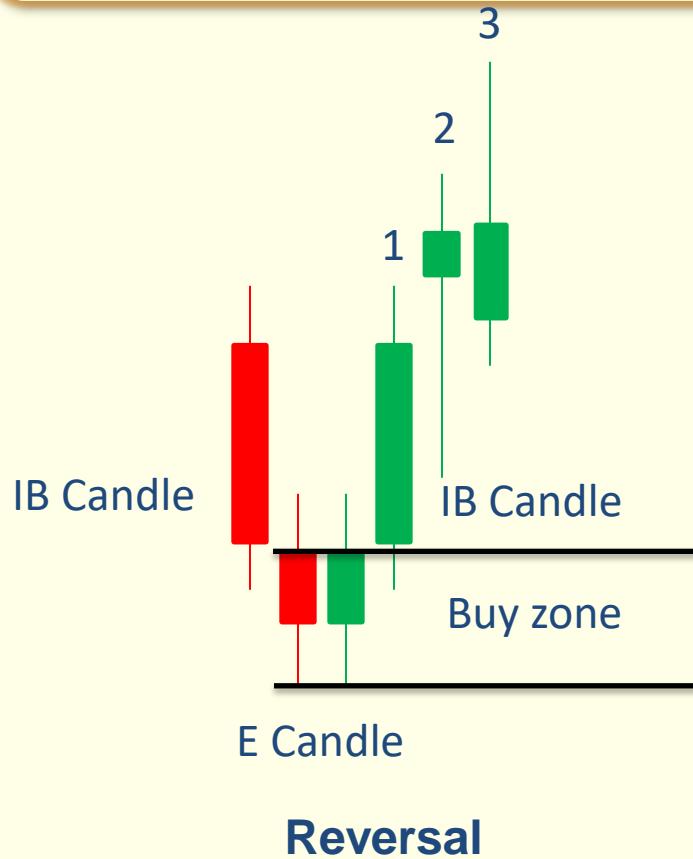
Condition 2:

Sell Zone :

The two candles immediately following the IB Candle must each make a new Low. They do not have to make a lower close, just lower lows. It can be an E Candle or IB Candle.

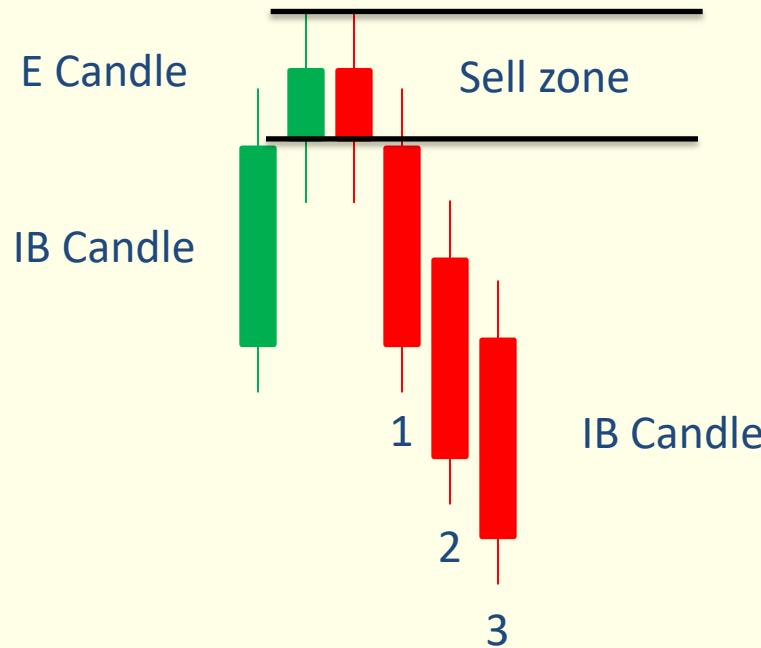


Buy Zone Formation

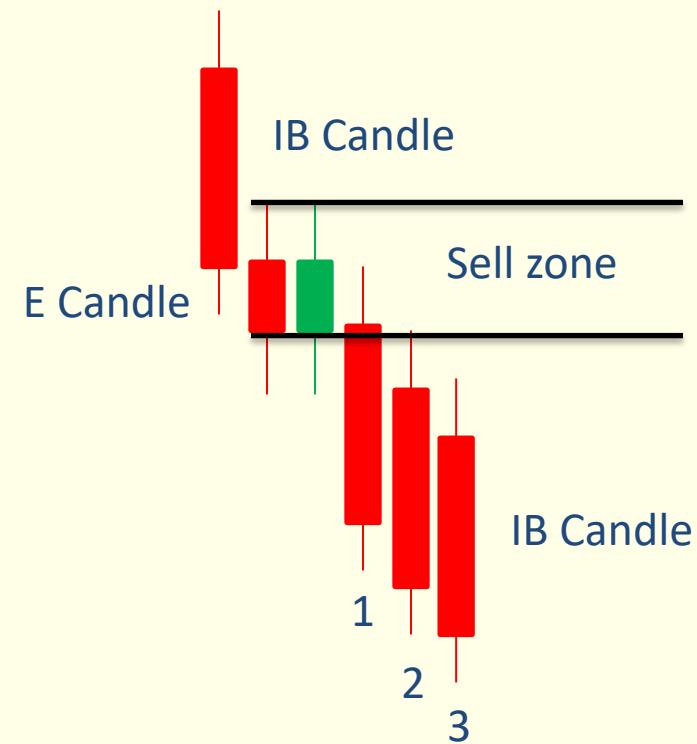


Sell Zone Formation

Reversal



Continuation



Reversal Buy Zone Action

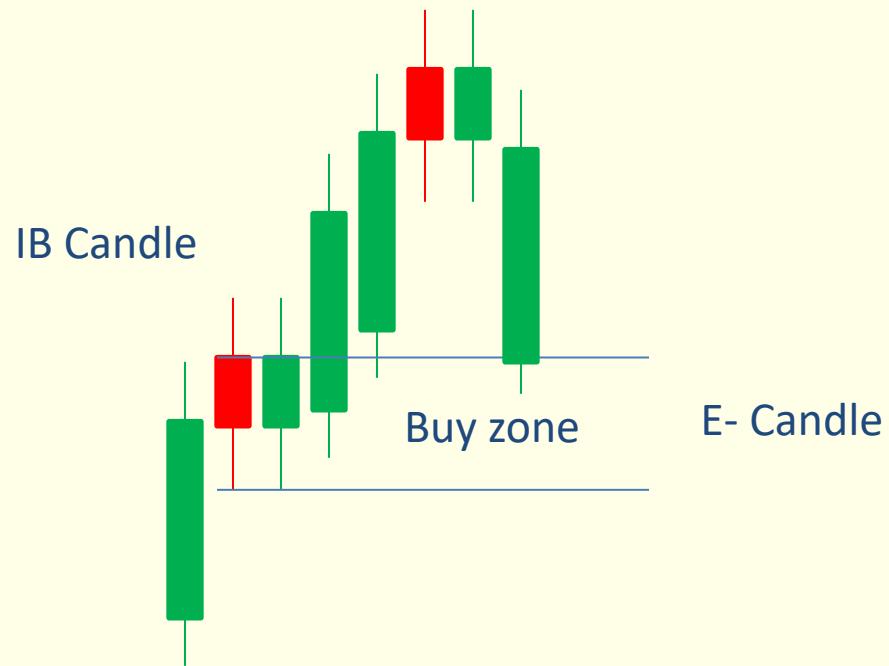


Reversal Buy Zone Action

Novice_Hedge published on TradingView.com, February 26, 2021 16:18:19 IST
NSE:COLPAL, 3 1581.20 ▲ +10.30 (+0.66%) O:1574.25 H:1579.90 L:1567.00 C:1570.00



Continuation Buy Zone Action



Continuation Buy Zone Action

Novice_Hedge published on TradingView.com, February 26, 2021 16:14:04 IST
NSE:AUROPHARMA, 3 855.20 ▼ -8.05 (-0.93%) O:856.00 H:856.25 L:850.05 C:851.50

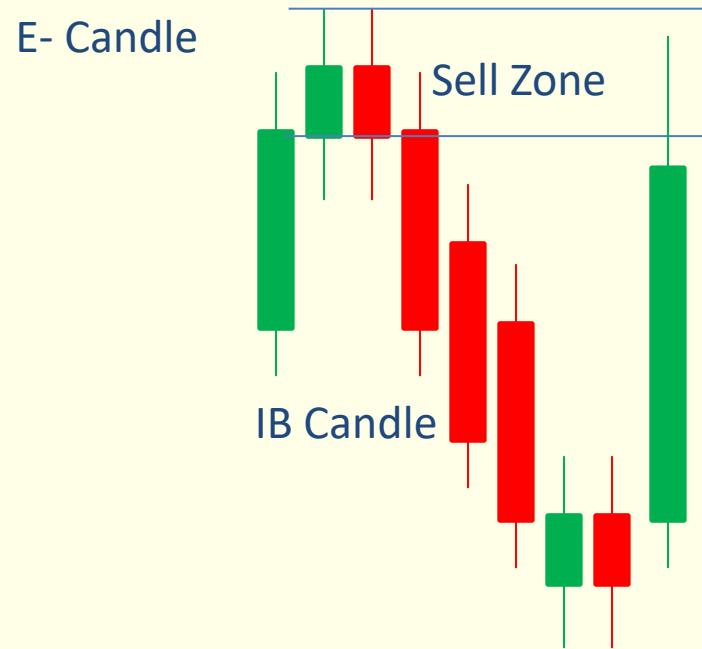


Continuation Buy Zone Action

Novice_Hedge published on TradingView.com, February 26, 2021 16:02:08 IST
NSE:ADANIENT, 15 833.65 ▼ -9.85 (-1.17%) O:834.65 H:834.80 L:827.35 C:833.85



Reversal Sell Zone Action

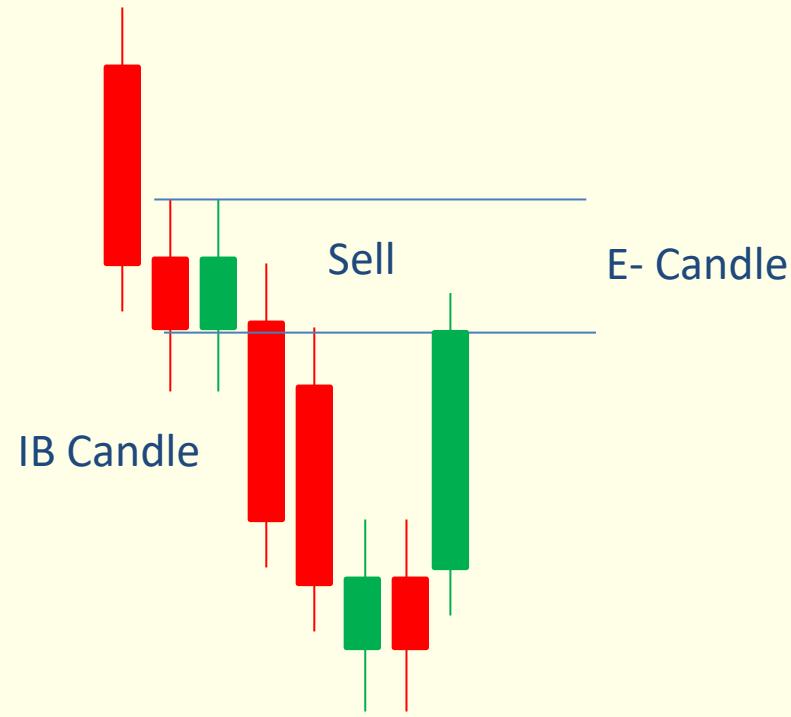


Reversal Sell Zone Action

Novice_Hedge published on TradingView.com, February 26, 2021 16:04:25 IST
NSE:ASHOKLEY, 15 128.85 ▼ -2.30 (-1.75%) O: 129.15 H: 129.30 L: 128.35 C: 128.50



Continuation Sell Zone Action



Continuation Sell Zone Action

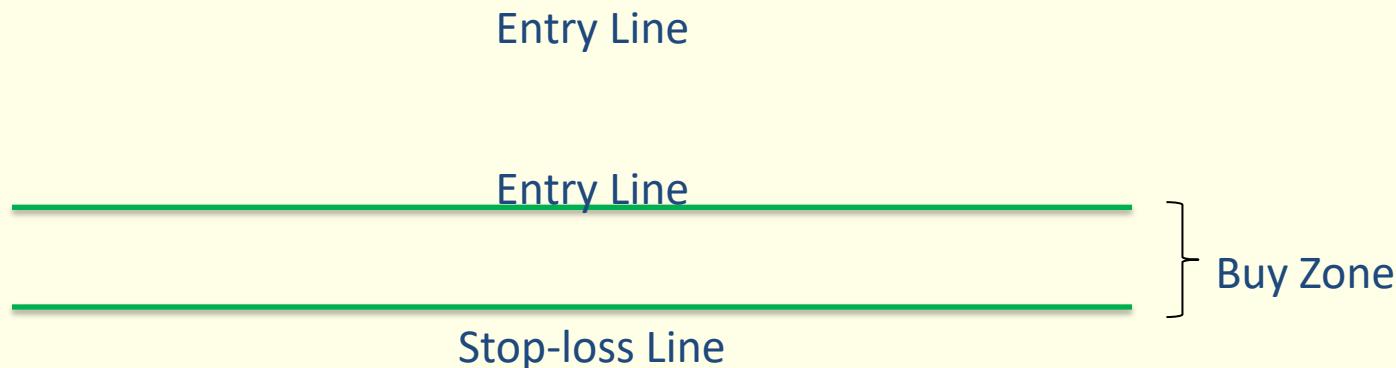
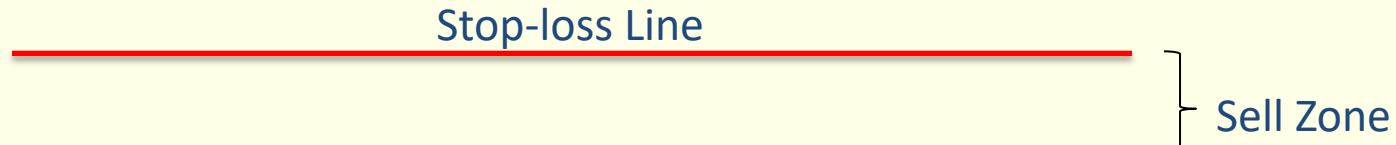
Novice_Hedge published on TradingView.com, February 26, 2021 16:09:24 IST
NSE:LUPIN, 3 1018.35 ▼ -6.25 (-0.61%) O:1010.60 H:1010.10 L:1013.95 C:1013.95



Zone Components

Entry Line – Closest line to the Current Market Price

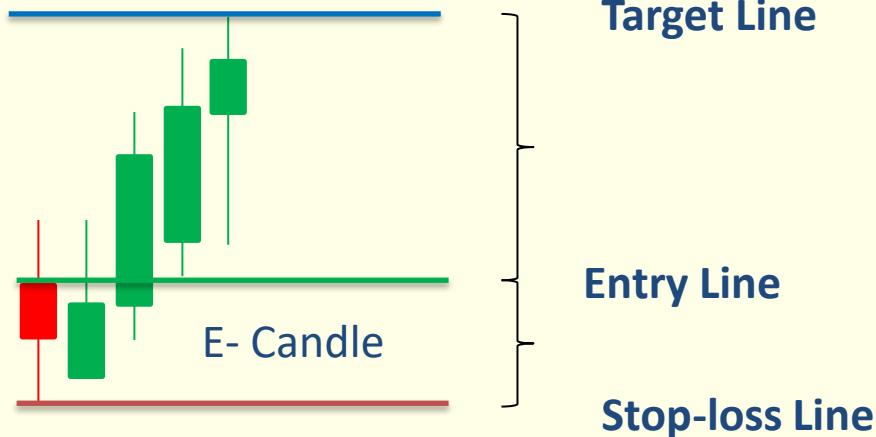
Stop-loss Line – Farthest line from the Current Market Price



Line Placement – Method 1

Entry Line – Closest line to the Current Market Price

Stop-loss Line – Farthest line from the Current Market Price

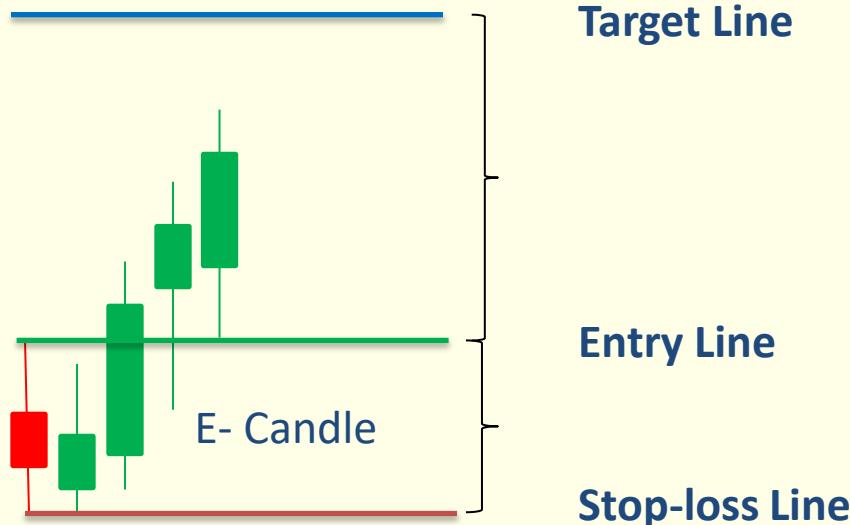


Method 1 - Body To Wick

Line Placement – Method 2

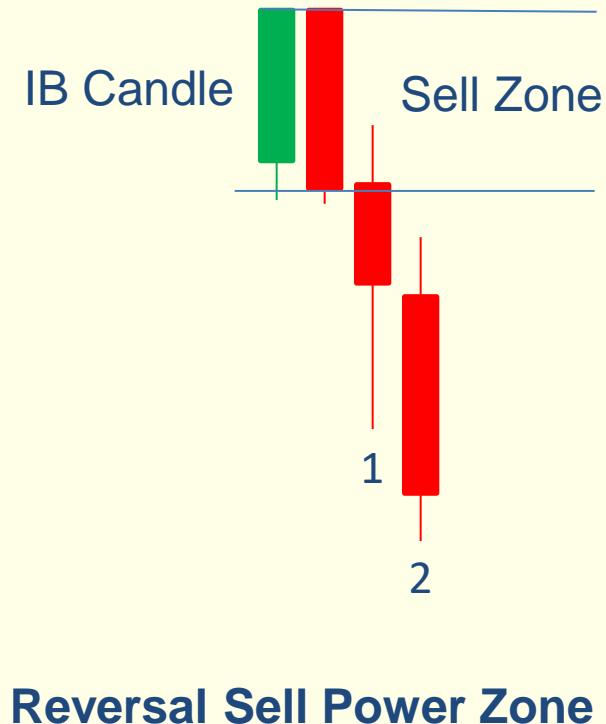
Entry Line – Closest line to the Current Market Price

Stop-loss Line – Farthest line from the Current Market Price



Method 2 - Wick To Wick

Power Zone Formation



Reversal Buy Power Zone



Condition 1:

IB Candle -> IB Candle

Condition 2:

Buy Zone :

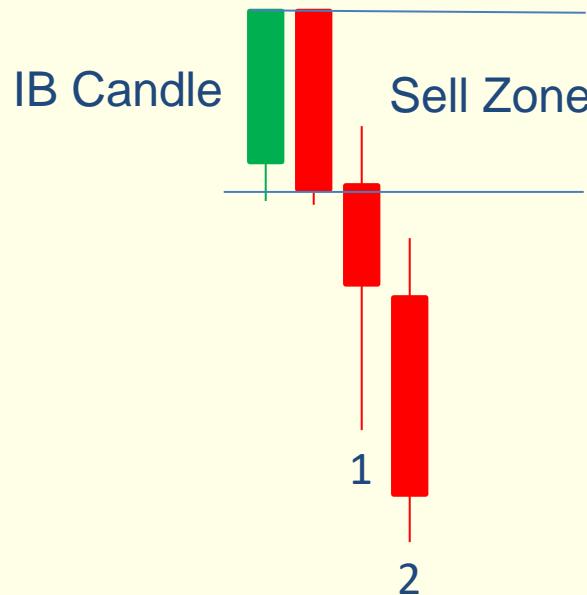
The two candles immediately following the IB Candle must each make a new High. They do not have to make a Higher close, just Higher high. It can be an E Candle or IB Candle

Reversal Buy Power Zone

Novice_Hedge published on TradingView.com, March 01, 2021 19:26:44 IST
NSE:BIOCON, 3 395.65 ▲ +5.45 (+1.4%) O:398.15 H:398.60 L:396.75 C:397.80



Reversal Sell Power Zone



Condition 1:

IB Candle -> IB Candle

Condition 2:

Sell Zone :

The two candles immediately following the IB Candle must each make a new Low. They do not have to make a lower close, just lower lows. It can be an E Candle or IB Candle.

Reversal Sell Power Zone

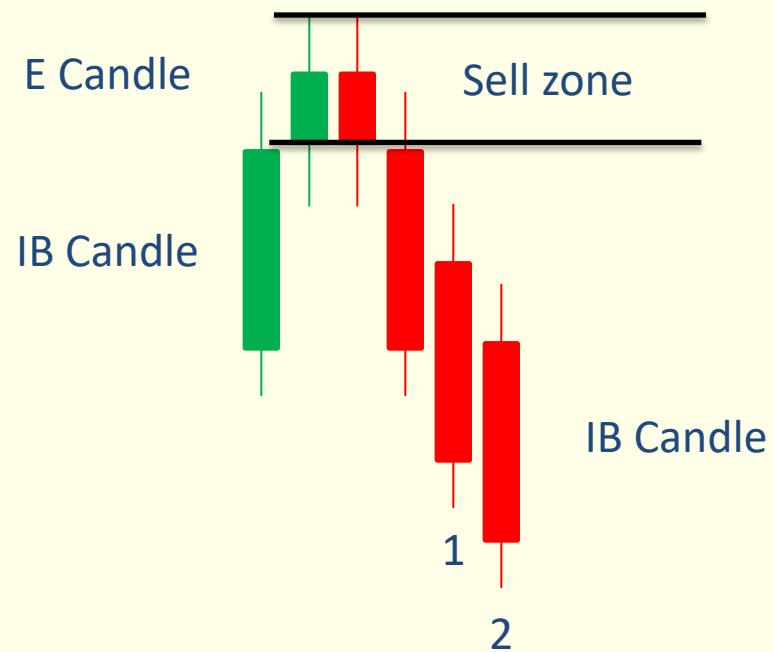
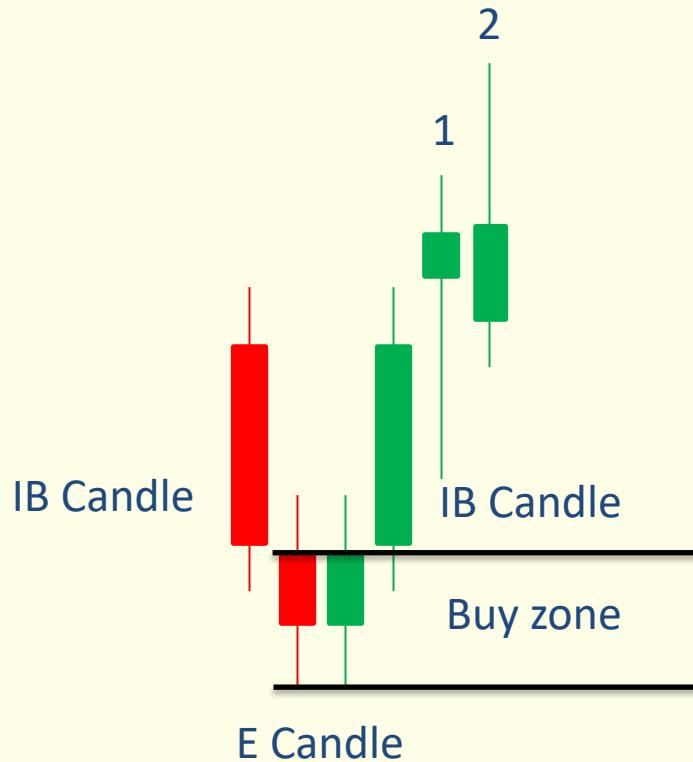
Novice_Hedge published on TradingView.com, March 01, 2021 19:22:27 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



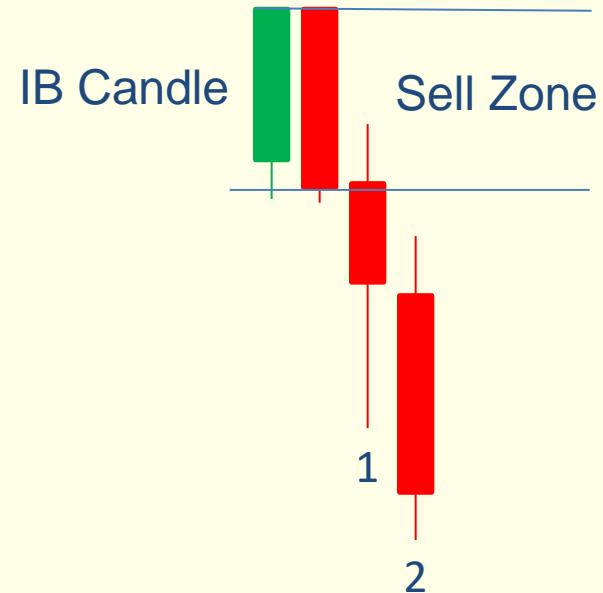
Time Frame

Purpose	Time Frame
Investment (Monthly & Yearly Income Trade)	Monthly, Weekly, Daily
Swing Trading (Weekly Income Trade)	15 M & 60M
Intraday Trading (Daily Income Trade)	5M or 15M
Scalping (Hourly Income Trade)	1M or 3M or 5M

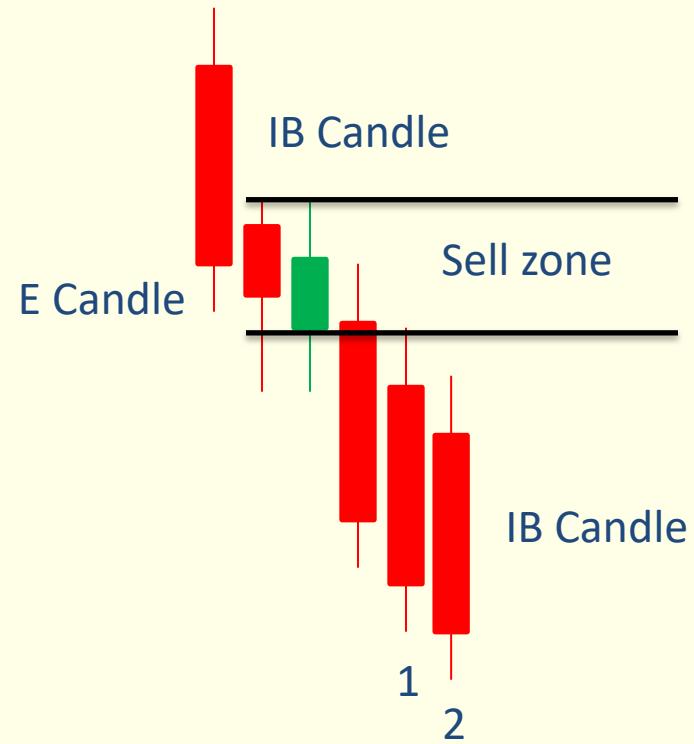
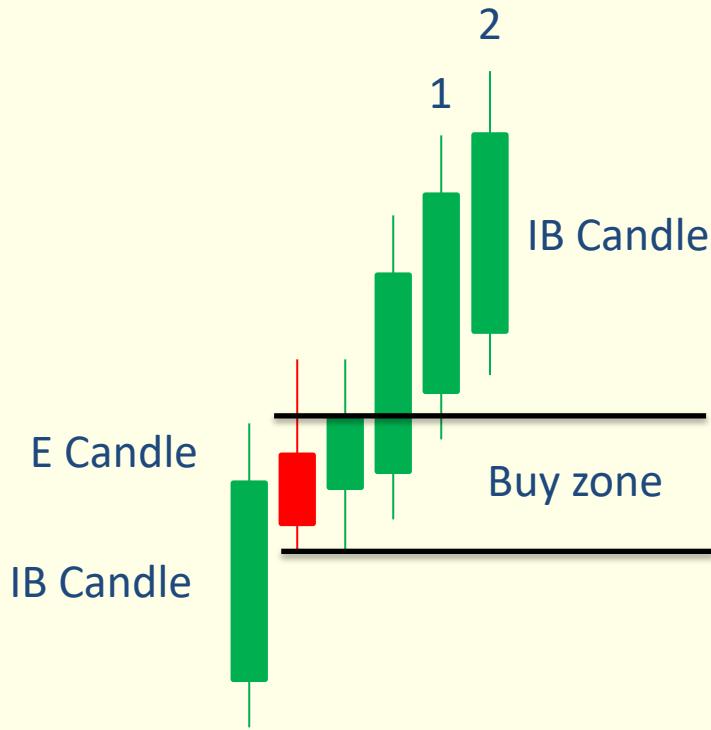
4 types of Reversal Zones



4 types of Reversal Zones



2 types of Continuation Zones



Reversal Buy Zone

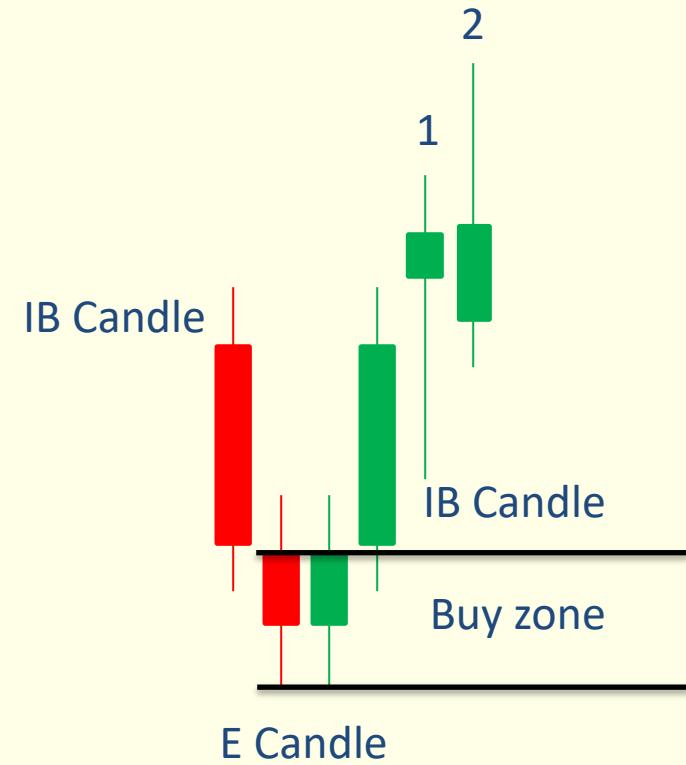
Condition 1:

IB Candle -> E Candle ->IB Candle

Condition 2:

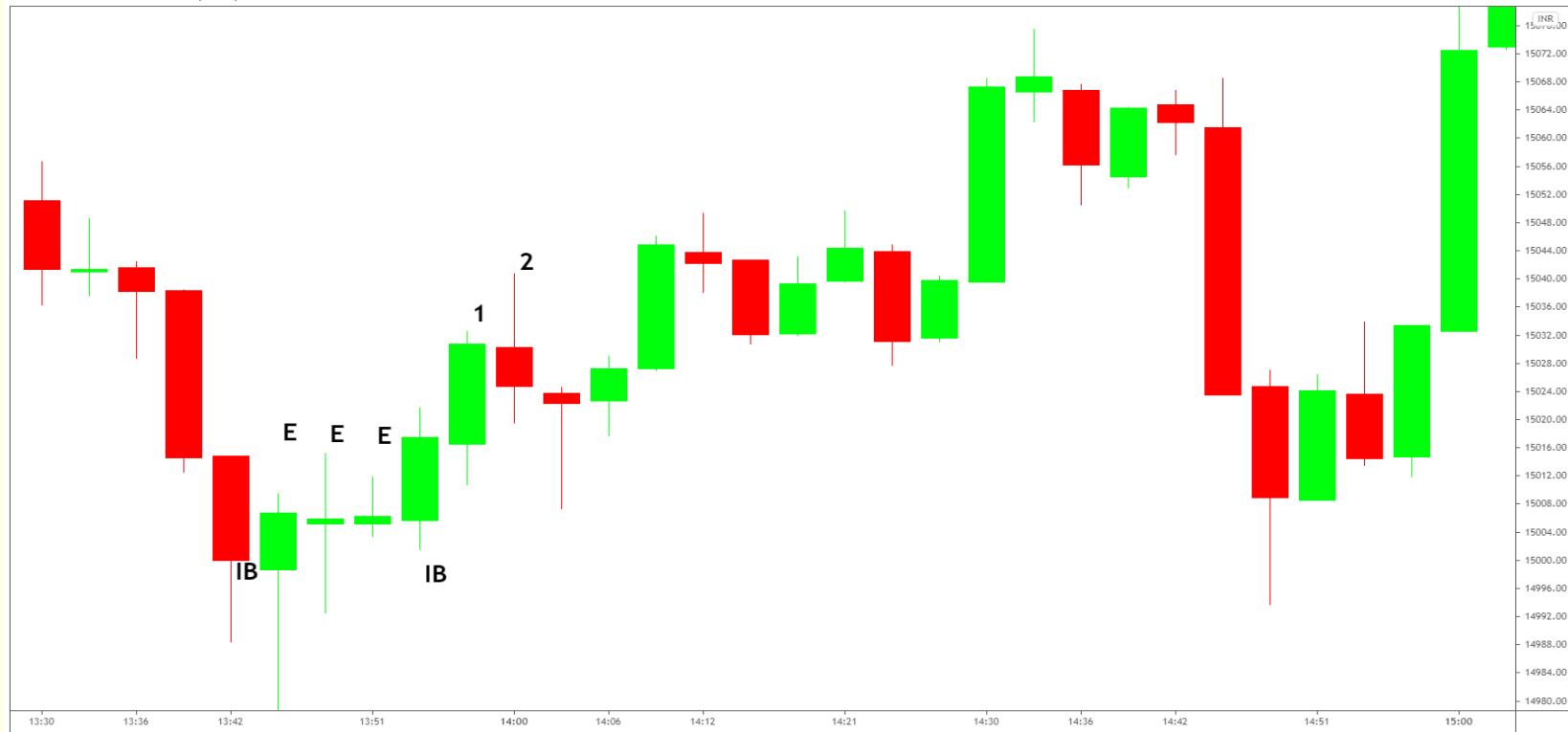
Buy Zone :

The two candles immediately following the IB Candle must each make a new High. They do not have to make a Higher close, just Higher high. It can be an E Candle or IB Candle



Zone Marking – Reversal Buy Zone

Novice_Hedge published on TradingView.com, March 01, 2021 20:25:45 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Zone Marking – Reversal Buy Zone Method 1

Novice_Hedge published on TradingView.com, March 01, 2021 20:26:44 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Zone Marking - Reversal Buy Zone Method 2

Novice_Hedge published on TradingView.com, March 01, 2021 20:27:19 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Reversal Sell Zone

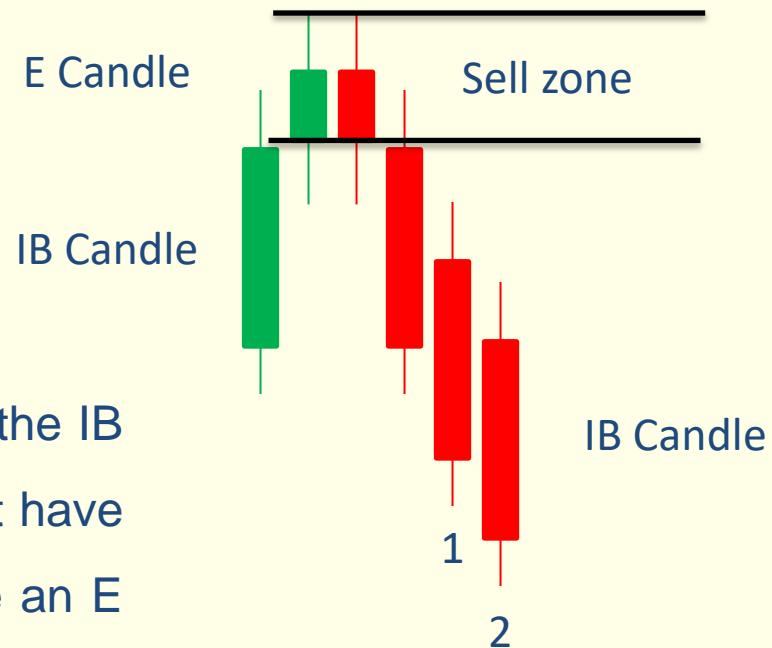
Condition 1:

IB Candle -> E Candle ->IB Candle

Condition 2:

Sell Zone :

The two candles immediately following the IB Candle must each make a new Low. They do not have to make a lower close, just lower lows. It can be an E Candle or IB Candle.



Zone Marking – Reversal Sell Zone

Novice_Hedge published on TradingView.com, March 01, 2021 20:11:45 IST
NSE:NIFTY, 15 14761.55 ▲ +232.40 (+1.6%) O:14761.25 H:14789.10 L:14759.00 C:14784.15



Zone Marking – Reversal Sell Zone Method 1

Novice_Hedge published on TradingView.com, March 01, 2021 20:07:54 IST
NSE:NIFTY, 15 14761.55 ▲ +232.40 (+1.6%) O:14761.25 H:14783.10 L:14759.00 C:14784.15



Zone Marking - Reversal Sell Zone Method 2

Novice_Hedge published on TradingView.com, March 01, 2021 20:10:57 IST
NSE:NIFTY, 15 14761.55 ▲ +232.40 (+1.6%) O:14761.25 H:14789.10 L:14759.00 C:14784.15



Continuation Buy Zone

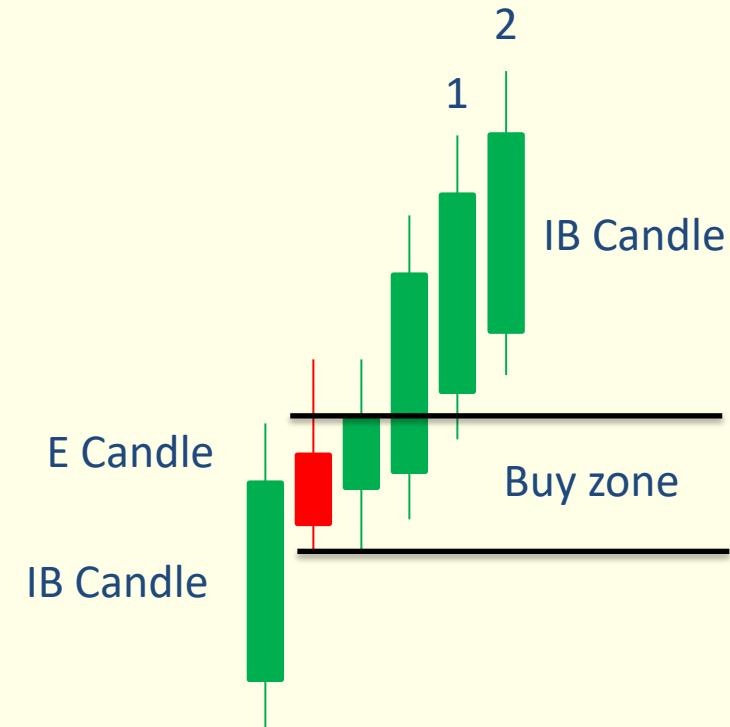
Condition 1:

IB Candle -> E Candle ->IB Candle

Condition 2:

Buy Zone :

The two candles immediately following the IB Candle must each make a new High. They do not have to make a Higher close, just Higher high. It can be an E Candle or IB Candle



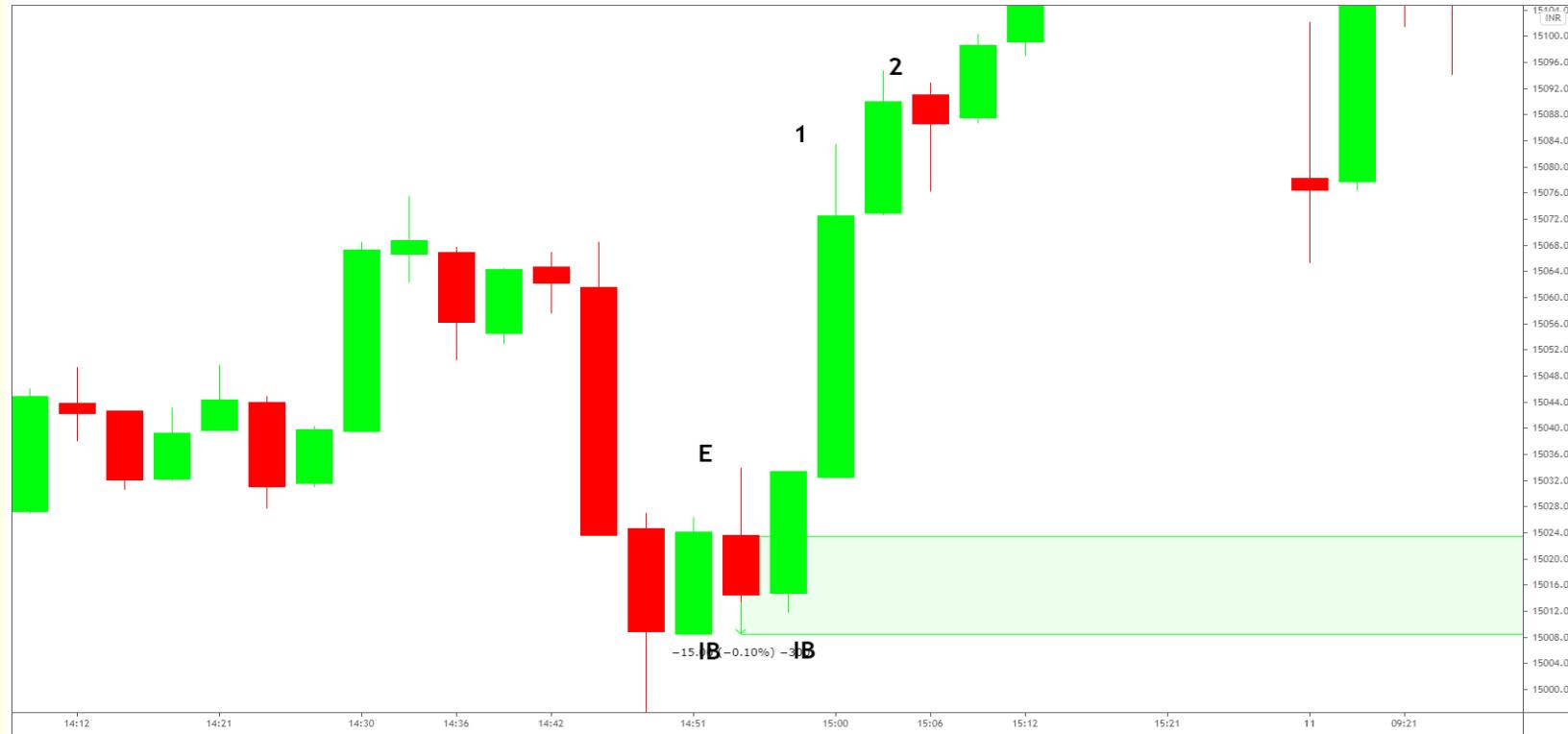
Zone Marking – Continuation Buy Zone

Novice_Hedge published on TradingView.com, March 01, 2021 20:37:23 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



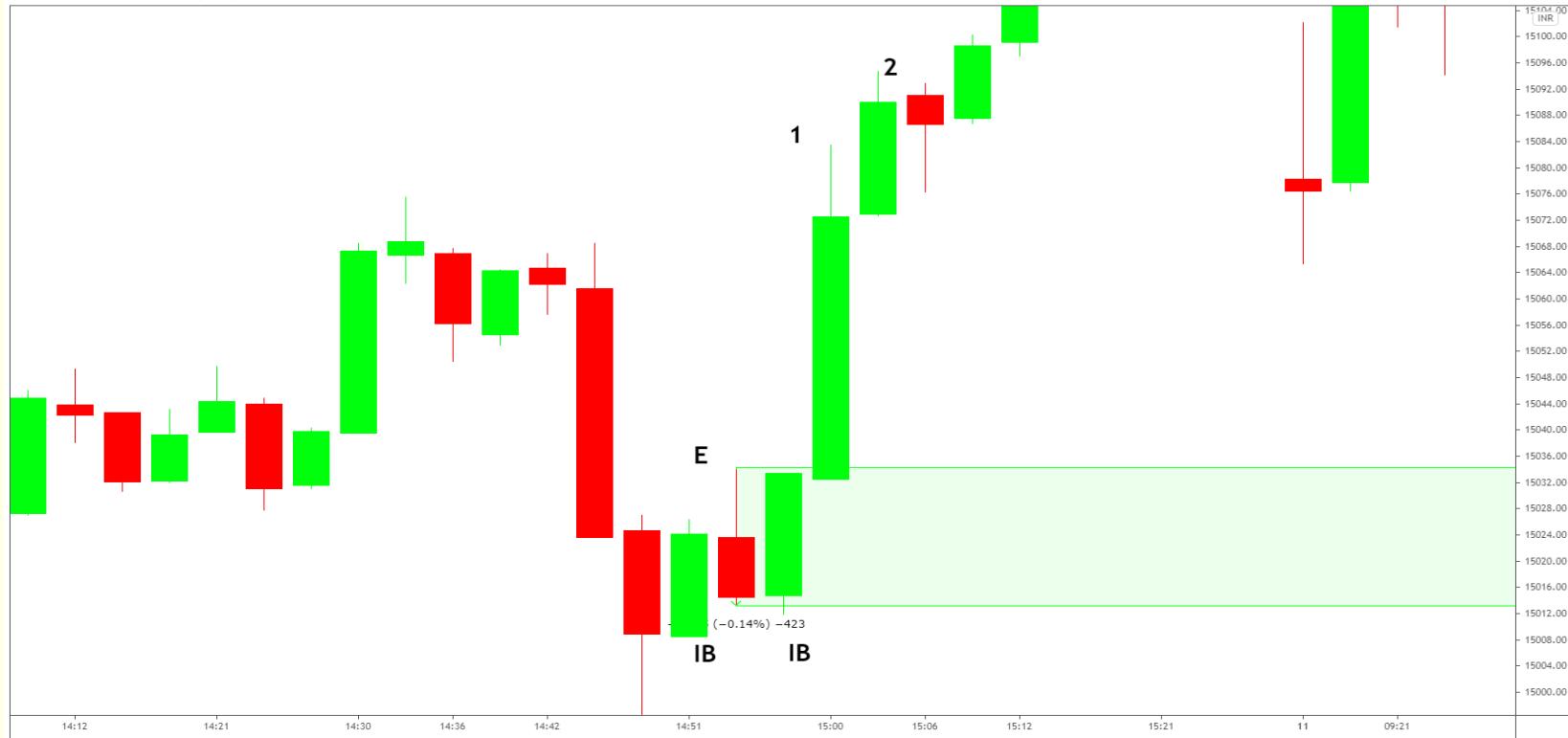
Zone Marking – Continuation Buy Zone Method 1

Novice_Hedge published on TradingView.com, March 01, 2021 20:38:48 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Zone Marking - Continuation Buy Zone Method 2

Novice_Hedge published on TradingView.com, March 01, 2021 20:39:43 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Continuation Sell Zone

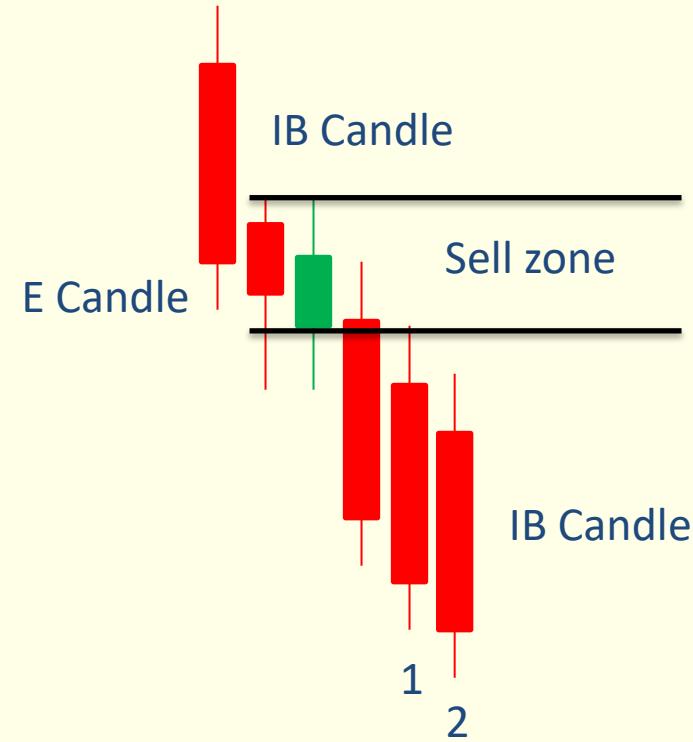
Condition 1:

IB Candle -> E Candle ->IB Candle

Condition 2:

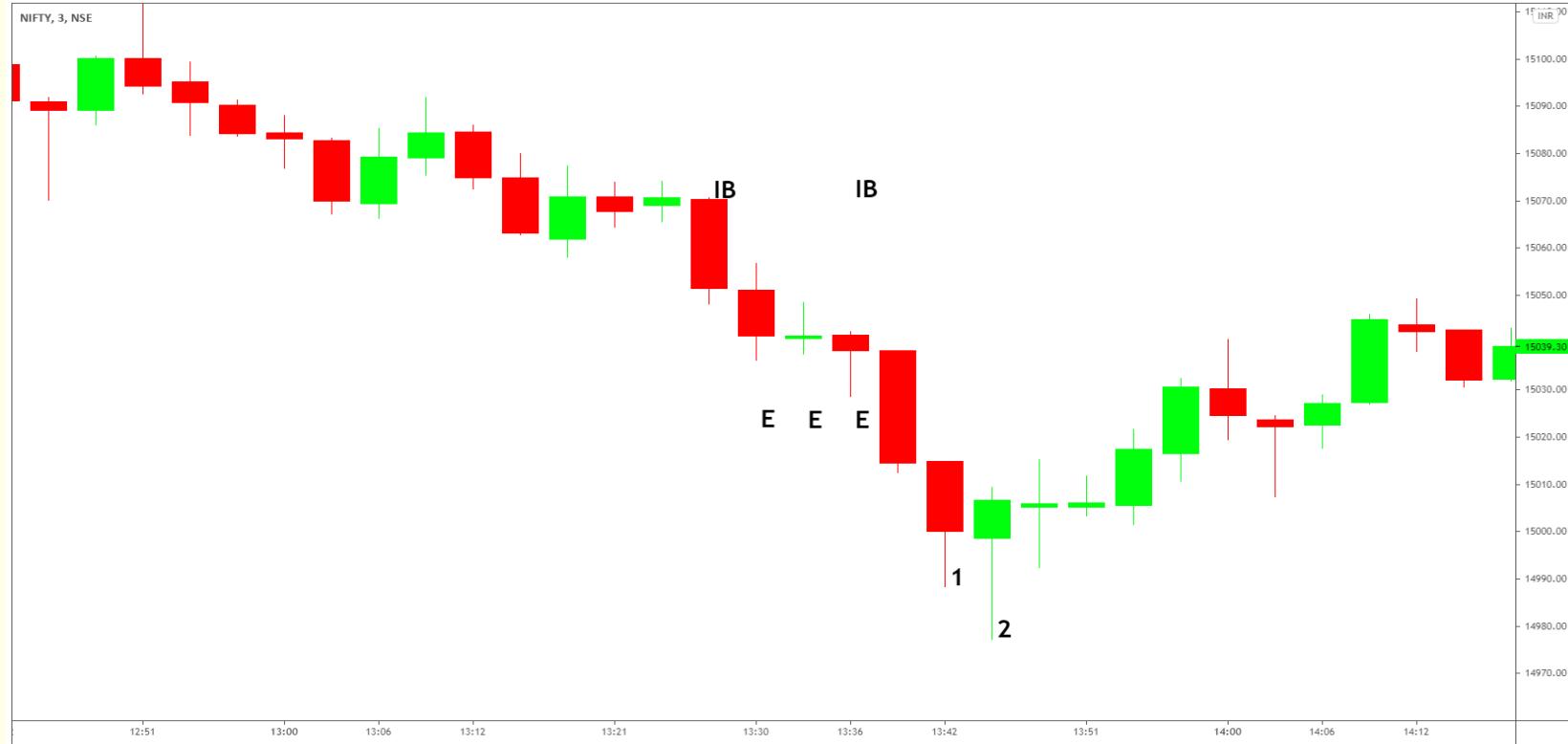
Sell Zone :

The two candles immediately following the IB Candle must each make a new Low. They do not have to make a lower close, just lower lows. It can be an E Candle or IB Candle.



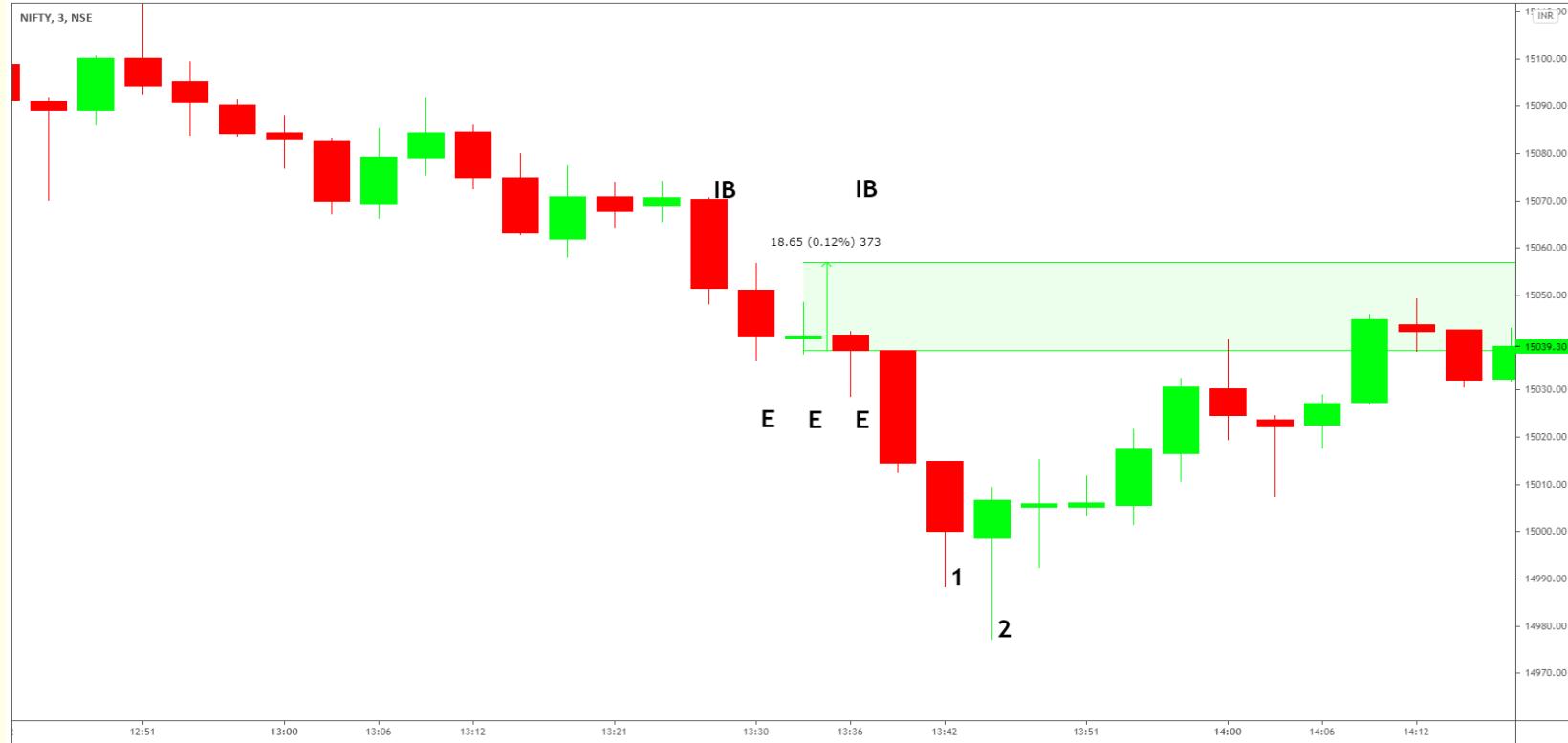
Zone Marking – Continuation Sell Zone

Novice_Hedge published on TradingView.com, March 01, 2021 20:45:38 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



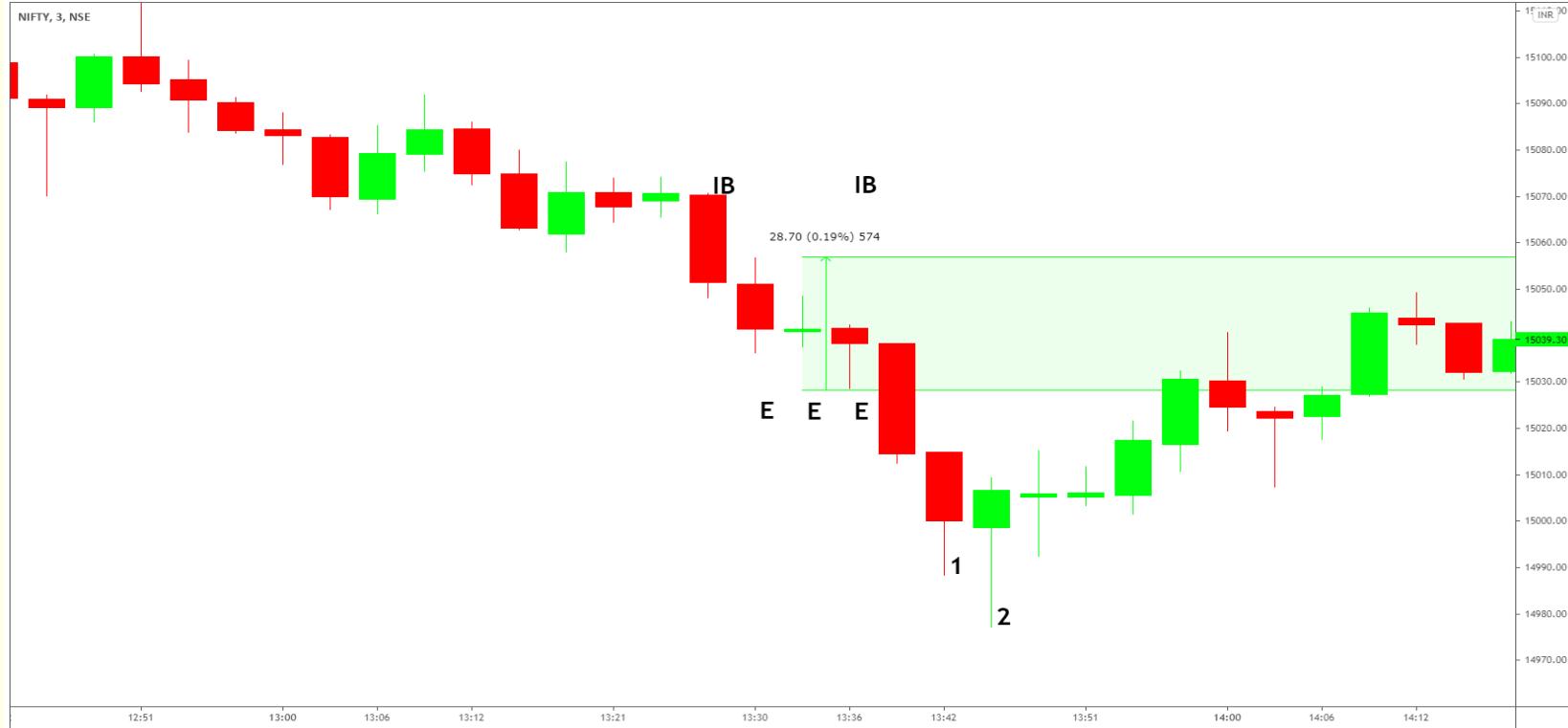
Zone Marking – Continuation Sell Zone Method 1

Novice_Hedge published on TradingView.com, March 01, 2021 20:44:03 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Zone Marking - Continuation Sell Zone Method 2

Novice_Hedge published on TradingView.com, March 01, 2021 20:44:55 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Reversal Buy Power Zone



Condition 1:

IB Candle -> IB Candle

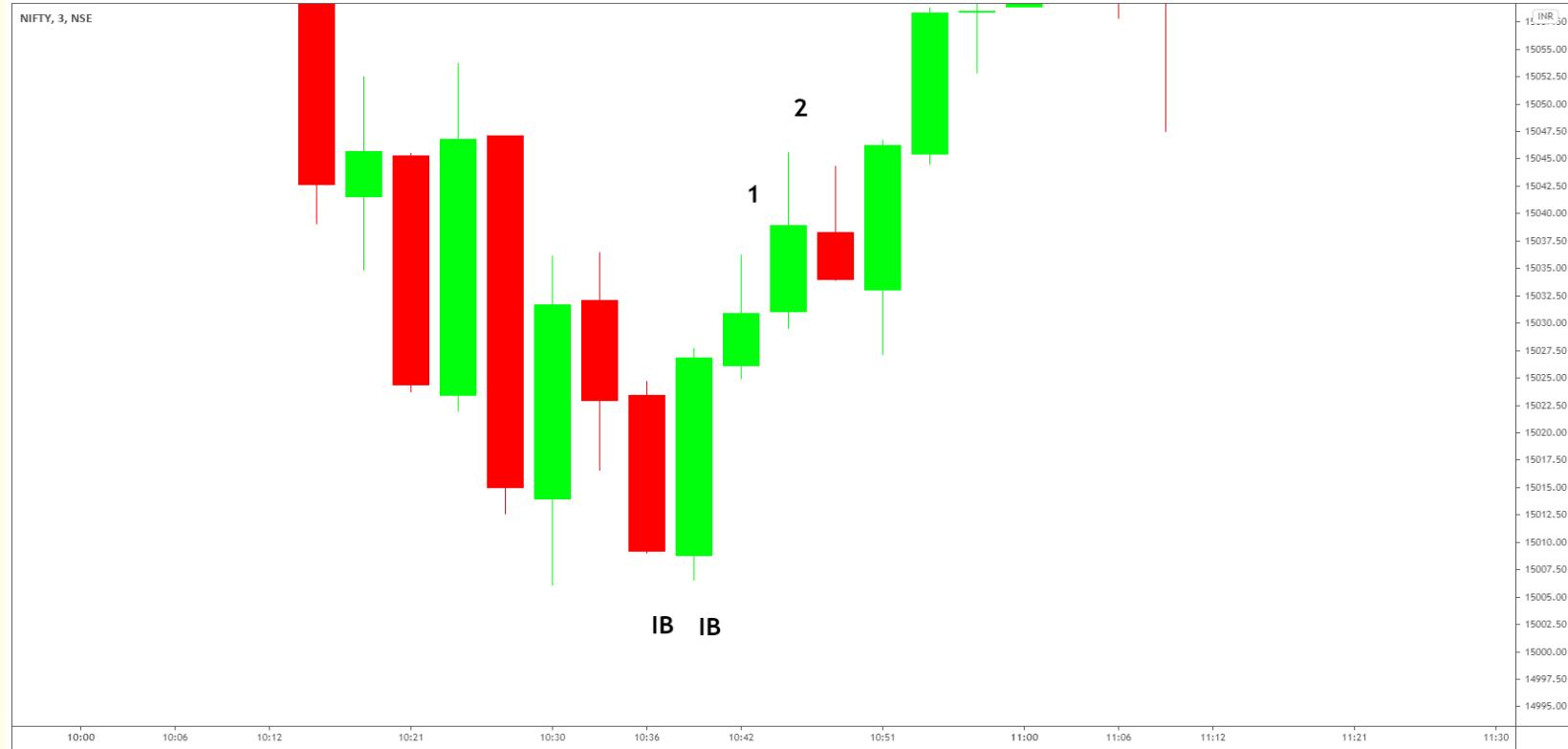
Condition 2:

Buy Zone :

The two candles immediately following the IB Candle must each make a new High. They do not have to make a Higher close, just Higher high. It can be an E Candle or IB Candle

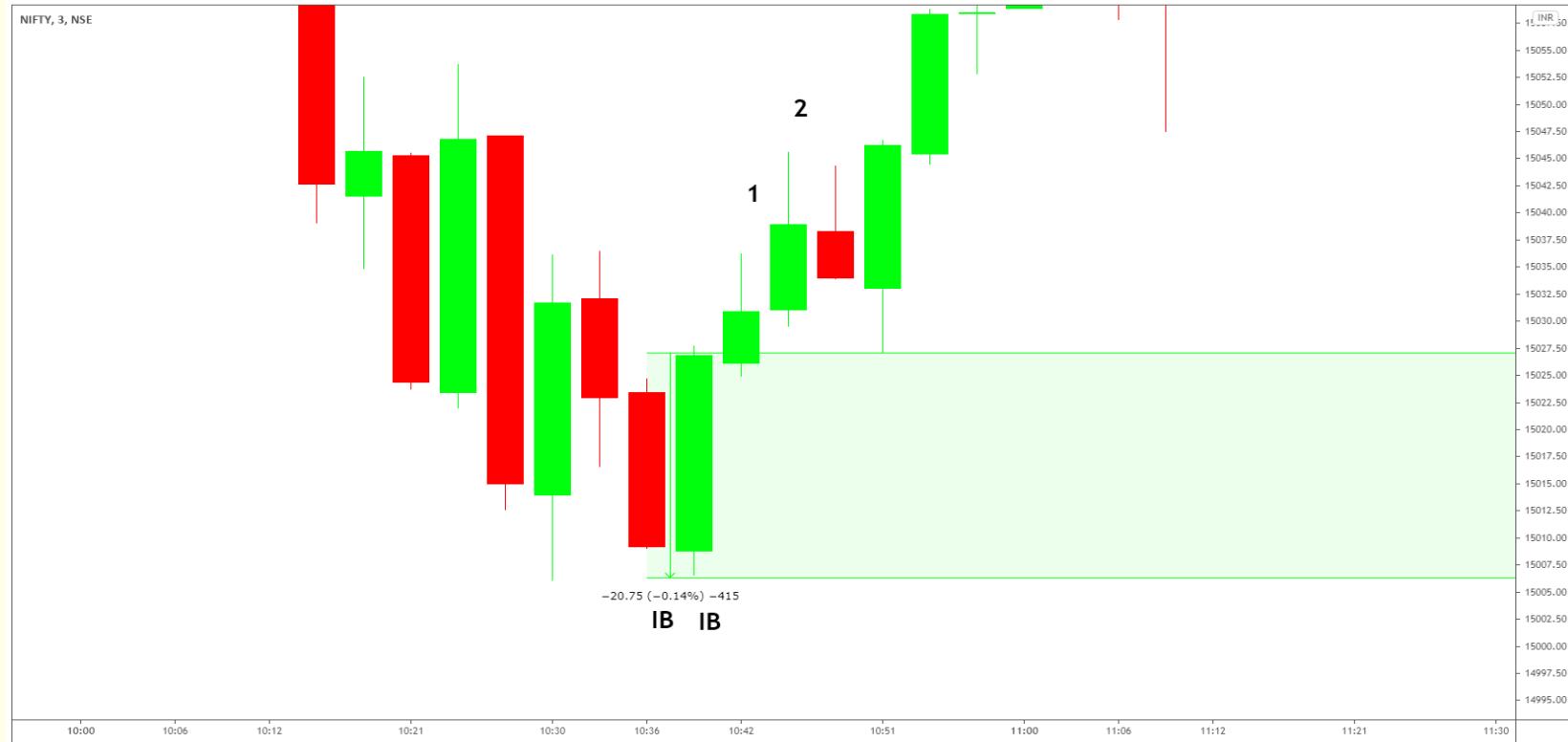
Zone Marking – Reversal Buy Power Zone

Novice_Hedge published on TradingView.com, March 01, 2021 20:49:19 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Zone Marking – Reversal Buy Power Zone

Novice_Hedge published on TradingView.com, March 01, 2021 20:50:13 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Reversal Sell Power Zone



Condition 1:

IB Candle -> IB Candle

Condition 2:

Sell Zone :

The two candles immediately following the IB Candle must each make a new Low. They do not have to make a lower close, just lower lows. It can be an E Candle or IB Candle.

Zone Marking – Reversal Sell Power Zone

Novice_Hedge published on TradingView.com, March 01, 2021 20:52:18 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Zone Marking – Reversal Sell Power Zone

Novice_Hedge published on TradingView.com, March 01, 2021 20:53:14 IST
NSE:NIFTY, 3 14761.55 ▲ +232.40 (+1.6%) O:14782.35 H:14789.10 L:14780.50 C:14784.15



Stock Screener – UP TREND

Stock selection parameters – UP TREND:

- FNO Stocks
- 15M Close \geq 15M 12EMA
15M 12EMA $>$ 15M 26EMA
- 1H Close \geq 1H 12EMA
1H 12EMA $>$ 1H 26EMA
- 2H Close \geq 2H 12EMA
2H 12EMA $>$ 2H 26EMA
- 1D Close \geq 1D 12EMA
1D 12EMA $>$ 1D 26EMA
- Daily Volume $>$ 1000000
- Daily Close $>$ 100

Stock Screener – DOWN TREND

Stock selection parameters – Down Trend:

- FNO Stocks
- 15M Close \leq 15M 12EMA
15M 12EMA $<$ 15M 26EMA
- 1H Close \leq 1H 12EMA
1H 12EMA $<$ 1H 26EMA
- 2H Close \leq 2H 12EMA
2H 12EMA $<$ 2H 26EMA
- 1D Close \leq 1D 12EMA
1D 12EMA $<$ 1D 26EMA
- Daily Volume $>$ 1000000
- Daily Close $>$ 100

Refining Time Frame

The zone plotted dose not support R:R. Then we can check for zone in Lower Time frame.

Eg: Zone plotted in 5 Min candle can be refined by 1 or 3 Min
Zone plotted in 3 Min candle can be refined by 1Min



5 Min Zone
(12 Tick)



3 Min Zone
(8 Tick)



1 Min Zone
(5 Tick)

Refining Time Frame

Novice_Hedge published on TradingView.com, May 25, 2020 16:17:15 IST
TVC:USOIL, 5 33.40 ▼ -0.17 (-0.5%) O:33.38 H:33.42 L:33.38 C:33.40



5 Min Zone

Refining Time Frame

Novice_Hedge published on TradingView.com, May 25, 2020 16:14:07 IST
TVC:USOIL, 3 33.40 ▼ -0.16 (-0.49%) O:33.45 H:33.45 L:33.39 C:33.40



TradingView

3 Min Zone

Refining Time Frame

Novice_Hedge published on TradingView.com, May 25, 2020 16:15:37 IST
TVC:USOIL, 1 33.41 ▼ -0.15 (-0.44%) O:33.38 H:33.42 L:33.38 C:33.41



TradingView

1 Min Zone

Pivot Confluence

Novice_Hedge published on TradingView.com, March 03, 2021 18:57:03 IST
NSE:DABUR, 3 518.10 ▲ +6.85 (+1.34%) O:518.10 H:520.00 L:517.75 C:519.50



MA Confluence

Novice_Hedge published on TradingView.com, March 03, 2021 19:01:12 IST
NSE:DABUR, 5 518.10 ▲ +6.85 (+1.34%) O:517.55 H:520.00 L:517.55 C:519.50



HTF Zone Confluence

Novice_Hedge published on TradingView.com, March 03, 2021 19:08:06 IST
NSE:GÖDREJCP, 60 699.40 ▲ +7.45 (+1.08%) O:699.80 H:700.10 L:698.35 C:699.00



HTF Zone Confluence

Novice_Hedge published on TradingView.com, March 03, 2021 19:08:48 IST
NSE:GÖDREJCP, 15 699.40 ▲ +7.45 (+1.08%) O:699.80 H:700.10 L:698.35 C:699.00



Types of Gaps

- Inside Gap (Reacts at Close)
- Outside Gap (Reacts at High or Low)
- Initiative Gap (Reversal Pattern)
- Responsive Gap (Continuous Pattern)

Inside Gap

Novice_Hedge published on TradingView.com, June 20, 2020 18:10:49 IST
NSE:KOTAKBANK, 15 1302.50 ▼ -0.85 (-0.07%) O:1239.65 H:1242.00 L:1238.65 C:1240.05



Outside Gap

Novice_Hedge published on TradingView.com, June 20, 2020 18:14:56 IST
NSE:KOTAKBANK, 15 1302.50 ▼ -0.85 (-0.07%) O:1401.60 H:1402.20 L:1394.45 C:1399.50



Initiative Gap

Novice_Hedge published on TradingView.com, June 20, 2020 18:19:20 IST
NSE:BANKNIFTY, 15 21338.10 ▲ +381.80 (+1.82%) O:20242.50 H:20298.45 L:20132.40 C:20208.85



Responsive Gap

Novice_Hedge published on TradingView.com, June 20, 2020 18:22:38 IST

NSE:BANKNIFTY, 15 21338.10 ▲ +381.80 (+1.82%) O:20242.50 H:20298.45 L:20132.40 C:20208.85



CPR Indicator

$$TC = (\text{Pivot} - \text{BC}) + \text{Pivot}$$



$$\text{Pivot} = (\text{High} + \text{Low} + \text{Close})/3$$



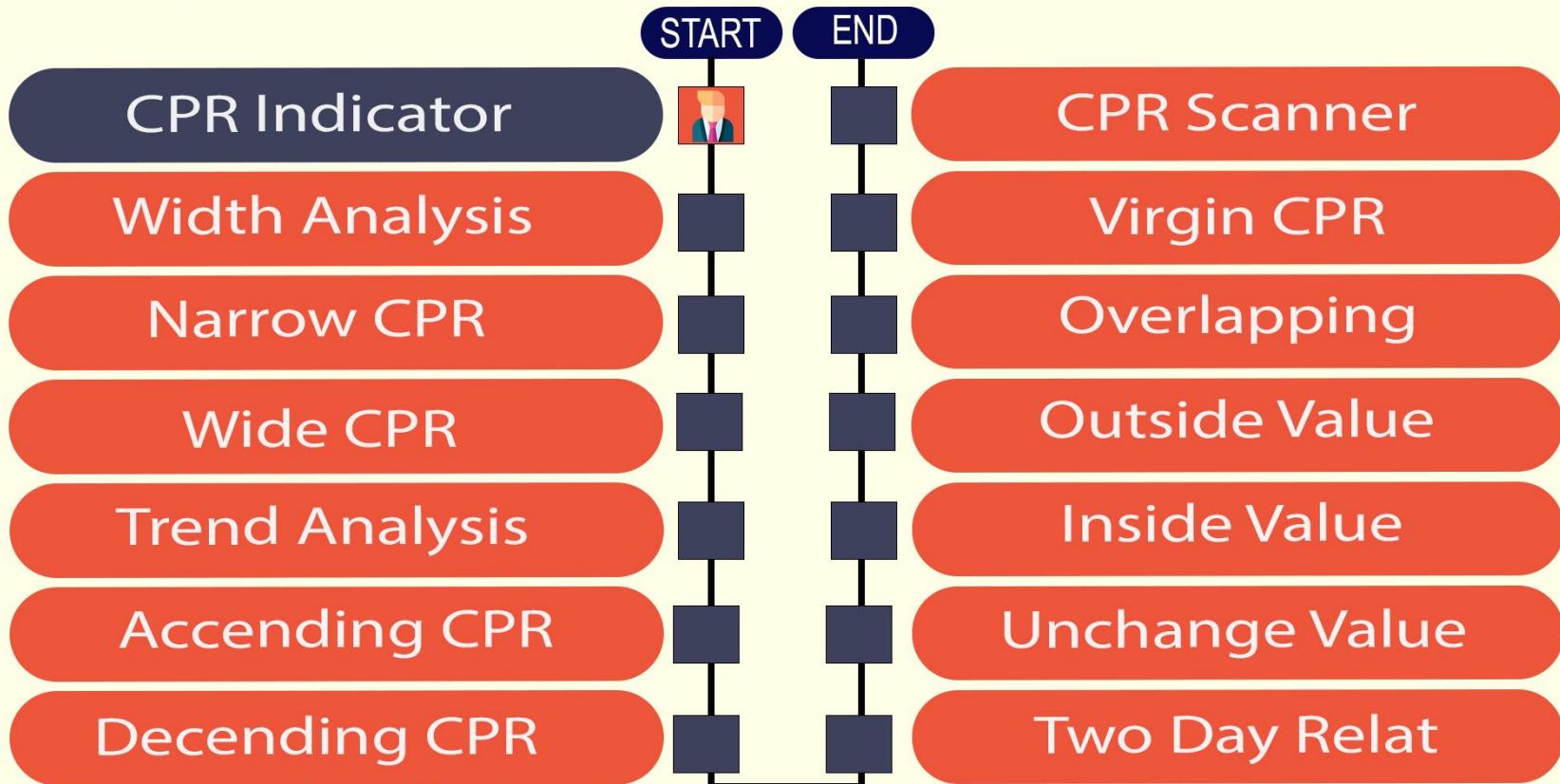
$$\text{BC} = (\text{High} + \text{Low})/2$$



Note :

- CPR indicator is an analysis tool and not designed for Trade entries.
- Kindly use it for odd enhancement.

CPR INDICATOR TUTORIAL



What is a Standard Floor Pivot ?

Standard Floor Pivots

$R3 = R1 + (\text{High} - \text{Low})$



$R2 = \text{Pivot} + (\text{High} - \text{Low})$



$R1 = 2 * \text{Pivot} - \text{Low}$



$\text{Pivot} = (\text{High} + \text{Low} + \text{Close})/3$



$S1 = 2 * \text{Pivot} - \text{High}$



$S2 = \text{Pivot} - (\text{High} - \text{Low})$



$S3 = S1 - (\text{High} - \text{Low})$



Standard Floor Pivots

VS

Expanded Floor Pivots

Expanded Floor Pivots

Standard Floor Pivots

+

$$R4 = R3 + (R2 - R1)$$



$$TC = (\text{Pivot} - BC) + \text{Pivot}$$



$$BC = (\text{High} + \text{Low})/2$$



$$S4 = S3 - (S1 - S2)$$



Expanded Floor Pivots

$R4 = R3 + (R2 - R1)$



$R3 = R1 + (\text{High} - \text{Low})$



$R2 = \text{Pivot} + (\text{High} - \text{Low})$



$R1 = 2 * \text{Pivot} - \text{Low}$



$TC = (\text{Pivot} - BC) + \text{Pivot}$



$\text{Pivot} = (\text{High} + \text{Low} + \text{Close})/3$



$BC = (\text{High} + \text{Low})/2$



$S1 = 2 * \text{Pivot} - \text{High}$



$S2 = \text{Pivot} - (\text{High} - \text{Low})$



$S3 = S1 - (\text{High} - \text{Low})$



$S4 = S3 - (S1 - S2)$



Central Pivot Range (CPR)

$$TC = (\text{Pivot} - BC) + \text{Pivot}$$



$$\text{Pivot} = (\text{High} + \text{Low} + \text{Close})/3$$



$$BC = (\text{High} + \text{Low})/2$$



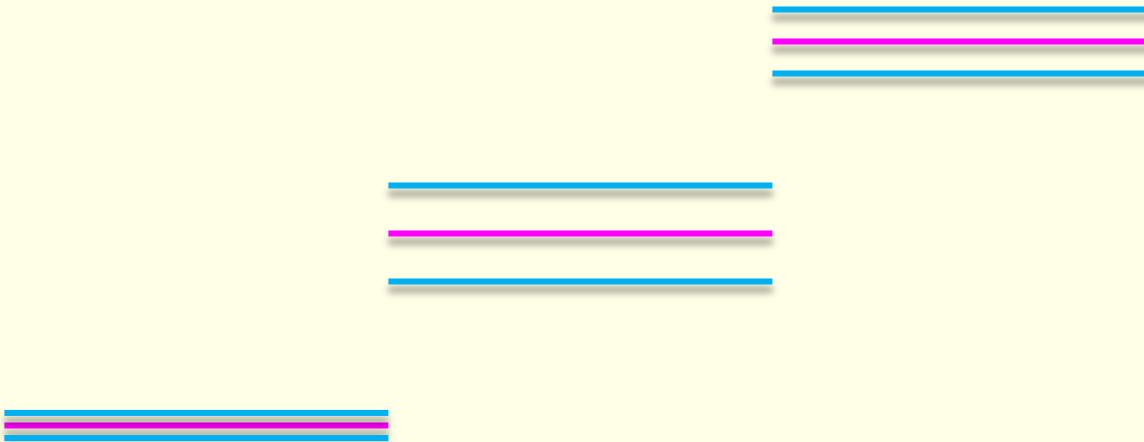
Secret characteristics of CPR:

- Trend Analysis
- CPR Width Forecasting
- Two days pivot range relationships

Trend Analysis

Trend Analysis	
Higher Value	Bullish (Up Trend)
Lower Value	Bearish (Down Trend)

UP Trend Analysis



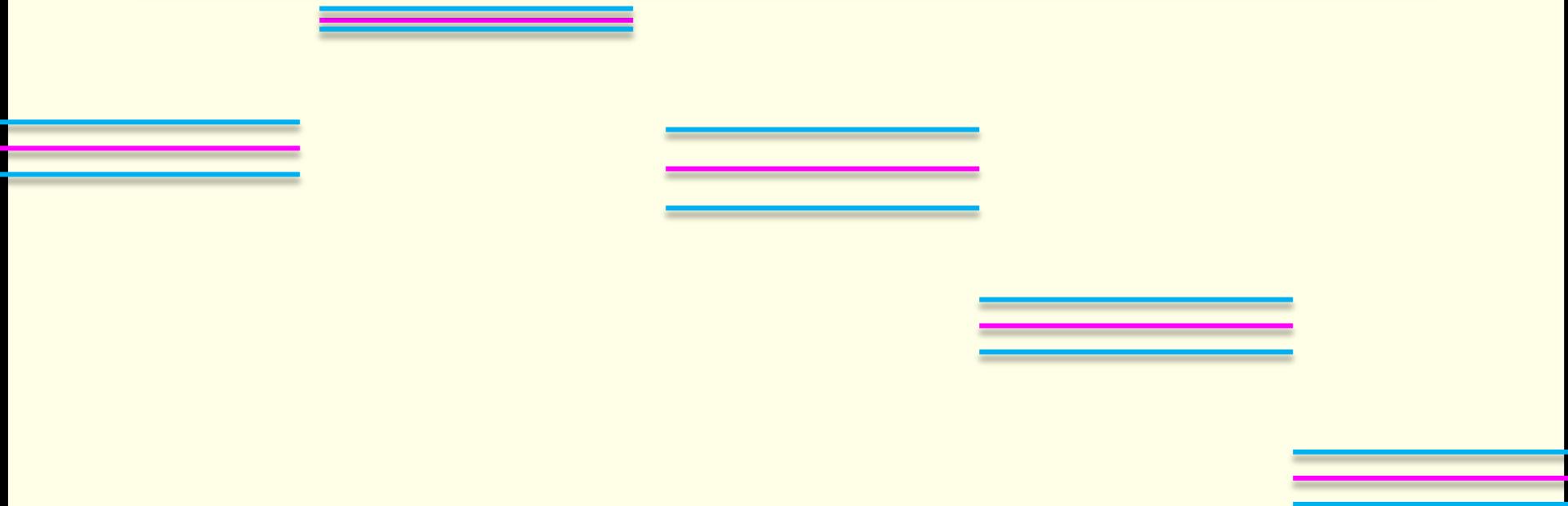
Step Up Ascending Pivot
Higher Value

Up Trend Analysis

Novice_Hedge published on TradingView.com, February 19, 2021 20:07:16 IST
NSE:ADANIPORTS, 15 653.50 ▼ -10.55 (-1.59%) O:656.25 H:658.00 L:652.75 C:655.00



Down Trend Analysis



Step Down Descending Pivot
Lower Value

Down Trend Analysis

Novice_Hedge published on TradingView.com, February 19, 2021 20:13:05 IST
NSE:ASIANPAINT, 15 2416.45 ▼ -54.30 (-2.2%) O: 2419.65 H: 2426.00 L: 2415.00 C: 2423.20



CPR Width Forecasting

CPR Width Forecasting	
Narrow CPR	Breakout
Wide CPR	Sideways

Narrow CPR

APOLLOTYRE - Narrow CPR

Novice_Hedge published on TradingView.com, February 19, 2021 16:26:42 IST
NSE:APOLLOTYRE, 5 238.55 ▲ +2.50 (+1.06%) O:239.85 H:240.20 L:239.50 C:240.00



HDFCBANK– Narrow CPR

Novice_Hedge published on TradingView.com, February 19, 2021 16:40:36 IST
NSE:HDFCBANK, 5 1539.10 ▼ -15.20 (-0.98%) O: 1538.70 H: 1543.90 L: 1538.70 C: 1543.90



Wide CPR

Amarajabat – Wide CPR

Novice_Hedge published on TradingView.com, February 19, 2021 20:20:29 IST
NSE:AMARAJABAT, S 877.55 ▼ -14.25 (-1.6%) O:877.20 H:877.25 L:875.60 C:877.15



Maruti – Wide CPR

Novice_Hedge published on TradingView.com, February 19, 2021 17:32:22 IST
NSE:MARUTI, 5 7323.00 ▼ -174.55 (-2.33%) O:7341.75 H:7351.00 L:7321.20 C:7332.50



What if “U” know this before

HINDALCO- Breakouts

Novice_Hedge published on TradingView.com, February 19, 2021 16:56:19 IST
NSE:HINDALCO, 5 308.00 ▼ -1.90 (-0.61%) O:310.15 H:311.60 L:308.00 C:309.00



NAUKRI- Breakouts

Novice_Hedge published on TradingView.com, February 19, 2021 17:19:57 IST
NSE:NAUKRI, S 5170.15 ▼ -136.75 (-2.58%) O:5170.50 H:5174.40 L:5130.15 C:5150.00



INFY- Breakouts

Novice_Hedge published on TradingView.com, February 19, 2021 16:46:08 IST
NSE:INFY, 5 1291.30 ▼ -1.15 (-0.09%) O:1291.55 H:1293.20 L:1290.30 C:1293.00



**Just 1 click to scan the script using
Chart ink**

Two-day Pivot Range Relationship

Two-Day Pivot Relationships	
Unchanged Value	Sideways
Inside Value	Breakout
Outside Value	Sideways
Overlapping Higher Value	Moderately Bullish
Overlapping Lower Value	Moderately Bearish

Unchanged Value

Unchanged Value (Sideways)



Yesterday's CPR



Today's CPR

Unchanged Value (Sideways)

Novice_Hedge published on TradingView.com, February 19, 2021 20:40:53 IST
NSE:BANDHANBNK, S: 337.25 ▼ -8.40 (-2.43%) O: 336.95 H: 338.00 L: 336.75 C: 338.00



TradingView

Yesterday's CPR

Today's CPR

Inside Value

Inside Value (Trending or Breakout)



Yesterday's CPR



Today's CPR

Inside Value (Trending or Breakout)

Novice_Hedge published on TradingView.com, February 19, 2021 20:27:53 IST
NSE:ASIANPAINT, S 2416.45 ▼ -54.30 (-2.2%) O: 2424.00 H: 2426.00 L: 2420.00 C: 2423.20

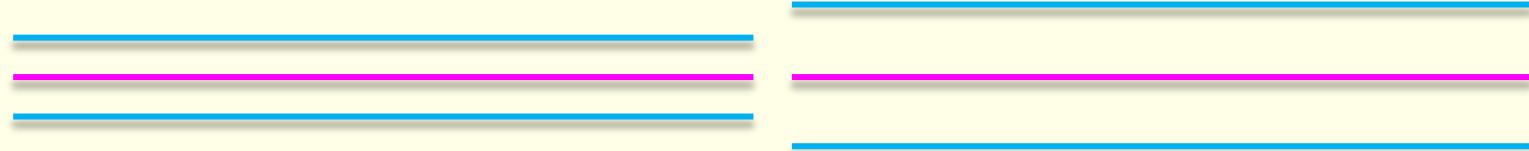


Yesterday's CPR

Today's CPR

Outside Value

Outside Value (Sideways)



Yesterday's CPR

Today's CPR

Outside Value (Sideways)

Novice_Hedge published on TradingView.com, February 19, 2021 20:44:37 IST
NSE:BEL 5 135.40 ▼ -6.15 (-4.34%) O:135.65 H:135.75 L:135.20 C:135.50



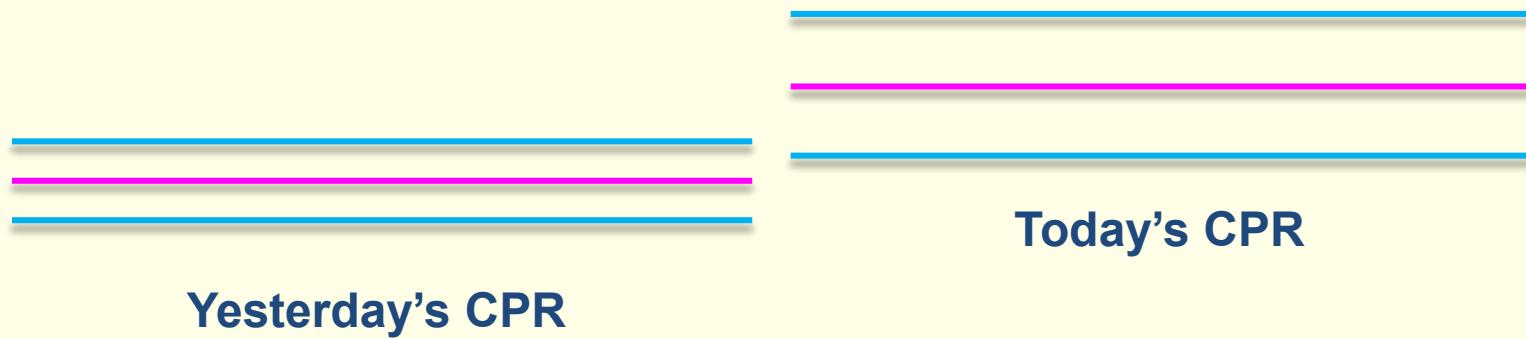
TradingView

Yesterday's CPR

Today's CPR

Overlapping Higher Value

Overlapping Higher Value



Overlapping Higher Value

Novice_Hedge published on TradingView.com, February 19, 2021 20:47:52 IST
NSE:BEL S 135.40 ▼ -6.15 (-4.34%) O:135.65 H:135.75 L:135.20 C:135.50



TradingView

Yesterday's CPR

Today's CPR

Overlapping Lower Value

Overlapping Lower Value



Yesterday's CPR



Today's CPR

Overlapping Lower Value

Novice_Hedge published on TradingView.com, February 19, 2021 20:50:52 IST
NSE:DLF 5 300.60 ▼ -5.65 (-1.84%) O:300.70 H:300.95 L:300.05 C:300.40



Yesterday's CPR

Today's CPR

Camarilla Levels

CAMARILLA TUTORIAL



Camarilla Strategy

- * Defined Entry
- * Defined Stop Loss
- * Defined Target
- * Beginners only.

Standard Camarilla Levels

H4 =Close + Range*1.1/2	
H3 =Close + Range*1.1/4	
H2 =Close + Range*1.1/6	
H1 =Close + Range*1.1/12	
L1 =Close - Range*1.1/12	
L2 =Close - Range*1.1/6	
L3 =Close - Range*1.1/4	
L4 =Close - Range*1.1/2	

Expanded Camarilla Levels

H5 = Close * (High/Low)	
H4 =Close + Range*1.1/2	
H3 =Close + Range*1.1/4	
H2 =Close + Range*1.1/6	
H1 =Close + Range*1.1/12	
L1 =Close - Range*1.1/12	
L2 =Close - Range*1.1/6	
L3 =Close - Range*1.1/4	
L4 =Close - Range*1.1/2	
L5 = Close – (H5 – Close)	

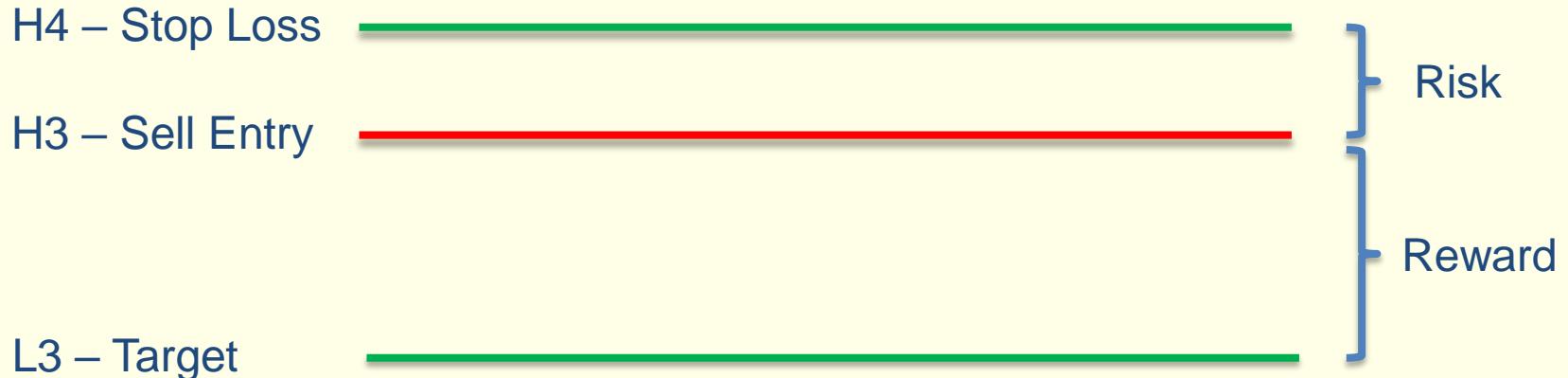
Expanded Camarilla Levels

H5 = Close * (High/Low)	
H4 =Close + Range*1.1/2	
H3 =Close + Range*1.1/4	
H2 =Close + Range*1.1/6	
H1 =Close + Range*1.1/12	
L1 =Close - Range*1.1/12	
L2 =Close - Range*1.1/6	
L3 =Close - Range*1.1/4	
L4 =Close - Range*1.1/2	
L5 = Close – (H5 – Close)	

Expanded Camarilla Levels

H5 – Breakout Target	
H4 – Bullish Breakout	
H3 - Reversal	
L3 – Reversal	
L4 – Bearish Breakout	
L5 – Breakout Target	

H3 Reversal Trade Setup



Risk Reward Ratio - 1 : 2

H3 Reversal Trade Setup

Novice_Hedge published on TradingView.com, February 20, 2021 20:46:01 IST
NSE:BATAINDIA, 5 1499.00 ▼ -16.45 (-1.09%) O:1524.50 H:1525.75 L:1522.10 C:1523.60



L3 Reversal Trade Setup

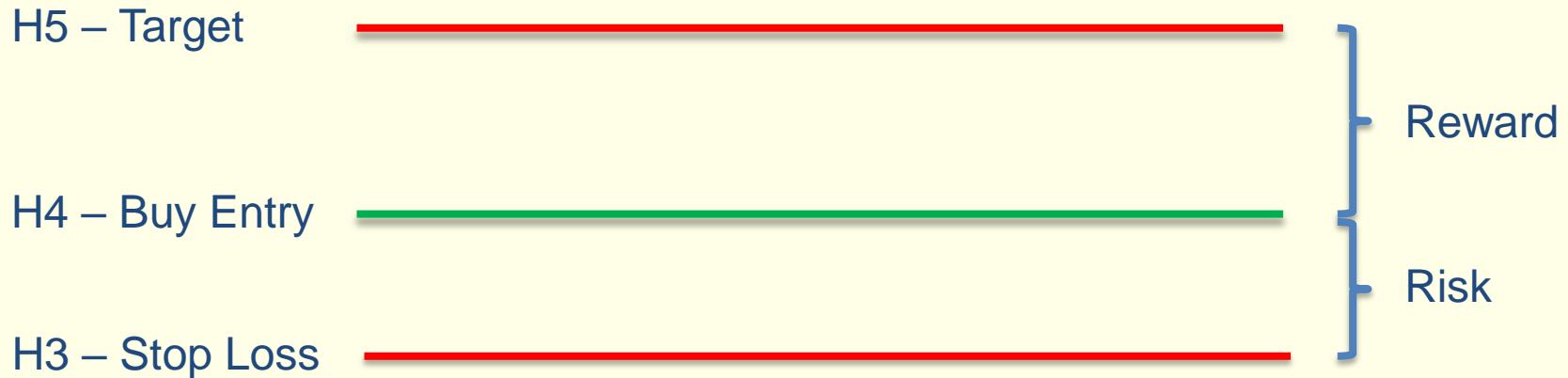


L3 Reversal Trade Setup

Novice_Hedge published on TradingView.com, February 20, 2021 20:43:31 IST
NSE:BPCL, 5 430.00 ▼ -2.20 (-0.51%) O:415.10 H:415.40 L:414.00 C:414.05



H4 Breakout Trade Setup



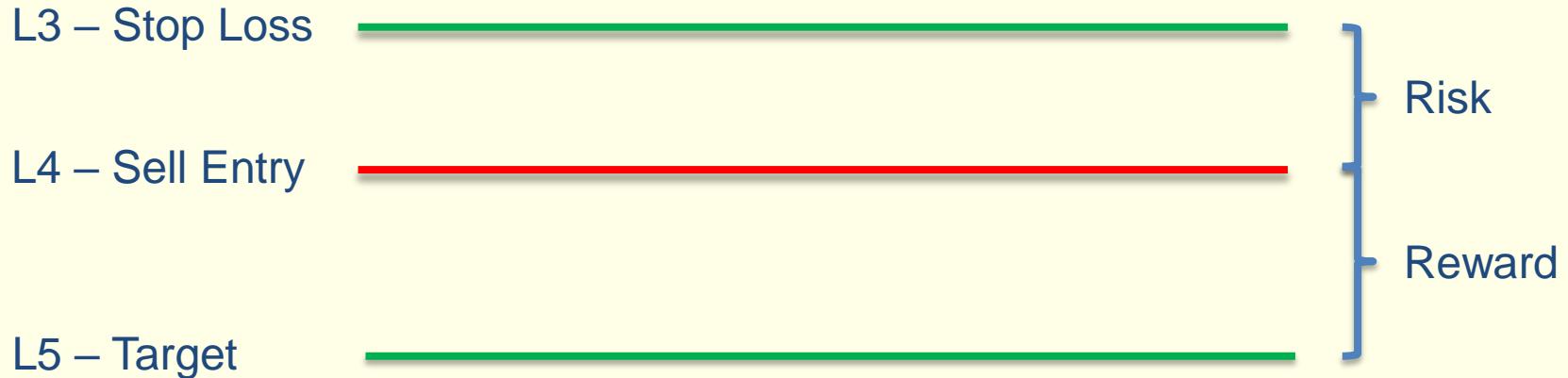
Risk Reward Ratio - 1 : 1.66

H4 Breakout Trade Setup

Novice_Hedge published on TradingView.com, February 20, 2021 20:47:25 IST
NSE:ADANIPORTS, 5 653.50 ▼ -10.55 (-1.59%) O:514.80 H:514.80 L:513.10 C:513.80



L4 Breakout Trade Setup



Risk Reward Ratio - 1 : 1.66

L4 Breakout Trade Setup

Novice_Hedge published on TradingView.com, February 20, 2021 20:49:34 IST
NSE:BALKRISIND, 5 1550.25 ▼ -26.95 (-1.71%) O:1578.00 H:1580.75 L:1572.40 C:1579.45



Narrow CPR

APOLLOTYRE - Narrow CPR

Novice_Hedge published on TradingView.com, February 19, 2021 16:26:42 IST
NSE:APOLLOTYRE, 5 238.55 ▲ +2.50 (+1.06%) O:239.85 H:240.20 L:239.50 C:240.00



HDFCBANK– Narrow CPR

Novice_Hedge published on TradingView.com, February 19, 2021 16:40:36 IST
NSE:HDFCBANK, 5 1539.10 ▼ -15.20 (-0.98%) O: 1538.70 H: 1543.90 L: 1538.70 C: 1543.90



Wide CPR

Amarajabat – Wide CPR

Novice_Hedge published on TradingView.com, February 19, 2021 20:20:29 IST
NSE:AMARAJABAT, S 877.55 ▼ -14.25 (-1.6%) O:877.20 H:877.25 L:875.60 C:877.15



Maruti – Wide CPR

Novice_Hedge published on TradingView.com, February 19, 2021 17:32:22 IST
NSE:MARUTI, 5 7323.00 ▼ -174.55 (-2.33%) O:7341.75 H:7351.00 L:7321.20 C:7332.50



CPR + Camarilla Trade Setup

CPR/CAMARILLA	H4 Breakout	L4 Breakout	H3 Reversal	L3 Reversal
Narrow Range CPR	High POP	High POP	Low POP	Low POP
Wide Range CPR	Low POP	Low POP	High POP	High POP

CPR + Camarilla Trade Setup

Novice_Hedge published on TradingView.com, February 20, 2021 19:31:46 IST
NSE:ADANIPORTS, 5 653.50 ▼ -10.55 (-1.59%) O:513.75 H:514.40 L:511.75 C:512.25



TradingView

H4 Breakout + Narrow CPR – High POP

CPR + Camarilla Trade Setup



L3 Breakout + Narrow CPR – High POP

CPR + Camarilla Trade Setup

Novice_Hedge published on TradingView.com, February 20, 2021 19:48:25 IST
NSE:BATAINDIA, 5 1499.00 ▼ -16.45 (-1.09%) O:1523.35 H:1525.00 L:1523.35 C:1524.05



H3 Reversal + Wide CPR – High POP

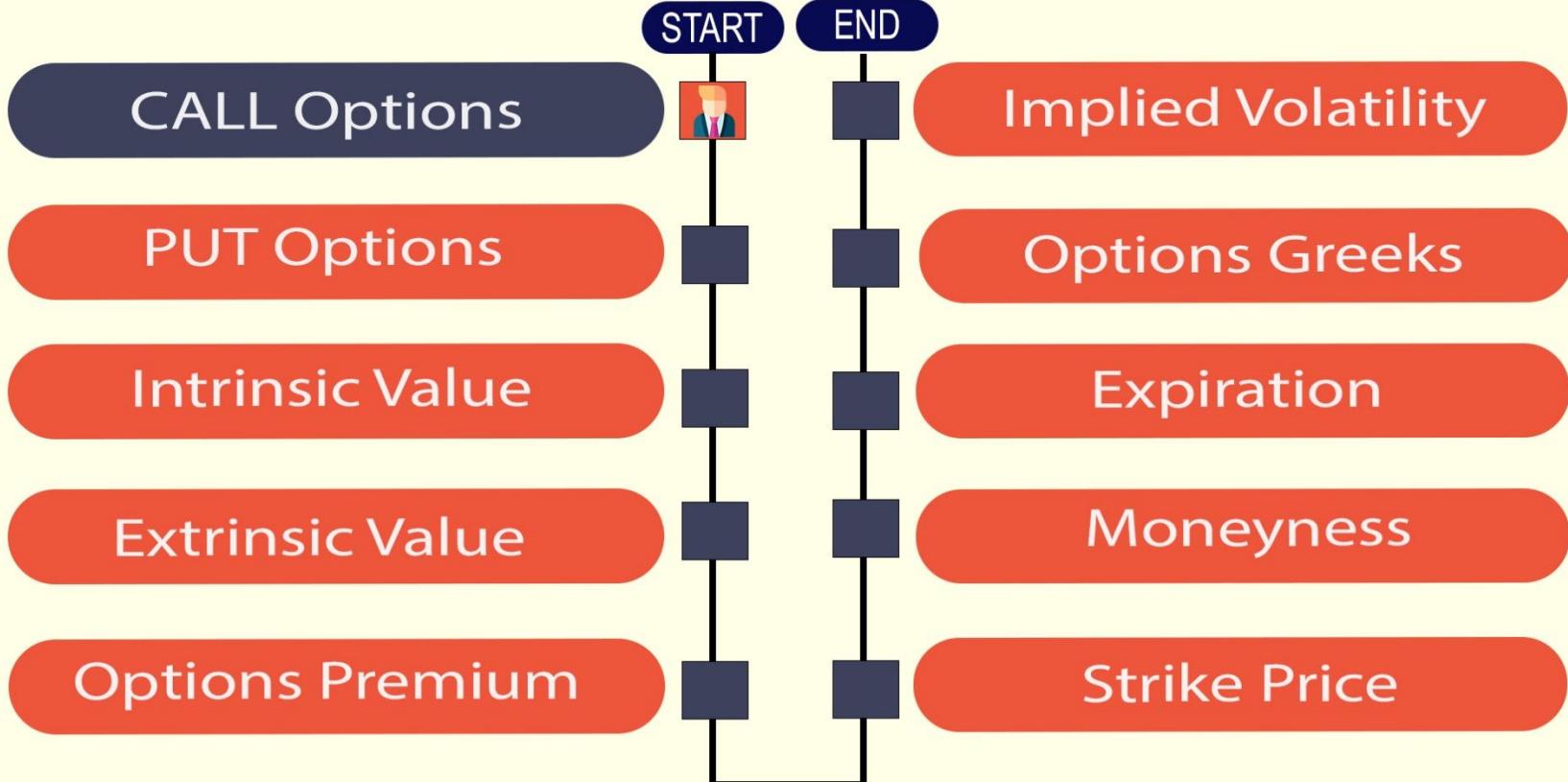
CPR + Camarilla Trade Setup



L3 Reversal + Wide CPR – High POP

OPTIONS BASICS

OPTIONS BASICS



BANK NIFTY Chart

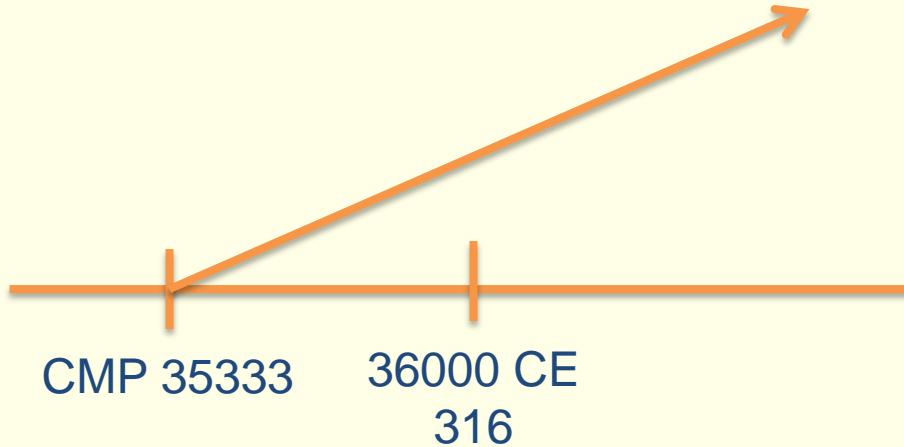
Novice_Hedge published on TradingView.com, March 06, 2021 17:26:46 IST

NSE:BANKNIFTY, 10 35228.15 ▼ -574.35 (-1.6%) O:35266.25 H:35334.70 L:35265.85 C:35333.80



CALL Options

Right to buy 25 shares of Bank Nifty at agreed Premium and agreed Strike Price



Stocks vs. CALL Options

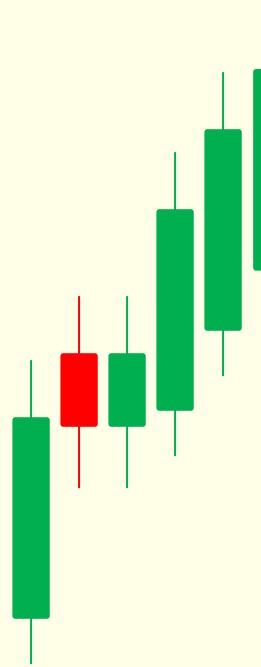
- Stocks – Unlimited Profitability + Unlimited Time
- Call Options – Unlimited Profitability + Limited Time (Expiry Date)

CALL Options Premium Reaction

Stock Price Movement

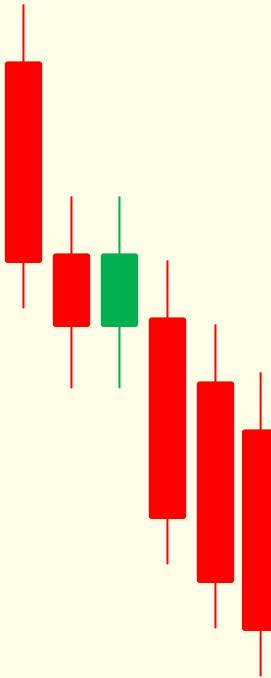


CALL Options Price Movement

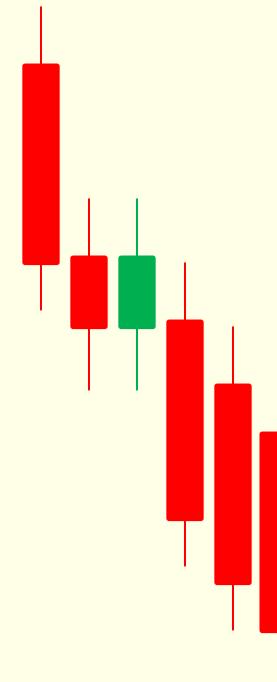


CALL Options Premium Reaction

Stock Price Movement



CALL Options Price Movement

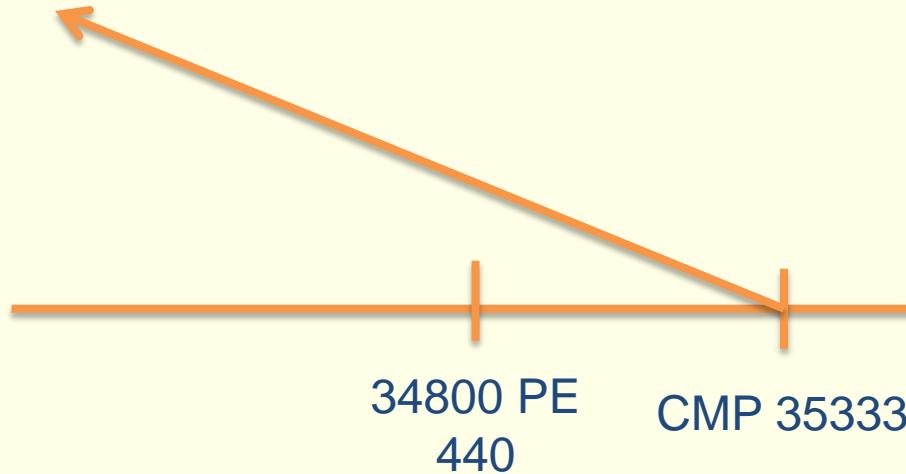


Profitability

CALL Options		
	BUY	SELL
Up Trend	Profit	Loss
Sideways	Loss	Profit
Down Trend	Loss	Profit

Put Options

Right to Sell 25 shares of Bank Nifty at agreed Premium and agreed Strike Price

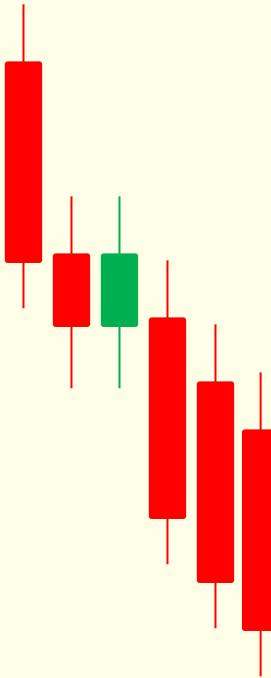


Stocks vs. PUT Options

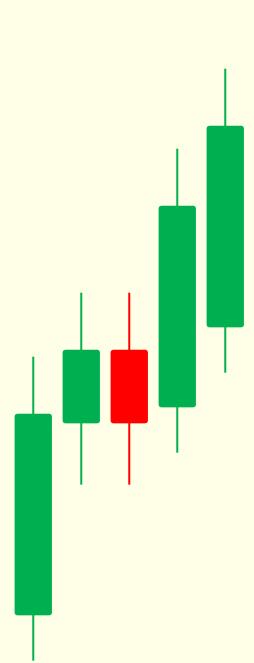
- Stock – Unlimited Profitability + Unlimited Time
- Put Option – Unlimited Profitability + Limited Time (Expiry Date)

PUT Options Premium Reaction

Stock Price Movement



PUT Options Price Movement

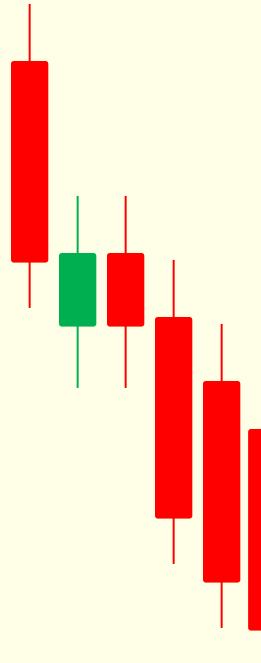


PUT Options Premium Reaction

Stock Price Movement

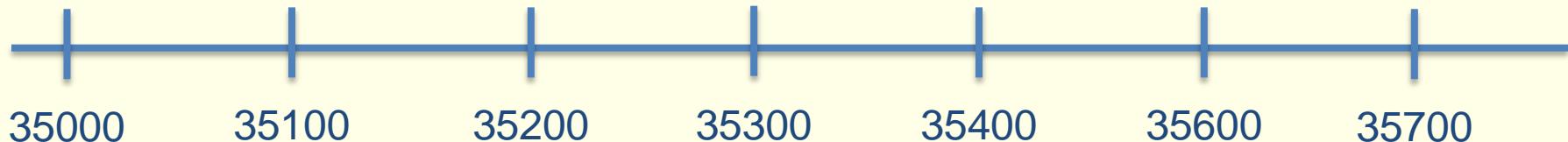


PUT Options Price Movement



Strike Price

CMP 35333

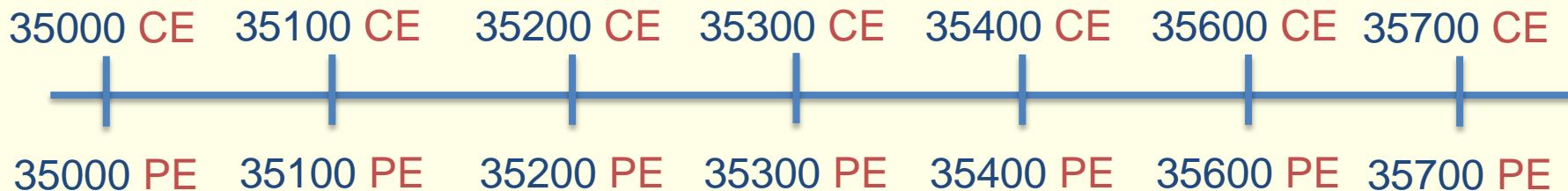


Key words:

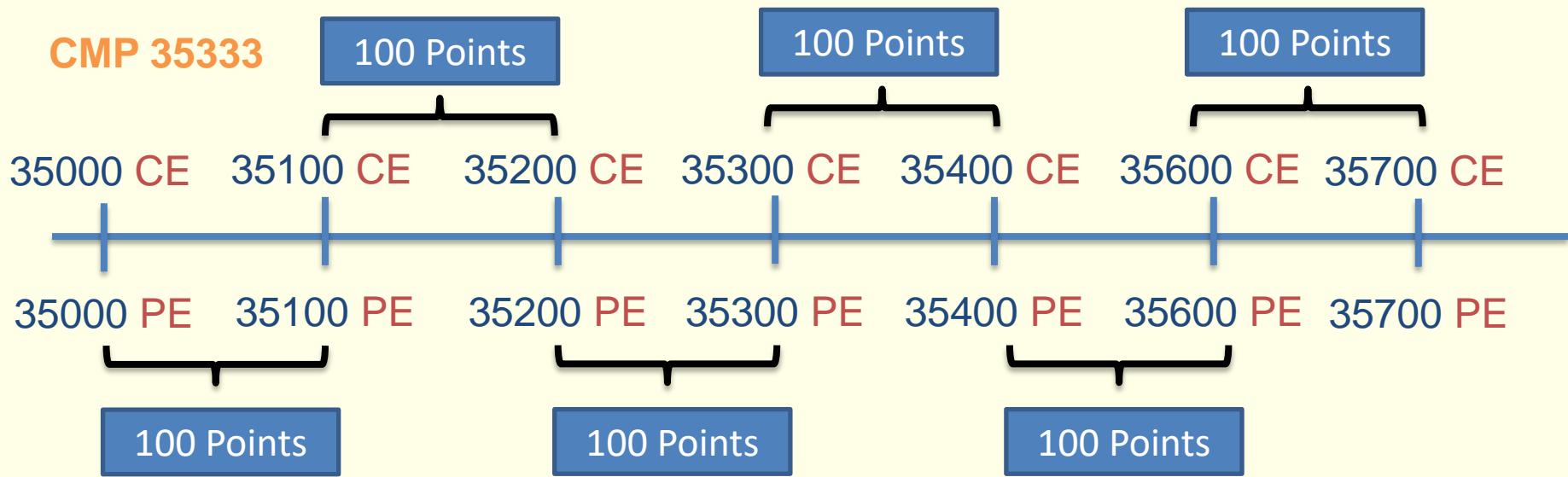
- Contract (CE & PE)
- Strike difference
- Different expiry (Weekly & Monthly)

Strike Price - Contract

CMP 35333



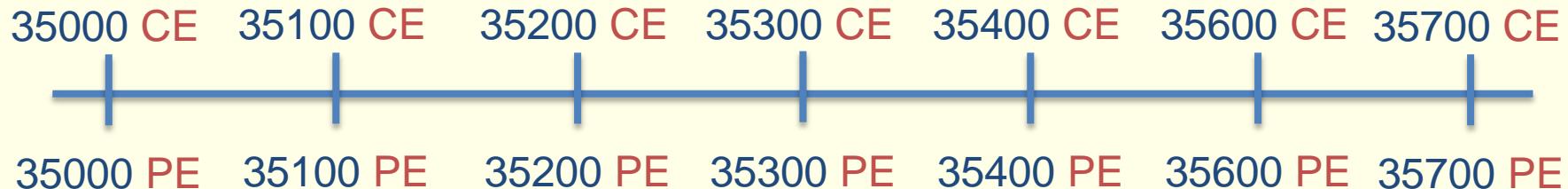
Strike Price – Strike Difference



* Bank Nifty – 100 Points * Nifty – 50 Points

Strike Price - Expiry

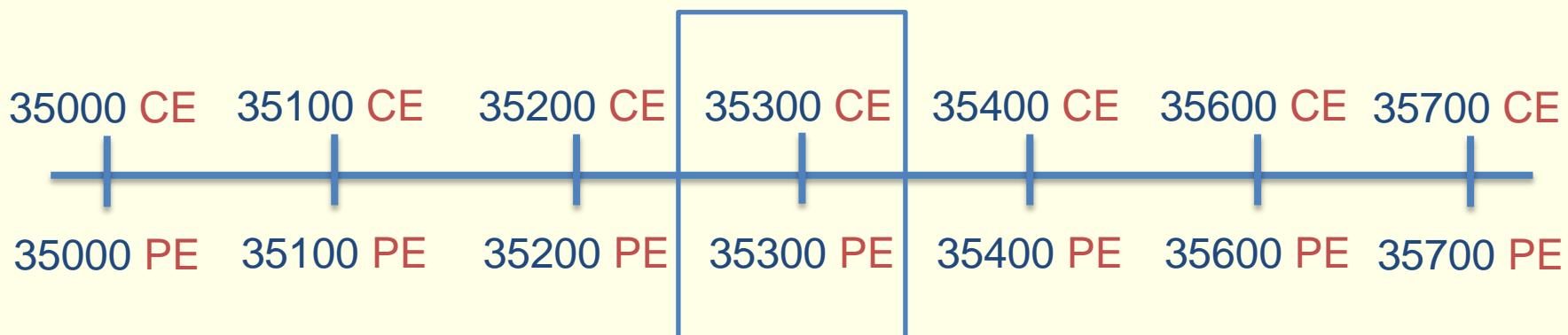
CMP 35333



- Weekly Expiry – Every week Thursday
- Monthly Expiry – Every Month Last Thursday

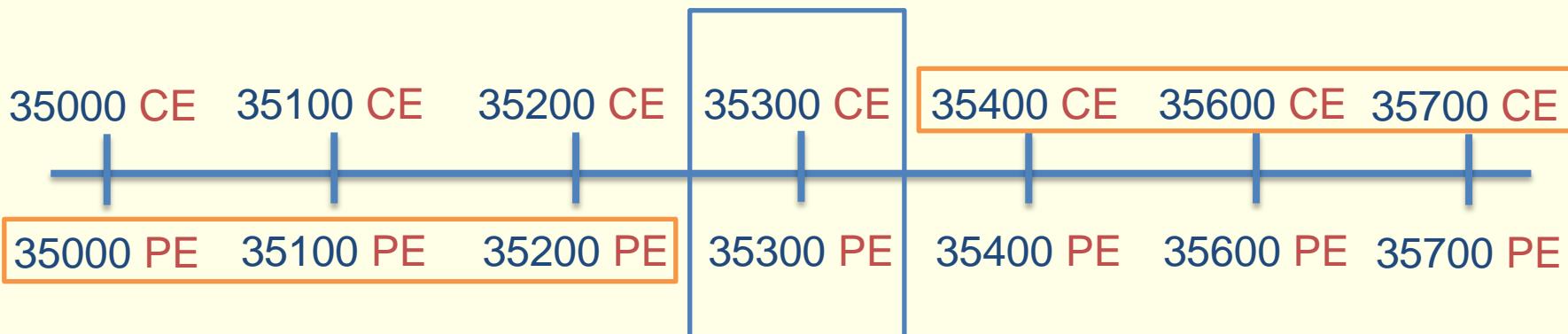
ATM – At The Money

- The strike price which are at or very near the CMP
- CMP = 35333



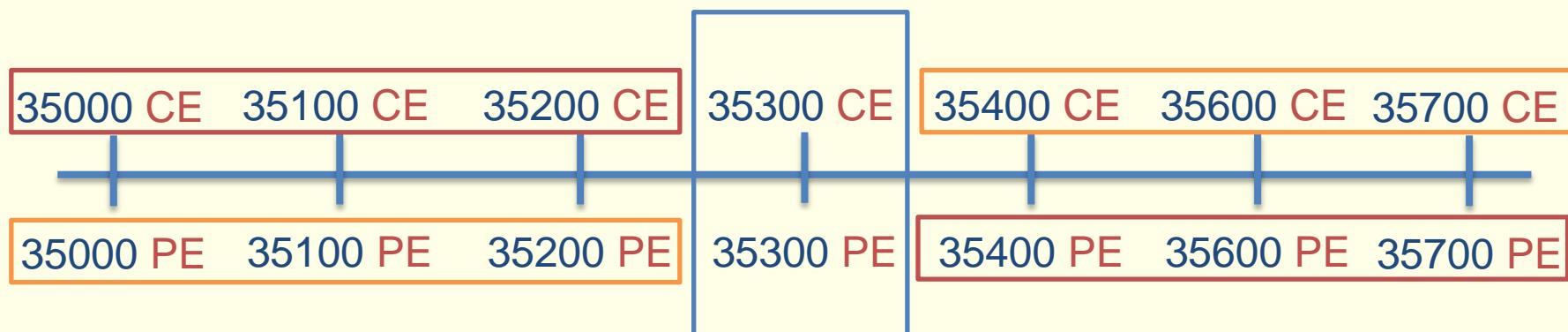
OTM – Out of The Money

- The strike price which are yet to be attained
- CMP = 35333



ITM – In The Money

- The strike price which are attained
- CMP = 35333



Options Chain

CALLS												PUTS											
	OI	CHNG IN OI	VOLUME	IV	LTP	CHNG	BID QTY	BID PRICE	ASK PRICE	ASK QTY	STRIKE PRICE	BID QTY	BID PRICE	ASK PRICE	ASK QTY	CHNG	LTP	IV	VOLUME	CHNG IN OI	OI		
📈	1,238	773	7,980	39.63	1,105.20	-429.95	25	1,104.45	1,120.85	25	34,500.00	25	258.00	259.95	25	45.40	260.00	34.74	6,86,735	905	12,270	📈	
📈	218	181	1,415	40.72	1,055.05	-608.30	25	1,036.75	1,048.45	125	34,600.00	500	271.10	288.50	25	45.70	285.00	34.32	1,78,818	1,841	2,266	📈	
📈	213	162	3,624	39.89	978.65	-741.15	25	960.00	993.10	250	34,700.00	750	302.05	324.00	50	62.15	318.60	34.33	1,91,814	1,156	2,010	📈	
📈	276	210	5,680	38.22	890.85	-409.90	1,325	858.65	914.95	125	34,800.00	25	350.05	355.00	175	81.50	355.00	34.35	2,67,398	1,945	3,033	📈	
📈	702	671	14,885	38.38	833.60	-398.75	200	833.60	849.00	25	34,900.00	200	380.10	405.00	25	103.75	405.00	35.05	1,46,297	993	1,808	📈	
📈	15,004	9,330	1,71,846	37.36	760.00	-388.10	75	758.00	784.95	200	35,000.00	175	429.90	437.00	475	105.45	429.90	34.00	7,70,617	5,262	17,930	📈	
📈	1,854	1,747	63,408	36.13	685.00	-389.00	75	680.00	727.00	75	35,100.00	25	465.20	500.00	25	144.10	496.25	35.36	1,76,226	1,612	2,157	📈	
📈	3,624	3,435	1,29,264	36.58	640.00	-374.05	375	640.00	669.95	450	35,200.00	50	512.25	555.25	100	161.30	546.35	35.53	2,16,215	3,030	4,141	📈	
📈	5,074	4,799	2,29,624	37.79	610.00	-326.80	25	591.50	619.95	125	35,300.00	50	557.00	600.25	250	174.80	600.00	35.75	2,56,632	2,109	3,194	📈	
📈	4,139	4,002	1,78,028	35.66	528.00	-338.40	500	527.90	568.95	150	35,400.00	200	610.05	654.00	1,475	196.95	651.25	35.66	1,49,398	751	1,662	📈	
📈	19,720	14,470	4,81,407	37.87	519.50	-290.30	350	483.45	519.00	50	35,500.00	25	655.50	699.85	50	201.90	693.00	34.82	2,65,678	-4,008	9,242	📈	
📈	3,805	2,740	1,47,367	36.30	452.00	-312.20	25	451.05	474.40	25	35,600.00	25	711.00	755.00	25	220.00	752.05	34.87	37,706	-1,144	845	📈	
📈	4,294	3,053	1,37,382	37.51	431.95	-264.00	100	420.00	432.00	100	35,700.00	100	758.95	814.40	100	194.30	772.85	32.33	19,423	-928	780	📈	
📈	5,853	2,357	2,01,878	37.30	391.50	-254.55	100	380.00	392.00	50	35,800.00	175	834.15	843.00	125	218.60	843.00	32.71	18,853	-2,134	2,024	📈	
📈	4,945	2,302	1,32,674	36.86	350.05	-251.15	200	350.00	355.00	375	35,900.00	250	889.00	921.00	50	237.35	896.50	31.80	5,295	-317	595	📈	

Options Premium

Premium – Intrinsic Value + Extrinsic Value (Time Value + IV)

- ATM – At The Money



- OTM – Out of The Money



- ITM – In The Money



Call Option:

Intrinsic Value – ITM Strike Price + Stock Price

Extrinsic Value – Time + IV - Premium – Intrinsic Value

Options Premium

Last Friday Close - CMP - 35333

- ATM – 35300 CE 
- ITM – 35200 CE 
- ITM – 35000 CE 
- ITM – 34900 CE 
- ITM – 34800 CE 

Options Premium

Next Thursday Close - CMP - 35300

- ATM – 35300 CE - 0
- ITM – 35200 CE - 100 
- ITM – 35100 CE - 200 
- ITM – 35000 CE - 300 
- ITM – 34900 CE - 400 

Options Premium

Premium – Intrinsic Value + Extrinsic Value (Time Value + IV)

Call Options:

Intrinsic Value :
Extrinsic Value :

CMP - ITM Strike Price
Premium – Intrinsic Value

CMP : 35333
Strike Price : 35200 CE
Premium : 640

Intrinsic Value : CMP - ITM Strike Price
35333 -35200
133

Extrinsic Value : Premium – Intrinsic Value
640 – 133 = 507

Options Premium

Premium – Intrinsic Value + Extrinsic Value (Time Value + IV)

Put Options:

Intrinsic Value :
Extrinsic Value :

ITM Strike Price - CMP
Premium – Intrinsic Value

CMP : 35333
Strike Price : 35400 PE
Premium : 651

Intrinsic Value : ITM Strike Price - CMP
35400 -35333

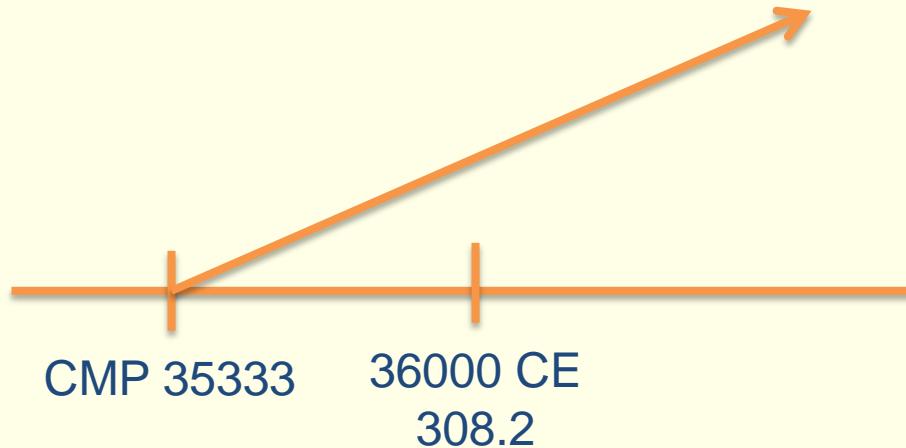
77

Extrinsic Value : Premium – Intrinsic Value
651 – 77 = 574

Breakeven Calculation

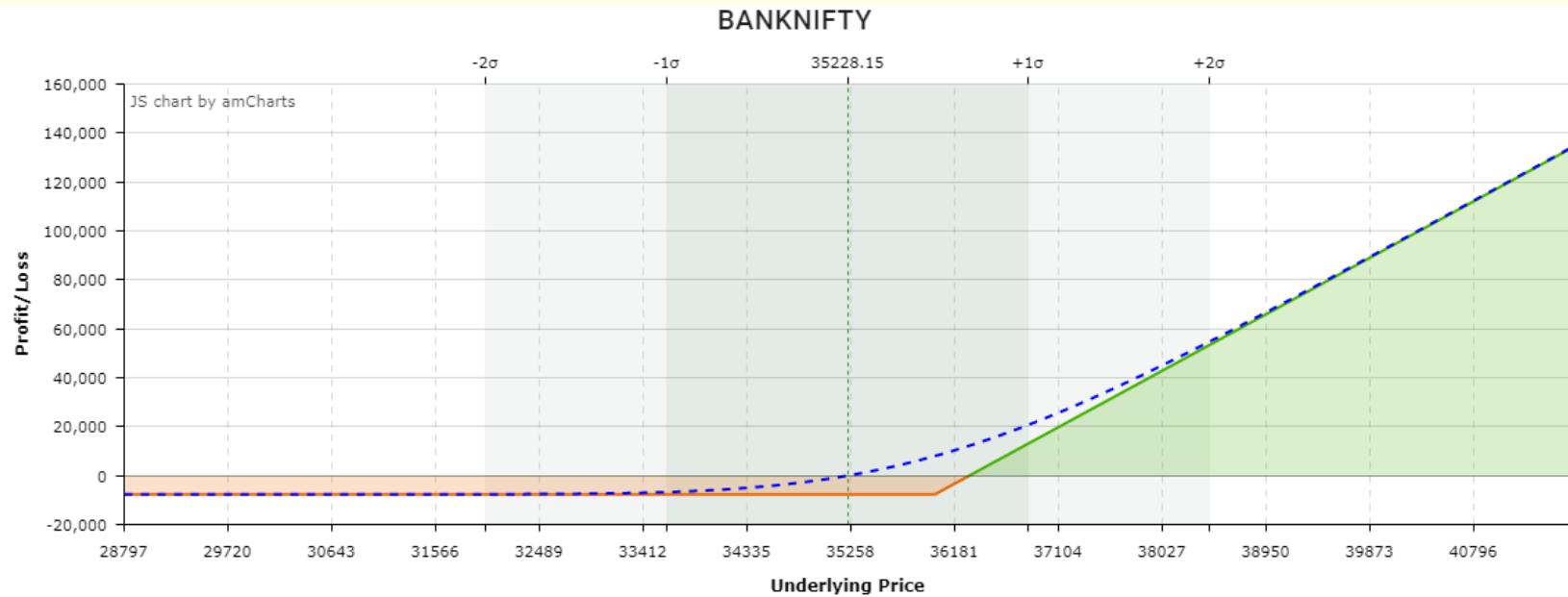
Call Options

Right to buy 25 shares of Bank Nifty at agreed Premium and agreed Strike Price



Breakeven – Strike Price + Premium Paid – $36000+308.2 = 36308.2$

Call Options – Payoff Chart



Dotted blue lines indicate t+0.

Solid lines indicate the P&L at expiry.

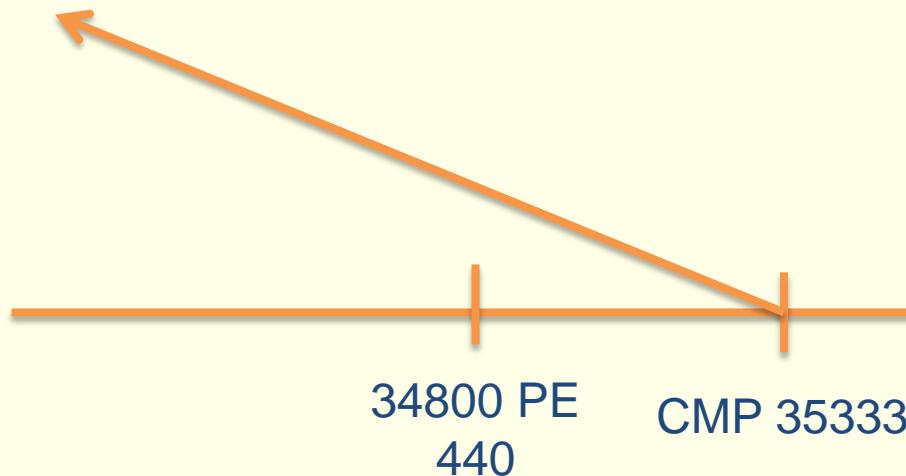
T+0.. value at Breakeven

	Day	P&L
T+0	Friday	8056
T+1	Monday	8123
T+2	Tuesday	8000
T+3 (Expiry day)	Wednesday	-7705

*Note : 11.03.2021 is a trading Holiday on account of Mahashivratri

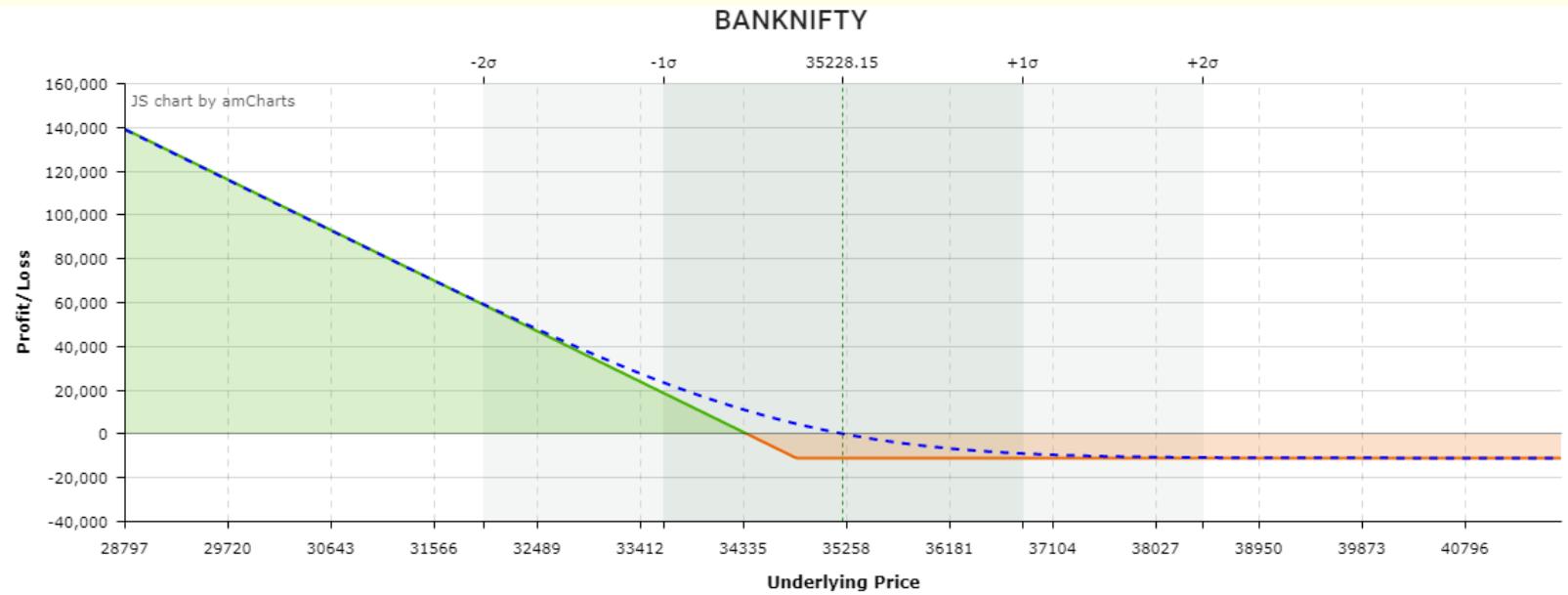
Put Options

Right to Sell 25 shares of Bank Nifty at agreed Premium and agreed Strike Price



$$\text{Break-even} = \text{Strike Price} - \text{Premium Paid} = 34800 - 440 = 34360$$

Put Options – Payoff Charts



Dotted blue lines indicate t+0.

Solid lines indicate the P&L at expiry.

T+0 value at Breakeven

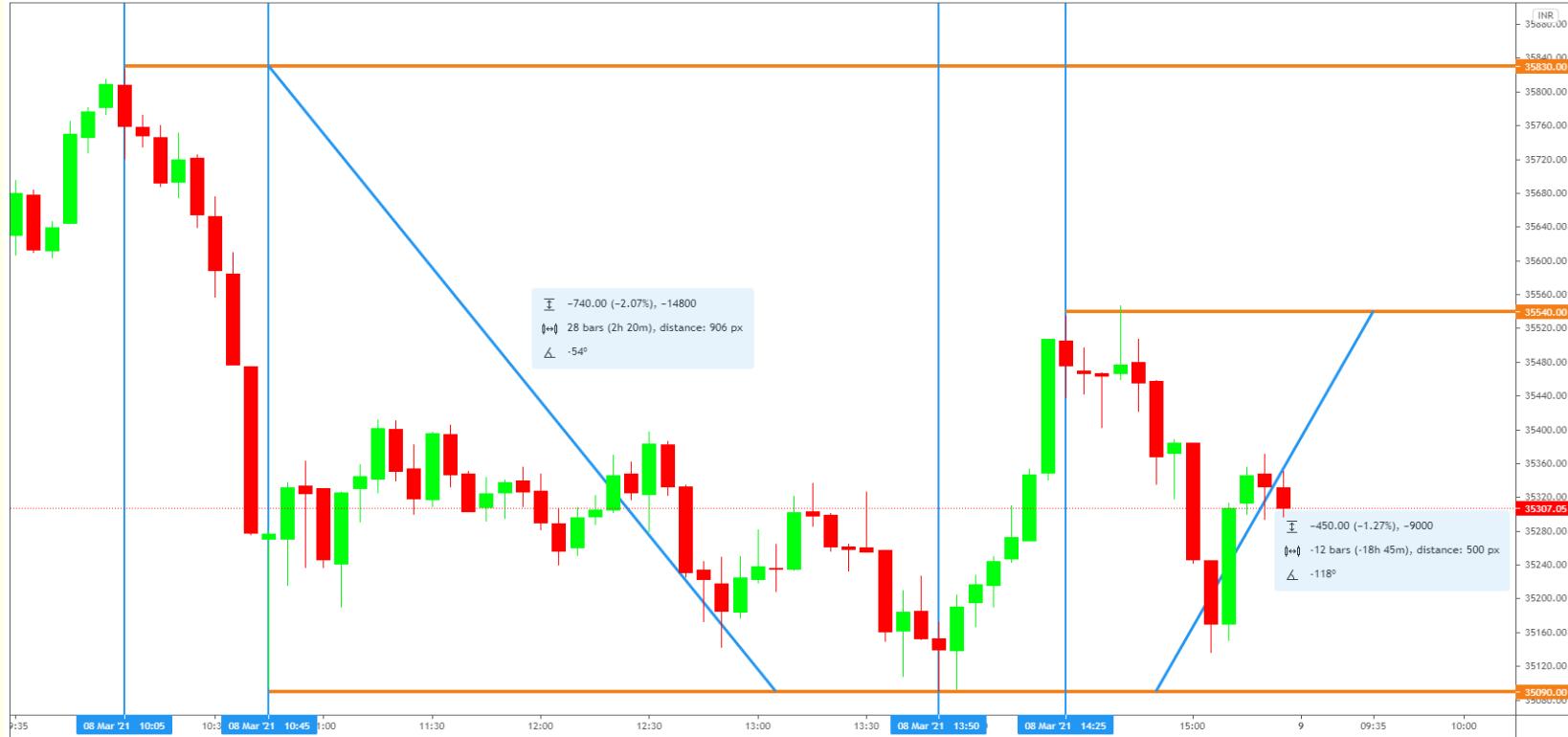
	Day	P&L
T+0	Friday	10515
T+1	Monday	10600
T+2	Tuesday	10400
T+3 (Expiry day)	Wednesday	0

*Note : 11.03.2021 is a trading Holiday on account of Mahashivratri

Options Greeks

Bank Nifty Chart

Novice_Hedge published on TradingView.com, March 08, 2021 17:49:48 IST
NSE:BANKNIFTY, S 35275.75 ▲ +47.60 (+0.14%) O:35331.55 H:35350.65 L:35297.30 C:35307.05



Bank Nifty Chart

Time	OHLC	Value
10:05	High	35830
10.45	Low	35090
13.50	Low	35090
14.25	High	35540

35000 PE – 10th March (Weekly)

Published on TradingView.com, March 08, 2021 18:30:00 IST
BANKNIFTY2131035000PE:NFO-OPT:10663426, 5 O:268.80 H:274.90 L:256.60 C:271.60



35000 PE – 10th March (Weekly)

Time	OHLC	Value
10:05	Low	177.65
10.45	High	434
13.50	High	419
14.25	Low	215.15

35000 PE – March (Monthly)

Published on TradingView.com, March 08, 2021 19:15:33 IST

BANKNIFTY21MAR35000PE:NFO-OPT:10664706, 5 O:839.40 H:842.10 L:830.00 C:838.00



35000 PE – March (Monthly)

Time	OHLC	Value
10:05	Low	651.60
10.45	High	965
13.50	High	976.45
14.25	Low	752.90

35100 CE – 10th March (Weekly)

Published on TradingView.com, March 08, 2021 21:21:46 IST
BANKNIFTY2131035100CE:NFO-OPT:9746946, 5 O:553.80 H:570.00 L:550.05 C:563.90



35100 CE – 10th March (Weekly)

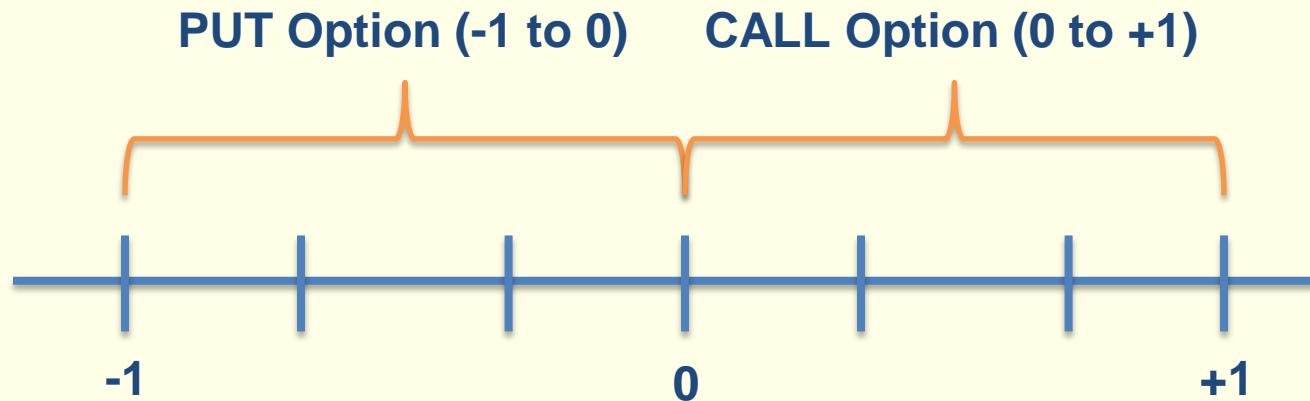
Time	OHLC	Value
13.50	Low	459.1
14.25	High	705

Options Greeks - Delta



Rate of Change of Option Premium based on 1 point move in the stock or Index

Delta ranges from (-1 to +1)



Options Greeks – Delta



Rate of Change of Option Premium based on 1 point move in the stock or future

50 points increase in Bank Nifty

50 points decrease in Bank Nifty

Call Option

$$1 \triangle = 1 * 50 \text{ points}$$
$$= 50 \text{ increase in option premium}$$

Put Option

$$-0.25 \triangle = -0.25 * -50 \text{ points}$$
$$= 12.5 \text{ increase in option premium}$$

Options Greeks – Delta



Rate of Change of Option Premium based on 1 point move in the stock or future

50 points decrease in Bank Nifty

50 points increase in Bank Nifty

Call Option

$$1 \triangle = 1 * -50 \text{ points}$$
$$= -50 \text{ increase in option premium}$$

Put Option

$$-0.25 \triangle = -0.25 * +50 \text{ points}$$
$$= -12.5 \text{ increase in option premium}$$

Premium Movement

Let us find the increase in premium of 35100 CE 10th March between 10.45 to 13.50

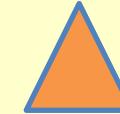
Bank Nifty – 450 Points gain

Time	OHLC	Value
13.50	Low	35090
14.25	High	35540

Bank Nifty 35000 PE 10th March (Weekly Expiry)

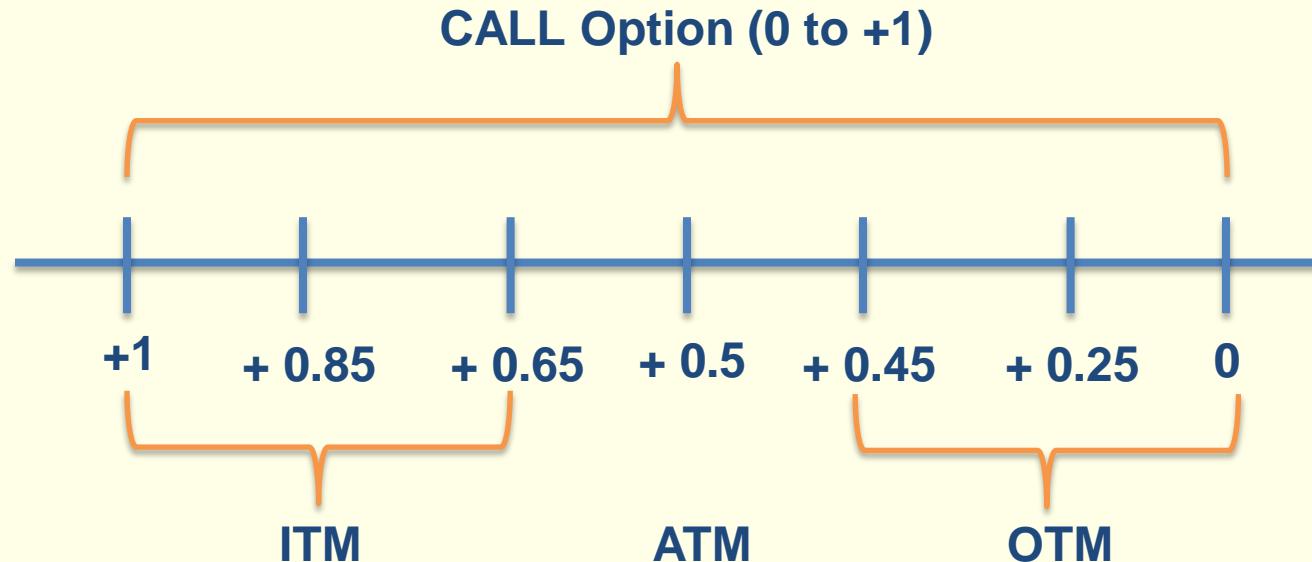
Time	OHLC	Value
13.50	Low	459.1
14.25	High	705
Difference in Premium		245.9

Call Options - Delta



Rate of Change of CALL Option Premium based on 1 point move in the stock or Index

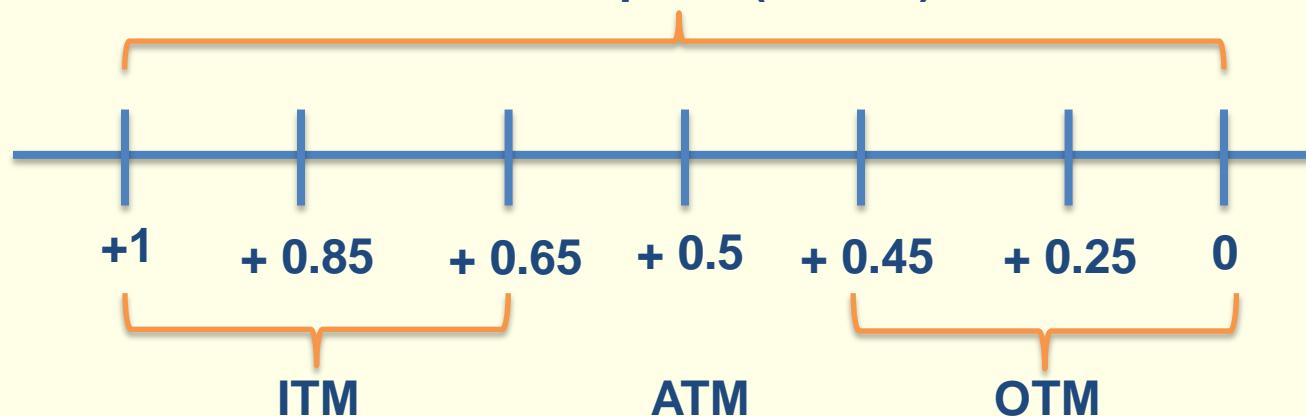
CALL Options Delta ranges from (0 to +1)



Call Options - Delta



CALL Option (0 to +1)



34500 CE 35100 CE

35200 CE

35300 CE

35400 CE 35600 CE 35700 CE

1.0.....0.7

0.6

0.5

0.4

0.3

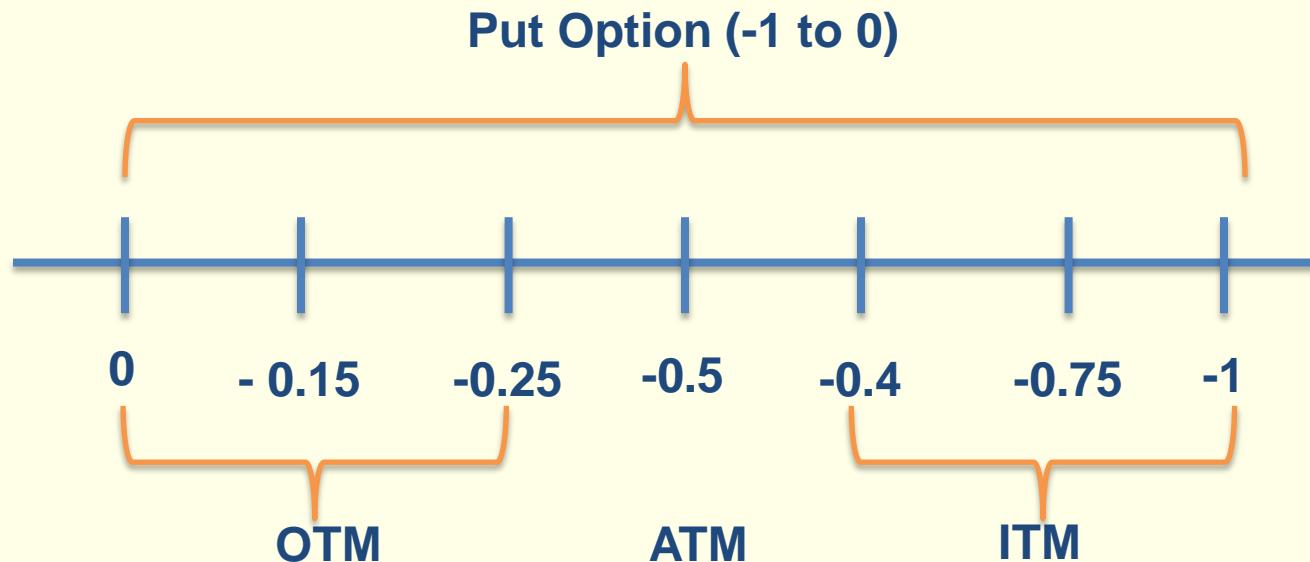
0.2...

Put Options - Delta



Rate of Change of PUT Option Premium based on 1 point move in the stock or Index

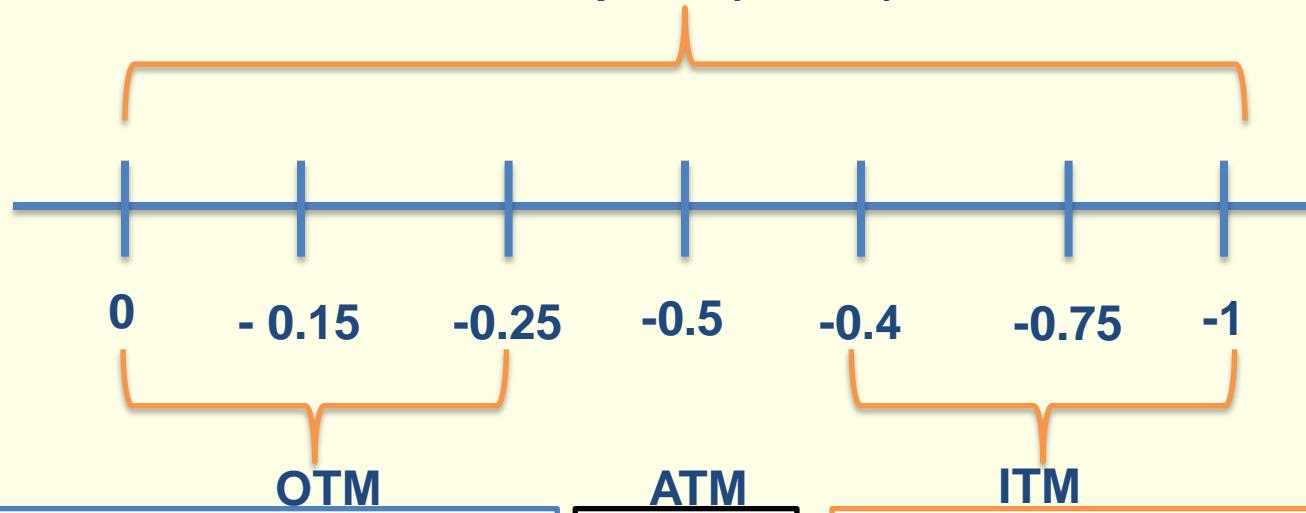
Put Options Delta ranges from (-1 to 0)



Put Options - Delta



Put Option (-1 to 0)



OTM

ATM

ITM

34500 PE 35100 PE 35200 PE 35300 PE 35400 PE 35500 PE 35600 PE



Option Greeks – Theta

Daily decay of Option Premium

Time Decay – Theta

Let we find the theta decay from 10.45 AM to 13.50 PM on 35000 PE 10th March

Bank Nifty

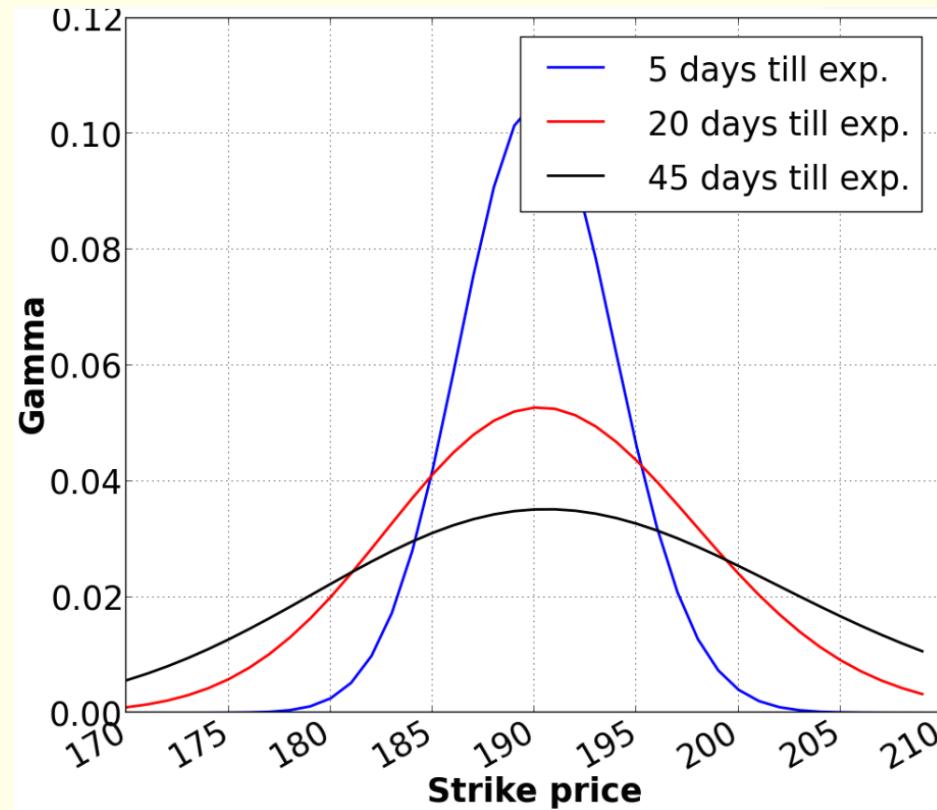
Time	OHLC	Value
10.45	Low	35090
13.50	Low	35090

Bank Nifty 35000 PE 10th March (Weekly Expiry)

Time	OHLC	Value
10.45	High	434
13.50	High	419
Difference in Premium		(-) 15 Points

Option Greeks – Gamma

The Rate of Change of Delta



Gamma Impact

Let we find the theta decay from 10.45 AM to 13.50 PM on 35000 PE 10th March Bank Nifty

Time	OHLC	Value
10:05	High	35830
10.45	Low	35090
Down Move of		840 Points

Bank Nifty 35000 PE 10th March (Weekly Expiry)

Time	OHLC	Value
10:05	Low	177.65
10.45	High	434
Difference in Premium		256.35 Points (149 %)

Gamma Impact

Let we find the theta decay from 10.45 AM to 13.50 PM on 35000 PE March Bank Nifty

Time	OHLC	Value
10:05	High	35830
10.45	Low	35090
Down Move of		840 Points

Bank Nifty 35000 PE March (Monthly Expiry)

Time	OHLC	Value
10:05	Low	651.60
10.45	High	965
Difference in Premium		313.4 Points (48%)

Implied Volatility – IV

Let us understand how the premium increases in with respect to increase in IV.

Bank Nifty

Time	OHLC	Value
10.45	Low	35090
13.50	Low	35090

Bank Nifty 35000 PE March (Monthly Expiry)

Time	OHLC	Value
10.45	High	965
13.50	High	976.45
Difference in Premium		(+) 11.45 Points

Thank You