

Tuesday, September 8, 2020
9:40 PM

1. When there is a chart pattern/trend line breakout/down with BB challenge set-up)
2. When the BB challenge is in the direction of Higher timeframe
3. Upper BB challenge & Lower BB challenge only come in momentum

- If everything met in below chart, we can do a trade

PAPA Page 1



- Step-3: **When you are a momentum trader, You only enter into the trade when there is a BB challenge on/after the BO candle**



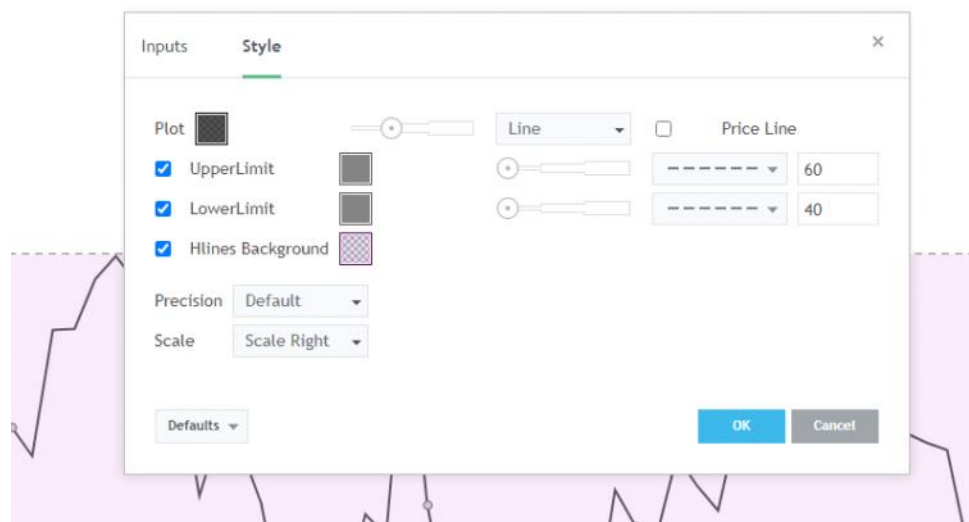
- Step-4: Add ADX
 - ADX shows strength in the trend
 - $12 < \text{ADX} < 15$: Considered as Okay
 - $\text{ADX} > 15$: Considered as Good
 - Check whether the ADX showing uptick/ungli
 - Also check If +DI above the -DI



- Check +DI is above -DI



- Step-5: Add RSI
 - RSI also considered to be a momentum indicator
 - Change the settings by adding Price value to **60,40**



- **When RSI > 60: Price is said to be in Bullish momentum**
- **When RSI < 40: Price is said to be in Bearish momentum**
- **When 40 < RSI < 60: Don't do anything**



- **Step6: Check the volume at breakout. If it good**

- **TARGET**



- **STOP LOSS**

- **Method-1**

- High of bearish/Low of Bullish - of the **first candle** that challenges the
- Incase you are entering on the second candle, SL will remains the same



○ Method-2 - Trailing SL

- Incase you missed to enter in **BB challenge** candle or it's next candle, you can use trailing SL. But don't chase the trade !!!
- You can use **Trailing SL** when your **First target** is achieved, for next target
- When you are a momentum trader, one of the best way to trail your stop using **5EMA with BB**
- At times 5 EMA also act as support with BB challenge



• Bearish BB challenge example

- Step-1: Trend line BD



- Step-2: Add BB & check whether BD candle have BB challenge.

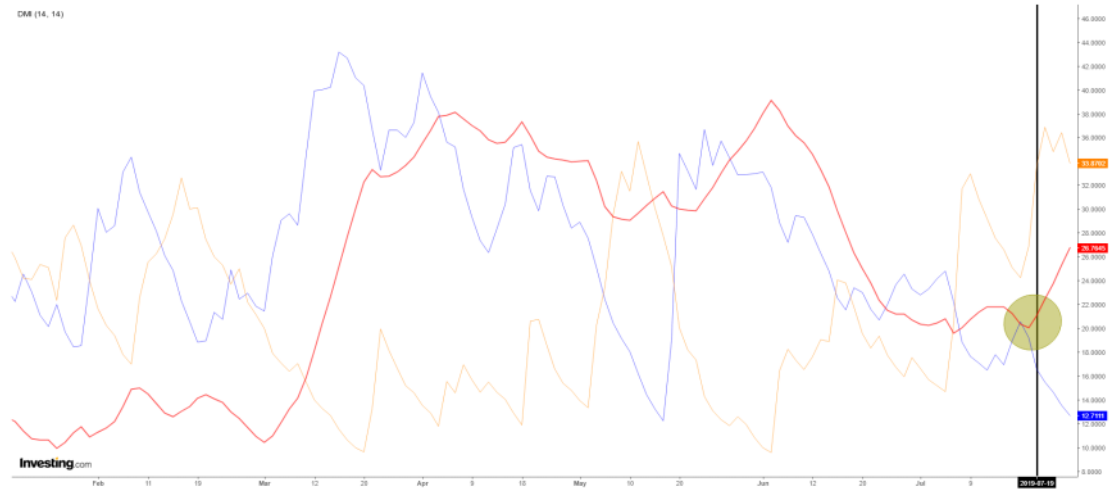


- Step-3: Check the volume



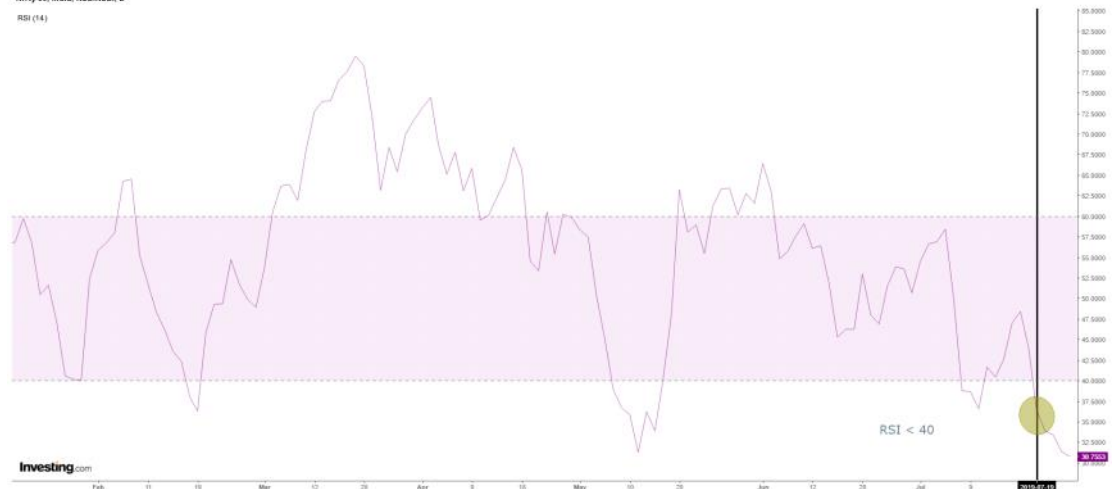
- Step-4: Check the ADX > 15 & -DI above +DI (Bears are in Power)

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DMA (14, 14)



- Step-6: Check the RSI < 40

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RSI (14)



- Step-7: Target
 - You can book 50-60 % at first target & continue the trade for second target

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- Step-8: Stop Loss
 - High of the first candle that challenges the BB



- Step-9: Trailing Stop Loss
 - Add 5 EMA and check the candle that closes above the 5EMA



- Market closes at 3.30 PM
 - Smart traders enter few minutes before market closes.

2. When the BB challenge is in the direction of Higher timeframe

- It's not recommended by ASTA !!!
- Here we are not checking any break out/down
- Incase higher timeframe have a BB challenge, You should not even think of shorting lower timeframe



- Wave going against the tide (SMM)
 - Any wave goes against the tide, take advantage of it
- Example-1:
- TIDE showing BB challenge



- WAVE
 - Here still you can buy from dips and trade.

