



How to Identify Stocks Showing Strong Price Action?



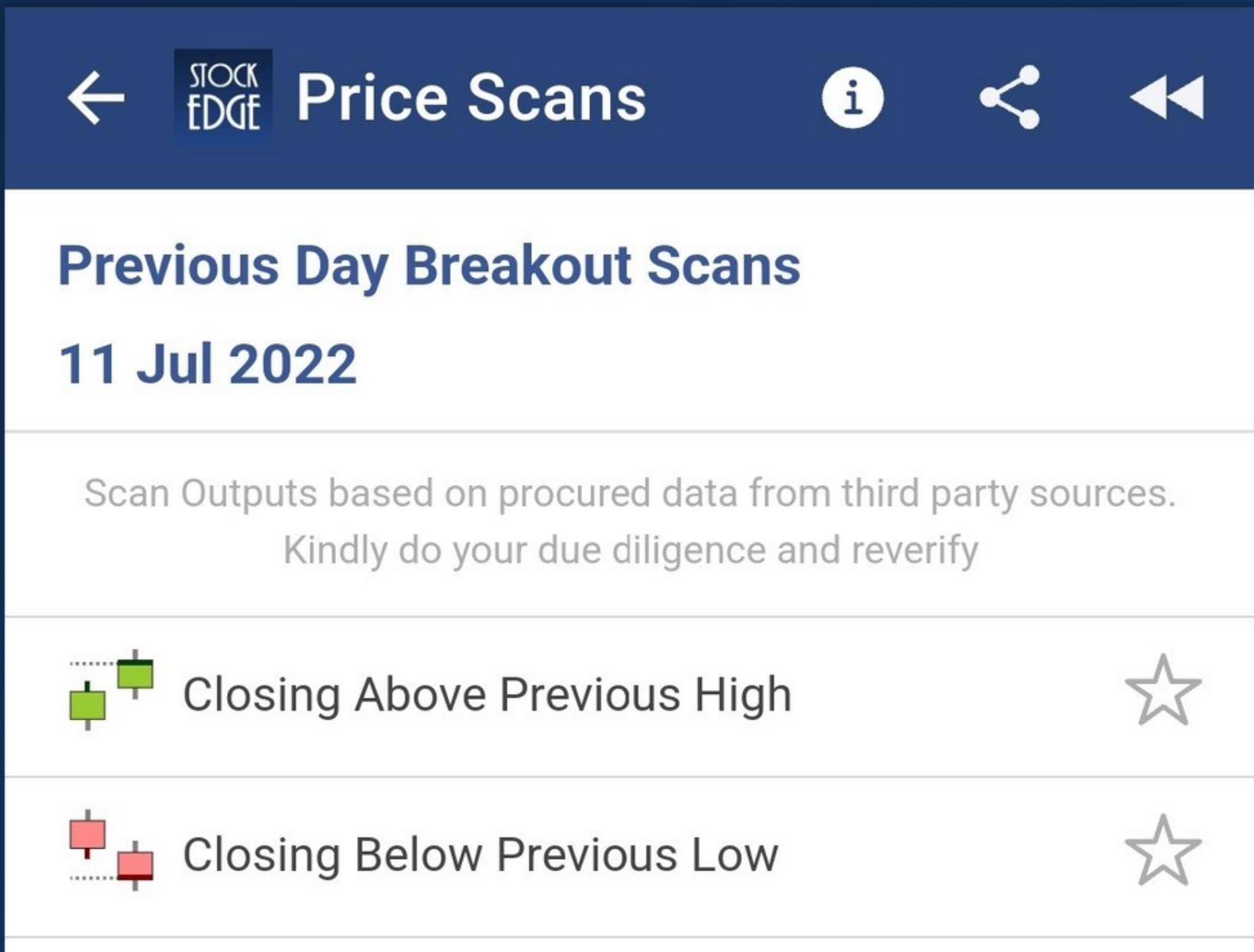
For me, price action is when you answer the **What, When, Why, How, and Where** of price movement of any underlying. It's a language you use to communicate with the underlying.

Key Parameters →

Short-term price action is judged when the underlying is crossing previous day's high or low.

Why last day action is important?

Because there are enough short-term traders who act at these levels, especially if that day had lots of activities showcased by volume and delivery.



The screenshot shows the Stock Edge app interface. At the top, it displays "STOCK EDGE" and "Price Scans". Below this, the title "Previous Day Breakout Scans" is shown above the date "11 Jul 2022". A note below the date states: "Scan Outputs based on procured data from third party sources. Kindly do your due diligence and reverify". Two items are listed under the scans:

- Closing Above Previous High** (represented by a green candlestick icon)
- Closing Below Previous Low** (represented by a red candlestick icon)

Each scan item has a star icon to its right, indicating it can be favorited.

Monthly high, low, and close are again important as the stocks are typically evaluated on monthly basis for mid-term performance. Operator building large positions will react when market breaches these critical levels.

← STOCK EDGE Price Scans ⓘ ⋮ ⏪

Monthly Breakout Scans

11 Jul 2022

Scan Outputs based on procured data from third party sources.
Kindly do your due diligence and reverify

| | | |
|--|--|---|
|  | Close Crossing Last Month High |  |
|  | Close Crossing Last Month Low |  |
|  | Close Crossing Last Month Close From Below |  |
|  | Close Crossing Last Month Close from Above |  |
|  | Close Above Last Month High |  |
|  | Close Below Last Month Low |  |
|  | Close Crossing Current Month High |  |
|  | Close Crossing Current Month Low |  |



Vivek Bajaj

Just like monthly, 52 week i.e. yearly data is also critical as a symbolic performance of an underlying for long term actions.

← STOCK EDGE Price Scans ⓘ ⌂ ⌄

52 Week Breakout Scans

11 Jul 2022

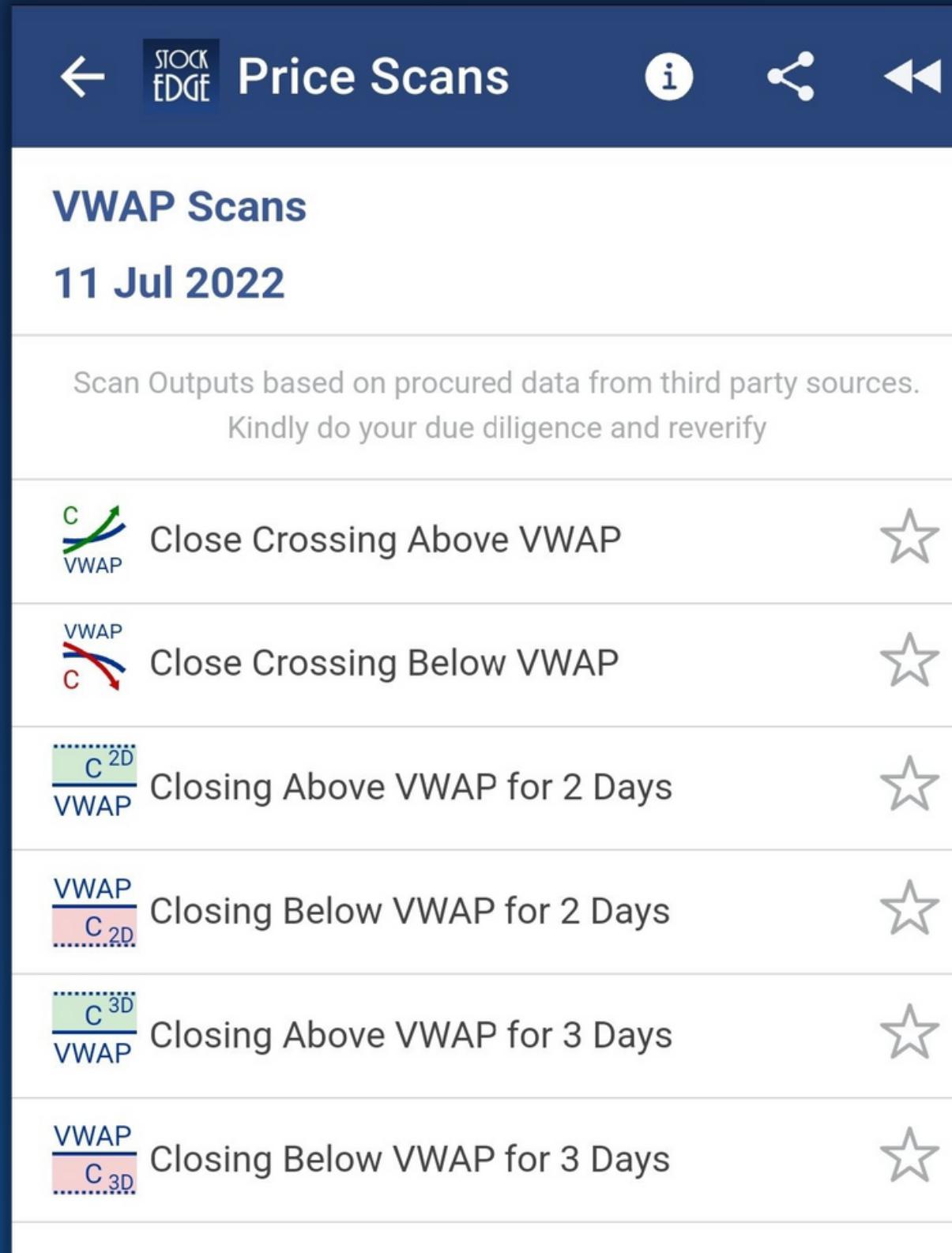
Scan Outputs based on procured data from third party sources.
Kindly do your due diligence and reverify

| | | |
|--|----------------------------------|--|
| | Close Crossing 52 Week High | |
| | Close Crossing 52 Week Low | |
| | Close Within 52 Week High Zone | |
| | Close Entering 52 Week High Zone | |
| | Close Within 52 Week Low Zone | |
| | Close Entering 52 Week Low Zone | |

VWAP helps you to judge the behavior of operator.

Typically the price at which operator has built positions.

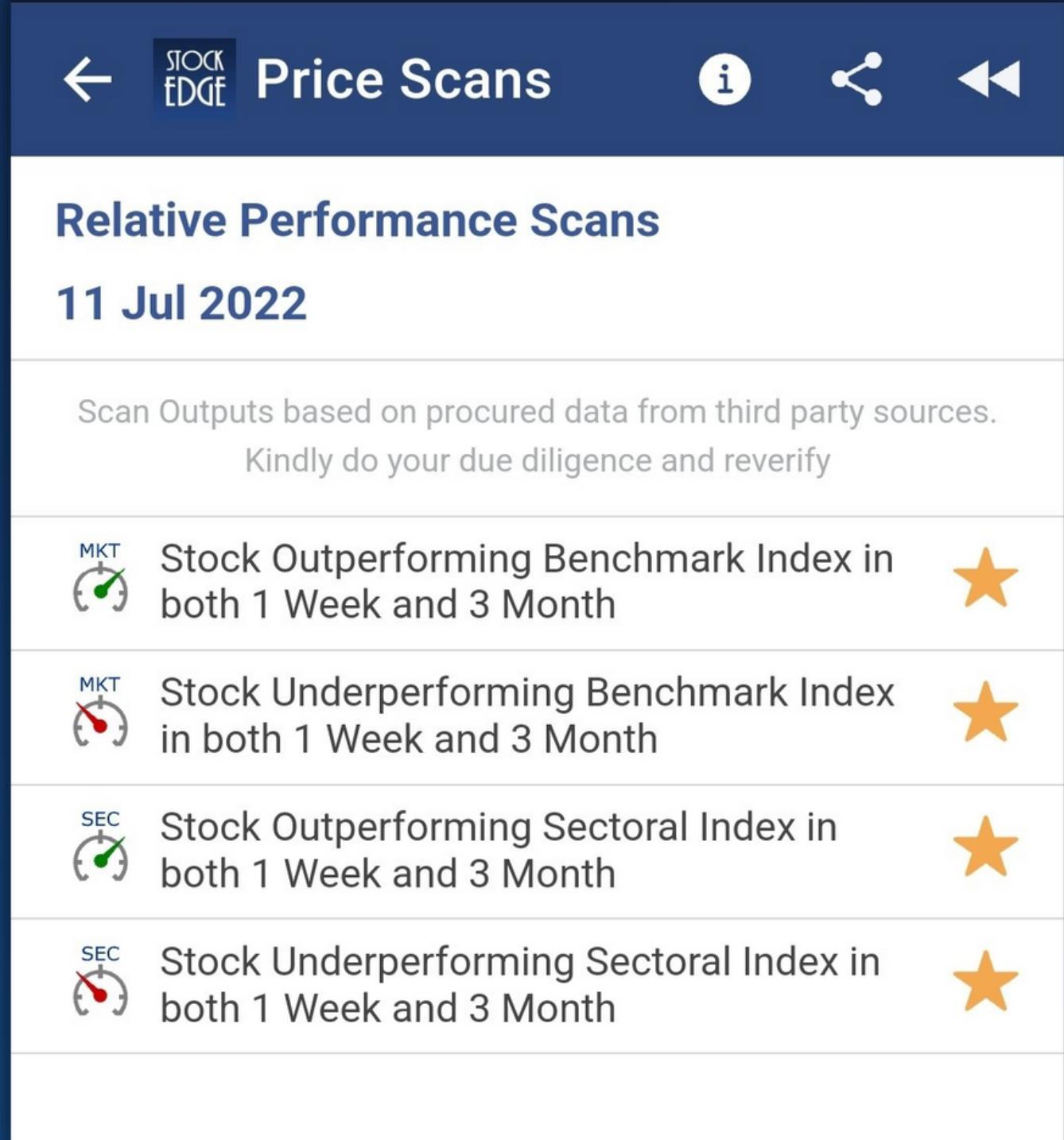
If you combine VWAP with closing, you will be able to judge the probable demand and supply zone of any underlying.



The screenshot shows the 'Price Scans' section of the Stock Edge app. At the top, it says 'VWAP Scans' for the date '11 Jul 2022'. Below this, there's a note: 'Scan Outputs based on procured data from third party sources. Kindly do your due diligence and reverify'. Six scanning rules are listed, each with a star icon for rating:

- Close Crossing Above VWAP
- Close Crossing Below VWAP
- Closing Above VWAP for 2 Days
- Closing Below VWAP for 2 Days
- Closing Above VWAP for 3 Days
- Closing Below VWAP for 3 Days

Then the relative performance of a stock vis-a-vis market benchmark. An outperforming stock will show momentum for immediate swing movements and underperforming stock should never be bought. The best tool to implement exit rules.



The screenshot shows the Stock Edge app interface for 'Price Scans'. The title bar includes a back arrow, the Stock Edge logo, the title 'Price Scans', an information icon (i), a share icon, and a double-back arrow. Below the title is a section titled 'Relative Performance Scans' dated '11 Jul 2022'. A note states: 'Scan Outputs based on procured data from third party sources. Kindly do your due diligence and reverify'. Four scan results are listed:

| Category | Description | Status |
|----------|--|--------|
| MKT | Stock Outperforming Benchmark Index in both 1 Week and 3 Month | ★ |
| MKT | Stock Underperforming Benchmark Index in both 1 Week and 3 Month | ★ |
| SEC | Stock Outperforming Sectoral Index in both 1 Week and 3 Month | ★ |
| SEC | Stock Underperforming Sectoral Index in both 1 Week and 3 Month | ★ |



Vivek Bajaj

My proprietary RS55 model which measures the outperformance and underperformance over 55 days for normalization. 55 days is almost 3 months of trading and Fibonacci number.

Trained usage of this in my **#Learn2Trade** series at

**YouTube.com/vivek
bajaj**

← STOCK EDGE Price Scans ⓘ ⋮ ⏪

Relative Strength Scans (55 days)

11 Jul 2022

Scan Outputs based on procured data from third party sources.
Kindly do your due diligence and reverify

| | | |
|--|--|--|
| | Strongly Outperforming Benchmark Index | |
| | Strongly Underperforming Benchmark index | |
| | Increasing Relative Strength - Benchmark index | |
| | Decreasing Relative Strength - Benchmark index | |
| | Strongly Outperforming Sectoral Index | |
| | Strongly Underperforming Sectoral index | |
| | Increasing Relative Strength - Sectoral Index | |
| | Decreasing Relative Strength - Sectoral index | |
| | Relative Strength Going Above Zero - Benchmark Index | |
| | Relative Strength Going Below Zero - Benchmark Index | |
| | Relative Strength Going Above Zero - Sectoral Index | |
| | Relative Strength Going Below Zero - Sectoral Index | |



Vivek Bajaj

Finally combining some key parameters and finding stocks that have a high chance of swing action. This will give you a filtered list for trading action.

Create your own
#ComboScans by
using
@mystockedge

Also, make sure you subscribe to the premium outputs and become **#SelfisSmart**

The image shows a mobile application interface for 'STOCK EDGE' titled 'price action'. The top navigation bar includes a back arrow, the title 'price action', a '+' button, and a double-back arrow. Below the title are two tabs: 'Scans' (selected) and 'Stocks'. The main content area is titled 'Scans in this Combination Scan' with a count of '7'. It lists seven scan configurations, each with an 'X' icon to delete:

- Close Crossing Last Month High** (Icon: M/Hi)
- Closing Above Previous High** (Icon: Up/Up)
- Close Within 52 Week High Zone** (Icon: Y/Hi)
- Stock Outperforming Benchmark Index in both 1 Week and 3 Month** (Icon: MKT)
- Stock Outperforming Sectoral Index in both 1 Week and 3 Month** (Icon: SEC)
- Increasing Relative Strength - Benchmark index** (Icon: RS/MKT)
- Closing Above VWAP for 2 Days** (Icon: C/VWAP)

A blue 'Add Scan' button is located at the bottom right of the screen.

THANK YOU

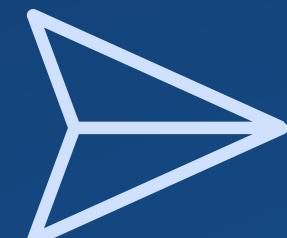
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