**Bollinger curve:**

* After the squeeze: wait for 4-5 candles then based on the trend take call
* If the Bollinger band is narrow then do not trade, it should be wide and moving upward/downward - not sideways
* Width of a narrow Bollinger band - Nifty:100, Bank Nifty: 250. Width larger the better

**RSI and Vol Oscillator curve indications:**

1. rsi < 50 : if vol osc -ve: price decreases
2. rsi < 50 : if vol osc +ve: price decreases but slowly
3. rsi > 70 irrespective of vol osc: price increases
4. rsi>50: : if vol osc -ve: flag formation
5. rsi>50 and vol osc +ve: price increases

**Identify the today’s trend:** (This is just a POC step)

Todo:

Nifty:call

BN:call

1. Draw trend line in 1hr chart to know the trend.
2. Check highest OI for call and put in option chain
   * if call oi is farther than the current price then the price may increase
   * if put oi is farther than current price then the price may decrease

**Option Trading:**

Go to 5min chart – Intraday

Go to 15min chart – Intraday or 1-2 days

* Indicators required:

1. Bollinger – Remove median line
2. EMA(5) – Red line – E5
3. EMA(10) – Blue line – E10
4. RSI(14)
5. Vol Oscillator

* Tips:

1. If 1hr chart is showing upward trend for today then usually we wont get much put calls
2. If 1hr chart is showing downward trend for today then usually we wont get much call options

* Procedure
  1. At the start of the day, wait for the below steps
     + first 5-6 candles
     + first cross over between E5 and E10
  2. If E5 cross over E10 – Call option
     + First cross over candle then wait for 3 candles to form
     + If rsi>50 and vol osc +ve: price increases
     + If rsi > 70 irrespective of vol osc: price increases
     + Bollinger band the area should be wide (more volatile)
     + Draw trend line connecting min 2 of first 4 candles (first candle should be there) - exit the trade when the trend line breaks or prices are too far from the trend line
  3. If E5 cross below E10 – Put option
     + First cross over candle then wait for 3 candles to form
     + If rsi<50: price decreases
     + Bollinger band the area should be wide (more volatile)
     + Draw trend line connecting min 2 of first 4 candles (first candle should be there) - exit the trade when the trend line breaks or prices are too far from the trend line
  4. On the trend line (5 min)
* For nifty:
  + Call: Add 100 pts to cross over point to get the target
  + Put: Subtract 100 pts to cross over point to get the target
* For bank nifty:
  + Call: Add 250 pts to cross over point to get the target
  + Put: Subtract 250 pts to cross over point to get the target
  1. On the trend line (15 min)
* For nifty:
  + Call: Add 150 pts to cross over point to get the target
  + Put: Subtract 150 pts to cross over point to get the target
* For bank nifty:
  + Call: Add 400 pts to cross over point to get the target
  + Put: Subtract 400 pts to cross over point to get the target