

- | | | | |
|-----|--|-----|--|
| 2.1 | <i>Moving average and Fibonacci</i> | 2.4 | <i>Buy/sell with RSI and volume oscillator</i> |
| 2.2 | <i>Ride the trend with Supertrend</i> | 2.5 | <i>Wait and trade the Pullback</i> |
| 2.3 | <i>Analyzing Pivot Points Using VWAP and Standard Deviations</i> | 2.6 | <i>Double RSI</i> |
| | | 2.7 | <i>CPR with trend following</i> |





Indicators



Alert

Replay



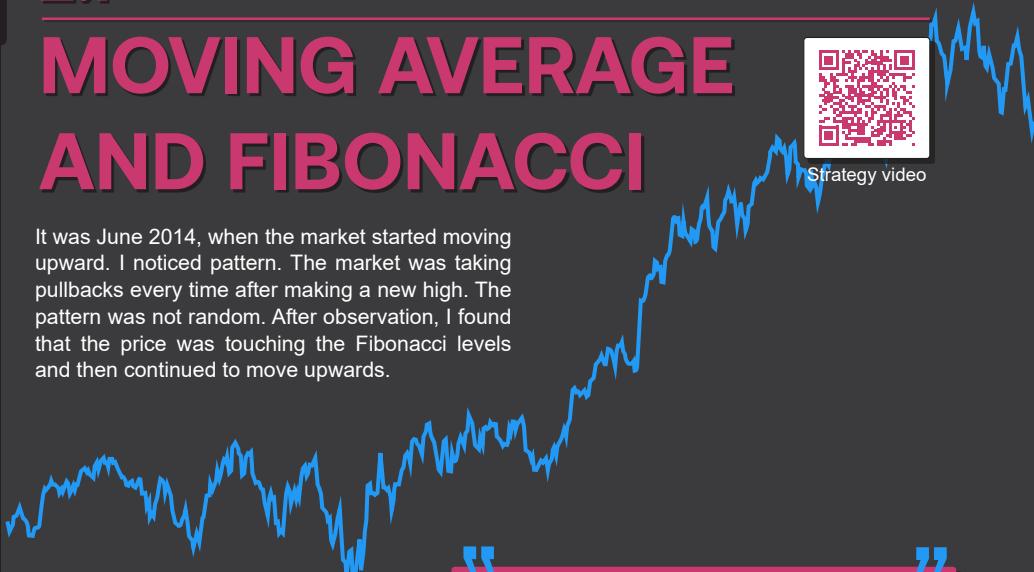
2.1

MOVING AVERAGE AND FIBONACCI



Strategy video

It was June 2014, when the market started moving upward. I noticed pattern. The market was taking pullbacks every time after making a new high. The pattern was not random. After observation, I found that the price was touching the Fibonacci levels and then continued to move upwards.



The stock market is not random. Everything holds some fundamentals.

Be it the price moving in a trend or having short-term pullbacks to a level, I observed this pattern on a daily timeframe which has more significant data and is less noisy. As an intraday

trader, I was curious to test this out on a small 5-minute timeframe because it is noisier and most intraday traders prefer to use this timeframe.

Post the market hours, sipping my coffee, I backtested the combination of the 200-day Moving Average and Fibonacci Retracement on a 5-minute timeframe. Without an iota of doubt, it gave me the expected result. I.e price respecting technical indicators. Generally, if you observe, price does not respect technical indicators much on the smaller timeframe, but, it did.



THE STRATEGY

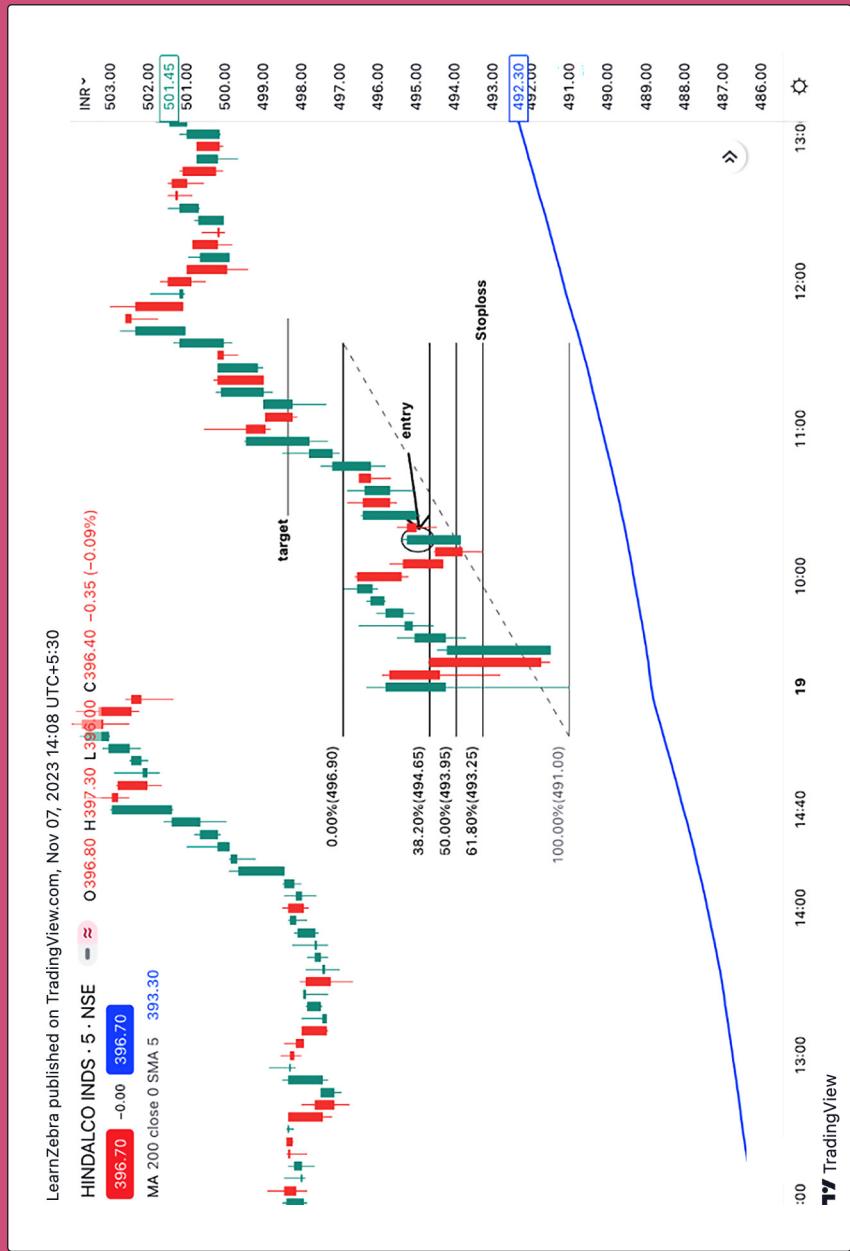
This strategy is the handiest strategy you will ever find. Using this strategy, I observed that if the price is above the 200-day Moving Average on the 5-minute timeframe, then the market is in an uptrend and vice-versa. The second task is to apply the Fibonacci Retracement tool and look for key support and resistance levels. ***This is an intraday strategy, which means you can also take short positions.***



In the above illustration, you can see how the price behaved and moved upward after breaking the 200-day Moving Average from below.



THE EXECUTION



TO BUY USING THIS STRATEGY, TAKE THE FOLLOWING STEPS:

- Set the chart to the 5-minute timeframe.
- Apply the 200-day Moving Average to the chart.
- If the price is in an uptrend, draw the Fibonacci from swing low to swing high.
- Price above the Moving Average has the possibility to correct till any of the Fibonacci levels.
- At any level, if you notice the price is taking support and is forming a bullish candle, place your **BUY** order at the high of the closing candle.
- Place **STOPLOSS** at the lower Fibonacci level.
- TARGET** at 0% Fibonacci level or a minimum of 1:2 Risk to Reward ratio.

A THING TO REMEMBER

With the price moving above the Moving Average, there is one more factor which needs to be considered while taking a buy trade. And that is the inclination of the Moving Average.



~ ^ v



Indicators

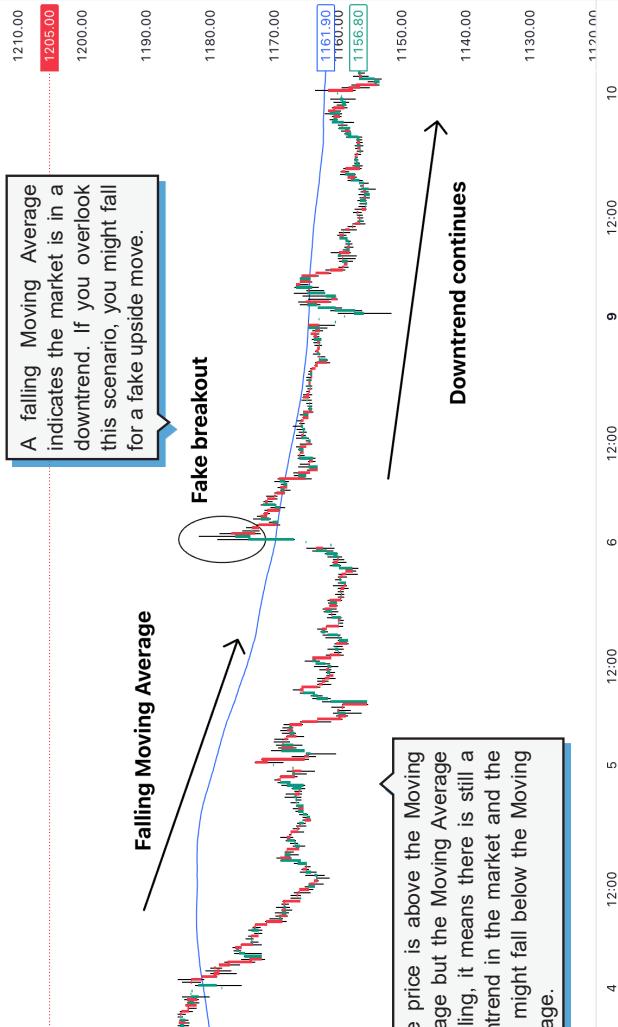


v



Alert

>> Replay



LearnZebra published on TradingView.com, Nov 07, 2023 14:08 UTC+5:30
 BHARAT PETROL CORP, 5, NSE 061150 H36150 L36150 C36150 +0.50 (+0.14%)
 SMA (200, close, 0, SMA, 5) 360.50

INR

359.00

358.00

357.00

356.00

355.00

354.15

353.00

352.00

351.10

350.00

349.00

348.00

347.00

346.00

345.00

344.00

343.00

342.00

12:00

7

6

5

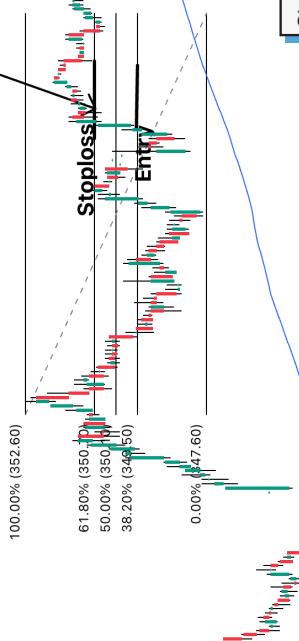
4

3

2

1

87

Stoploss hit because moving average was rising

Similarly, when the Moving Average is on the rise and you are looking for a short trade, it can be a trap.



TO SELL

LearnZebra published on TradingView.com, Nov 07, 2023 14:08 UTC+5:30

BHARAT PETROL CORP . NSE = 0.350.95 H352.00 L349.65 C350.65 -0.25 (-0.07%)

INR

342.00

340.00

338.00

336.00

334.00

332.00

330.00

328.00

327.30

326.90

326.00

324.00

322.00

320.00

318.00

316.00

314.00

312.00

310.00

308.00

306.00

304.00

302.00

300.00

298.00

296.00

294.00

292.00

290.00

288.00

286.00

284.00

282.00

280.00

278.00

276.00

274.00

272.00

270.00

268.00

266.00

264.00

262.00

260.00

258.00

256.00

254.00

252.00

250.00

248.00

246.00

244.00

242.00

240.00

238.00

236.00

234.00

232.00

230.00

228.00

226.00

224.00

222.00

220.00

218.00

216.00

214.00

212.00

210.00

208.00

206.00

204.00

202.00

200.00

198.00

196.00

194.00

192.00

190.00

188.00

186.00

184.00

182.00

180.00

178.00

176.00

174.00

172.00

170.00

168.00

166.00

164.00

162.00

160.00

158.00

156.00

154.00

152.00

150.00

148.00

146.00

144.00

142.00

140.00

138.00

136.00

134.00

132.00

130.00

128.00

126.00

124.00

122.00

120.00

118.00

116.00

114.00

112.00

110.00

108.00

106.00

104.00

102.00

100.00

98.00

96.00

94.00

92.00

90.00

88.00

86.00

84.00

82.00

80.00

78.00

76.00

74.00

72.00

70.00

68.00

66.00

64.00

62.00

60.00

58.00

56.00

54.00

52.00

50.00

48.00

46.00

44.00

42.00

40.00

38.00

36.00

34.00

32.00

30.00

28.00

26.00

24.00

22.00

20.00

18.00

16.00

14.00

12.00

10.00

8.00

6.00

4.00

2.00

0.00

351.40
0.00
MA_200 close Q SMA 5 343.62

100.00%(351.85)

61.80%(331.60)

50.00%(330.30)

38.20%(329.00)

0.00%(324.75)

Stoploss

Entry

Target

21 12:00 22 12:00 23 12:00 26

TradingView

TO SELL USING THIS STRATEGY, TAKE THE FOLLOWING STEPS:

Set the chart to the 5-minute timeframe.

Apply the 200-day Moving Average to the chart.

If the price is in the downtrend, draw the Fibonacci from swing high to swing low.

Price below the Moving Average has the possibility to correct till any of the Fibonacci levels.

At any level, if you notice the price is facing resistance and forming a bearish candle, place your **SELL** order at the high of the closing candle.

Place **STOPLOSS** at the upper Fibonacci level.

TARGET at 0% Fibonacci level or a minimum of 1:2 Risk to Reward ratio.

As you can see in the illustration, the price was below the falling 200-day Moving Average and making lower highs. This is a trend confirmation which takes us to see the swing highs and swing lows of the Fibonacci Retracement tool.

At the 50% Fibonacci level, the price faced resistance and formed a Bearish Engulfing candle. This now triggers the sell order for a trader. Once the entry is taken at the low of the Bearish Engulfing candle, the stoploss can be put at the upper Fibonacci level and target can be at 0% Fibonacci level or at a minimum Risk to Reward ratio of 1:2.



Indicators



Alert

Replay



2.2

RIDE THE TREND WITH SUPERTREND

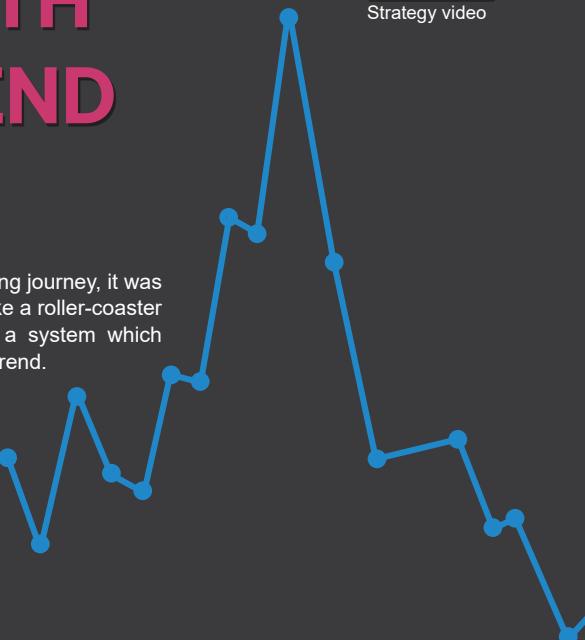


Strategy video



When I started my trading journey, it was full of ups and downs like a roller-coaster ride. I always wanted a system which could help me ride the trend.

Since I love trends, I was curious to build a system that could help me and others enjoy the same. So, I tried and tested different indicators for a trend-following system but didn't get the desired results.



SuperTrend

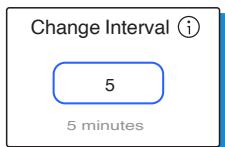


...

The SuperTrend indicator caught my attention in 2016 when I met a trader who was using it. By name, it sounded like the tool I was looking for.

According to traders, 70% of the time the market stays sideways and this indicator tells you when the market is in an uptrend or downtrend. **When the market is sideways, it gets difficult to make money because a directionless market leads nowhere.**





One day, I decided to test the Supertrend indicator on the 5-minute timeframe for intraday. It performed well, but to be honest, I couldn't trust one day of testing.



So I decided to test it for several months and found that once the price remains sideways until it breaks a certain level. This analysis made me tweak the strategy and I figured out where am I going wrong.

Later, I found the price pivots from its support and resistance. For a human, it is nearly impossible to figure out every time what are the levels, so I decided to combine standard Pivot points with the Supertrend and it started giving me the expected outcomes.



Indicators

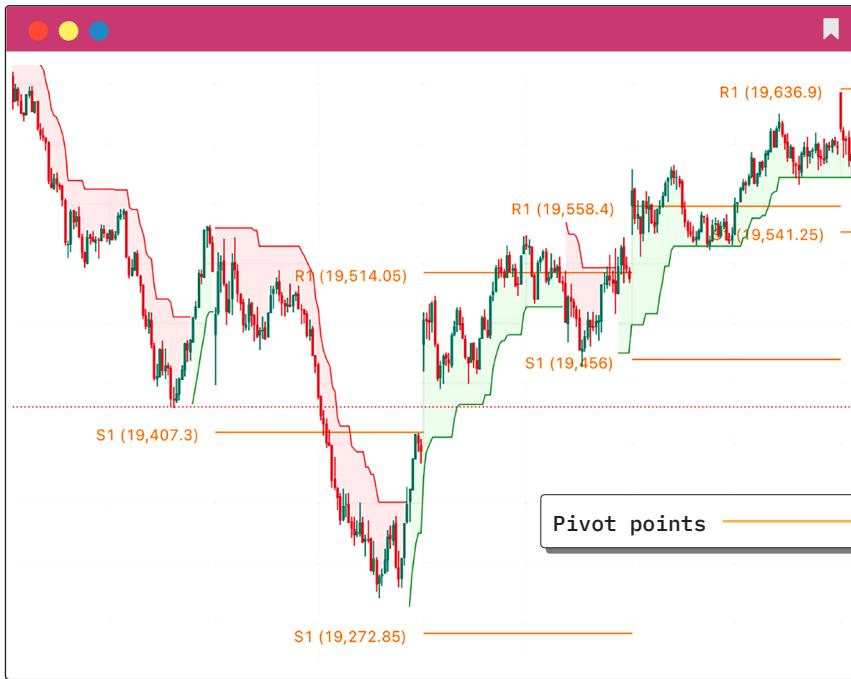


Alert

Replay



ZEBRA LEARN



Pivots

Inputs Style Visibility

LEVELS

1

P

R1

S1

R2

S2

R3

S3

R4

S4

R5

S5

Defa... ▾

Cancel

Ok

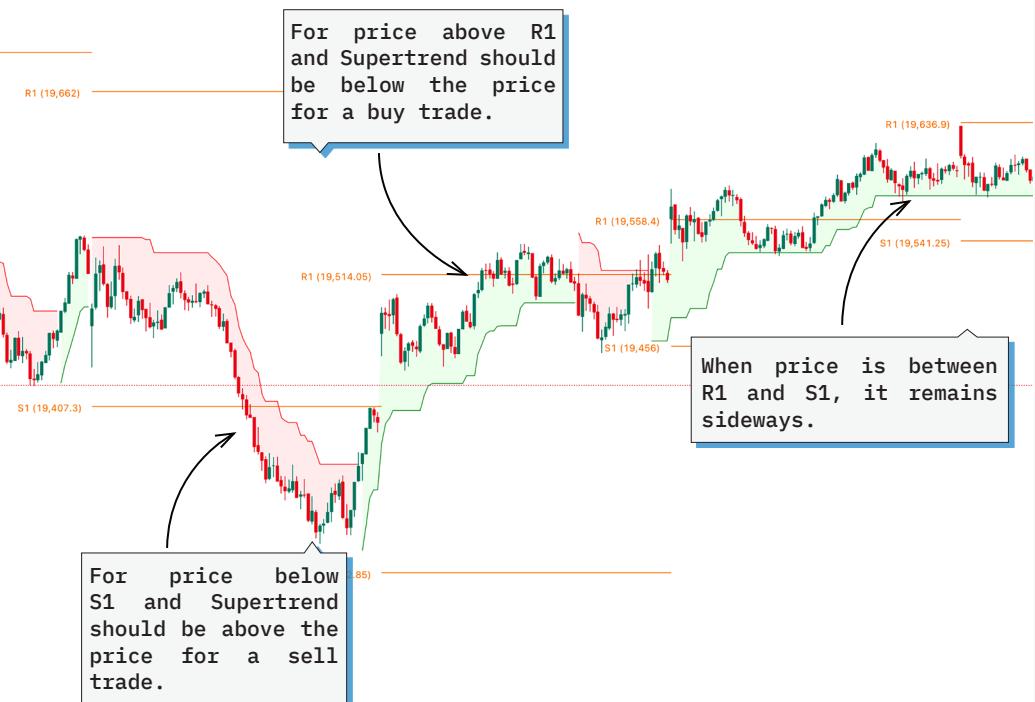
I kept on testing it and found that the price was in a range until it breaks Support 1 or Resistance 1. The centre Pivot line couldn't help me ride a trend. With an intriguing thought, I disabled the Pivot line and used only the R1 and S1 as the two were sufficient to get into a trend. With this setting, I tested the market and got my trend-following system.

Cancel

Ok

THE STRATEGY

This is a trend-following intraday strategy which works on a 5-minute timeframe. You can use this strategy to buy and sell the markets. The strategy is simple, combine the Supertrend indicator with Standard Pivot Points. The idea is to look for the price to go above the R1 and Supertrend should be below the price for a buy trade and vice versa. I have observed that when the price is between the R1 and S1, it goes sideways.





LearnZebra published on TradingView.com, Nov 07, 2023 14:08 UTC+5:30

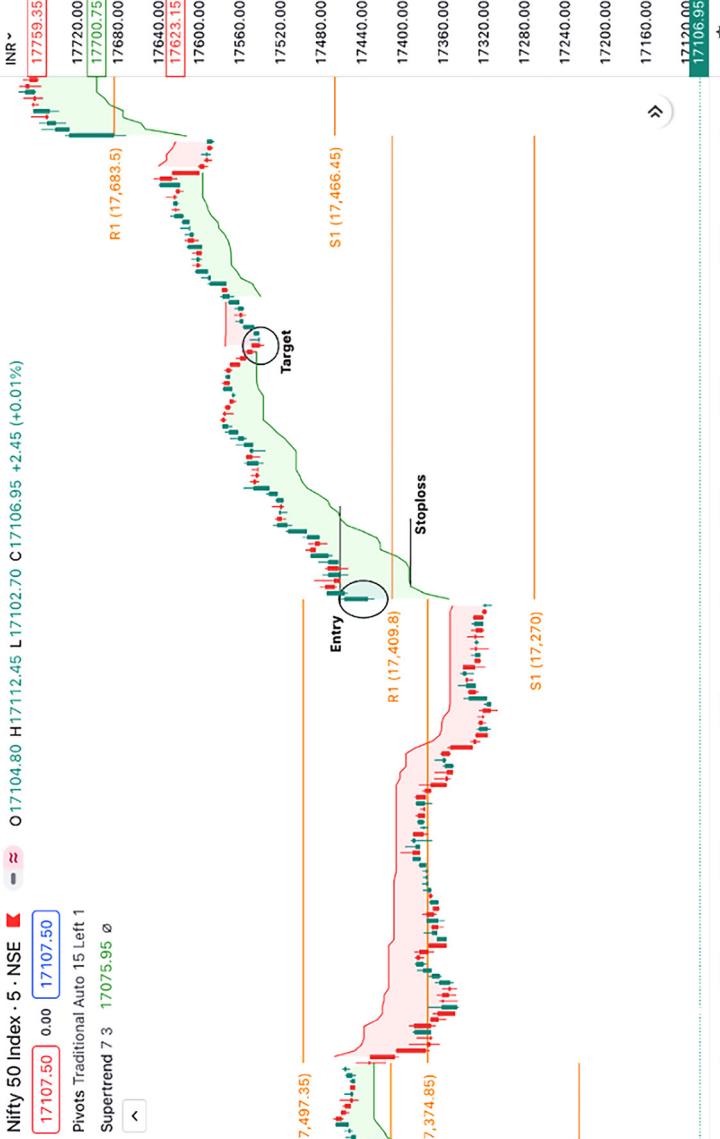
Nifty 50 Index 5 · NSE 0.00 17107.50

Pivots Traditional Auto 15 Left 1

Supertrend 7 3 17075.95



THE EXECUTION



TO BUY USING THIS STRATEGY, TAKE THE FOLLOWING STEPS:

- Set the chart to 5-minute timeframe.
- Apply Supertrend to the chart.
- Set the ATR range to 7.
- Apply Standard Pivot Points with only S1 and R1 points enabled.
- Wait for the price to break the R1.
- And let the price stay above the Supertrend.
- Once both conditions are met, wait for a bullish candle to form.
- BUY** above the closing of the bullish candle.
- STOPLOSS** may be placed below the Supertrend.
- The **TARGET** is at the trader's discretion or exit when the price closes below Supertrend.

In the above illustration, you see that the first 5-minute candle opened above the R1 and is 96% bullish candle. This indicates that the market is bullish and is ready to move upward. Also, the Supertrend is also bullish from the first candle. That is price is above the Supertrend. The entry is triggered above the closing of the first bullish candle. Since we are using Supertrend, it acts like the stoploss and the trade is exited at the closing of the candle below the Supertrend.



LearnZebra published on TradingView.com, Nov 07, 2023 14:08 UTC+5:30

Nifty 50 Index - 5 - NSE

17107.50 0.00

Pivots Traditional Auto 15 Left 1,468.15

Supertrend Z_3 17075.95 0

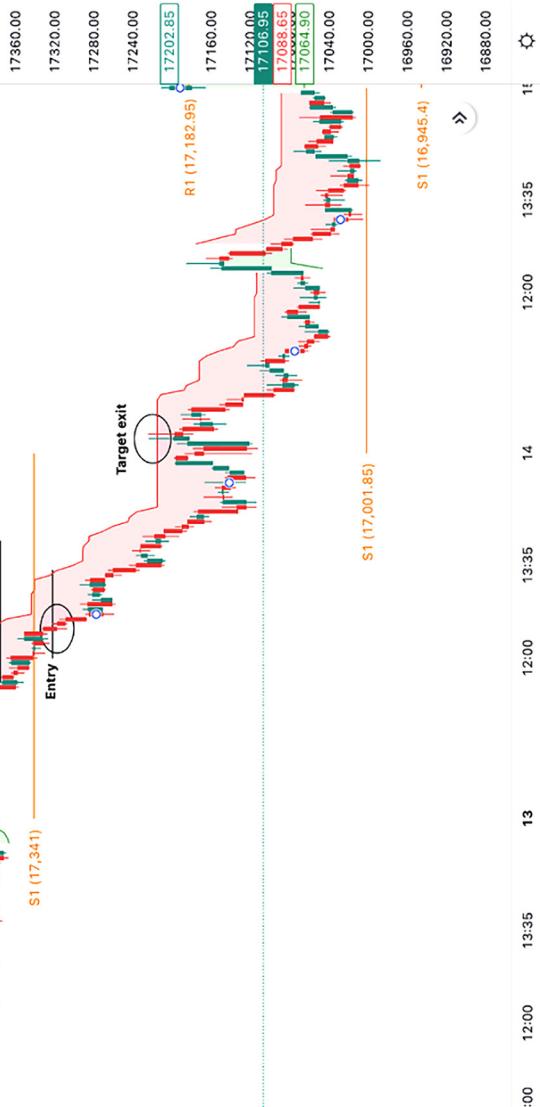
\$1 (17,341)

R1 (17,418.3)

Stoploss

Entry

Target exit



TO SELL USING THIS STRATEGY, TAKE THE FOLLOWING STEPS:

- Set the chart to 5-minute timeframe.
- Apply Supertrend to the chart.
- Set the ATR range to 7.
- Apply Standard Pivot Points with only S1 and R1 points enabled.
- Wait for the price to break the S1.
- And let the price stay below the Supertrend.
- Once both conditions are met, wait for a bearish candle to form.
- SELL** below the closing of the bearish candle.
- STOPLOSS** may be placed at the super trend.
- The **TARGET** is at the trader's discretion or exit when the price closes above the Supertrend.

In the above illustration, it is clear that the market opened with a big green candle but in the later phase price broke the S1 and fell below it. The Supertrend was already bearish which gave a confirmation of the trend continuation if the S1 is broke. The entry triggered at the low of the first red candle below S1 and stoploss could be seen at the swing high near the Supertrend. The exit is triggered when the price crossed the Supertrend from above but since this was an intraday trade we needed to close the trade at 3:15 PM.

Both of the illustrations are a proof that if followed holistically, this strategy can give good returns.

As a trader, it is your responsibility to test these strategies on your own. Every trader carries different temperament with respect to market's volatility. Try and test strategies and figure out which one works best for you.



2.3

ANALYZING PIVOT POINTS USING VWAP AND STANDARD DEVIATIONS



Strategy video

While travelling to surat in 2018, I met Vijay. He introduced himself as an intraday trader. We discussed how the market has been performing.

He told me he is pretty bullish on the Indian market. Out of curiosity, I asked him what's his trading strategy and how he stays calm during losing streaks. I questioned everything that was on my mind.

This intrigued me to try the VWAP on different securities like indices, stocks and commodities.

5
SUR
20

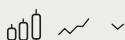


Autosave



Publish





Indicators

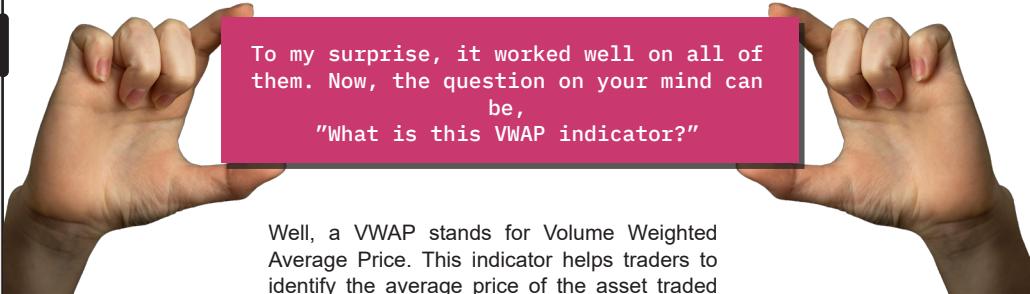


Alert

Replay



T



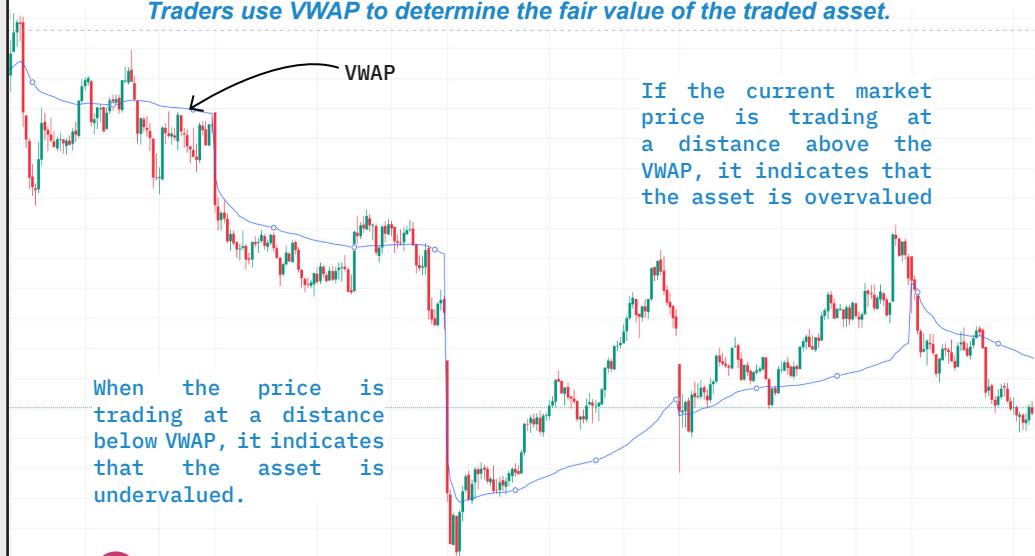
To my surprise, it worked well on all of them. Now, the question on your mind can be,
"What is this VWAP indicator?"

Well, a VWAP stands for Volume Weighted Average Price. This indicator helps traders to identify the average price of the asset traded throughout the day based on both the price and the trading volume.



The VWAP indicator takes into account the trading volume at each price level to calculate the average price of the security for a given period of time, typically a day or a session.

Traders use VWAP to determine the fair value of the traded asset.





VWAP

Inputs Style Visibility

VWAP

Upper band #1

Lower band #1

Upper band #2

Lower band #2

Upper band #3

Lower band #3

Bands Fill #1

Bands Fill #2

Bands Fill #3

OUTPUTS

Precision Default

Labels on price scale

Values in status line

Defaults Cancel Ok

All thanks to the new settings of VWAP in charting software that VWAP by default, comes with the upper and lower range of standard deviation.



Indicators



Alert

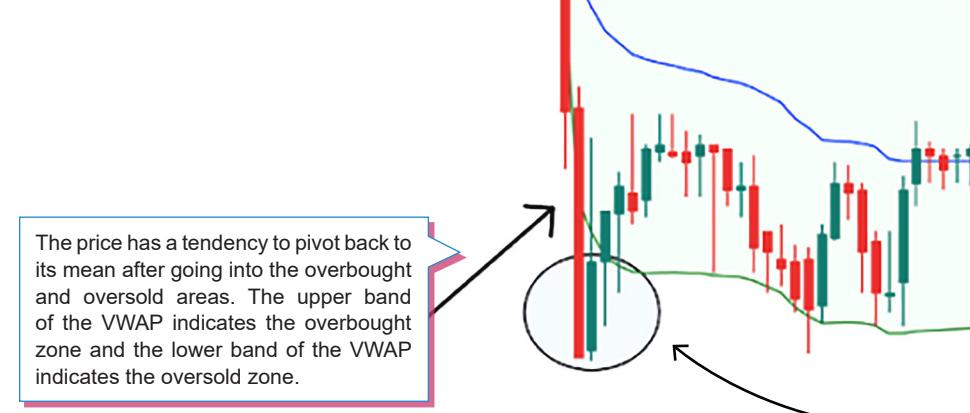
Replay



THE STRATEGY



LearnZebra published on TradingView.com, Nov 07, 2023 14:08 UTC+5:30



TradingView

13:00

14:00

22

11:00

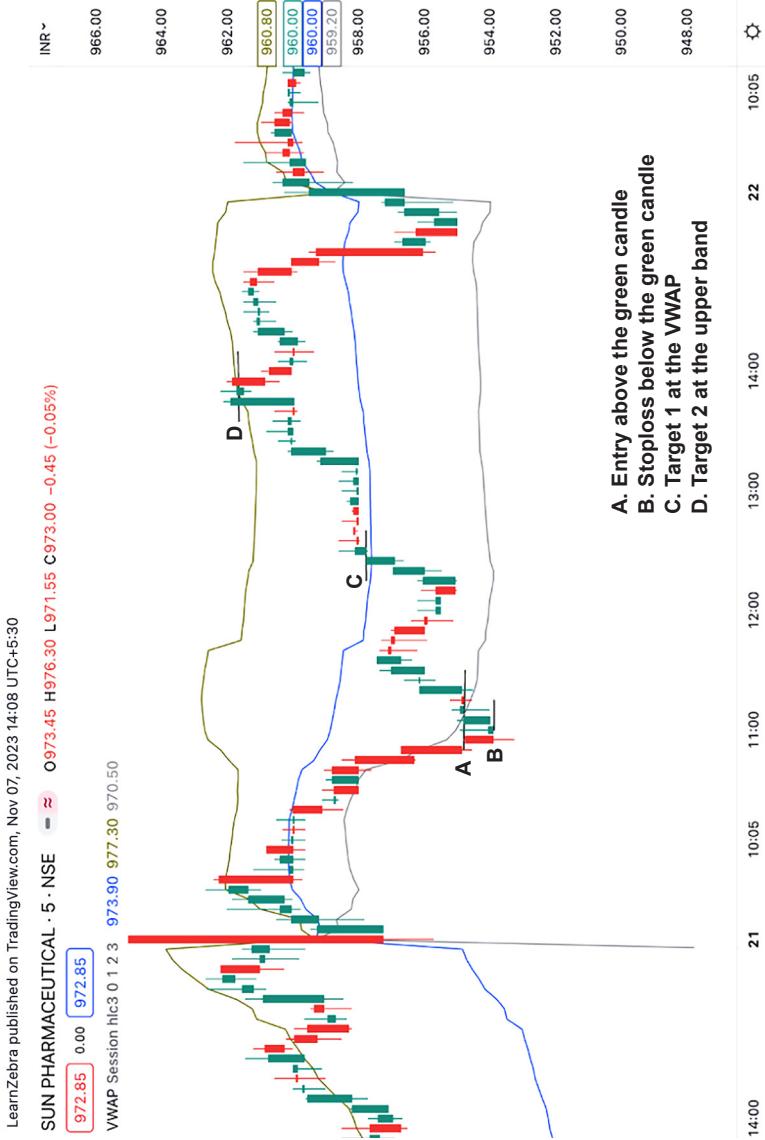
12:

INR (+0.08%)



THE EXECUTION

The execution of this strategy involves observing closely the price movement when the price is near either of the bands. A standard deviation of 2 gives you a range in which the price can travel.



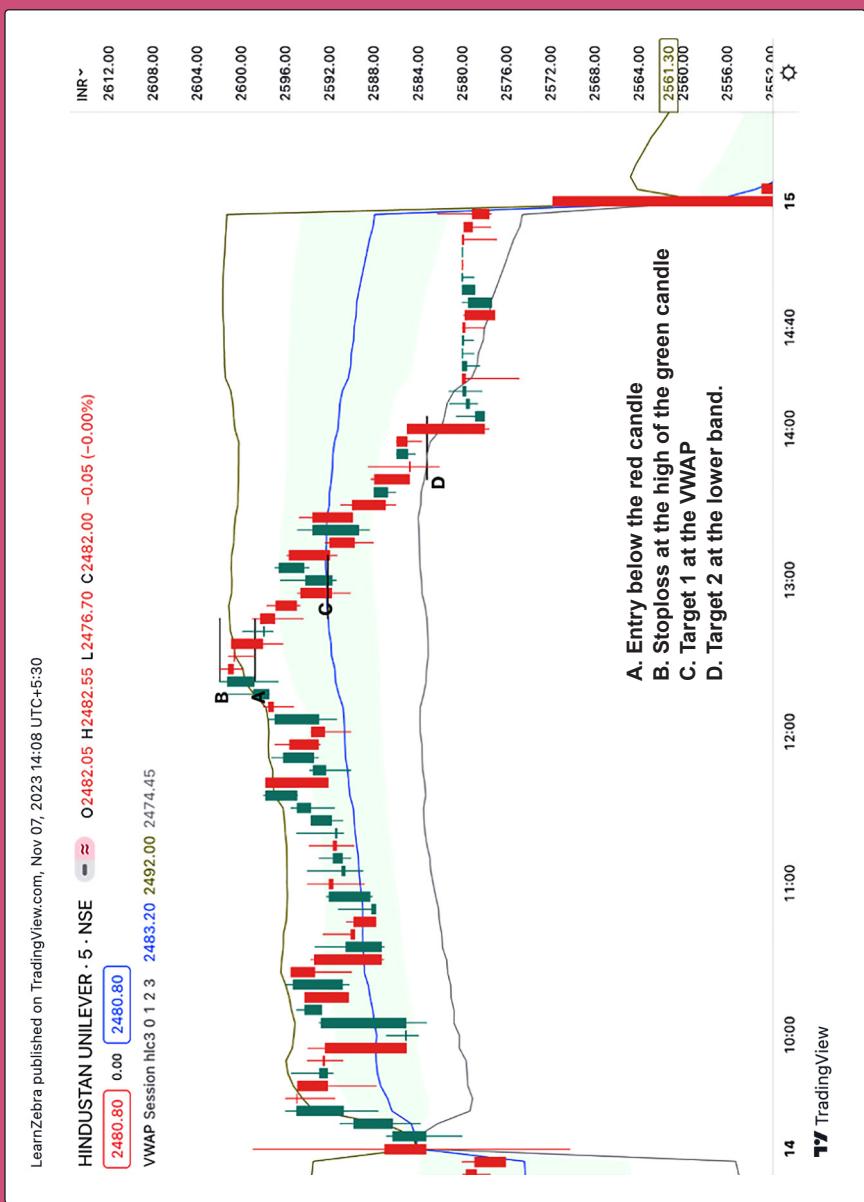
TO BUY USING THIS STRATEGY, TAKE THE FOLLOWING STEPS:

- Set the chart on a 5-minute timeframe.
- Apply VWAP, keep only upper and lower band #2 enabled, and the rest disabled.
- Wait for a bearish candle to close below the lower band.
- When a bearish candle is closed below the lower band, it indicates that it has entered the oversold zone.
- The next move of the price is to pivot with a bullish candle.
- The formation of a bullish candle indicates a reversal.
- The **BUY** entry is triggered when another candle breaks the high of the previous green candle.
- STOPLOSS** may be below the green candle.
- TARGET 1** is at the VWAP and **TARGET 2** is at the upper band.
- The preferred minimum Risk to Reward ratio is 1:2.

In the above illustration, on 21st March 2023, Sun Pharmaceutical opened with a big 5-minute red candle. The market was already in an uptrend, a small correction lead the price to fall below the lower band and enter into the oversold zone. The next candle was a Bullish Inverted Hammer candle, which means the market might fall further but, the confirmation of the breaking of its high indicates the market is ready to pivot. The buy entry was triggered at the high of the green candle and the stoploss was below the low of the green candle. Notice that just after hitting the upper band, the price pivoted back. Also, once we have taken a trade at this setup, we are not going to overtrade in the same security as there is a possibility of fake indications.



TO SELL



TO SELL USING THIS STRATEGY, TAKE THE FOLLOWING STEPS:

Set the chart to 5-minute timeframe.

Apply VWAP, keep only upper and lower band #2 enabled, and the rest disabled.

Wait for a bullish candle to close above the upper band. When a bullish candle is closed above the upper band, it indicates that it has entered the overbought zone.

The next move of the price is to pivot with a bearish candle. The formation of a bearish candle indicates a reversal.

The **SELL** entry is triggered when another candle breaks the low of the previous red candle.

STOPLOSS may be kept above the red candle.

TARGET 1 is at the VWAP and **TARGET 2** is at the lower band.

The preferred minimum Risk to Reward ratio is 1:2.

In the above illustration, Hindustan Unilever opened with an indecisive red candle with huge wicks on either side. After that, it started moving upward and after testing the upper band again and again, it finally closed above. This move was an alert for a short trade. A red candle after that formed and made clear that the price was going to pivot from the overbought zone. After two indecisive red candles, a proper red candle closed below the previous red candle which triggered the sell entry; the price continued to fall further, hit target 1 and continued to fall till it reached target 2 and closed below it.



2.4

BUY/SELL WITH RSI AND VOLUME OSCILLATOR



Strategy video

An intraday trader with no trading plan has a high probability of eroding his capital.



When a trade is taken completely out of discretion, emotions are involved. A trading plan can be made either using indicators or purely price action.

When it is purely based on price action, there are no statistics and data involved.

Whereas, when an indicator is used calculations provide a value which is then called a Buy or Sell signal.



In my trading journey, I have always used price action for trading, but, the accuracy I have got with indicators is unmatched. It has been years of using indicators and I have seen many market cycles. While I'm not a proponent of technical indicators, the truth can't be denied.



Autosave



Publish



Aseem Singhal | 51 Trading Strategies

From a plethora of indicators, I have picked a combination of RSI and Volume Oscillator to create an intraday trading strategy.

- ✓ The use of the conventional approach of RSI and Volume Oscillator has worked wonder in the intraday segment.

✓ To make it simple, I would say RSI helps a trader in identifying overbought and oversold conditions with levels of 70 and 30 respectively. The Volume Oscillator helps a trader identify trends using a two-moving average system.

✓ A fast and a slow line of moving averages. I.e. when the fast moving average crosses the slow moving average from below, the Volume Oscillator turns positive and rises.

✓ Whereas, when the fast moving average crosses the slow moving average from above, the Volume Oscillator turns negative and falls.



I still remember one month prior to the Janta curfew (22nd March, 2020) announced by our respected Prime Minister, Mr. Narendra Modi. The market was moving upward but with less magnitude. The market was making higher lows but it seemed like the momentum was lost. To identify this, I used the Volume Oscillator and RSI daily. I journaled the synchronised movement of RSI and the Volume Oscillator and drew a conclusion, which is now one of my strategies mentioned in this book. I noticed that the Volume Oscillator oscillates between the range of -30% to 30% and the RSI oscillates between a range of 70-30.





Indicators



Alert



THE STRATEGY



The logic behind this strategy is to look for crucial pivot points on an intraday basis. During the trading session, the market makes its own pivot points where scalpers play with huge volumes.

LearnZebra published on TradingView.com, Nov 07, 2023 14:08 UTC+5:30

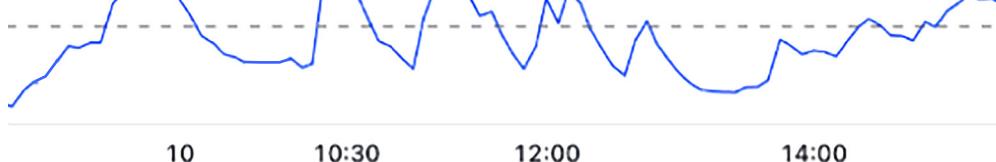
KOTAK MAHINDRA BAN · 5 · NSE 🚩 ⚪️ ≈ 0 1708.50 H1709.00 L1707.85 C1708.95 +0.55 (+0.03%)
1708.45 0.50 1708.95



RSI 14 close SMA 14 2 56.60



Volume Osc 5 10 -13.82%



10

10:30

12:00

14:00





LearnZebra published on TradingView.com, Nov 07, 2023 14:08 UTC+5:30

Nifty 50 Index - 5 - NSE 0.00 16985.70

INR ↗

18280.00

18240.00

18200.00

18160.00

18120.00

18080.00

18040.00

18000.00

100.00

80.00

60.00

40.00

32.69

21.95%

0.00%

-25.00%

↑

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

16998.30

TO BUY USING THIS STRATEGY, TAKE THE FOLLOWING STEPS:

Set the chart to 5-minute timeframe.

Apply RSI and Volume Oscillator.

For a buy trade, the price should be in an uptrend.

With this strategy, you will get the chance to buy the DIP.

At the dip, watch out for RSI and Volume Oscillator to be in tandem.

The **BUY** entry is triggered when the Volume Oscillator is near to -30% level and the RSI is at the 30 level (the oversold zone).

Make sure both of the indicators are in their oversold area.

The **STOPLOSS** is placed at the swing low.

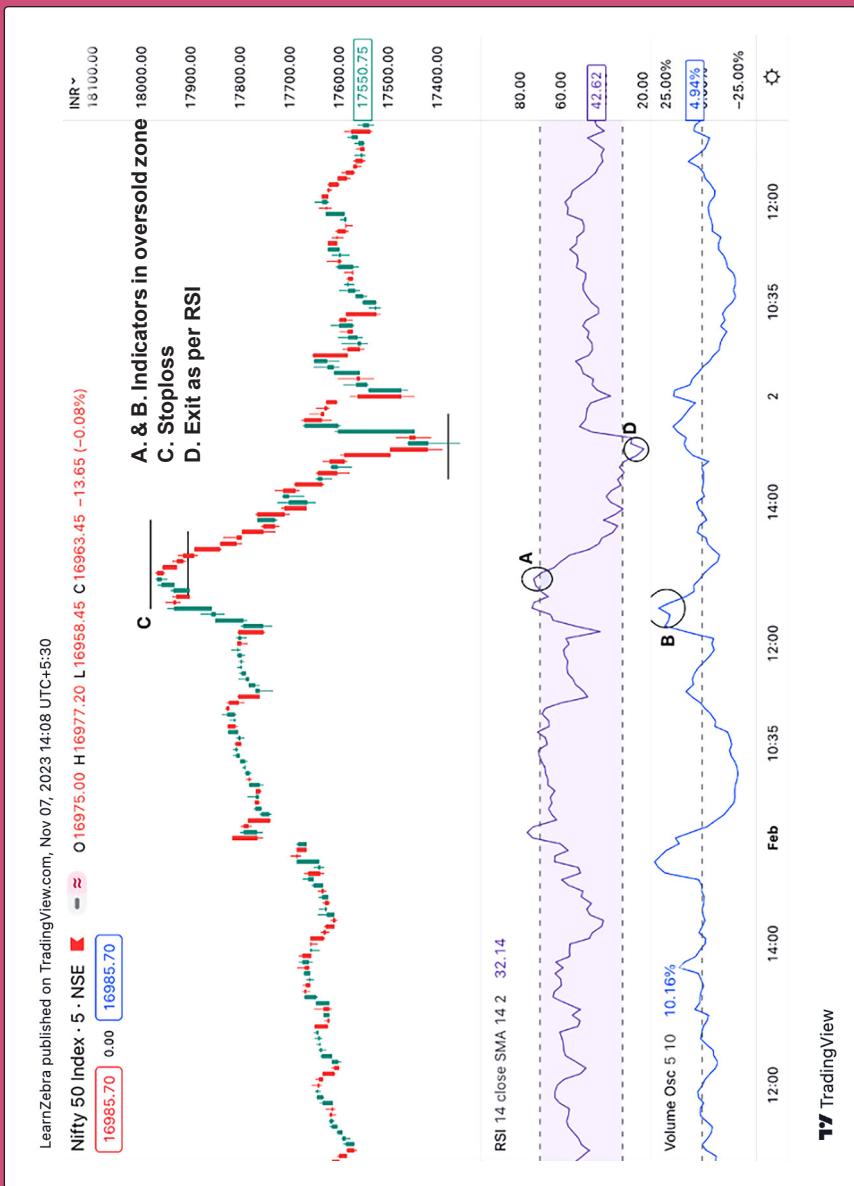
The **TARGET** is based on the premise that once the RSI reaches the overbought area, the target is met.

With this strategy, the conservative Risk to Reward ratio is 1:2.

In the above illustration, on 29th December 2022, the market opened gap down. While the market was in an uptrend, a sudden gap down pushed the price to the oversold zone. After the first hour of the trading session, the market started gaining strength. That is RSI was near the 30 levels and the Volume Oscillator was at the bottom. After a bullish candle broke the resistance, the market started to rally and went up to the level of 18,240. That was where the profit booking is triggered based on the RSI.



▶ TO SELL



TO SELL USING THIS STRATEGY, TAKE THE FOLLOWING STEPS:

Set the chart to 5-minute timeframe.

Apply RSI and Volume Oscillator.

For a sell trade, the price should be in a downtrend. With this strategy, you will get the chance to sell at a pullback.

At the pullback, watch out for the RSI and the Volume Oscillator to be in tandem.

The **SELL** entry is triggered when the Volume Oscillator is near to 30% level and the RSI is at the 70 level (the overbought zone).

Make sure both the indicators are in their overbought area.

The **STOPLOSS** is placed at the swing high.

The **TARGET** is based on the premise that once the RSI reaches the oversold area, the target is met.

With this strategy, the conservative Risk to Reward ratio is 1:2.

In the above illustration, on 1st Feb 2023, the market opened a slight gap up and went into consolidation till the second phase of the market. Post that the price quickly rose to the 17,980 level and formed a swing high. At the pivot point, you can see that the RSI was in the overbought zone and the Volume Oscillator was near the 30% area. I.e a bearish reversal trade triggered. We enter the trade when the low of the support candle is broken, the stoploss is at the swing high and the target hits once the RSI enters into the oversold area.

2.5

WAIT AND TRADE THE PULLBACK



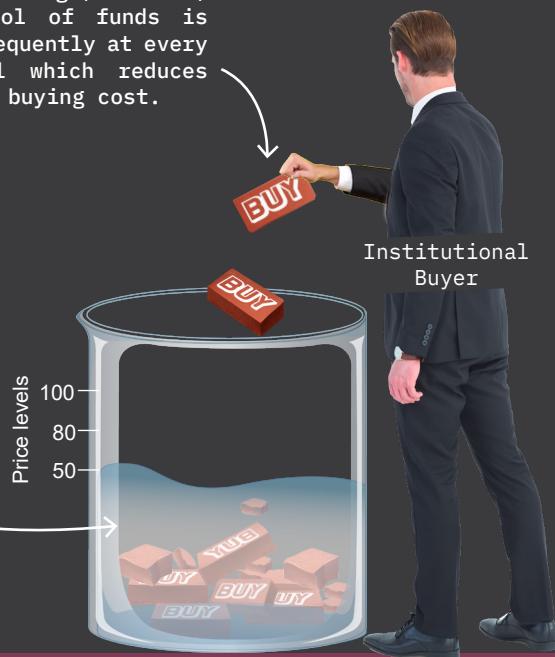
Strategy video

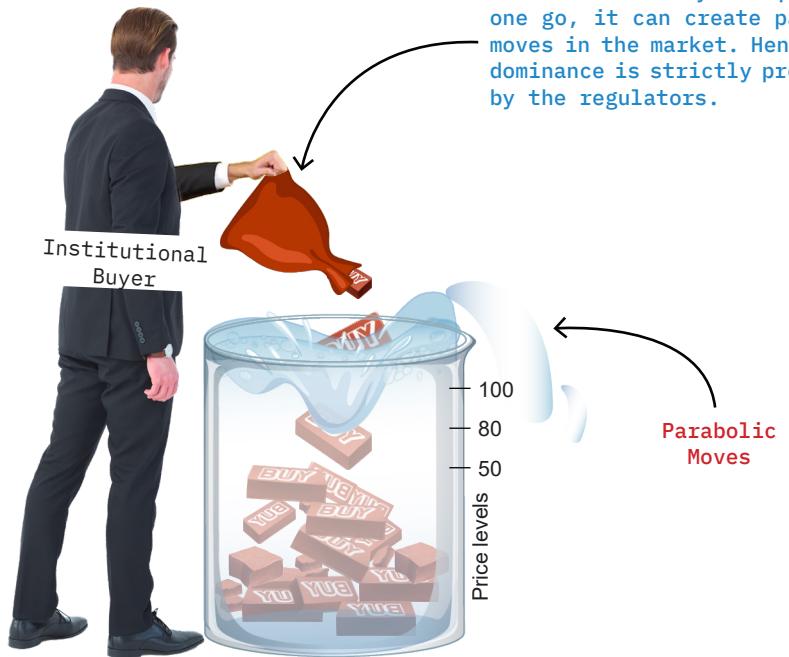
**WHAT IF I TELL YOU,
A PARABOLIC MOVE IS ALL THE
MARKET NEEDS TO ERODE YOUR
CAPITAL?
YOU WOULD FEAR THIS, RIGHT?**

But this is what technical analysts have been observing from the inception of the markets.

The whole money is not deployed in one go, instead, a small pool of funds is deployed frequently at every price level which reduces the average buying cost.

When institutions put money into the market, they prefer deploying funds when the asset is undervalued.



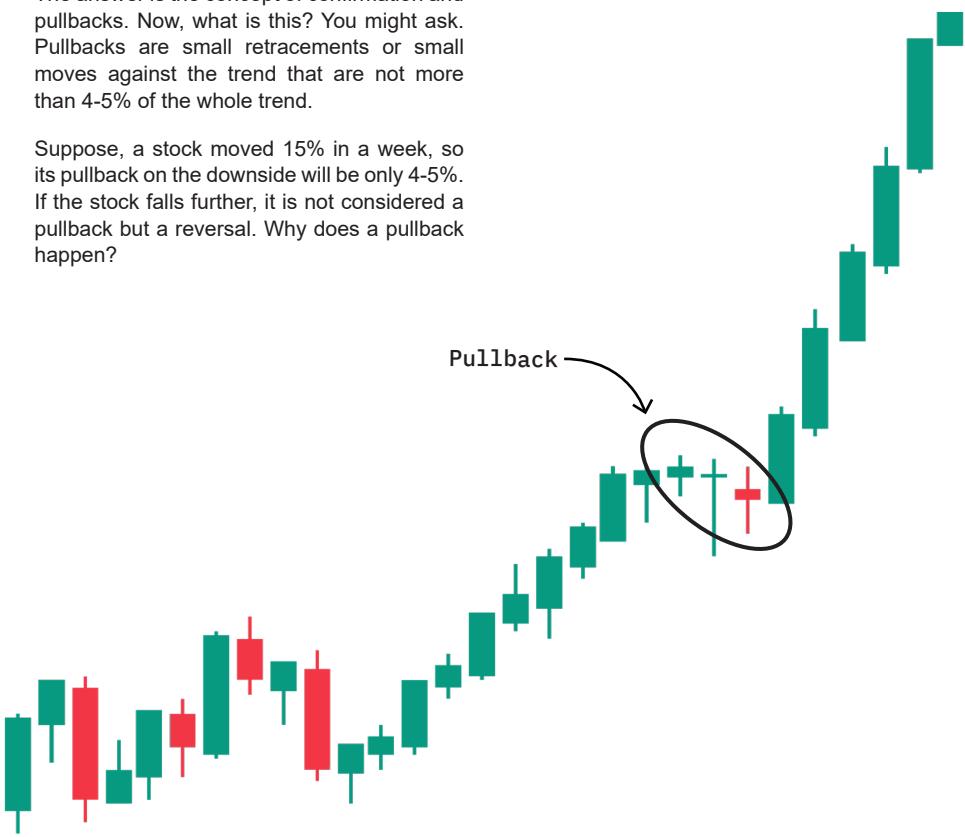


Even when you trade based on price action, you think of buying when the price breaks the high of a candle near a crucial area and placing a stoploss at the low of the candle. However, an impulsive candle nearly covers a huge part of the primary move, and we are more prone to have a poor Risk to Reward ratio. A profitable trader is known for his asymmetric bets which give him most of the profits risking peanuts. On the other side, a trader with a poor Risk to Reward ratio eventually quits the market cursing different factors like price going against him, volatility, luck, etc. but impatience while trading.

IS THERE ANY
'RAM BAAN IJLAAJ'
FOR THIS? WELL, NO, BUT YES!

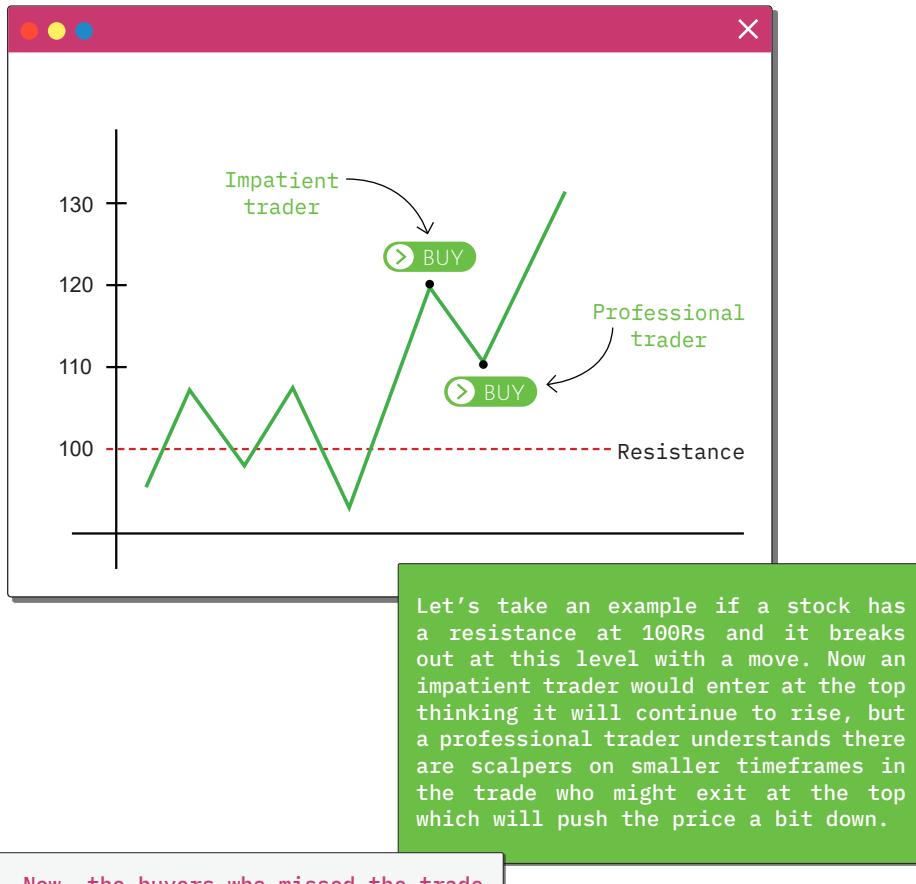
The answer is the concept of confirmation and pullbacks. Now, what is this? You might ask. Pullbacks are small retracements or small moves against the trend that are not more than 4-5% of the whole trend.

Suppose, a stock moved 15% in a week, so its pullback on the downside will be only 4-5%. If the stock falls further, it is not considered a pullback but a reversal. Why does a pullback happen?



The main reason for a pullback in a sustained trend is profit-booking on smaller timeframes or some negative news. Be it intraday trades or positional, the concept of pullbacks remains the same at every time interval. An intraday trader will look for pullbacks on a 5-minute timeframe, and a positional trader will look for a pullback on a weekly timeframe.

Why does a trade taken at pullbacks often consider as safe? The reason is buyers support the price level by continue buying at the pullback level.



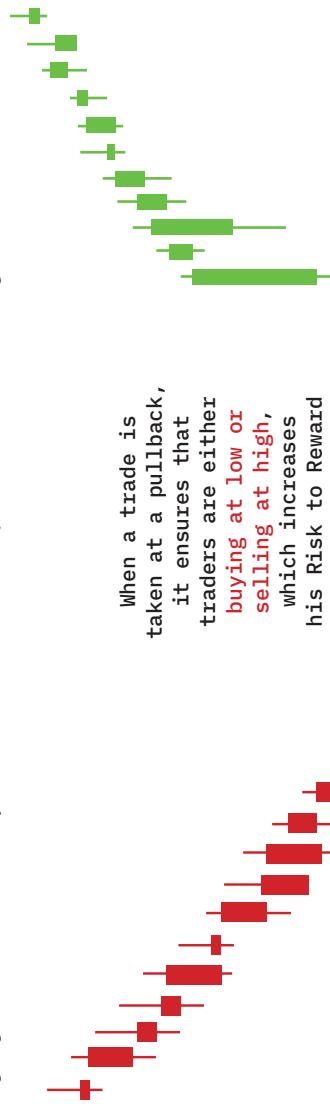
Now, the buyers who missed the trade will enter when they see the price coming to a reasonable level, and thus, the move will be supported by more buyer interest.

After years of experience in the markets, I have understood that no matter what strategy you use, without confirmation of a legitimate breakout of a level, you are more prone to risks. This is why in this chapter, I am going to discuss **a beautiful pullback intraday trading strategy using pivot points**. The purpose of using pivot points in this strategy is to have marked all the crucial levels beforehand. **Since pivot points are static and they do not change with different timeframes, traders can get an idea of where the price will react more than usual.**



THE STRATEGY

The strategy is to have asymmetric bets. That is taking trades at a pullback with small stoplosses. A pullback does not necessarily mean the trade is going to be successful. Always remember, the market is supreme, and no one can argue this.



Swipe to BUY

Swipe to SELL

