



NEOWIRE

CUTTING EDGE STOCK MARKET ANALYSIS

May 2024
Volume 28

Founder's Message



Hello there!

The time does fly when you are having a good time in the markets! Doubtless, our extended Neotrader family would certainly be having a good time as, barring March, the other months until April have been bullish ones. Gains, especially in small and mid cap space, have accrued and I am certain that recommendations across different time frames in Neotrader are helping our family to profit and prosper.

There is an oft touted adage of the market 'Sell in May and go away' but this time, what with the Elections getting mixed in, this adage may not exactly prove right. In fact, I wont be so surprised if it actually proves to be otherwise! With high expectations that the BJP will sweep back into power and continuity of policies remain, the market may not witness much selling. Some nervous holders may want to book profits ahead of the results in first week June but that is unlikely to be anything substantial. Thus the good times are set to roll.

With sustained bull markets, there may be need for our Neotrader users to look beyond the trading recommendations and seek to engage in some active investing. Neotrader is also completely equipped to enable this aspect for its users. In case you need assistance for effective usage of those functions, do reach out to our office.

Heat wave is sweeping India and many are off to cooler climes. But lets all not forget our primary duty - which is to vote in the election. So, it is a sincere pray to all our members and acquaintances to go out there and vote and also get your own circle of people to exercise their franchise and vote. This is a most important civic duty for all of us.

I shall be in touch again in first week of June once the new Govt gets in place!

Vote!

Dr. C K Narayan

ARE YOU MAKING WHAT YOU THINK YOU OUGHT TO MAKE?



I am referring here of course to Money. You came to the market to make money, right? And lots of it! Why? Because you know it was there to make. The market is a place of Unlimited Potential with unprecedented (in your life) rewards. That is why you fought every obstacle to reach here to make ought from it .

But having come here, you have still not achieved it. It's been a few years but the gains are still elusive. No doubt, you learnt some things along the way that helped you to survive. Those who didn't have all perished or quit already. But five years later, you are still around, going long, going short, trading short term, investing long term, playing options etc. etc. In other words trying a bit of everything. But the success has still been missing.

And you keep wondering why that is so. You trawl the Twitter world looking for the occasional scrums that people throw out. You are mesmerized by those who claim that they had seven figure month. And you despair within- only because you are not even able to reach the early five digits too. So you hang around in Twitter, hoping to strike it rich one day.

[CLICK HERE](#)

BLOGS

THE PRICE YOU PAY FOR SUCCESS

THE PRICE YOU PAY FOR SUCCESS



All of us want to succeed. It doesn't matter what price we pay for success. We want success in whatever it is we are doing. In your work, in your marriage, in your business, in your relationships, in your hobbies and areas of interest, in the friendly games that you play with others, in arguments with whoever.....the list is endless.

But success anywhere requires effort. And that means Time, And Effort. And commitment of resources. So, when we are thinking success we are actually thinking time and effort and commitment of many of our resources (money, network, relationships, effort etc). Problem is we are not thinking about all these with enough clarity.

For example, I have always wanted to design a software to analyse the market that combined both technical and fundamentals. I set out doing this way back in 1988. Developing one cost me around 40K, a princely sum back in the late 80s. Prior to this I used to draw charts by hand. That used to give me a real feel for the market. Once it was being drawn by the software, the quantum of work that could be done increased manifold of course but the "feel" for the market was lost. I had to re-find it thru some other means. This was the cost that I paid to get a greater control on the total stocks traded. I have, recently, developed another software, this time for facilitating market analysis and giving me processed data and ready trades. It has cost me a good amount of money.

[CLICK HERE](#)

EVENTS AND SEMINARS

OUR **CO-FOUNDER** SPEARHEADS SUCCESSFUL INAUGURAL **CMT MUMBAI** CHAPTER **MEETUP**



NeoTrader is overjoyed to share the fantastic news that our esteemed co-founder, Aditya Iyer, CMT has been named the Volunteer leader for the CMT Mumbai wing. He has started off by quickly steering the inaugural CMT Mumbai Chapter meetup to tremendous success. This momentous occasion not only marks the beginning of an exciting journey for the CMT Mumbai Chapter but also showcases NeoTrader's unwavering dedication towards fostering a vibrant community of knowledgeable traders.

The event was brimming with passionate individuals eager to explore the intricacies of financial analysis and trading strategies. The highlight of the meetup was a compelling session by the talented Akshay Chinchalkar, who shed light on the effective use of Python for financial analysis. Attendees were privy to invaluable insights on key topics, such as utilizing Python for backtesting the Nifty 50 using a Long-Only RSI Strategy, streamlining coding through the use of Jupyter IDE, and leveraging powerful libraries like Pandas and Numpy for data analysis and visualization. The demonstration by Akshay was a stellar example of how Python can simplify complex analyses, making data retrieval and trend visualization a breeze.

EVENTS AND SEMINARS

OUR **CO-FOUNDER** SPEARHEADS SUCCESSFUL INAUGURAL **CMT MUMBAI** CHAPTER **MEETUP**

We cannot express enough gratitude to Joel Pannikot for his unwavering support and guidance, which played a pivotal role in turning this event into a resounding success. Looking ahead, NeoTrader is eagerly anticipating more engaging sessions and further educational opportunities. Building a strong community that nurtures growth and mastery in market technical analysis is our top priority.



We are honored to have remarkable leaders like Aditya Iyer on our team, who not only contribute to NeoTrader's success but also benefit the broader trading community.

SPECIAL SUPPORT SESSIONS

NeoTrader Team now conducts regular handholding support sessions!

The objective of these sessions is to ensure that you are able to use the NeoTrader pages well. We understand that many of our NeoTrader family members want to fine-tune their trading skills and usage of NeoTrader.

We're here to offer personalized, step-by-step assistance to help you navigate through them successfully.

Key Features of our Q & A and Strategy Sessions:

Personalized Guidance: In handholding sessions, we provide one-on-one assistance tailored to your specific needs. Our goal is to guide you through the process, ensuring a clear and thorough understanding of each step.

Interactive Learning: These sessions are designed to be interactive. Feel free to ask questions, seek clarification, or request additional information at any point. We want to make sure you feel confident and comfortable throughout the process.

Step-by-Step Instructions: We'll break down the task or process into manageable steps, offering detailed instructions along the way. This approach allows for a smoother learning experience and helps build your confidence as you progress.

Patience and Encouragement: Learning something new can take time, and we understand that. We're here to patiently guide you through each step, providing encouragement and support to help you overcome any challenges you may encounter.

Feedback and Reflection: Your feedback is crucial to us. We encourage you to share your thoughts, ask questions, and let us know how we can improve our support. Additionally, taking a moment to reflect on what you've learned can enhance the overall learning experience.

Thank you for participating in our handholding support services. Let's work together to ensure you successfully achieve your trading goals.

SPECIAL SUPPORT SESSIONS

OUR SPECIAL SUPPORT SESSIONS FOR APRIL

Date	Topic	Time
7th May 2024	Trading Breakouts with Fibonacci Pivots	4:30 PM
9th May 2024	Trading Reversals with Fibonacci Pivots	7.00 PM
11th May 2024	Strategy Session for 2 Years on CPR	12.00 PM

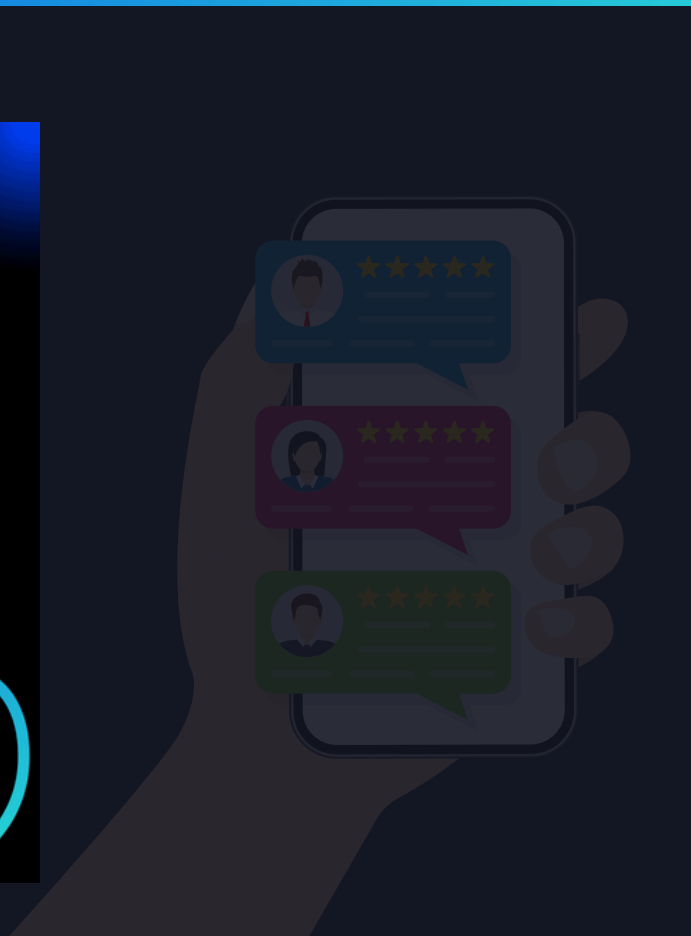


CUSTOMER REVIEWS AND FEEDBACK



Excellent training sessions. Really helpful to execute trades with confidence. If possible please conduct one to one training sessions.

Rakesh Bhagat

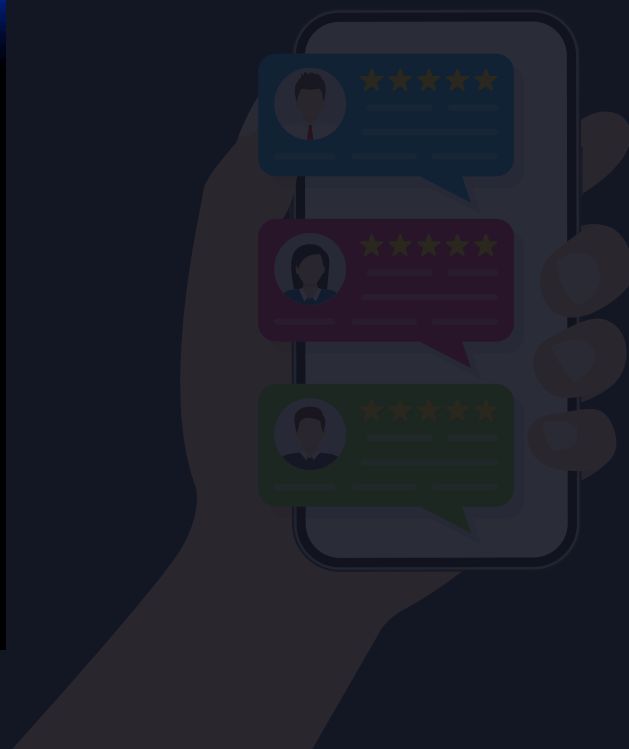


NeoTrader review the Markets & gives timely Direction for a tradable entries. This is Increasing the win probability

Bharat Nanavaty.



CUSTOMER REVIEWS AND FEEDBACK



TRADING RANGING MARKETS



TRADING IN A RANGING MARKET IS QUITE CHALLENGING

Trading in a ranging market is quite challenging as the prices tend to move within a defined upper and lower boundary. The lack of trends that emerge during such periods often makes it challenging for trading. However, despite absence of a clear trend, one can strategically approach the market by employing methods suited to capitalize on sideways movement.

Some of the ways that I have found useful to trade in a ranging market are listed below:

1. **Identify the Range:** The first step is to clearly define the range. Use historical price data to identify the support (lower boundary) and resistance (upper boundary) levels. These are the price levels where the price has repeatedly turned around.

2. **Range-Bound Strategies:**

- **Buying at Support:** Purchase when the price hits the support level and shows signs of bouncing back up. It's crucial to confirm the bounce with price action or other indicators to avoid false breakouts.

- **Selling at Resistance:** Sell when the price reaches the resistance level and starts to decline. Again, confirmation of the price rejecting the resistance level increases the probability of a successful trade.

3. **Using Oscillators:** One can use indicators like the Relative Strength Index (RSI) or Average True Range (ATR) which can be particularly useful in a ranging market. These indicators are available in NeoTrader that can show when the asset is overbought (near resistance) or oversold (near support), suggesting potential reversal points.

TRADING RANGING MARKETS



TRADING IN A RANGING MARKET IS QUITE CHALLENGING

4. **Breakout Confirmation:** Always be on the lookout for a potential breakout from the range. If the price breaks and closes outside the range, it might signal a new trend. Use additional confirmation through volume analysis or a secondary price confirmation to ensure it's not a false breakout.

5. **Channel Trading:** In some cases, the range-bound market might show a slight directional bias forming a channel rather than a strict horizontal range. Adjust the strategy to buy near the channel's lower trendline and sell near the upper trendline.

6. **Mean Reversion Techniques:** These are based on the assumption that the price will tend to revert back to the mean or average level. Tools like Bollinger Bands can help in identifying overextended price levels that are likely to revert.

7. **Risk Management:** Proper risk management is essential. Always use stop-loss orders to limit potential losses. In a ranging market, stop-losses are typically placed just outside the identified support or resistance levels to protect against false breakouts.

8. **Patience and Discipline:** Ranging markets require patience. Wait for clear signals based on your strategy before entering a trade. Avoid the temptation to trade if the market conditions do not fit your strategy.

By employing the above strategies, traders can effectively navigate ranging market. Each approach requires careful consideration of market conditions and personal risk tolerance. Hence, it's best to have approaches to cater to different situation in the market.

TOP PERFORMING TRADE FROM NEOTRADER

Short Trades: Short refers to selling a security first and buying it back later, with the anticipation that the price will drop and a profit can be made

Long Trades: Long refers to buying a security first and selling it later, with the anticipation that the price will increase and a profit can be made

TOP 5 OPTIONS TRADES

Our **OPTIONS** suggestion is best for catching the quick volatile moves of the stock through our ready made trade suggestion which will give you which strike price to enter whether it be CALL or PUT.

The following shows short and long trades profit.

Scrip	Date & Time	Signal Type	Profit in Rs
PFC 24MAY410 CE	29-04-2024 14:48	LONG	85,638
RECLTD 24MAY440 CE	25-04-2024 09:48	LONG	48,900
GAIL 24APR187.5 CE	03-04-2024 09:47	LONG	38,888
ESCORTS 24MAY3140 CE	22-04-2024 09:48	LONG	37,620
VOLTAS 24APR1120 CE	01-04-2024 09:47	LONG	26,580

TOP 5 INTRADAY TRADES +BTST

Our **INTRADAY** suggestion fulfills the appetite of day traders by catching the short term trend of the stocks and providing high probability trades.

Scrip	Date & Time	Signal Type	Profit in Rs
MCX	01-04-2024 09:46	LONG	30,260
MCX	25-04-2024 10:47	LONG	25,608
HAL	05-04-2024 12:17	LONG	31,500
TRENT	29-04-2024 13:18	LONG	30,144
ESCORTS	26-04-2024 11:18	LONG	27,574

TOP 5 MULTIDAY TRADES

Our **MULTIDAY** trade suggestion are active for a period of 5 trading sessions suitable for those who want to capture price swings.

Scrip	Date & Time	Signal Type	Profit in Rs
RECLTD	30-04-2024 15:04	LONG	1,01,200
CONCOR	24-04-2024 15:04	LONG	90,220
ABCAPITAL	23-04-2024 19:45	LONG	87,372
HINDCOPPER	01-04-2024 15:04	LONG	85,781
GAIL	03-04-2024 15:04	LONG	84,455

ANATOMY OF A TRADE

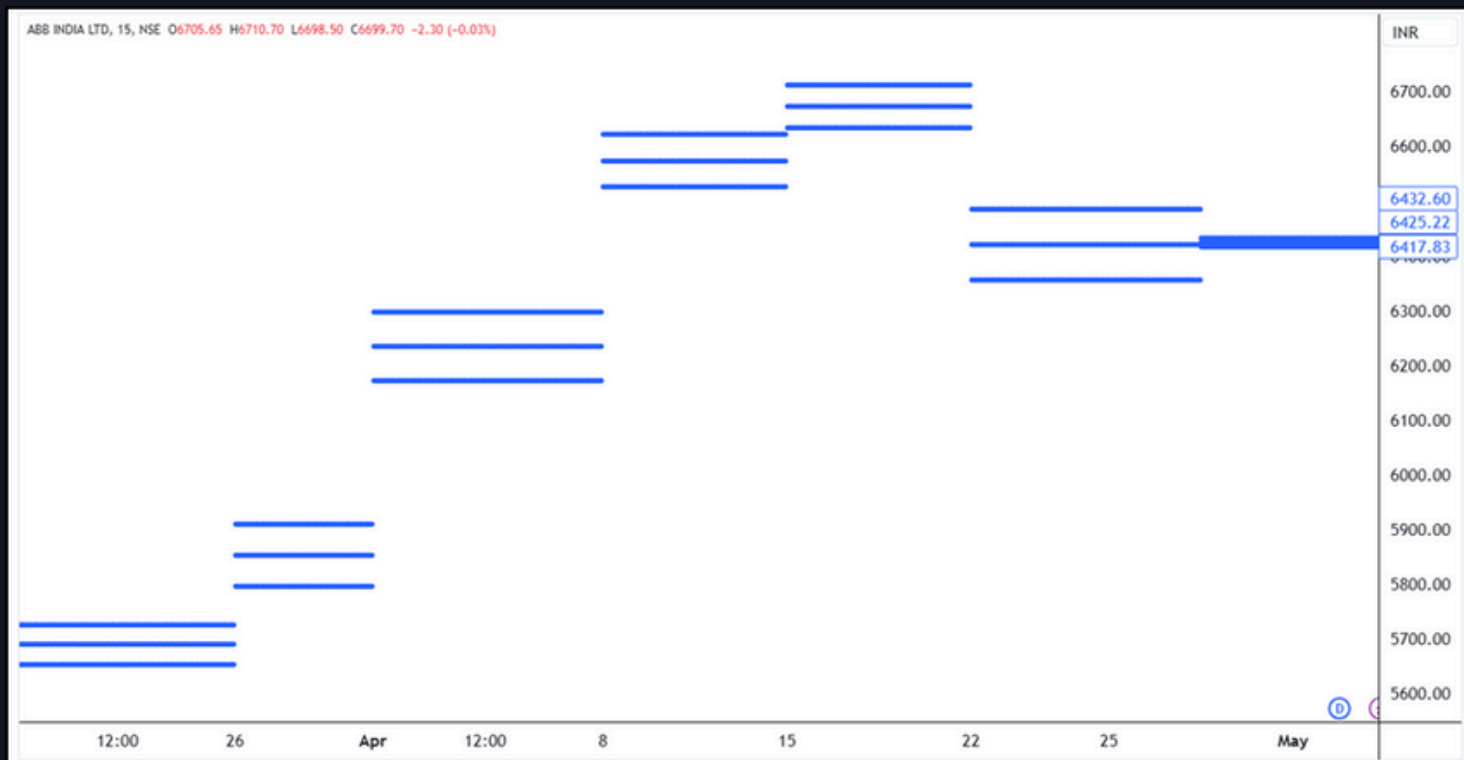
CATCHING HIGH PROBABILITY BREAKOUTS WITH CPR AND FIBONACCI PIVOTS

Most traders and investors are familiar with the saying "the trend is your friend." but trend can also emerge after a narrow consolidation.

We all must have heard about Narrow CPR and many of you would have been using it in your trading strategy, but there is one more advanced concept derived from this concept of Narrow CPR called NR7 CPR.

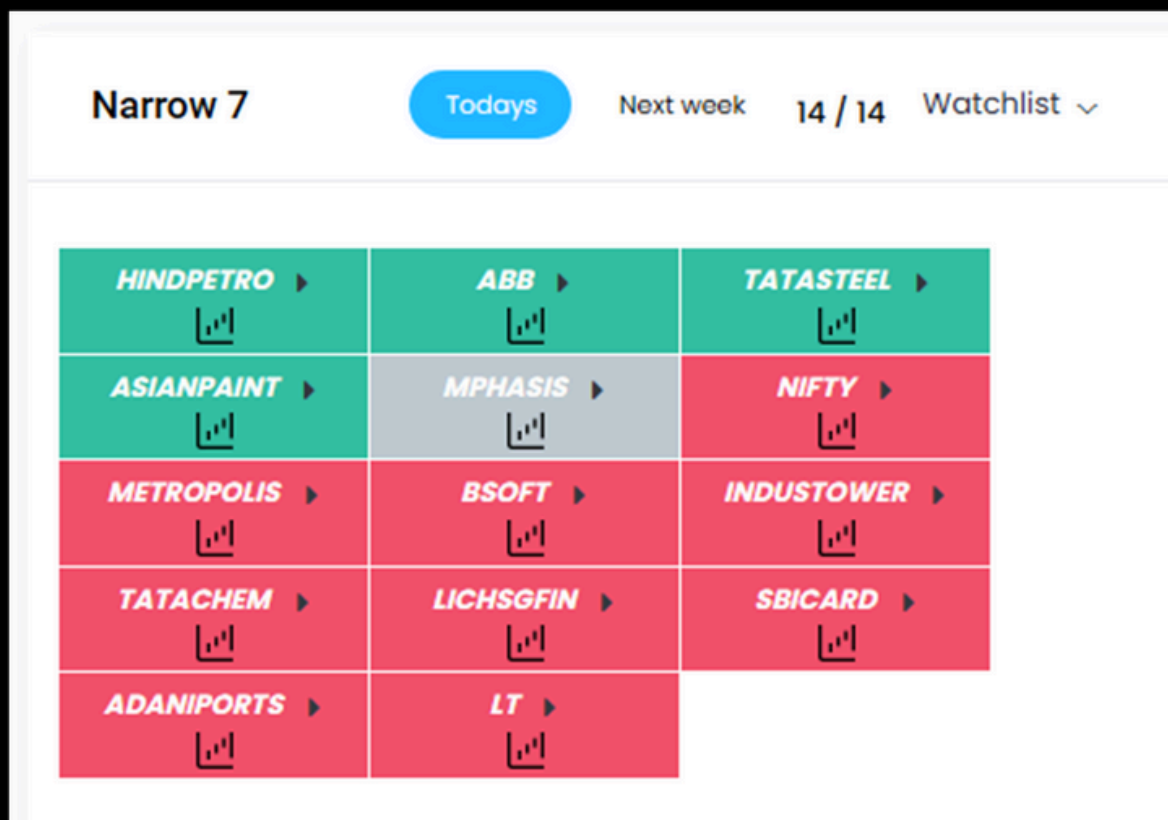
NR7 CPR is the narrowest CPR for today's trading session as compared to the last 7 trading sessions

LET'S VISUALLY UNDERSTAND THIS THROUGH AN EXAMPLE



ANATOMY OF A TRADE

This is a chart which depicts weekly cpr for 29-04-2024 to 03-05-2024 and had a narrow CPR which is also the narrowest cpr in the last 7 trading weeks which signifies the narrowest range in the price itself as the formula for CPR contains high,low,close elements of the price.



In NeoTrader CPR page we have a dedicated section to identify such stocks and present you just in a click.

For entry purpose we will use Fibonacci pivot

NeoTrader has a dedicated page for Fibonacci pivot through which we can track the price action of the NR7 CPR stock.

ANATOMY OF A TRADE

HINDPETRO is one such example which had NR 7 on a weekly CPR and it crossed it's weekly Fibonacci R1 and making it's way up crossing R2,R3 and even R4, which can be tracked using NeoTrader Fibonacci Heatmap page which tracks the stock and gives you the status of price whether the prices have crossed R1,R2,R3 and R4 similarly for S1,S2,S3 and S4



For setting the stop loss traders can either use ATR based stoploss or simply the S1 level of the Fibonacci pivot of the respective timeframe.

ANATOMY OF A TRADE

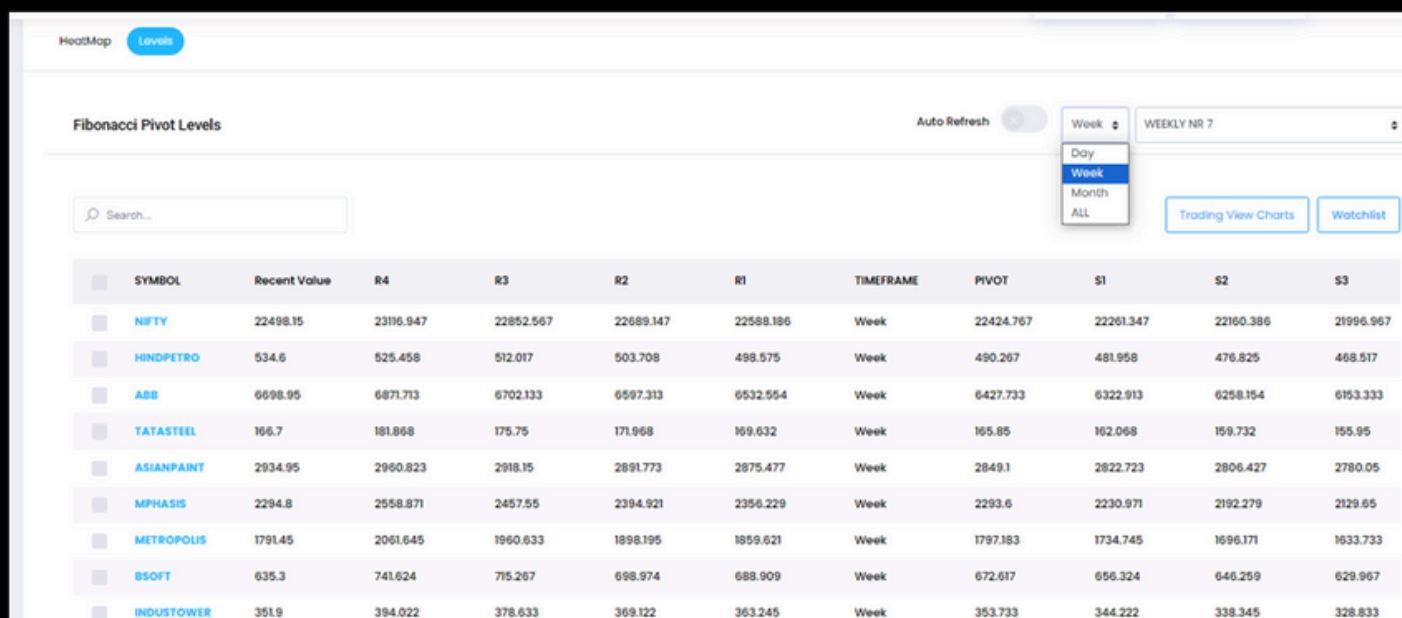


Lets have a look at it's chart too

Forming a small candle on the weekly chart. Right at the start of the week, it crossed its weekly resistance level (R1), signaling a good chance to buy. To play it safe, setting a stop loss at the weekly support level (S1) made sense. After crossing R1, HINDPETRO made a solid 6% gain.

ANATOMY OF A TRADE

Traders can also know the particular Fibonacci levels from the levels page in Fibonacci page.



SYMBOL	Recent Value	R4	R3	R2	R1	TIMEFRAME	PIVOT	S1	S2	S3
NIFTY	22498.15	23116.947	22852.567	22689.147	22588.186	Week	22424.767	22261.347	22160.386	21996.967
HINDPETRO	534.6	525.458	512.017	503.708	498.575	Week	490.267	481.958	476.825	468.517
ABB	6698.95	6871.713	6702.133	6597.313	6532.554	Week	6427.733	6322.913	6258.154	6153.333
TATASTEEL	166.7	181.868	175.75	171.968	169.632	Week	165.85	162.068	159.732	155.95
ASIANPANT	2934.95	2960.823	2918.15	2891.773	2875.477	Week	2849.1	2822.723	2806.427	2780.05
MPHASIS	2294.8	2558.871	2457.55	2394.921	2356.229	Week	2293.6	2230.971	2192.279	2129.65
METROPOLIS	1791.45	2061.645	1960.633	1898.195	1859.621	Week	1797.183	1734.745	1696.171	1633.733
BSOFT	635.3	741.624	715.267	698.974	688.909	Week	672.617	656.324	646.259	629.967
INDUSTOWER	351.9	394.022	378.633	369.122	363.245	Week	353.733	344.222	338.345	328.833

CONCLUSION:

In summary, integrating Narrow Range 7 CPR with Fibonacci pivot levels offers traders a structured methodology to identify and capitalize on high probability breakout opportunities in the market. By leveraging NeoTrader, traders can swiftly pinpoint stocks exhibiting NR7 CPR setups and track their progress through key Fibonacci resistance and support levels. This strategic approach not only enhances the precision of entry signals but also facilitates effective risk management through the establishment of stop-loss at S1 levels.



f /Neo Trader.in

 /neotrader.in

 /@NeoTrader

 /NeoTrader_in

**Vikas Center, 1402 14th Floor, CG rd,
Chembur (E), Mumbai,
Maharashtra 400074**

Contact - 8779800688 / 8169384048

Help Desk No - 9137880257

Mail - support@neotrader.in