

NeoTrader Newsletter Vol #4

January 2022



To the NeoTrader Family,

The first month of the New Year was not the prettiest for the markets, we saw some choppiness and a fall at the end of the month, followed up by the budget which was early on in Feb. various events to talk about in this month's issue, but the first topic definitely has to be the budget.

The budget came. And it went. That is about all that one can say about it. Whatever had to happen, happened ahead of the event? We had a nice 800-point rally from the January lows that carried towards the resistance posed by the January series volume-weighted average price near 16,700. There it seems to have halted. Now we are on to that old Ajit joke – the growth budget won't allow it to go down.

But Coming back to the matter of what to expect for the markets ahead, I've already stated that the growth-oriented budget will not allow the market to fall by much. There can be consolidations as markets move into some limited corporate news environment, and volatility can continue because of global news and events and local noise from state elections. This is not exactly the most environments to produce advances. One of the ways that can be cast aside is if FPIs either stop selling or better yet, start buying. Valuations have not really changed much for many stocks but perhaps the market may now start looking at what areas, post Q3 results, valuations appear to have become more attractive. Thus we may shift into a very stock-specific mode in the coming months. This can lead to the index stalling a bit and eking out a triangle or complex correction module. So index traders may find it tough but options guys may revel.

So, time to tread with some alertness, with eyes open for where the market takes interest and for us to follow it there. Bearish commentaries that ran over the last many weeks are beating a retreat so dips can be bought into. Activity may reduce so we also should do likewise and be on a defensive set-up.

Best wishes to all readers for a prosperous and healthy 2022.

How to Make Money from Falling Markets.

The first month of the Year have been pretty volatile and must have definitely punched holes in the portfolios of many market players.

There is one thing that will always happen when we see a V shape fall in the Stock Market, Quick losses. Generally when there is a sudden movement it is difficult for traders to position themselves in advance and many end up getting caught in the wrong side, for e.g. last week when all the longs in the market got chopped off.



In the First half of the Month we saw a Sudden Reversal, and many people must have been left Clueless about how could have they avoided this and what to do next.

The short answer to this is – *Be Nimble!*

What does this mean is we may have to take a more practical approach.

It is simple, when you are a directional trader and the market suddenly changes direction, there is little you can do about it in the start, but what you can do is manage your response.

And this can happen if you keep these 3 points in mind.

Disciplined stop loss – Stick to the stop loss that you agreed to in the beginning of the trade and cut out your positions. Inside of NeoTrader we have ensured that every trade comes with a stop loss, respect it, this will help you exit such scenarios with minimal damage.

Avoid Big Loss – Big loss comes from not applying stop loss to the trade, when you have big losses it becomes difficult to recoup unless you are taking very big profits as well along with it.

Play the down side – Yes, this is most challenging for many traders, is to quickly change their view and think contra, so essentially for this we have built Augmented Artificial Intelligence through **NeoTrader** to read the trend and give you those trades in a ready-made fashion, now you need to follow, because at such times it becomes easy to make money and recoup any of the losses made earlier.

Let's see how we can do this.

Now the market fall started off from 18th January. So ideally if you wanted to make money from the downside in the market you should have started shorting stocks from then.

Given below is a snapshot of the multiday page of NeoTrader on 18th January.

Super Profitable barrage of Short Trades

<input type="checkbox"/>	STRATEGY	TIMEPLAY	SYMBOL	RECENT VALUE	SUMMARY 30M:1H:D:W	ALERT	SIGNAL DT ↓	STATUS
<input type="checkbox"/>	MOMENTUM-1	MULTIDAY	HCLTECH	1081	●●●●●	SHORT	2022-01-19 16:06:56	● T3 MET
<input type="checkbox"/>	MOMENTUM-1	MULTIDAY	NAUKRI	4400.05	●●●●●	SHORT	2022-01-19 16:06:56	● T3 MET
<input type="checkbox"/>	SWING-1	MULTIDAY	WHIRLPOOL	183115	●●●●●	SHORT	2022-01-18 16:07:03	● T2 MET
<input type="checkbox"/>	MOMENTUM-1	MULTIDAY	APOLLOHOSP	4470.75	●●●●●	SHORT	2022-01-18 16:06:54	● T2 MET
<input type="checkbox"/>	MOMENTUM-1	MULTIDAY	LAURUSLABS	498.55	●●●●●	SHORT	2022-01-18 16:06:54	● T3 MET
<input type="checkbox"/>	MOMENTUM-1	MULTIDAY	MINDTREE	373115	●●●●●	SHORT	2022-01-18 16:06:54	● T3 MET
<input type="checkbox"/>	MOMENTUM-1	MULTIDAY	FSL	151.6	●●●●●	SHORT	2022-01-18 16:06:54	● T2 MET
<input type="checkbox"/>	MOMENTUM-1	MULTIDAY	STAR	393.75	●●●●●	SHORT	2022-01-18 16:06:54	● T3 MET

Trades generated by NeoTrader on Market reversal.

Literally every trade that came has gone and hit the target since then, and all of them are short trades.

This flurry of trades could have easily helped any trader bag a big profit in the past few days, and more importantly help you play the downside of the market at a time when the trend is bearish. (Something very difficult to do without technology)

If you look further you will find more statistics and the evidence is even more telling.

93% of the multiday trades have been profitable

STRATEGY	TIMEFRAME	WIN RATIO (%)	T1 MET	T2 MET	T3 MET	SL HIT
MOMENTUM-1	MULTIDAY	92.86	16	21	15	4
SWING-1	MULTIDAY	77.78	4	2	1	2

Win Ratio of the Trades Generated in these Volatile Markets

This means that you could have played this entire downtrend if you had followed NeoTrader which actually uses the principles of technical analysis and trend following.

The above examples used is for the Multiday trades page of NeoTrader, but if you look into the intraday trades page and other pages you will find something very similar.

So the lesson is simple – **Follow the Trend – When the market is down – Go Short! Find weak stocks – sell them!** It's absolutely fine if you didn't predict the fall in advance – what more important is how you react to the fall – that's where the money is!

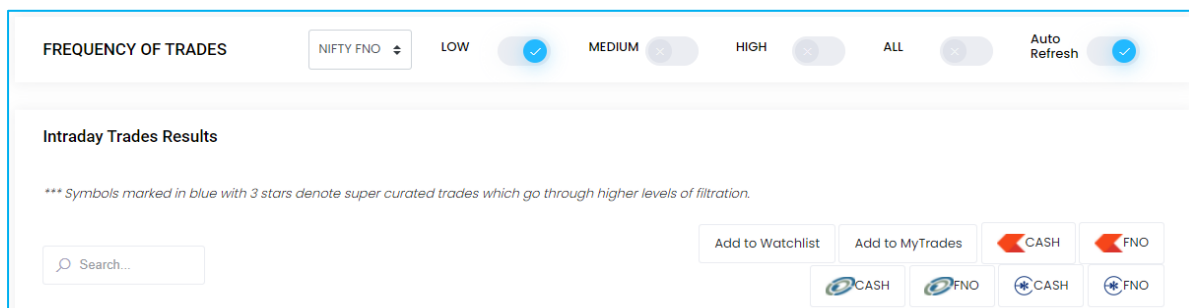
What's New in NeoTrader

Trade Frequency Selector

You can now choose the number of trades that you want on the intraday trades page.

All of us love intraday trading, but each of us has our own trading style, some of us like to take many trades in a day, some of us want a select handful of trades. This is exactly why we are happy to introduce this brand new feature which will help you pick the frequency in which you want your trades.

You can now choose from 4 options – **Low- Medium - high – all** and get a varied number of trades. Depending on the number of trades that you want in a day you can apply the check box as shown in the below image.



These toggle buttons let you choose the frequency.

The trade results will vary depending on the option you choose. For e.g.

[Low] – You will get a few but super curated Trades,

[Medium] – will give you slightly more trades.

[High] – This option is Suitable for much Active Traders which will give large number on trades.

[All] – This option will basically Display entire set of Trades

Broadly you can expect the different set of toggles to provide trades in the range mentioned below.

	Low	Medium	High	All
Approximate Number of Trades in a day	4-5 Trades	10-15 Trades	18-22 Trades	Above 25 trades.

This feature is extremely useful for Users who specifically wanted to customize the number of trades they receive every day.

Super curated trades will be displayed in every toggle which will be in bold blue with 3 stars.

NeoTrader is here to make your Trading simple. Hence, the recommendations of every single member matters to us.

We hope this new feature will help the entire NeoTrader Family.

Top Performing Trades for Jan-2022

Multiday Trades

Name	Entry Price	Target	Percentage Return
FLUOROCHEM	2479.95	2828.8	14.07%
ANGELONE	1250	1421.8	13.75%
VALIANTORG	1128	1277.58	13.26%
VARROC	344	388.04	12.80%
CHOLAFIN	565.5	636.33	12.53%
PRAJIND	354.55	398.11	12.30%
ELGIEQUIP	341.9	383.26	12.10%
AFFLE	1194	1337.37	12%
AFFLE	1208.1	1351.47	11.87%
TRIDENT	58.85	65.78	11.78%
NFL	55.05	61.49	11.70%
ALOKINDS	29.75	33.13	11.37%
ADANIGREEN	1438.25	1592.72	10.75%
GAEL	174.7	192.2	10.02%
GAEL	176	193.5	9.94%
ELGIEQUIP	317	348.28	9.90%
VARROC	364.5	397.94	9.20%
BANKNIFTY	36856.75	38842.95	5.39%
NIFTY	17635.35	18333.84	3.97%

Positional Trades

Name	Entry Price	Target	Percentage Return
CANBK	212.3	246.24	16%
AFFLE	1303	1400.72	7.48%
ASAHIINDIA	540	580.5	7.50%
BALRAMCHIN	416.6	447.84	7.50%
CENTURYTEX	940.6	1011.14	7.48%
JSLHISAR	369.7	397.43	7.50%
MINDACORP	198.75	213.66	7.50%
VARROC	369.65	397.37	7.50%
BEML	1816	1952.2	7.50%
DELTACORP	275.25	295.89	7.50%
IIFLWAM	1525.9	1640.34	7.48%
OBEROIRLTY	907.5	975.56	7.62
SBIN	491.25	528.09	7.56%
VMART	3770	4052.75	7.48%

Investment Ideas

Name	Entry Price	Target	Percentage Return
GREAVESCOT	173.1	206.54	19.32%
VARROC	369.65	425.1	15%

Client Speak

Sharing some of the conversations and Profits our Neotrader users are having on the Premium whatsapp group.

