

HOW TO DO AN END-OF-WEEK ANALYSIS WITH NEOTRADER

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The weekend is the best time to analyse with a calm mind and no disturbance of moving prices. It is the best time to decide on what can be the stock plays for the coming week or longer for both trading and investing.

There are multiple pages in NeoTrader which can assist you with this effort. We will be looking at a few of this in this article. Thru the week, NeoTrader will give you the readymade lists to trade anyway but in addition to these you can also create an advance play list that meet certain criteria that you like to use as a part of your analysis. You can then follow it up with looking at the charts of such stocks to see which of them appear to be strong on the charts as well. This way you can have a solid list to trade from.

Once the list is readied, all you have to do is to check in the subsequent week which of them 'fire'! Some may do it on Monday while others may do so on other days of the week. And some of them may not fire at all! Some buys you have listed may suffer a pullback. Some sells you have listed may undergo a rally. Such stocks should be revisited on the charts to see whether any new opportunity to trade the same stock at a better rate is now available. In the chosen playlist, one must check for news during the week or any event- either recent or upcoming. These will influence the signals that have appeared on the stock charts and caught by Neotrader.

The idea here is that, when the stock from the playlist starts to move in the expected direction, one must act immediately. There should be no hesitation, no reassessment, no new analysis. You may create an initiating position or you may create your full position- that is up to you. But you must act. This approach enables you to act quickly and decisively. That puts you way above 90% of the other traders – who are always acting out of uncertainty and fear and lack of plans.

Now, to the process.

The first page that you can look at is Camaila Pivots. Here choose the time frame as Monthly. This will list the stocks that are above and below level 3 on the pivots. These are the strongest or weakest shares in the market currently. If you want the most recently changed names then press the Change Today key, else it will list all those that qualify. (You can see the H4/L4 levels if the market has trended in one way and you want lesser names to work with)

If you want trading names then use the F&O list. If you also want Investment candidates, then use the Nifty 500 list.

The page will also list those that opened above H3 or H4 (L3/L4) and these are stocks that are additionally strong as they have also shown strong open signals and continue to remain above the level3 as on date.

You may also choose to use Weekly as a time frame, the only difference being that you may get many more names to choose from. If you are ok with this, then can go this route.

Ideally, you should try to see the charts of the stocks that you get from this listing to discern which stocks are looking better. You should surely see the charts of the stocks that have open beyond level

4 from the list to check how prices fared after opening beyond level 4. This will help you to grade the stock by trend strength.

You can also look at the three circles that are present in the names box. These denote the D/W/M time frame situation with respect to the level 3 on those time frames. Ideal is when all 3 circles are in green if bullish or red if bearish. Grey circles denote that the prices are not beyond the level 3 on that specific time frame. This gives you another way of grading the trades.

The next page you could check is CANDLESTICKS . Here too choose time frame as weekly and choose LongLine as a selection for the candle list. This will give you several stocks from both bullish and bearish views. When you see the charts of these stocks, you should see them using Ichimoku style and check for two important signals- that prices are above cloud and CS line is above cloud and prices (for bullish). By doing this, we can combine the impact of two indicators. Make sure you are looking at the weekly charts.

Make a list of the stocks from the above two pages. You can create a watchlist with these. Now we will check these for Momentum strength. So go to the ADX page, choose timeframe as Daily and the universe as Watchlist. We want to see stocks that are having some momentum strength and Adx on the daily charts rising will show us the better trended stocks from the list.

This page will also throw up a list of Neutral stocks. You can track those across the week to see if there is any change in those names into bearish or bullish.

You can do the same with the RSI page to check the Rsi status of the watchlist.

You can also check the status on the weekly time frame for both Adx and Rsi. Note that Adx weekly is a slower indicator than the Rsi weekly. So the numbers may vary greatly.

Now you will have a final list where the stocks are strong trended (Camarilla), have strong candle patterns (long body candles), are vetted for two important signals on Ichimoku and have also been checked for momentum strength. These are all done on higher time frame charts (weekly and momentum on daily).

Ideally, many of these stocks should perform in the next week. You must concentrate on these stocks during the week so that any trading opportunity can be grabbed without hesitation. You should check every day whether there is any news/event attached to the stocks or the sector they belong to and how this might impact the trends of the stock.

On an intra day basis, any stock from this list that features on the Expert Alert page would be a further signal that it is tradable on that very day.

TO FIND STOCKS FOR THE MONTH

Higher time frame pivots can be used for finding tradable candidates for the month. For this do as follows:

1. Go to Pivots View>> Fib Pivots.
2. On the page change the time frame to Monthly...various stocks will be listed.
3. Look for stocks in the R2 thru R4 levels.

As an example in today's picture, Shree Cem is above R4, Sail and Gmr are in R3-R4 range while several other names are in the R2-R3 region. These become the focus list.

Also note that there are NO selections in the S3-S4 or beyond S4 listing. This shows that the uptrend is quite strong.

4. Now track these stocks on a daily basis. You should BUY these stocks on any day that the prices move above R3 levels. You can do that any number of times thru the month- so long as none of them fall below R2 levels on monthly selection.
5. On your daily trades you can keep a stop below R2 or R1 if you go long above R3.
6. Whipsaws are possible but if trend is bullish as being signaled, they will be limited to a few days.
7. On the days where prices close above R4 (after you have bought at or above R3), you can hold on for the following day and check how it is placed with the next day pivots.
8. So long as prices next day stay above R2, you can continue to hold.
9. You can add to positions when fresh >R3 signals occur.
10. For exits, targets using other methods, monetary levels, etc can be used.



One of the major focus of NeoTrader is to make the user aware of multiple time frames wherever possible.

No stock price occurs in isolation. Higher time frame cycles will always influence the extent of the lower time frame cycles. They decide how well the signals of the lower time frame cycles shall perform.

When we are engaged in the market on a daily basis, our focus, automatically, gets tuned to the lower time frame cycles. In that effort, we, many times, overlook what is happening at the higher time frames. This many times explains why some signals succeed while some others fail.

We have used different ways to show the status of the higher time frames on the indicator. These are shown by color codes or thru circles that are shaded different.

During our training webinars, these are explained and users are requested to contact the office in case they are unclear about the way these are to be used.

They are not trading signals but go to improve our understanding of how the current time frame signals can work out.



Do take the time to check these out.

NeoTrader- at your service to widen your vision of the markets!