

Twitter Thread by Nikita Poojary



Nikita Poojary

@niki_poojary



Subasish Pani revealed the most simple, yet successful strategy: 5EMA set up!

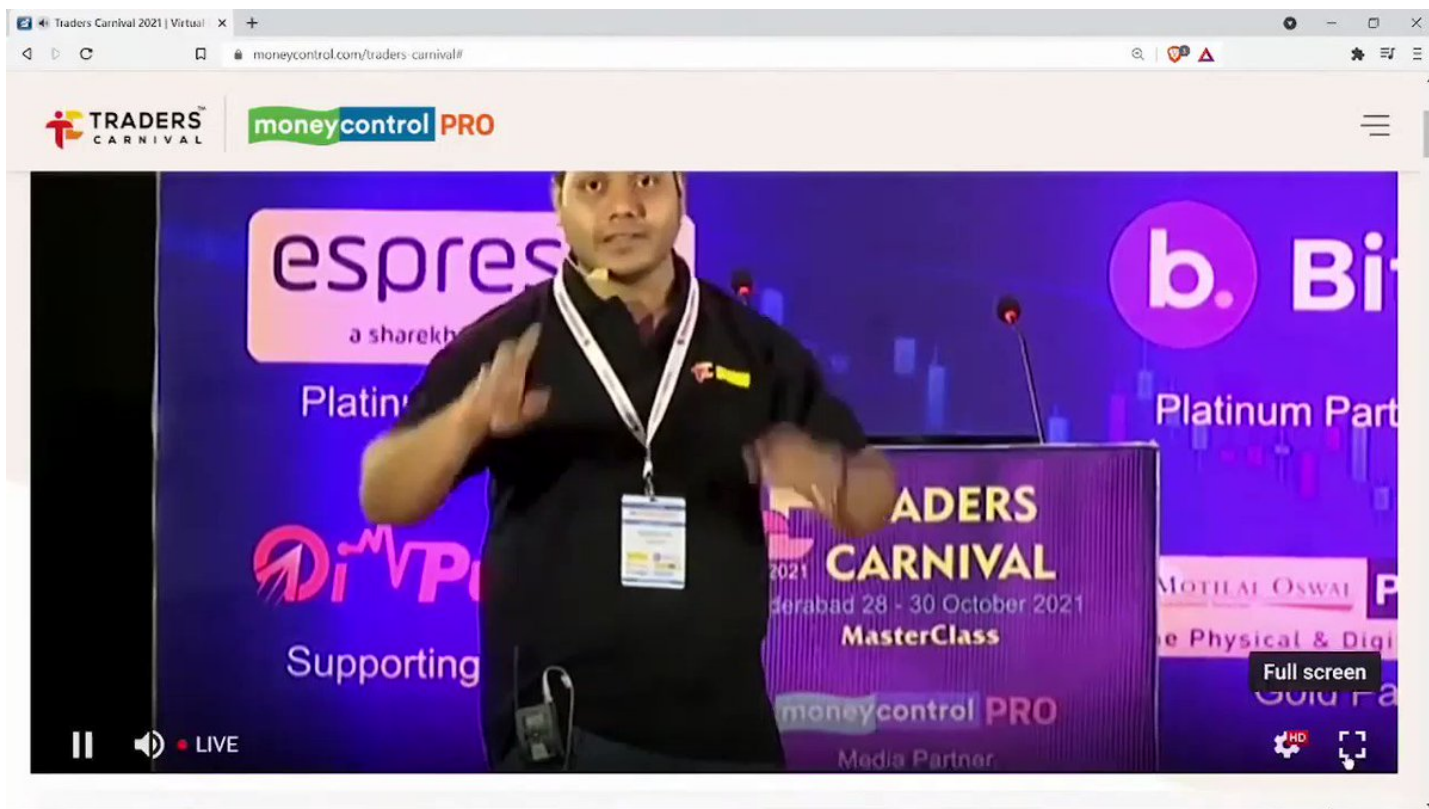
Here is a thread of 23 video clips on the 5EMA set-up that will save you hundreds of hours and available to you for no cost!

5EMA set-up: ■!

Collaborated with @AdityaTodmal

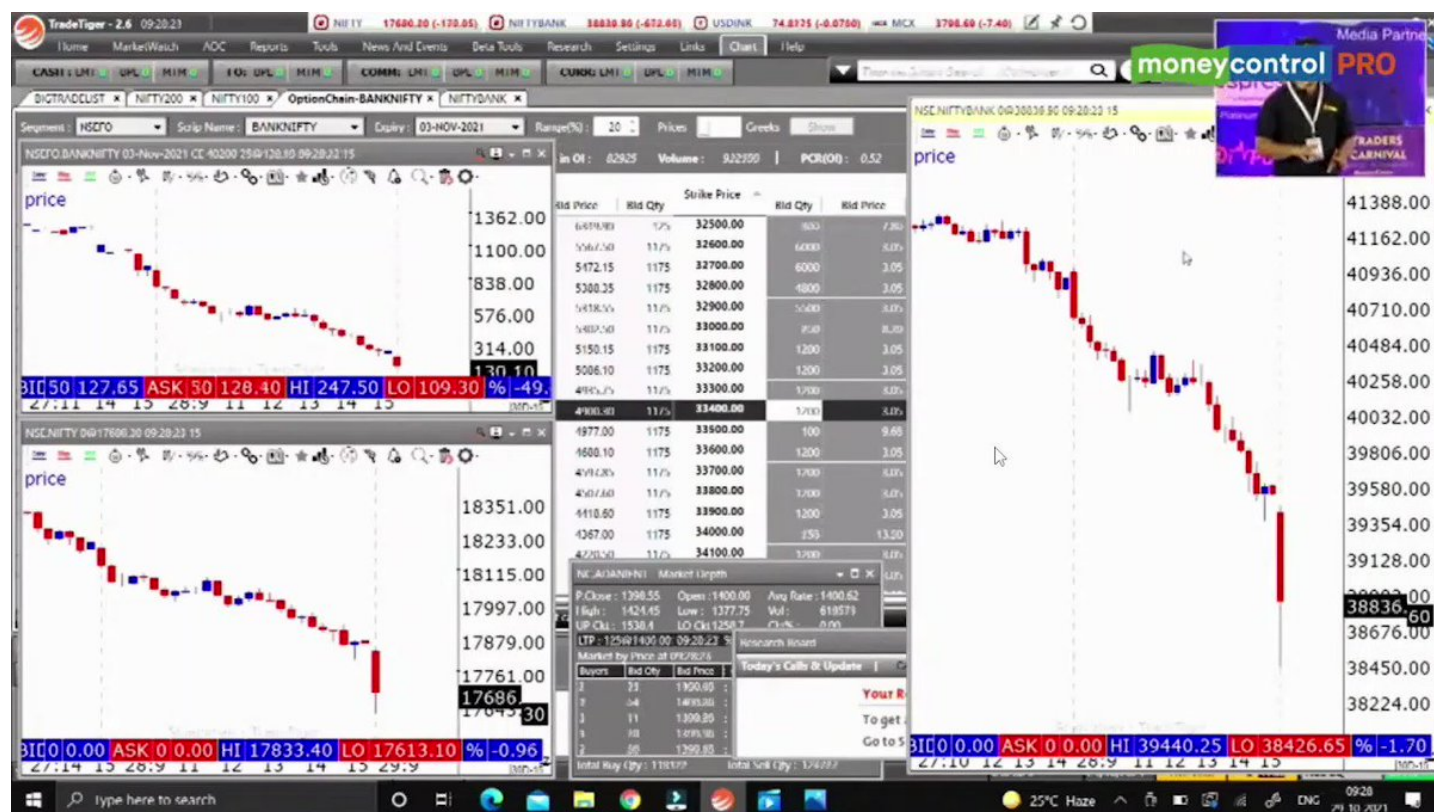
1/Don't hate on any style:

- Admire the fact that money can be made from intraday, scalping, positional, option buying, selling, futures, etc
- Try to understand which one fits you the most and apply that, then ignore the rest!



2/ System with a R/R of minimum 1:3:

- Here is a system that works for investing, scaping, positional, options buying and selling, futures etc.
- The R/R of this set up in intraday is 1:3 & for investing can go beyond.



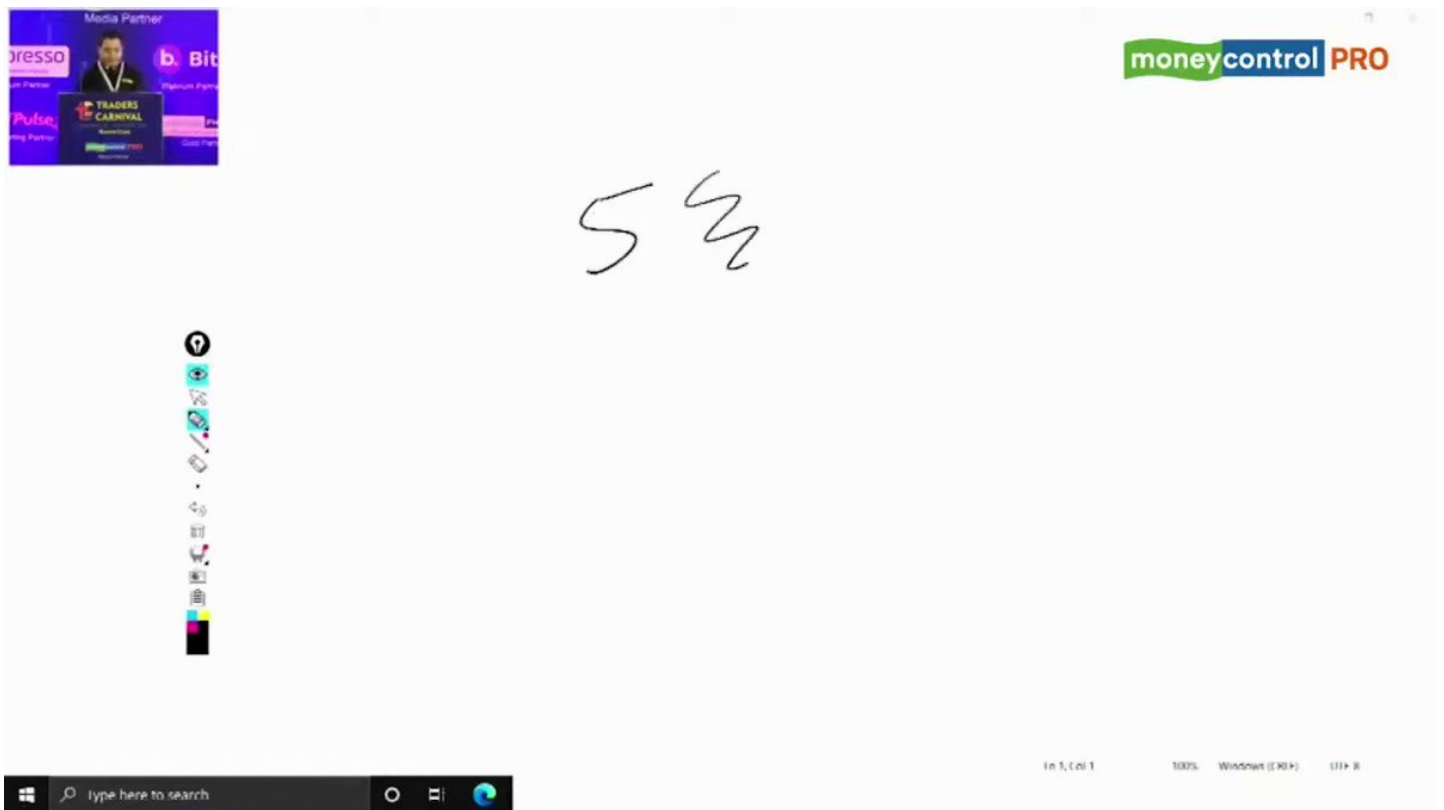
3/ Why EMA over SMA? :

- Exponential moving average is used, as it places a greater weight and significance on the most recent data points.



4/ 5EMA moves very close to the prices:

- Mean reversion theory: Asset prices usually tend to go back to normal or average levels after an extreme price move.
- Prices routinely oscillate around the mean but tend to return to that same average price over and over.



5/ 5EMA set up for investing explained in the video:



6/ Steps to use 5EMA for investing:

- Use monthly TF on charts
- Add the 5EMA indicator
- 5EMA should not touch the high of the monthly candle; we'll refer this as 'Alert candle'

- Entry point: following month candle crosses the high of the Alert candle
- SL: low of the alert candle



7/ How to find the next Reliance? (fresh IPO's):

- Post IPO (i.e. new stocks) track them using 5EMA set up in monthly for investing to identify the next multibagger.
- Select 5-6 stocks for investing.
- Pyramid the quantity as and when you are winning.



8/ When to book your profits on investment?:

- When the investment doubles or triples, book out the original invested amount
- Stay invested with the profit, when the stock is making higher highs.
- Prefer shorting only in indices instead of stocks (on longer term TF)



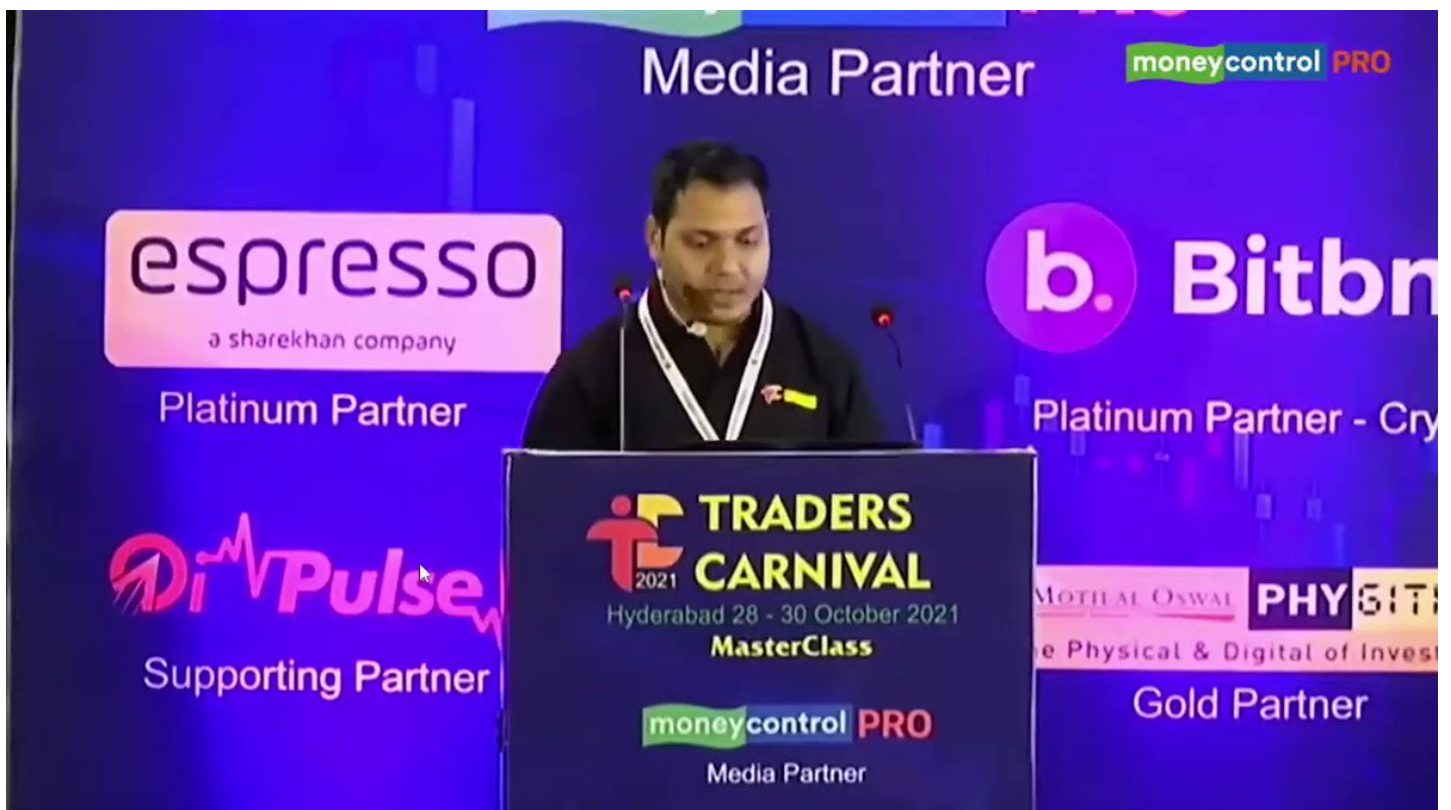
9/ Sizing your investment makes the big money than identifying entry:

- If a particular stock takes your SL twice or thrice then delete it from your watchlist.
- Investing is all about sizing & holding with patience.
- Subasish plans his SL as 10% of the investment value.



10/ Taking SL is better than becoming a forced long term investor:

- Price is the lead indicator, so no need to bother about fundamental analysis
- Be ready to take one or two SL 's instead of giving forever time to let the stock prove its worthiness.



11/ Steps to use 5EMA for intraday selling:

- Use 5min TF
- Add 5EMA indicator
- 5min candle low shouldn't touch 5EMA - we'll refer this as Alert candle
- Entry point: following 5min candle breaks the low of Alert candle
- SL: high of the alert candle & within Rs. 7-10k per lot



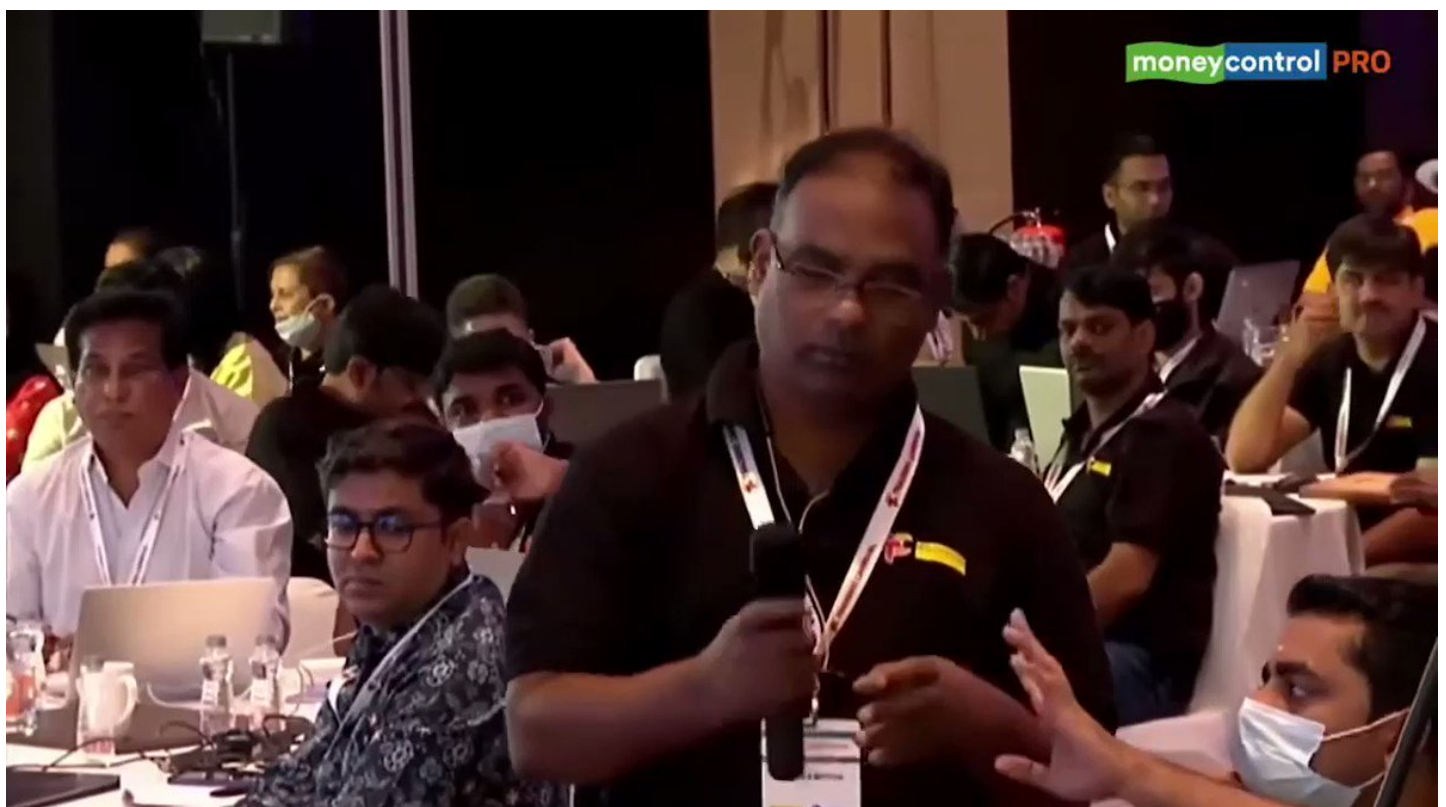
12/ Rules for 5 EMA, intraday selling:

- Entry should be done within 10am
- Re-entry should be only once for stocks & within 10am
- Re-entry on indices can be done throughout the day
- Plan 5 trades a day
- Target is 1:3
- If SL of 7-10k per lot is too high then switch to cash



13/ Selling happens with a flow & buying usually happens slow:

- Be indifferent to the color of the candle just stick to the alert candle rule and breaking of the alert candle.
- 5EMA set up on 5min TF is only for selling.
- Selling always creates a snowball effect.



14/ Example of 5EMA in BNF in intraday 5mins charts:

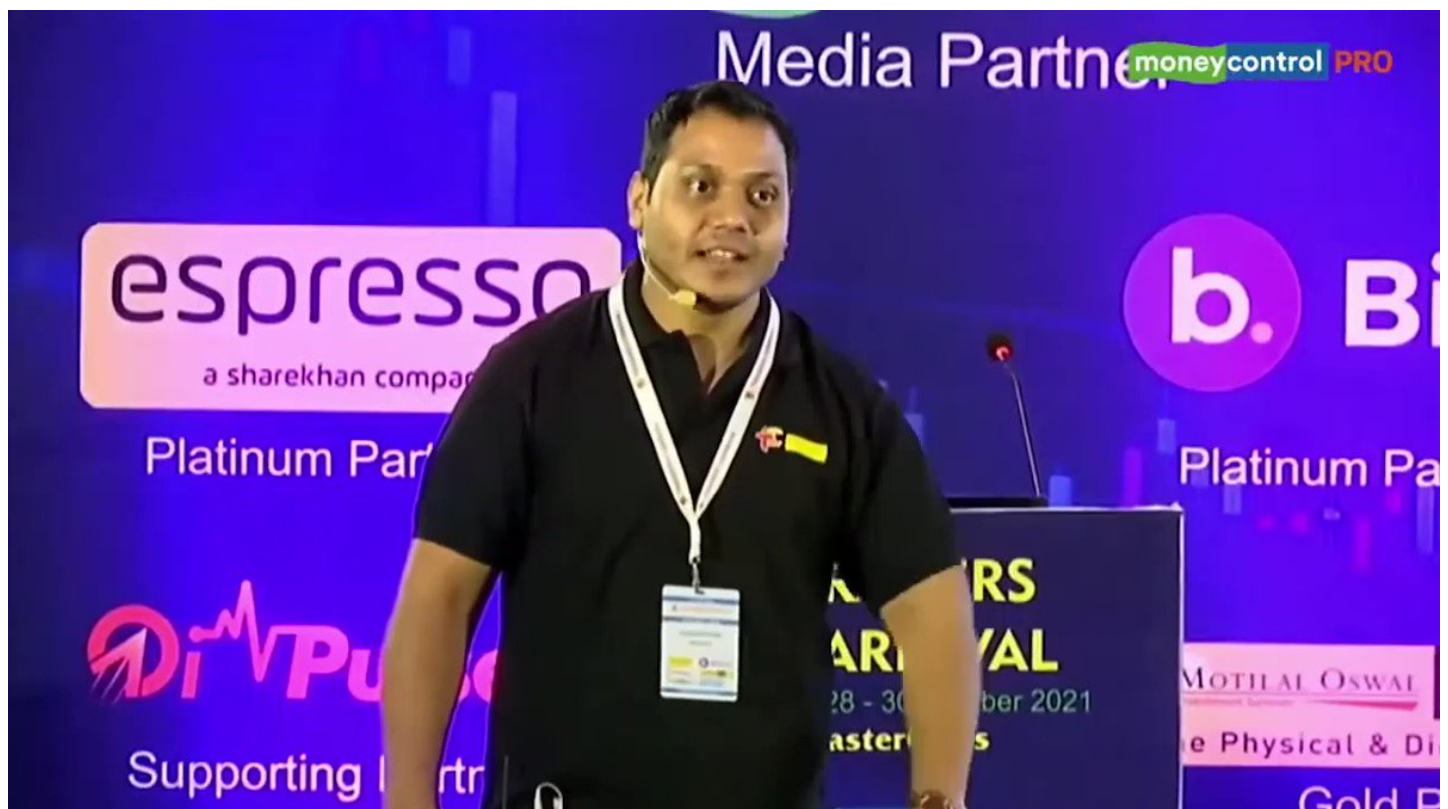
Nikita_Poojary published on TradingView.com, Jun 29, 2022 21:07 UTC+5:30



15/ How to filter the stocks?:

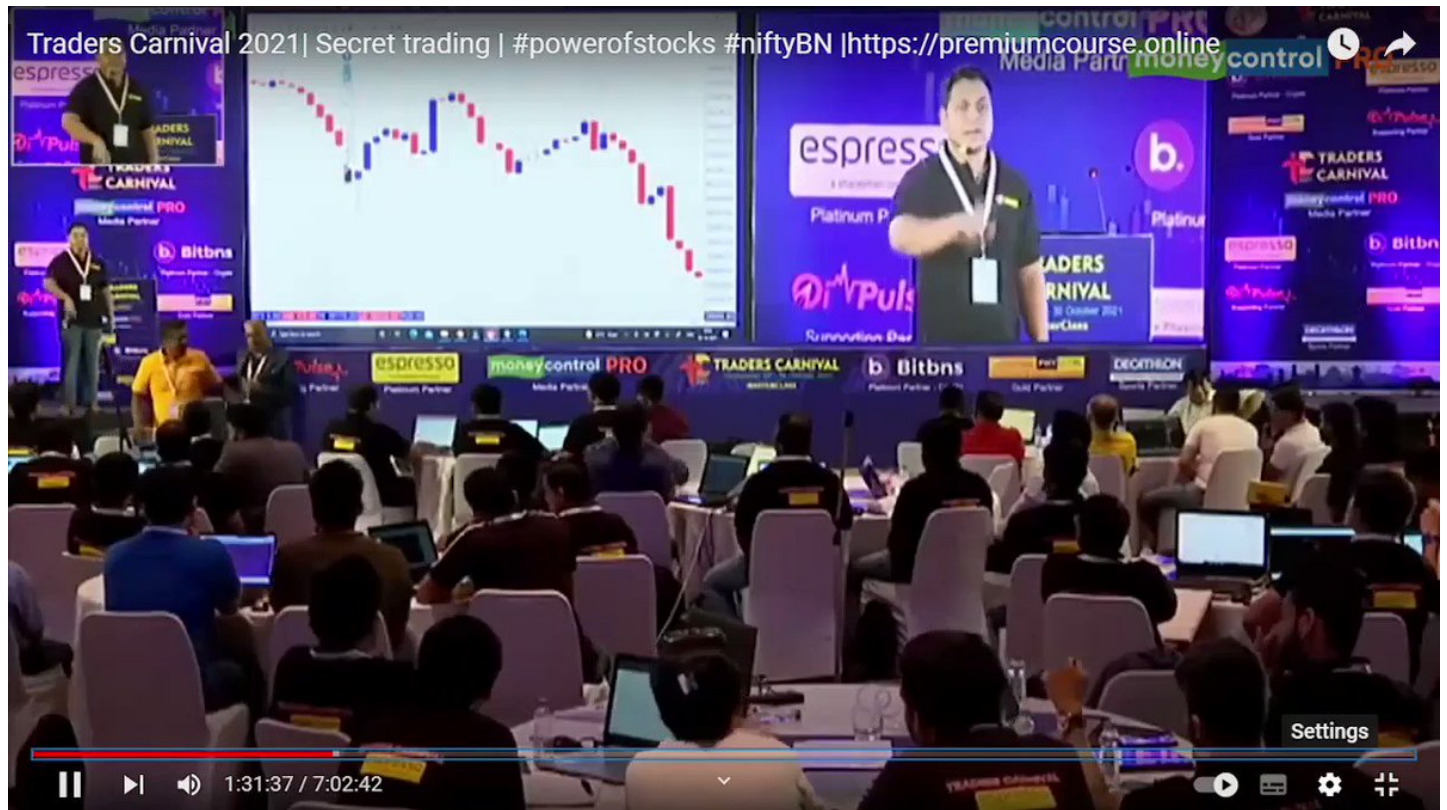
- Once the pre market gets settled at 9.07 am check the stocks that open with a gap up with 2-3%.
- Click on the link to get the pre market data of stocks click on % change to sort it.

<https://t.co/KCv8UizoaC>



16/ Rules for 5 EMA set up intraday buying:

- Use 15min TF on charts
- Add 5EMA indicator
- 15 min candle high should not touch the 5EMA, we'll refer this as Alert candle
- Entry point: following 15min candle crosses the high of the Alert candle
- SL: low of the alert candle



17/ Lets understand more with another example on the same:

- 15min TF for buying.
- 5min TF for selling.
- Monthly TF for investing.



18/ One set-up which can be used across all time frames:

- This set up helps for scalping.
- This set up works for positional traders as well.
- This set up works in investing as well.



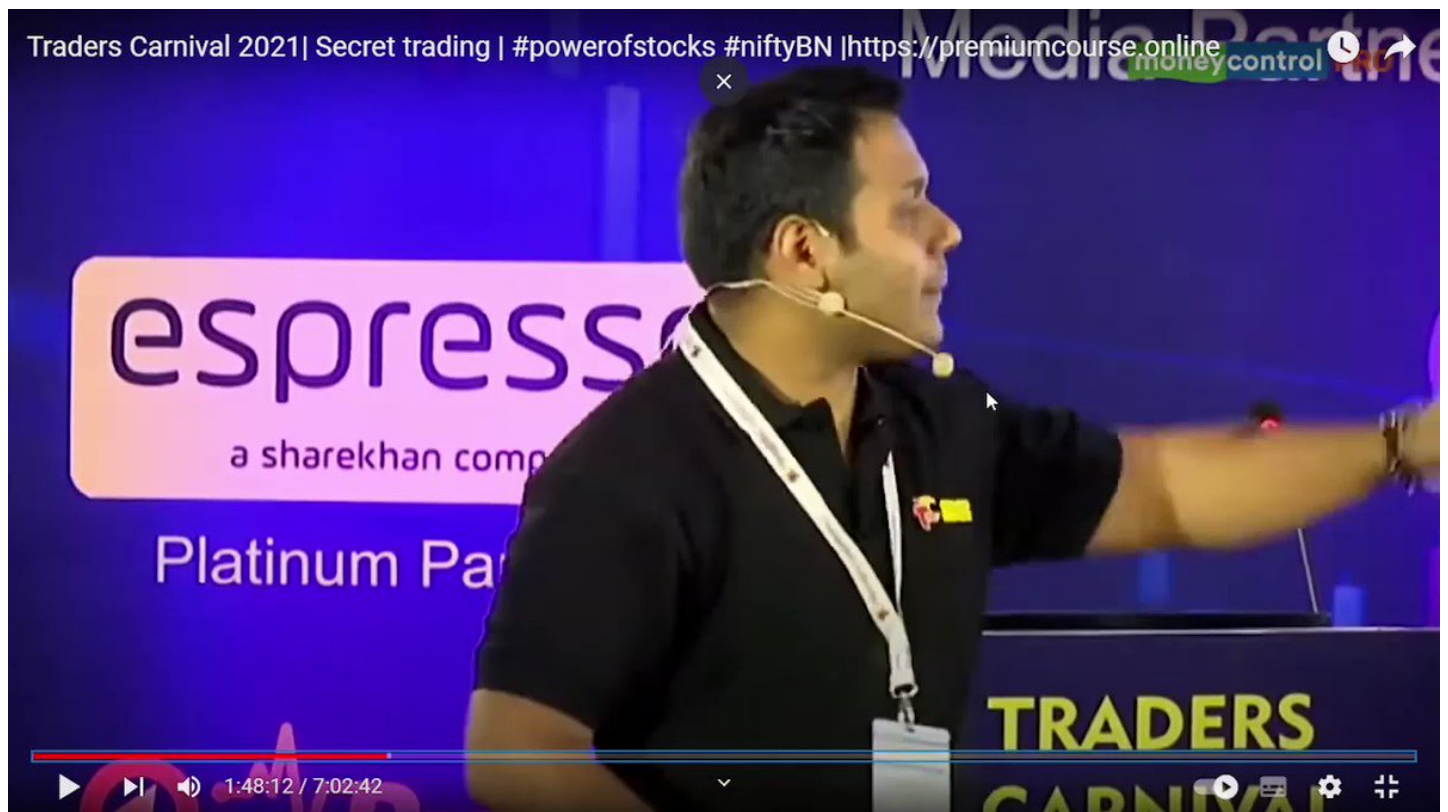
19/ Never change SL's during the trade:

- For option selling and buying he sets a 10% SL of the prem value.
- Eg: If the option premium is at Rs.350 he will set a SL of Rs. 30-40.



20/ Practice to understand the nuances of this strategy:

- Initially, go for 1:1 R/R. Later on, as and when you understand the nuances, you can wait for 1:2 or 1:3 or tweak it as per your findings.
- If SL is too huge just ignore the trade as there is always another trade.



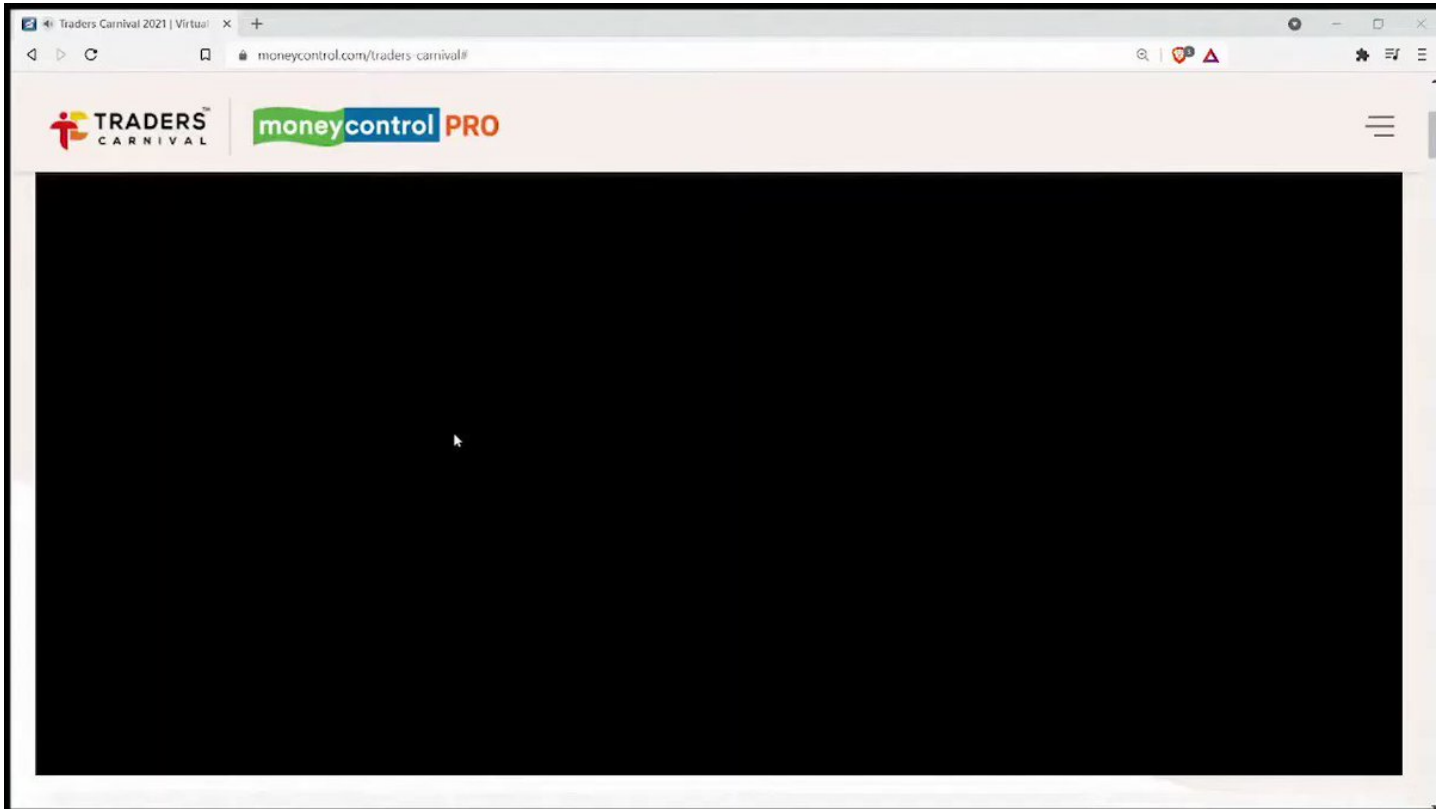
21/Start with a single lot then gradually scale up:

- Backtest this strategy for at least a month:
- Thereafter, scale up i.e. bet more on this system if you are winning.



22/ Points on Psychology:

- While in drawdown, use the opportunity to learn from mistakes to bounce back.
- Comparing yourself to those who perform better than you will leave you disappointed.
- Feel empowered that you get multiple shots in the market to perform better.



23/ Faith can move mountains. :

- Take an oath: Say loudly *I'll be a Trader!*
- Say loudly again: *I'll be a Trader!*
- Say loudly & this time mean it: *I'll be a Trader!*



If you enjoyed this thread, here's another one which might be helpful:

<https://t.co/dvGeT2FsGh>

Celebrating 1million followers of [#Powerofstocks](#) a youtube channel by [#SubasishPani](#)

A VIDEO \U0001f9f5: 8 CONCEPTS THAT YOU JUST CANT AFFORD TO MISS OUT!

Collaborated with [@AdityaTodmal](#) pic.twitter.com/BXUR9eGxuL

— Nikita Poojary (@niki_poojary) [May 29, 2022](#)

Source of this 5EMA strategy thread: <https://t.co/GdWqVYHINN>

Hope you discovered something new (because that's the point!)

If you did, share it with a friend!

Also show some encouragement for this thread, if its valuable to you.

Hop back up to retweet the first tweet

See past threads here:

[@AdityaTodmal](#)

&

