

## Twitter Thread by [Abhishek](#)



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### Nifty Futures Positional Trading Using Point & Figure Charts

Following this system on stocks since 2021 and started on Index in 2022

Based on Richard Dennis's Turtle Trading System and the P&F version was created by [@Prashantshah267](#)

#### Details

Chart Settings

Instrument: Nifty Futures ( Current Month)

Chart : Point & Figure

Box Size: 0.10%

Reversal Box: 3

Data Frequency- 1 Min

P&F Charts don't have concept of time but it has a concept Data Frequency, i.e. duration after which to consider plotting X or O on the chart

Since DF is 1 Min here, so we need to wait for 1 Min closing on P&F Charts for Entry, Exit Signals

The chart is an Intraday Chart & requires Intraday data

Which is available on the Real Time Tradepoint Software & on the Web Version of this software

<https://t.co/oAshC7rfD1>



Let's now Discuss Bullish Entry Pattern

The Entry Pattern is called as a Bullish Follow Through Turtle Buy Pattern

This actually comprises of 2 Parts

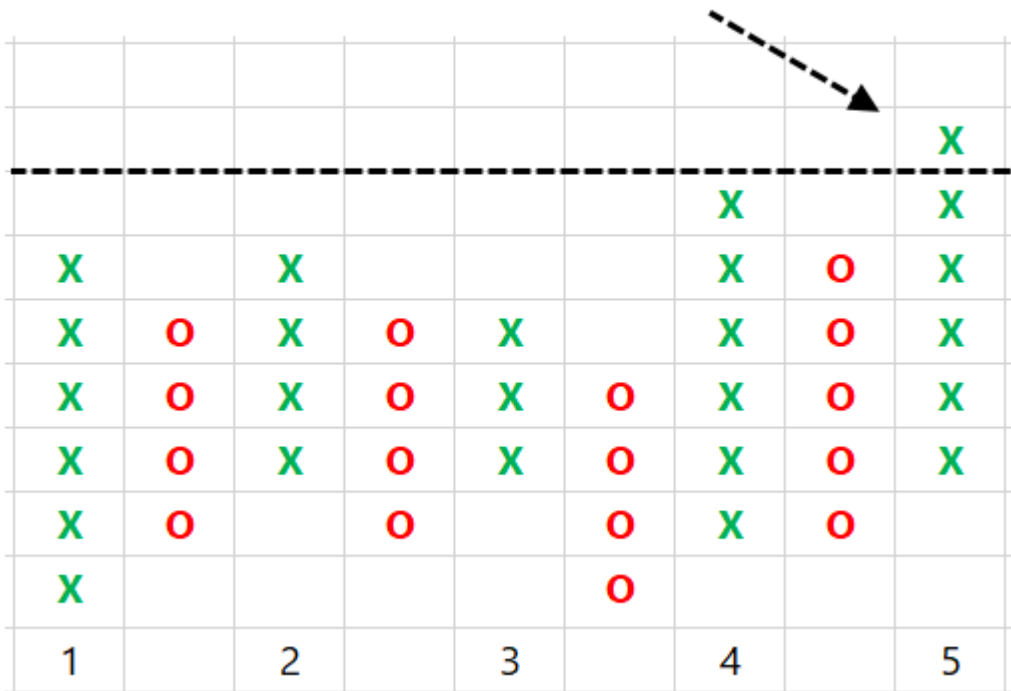
1. Bullish Turtle Breakout
2. Bullish Turtle Follow Through

For Entry, #1 must happen and there must be a #2 immediately

First Let's Understand the Bullish Turtle Breakout Pattern

This is a 5 X BO Pattern

If current column of X goes above highest 'X' in last 5 columns (including current column), then it is a 5-X Turtle breakout.



See if you can spot the Bullish Turtle Breakout Pattern on this chart



Now let's come to Bullish Turtle Follow Through pattern

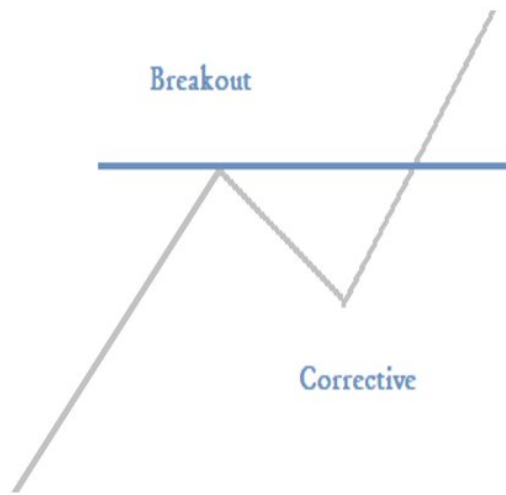
This pattern is seen when we get a Double Top Buy pattern immediately after a Bullish Turtle Breakout Pattern

If you are not familiar with Double Top Buy pattern, then its the most primitive Buy pattern in P&F Charts

Patten Type: Bullish

Minimum Columns Required: 3

Basic Buy Pattern



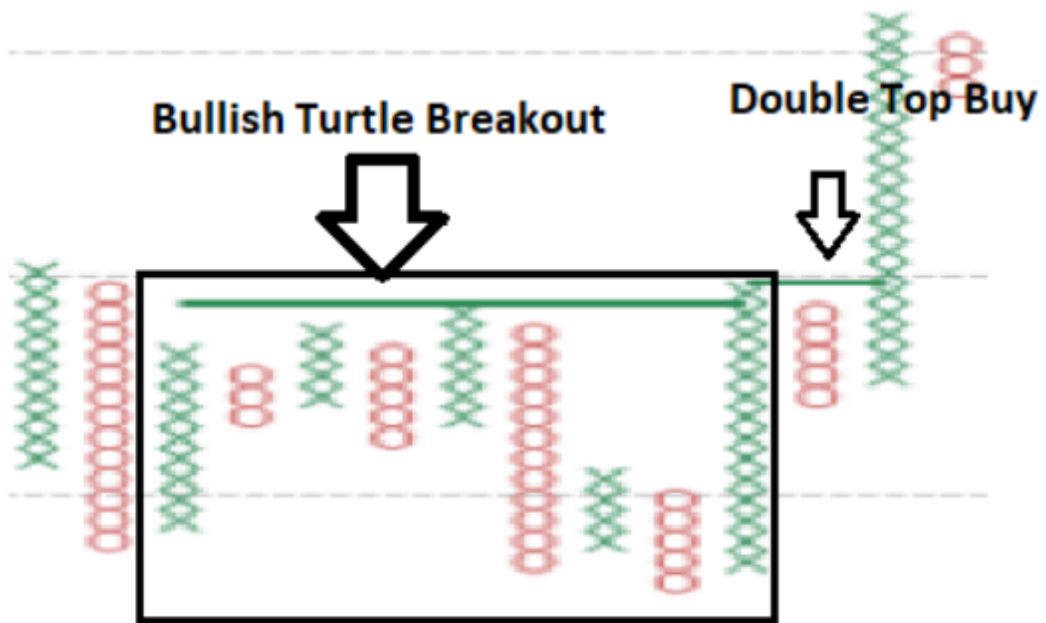
130				Column of X goes above previous high at same level
120				
110				
100				
90				
80				X
70	X			X
60	X	O		X
50	X	O		X
40	X	O		X
30	X	O		X
20	X	O		
10	X			
0				

Here's an example of the Turtle Bullish Follow Through pattern

Which is simply :Double Top Buy Pattern preceded Bullish Turtle Breakout Pattern followed by

Which would look like something Like

### Bullish Turtle Follow Through



Marked all the Turtle Bullish Follow Through patterns on the Chart



One thing to note is that its not mandatory that each Bullish Turtle Breakout Pattern will result in a Follow Through ( Double Top Buy Immediately after Bullish Turtle Breakout) It may happen that a Double Top Buy pattern is not formed and in that case we have to avoid the entry



Now that we are clear about Entry, lets talk about Exit

Initial Exit Condition is based on a Single Patterns if either its is formed we must exit the Bullish Trade

Double Bottom Sell

If you are not acquainted with these patterns here's a quick summary

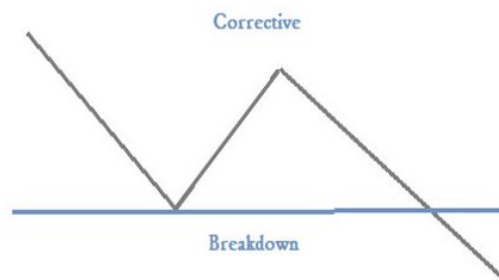
## Double Bottom Sell

then its the most primitive Buy pattern in P&F Charts and the opposite of Double Top Buy discussed earlier, If you understood Double Top Buy Pattern it will be a breeze

Pattern Type: Bearish

Minimum Columns Required: 3

Basic Sell Pattern



110			
100	O		
90	O	X	
80	O	X	O
70	O	X	O
60	O	X	O
50	O		O
40			O
30			
20			
10			

Column of O goes below previous low at same level

Some Examples of Double Bottom Sell

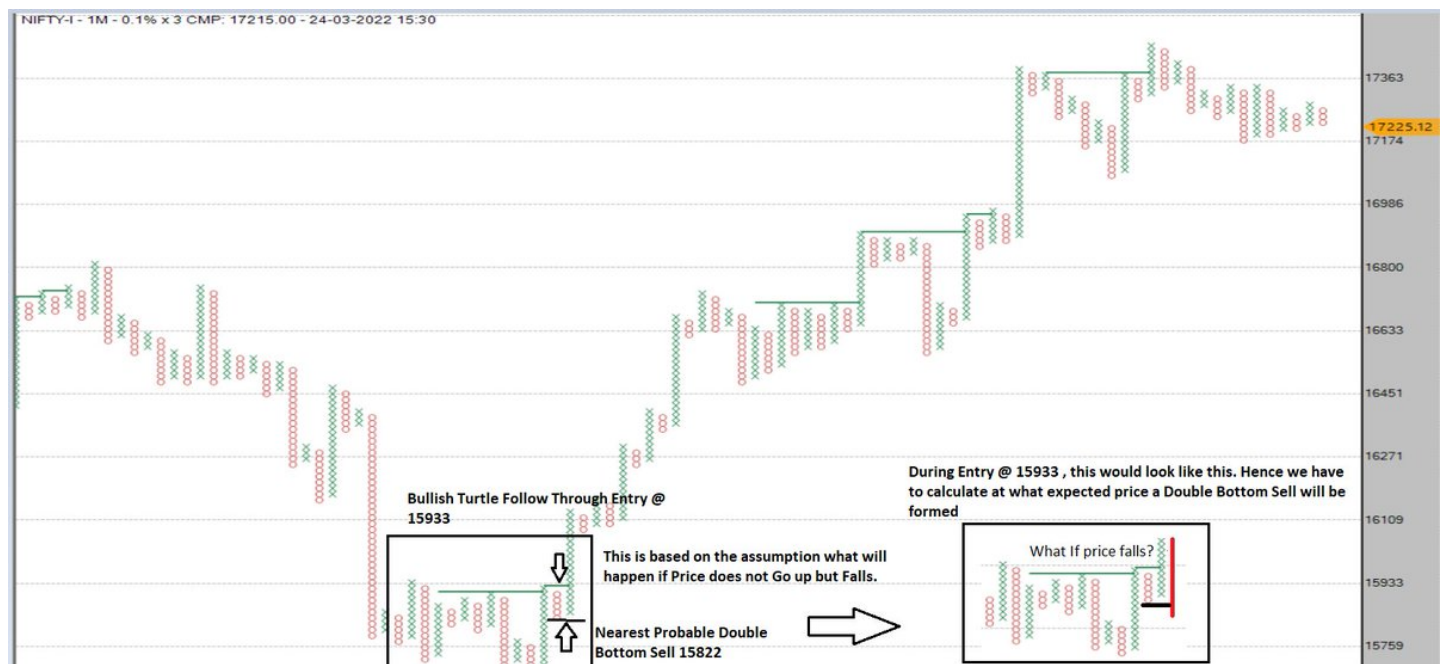
## Double Bottom Sell –Nifty Example



It's Important to know your StopLoss before you Enter a Trade and P&F helps you with this as soon as you decide to place Trade.

So if we Enter into a Bullish Turtle Follow Through, just look for nearest Probable Double Bottom Sell

## Example of using Double Bottom Sell as SL during entry



## Trailing Stops

Once the Trade becomes In the money, its important to protect profits.

While the Initial SL ( Double Bottom Sell) was useful but if Prices go up fast and one way, then keeping the initial SL as exit trigger would take away all profits.

For Trailing Stops we can use either of the 2 Patterns

1. Double Bottom Sell
2. High Pole

## High Pole Pattern

# High Pole [HP]: Bearish Pattern

- Double top buy
- Minimum 5 box move after Double Top Buy
- More than 50% retracement (immediate column of X)
- This warns of a Topping out process.

150				
140				
130			X	
120			X	
110			X	
100			X	
90			X	
80	X		X	
70	X	O	X	
60	X	O	X	
50	X	O		

Minimum 5 Box Move after Double Top Buy

150				
140				
130			X	
120			X	O
110			X	O
100			X	O
90			X	O
80	X		X	O
70	X	O	X	O
60	X	O	X	
50	X	O		

More than 50 % Retracement of Last Column of X

## Some Examples of High Pole



## Trailing Stops in Bullish Turtle Trade

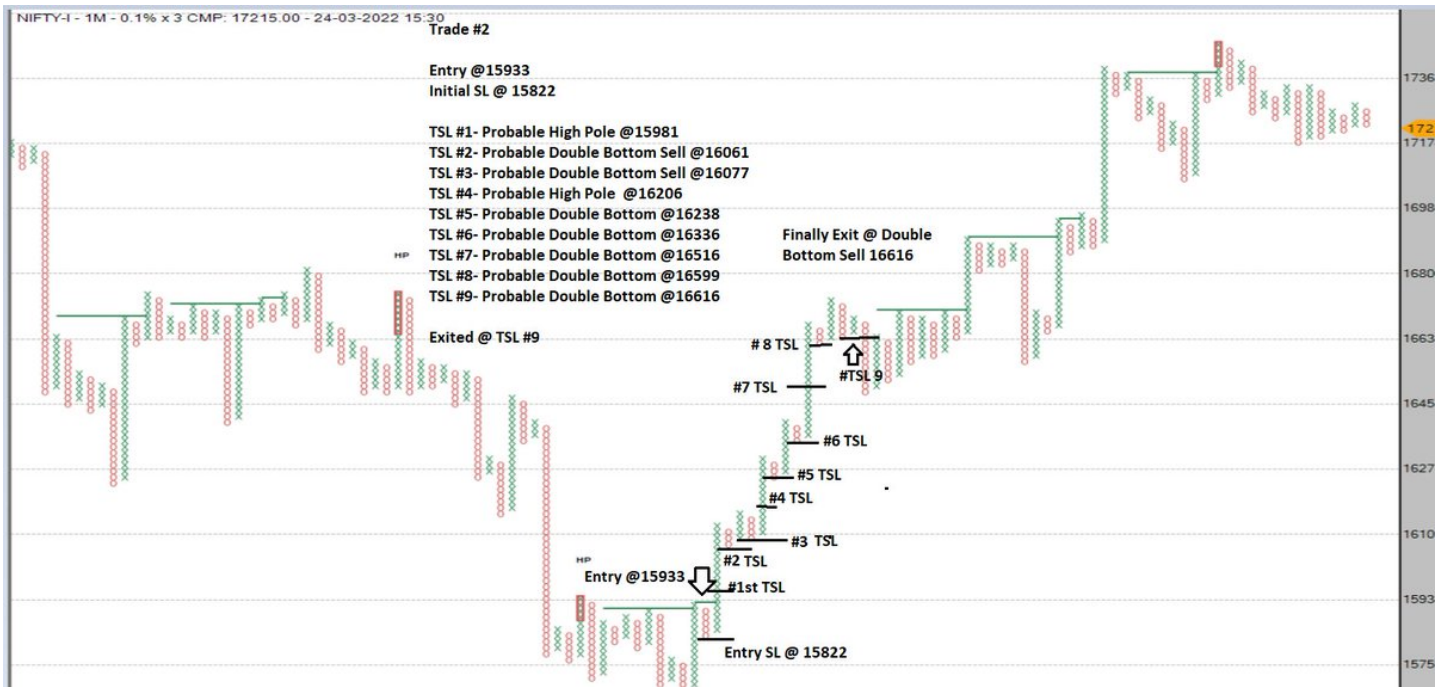


Here are a Few Examples of Entry, Initial SL & Exit

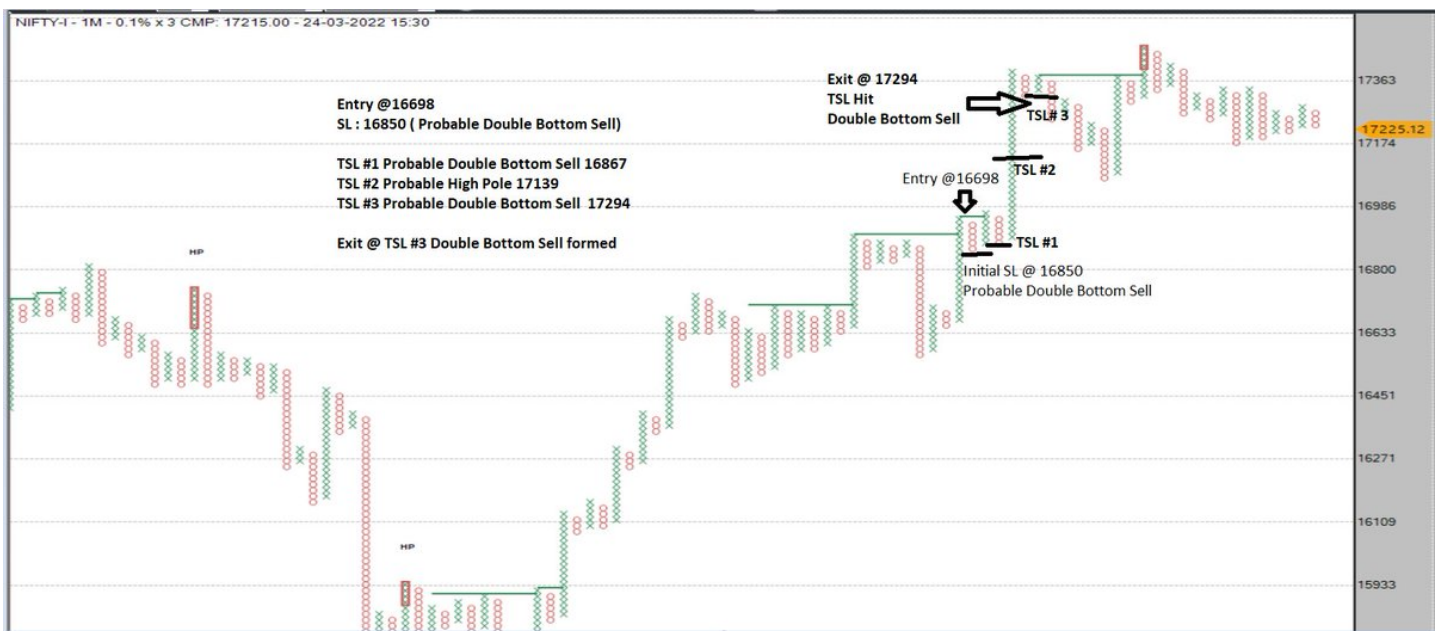
Trade#1



Trade#2



Trade#3



I have marked some of the Long trades since Dec 2021 for understanding

Year	Entry Date	Entry Tim	Entry Price	Exit Date	Exit Time	Exit Price	Gross Points	Cumilative Points
2021	29-12-2021	09:45	17312	06-Jan-22	09:16	17807	495	485
2022	10-01-2022	12:56	18018	14-Jan	09:16	18169	151	626
2022	28-01-2022	09:40	17328	28 Jan 22	14:00	17294	-34	582
2022	02-02-2022	12:30	17768	03 Feb	11:30	17678	-90	482
2022	10-02-2022	11:00	17538	11 Feb	09:15	17448	-90	382
2022	28-02-2022	12:00	16733	02 Mar	09:15	16599	-134	238
2022	08-03-2022	14.58	15933	10 Mar	13.43	16616	683	911
2022	16-03-2022	12.48	16970	21 Mar	9.48	17294	324	1225

Backtest of this Strategy Since 2011 to 202 Jan ( Long)

This does not Include Slippages, Brokerages

Or consider GapUp or Gap Down scenarios as P&F Charts do not show GapUps or Downs

Instrument:	NIFTY2011-2021
System Period:	From:
System Result	Long Trades
Total No. of trades:	311
Total Points gained:	6984.76
Total percent profitable:	77.79%
Profit trades:	157
Loss trades:	154
Ave Return Per Trade:	.25
Ave Profit trades (%):	147.14%
Ave Loss trades (%):	-69.35%
Risk Reward Ratio:	2.08
Success Ratio:	50.48%
Expectancy:	0.56
Max Gain (%):	5.44%
Max Loss (%):	-1.19%
Maximum cons loss %:	-3.5%
No. of cons losses:	6