Twitter Thread by The Chartians



The Chartians
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IN TRADING, THE TREND IS YOUR FRIEND!

Buying a weak stock and Selling a strong stock is a crime in trading.

Sharing 3 SIMPLE methods that a buyer can use to identify strong stocks in an uptrend and increase the probability of success.

Sharing screeners link to help you out!

1/ Near All-Time High Screener:

Stocks that are bullish have the characteristics that they continue to make new highs. One of the best ways to identify such stocks is to look out for the stocks that are in the 25% range of all-time high levels.

Screener link to identify near all time high stocks:

https://t.co/j0ATTAxR3O

2/ Using 200 EMA for Investing:

Investors can use 200 EMA on the weekly time frame and any stock that is above it can be considered as a strong stock in investment.

Pidilite is above 200 EMA since 2010 and it has created enormous wealth for investors.

This screener can be used to identify a list of stocks that are above 200 EMA on the weekly time frame and are strong stocks to buy.

https://t.co/iwXDnSvwzl

3/ Using 200 EMA for Trading:

Traders can use 200 EMA on the daily time frame and any stock that is above it can be considered as a strong stock in investment.

Screener Link: https://t.co/OdhkEtn8H4

4/ Dow Theory:

There are two trends that can be identified using Dow theory.

Uptrend: Price forming Higher Lows and Higher Highs
Downtrend: Price forming Lower Highs and Lower Lows

On charts, use a line chart on the weekly time frame and identify uptrends in stocks by using higher lows and higher high patterns.

In Asian Paints charts, we can see how previous high is breaking and lows are getting shifted upward which means a stock is strong.

These are some of the ways which can help traders/investors to pick stocks in the correct trend.

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