Twitter Thread by Stock Market Scientist™

Stock Market Scientist™
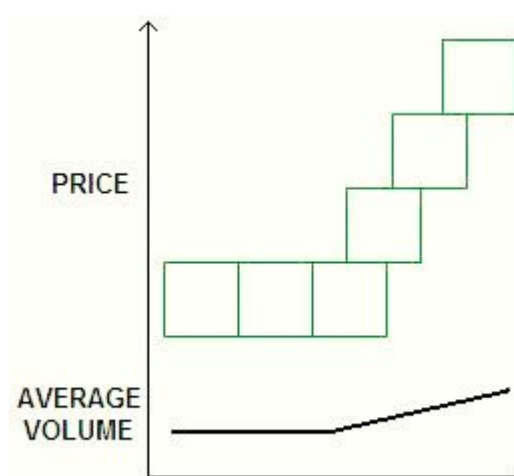@MarketScientist

Darvas Box Theory Simplified■

■Its a trading strategy developed by Nicolas Darvas
■It targets the #stocks which are hitting new highs with rising volumes
■It works well in bullish markets
■Darvas Box covers lows & highs of a stock moving in a range for certain period

1/n

Darvas Box Theory Simplified■

■Search for all the #stocks which are moving in a certain range with excellent fundamentals
■Then cover that range bound move with box called DARVAS BOX
■Apply Fibbonacci extensions once any stock breaks the upper or lower range of the BOX

2/n

Darvas Box Theory Simplified■

■Case Study- #Abbott
■Use weekly chart to capture big moves & Daily chart for small moves
■We need ultimate PATIENCE in trade if we use this strategy
■Abbott broke out the box with volumes & gave 4500 pts move

End of Thread
Thanks ■