# Twitter Thread by Its_Heena



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## How to trade Bank Nifty by looking at charts of heavyweight banking stocks:

## Volatility is high in BNF as fewer banks have majority of the weightage. Top 6 Banking stocks have approx 92.26% weightage, details are below-

## 1/n

https://t.co/2FoDdZr8zk Bank - 26.61%
2.ICICI Bank - 22.91%
https://t.co/tzIRWzWg5S - 13.82%
4.Kotak - 12.28%
5.Axis Bank - 11.44%
6.Indusind Bank - 5.20%

* Indusind Bank have low weightage but it generally gives 3-5% move so the effect is there.

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Now we have to see the charts of these 6 banks. Depending upon your trade style you should select the Timeframe. Today i'll be covering for intraday only so TF can be of 5-15 Minutes.

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Points to be noted:
A. Never be short on BNF if any of these banks is making day high continuously.
B. Never be long if any of these banks is making day low continuously.

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C. When any of them makes new high/low then BNF gives a jerk of 100-150 points easily which can hunt your SL.
D. Many a times you will find that One bank is making higher highs and other is making lower lows and rest are at break even.

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This is how they manage banknifty, such days generally
ends up in a rangebound one.
E. Now you can get a fair idea what BNF might do by looking at intraday strength/Weakness of these stocks.
F. For me if any one of these stock is +/- 2% intraday and rest are breaking even

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then I won't go against the direction of the stock.

You can add this perspective to your existing setup. I'll be explaining about positional use of this some other day. Let me know if anyone wants to know about positional use of this perspective.

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