

Twitter Thread by yashstocks



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I am using only one indicator in the chart.

i.e DC(20) = Donchain Channel

I use 3 min chart and the DC period is 20, so DC high is basically the last 1 hour high & DC low is the last 1 hour low.

The middle line is the median of high and low.



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Donchian channels are mainly used to identify the breakout of nifty/BNF.

We can take directional bias based on the indicator.

If nifty is breaking DC high, can take bullish view.

if it is breaking DC down, can take bearish view.

if it is in between, can trade range-bound.

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We can monitor nifty/banknifty futures with volume along with DC.

If the volume is 1.5 to 2 times the average volume and if DC high/low is taken out then it can be a strong bullish/bearish signal.