Twitter Thread by Nikita Poojary



Nikita Poojary
@niki_poojary



One of the most successful stock trader with special focus on cash stocks and who has a very creative mind to look out for opportunities in dark times

Covering one of the most unique set ups: Extended moves & Reversal plays

Time for a ■ to learn the above from @iManasArora

What qualifies for an extended move?

30-40% move in just 5-6 days is one example of extended move

How Manas used this info to book profits

https://t.co/0kXazcQALq

> The stock exploded & went up as much as 63% from my price.
>
> Closed my position entirely today!#BroTip pic.twitter.com/CRbQh3kvMM
>
> — Manas Arora (@iManasArora) June 22, 2020

Post that the plight of the stock:

https://t.co/RacbhJa8LY

> What an extended (away from averages) move looks like!!
>
> If you don't learn to sell into strength, be ready to give away the majority of your gains.#GLENMARK pic.twitter.com/5DsRTUaGO2
>
> — Manas Arora (@iManasArora) June 24, 2020

Example 2: Booking profits when the stock is extended from 10WMA

10WMA = 50DMA

https://t.co/ecETkv9cGV

> #HIKAL
>
> Closed remaining at 560
> Reason: It is 40+% from 10wma. Super extended
>
> Total revenue: 11R * 0.25 (size) = 2.75% on portfolio
>
> Trade closed pic.twitter.com/YDDvhz8swT
>
> — Manas Arora (@iManasArora) July 2, 2021

Another hack to identify extended move in a stock:

Too many green days!

Read below

https://t.co/Rls20fFu0u

> When you see 15 green weeks in a row, that's the end of the move. *Extended*
>
> Simple price action analysis.#Seamecltd https://t.co/gR9xzgeb9K
>
> — Manas Arora (@iManasArora) August 26, 2019

When you buy a stock, first check whether they are extended from the MA, if yes then the probability of those stocks performing is lower

Read this entire thread, to know the rules of extended

https://t.co/532mOFvRwZ

> Quick question.
>
> Would you trade this VCP pattern in the making? Yes/No? And, why? pic.twitter.com/EEfjK9fQH9
>
> — Manas Arora (@iManasArora) September 5, 2019

Check you trade journal now, and go through the trades that didn't work, now check whether those were extended?

https://t.co/0oKyHpCvUD

> Chk your past trades & the entry point. Out of all the trades, how many trades were already extended when you entered?
>
> In my entire trading experience, I have seen the majority making this mistake. Let me knw how much you could have saved. I bet the number will be HUGE!#BroTip
>
> — Manas Arora (@iManasArora) September 6, 2019

Positional/Swing traders are always have one question, when to book profits?

Ans: Exit partial qty when the stock gets extended

Simple yet Effective!



How extended move on the upside can be used to Short a stock:

Example 1: Shorting #JSWSTEEL on the basis of Extended move

https://t.co/k5aiwJCJG1

> Trade reason - #JSWSTEEL Short (Didn't post)
>
> Extended move (Main basis of the trade)
> +
> After an already stretched move, it broke out at 1 without spending enough time/rest
> +
> Sold at 2 (For a better R/R)
> +
> Failed breakout at 3 (Confirmed my view)

+
Covered at 4#Simple pic.twitter.com/uUsy8sBgbB

— Manas Arora (@iManasArora) May 25, 2021

Example 2: Shorting #ADANIENT on the basis of Extended move

https://t.co/dnZUtTVNsN

Trade reason - #ADANIENT Short

Extended move (Main reason)
+
Lethargic post-breakout reaction at 1
+
Failed breakout at 2
+
Failure to cross the breakout point at 3

Strike at 4!#PriceAction

(Inverted picture might ring the bell) https://t.co/qhsdBZdVmL pic.twitter.com/JxN9L5gjWA

— Manas Arora (@iManasArora) May 25, 2021

And this is how @iManasArora shorts Index #NIFTY basis extended move

https://t.co/NoEGLHsrQp

#NewPosition - Short in #Nifty August Future at 11275

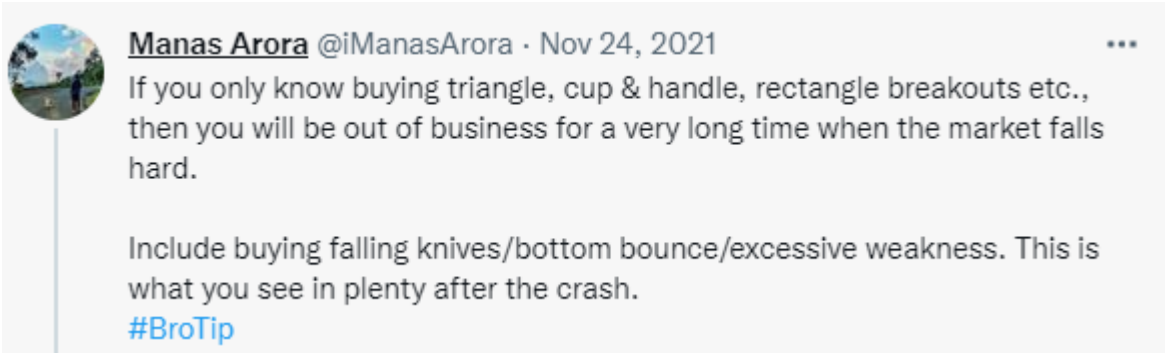
— Manas Arora (@iManasArora) July 29, 2020

Not many traders short, especially the newbies, so here is an imp note:

Disclaimer: These stunts are performed by a pro @iManasArora , pls dnt jump directly into shorting without knowing the basics

So far you have understood two things:
1. Never enter an extended stock
2. Use the extended info to book profits or go short

But then, long only traders in cash segment think they cant utilize the opportunity in a down trending market



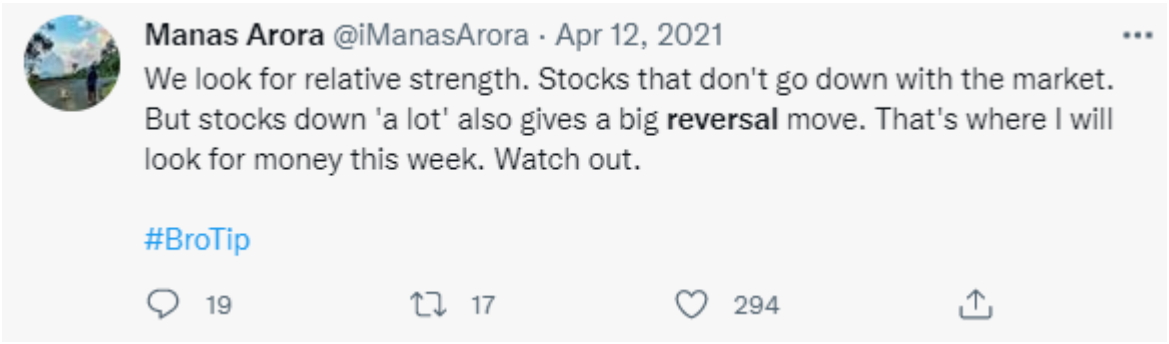
Time to bust this myth, @iManasArora shows how one can use the extended info to go long - REVERSAL PLAY!

Look for stocks down 4-6days in a row. Then look for reversal signs on a much lower frame to enter.

Manas believes: Excessive weakness offers a good long opportunity!

Thinking out of the box!

Lets see how @iManasArora Walks the Talk



How to use extended moves on the downside for reversal plays

Example 1: #BAJAJFIN

https://t.co/SlFjIQf8wg

> #Bajfinance trade logic
>
> Bajfinance at this stage is extended on the downside. Around 50% away from 50dma. High probability bounce from here.
>
> 1/n pic.twitter.com/ntFPHcryNN
>
> — Manas Arora (@iManasArora) April 24, 2020

How to use extended moves on the downside for reversal plays

Example 2: #BSE

https://t.co/8k5oRE2XQR

> #NewPosition - LONG in #BSE at 1075
>
> 1% stop
>
> 20% size pic.twitter.com/GrU49HbQh5
>
> — Manas Arora (@iManasArora) August 11, 2021

How to use extended moves on the downside for reversal plays

Example 3: #NBCC

https://t.co/ZAyeqZkVeb

Spot extended moves in your P&L as well, and know when to slow down

https://t.co/7EyV2Vy2iH

> #NewPosition - LONG in #NBCC at 49.2
>
> 40% allocation pic.twitter.com/62S0SSWiEH
>
> — Manas Arora (@iManasArora) July 29, 2021

How to use extended moves on the downside for reversal plays

Example 4: #ASHOKLEY

https://t.co/cL4FWA9MTN

> #NewPosition - LONG in #ASHOKLEY at 132.7
>
> 1% stop
>
> Reversal play pic.twitter.com/IytyqKBZhK
>
> — Manas Arora (@iManasArora) November 23, 2021

How to use extended moves on the downside for reversal plays

Example 5: #DREDGECORP

https://t.co/6T42RK9Wq1

#NewPosition - LONG in #DREDGECORP at 352.6

Reversal Play

2% stop pic.twitter.com/TbLTV3oBmc

— Manas Arora (@iManasArora) February 15, 2022

How to use extended moves on the downside for reversal plays

Example 6: #JSL

https://t.co/tgCZLDNKam

#NewPosition - LONG in #JSL at 187.5

2% stop

Reversal play pic.twitter.com/2pQZDGB04o

— Manas Arora (@iManasArora) February 15, 2022

How to use extended moves on the downside for reversal plays

Example 7: #AFFLE

https://t.co/si4X8rQyHZ

#NewPosition - LONG in #AFFLE at 1220

Reversal play

Already 1290 now. Many names have reversed at a lightning speed. pic.twitter.com/xGiaZbY9d7

— Manas Arora (@iManasArora) January 25, 2022

How to use extended moves on the downside for reversal plays

Example 8: #DRREDDY

https://t.co/uOxtBp8joy

#NewPosition - LONG in #DRREDDY at 4711

40% size pic.twitter.com/WG6nynwHX6

— Manas Arora (@iManasArora) July 30, 2021

Lets check how to play reversals on fresh listed stocks i.e. recent IPO's

How to use extended moves on the downside for reversal plays

Example 9: #NYKAA

https://t.co/5HEGPPhQEV

> #NewPosition - LONG in #NYKAA at 1464
>
> Reversal play
>
> Trade reason same as #JSL shared yesterday pic.twitter.com/NR3vagJ8dr
>
> — Manas Arora (@iManasArora) February 16, 2022

How to use extended moves on the downside for reversal plays

Example 10: #PAYTM

https://t.co/a4cFTjvXMl

> #NewPosition - LONG in #PAYTM at 871
>
> Stop - LOD
>
> Reversal play pic.twitter.com/q2iZSDEqh8
>
> — Manas Arora (@iManasArora) February 16, 2022

Be creative and have an open mind!

https://t.co/NgcRMZtiOP

> They say stocks that hold strong on a very bearish day should be bought. This was my reversal watchlist for today. These names got severely beaten down yesterday. The result is out. Which stock is 6%+ up that held strong yesterday?
>
> Have an open mind#BroTip pic.twitter.com/LLPeW0E9Bg
>
> — Manas Arora (@iManasArora) January 25, 2022

When to fold in Reversal Play,

https://t.co/g8PvVjYXqN

#NewPosition - LONG in #FILATEX at 104.5

1% stop

Small size - 5%

Reversal play pic.twitter.com/dJrC2Rhr6H

— Manas Arora (@iManasArora) October 27, 2021

A lot of people have a question, what if it falls further?

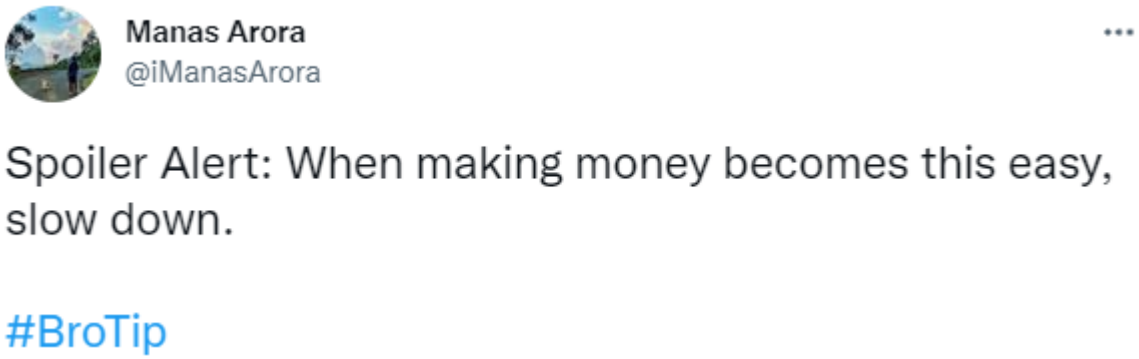
Ans: You can always get out with a small SL, but but but, remember the opportunity is only gonna get more sweeter



Since, @iManasArora enters a trade with tight stops of 1-2%, he has studied the behavior of his trades in past, and from experience he knows how much time they take to perform or fail!

You can use this info to build a system of yours!

Applying extended move logic not just to stocks but extending it your P/L



Now when the stocks have an extended move on the downside, instead of being grumpy, be happy that the opportunity to play the Reversals is round the corner

#BroTip

You can also go through his TL @iManasArora which itself is a pool of knowledge

If you❤■this, why not share?

Retweet the first tweet and help others find this ■

Happy learning ■ to everyone!