Twitter Thread by Aditya Todmal

Aditya Todmal
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Compilation of the best learnings from @BankniftyA through his tweets.

Have compiled his:

1. Expiry day trading.
2. Trade logics.
3. Multiple Charts analysis.
3. BTST criteria for stocks.

Share if you find it helpful so that everyone can benefit.

A pdf of his moneycontrol article where you can read about his journey and how he trades.

https://t.co/pdkK0QheoT

> https://t.co/z5ihwTjPCt
>
> — Harsh (@HarshAsserts) September 11, 2020

Advice on how to not let your mood influence your decisions.

https://t.co/DO4yucUWTP

> When trading,moods will want to influence ur decisions
>
> How to minimize:
>
> -Have a backtested plan/system
> -Know yourself(emotion and panic levels)
> So trade size is important to keep ur emotions in check
> -dont focus too much on pnl

-have a back up plan ready

& last stay positive!!

— Banknifty Addict (Gaurav) (@BankniftyA) December 29, 2019

Expiry day Trading:

How to become better?

When I had spoken to him on phone he advised me to backtest all expiries and rigorously practice them again and again to develop conviction. Superb advice!

https://t.co/uN8wcfwfJy

Backtest the complete expiry and practice again and again till u develop conviction

— Banknifty Addict (Gaurav) (@BankniftyA) November 5, 2020

Acts based on support and resistance levels from charts ■

https://t.co/ulZ9QpmPPH

Support and resistance levels based on technical charts on various time frames.
Breaking any of the above, leads to a direction
and then only directional play.

— Banknifty Addict (Gaurav) (@BankniftyA) December 19, 2019

What premiums he sells and how he manages his quantity.

https://t.co/9K5OBKwXrr

Premium is not fixed. Depends upon conviction on that strike.

Quantity again as per my conviction.

Suppose premium at 50,and I can sell total 5k qty, so here I will sell 1500 qty and keep on pyramiding once it started going down with volume.

— Banknifty Addict (Gaurav) (@BankniftyA) April 1, 2020

What kind of stop loss isn't ideal and what premiums to sell on expiry day.

https://t.co/aVk1dwBu8P

> Bcz these days banknifty has become highly volatile and moves of 300-400 points comes within 5-10 mins
>
> So sl of 20 points in option is too less
> For selling : U need to play OTM options with less than 50 points premium and in the direction of trend.
>
> — Banknifty Addict (Gaurav) (@BankniftyA) September 24, 2019

Expiry day sole focus is just to find strikes which will be zero. 0■■

https://t.co/W6KtYnxal4

> Very true... Only focus is which all strikes will be zero.
>
> — Banknifty Addict (Gaurav) (@BankniftyA) October 17, 2019

Gives more emphasis to intra day trend than OI data

https://t.co/PWZHh5EoC4

> Those who thinks OI data is the key to write options will be killed eventually.
> Only experience will be the key to all the locks.
>
> — Banknifty Addict (Gaurav) (@BankniftyA) June 26, 2019

How to take risks after getting some profit for further returns.

https://t.co/IGUUnJrK0M

> If u trade expiry as per the trend with proper risk reward then i expect u to earn some xyz amount.
> Out of that earned amount atleast 10% can be risked (where loss is limited) to get a returns like 5x-10x
>
> — Banknifty Addict (Gaurav) (@BankniftyA) August 1, 2019

How an option seller can make profit inspite of risking more than what he'll make.

https://t.co/TP9chso0iY

> I agree that risk reward is not good when it comes to selling options.
>
> But chances of winning is more in selling bcz of theta decay if u know the direction.
>
> Importantly u also need to know how to manage your position when market goes in other direction.
>
> — Banknifty Addict (Gaurav) (@BankniftyA) October 10, 2019

Reanalyze loss making trades and never repeat them to improve accuracy.

https://t.co/npP2NiAWsg

> I do that.... Since day 1
>
> Also we must re-analyze our loss making trades that what went wrong...and try not to repeat our mistakes
> This improves accuracy
>
> — Banknifty Addict (Gaurav) (@BankniftyA) November 14, 2019

Form a list of stocks where you're expecting movement and then look for surge in volumes.

https://t.co/3vjVYUC8qI

> Stocks to keep in radar for tomorrow
> -Indusind Bank
> -Muthoot
> -Manapuram
> -Maruti
> -Ibulhsgfin
> -Titan
> -LT
> -Kotak
> -justdial
>
> If u see any surge in Volume, then go in the direction of trend. Expecting ba trending movement in them within 1-2 days max.
>
> — Banknifty Addict (Gaurav) (@BankniftyA) December 18, 2019

How to identify trend?

https://t.co/XiKDsm3Q5b

> Dow theory. HH-HL
> LH and LL
>
> — Banknifty Addict (Gaurav) (@BankniftyA) August 1, 2020

Some trade logics of his now:

1. If there is heavy call writing and the next day you see huge volumes buying going on, market likely to trap call sellers and close at day high.

https://t.co/R3f4rPGvn4

> Yesterday there were only call writers
> And today in morning there were huge volume in buying side.
> That was a clear indication of trap day and on trap day market usually don't give chance to trappers to exit(call sellers in our case)
> So OI Data don't work in such cases
>
> — Banknifty Addict (Gaurav) (@BankniftyA) January 2, 2020

2. How he survived a trap day. He had sold calls, market gapped up next day and sustained.

https://t.co/AWnBc1TQds

> These are called trap days. The moment bnf sustained the gap today ...meant it will trap call sellers who sold aggressively calls yesterday.
>
> Generally it goes down for few minutes and immediately goes up and keep going up....
> Also sometimes closes around days high.
>
> — Banknifty Addict (Gaurav) (@BankniftyA) January 9, 2020

3. Never hold short positions whenever market closes at day high.

https://t.co/fGUKGAWsaS

> 1)Never buy a put when market close around day high.Infact cut Ur position even in loss when u see market closing around day high
>
> 2) if market sustains the gap tomorrow morning & keep going higher exit.
> When it gets rejection from higher level then hold til it don't take support
>
> — Banknifty Addict (Gaurav) (@BankniftyA) June 6, 2020

4. Avoid short strangles/straddles whenever market closes at day low/high as the probability of a big gap up/down is really high.

https://t.co/hLhFPBNMI8

> If market sustains the gap and keep moving up, to trap shorters further. Exit loss making side. Hold only if u see rejections. And gap not sustaining.
>
> Suggestion: whenever market closing around day high/low. Avoid short straddle/strangle bcz chance of gap up/down is there.
>
> — Banknifty Addict (Gaurav) (@BankniftyA) June 6, 2020

5. Higher High/Higher Low formations enable him to predict market ending at day high/low.
https://t.co/ygY51FzjmE

> At around 10.30 am when market made higher high and start going up. Got clear idea that it won't be a bearish day. And it kept on making higher high.
> So was sure that market would end around day high.
>
> — Banknifty Addict (Gaurav) (@BankniftyA) June 12, 2020

6. OI going down and price going up in Bank Nifty futures causing further short covering.
https://t.co/WiTkEXKiM2

> There's no rocket science behind it.
>
> When OI start going down and price start going up where the whole day trend is negative, then shorters will run to cover their positions, which will ultimately move the price up and thus causing short covering.
> pic.twitter.com/dnTbb8vIFu
>
> — Banknifty Addict (Gaurav) (@BankniftyA) August 17, 2020

7. Another example of OI down price up leading to further short covering.

https://t.co/5liuEKxP4B

> Today's charts and graphical explaination pic.twitter.com/n7b2tTqIGn
>
> — Banknifty Addict (Gaurav) (@BankniftyA) August 28, 2020

8. Price going up and consolidating means preparing for further upmove.

https://t.co/2D1kaAWpuc

> Correct
>
> Add more.Once price move up sharply, and consolidate in a narrow range, means it is preparing for next up move (12:50-1:30 pm)
>
> Also, the downmove was rejected(1pm around)with volume, now shorters will be trapped and market will close around high bcz of short covering. https://t.co/DfHicd5KNx
>
> — Banknifty Addict (Gaurav) (@BankniftyA) September 16, 2020

Some analysis of charts by his logics.

https://t.co/HuVmMODuoG

https://t.co/bY2zfcjPO6

https://t.co/bfwUw7mLf6

https://t.co/fQr9FVtauL

https://t.co/E6Fi8tY9xB

> Girana vala OI. Samjh ke bahar h...
> U must avoid and follow price action pic.twitter.com/NeRtqiaT91
>
> — Banknifty Addict (Gaurav) (@BankniftyA) September 10, 2020

BTST criteria for him.

https://t.co/c4pWJfAE9B

https://t.co/yw4nVPSRYR

> Strong charts intraday, high volume compared to last 5 days, closing around high....
>
> — Banknifty Addict (Gaurav) (@BankniftyA) September 11, 2020

Stocks you can pick to build your portfolio in.

Thank you @BankniftyA
You have great content on your timeline for people to learn from. 👌■

THE END

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https://t.co/G3U9C29SFL

> Reliance
> TCS
> HUL
> Hdfcbank
> Airtel
> HDFCAMC
> 3M
> Sanofi
> Abbott india
>
> And many more which I am not able to remember.
>
> — Banknifty Addict (Gaurav) (@BankniftyA) September 13, 2020