Twitter Thread by Anshika Sharma■



Anshika Sharma■
@Anshi_____



Insiders and operators can hide everything from you except VOLUME, Yes, Volume is the most useful indicator in Price Action Trading.

A thread■ on Volume Analysis and Interpretation -

Price increases + Volume increases = Bulls have strength

Price decreases + Volume increases = Bears have strength

Price increases + volume decreases = Bulls don't have strength, won't sustain higher levels

Price decreases + volume decreases = Bears don't have strength.

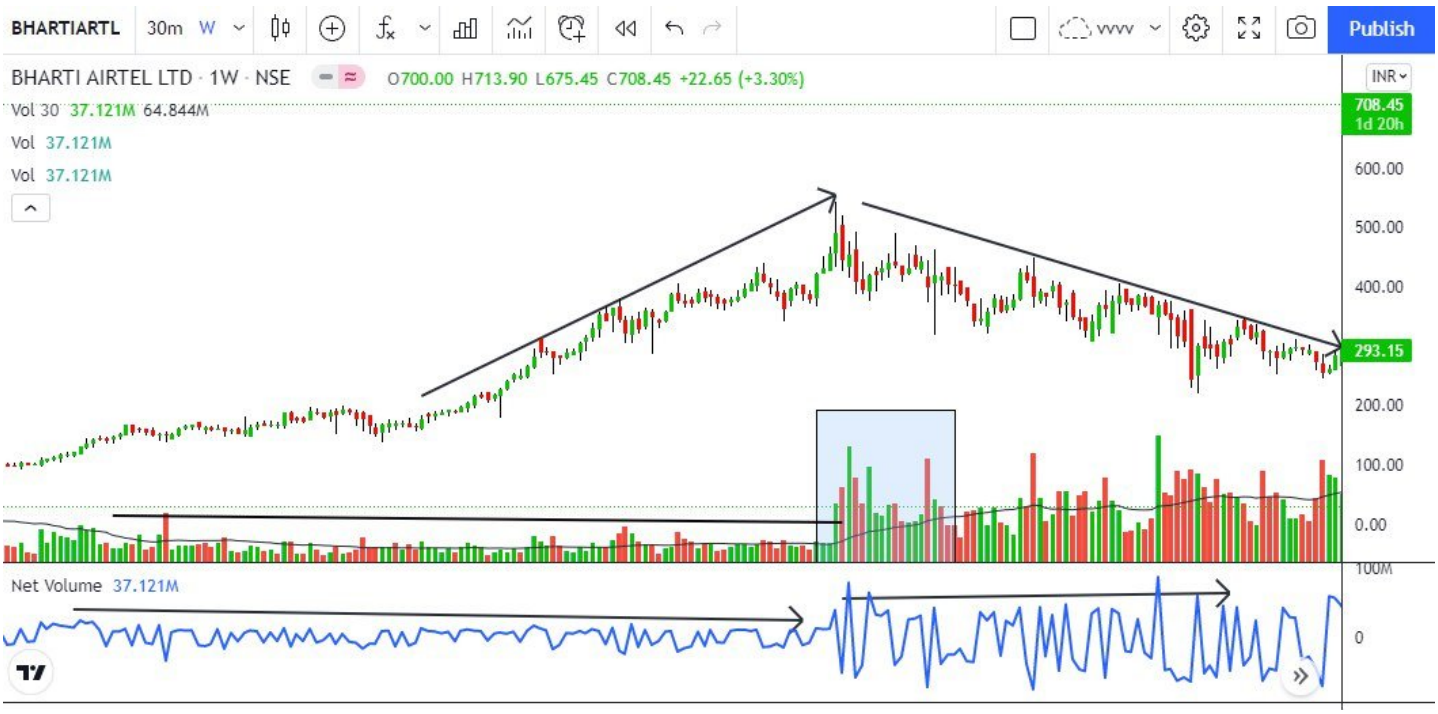
Points to Remember -
1. Big breakouts start with big VOLUME always.

The Higher the volume + Higher the range = the bigger will be the move.

2. When the stock consolidates and rejects from the higher price, volume is always low.
And when it gives the decisive breakouts, The Volume is stronger than the whole consolidation..
See the attached chart.



3. When the trend changes from Positive to Negative, Or Negative to Positive, It is always supported by strong Volume.. See the volume when the stock was declining and going in a downtrend from the uptrend in the pic below.



4. If the volume candle is strong and the price is not increasing, It means it is selling volume and big players started exiting their position at higher levels..



5. After the Breakout, If the volume keeps on Increasing, and the volume keeps on making new highs with the stock, then the chances of it is turning into a multi-bagger is higher.



6. If during the breakout price formed a baby candle and making a lower low,upper high pattern then the chances of its further move is much higher.



7. These rules apply on all time frame..

Remember, If you do swing trading, Start with a weekly chart, then analyze the day chart and then 30 Minutes as well..



Volume analysis can give you an Edge over others if you learned to use it properly.

Now a task for you all,

Go and Find 3 Stocks Breaking out with strong volume, comment their name below,and we will see the result next week.

@Trading0secrets