Twitter Thread by Deepak Bedi



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It's Sunday morning and I'm grumpy ■■ and bored ■■

Why you ask? It's the weekend, everybody loves the weekend. Time to chill and relax and unwind!!

Yeah talk to a Trader!! We hate weekends and Love Mondays ■■■

So anyway, my threads on real life practical trading seem to be helping you guys and getting lots of good questions

One which I'm getting asked a lot and a traders biggest dilemma is "WHEN TO SELL"!!

I mean we first look thru a 1000 charts, then we select one to enter, get the entry correct nd wowza it's moving in th right direction nd we're in some profits

Shud be super happy rite?

Unfortunately that's a traders worst nightmare!! Why you ask? Cos goddamit when do we sell?

If we sell too early we risk losing big profits

If we wait too long it might just reverse and we lose most of our profits and most likely even end up in a loss

If we do nothing then our blood pressure goes up cos hey we're traders and that's how we are ■■

So here's a "DEEP DIVE WITH DEEPS" on "When To Sell"

** Took me several days to come up with this catch phrase for my learning threads. I hope you guys like it

Before I start here's one of my fav financial quotes by Baron Rothschild (Google him) - "I never buy at the bottom and I always sell too soon"

The point being it's never to early to sell as long as you're making profits so don't ever feel bad that you sold early

If you do it consistently enough those profits will add up and you'll end being richer and more confident allowing you to ride winners as your trading improves

With that aside here are 3 simple methods that will help you guys resolve this dilemma and no matter what will ensure that you almost always end up in profits

But remember this works only if you get your entry right and following classical charting in the best way for that

For today's example we take the hourly chart of Tata Steel

Before anything we wait patiently for the pattern to setup and enter only on a confirmed breakout which is marked on the chart with a blue arrow



So now that we got our entry correct and the stock is moving in the right direction - We immediately start praying ■■

With that I mean set your SL as per your risk profile. RISK MANAGEMENT is always a traders top most priority

Method 1 - Set a winning percentage to exit between 5 - 10% from your entry price

This is good for rookie traders so that you slowly accumulate profits. Might sound less but remember banks give you 5% a year and here you're getting 5% in a few days sometimes even a few hours



Method 2 - Say thank you to our good friend Leonardo Fibonacci for this. This is something most seasoned traders follow so it pretty much works

The 161.8% Fib level from the high to the low of the pattern is your exit level

It's simple, easy, fuss free and almost always works



Method 3 - Pattern Target

Classical chartists follow this and magically it almost always works as well.

Richard Schabacker considered the grandfather of technical analysis follows this method in his book "Technical Analysis and Stock Market Profits"



There will always be regret that we sold too early but whenever you feel like that remember the quote from Baron Rothschild mentioned early. Taking profits will never make you poor.

More Profits = More Capital = More Confidence = More Chances you will ride winners better

Once you sell just MOVE ON!!

Consider each trade to be ur mistress and not your wife. Done with one mistress, move on and look for another. Isn't that every guys dream anyway ■■

It's every girls dream as well but unfortunately they get branded sluts! But that's another topic

So that was a "DEEP DIVE WITH DEEPS" on "When To Sell"

Hope you guys enjoyed it and hope it helps you trade better. That is the goal here - Make all of you better traders ■■

As always LIKE - SHARE - RETWEET - COMMENT ■■

Here's a parting gift that you all can use to practice "When To Sell"

JM Financial with a neat little symmetrical triangle breakout on the daily


JM Financial Ltd, India, D, NSE
O82.40 H83.00 L81.20 C82.40
Market Closed
90.00
88.00
86.00
84.00
82.40
80.00
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76.00
74.00
72.00
70.00
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