

WEALTH GENERATION THROUGH TRADING ART OF TRADING

CA JITENDRA KHANDOL



Golden Rules of **TRADING**



GOLDEN RULE # 1



When you are trading for the first time, take only 10% risk of the total amount available for the trading.

GOLDEN RULE # 2

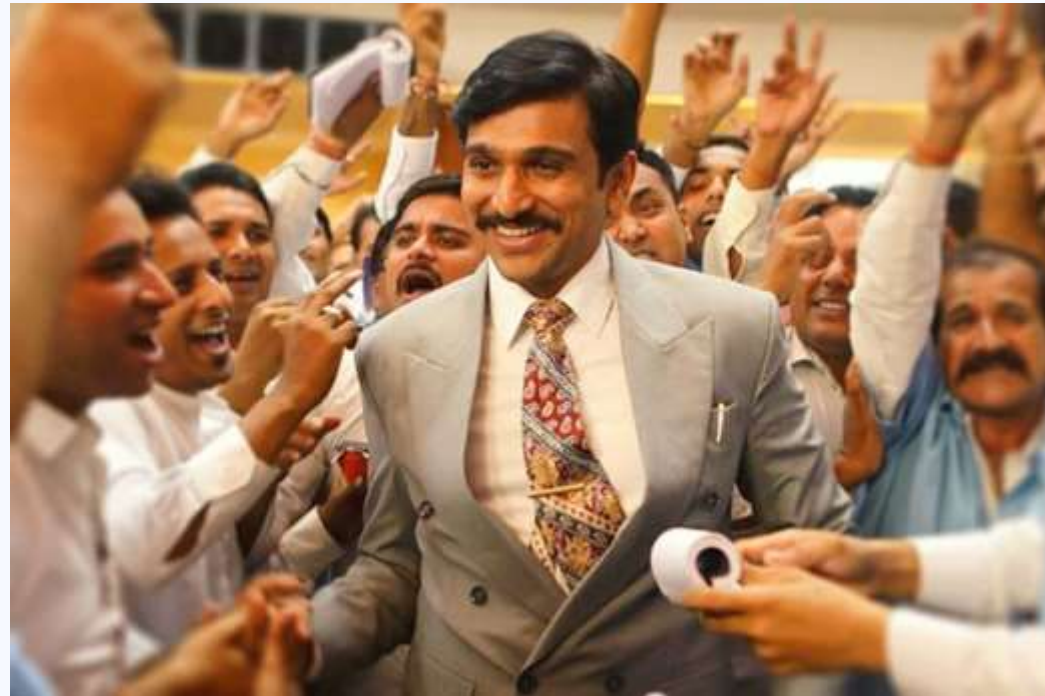


**Maintain Risk-Reward
Ratio**

Keep a Strict Stop Loss

GOLDEN RULE # 3

Risk Hai, To Ishq Hai...
Stop Loss Hai, To Trading
Hai...



GOLDEN RULE # 4



GOLDEN RULE # 5



Make entry on anybody's call but exit at your own. He who becomes the master in "When to Exit", can surely become a successful trader.

GOLDEN RULE # 6



It is not necessary to
trade every day,
sometimes
'No Trade' is the best
trade.



Trade in quantity when there is a clear cut trend with low volatility. At least once in a week or month you get clear trend. Trade with high volumes on this day, because TREND is your best friend.

GOLDEN RULE # 8

Do not take big positions
before a big event

GOLDEN RULE # 9

Do not try to time the
market, it has its own way

GOLDEN RULE # 10

Do not change your views
only because of news &
rumors in the market

GOLDEN RULE # 11

**Buy on Rumor,
Sell on News**

GOLDEN RULE # 12



Do not depend on anyone. Try to take your own decisions.

GOLDEN RULE # 13



**Learn from your mistake,
make sure that you don't
repeat it next time**

GOLDEN RULE # 14



Never get attached to stocks with positive or negative bias in your mind. Trade with Neutral Bias.

GOLDEN RULE # 15

Follow the price and not
the stocks.

PRICE is GOD

ભાવ એ જ ભગવાન

GOLDEN RULE # 16

Trade the stocks just like
an affair with them; don't
marry them.

GOLDEN RULE # 17

Symbol	Sec	Day	Buy Price	Sell Price	Buy Qty	Last Tr.	% Cha.	%OI	High	Low
NIFTY	27AUG20	150	11547.25	11547.45	150	11547.55	0.26	1.99	11622.05	11527.40
BANKNIF	27AUG20	23	22362.94	22381.75	30	22382.50	0.30	10.31	22411.95	22330.00
HINDCEN	27AUG20	300	2209.51	2218.20	600	2208.75	0.33	0.40	2227.00	2201.00
HDFCLIFE	27AUG20	1100	610.80	611.30	1100	610.80	-0.10	0.76	618.25	610.00
TCS	27AUG20	300	2279.90	2280.90	300	2280.25	0.49	0.02	2308.75	2277.20
WENPHAR	27AUG20	2000	10.00	10.15	2000	10.10	2.02	0.00	10.30	8.35
MARICO	27AUG20	2000	305.50	305.75	2000	305.60	-0.11	0.57	308.00	303.35
IRCON	27AUG20	2300	399.30	398.70	6000	399.60	0.31	1.06	401.00	396.85
IRREDDY	27AUG20	250	4382.00	4383.30	250	4382.10	0.03	0.53	4407.85	4369.30
KOTAKB	27AUG20	800	1348.85	1348.55	400	1348.20	0.60	0.77	1353.70	1337.90
ADANIPOR	27AUG20	10000	546.50	546.35	2500	546.25	1.24	0.75	547.15	542.10
RECLTD	27AUG20	6000	109.15	109.25	6000	109.15	0.18	1.28	110.55	108.90
ICICIBANK	27AUG20	1373	371.50	371.60	1373	371.50	0.81	1.42	373.20	368.90
SBIN	27AUG20	6000	205.85	205.10	6000	205.10	0.31	1.93	207.60	203.85
INDUSIN	27AUG20	800	528.85	525.10	1600	524.80	0.32	-0.49	536.00	522.60
ALROPHI	27AUG20	1300	907.50	904.65	1300	906.00	-3.22	-0.01	926.00	893.00
HINDALCO	27AUG20	10000	213.50	213.70	5000	213.60	1.87	3.41	215.05	209.85
ICICIPRULI	27AUG20	1500	475.95	475.60	1500	475.30	-0.13	0.67	478.95	473.10
INFY	27AUG20	1200	961.55	961.85	1200	961.55	0.23	0.74	972.35	959.00
HINDALCO	27AUG20	4300	182.40	182.70	17200	182.65	3.18	16.06	185.30	178.65
TATASTEEL	27AUG20	1700	412.15	412.35	10200	412.30	-1.01	6.88	422.15	410.20
NMDC	27AUG20	20100	94.20	94.20	13400	94.15	-0.42	1.23	95.75	93.55
RELIANCE	27AUG20	800	2136.25	2136.65	500	2136.55	-0.09	1.39	2147.00	2128.25
TNSAFY	27AUG20	1400	420.00	420.30	1400	420.00	0.51	1.10	421.50	416.35
AXISBANK	27AUG20	2100	432.85	433.85	2400	433.65	0.48	1.87	435.40	431.80
MARUTI	27AUG20	8000	129.80	129.90	8441	129.85	0.88	1.28	131.00	128.85
WENPHAR	27AUG20	1800	333.80	334.00	300	334.00	0.18	1.82	336.25	328.85
CENTURY	27AUG20	1400	311.50	311.85	1400	311.00	0.61	-0.75	313.95	308.00
HDFC	27AUG20	500	1818.30	1818.65	300	1818.65	0.28	0.85	1820.00	1807.20

Chart is the consequence of price action, so concentrate always on price action

GOLDEN RULE # 18

Don't trade in high beta
stocks during volatility,
chances of you getting
stuck is very high unless
you are a fast mover

GOLDEN RULE # 19

**Always trade through
options before a big event**

GOLDEN RULE # 20

Future/Option trading with Open interest in view involves:

a. Long built up

(Rise in Price alongwith Rise in OI)

b. Short built up

(Fall in Price alongwith Rise in OI)

c. Long Unwinding

(Fall in Price alongwith Fall in OI)

d. Short Covering

(Rise in Price alongwith Fall in OI)

GOLDEN RULE # 21

Don't sell options unless
you are master mind trader

GOLDEN RULE # 22

Market is like a test match. You have to field for the whole day but...



...get only few chances of catch during the day. Take That..!



GOLDEN RULE # 23

Try to convert every
opportunity in your favor

GOLDEN RULE # 24



Do not panic in unfavorable
situation.

Fresh mind is utmost necessary to
trade in the market.

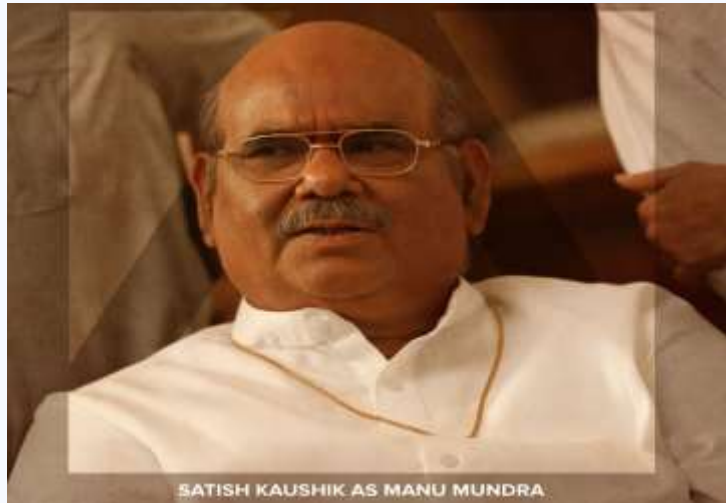
GOLDEN RULE # 25

Take MORE RISK

When you are in Profit &

LESS RISK

When you are in Loss



GOLDEN RULE # 26

Do not follow purely bulls or purely bears.

Bulls never say that market will be going down & Bears never say that market will be going up.

E.g. Harshad Mehta Scam series

GOLDEN RULE # 27

Whenever there is a sudden large upward or downward movement, don't waste your time in finding out the reason. Because reason is not important. It's Your loss which is important, try to protect your capital and minimize the loss.

GOLDEN RULE # 28

**POSITIVE
THOUGHTS.**

**POSITIVE
LIFE.**

Be positive in life, build your self confidence and try to learn from every situation

- It has taken me 7 years to learn how to be successful in trading and how to become a successful trader. It's not only the smartness, intellect which makes you successful trader. It is the discipline which is utmost important to become a successful trader.
- If you follow these rules and **trade with strict discipline**, you will never lose money in speculation.
- Whenever you are in sizable profit, **do positive things which inspire you in life**. Always try to inspire losers in life because they need your help. A few positive words from you can make them feel good, give them support and motivate them to work hard.

Do not try to become a millionaire in a short span of time, **it's a gradual process.**





- CA JITENDRA KHANDOL