

# 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

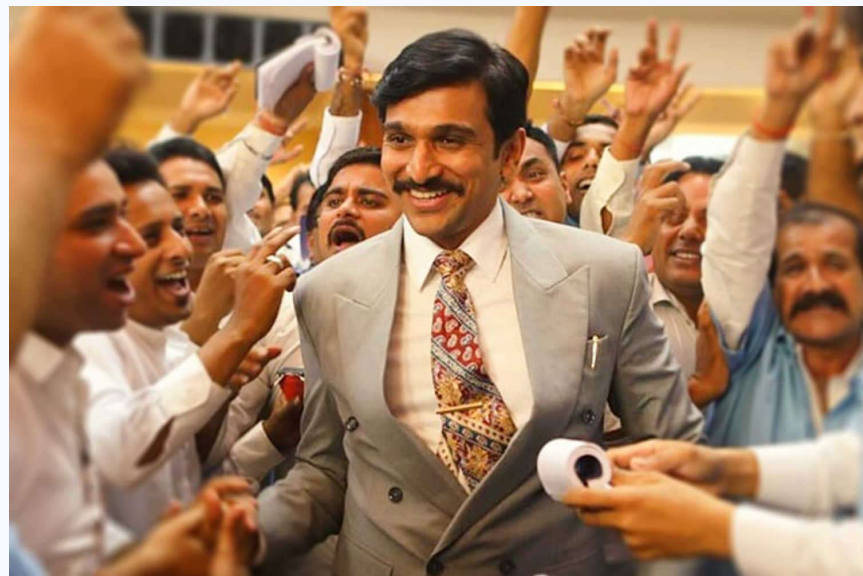


**Maintain Risk-Reward Ratio**

## GOLDEN RULE # 3

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

## Keep a Strict Stop Loss



**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**

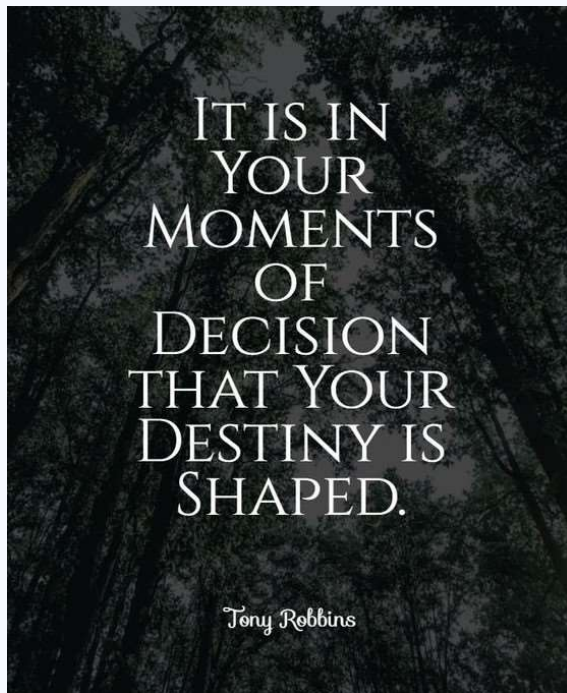
**GOLDEN RULE # 10**

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

**GOLDEN RULE # 11**

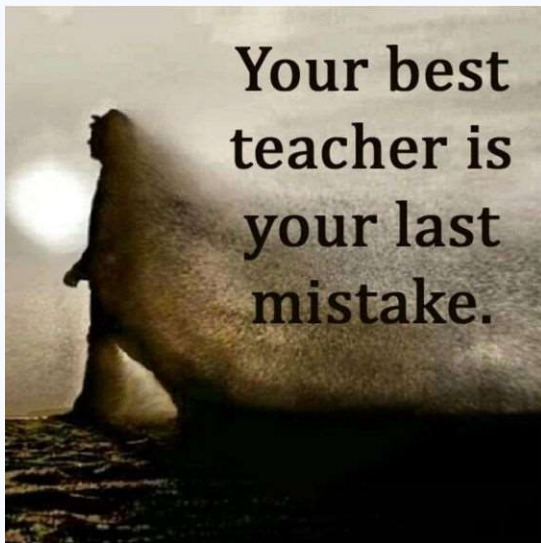
**Buy on Rumor,  
Sell on News**

## GOLDEN RULE # 12



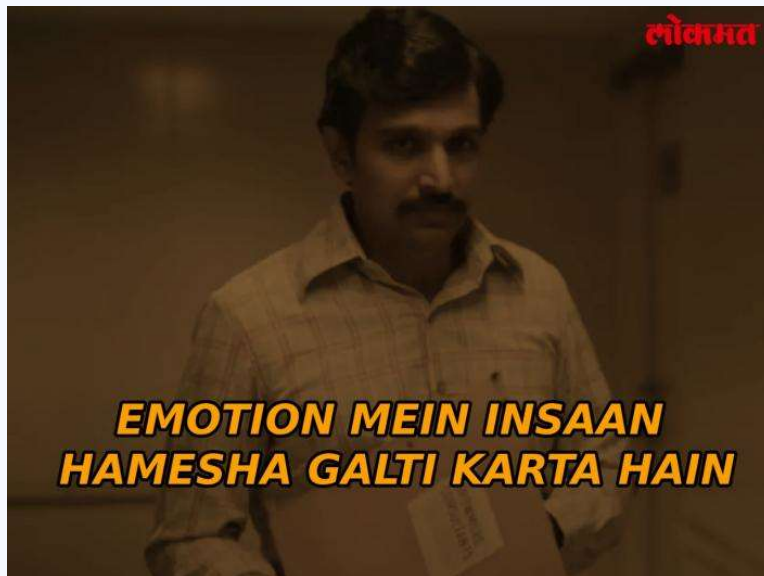
**Do not depend on anyone. Try to take your own decisions.**

## 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**

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**GOLDEN RULE # 16**

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

# GOLDEN RULE # 17

Symbol	Ser	Exp	Buy Price	Sell Price	Last Tr.	% Chg.	%OI	High	Low
NIFTY	27AUG20	150	11347.25	11347.45	150	11347.30	0.26	1362.65	11327.80
BANKNF	27AUG20	28	22382.90	22384.75	50	22382.50	0.30	10.34	22443.95
HINDUNL	27AUG20	300	2209.15	2210.20	600	2209.75	0.35	0.40	2227.00
HDFCLIFE	27AUG20	1100	610.90	611.30	1100	610.80	-0.10	0.76	616.25
TCS	27AUG20	300	2279.90	2280.90	300	2280.25	0.49	0.02	2309.75
SUNPHAR	27AUG20	2800	10.00	10.15	4200	10.10	2.02	0.80	10.80
MARICO	27AUG20	2000	365.50	365.75	2000	365.00	-0.11	0.57	368.40
BIOCON	27AUG20	2200	399.30	399.70	4600	399.60	0.34	1.06	401.80
DREDDY	27AUG20	250	4582.00	4583.30	250	4582.15	0.93	0.53	4607.85
KOTAKB	27AUG20	800	1348.05	1348.55	400	1348.20	0.60	0.77	1353.70
ADANIP	27AUG20	10000	346.10	346.35	2500	346.25	1.24	0.75	347.15
RECLTD	27AUG20	6000	109.15	109.25	6000	109.15	0.18	1.28	110.35
ICICIBANK	27AUG20	1375	371.50	371.60	1375	371.50	0.94	1.42	373.20
SHIN	27AUG20	6000	205.05	205.10	3000	205.10	0.34	1.93	207.80
INDUSIN	27AUG20	800	524.85	525.10	1600	524.80	0.32	-0.49	530.00
AUROPH	27AUG20	1300	907.50	908.65	1300	908.00	-1.22	-4.01	926.00
JINDALS	27AUG20	10000	213.50	213.70	5000	213.60	1.67	3.44	215.05
ICICIPRULI	27AUG20	1500	475.05	475.60	1500	475.30	-0.15	0.67	478.95
INFY	27AUG20	1200	961.55	961.85	1200	961.55	0.23	0.74	972.35
HINDALCO	27AUG20	4300	182.60	182.70	17200	182.65	3.48	16.06	185.20
TATASTEEL	27AUG20	1700	412.15	412.35	10200	412.30	-1.01	6.88	422.15
NMDC	27AUG20	20100	94.10	94.20	13400	94.15	-0.42	1.23	95.75
RELIANCE	27AUG20	505	2136.25	2136.65	505	2136.55	-0.05	1.39	2147.00
TVSMOT	27AUG20	1400	420.00	420.30	1400	420.00	0.51	3.10	422.50
AXISBANK	27AUG20	2100	453.65	453.85	2100	453.65	0.40	1.97	457.40
M&MFIN	27AUG20	6888	129.80	129.90	3444	129.85	0.00	1.28	131.00
SUNPHAR	27AUG20	1400	533.50	534.00	7000	534.00	0.16	1.92	536.25
CENTURY	27AUG20	1400	311.10	313.85	1400	313.00	0.61	-0.75	313.95
HDFC	27AUG20	300	1544.30	1544.85	900	1544.44	-0.28	0.82	1558.00

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..!**

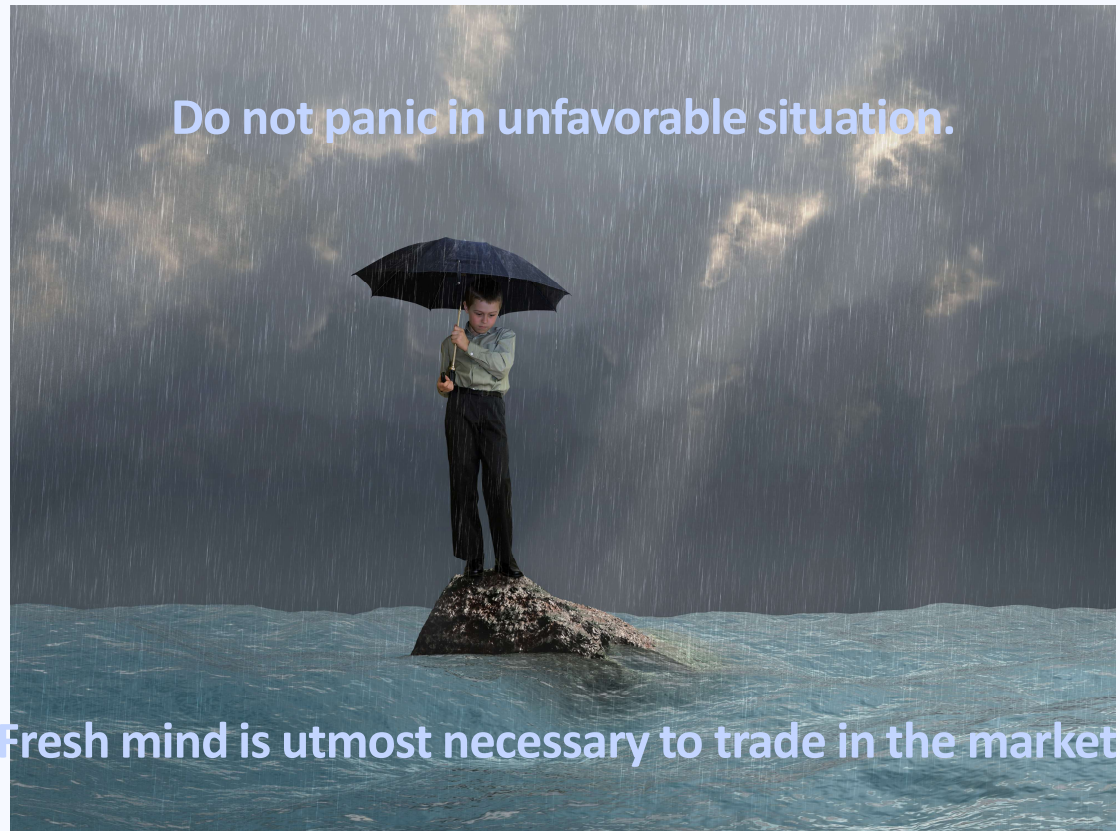




**GOLDEN RULE # 23**

**Try to convert every opportunity in  
your favor**

## GOLDEN RULE # 24



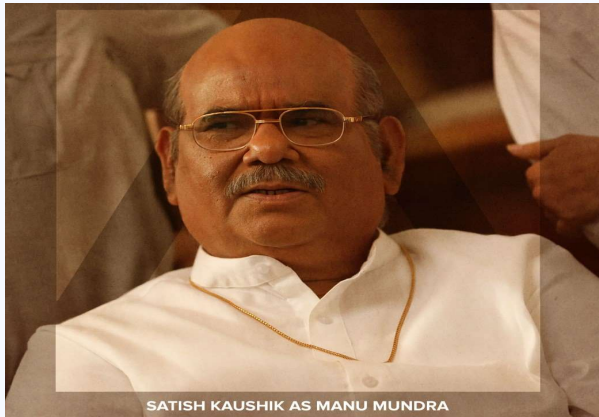
**GOLDEN RULE # 25**

**Take MORE RISK**

**When you are in Profit &**

**LESS RISK**

**When you are in Loss**



SATISH KAUSHIK AS MANU MUNDRA

## 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