INSTITUTIONAL TRADING SETUP

Price, Volume, and Institutional Imbalance Masterclass

Trading Setup Overview

INSTRUMENTS	**Intraday Equity/Cash market only.** No Options or Futures. Focus on Mid-cap stocks (Avoid ultra-blue-chip stocks like Reliance or SBI, as they require massive capital for institutions to manipulate easily).
CORE PHILOSOPHY	No indicators, no oscillators (RSI, MACD, Bollinger Bands), and no support/resistance lines. The strategy relies purely on **Price, Volume, and Institutional Imbalance**.
TIMEFRAME	**1-Minute Chart**

1 Stock Screening (Finding Footprints)

You cannot find these stocks manually; you must use a screener (like Chartink) to filter stocks based on massive, sudden volume spikes.

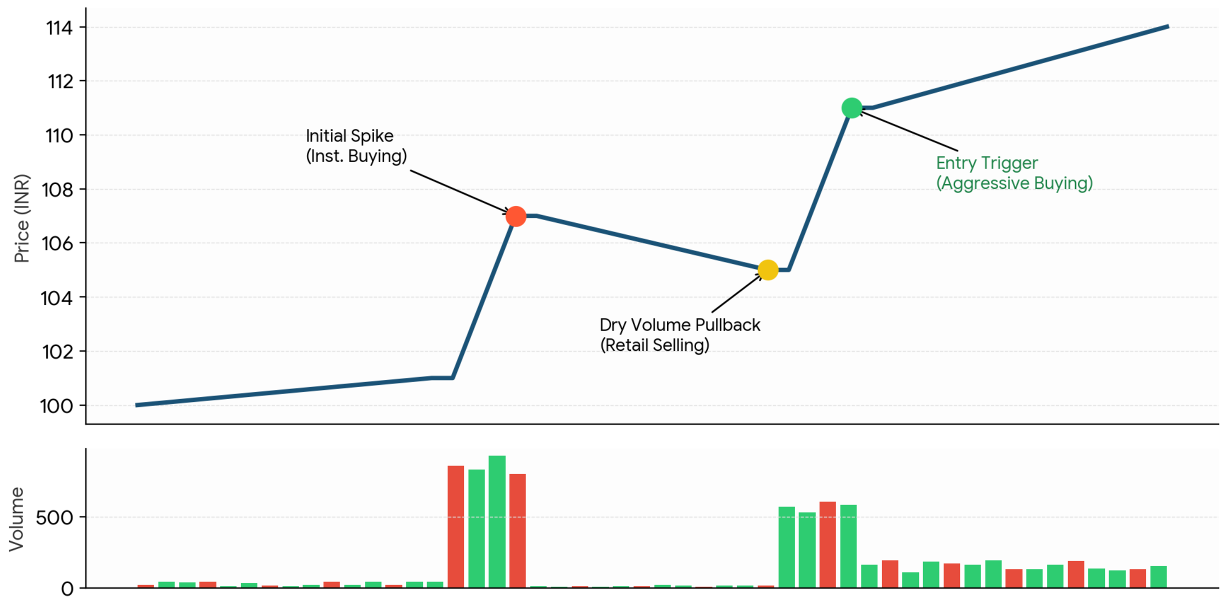
The 4 Crore & 20x Rule

Look for a 1-minute candle that generates a minimum traded value of **4 Crores (40 Million INR)** AND the volume must be **20 times higher** than the average 1-minute volume of the past 3 days.

Visual Confirmation: On the chart, this sudden volume spike should look so massive that the previous days' volume looks completely flat or "dead" in comparison. This guarantees that an Institution has entered, not retail traders.

2 The Setup & Entry

Do not buy the initial massive spike. Institutions need liquidity, so they will pause to let retail traders sell.



- **Wait for the Pullback (Retail Selling):** After the initial spike, the price will usually go sideways or pull back slightly. During this phase, the *volume must completely dry up* and the candles must become very small. This confirms weak retail players are selling, and the institution is quietly accumulating.
- **The Trigger:** Wait for the volume to suddenly spike again with strong buying momentum. This confirms the institution is aggressively buying again.
- **Execution:** Enter the trade immediately on this second volume spike.
- **Stop Loss:** Place your stop loss slightly below the recent swing low (the bottom of the dry-volume pullback).

3 Risk Management & Position Sizing

Never trade based on random quantities; calculate your risk mathematically.

> **The 1% Risk Rule:** Decide a fixed amount to lose per trade (e.g., 1% of your total capital. If you have ₹1 Lakh, your risk is ₹1,000).

- **Calculate Quantity:** Find the difference between your Entry Price and Stop Loss (e.g., Entry at ₹400, SL at ₹390 = ₹10 risk per share). Divide your total risk by this difference (₹1,000 ÷ ₹10 = 100 shares). You will buy exactly 100 shares.
- **"Trade for the Loss":** Mentally accept that this ₹1,000 is already gone and given to the market. This removes fear and anxiety while holding the trade.

4 Trade Management & Exits

The ultimate target is a **1:4 Risk-to-Reward (RR) ratio**.

At 1:2 Profit	As soon as the trade gives you double your risk in profit, trail your Stop Loss to your Entry Price (Break-even). You are now telling the market: *"I am not taking a single rupee of loss from my own pocket."* The trade is now risk-free.
At 1:3 Profit	Trail your Stop Loss higher to lock in a 1:1 profit.
At 1:4 Profit	**Exit the trade completely.** Do not get greedy hoping for a 1:10 jackpot. Mathematically, trying to hold for 1:10 will cause you to give back too many guaranteed 1:4 winning trades.