

Top 5 Trading Strategies with **PU PRIME**

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Scalping

Strategy:

Trading small price changes in the market

Time Frame:

1-5 minute chart

Position open only for few minutes or few seconds.



Advantages:

- : Fast turnaround – due to fast-paced trading
- : High volume – High trading frequency means more opportunities
- : Tight stop loss order – control losses
- : Lower risk exposure – due to a trade position only open for a short period of time.
- : Flexibility – you can trade whenever you have time.

Goal: Accumulate a lot of small profits



Disadvantages:

- : High transaction cost – due to frequent trading
- : Can be stressful – required to make quick decisions in a stressful environment
- : Time consuming – have to constantly monitor the market and make multiple trades



Day Trading

Strategy:

Trading the small price movements that happen within a day

Time Frame:

Intraday

- Buy and sell within the same trading day.
- Have a clear entry and exit points.
- A good understanding of the asset class traded is required.
- Pays attention to breakthroughs (daily line, H4, H1)
- Can trade on news



Advantages:

=Allows traders to find opportunities in short-term price movement in the market.

=Can be profitable quickly and has potential to generate income on a daily basis

=Can use leverage to amplify positions

Goal: generate profit by executing transaction within a day, to reduce overnight risk, and avoid overnight interest charges



Disdvantages:

- Not all asset classes are suitable for day trading
- High discipline required: defeat greed



Swing Trading

Strategy:

A trading style in which a position is held for a short/medium term, usually ranging from a few days to a few weeks, to capture a larger trend of a price movement

Time Frame:

Daily, Weekly

- Fundamental + Technical
- Identifying trend by the following:
- Fundamentals(Economic data): CPI data, PPI data
- Identify daily / weekly candlestick breakout (Support and resistance trendlines)
- Set stop-loss and take-profit points (use for swing trading to limit risk and protect trading capital)
- Set take-profit point based on price action and risk-reward ratio for the trade.



Advantages:

- Less Stress: doesn't require staring at a chart all the time
- Lower transaction costs: positions are held for longer periods compared to scalping and day trading
- Better risk management as longer candlesticks are easier to monitor

Goal: reduce trading emotions and focus on risk control to maximise profits



Disadvantages:

- Longer exposure in the market = higher risk
- Overnight risk (overnight gaps, significant price volatility)
- Require significant understanding of the markets



Position Trading

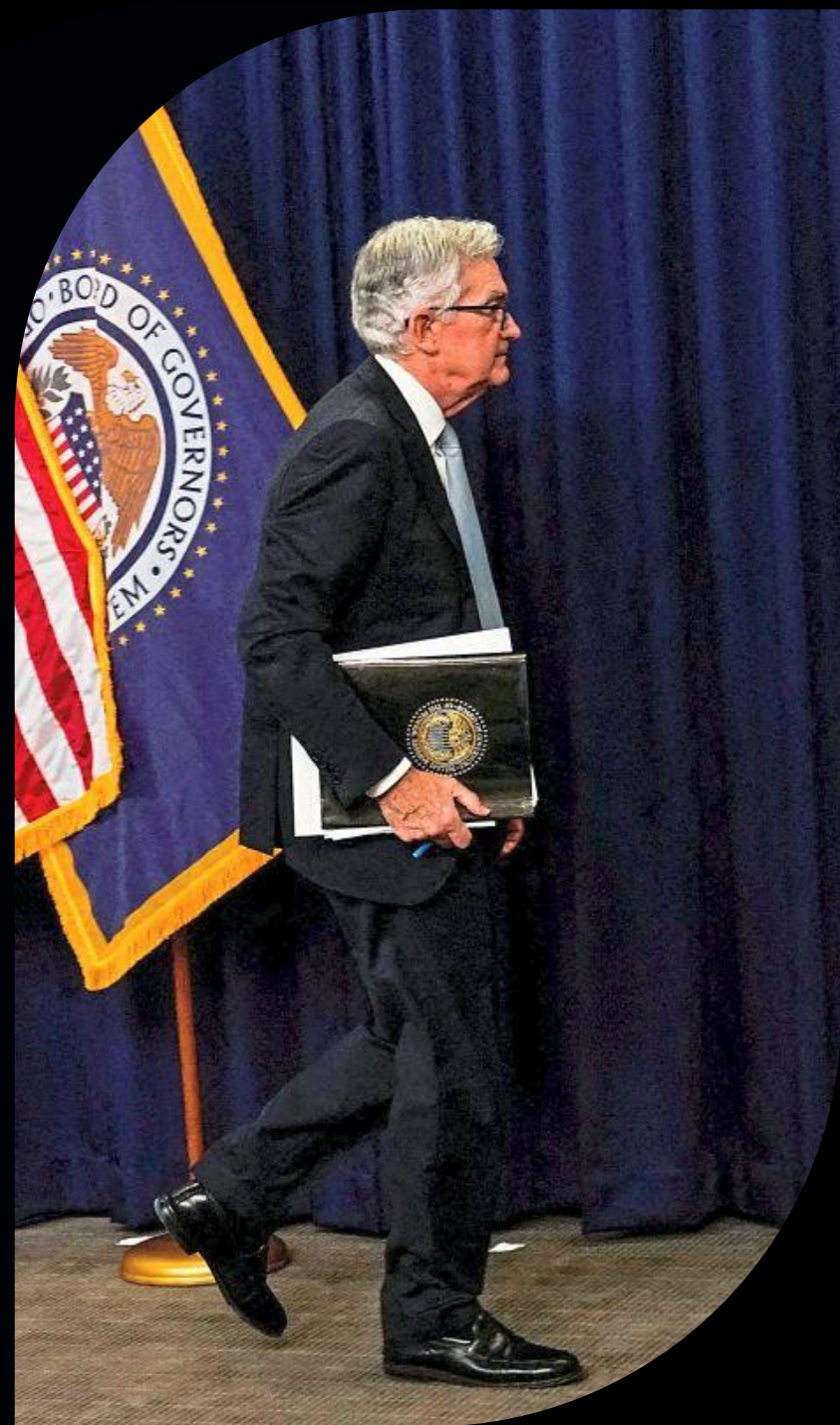
Strategy:

Long-term trading strategy, investors hold a position for a long time (month-long)

Time Frame:

Weekly, Monthly

- Mainly focused on macroeconomic (monetary policy, change of govt, long-term geopolitical risks, etc)
- Inflation analysis, economic indicators, industry trends and other factors that may affect the market over the long-term.
- Willingness to withstand short-term market volatility for long-term gains
- Usually suitable for long-term stock investors



Advantages:

- Lower emotional distress
- Reduce trading pressure

Goal: only focus on the final target, capture the big trend and ignore the short-term losses



Disadvantages:

- Opportunity cost (missing out on other potential opportunities)
- Emotional challenges due to fluctuations in the markets
- Higher capital required as fluctuations might cause stop-out and position liquidation



Divergence

Divergence

Divergence is a signal that indicates differences in direction between price and MACD indicator.

This signal is identified by looking at the recent “wave” of the instrument in both price and MACD.

There are two types of divergence:

- Positive (Bullish)
- Negative (Bearish)

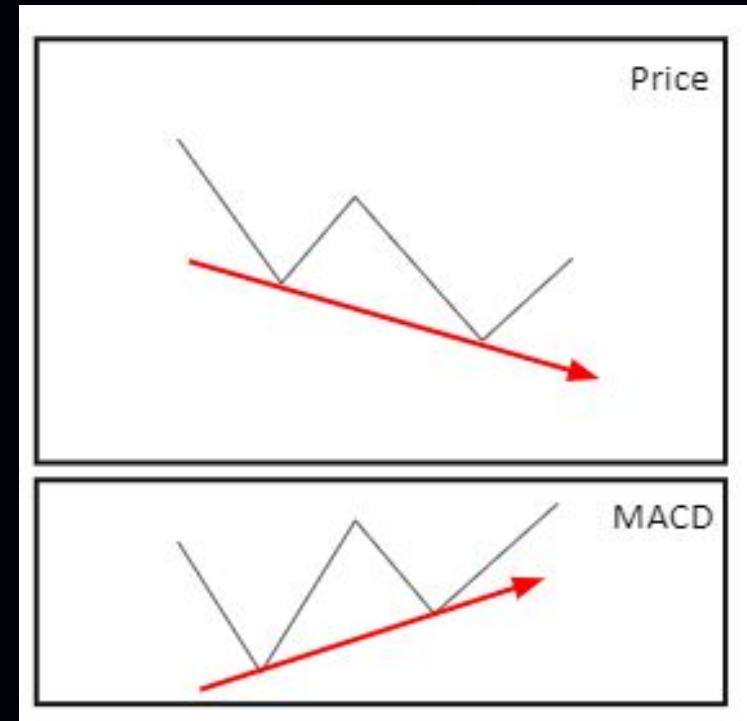


Positive Divergence

Occurs when:

- Price action indicates persistent downtrend
- MACD indicates persistent uptrend.

This signal suggests the instrument to rebound in the coming period.



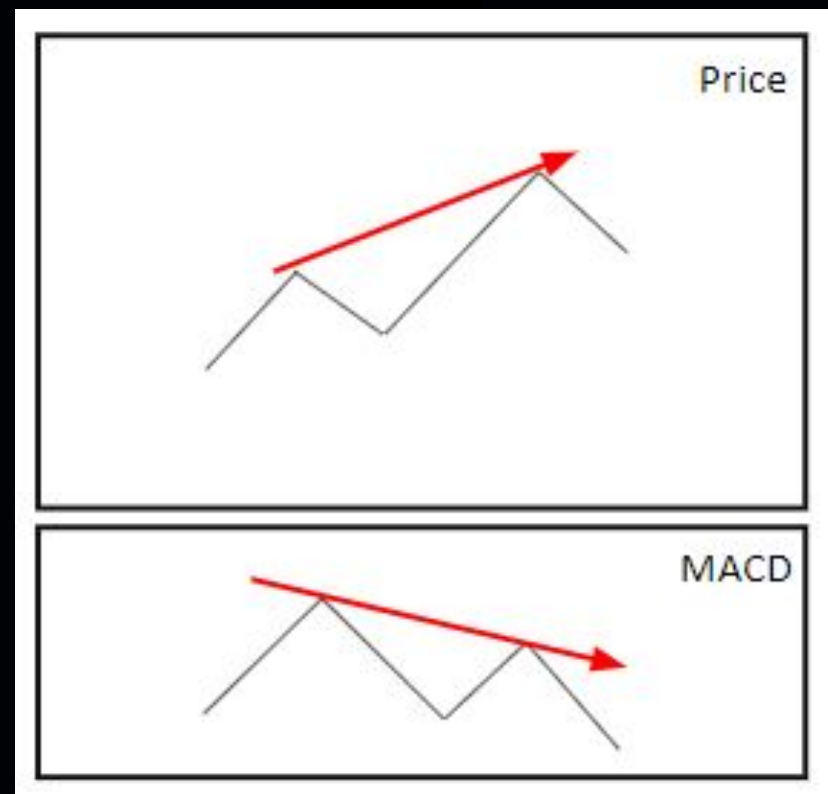


Negative Divergence

Occurs when:

- Price action indicates persistent uptrend
- MACD indicates persistent downtrend.

This signal suggests the instrument to retrace in the coming period.







Thank You