

BASIC KNOWLEDGE

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PRICE

GENERALLY PRICE ARE OF FOUR TYPES NAMELY

OPEN=WHEN A STOCK IS TRADED FIRST TIME DURING THE DAY.
HIGH=IT THE HIGHEST PRICE OF A STOCK TRADED DURING THE DAY.
LOW=IT THE LOWEST PRICE OF A STOCK TRADED DURING THE DAY.
CLOSE=WHEN A STOCK IS TRADED FINALLY LAST TIME DURING THE DAY

VOLUME

IT REFERS TO THE TOTAL NO OF SHARES TRADED DURING THE DAY.
ON THE OTER HAND IT INDICATES THE LIQUIDITY OF THE STOCK
AND ALSO INDICATES THE NUMBER OF PEOPLE INTERESTED IN THAT STOCK.

SUPPORTS

IT REFERS TO THE PRICE, OF A STOCK FROM WHERE
SOME BUYING IS GENERATED OR PEOPLE LIKE TO BUY AT THAT
LEVEL.MIND IT ONCE SUPPORT IS BROKEN IT BECOMES RESISTANCE.

RESISTANCE

IT REFERS TO THE PRICE, OF A STOCK FROM WHERE
SOME SELLING IS GENERATED OR PEOPLE LIKE TO SELL AT THAT
LEVEL.MIND IT ONCE RESISTANCE IS BROKEN IT BECOMES SUPPORT.

STOP LOSS

IT REFERS TO THE PARTICULAR PRICE LEVEL BELOW THAT LEVEL STOCK
BECOMES WEAK AND LOST IT'S MOMENTUM.ON THE OTHER HAND IT IS LOSS
PROTECTION MECHANISM.

MOMENTUM

IT REFERS THE VOLATILITY OF ANY STOCK.IT CONSISTS OF BOTH
UP SIDE AND DOWN SIDE RALLY.

BREAKOUT LEVEL

IT REFERS TO THE PRICE LEVEL ON ANY STOCK ABOVE WHICH THE STOCK
PRICE GET MOMENTUM AND CONTINUES IT'S UP RALLY.

BREAKDOWN LEVE

IT REFERS TO THE PRICE LEVEL ON ANY STOCK BELOW WHICH THE STOCK PRICE GET MOMENTUM AND CONTINUES IT'S DOWN RALLY.

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