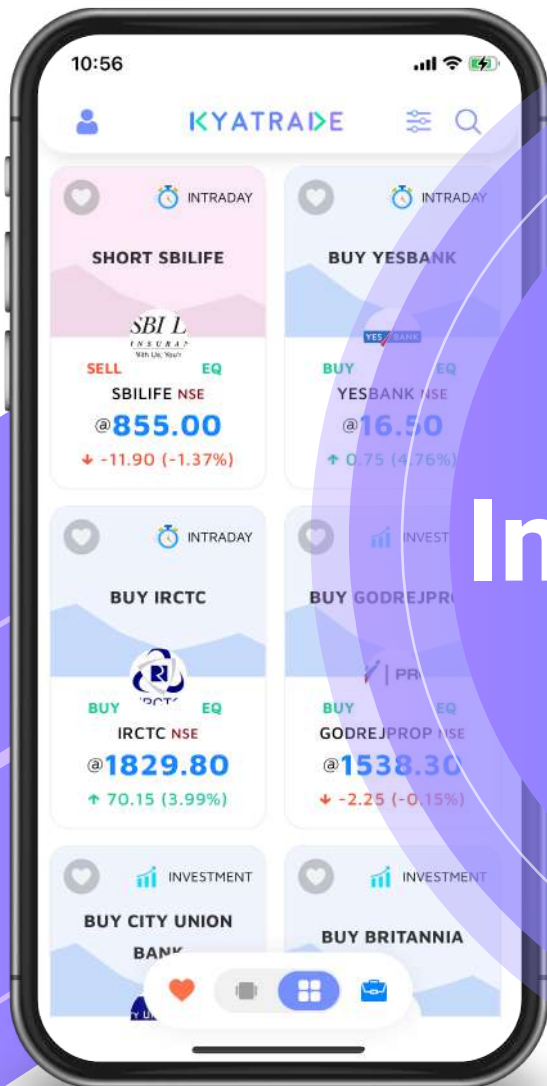


KYATRADE

Instant Trading Ideas, a Swipe away

A SAMCO  
BRAND



# KyaTrade Intraday Trading Manual

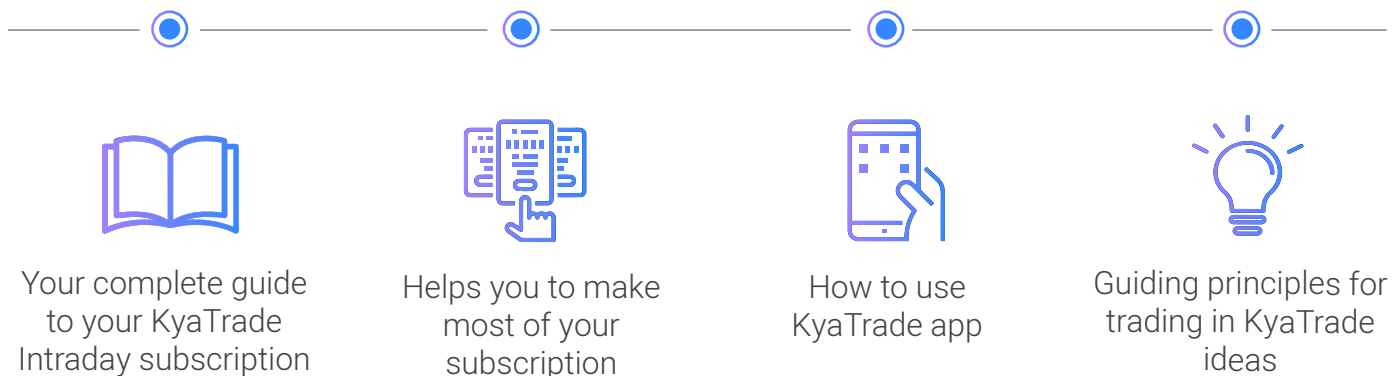
Understand how KyaTrade works and start right  
A must read before you start using KyaTrade

## How will this manual help?

This intraday subscriber's manual will act as a constant guide along your KyaTrade subscription journey as it will remind you of the goals and core promises on which KyaTrade was built.

The objective of this manual is to help you understand the goals and benefits of the subscription and how to use the app to achieve those objectives.

In moments of doubt, the manual will also constantly assist you to return back to the key guiding principles and help you trust the process so that you can keep calm during possible knee-jerk reactions by maintaining a disciplined trading approach in order to generate positive returns over your trading journey.





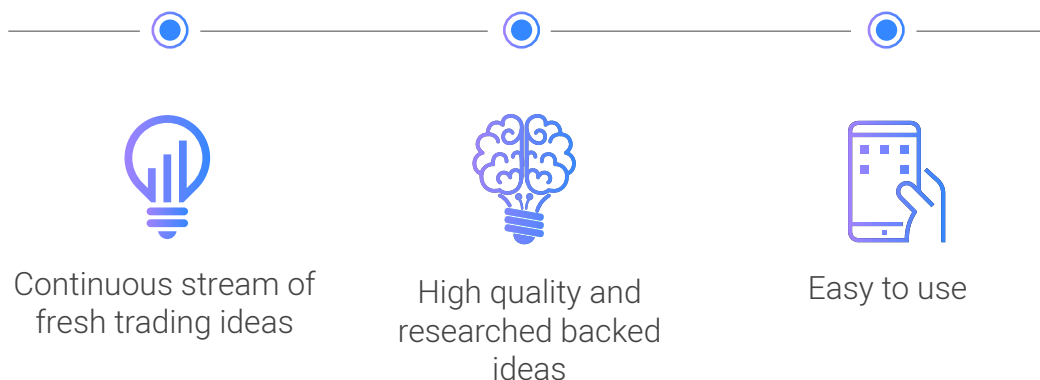
# Introducing KyaTrade

# Get instantly well research and fresh trading ideas

The KyaTrade platform promises to benefit traders with a stream of intraday ideas which are instantly tradable. Our promise is that anytime you visit KyaTrade during market hours, there will be a bunch of curated intraday ideas for you to select from.

These ideas are identified through our in-house systems and a certain set of pattern recognition technologies which generate quality actionable signals on a repetitive basis. KyaTrade’s objective is to find a constant stream of ideas for intraday traders using these systems.

We understand that not everyone has the time or resources to research the market, hence the platform offers a large selection of high quality and well researched ideas where you will get the option to pick and choose these opportunities. The platform will enable you to leverage the systems’ quick screening technology and place trades quickly without missing out on the risk reward ratio.



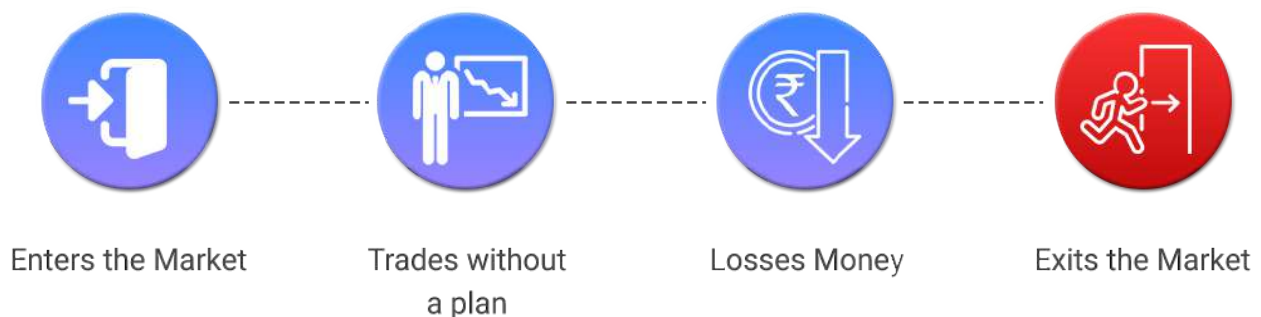
## Why did we build Kyatrade ?

Most intraday traders trade in an erratic manner without any definite trading strategy. There is no entry plan and certainly no exit plan which often proves to be loss making. Such a trading strategy is ad-hoc in nature which generally works on the impulse of a trader and can prove to be disastrous over time. Without any concrete plan, traders often enter trades at wrong levels and don't have a stop loss in place to limit their risks. Keeping appropriate stop losses in every trade will enable you to protect your capital and prevent large drawdowns.

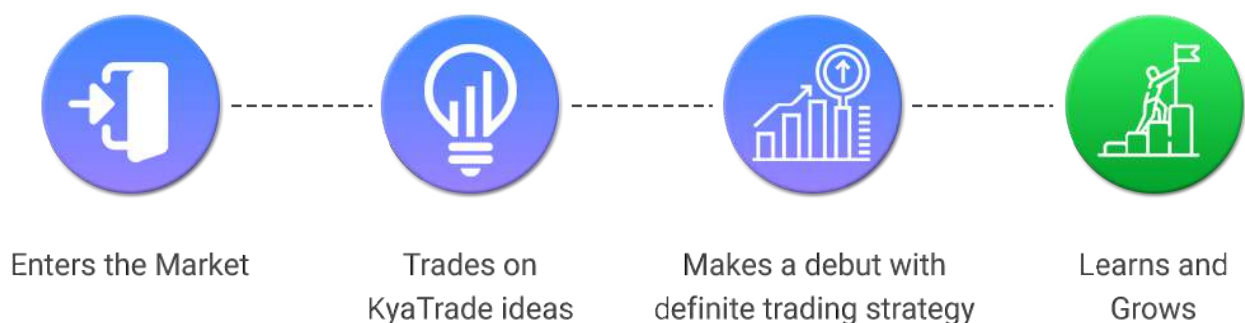
Another trait seen among traders is that when a trade goes against them, instead of exiting with a stop loss, they tend to hold onto a losing trade expecting a turnaround sometime. In this process a trader becomes an involuntary investor who sits with a bunch of losing bets waiting for them to reverse. By doing this a trader not only makes losses but he also commits capital to losing trades and misses out on other profitable opportunities. Inversely, some traders instantly book profits the moment a position turns green. The fear is before the trade becomes negative again, they want to book profits and exit. But this behaviour enables them to make only small profits and they tend to miss out on the larger movement in prices which could significantly boost gains. So a trader has to let his profits run and not cut them short while the stock is still in momentum.

KyaTrade was built with this very goal of enabling subscribers to avoid booking small gains and making large losses with the platform's well researched ideas and disciplined approach to trading wherein a stop loss and target level is mentioned for each trade.

### Ordinary Customer Journey in Stock Markets



### KyaTrade Customer Journey



# The Process

*How will KyaTrade work to  
generate Intraday Trading  
Ideas*

# How does KyaTrade find fresh trading ideas ?

The ideas on KyaTrade are generated using a bunch of data and intelligence signals which could be used to trade and bring about returns.

Our methodology involves analysing a large set of data using our proprietary Giga Trading engine which processes millions of data points, both technical and fundamental in nature to generate relevant and actionable signals. Analysing such points enables us to generate ideas and provide you with curated trade opportunities.

We endeavour to find ideas based on repeatable price patterns and trends and a comprehensive engine identifies multiple such opportunities for KyaTrade.

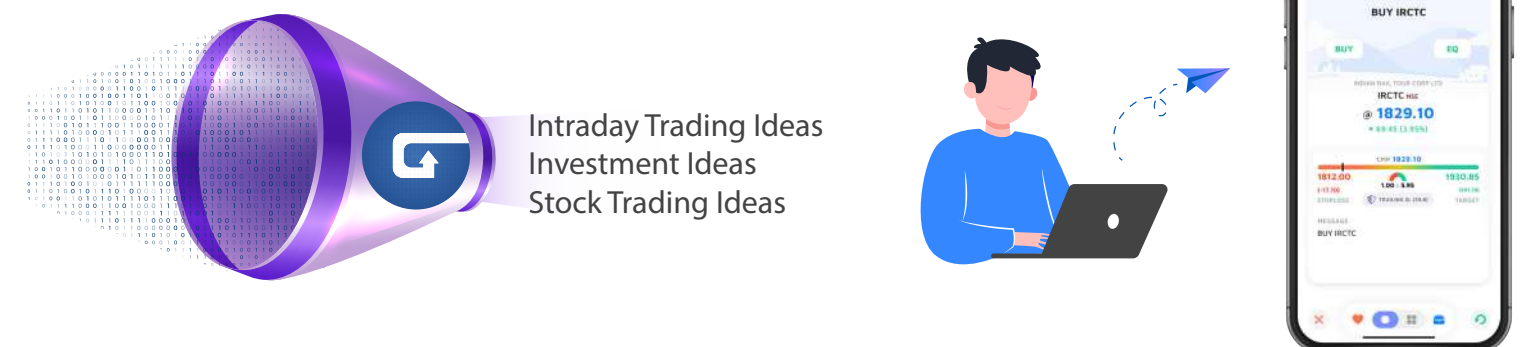
The patterns could broadly be bucketed into 3 categories – Trend following trades, Mean reversion trades and trades to benefit from sideways market moves.

**Trend Following Trades:** KyaTrade identifies stocks which are currently seeing strong momentum and can continue on that path. The platform will curate the best of such trades which offer a higher probability of continued momentum and upside for you.

**Trades following Mean Reversion:** Under the principle of mean reversion, KyaTrade identifies stocks which might see a correction and revert back to their short term averages. The platform will then advise you to take positions to derive gains from this movement.

**Sideways Movements:** Stocks tend to move sideways in a range bound manner. KyaTrade is well- equipped to identify such stocks and identify optimal entry and exit points which can generate positive returns. Your portfolio stands to benefit even if a stock moves sideways with KyaTrade.

All the 3 categories will be identified simultaneously and be presented to you as opportunities on KyaTrade.



## The Trading Universe

Now the best way to trade intraday is to bet on stocks which see higher volume and higher liquidity on a consistent basis. Hence, we have tuned our in-house system to run through a universe of the top 200 to 250 most liquid stocks and FnO contracts for trading. Given the high liquidity, it ensures that you are able to enter and exit these stocks at a favourable price and in an efficient manner before the market closes.

## How many Ideas should you expect each day?

Given the opportunities, there would be an average of 5 to 15 ideas on KyaTrade on a daily basis. While there might be 2-3 ideas some days, on others there can even be 20 ideas generated. At any time, the number of ideas will depend on the screening and opportunities that our system generates.

## The Capital Requirement

It is recommended that you hold a minimum capital of Rs. 200000+ in your Samco account for intraday trading with KyaTrade.

KyaTrade suggests ideas in only the top 200 to 250 most liquid stocks with high trading volumes, and trading all ideas in such liquid stocks demands a capital influx because of the high ticket size. It is only by deploying your capital in all the ideas in a systematic way as recommended by the KyaTrade app, that you improve your chances over time.

To make a living out of trading, you need sizable capital. It is like any business. You can't make enough for a living with a small amount of money. It's just math.

## Entering a Trade

Of the ideas generated, each idea will come with a carefully defined entry and exit strategy. There will be a target price and a stop loss defined for each trade depending on the favourability of its risk-reward ratio. Some trades may even see a trailing stop loss. The objective behind a trailing stop loss is to ensure that a winning trade does not convert into a losing trade and helps you continue on your path of making money with minimal losses.

Given that the platform is integrated with our StockNote APIs, all orders placed from the KyaTrade app will be Bracket Orders (BO) with a 3-legged field clearly defined for each trade - a target price, a stop loss and a trailing stop loss (for some cases). This ensures that each trade taken has 3 parameters for favourable risk management and systematic results.

## When and how much you should trade?

Investors subscribing to a trading plan will see a number of ideas on the app especially in the first one hour. As an intraday trader, it is critical that you as a subscriber login and make the trade in the first hour so that you make the most of the movement occurring in the day. The trend of the stock is usually decided in the first hour post market opening and hence it would be ideal for traders to login and search for bulk opportunities in the morning.

As far as quantity of shares is concerned, the position sizes for all trades are predetermined by Kya Trade's systems which ensures your capital is efficiently allocated to a given trade. While entering a trade it recommends a quantity of shares which is based on the logic of allocating not more than approximately 1%-2% of your portfolio value in any idea which limits your risk exposure in case the trade fails and hits its stop loss. This will enable you to manage your overall portfolio risk evenly in a disciplined manner but there is also an option for investors to manually alter the quantity of shares if they want. The flexibility to increase or decrease the quantity lies solely in the hands of the trader although it isn't recommended. Position sizing is extremely essential to have a disciplined and successful approach to trading.

## Exiting a Trade

Moving on to when should you exit a trade. A trade must be exited if any of the 4 conditions mentioned below are satisfied:

**Target Hit:** If you place a target order via the KyaTrade app at the time of entering a trade, if the target gets hit your stocks will be exited. In case you have manually placed a trade via Call and Trade/StockNote, then you'll have to keep monitoring the target price and exit accordingly.

**Stop Loss Hit - Original or Trailing Stop loss:** Like target orders, if you place an order with a stop loss via the KyaTrade app at the time of entering a trade, once your SL triggers, the stock will be exited. In case you have manually placed a trade via Call and Trade/StockNote, then you'll have to keep monitoring the SL price and exit accordingly.

**Research Close:** There can be an intraday news or event which can result in a sudden change in trend and deem the idea to be unfavourable. In those cases, our research team may choose to close the recommendation following which you will receive a notification.

Post which you can manually exit the trade. While the app will notify you when to exit a trade, the execution of the trade will be carried out by you and it is not done by the app automatically.

**Exit via Intraday Square Off at 3:15 pm:** Since these intraday trades are Bracket Orders, our RMS team will automatically square off any open order at 3:15 pm even if the target or the stop loss/trailing stop loss is not hit by then.

The onus of exiting trades will be on the subscriber alone. In case of Intraday Square Off at 3.15pm, open orders will be auto squared-off by our RMS team.

# The Money-Making Equation

Despite our best efforts to curate profitable ideas, not every opportunity will make money. Intraday trading is a game of probabilities. Given the number of moving factors in a stock in a particular day, there is a 50% probability that you will make money on every trade. Since there is an efficient risk management system in place, each position could give gains of at least 1.5-2% while the losses will be limited to only about 1%. The endeavor behind the app is to enable you to make more money on gains by letting your profits ride by cutting losses short, which will help you to minimize the drawdown on your capital. To elaborate further, there is an illustration of a coin flipping example.

Suppose you invest Rs. 1,00,000 into a coin tossing competition where if the coin lands on Heads, you make 2% on your bet and if it lands on Tails, you lose 1%. Assuming a 50:50% probability for both Heads and Tails, the following table can give you a good idea as to how 10 such bets could look like:

Tosses	Outcome	Return	Investment Gain / Loss
1	Heads	2%	₹ 2,000
2	Tails	-1%	₹ 1,000
3	Heads	2%	₹ 2,000
4	Heads	2%	₹ 2,000
5	Tails	-1%	₹ 1,000
6	Tails	-1%	₹ 1,000
7	Tails	-1%	₹ 1,000
8	Heads	2%	₹ 2,000
9	Tails	-1%	₹ 1,000
10	Heads	2%	₹ 2,000
<b>Total Gains</b>		<b>5%</b>	<b>₹ 5,000</b>

With a probability of 50%, both Heads and Tails came 5 times each. But because the loss was limited (stop loss) at 1% and the gain was set at a higher level (Target Price) of at least 2%, the net return is 5% which means that in the bigger scheme of things if the trader strictly follows all the rules he is bound to win and make profits despite facing losses. Not each trade is going to be successful, but more the trades you take the better your overall outcome.

## It's not about catching the top or bottom

Most traders try to time the markets in order to make the highest returns possible but, in the process, lose money as it is impossible to catch tops and bottoms perfectly. Similarly, our research cannot always give buy signals at the bottom and sell signals at the top of a stock's rally. Therefore our focus will always be towards capturing large parts of the move available whenever a stock is in part of a large trending move either on the upside or on the downside.

## Understand that losses are cost of being in trading business

Intraday trading is all about probabilities and losses will always be a part of the game. Traders should not get scared and close a position in panic as losses are the costs of being in the investment business. Like all businesses, the objective is to keep costs as low as possible which is what KyaTrade endeavours to do by keeping your losses small.

Be rest assured that if your trade is entering the red territory either the stop loss will be hit or it could reverse and start rising again. In any case, you must hold onto the trade till any of the above 4 exit options come into effect in order to make the ascertained returns. Say if a stock trades at Rs. 100 with a target price of Rs. 102 and stop loss at Rs. 99.0, the stock might come down to Rs. 99.7 and show a red position but you should allow the same to either move back up to meet its target or hit a stop loss at Rs. 99.0.

## How to deal with a losing streak?

While we aim to generate money for about 50% of the trades, it is not necessary that all trades will make money. You could experience a bout of losing trades one after the other. At such times as a trader you shouldn't get disappointed and stop trading. You should reduce the quantity you trade to manage your risks better. This will allow you to further protect your overall capital from larger drawdowns. Then once your winning streak starts again you can increase your quantity back to original levels and continue with trading as normal. This strategy will help you continue making money with intraday trading.

## Don't get fixated. Be opportunistic

We encourage traders not to get fixated on a stock based on factors such as good company, good growth, largest market cap, leader of the industry etc. While they are relevant factors, KyaTrade takes everything into account and provides bets only from an intraday perspective. You should exit a losing trade and not convert an intraday idea into an investment just because there could be a chance of it turning profitable later. Emotions should be left behind while trading and hence holding onto intraday trades for longer will cause a hole in your pocket rather than being profitable.

There can also be cases of short positions on companies with good prospects. Traders should remember that every stock could experience a slight correction or negative trend in the short term. These emotions should not be brought into a trade while trading intraday as the systems are purely making use of the intraday correction in the stock for making money. The same does not reflect on the investment opinion of the same stock. Even if you have lower confidence in the short, KyaTrade has a strict stop loss policy which will enable you to minimise your losses in case we go wrong. The idea is to make money on both sides of the move as an intraday trader. So, you should keep your feelings about the company being great aside and allow the app to generate gains from shorts as well.

## Each trade is just one in a million

The stop loss and target price are both determined using appropriate data analysis and set strategies. This is an informed and systemic decision which will serve you better from a trading standpoint.

Moreover, all ideas involve probabilities and there is no guarantee of definitely winning all trades. To ensure that you have a better chance at winning, all you have to do is cut losses when they are small and keep moving forward in your trading journey. This will ensure you stay in the game for longer and increase your chances at growing your capital over time.

A trader must realise that emotions have no place in the game and the focus should be more on the system and rules which is assisting you in growing your wealth each day. Even if you lose out on a few trades, the losses will be cut short and are smaller given the efficient risk management systems we have in place.

The best way to do this is by telling yourself that EACH TRADE IS ONE IN A MILLION compared to the other trades you will be making in your life going ahead.

## Contradictory calls possible in investment and Intraday plans

There can also be situations wherein the Investment and Intraday ideas can be contradictory in nature where intraday may offer a short in Stock A while there is already an investment buy call on the same stock from a one year horizon. Traders should keep a distinction between the two as the same stock could experience corrections in its longer bull journey. On an intraday basis, Stock A might be experiencing a high no of sellers pushing the stock down indicating a strong momentum for shorting the stock even though it would be a great long term investment bet with strong fundamentals. Intraday calls could see short term trades with a bearish outlook only for the given day and it has nothing to do with the long term prospects of the stock.

## Our Promises

### No Penny Stocks

We do not give penny stocks as intraday ideas on KyaTrade. KyaTrade's methodology screens across a data set consisting of only the top 200 to 250 most liquid stocks with high trading volumes. Penny Stocks, on the other hand, are known to be highly illiquid and are susceptible to volatility and manipulation. If penny stocks seem to be available at prices that are too good to be true, they probably are best avoided altogether.

### No profit share or performance fees

KyaTrade does not charge any performance or profit-sharing fees on the gains/losses you make. This ensures that all the gains you earn from the ideas presented on the platform are yours to keep. A subscription fee is all a trader needs to pay which is a flat fee for the platform. To make your experience better, there is a starter pack which allows you to invest in all ideas on KyaTrade at just Re.1 for an entire month, post which the usual subscription intraday trading plan charges apply.

### Rational Disciplined Trading

KyaTrade is aimed at providing ideas based on a rational and disciplined model. The methodology follows a strict set of rules for assessing trades and setting both an entry and exit plan for you. KyaTrade does not employ any ad-hoc methods of trading. Thus the trades generated are very systematic in nature and will help you generate gains if followed strictly.

# Using the App

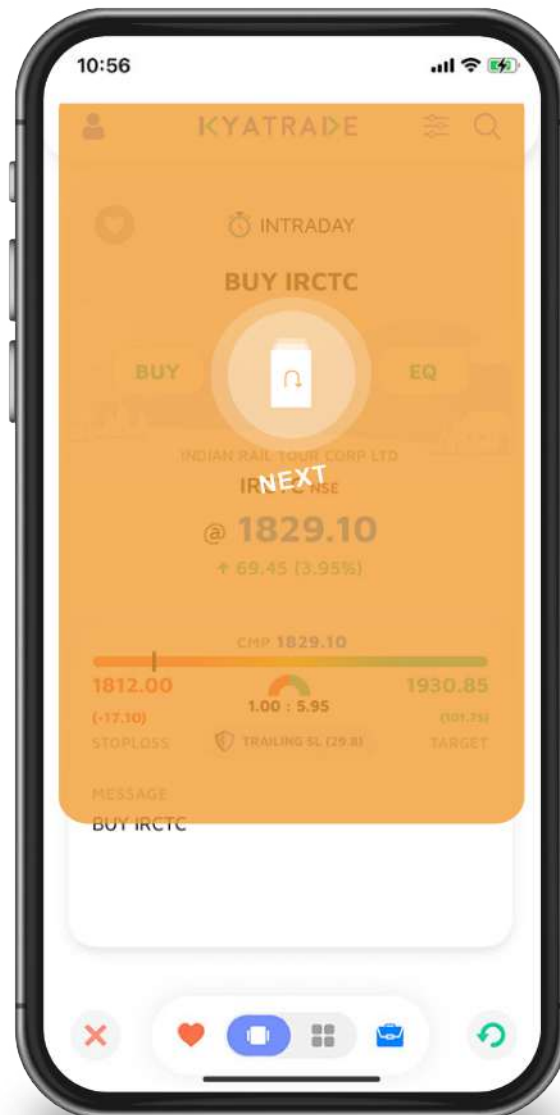
*A few important steps*

## Swipe Right to take a Trade



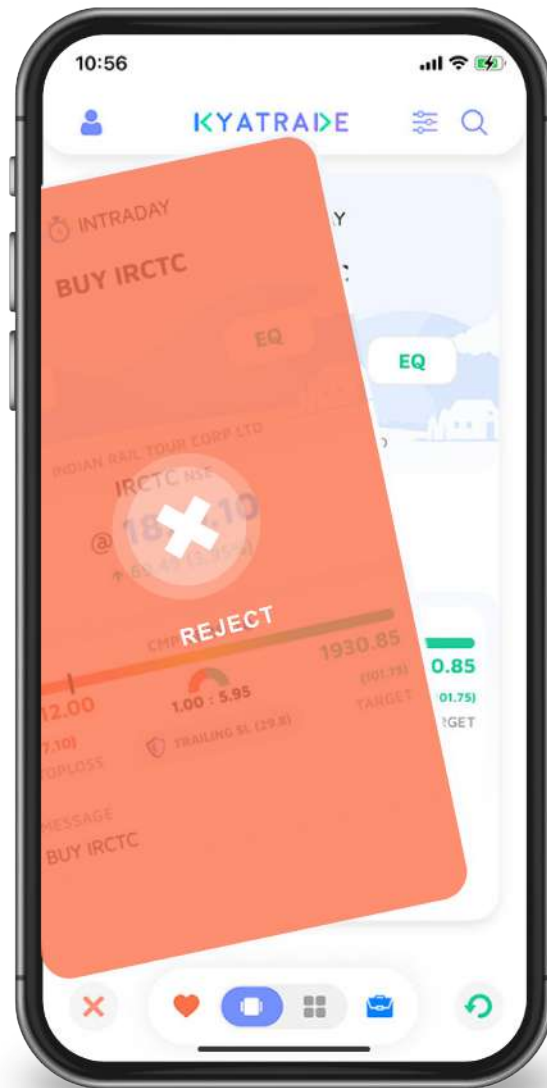
- Once you see an opportunity, simply swipe right if you'd like to initiate a trade.
- The KyaTrade app is built integrating the StockNote API's and orders will be placed accordingly. You could also go to StockNote app and place a trade yourself if you'd like to.

## Swipe Up to check out the Next Idea






- If you like an idea, but don't want to trade immediately but also, you'd like to come back to it later, simply swipe up.
- It will take you to the next idea but at the same time, allow you to check the idea again in the Grid view or at a later point of time.

## Swipe Left to Reject an Idea



- If you do not like an idea and don't want to see it again, swipe left and reject the idea.
- If you reject the idea, it will be deleted and you won't be able to see it again.

## A few important points

- **Active Positions** – Will show you the status of all active positions i.e. trades taken via the KyaTrade App.
  - You can access active positions by clicking on the  Bag button on the dashboard.
  - You can also access active positions from My account section by clicking the  icon on the top Left corner of the app.
- **Past Order History** – You can access Past Order history from by clicking the  history button on the top right corner from Active positions.

## Disclaimer

All investments in equities are inherently subject to market risks which may not lead to expected returns and sometimes even result in negative returns or loss of complete capital. Financial markets are prone to multiple risks like politics, economics, social, global environment, stock specific risks and black swan types of events which may lead to suboptimal returns and Samco research and KyaTrade do not assure that it will be able to control or mitigate or comprehend all such risks. Clients therefore must understand such risks and their ability, willingness and capability to take risk must be assessed by themselves before investing in markets and relying on KyaTrade Research.

The Disclaimers of Samco applicable to KyaTrade research is available in the below mentioned link <https://www.samco.in/disclaimer>