Today I am going to teach you the RSI Indicator:

0-100 basically it’s a measurement of how oversold or overbought a stock

Above 70: Overbought

Under 30: Oversold

We are looking to get neutral more or short above 70, 80 is better

We are looking to buy under 30, even better 20 OR 15

RSI Day Indicator:

1. Stocks: are only stocks that have weekly options
2. Weekly Options have to be penny wide, Not nickel wide
3. Look for a RSI under 15 on the 15 Minute Bar
4. First 15 Minutes of the Day we run a SCAN

* Today we had Candidates NOT Signals in:

1. CCL
2. LOW
3. CLF

In order for this trade to move from Candidates to Signal we need the following

We look at the first 4 candles of the day

1. We need a Bear 15 Minute Candle First
2. We need a Bull Candle Reversal
3. If we get #1 and #2, we buy the close of #2

Our indicator on TOS gives entries, and stop losses

Entry: Close of the Bull Candle

Stop Loss: Current Low of the Day minus $.50

Target #1: Entry minus Stop Loss (50%) plus Entry

Target #2: Entry minus Stop Loss (100%) plus Entry

If Target #1 is hit, trader can move stop to breakeven