



# PRICE TIME OFFSET METHOD

A novel way to Relative  
Strength Analysis

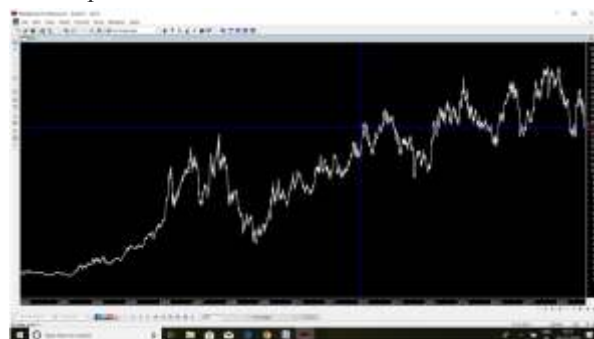
Disclaimer: The views presented here are an idea of viewing the markets, it doesn't guarantee any success. The ideas presented here haven't been seen by the author in any book/ video etc. till now, so any reference may be coincidental. These aren't back-tested ideas, the stocks presented here are no recommendations & are for Entertainment Purposes Only. The author/ AIF are not responsible for any losses incurred thereof. Any use of the idea without prior permission of author is liable for legal action.

As we are all aware, there are many ways to look at Price charts. Most traders / investors are on lookout for creating an alpha in their portfolios over & above the indices they track. These traders have developed their methods of analyzing the strength in the indices / stocks they would want to buy while avoiding underperformers. Few of these techniques include - Relative strength chart analysis, fresh 52 week breakout stocks, Outperformers via ROC & many, many more.

The techniques used above are good in their own ways yet most focus only on Price analysis. I present here a unique way to determine Relative Strength. I call it PTO (Price Time Offset). I haven't come across this method till now in any book/ video, so well we can call it unique in that sense. Please read disclaimer once again before proceeding further.

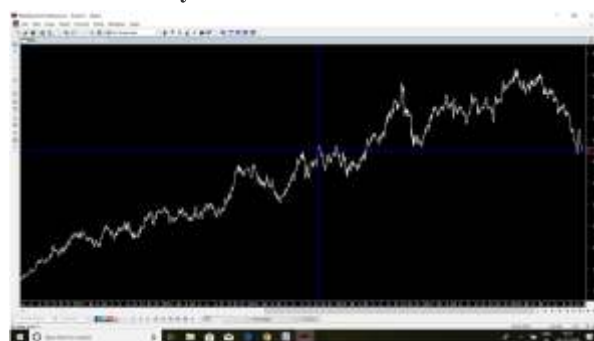
Let's begin. For purposes of understanding, we start with Current Market Price (CMP) or Today's closing price, if

we are starting our analysis today. The first step is to record the Close & then look for the date on which this price was hit 1<sup>st</sup> time ever in its lifecycle of prices. Please remember we have to go as back as possible in time to look for the date when today's Close was reached 1<sup>st</sup> time. Record that date. Let's see two random examples on futures prices:



**Name: ACC, CMP: Rs. 1349**

**Date of Analysis: 28-10-2018 PTO: 07-02-2012**



**Name: ZEEL, CMP: 423**

**Date of Analysis: 28-10-2018 PTO: 16-10-2015**

In the above examples, ACC's CMP on 28-10-2018 was 1349 & in its life cycle 1349 was hit 1<sup>st</sup> time was 7-2-2012. So, it's PTO was roughly 6.5 years ago as our price is what it was 6.5 years back.

Similarly, in case of ZEEL, CMP on 28-10-2018 was 423 & in its life cycle 423 was hit 1<sup>st</sup> time was 16-10-2015. So, it's PTO was roughly 3 years ago as our price is what it was 3 years back.

Now, let's take five random F&O stocks for purpose of understanding as shown in the table below. We assume that we already have some method of positional entry & exit. In this case, assuming all other things being equal, let's see how we can pick 3 out of 5.

Our buying would be in those stocks whose PTO dates are closest to today. In this list, our preferred buys are ZEE Limited, Aurobindo Pharma Limited, IndusInd Bank. Please remember, we already have our own buy & sell system in place & that this is just an illustrative example to complement that system. This is not a recommendation.

So, to conclude in terms of strength analysis the closer our PTO date is to today, the stronger that index / stock may be for buying. Please do your own research. I would be exploring its further applications in future. Please take my permission before sharing this concept further. Happy trading & Awesomeness as always.

**Dr. Rajeev Shukla**

Sr. No.	Company Name	CMP (Rs.)	Analysis	PTO Date
1.	ACC Limited	1349	28-10-2018	07-02-2012
2.	ZEEL	423	28-10-2018	16-10-2015
3.	Bajaj Auto Limited	2518	28-10-2018	21-10-2014
4.	Aurobindo Pharma Limited	721	28-10-2018	24-06-2015
5.	IndusInd Bank	1452	28-10-2018	25-04-2017

**The closer our PTO date is to today,  
the stronger that Index / Stock may be for buying**

## About the Author

Dr. Rajeev Shukla is a part system & part discretionary trader. His journey of trading started 12 years back & through his learning over time he developed his own systems as well as discretionary techniques to trade. He trades Equity mainly with a dash of Currency trades recently. He's a founding member of Advanced InvesTrade Forum. He loves to read & is also a practising Orthopaedic Surgeon.

