



**INTESENSE**

HITPICKS

GENERAL DIRECTIONS

Some general instructions and guidelines for subscribers which can be helpful for them in making a buy decision and allocation decision.

Out of total investible capital, according to personal comfort levels and investor mindset, one can allocate up to 30-40% of capital to Hitpicks. It is a trading recommendation service but the stocks picked will also have fundamental merits and hence one can be reasonably assured about investing in good quality companies.

At the time of recommendation, the buy zone, targets and approximate stop loss levels will be mentioned. Again these are guidelines and one can either book partial profits, add on the way up, book full profits according to investor mindset. Different people are comfortable with different trading strategies and hence one can adjust the strategy accordingly.

Sometimes due to bullish sentiments, it might happen that immediately post stock recommendation there can be sharp run up in stock price. In such instances one must not have the left out feeling and get frustrated. Usually after sharp run ups, there are periods of cooling off in stock prices which can be used to accumulate. And even if the stock price runs up one way, one may not need to chase prices. We will get other opportunities in other companies.

How much to buy at the time of recommendation is a question often foremost in the minds of our subscribers. Our strategy would be to buy a starting quantity, say about 30-40% of desired quantity at the recommended buy zone and gradually build up the remaining position. However some people feel comfortable buying in single or a few lots and they can easily do that. In case of stocks recommended for medium to long term, one can take some time in accumulating the pick gradually.

Profit booking is another area which is often confusing for a lot of investors / traders. Here our advice would be to atleast book 50% (if not more) profits when pattern targets are achieved. One can contemplate profit booking earlier if there is discomfort about general market direction.

Position sizing is a very important aspect for most traders. One should not get carried away by bullish sentiments in a particular recommendation and go ballistic in allocating large amounts of capital to the same stock. Ideal limit to restrict oneself in terms of capital allocation to a particular stock is 10% of the total corpus meant for Hitpicks.

The main idea about this recommendation service is to provide lucrative entry points for entry into fundamentally good companies so that a lot of time that is wasted in consolidation and the subsequent frustration and mistakes it creates is avoided. So we will be recommending our picks based on good trade set ups. If markets are weak and chances of trade set ups not working, we will hold back our picks and recommend at opportune times.

HOPE THIS HELPS IN INVESTING/TRADING. ALL THE BEST TO OUR SUBSCRIBERS.

Regards  
Hitesh Patel