

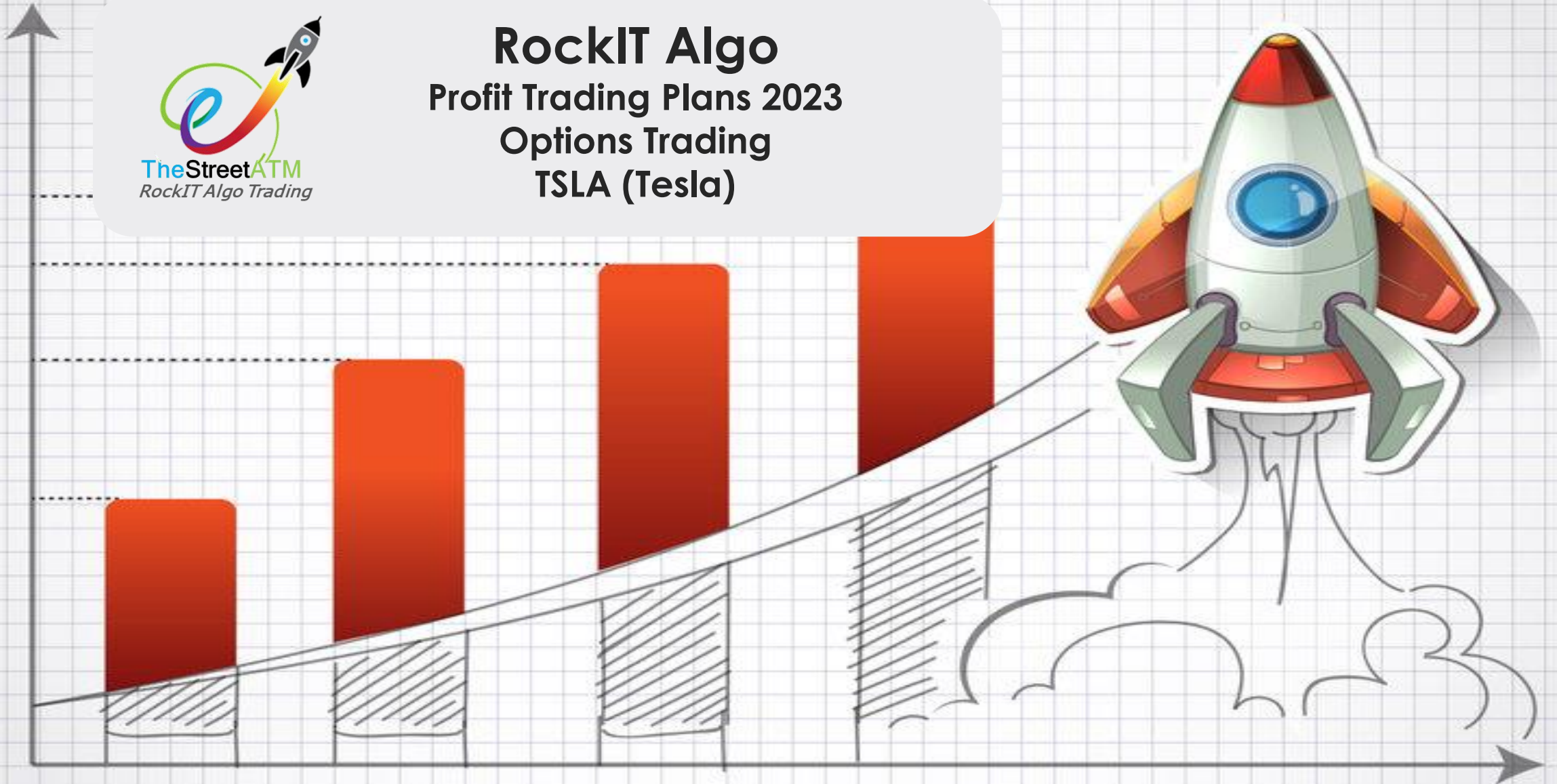


# RockIT Algo

## Profit Trading Plans 2023

### Options Trading

#### TSLA (Tesla)



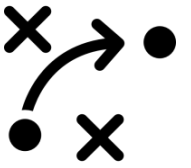


RockIT Algo delivers this  
feeling when you trade!

We will show you how to  
trade to feel this way!!!



# Declarations



The content is for informational purpose only and is not and should not be construed as professional financial, investment, tax, or legal advice. Stocks trading have large potential rewards but also large potential risk. You must be aware of the risks and be willing to accept them in order to invest in these products.

Do not trade with money that you cannot afford to lose. The past performance of any trading system, methodology, or particular trader is not indicative of future results. All content is provided subject to the qualifications and limitations stated in our Risk Disclaimer.

**Summary - Helping you learn to trade: Not financial / trading advice / recommendations.  
Data science based algos are not 100% accurate & are used to find high probability events.**

# The RockIT Algo – 2 Steps Trading Plan

Profitable P&L



Step : 1

Follow the Signals



SELL (SHORT)

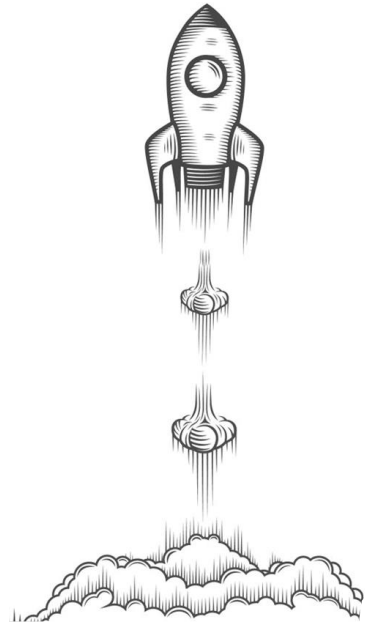
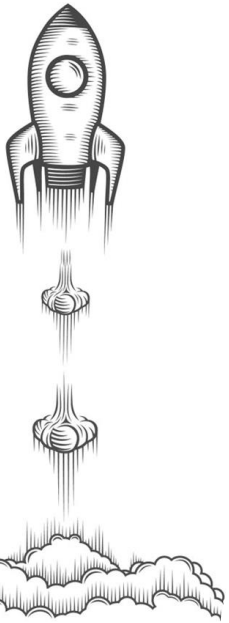


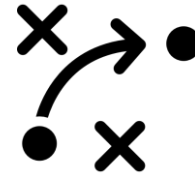
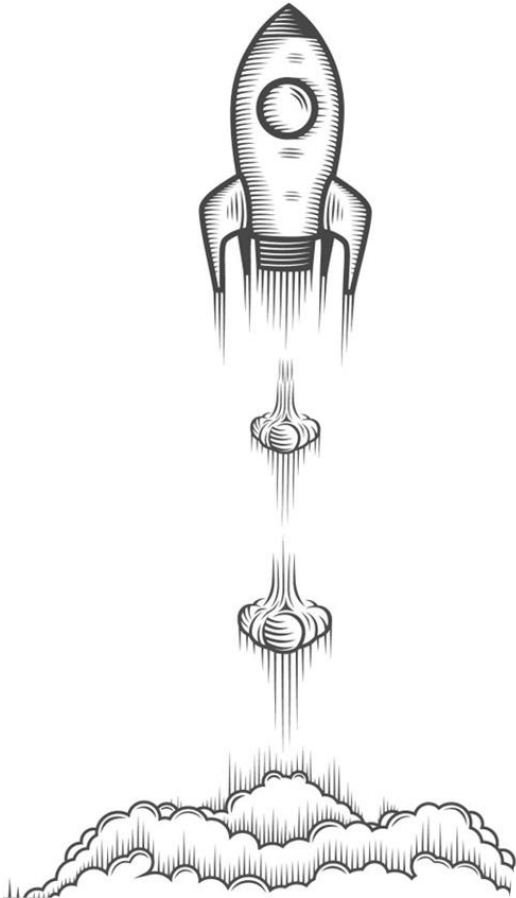
Step : 2

If stop loss amount hit, get out of the trade.

(Increases your Profit – Less Loss[Expenses])

Wait for next signal.





# RockIT Algo Profitable Trading Plans

## Setting Up to Trade Options



Trading Plan # 1

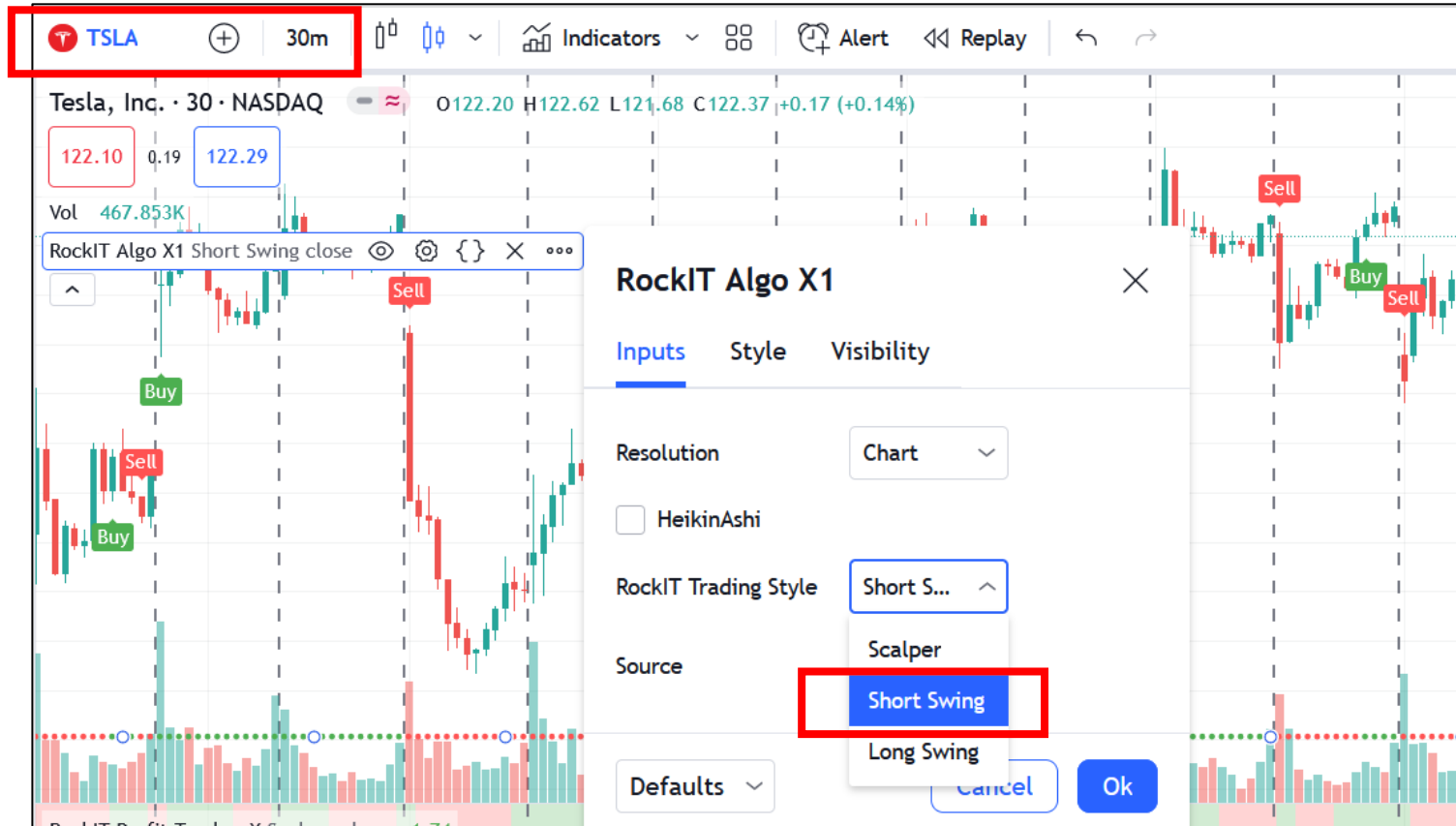
TESLA



*Note – Past performance does not guarantee future performance. These are findings being shared by back testing RockIT algorithm.*

## The Trade

**Trading Timeframe = 30 Minutes**  
**RockIT Trading Style = SHORT SWING**



### Trading Plan For...

- Part Time Traders
- Professional Traders

**Average Trades / Month = 13**

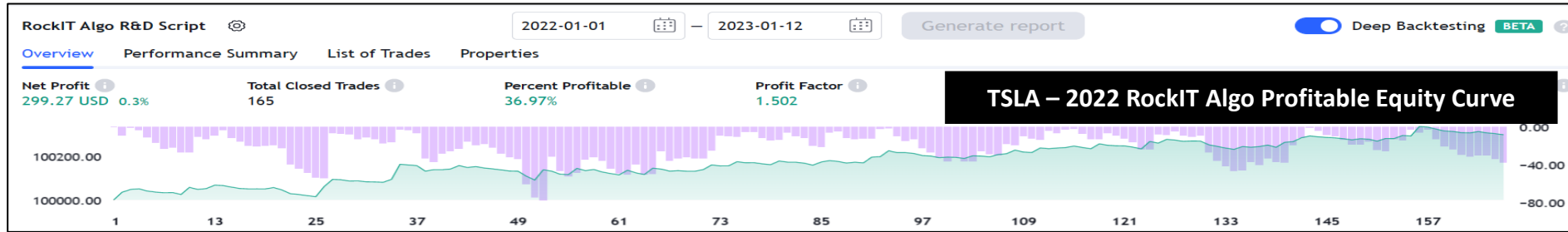
**Profit Factor = 1.6**

*For every \$1 you trade, the Algo will return \$1.6.*



# RockIT Algo Performance : TSLA (Tesla)

## Achieving Triple Digit Gains Trading Options – Jan to Dec 2022



### Simulated Profit Trading – Buying Call & Put Options

Trading Amount (Investment)	\$3,000
For Buy Signal	We Buy Call Option (Option Strike Price Approximately @ +0.10 Delta)
For Sell Signal	We Buy Put Option (Option Strike Price Approximately @ -0.10 Delta)
What does Option Delta mean?	If we purchase options that has a Delta Value = 0.10, it means that the option price will move by \$0.10 for every +/- 1 move in the underlying stock.
# of Contracts per Signal (Trade)	At average cost of \$1.20 per contract → 10 Contracts (Equivalent to 8000 Shares) Total Cost = \$1.20 X 10 Contracts = \$1,200
Days till Options Expiry	2 to 3 weeks out

**RockIT Algo Trading Plan**  
**Stock = TSLA**  
**RockIT Algo Trading Style:**  
**SHORT SWING– 30 MINUTES**  
**Total 2022 Stock Profit = \$294**

**\$3K to \$29.4K**

### 2022 Options Trading Performance

Stock	RockIT Algo Trading Style	Timeframe	Stock Profit Jan to Dec 2022	Options Profit @ 0.10 Delta	# of Options Contracts	Total Options Profit (ROI - % Return) Trading Amount = \$5,000
TSLA	Short Swing	30 Minutes	\$294	\$29.4	X 10 (1000)	= +\$29,400 (+980%) // \$3K to \$29.4K



Note – Past performance does not guarantee future performance. These are findings being shared by back testing RockIT algorithm.

# RockIT Algo – Options Trading Plan (100%+ Trading Plan)



## RockIT Algo BUY Signal

### BUY SIGNAL - Buy CALL Option

1. Close out any previous SELL signal trades.
2. Trade Action = Buy CALL Option
3. Trade Amount = \$3,000 (U can trade any amount)  
Idea -> Begin with small amount & build profit. Then, increase trade amount with profit earned. Trading with profits is best plan.
4. Option Expiry -> Between 2 to 3 weeks.
5. Option Strike Price -> Select strike price where the option delta value is around +0.10 (you can select any u are comfortable with).
6. Once you get filled, then immediately manage stop alert.

### Stop Loss = -\$5.50 (Stock price of TSLA DROPS by \$5.50)

1. Close Call Option If TSLA drops by \$5.50 from the BUY alert signal price. You can use your own stop loss strategy that you like.
2. Wait for next signal.

Example – If buy alert was generated at \$60, then for long position the stop loss value will be when TSLA drops below \$54.50 (-\$5.50 stop loss amount).



## RockIT Algo SELL Signal

### SELL SIGNAL - Buy PUT Option

1. Close out any previous BUY signal trades.
2. Trade Action = Buy PUT Option
3. Trade Amount = \$3,000 (U can trade any amount)  
Idea -> Begin with small amount & build profit. Then, increase trade amount with profit earned. Trading with profits is best plan.
4. Option Expiry -> Between 2 to 3 weeks.
5. Option Strike Price -> Select strike price where the option delta value is around -0.10 (you can select any u are comfortable with).
6. Once you get filled, then immediately manage stop alert.

### Stop Loss = +\$5.50 (Stock price of TSLA RISES by \$5.50)

1. Close Put Option If TSLA rises by \$5.50 from the SELL alert signal price. You can use your own strategy that you like.
2. Wait for next signal.

Example – If sell alert was generated at \$100, then for short position the stop loss value will be when TSLA rises above \$105.50 (+\$5.50 stop loss amount).



## What is Options Delta?

1. Delta measures the rate of change of an option's value concerning changes in the price of the underlying asset.
2. Every options strike price has a delta value.
3. When we recommend to select an options strike price that has a delta value of \$0.10, means you have look for the strike price that has a delta value of \$0.10( Calls = + Sign / Puts = - Sign)

What does this delta value = \$0.10 mean?

If Bought CALLS - For every \$1 in the underlying stock....

- Your options price will increase by \$0.10, if underlying appreciates by \$1.
- Your options price will decrease by \$0.10, if underlying depreciates by \$1.

If Bought PUTS - For every \$1 in the underlying stock....

- Your options price will decrease by \$0.10, if underlying appreciates by \$1.
- Your options price will increase by \$0.10, if underlying depreciates by \$1.

**Stop Loss Management – This is part of trading that will determine your Profit & Loss. You ignore this and you can blow your account very easily.**

How do we handle it?

Manage your stop loss with what works for you. However, we would like to share how we manage risk. Example Situation:

RockIT Algo Buy Alert Price = \$100 (+/- \$0.5)

Bought Call Option & Stop Loss = \$2 of the underlying stock.

When the option trade gets filled, we immediately set an alert for the underlying if it drops by \$2 (the stop loss). The alert will notify when the underlying closes below \$98. If the stop loss alert is triggered, then we close the Call Option trade & wait for the next signal.

Don't worry, there are many opportunities that will arise in future. You are not missing out. Wait for next signal. Patience is key. Quality of trades beats quantity of trades.

## Taking Profits

Plan to develop levels to take profits. Some tips are...

- Determining support / resistance levels
- Price above or below moving averages . Moving average cross overs
- Fibonacci levels
- Any potential catalysts that may change market directions

OR

You can wait till the next RockIT Algo signal and trade signal to signal.



# TSLA (Tesla)

## The Final Set Up Check List.

1 Select TSLA & 30 Minutes.

2 Select Candle as chart option.

3 Set your chart to 'Regular Trading Hours'

RockIT Algo X1

4 Uncheck the HEIKENASHI check box.

7 Set alerts for both Short Swing BUY and Short Swing SELL. *How to set alerts explained in last section of PDF.*

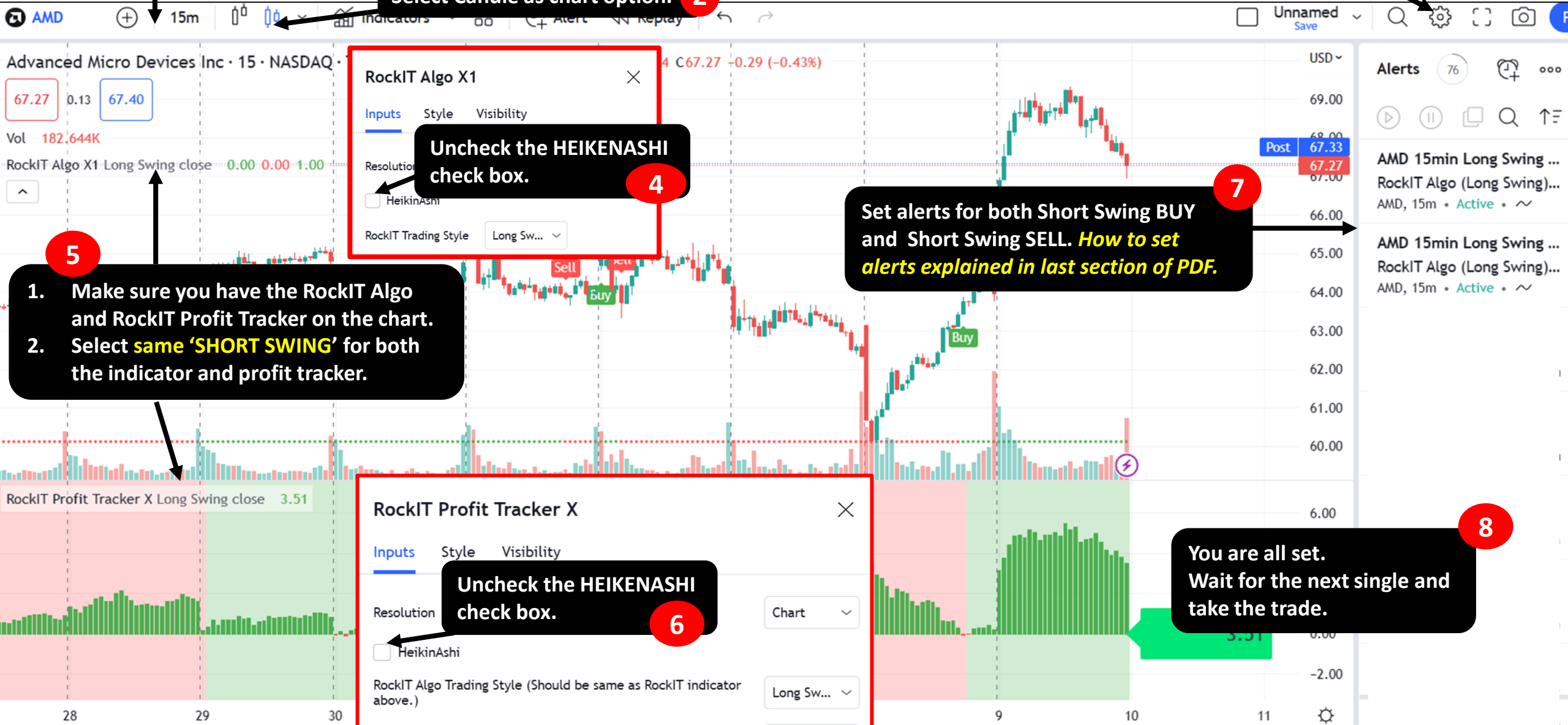
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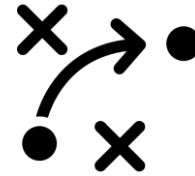
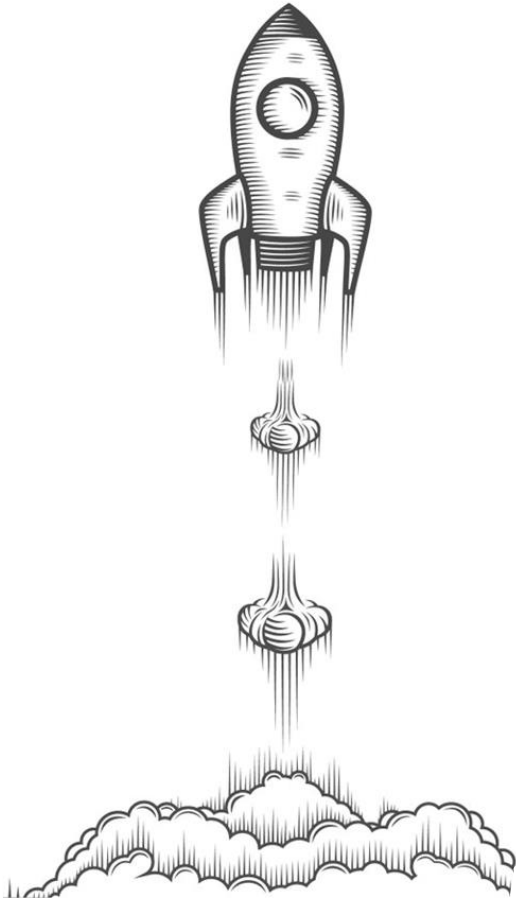
1. Make sure you have the RockIT Algo and RockIT Profit Tracker on the chart.
2. Select same 'SHORT SWING' for both the indicator and profit tracker.

RockIT Profit Tracker X

6 Uncheck the HEIKENASHI check box.

8 You are all set. Wait for the next single and take the trade.





## RockIT Algo Profitable Trading Plans

### Setting Up to Trade Options



Trading Plan # 2

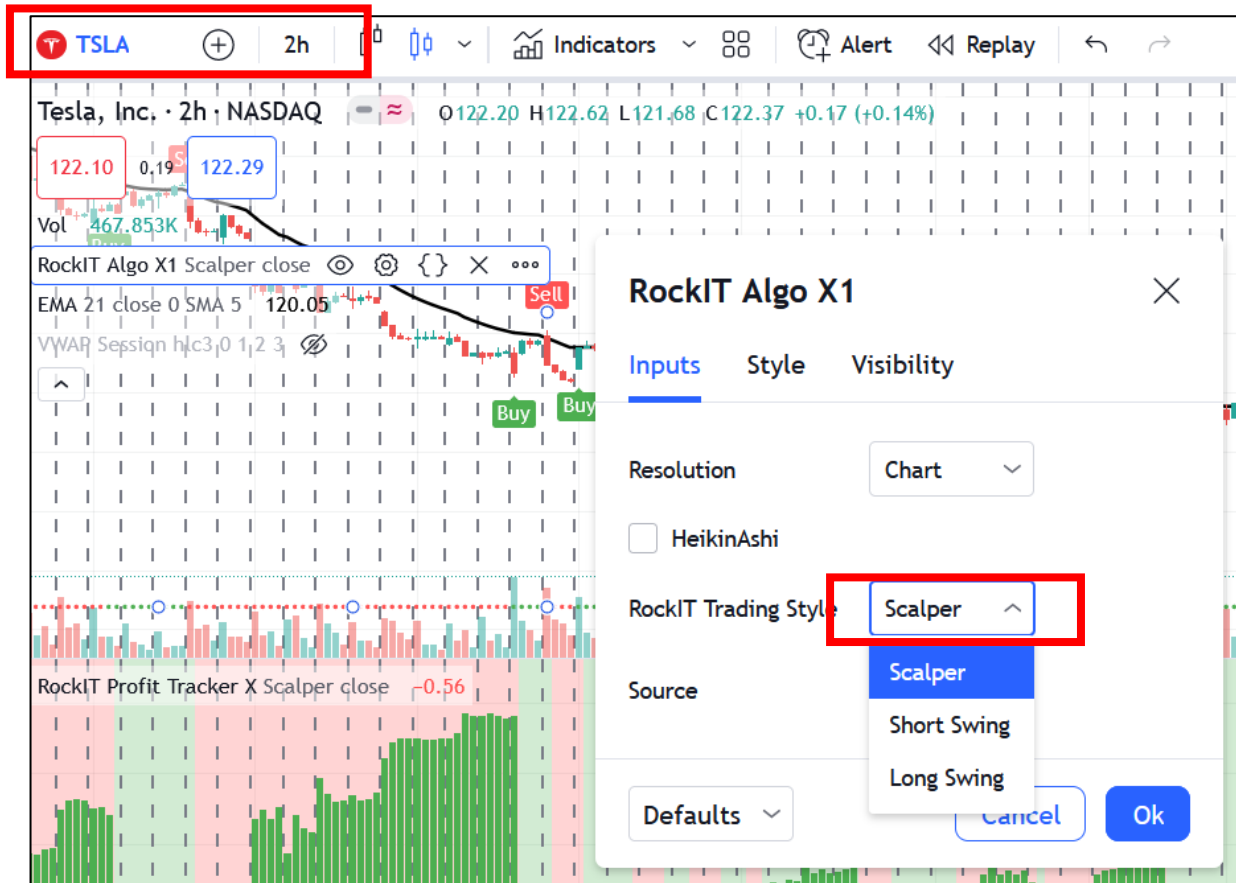
TESLA



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## The Trade

**Trading Timeframe = 2 Hours**  
**RockIT Trading Style = Scalp**



### Trading Plan For...

- Part Time Traders
- Professional Traders

**Average Trades / Month = 10**

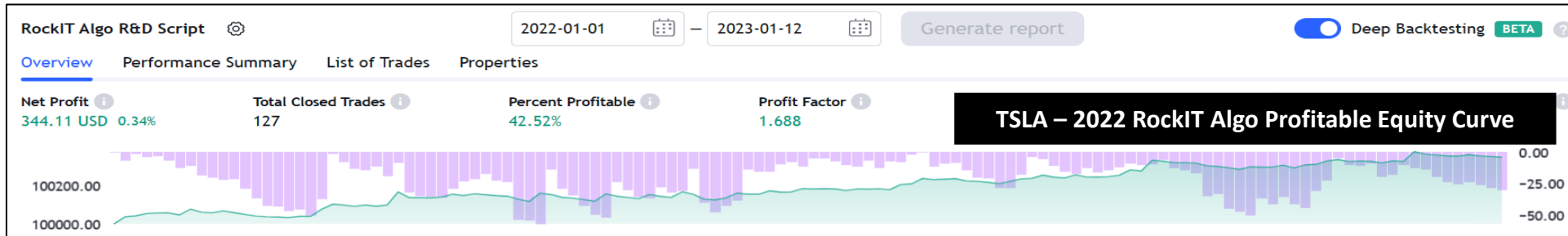
**Profit Factor = 1.7**

*For every \$1 you trade, the Algo will return \$1.7.*



# RockIT Algo Performance : TSLA (Tesla)

## Achieving Triple Digit Gains Trading Options – Jan to Dec 2022



### Simulated Profit Trading – Buying Call & Put Options

Trading Amount (Investment)	\$3,000
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**RockIT Algo Trading Plan**  
**Stock = TSLA**  
**RockIT Algo Trading Style:**  
**Scalp – 2 Hours**  
**Total 2022 Stock Profit = \$294**

**\$3K to \$32.3K**

### 2022 Options Trading Performance

Stock	RockIT Algo Trading Style	Timeframe	Stock Profit Jan to Dec 2022	Options Profit @ 0.10 Delta	# of Options Contracts	Total Options Profit (ROI - % Return) Trading Amount = \$5,000
TSLA	Scalp	2 Hours	\$323	\$32.3	X 10 (1000)	= +\$32,300 (+1076%) // \$1K to \$29.4K



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# RockIT Algo – Options Trading Plan (100%+ Trading Plan)



## RockIT Algo BUY Signal

### BUY SIGNAL - Buy CALL Option

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4. Option Expiry -> Between 2 to 3 weeks.
5. Option Strike Price -> Select strike price where the option delta value is around -0.10 (you can select any u are comfortable with).
6. Once you get filled, then immediately manage stop alert.

### Stop Loss = +\$5.00 (Stock price of TSLA RISES by \$5.00)

1. Close Put Option If TSLA rises by \$5.00 from the SELL alert signal price. You can use your own stop loss strategy that you like.
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## Taking Profits

Plan to develop levels to take profits. Some tips are...

- Determining support / resistance levels
- Price above or below moving averages . Moving average cross overs
- Fibonacci levels
- Any potential catalysts that may change market directions

OR

You can wait till the next RockIT Algo signal and trade signal to signal.



# TSLA (Tesla)

## The Final Set Up Check List.

Select TSLA & 2 Hours **1**

Select Candle as chart option. **2**

Set your chart to 'Regular Trading Hours' **3**

RockIT Algo X1

Uncheck the HEIKENASHI check box. **4**

Set alerts for both Scalp BUY and Scalp SELL. *How to set alerts explained in last section of PDF.* **7**

**5**

1. Make sure you have the RockIT Algo and RockIT Profit Tracker on the chart.
2. Select same 'SCALP' for both the indicator and profit tracker.

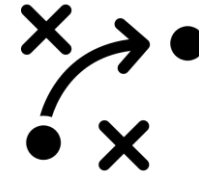
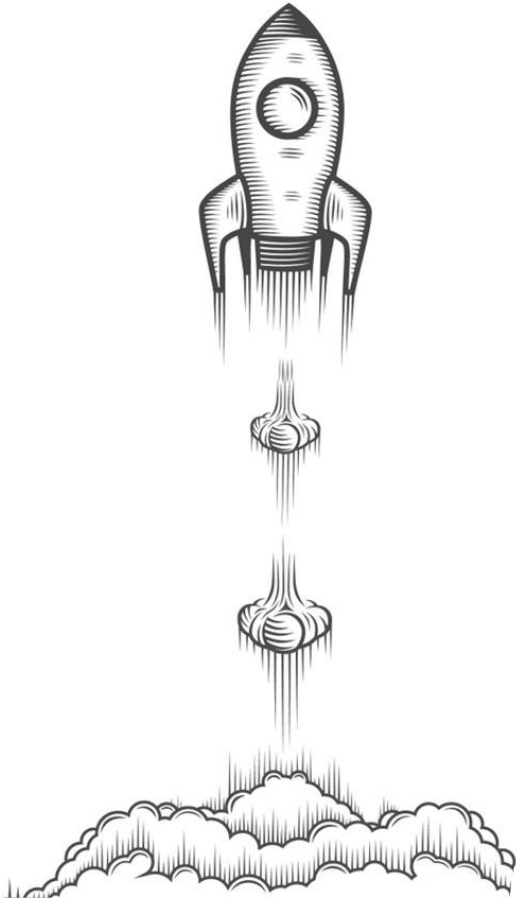
RockIT Profit Tracker X

Uncheck the HEIKENASHI check box. **6**

You are all set. Wait for the next single and take the trade. **8**







## RockIT Algo Profitable Trading Plan

Setting up for Profit Signals / Alerts  
Please Follow Instructions (Important)



*Note – Past performance does not guarantee future performance. These are findings being shared by back testing RockIT algorithm.*



# Discipline Trading – Very Important

1

## **Stop Loss – Always set your stop loss limits.**

The winning strategy = Minimize your loss (losses are guaranteed).

2

## **Quality Vs Quantity**

Do not overtrade. Trade with a limited number of stocks and follow the RockIT Algo signals. Have patience and wait for signals. Don't start trading outside of the plan because you are bored.

3

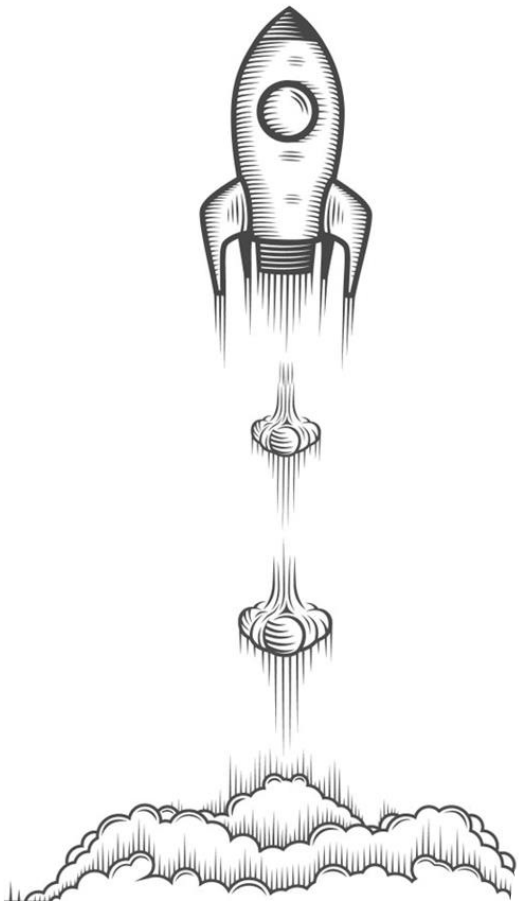
## **Mechanical Trading Beats Emotional Trading**

Let RockIT Algo (Quant Trading) do the work and follow signal to signal. Don't let emotions influence you to trade outside of the plan.

4

## **Resource Allocation**

- Allocate an amount you are comfortable to lose to a single trading plan.
  - In the beginning, trade small to build up profits.
  - Increase your trade using the profits. Always trade with the house profits. Avoid trading with your own \$\$.
- Win and trade with he wins.



# The RockIT Algo – 2 Steps Trading Plan

Profitable P&L



Step : 1

Follow the Signals



SELL (SHORT)

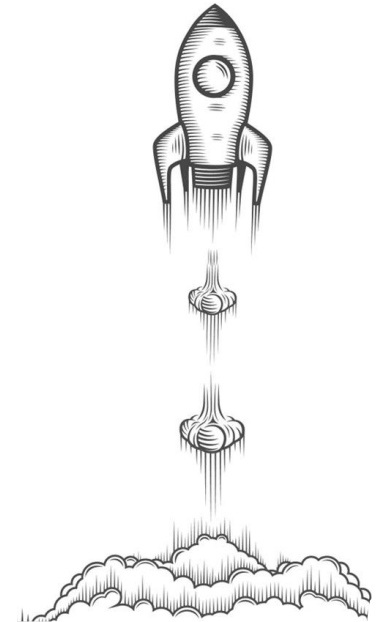
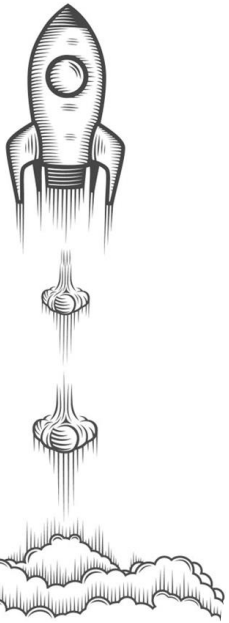


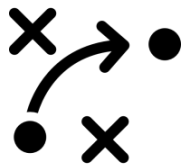
Step : 2

If stop loss amount hit, get out of the trade.

(Increases your Profit – Less Loss[Expenses])

Wait for next signal.





# RockIT Algo – Signal Alerts -> Entering Trade Price Level



## SELL SIGNAL

### When a SELL SIGNAL is generated....

1. Enter the stock trade (Short Stock) or options (Buy Put) at around the value of the close of the signal candle.
2. You can allow for up to +/- 0.3% of the candle close price. Many times, it will be difficult to catch the exact price due to timing.

## BUY SIGNAL

### When a BUY SIGNAL is generated....

1. Enter the stock trade (Long Stock) or options (Buy Call) at around the value of the close of the signal candle.
2. You can allow for up to +/- 0.3% of the candle close price. Many times, it will be difficult to catch the exact price due to timing.

# Setting up RockIT Algo – The Stop Loss (VERY VERY IMPORTANT)

*The stop loss amount is subjective in nature and depends on your trading style, volatility and stock price.*

*Usually, we follow price action to define our stop loss amount. Strategy illustrated below.*

*Note – Develop your own strategy based on what has worked for you in the past.*

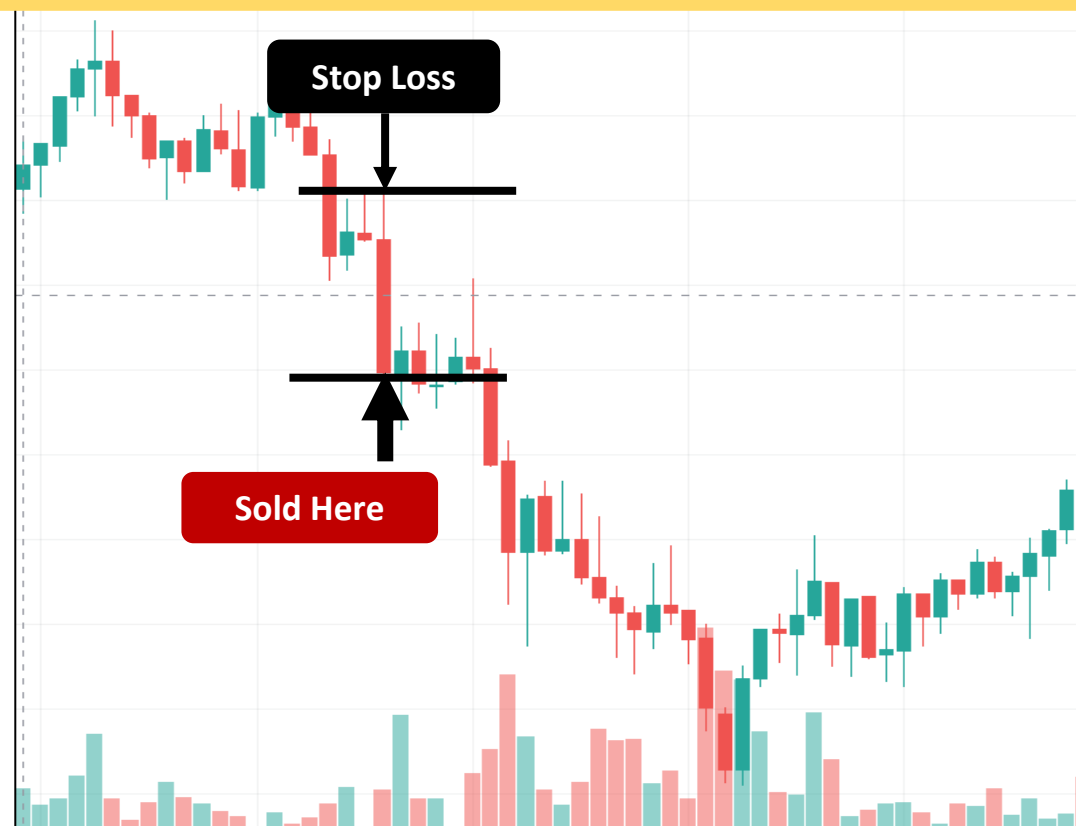
## FOR BUY (Long Position) - Stop Loss Level

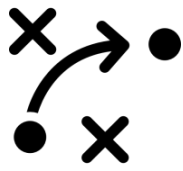
- We usually use the LOWEST value of past 2-4 candles.
- Sometimes if candle length is tall then I use the low of the tall candle.



## FOR SELL (Short Position)- Stop Loss Level

- We usually use the HIGHEST value of past 2-4 candles.
- Sometimes if candle length is tall then I use the high of the tall candle.





# Chart Type – Regular Trading Hours / Candle Stick.

**RockIT Algo strategy (profit realized and profit factor) has been tested for REGULAR TRADING hours.**

**Make sure you set your chart to Regular Trading hours**

**Set your chart to 'Regular Trading Hours'**

The screenshot displays a TradingView interface for Exxon Mobil Corporation (XOM) on the NYSE. The chart uses Heikin Ashi candlesticks. A 'RockIT Algo X1 Long Swing close' indicator is shown with green 'Buy' and red 'Sell' signals. Below the main chart is a 'RockIT Profit Tracker X Long Swing close' indicator with green and red shaded areas. The 'Chart settings' dialog box is open, showing the 'Session' dropdown menu set to 'Regular trading ...', which is highlighted with a red box. Other settings include 'Color bars based on previous close', 'Body', 'Borders', 'Wick', 'Last price line', 'Previous day close price line', 'High and low price lines', and 'Bid and ask lines'. The 'Precision' is set to 'Default'. The chart shows data from April 11 to May 13, 2022, with a time range of 13:00 to 18:00.

# Setting up RockIT Algo – Alerts Notification

Follow the below steps to set up. Each step is very important.

Always select 'ONCE PER BAR CLOSE' for any (all types) alerts you create.

Also make sure the alerts set to 'Open Ended'. You don't want to miss any alerts.

**1**

**Step:1** -> Click the 3 dots on the RockIT Algo indicator strip.  
**Step:2** -> Click the 'Add Alert' band.

**Make sure...**

1. Timeframe of the chart is set to the timeframe you will be trading.
2. Trading style is selected for the style you will be trading

Create Alert on APP, 1D

---

Condition: RockIT Algo X1 ...

Long Swing BUY

Options: Only Once, **Once Per Bar**, Once Per Bar Close, Once Per Minute

Expiration time: 2022-06-19 19:57

Open-ended

Alert actions:  Notify on app,  Show pop-up,  Send email,  Webhook URL, More actions

Alert name: \_\_\_\_\_

Message: RockIT Algo (Long Swing) Buy Signal on

Cancel Create

**2**

**For BUY Alerts**

- Select **Trading Style Option BUY** e.g. – If Short then select Short Swing Buy
- Select Once Per Bar
- Select Alert Actions
- Scroll Down and 'Create'

**3**

**For SELL Alerts**

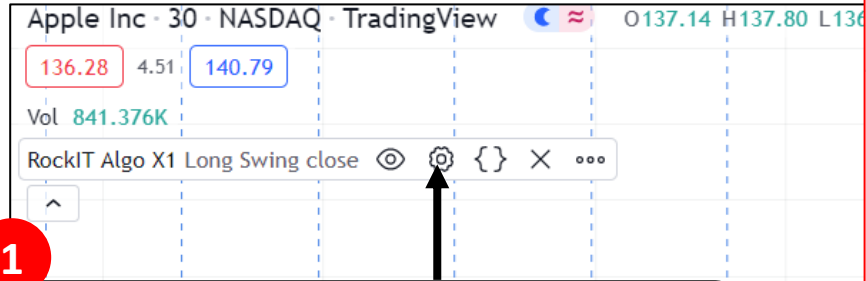
- Select **Trading Style Option SELL** e.g. – If Short then select Short Swing Sell
- Select Once Per Bar
- Select Alert Actions
- Scroll Down and 'Create'

You will have to do this 2 separate times. One for each.

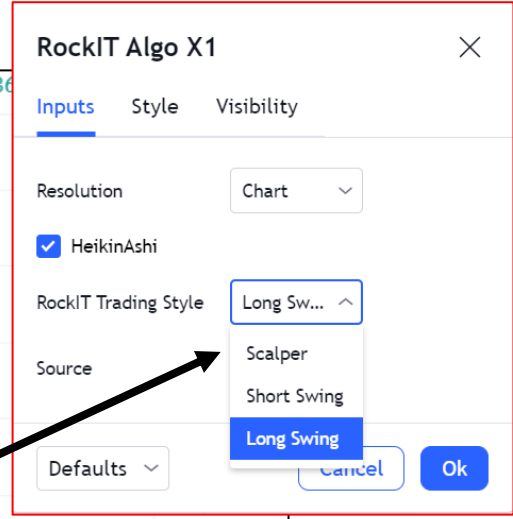
Once done, check the alert strip on right side of chart to make sure your alerts are present there for both long swing buy & sell.

# Setting up RockIT Algo – Trading RockIT Algo Trading Style

**Follow the below steps to set up. Each step is very important.**



- 1. Move your mouse over bar and click the 'Settings' icon.
- 2. A pop up will appear where you will select type of trading style.



RockIT Algo X1

Inputs Style Visibility

Resolution Chart

HeikinAshi

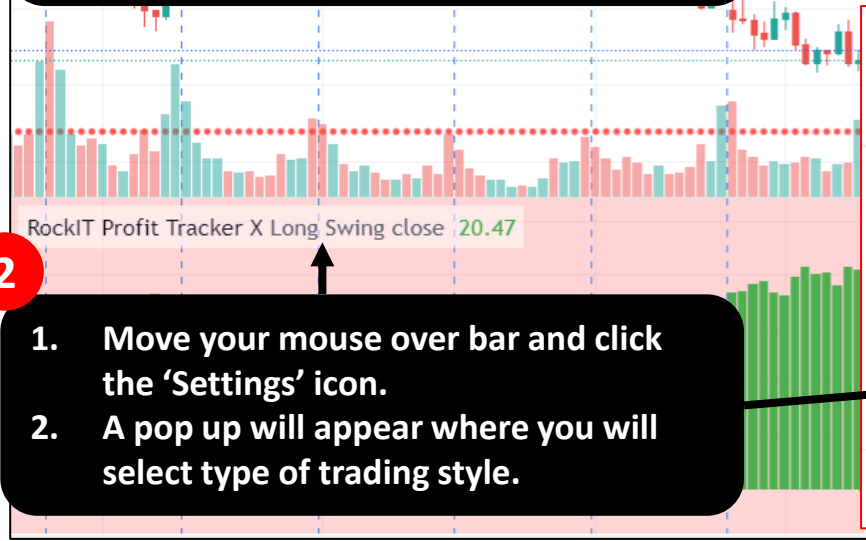
RockIT Trading Style Long Sw... ^

Source Scalper Short Swing Long Swing

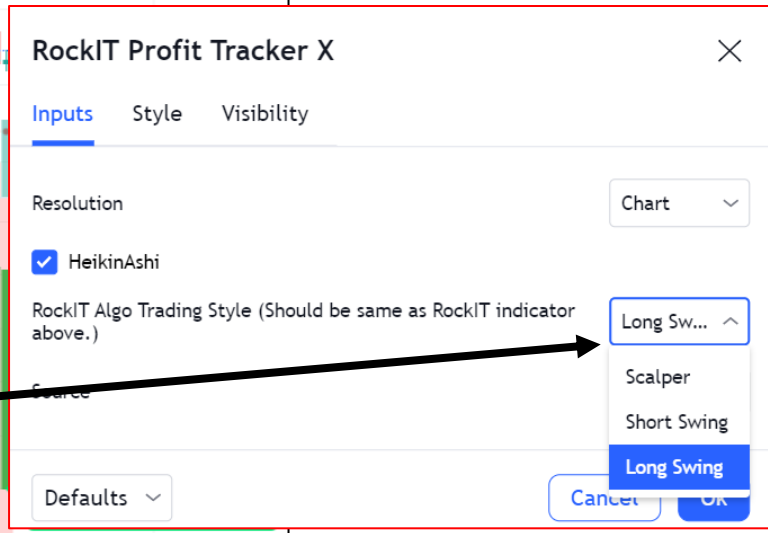
Defaults Cancel Ok

On completing steps 1 and 2 you are ready to trade RockIT Algo.

**NOTE:**  
Both the indicator & profit trackers have to be set to the same trading styles so you may correctly view the profit / loss for every signal.



- 1. Move your mouse over bar and click the 'Settings' icon.
- 2. A pop up will appear where you will select type of trading style.



RockIT Profit Tracker X

Inputs Style Visibility

Resolution Chart

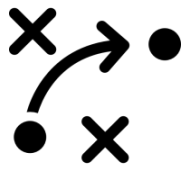
HeikinAshi

RockIT Algo Trading Style (Should be same as RockIT indicator above.) Long Sw... ^

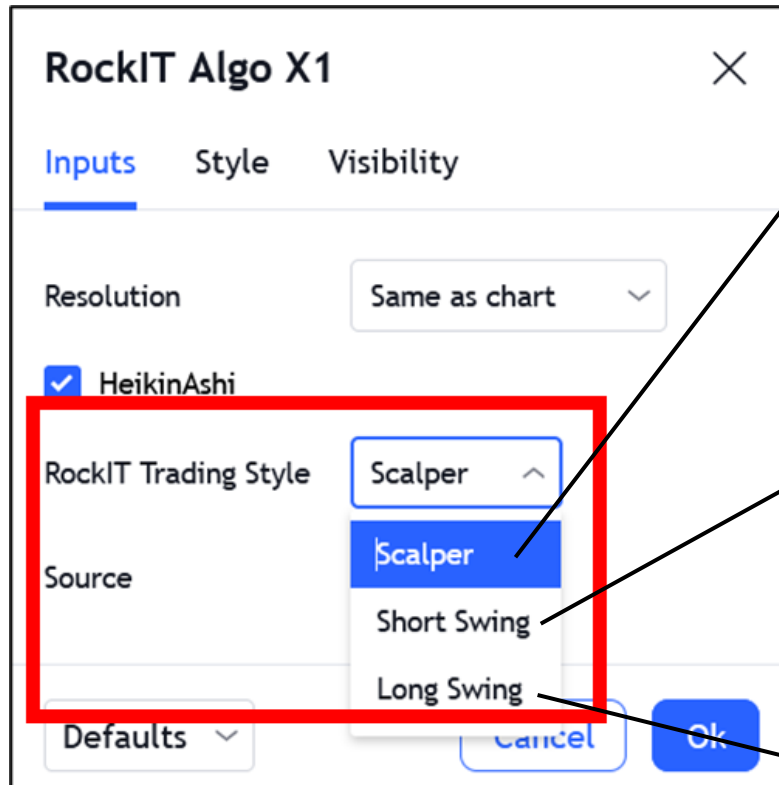
Source Scalper Short Swing Long Swing

Defaults Cancel Ok





## RockIT Algo – Trading Option Details



**RockIT Algo X1**

Inputs Style Visibility

Resolution Same as chart

HeikinAshi

RockIT Trading Style Scalper

Source

Defaults Cancel Ok

### Scalper – Average Trade is around 10 bars

High frequency trading. Usually requires continuous engagement during trading hours. Captures tops and bottoms.  
Trading frequency decreases for timeframes 1 hour or greater.

### Short Swing – Average Trade is around 22 bars

Medium frequency trading. For lower timeframes (30 minutes or lower), requires continuous engagement during trading hours. Trading frequency decreases for timeframes 1 hour or greater.

### Long Swing – Average Trade is around 85 bars

Low frequency trading. Suited for traders that cannot dedicate lot of time during trading hours. Trades are usually swing trades over a few days.

# Important points you have to execute for the strategy to be successful.

## Stop Loss

It is not necessary to have a stop loss as RockIT Algo takes care of it. However, we trade with a stop loss as this decreases our losses and increases our profits (returns).

We do recommend you put a stop loss in place based on your strategy.

## Trade Small

Begin by trading small. Increase size as you collect profits.

## Consistent Trading (Options)

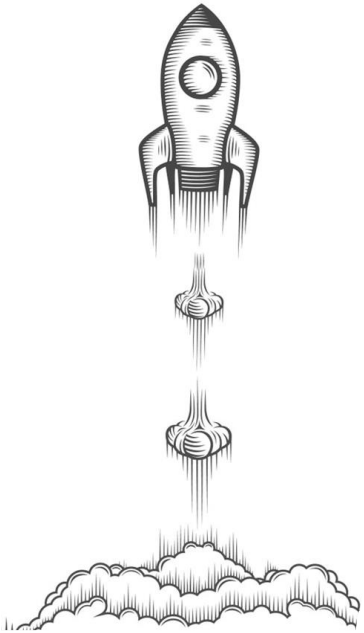
1. Trade the same delta for both Call and Put options.
2. Trade the same number of contracts for both Call and Put options. Do not trade unevenly.
3. If you want to increase or decrease, then trade the same number of contracts for both calls & puts.

## Consistent Trading (Stocks)

1. Trade the same dollar amount for both long (buy) and short (sell).

## *Why consistent trading?*

You want both profit and loss to be on equal footing. Sometimes if you trade bigger and incur a loss then your loss will outweigh your profit because you traded smaller when there was a profit.





**Thank You!!**



Our customer success team at RockIT Algo is dedicated to your success. Connect with us anytime you need guidance & we will arrange a 1 on 1 to provide guidance & training to win.

Drop us an email & we will connect to train you 1 on 1. We see no reason to fail.

[freetrial@thestreetatm.com](mailto:freetrial@thestreetatm.com)



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**Thank You. Wish you successful trading.**

