

Edwards & Magee Breakout

Resistance Breakout on Volume — Classical Technical Analysis

All 4 criteria required. Volume confirmation is non-negotiable — price alone is insufficient.

#	CRITERIA	PASS ✓
01	Price within 5% of its 52-week High (near resistance) Stock must be testing or approaching a significant resistance level. <i>NSE: Use 52-week high as proxy for resistance. FII-driven stocks often break at round number levels.</i>	<input type="checkbox"/>
02	Volume ratio ≥ 1.5x the 50-day average volume Breakout volume must be at least 1.5x the 50-day average. Volume validates the price move. <i>NSE: Use volume ratio not absolute volume — FII flows distort absolute volume baselines on NSE.</i>	<input type="checkbox"/>
03	Positive day change (price moving up on breakout day) Breakout must be occurring — price must be advancing on the day of evaluation. <i>NSE: Avoid evaluating on ex-dividend dates or stock split adjustments — triggers false signals.</i>	<input type="checkbox"/>
04	Price above the 50-day Moving Average Breakout must occur with price above the 50 DMA — confirms short-term trend support. <i>NSE: Breakouts below 50 DMA are high-risk on NSE midcaps — operator activity common in those zones.</i>	<input type="checkbox"/>

RESULT

4/4 QUALIFIES

3/4 WATCHLIST

<3 SKIP

Criteria passed: _____ / 4 | Decision: _____

Ticker: _____ Date: _____ Entry ■: _____ RS Rating: _____ Stage: _____ Pivot ■: _____ Stop ■: _____

NOTES

Volume check: up-day vol > down-day vol? ■ Yes ■ No Volume dry-up near pivot? ■ Yes ■ No

DISCLAIMER

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