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*There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits*

Tuesday, June 30, 2015

30062015



*This is an illustrative example of the concepts being discussed. Markings are just visualizations on historical data in hindsight analysis*  
Nifty opened within previous day range and moved up above PDH. Got rejected at RN. Then it was a BW around PDH. Attempted two longs and a short . Both the BOF trades at the bottom of the range worked well. A mid level short ended as a scratch

Posted by [SMART Trader](#) at 4:05 PM



13 comments:



[xrtrader1](#) June 30, 2015 at 4:36 PM

Hi ST,

1> how did you manage trade, Once it hit the FTA (PDH) ? ---> 1st Trade

2> After 2nd trade, failure I considered it as BOF of PDH and expected push to higher range. What was your thought process ?

Reply

▼ Replies



[SMART Trader](#) June 30, 2015 at 4:52 PM

Basically the method attempts to trade ranges. Try to buy the lows and sell the highs. Usually DPs act as range extremes . A barbed wire is a range formed around a DP. Trade BW as any other range if it is wide enough. avoid trades in the middle. Barbed wires are nothing but bracket formations. Here it was wide and tradeable  
<http://niftyinirvana.blogspot.in/2012/10/brackets-and-envelops.html>

ST

Reply



[Trekkie](#) June 30, 2015 at 6:33 PM

Thank you ST. I think my thought process was totally messed, I took only that short because I was waiting for proper BOF of BRN which

never happened.

Reply

▼ Replies



**SMART Trader** June 30, 2015 at 9:35 PM

You could have entered on break of MSP

ST



**Trekkie** July 1, 2015 at 2:04 PM

Thank you ST. Somehow wasn't confident to take that trade because I was looking at the congestion previous day afternoon, but I guess I should have taken it because of the bof of IR.

Reply



**Unknown** June 30, 2015 at 7:59 PM

I identified last long setup but my entry was late above 8330, what was the idea behind your entry above big bear candle? Was that the best place to enter long in hindsight?

Reply

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**SMART Trader** June 30, 2015 at 9:34 PM

I wanted the price to break the last swing low flip  
So entered above the BO bar. Trend change is confirmed on MSP crack.  
Your entry was right

ST

Reply



**Unknown** June 30, 2015 at 8:59 PM

Sir,

I have gone through all the important posts... have been using dp's and have been successful also. Thanks to you

However have confusion on bof and bpb. It would be great if you could explain more in detail about bof and bpb as these are too difficult to identify and judge.

Examples of patterns that would help identify the right one would be really helpful.

Reply

▼ Replies



**SMART Trader** June 30, 2015 at 9:37 PM

<http://niftyinirvana.blogspot.in/2012/04/my-trading-revolves-around-trader.html>

ST



**Unknown** June 30, 2015 at 11:02 PM

Sir,  
Any samples with candle charts. I know I am bothering you but please sir if you can help because in candle charts I have seen examples where the bo candle is broken above but after minimal price move upwards it reverses down below dp making it bof.

Reply



**L.V.Gandhi** July 1, 2015 at 12:19 AM

Can you please explain the reason for your exit in first trade, please?

Reply

▼ Replies



**SMART Trader** July 1, 2015 at 10:04 AM

1. First candle was a MC and I felt it will hold.
2. 50 point rejection from RN earlier and not likely to break easily
3. Price moved up nearly 50 points from bottom. A consolidation is likely
4. No point in waiting and giving back a reasonable 25 point profit on a likely range day

ST



**L.V.Gandhi** July 1, 2015 at 7:17 PM

Thanks.

Reply

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  - [April](#) (11)
  - [March](#) (11)
  - [February](#) (10)
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