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

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Thursday, December 11, 2014

11122014
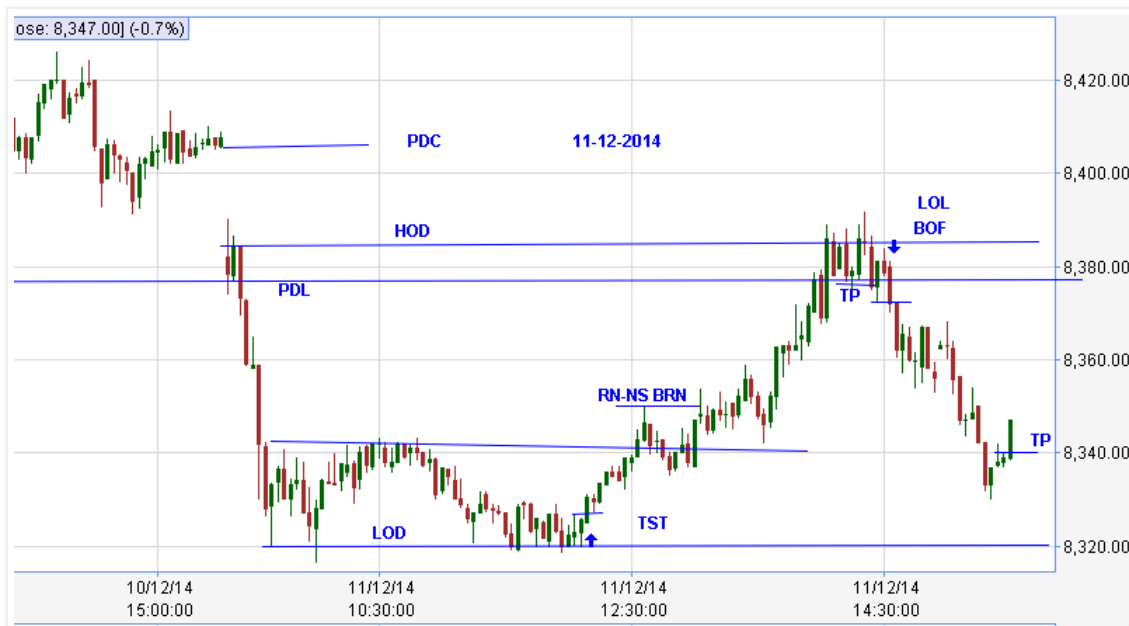
This is an illustrative example of the concepts being discussed.Markings are just visualizations on historical data in hindsight analysis

Nifty gaped down near PDL and sold. could not capture the down move. There was a FTC pattern at the bottom. Avoided it. Went long on TST of LOD. .It retraced the entire fluid. TP near PDL. Short on LOL BOF of PDL/HOD. TP at 8340.

Posted by SMART Trader at 3:37 PM   [M][B][t][f][@]

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32 comments:

xrtrader1 December 11, 2014 at 3:44 PM
Thanks ST..
Reply

Unknown December 11, 2014 at 3:49 PM
Hi ST

Beautiful trades.ST, where would be the entry for the morning short which you could not capture?? A limit order??

Thanks
TBP
Reply

    ▾ Replies

    SMART Trader ✎ December 11, 2014 at 5:45 PM
    It is near impossible for this method
    Only BO traders might have entered

    ST

Reply

Price Action Lab December 11, 2014 at 4:06 PM

Hi ST,
1. Why you missed short below PDL in the morning.
2. My 3rd trade is valid? I was bearish so didn't think of going long at all.

http://screencast.com/t/eGxUnIs0JL

Reply

▼ Replies

SMART Trader December 11, 2014 at 5:52 PM

Wait for a clear pivot low on such occasions
It was not a very good BO pf PDL. So did not look for BPB
regarding your TT. do not give back much on such trades.
You pocket your 20 points and look for a fresh trade if happens as Nifty had already dropped a lot
8320 was a good support. Look at daily

ST

Trekkie December 12, 2014 at 7:55 AM

Hi ST,
just looking at chart. Will you go for short below 12:48?

SMART Trader December 12, 2014 at 5:22 PM

Yes.

ST

Trekkie December 14, 2014 at 6:11 PM

Hi ST, could you please tell what you meant by "such occasions" when you said Wait for a clear pivot low on such occasions

SMART Trader December 14, 2014 at 8:58 PM

When price bouncing back after a selling climax

ST

Reply

manas December 11, 2014 at 4:07 PM

why profit not booked when price not able to cross RN -NSBRN
Reply

▼ Replies

SMART Trader December 11, 2014 at 5:54 PM

Price tried a lot to go below 8320 a lot
So I felt downward risk is very negligible. so raised the stop below first pull back low and kept it

ST

Reply

xrtrader1 December 11, 2014 at 4:20 PM

Amazing simple Trading ST... Lot to learn from you..
Reply

Deven Malhotra December 11, 2014 at 4:24 PM

Hi ST,

Apart from small risk, why you entered at TST. Although i didn't trade today, but was watching the mkt at that moment. As the trend was down, so I was thinking to go short after a TRAP pattern at RH made earlier..

Thanks,
Deven Malhotra
Reply

▼ Replies

SMART Trader December 11, 2014 at 6:02 PM

Deven

8320 looked like a solid support. Check daily. If it breaks may kiss 8200
Market had already fallen since last 3-4 days and today down around 100 points. I did not expect further fall
If market create a big fluid in the morning session, it retraces it many times
Look at 0412,0312,1311,1011,1310,1010

ST

Reply

Lisa December 11, 2014 at 5:49 PM

Roller coaster ride and you rode it on the way up and down as well. Amazing trades!

Reply

▼ Replies

SMART Trader 🖉 December 11, 2014 at 6:24 PM

Support and Resistance, incidentally is the first thing every trader learns
This is the best thing and the only thing that an astute trader need to know.
But people all over the world are competing to complicate it

ST

Bhavir December 12, 2014 at 1:23 AM

lol .. people all over the world are competing to complicate it .. haha

Reply

L.V.Gandhi December 11, 2014 at 5:55 PM

4 times it tried and came back below RN-NSBRN. Can you share your thought process why you did not consider exit.

Reply

▼ Replies

SMART Trader 🖉 December 11, 2014 at 6:33 PM

LVG

Hope you might have read my reply to earlier comments
RN and NS BRN are not considered as DP. But still there will be opposing order flow always. So we always need to expect some chop. The method is a combination of DP and ranges. Price made a clear range high at 8340 and got rejected . It made a swing low. I was ready to cover below this. Next push down failed to crack this swing low and moved up above the range and never came down. So I allowed it to chop there

Further price moved 30 points 8320-50 without a deep pull back. We need to allow it and sit through it. Then raise your stop and ride the trend

ST

L.V.Gandhi December 11, 2014 at 8:48 PM

Thanks.

Trekkie December 12, 2014 at 9:02 AM

Hi ST,
On a normal day, would you not have moved SL to pink line in chart. Did the fact that congestion high (blue line) was closeby play any role in you not moving SL? http://imagizer.imageshack.com/img674/5843/PNekWz.png

SMART Trader 🖉 December 12, 2014 at 5:19 PM

Look in the rear view mirror
It was not the congestion . It was one of the most efficient concept of the method
If you still cant find it, let me know

ST

Trekkie December 12, 2014 at 8:23 PM

I am not able to figure it out ST. What is it?

SMART Trader 🖉 December 12, 2014 at 8:38 PM

Did you notice the Fluid created by morning gap down and sell off?
We are already in profit. Should we micro manage and spoil the opportunity?

ST

Trekkie December 12, 2014 at 8:56 PM

Thanks :) Yes ST, the fluid I noticed, but thought RN+congestion BOF may be an exit signal. Will remember this while moving SL in these type of trades.

Reply

Unknown December 11, 2014 at 7:25 PM

ST sir
nice trade why you entered and judged to short long was good i also trade the same but to short in such recovery rally after 3-4 days of downfall please explain the think process.

Reply

▼ Replies

SMART Trader ✎ December 11, 2014 at 7:48 PM

Price got rejected from a DP. So shorted
You see it as a recovery rally. Others think down trend is intact and up move is just a pullback
Price action trading is trading what we see on chart. What market is doing

ST

Bhavir December 12, 2014 at 1:22 AM

Well said! How true

Reply

sentu shil December 11, 2014 at 7:32 PM

Sir,
If u plz clarify a doubt for me.today i faced that on terminal..sir i sold TS at 526.40 and put my stoploss accordingly..afterthat i retrace my stoploss as needed..I expect a chop around 521.50 .So,i want to put a advance buy order at 521.50..when market price is around 524.I put SL-M order .But,terminal bought that share on that moment at 524.Sir,how can i put that order..I always put this type of order on buy side but never on sell side,as today i tried i got caught.If possible plz help.
Thank u..

Sentu.

Reply

▼ Replies

SMART Trader ✎ December 11, 2014 at 8:01 PM

SL-M or SL-Limit orders are always kept above the current price
To take profit, just keep a Limit buy order at 521.50. It will get executed at 521.50 or below
You sold at 526.40. Keep a buy SL order SL-M or SL-L with trigger 528 to cut short your loss
To take profit at 521.50 feed a Limit buy order at 521.50

ST

Reply

sentu shil December 11, 2014 at 10:20 PM

sir,thank u....plain limit buy order will work in this case i never thought...thank u..

Reply

Bhavir December 12, 2014 at 1:22 AM

Thanks for the charts ST. My observations at -
http://niftytradediary.wordpress.com/2014/12/11/11-dec-2014-confluence-of-support-at-8280-spot-will-it-hold/

I must have been the only one stopped out so early on the long trade :)

8380 was the swing low on 30min chart which acted as support on way up. Resisted today. Will it continue to resist .. we'll let market decide

Reply

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