



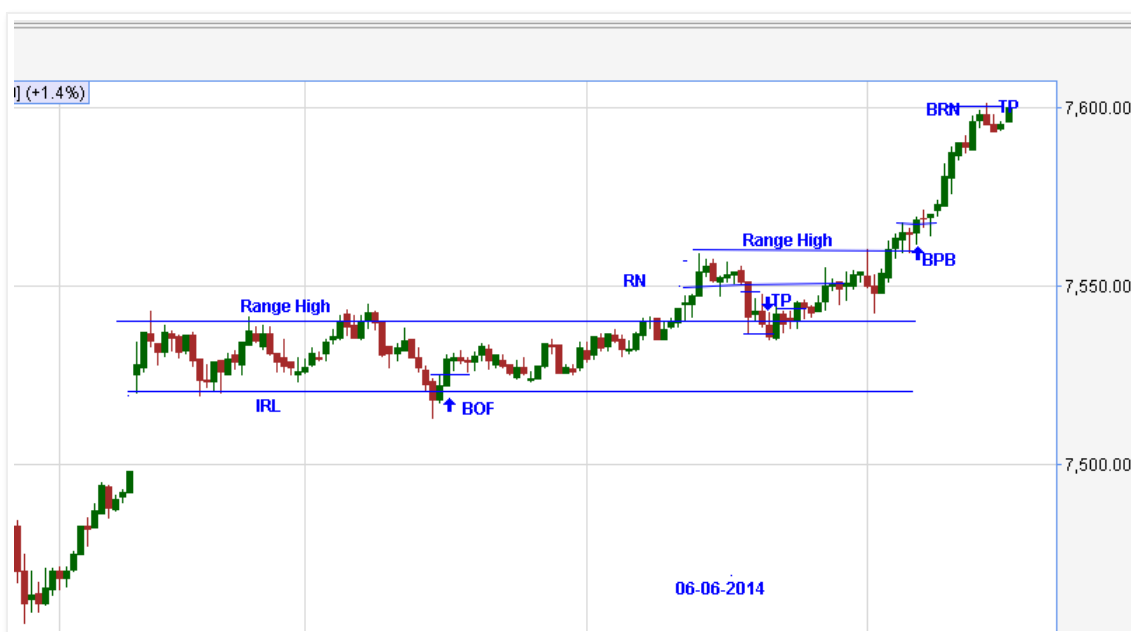
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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Friday, June 6, 2014

06062014



Nifty gaped up above PDH. IR formed. Skipped the BOF of IRH.as it was not convincing one to go counter trend. But it hit the target IRL. BOF of IRL gave a long signal. Exited when price failed to stay above RN. Tried a short when price fell back into the old range. Exited immediately. BPB of range high gave a long signal. TP at BRN.Stay with the trend . Be careful with CT short trades when market is in a bullish orbit

Posted by SMART Trader at 3:46 PM



23 comments:



Unknown June 6, 2014 at 3:55 PM

Hi ST

Thought it to be absorption around 7540. But got the answer soon.

Thanks

TBP

Reply

▼ Replies



SMART Trader June 6, 2014 at 4:04 PM

TBP

Market is trading at all time highs. Every dip is being bought into
If market is in a rally mode careful with your shorts.Earlier I had lost a lot of money trading CT.
<http://niftyirvana.blogspot.in/2012/02/bucking-trend.html>
ST

Reply



Price Action Lab June 6, 2014 at 3:57 PM

Hi ST,

Bad day for me, I ended in 30+ points in negative.
Please comment on my trades
<http://screencast.com/t/MsnN4p72Mx5>

Regards

Naveen

Reply

▼ Replies



SMART Trader June 6, 2014 at 4:23 PM

Naveen

Market is in a new bull orbit which may last for months. When market is in rally mode short trades are low probability ones. Focus more on with the trend BOF trades. Direct BO trades are low probability ones.
<http://niftyinirvana.blogspot.in/2013/10/breakout-blues.html>

ST



Price Action Lab June 6, 2014 at 4:37 PM

Thanks ST,

I will try to avoid CT & BO trades for some time.

Reply



Unknown June 6, 2014 at 4:01 PM

ST Sir,

Nifty had good run, managed to fetch 22 points... prolonged sideways range forced me to sit idle most of the day.

Chart here <http://imgur.com/yNZxbhK>

TRADE1:

Short at 7518, as BO of IRL with initial SL above DO (7526)
SL hit; exited trade with 10 points loss

TRADE2:

Long above 7561 (HOD) after BOF of 7550 RN with initial SL 7548
Moved SL to 7562, after NF moved 7582
Exited at 7595 near EOD with gain 32 points

Points earned: +22

Reply

▼ Replies



SMART Trader June 6, 2014 at 4:32 PM

Rose Mary

Going long on the BOF of range lows/DPs will be the most rewarding trades when market is in rally mode

ST

Reply



Unknown June 6, 2014 at 4:27 PM

@ST

@Naveen

ST, I think Naveen can trade better if he uses candle sticks chart. Candle sticks reveal a lot, better than bar chart. Its my personal opinion, Naveen, so don't take it to heart but do compare over the weekend.

Thanks

TBP

Reply

▼ Replies



Price Action Lab June 6, 2014 at 4:43 PM

Thanks for your advise TBP.

Since i trade from the office, if i switch candle chart on everyone will stare at my monitor & personally i do want to use Candle charts.

Regards

 Reply


Bharat June 6, 2014 at 4:57 PM

ST,

I took long above 10.48 considering pressure play keeping sl below 10.54.. exited below 11.00.
 How to differentiate between range breakout and pressure play breakout?
 2nd trade took long above 11.27 IRL failure.. exited on minor pivot of 11.39. missed the whole move.:(
 3rd trade short below 1.39 which failed immediately 1.54 exit.
 4th trade short below 2.30 days high failure again. Exited above 2.36 candle

After 4 trade failing was not in condition to take another trade so missed final move .. bad day for me.

Kindly enlighten with your thought process at what point during the day today, we consider that we should avoid counter trend trades as trend is strong.. there are times where we take counter trend trades on strong trend days also.. i m confused here.

Bharat

 Reply

▼ Replies



SMART Trader June 6, 2014 at 6:20 PM

- 1.PP needs Stop Loss order accumulation above range.Break out should trap critical mass.Preferably a BOF should happen at the other extreme. Here the gap was an outside trend gap. Usually there will be some consolidation within a range before next move
- 2.Do not micro manage. Price did not go below entry bar or traded DP that is IRL
- 3.Here we will get trapped. It is all in the game
- 4.price went just a point above HOD.Not a powerful one to look for a CT trade. Where is the space? Price remained within the higher range. Never fell to the early range.
- 5.CT trades are always low probability once. Usually taken in an established range targeting the other extreme, On exhaustion or after a climatic move. or on critical mass getting trapped in a powerful BOF

ST

 Reply


amber June 6, 2014 at 6:29 PM

Sir good evening thnx very much for your IRH and IRL method as i apply it in multiples in uptrend and downtrend. God Bless You thnx

Reply



Unknown June 6, 2014 at 6:30 PM

i too entered shorts @ IRH and HOD and scratched. Finally entered long @ 7565 exited the trade @ 7599. It was very deceptive in the morning session and looked like it would not break the highs. every day is market provides a learning opportunity. but sometimes tuition fee is high

Reply

▼ Replies



SMART Trader June 6, 2014 at 8:35 PM

Do not pay too high a tuition fee.
 Your profitability will depend on your ability to bargain and reduce the fee

ST

 Reply

veer June 6, 2014 at 8:13 PM

Sir,

Can you expand CT. I am unable to find in Glossary.

Regards,

Veer

Reply

▼ Replies



SMART Trader June 6, 2014 at 8:27 PM

Veer

CT is Counter Trend trade

ST

Reply



Manish Bharti June 6, 2014 at 9:21 PM

Sir,
Please provide link for BPB and BO both.
I traded only one trade today-- I placed a buy stop @ 7566.05 just above the 6 range bars on one min chart. Sop placed below these range bars @ 7555.9. Take profit @ 7582 when saw minor resistance @ 7582. Earned something but I think that method did not followed well by me perfectly.
Regards

Reply

▼ Replies



SMART Trader June 6, 2014 at 10:45 PM

Please go through all the important posts listed below the blog

ST



Manish Bharti June 6, 2014 at 11:32 PM

Thanks Sir

Reply



Bharat June 7, 2014 at 8:44 AM

ST,

Thanks a lot for detailed answer.

If time permit kindly explore more the topic with some additional posts on how to trade broader ranges, tight range and pressure plays with some examples.

Bharat

Reply

▼ Replies



SMART Trader June 7, 2014 at 10:20 AM

Yes. Will do

ST

Reply



Uday Dave June 7, 2014 at 10:37 AM

Sir,

Sent you a mail regarding Trade Score yesterday. Wondering whether you got it

Thanks

Reply

▼ Replies



SMART Trader June 7, 2014 at 10:51 AM

Now going through it

ST

Reply

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