

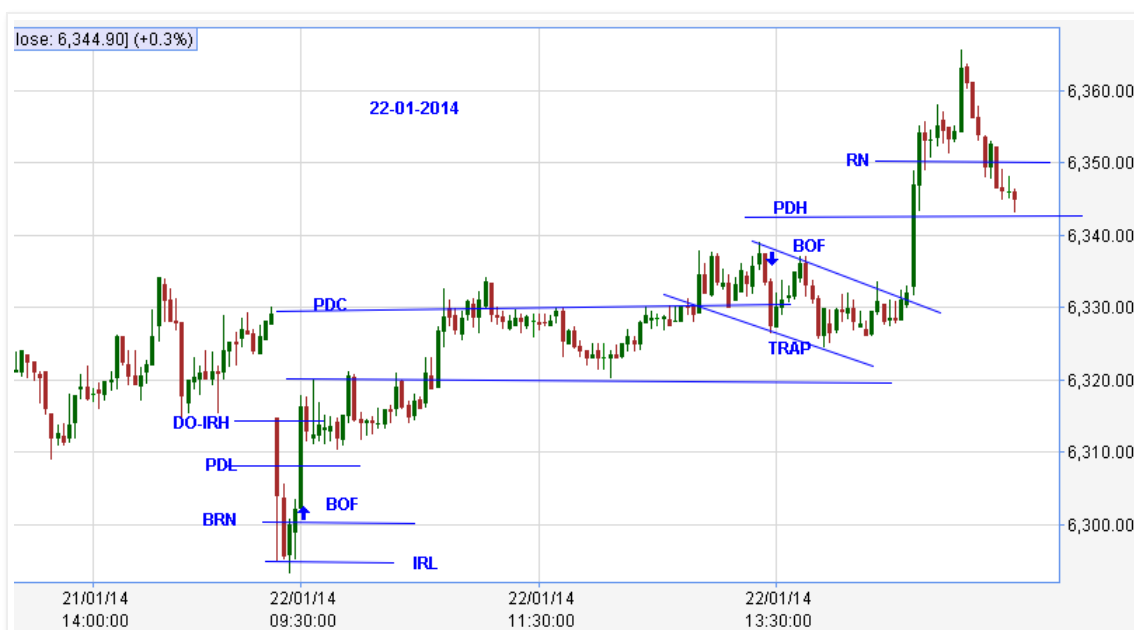


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Wednesday, January 22, 2014

22012014



Nifty opened within previous day range. Broke below PDL and BRN. Then bounced back. Went long on the break of IRH/DO. TP when BO of PDC failed. Attempted a short below MSP /PDC /. This trade failed. Thought of going long above the range high as it was a TRAP pattern . This trade did not trigger. Nifty channeled down for a while and suddenly spiked breaking PDH and RN and finally closed above PDH. I wonder what was the reason for this sudden spike. It was not in Bank Nifty. I don't like the opening and closing price action. Something is cooking up.

Posted by SMART Trader at 3:45 PM



29 comments:

Anonymous January 22, 2014 at 3:48 PM

Sir,

Went long on the break of DO with a stop @ 6303.

When price at PDC checked the OI of 6300 PE there was a good amount of addition, so kept it till exit at 6354.

Thanks

Raghu

Reply



Unknown January 22, 2014 at 3:56 PM

Hi ST,

Big boys playing their games I guess.

Tried attempting a SS today??

was it valid??

[Plz click here](#)

Thanks

TBP

Reply



Unknown January 22, 2014 at 3:57 PM

Hello ST,

Nifty seems to be moving in a tight channel since 20th. I had noticed it forming on 20th itself and saved some bad trades. I've noticed DP's don't seem to work if they fall with such a channel. Do you think this gives a better picture as it might give us trouble areas. The initial spike as well as the fall happened at the channel extremes. Here is the link for the chart.

<http://s13.postimg.org/fty553gbr/nifty.png>

Reply



SMART Trader January 22, 2014 at 4:18 PM

TBP

Yes. SS traded like that

ST

Reply



SMART Trader January 22, 2014 at 4:24 PM

Nikhil

It may help

Many tools can give us such clues.

But the problem is we will not be able to move around with this heavy tool box. Less tools more comfort

ST

Reply



SMART Trader January 22, 2014 at 4:25 PM

Raghu

Good trade.

I do not understand this option stuff

ST

Reply

Anonymous January 22, 2014 at 4:36 PM

ST,

Why didnt you attempt BOF trade immediately after your first long..

??

rgds

Kishore

Reply

Anonymous January 22, 2014 at 4:57 PM

Sir, please don't publish this as its out of DP subject,

many believe that options will decide the levels of nifty as it occupy 90% of the exchanges total turnover.

so when ever the nifty trades near BRN I prefer to check the OI of calls and puts so to get some clarity on on possible direction.

thanks

Raghu

Reply

ANOCOP.AV January 22, 2014 at 4:59 PM

today break out failure was good sign for go long but i hesitated finally i take short position when third break out attempt is failed my target was BRN of NS but hit my sl of previous days high about 14 point sir where was the real stop loss this trade.....? and what is major swing point.....? replay me pls

Reply



SMART Trader January 22, 2014 at 5:00 PM

Kishore

For both the BOF trades of PDC the target is 6320 flip zone. Both the trades are counter trend trades. Very low probability trades without sufficient space

Now think about the stops. Most of the traders have gone long on the BO of 6320 high. Initially their stops will be below this BO area. When price broke above PDC and stayed there for a while these people might have shifted their stops below PDC to protect their profit.
I was betting on this order flow to take a quick trade. But trade did not work as expected.

ST

Reply

ANOO.PV January 22, 2014 at 5:17 PM

SIR REPLY ME PLS

Reply



SMART Trader January 22, 2014 at 5:53 PM

Anoop

Do not trade the method without knowing the concepts well

You took a counter trend trade against a Multi layer BOF move.
You were trading against three strong barriers namely. DO, PDL and BRN. A trade with zero chance to succeed.
You took the trade when price failed three times to breakout. Once this breakout happens the reason for trade is negated. Exit on breakout

ST

Reply

Anonymous January 22, 2014 at 6:00 PM

ST..

What about the first trade in relation to trend?
Wasn't it counter trend?

rgds
Kishore

Reply



SMART Trader January 22, 2014 at 6:22 PM

Kishore

No my trend definition is different.
For me market is in a range all the time. An up trend is successive higher ranges and down trend successive lower ranges.
In the morning price attempted to move into a lower range and failed. So the bias is up
Please do read all the important posts listed.
Till you understand the concepts well do not trade the method

ST

Reply

Anonymous January 22, 2014 at 8:01 PM

thanks ST

Being a trend follower for some years finding difficult to see things in a different perspective :).
I have gone through the posts...
Will go through them again

rgds
Kishore

Reply

Anonymous January 22, 2014 at 9:08 PM

Hi ST,
Do you use any filter?
Is yes what is the value?

rgds
Kishore

Reply

ANOO.PV January 22, 2014 at 9:25 PM

sir on my trading terminal previous days close was 6326.40 and you marked at 6330 what was the real closing rate ...?

Reply



ST
Reply

Anonymous January 22, 2014 at 10:43 PM

sorry ST
couldn't see the comment box like the one here..
but found it

thanks!
Reply



Trekkie October 4, 2014 at 11:57 AM

Hi ST,
My chart did not gap and opened a bit differently. In this case, where would you take the first trade that you have taken?
<http://imgizer.imageshack.com/img913/819/rQwYdS.png> Thanks.

Reply

▼ Replies



SMARTTrader October 4, 2014 at 1:10 PM

May not.
I think I would have gone long above 6320 only

ST

Reply

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