

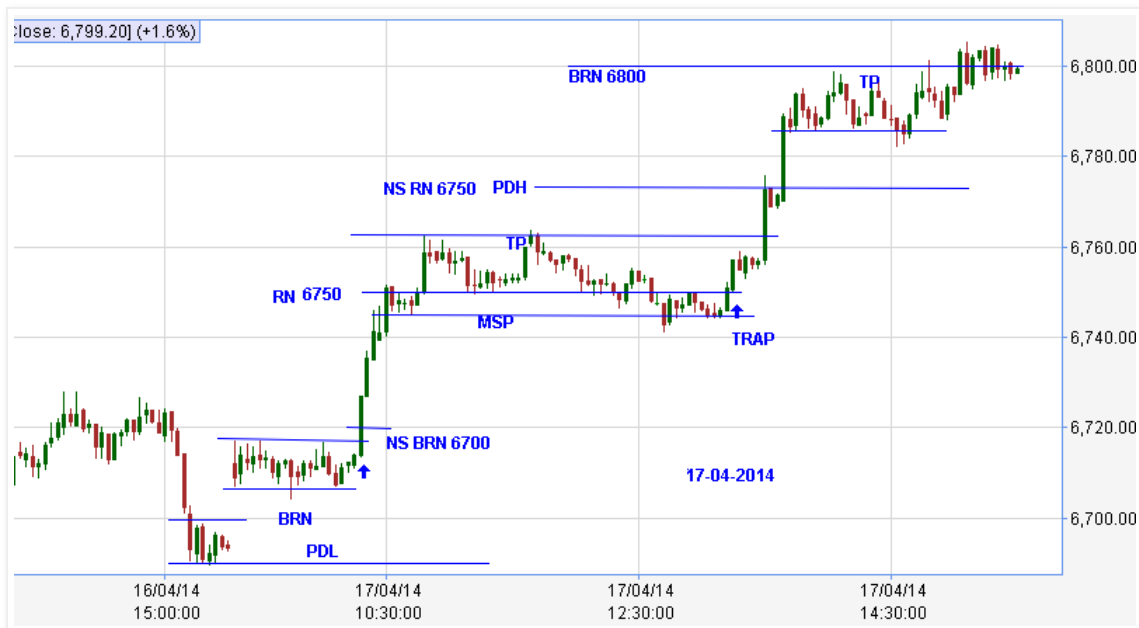


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*There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits*

Thursday, April 17, 2014

17042014



Nifty opened within previous day range. First candle acted as IR. Long on the break of this tight trading range above NS BRN 6700. TP when price failed to go above 6760 . Another long on the TRAP pattern. A BOF of RN 6750 and MSP. TP at BRN 6800.

Posted by SMART Trader at 3:37 PM



## 41 comments:

Anonymous April 17, 2014 at 3:46 PM

Dear Yoda  
what time frame that one should use 18,9,3 MACD for a day trade!  
Same in EOD showing huge - div  
Reply



Unknown April 17, 2014 at 3:54 PM

Hi ST

After u took BOF of MSP long, was there any inclination to TP at PDH.  
If not could u plz explain why??

Thanks  
TBP  
Reply



SMART Trader April 17, 2014 at 4:14 PM

TBP

Yes. I was willing to TP at PDH. But waited for a pullback as I expected a lot more short covering at the area being week end and holidays.  
Notice how price behaved when it touched BRN 6700 on 07042014.This move is a powerful BOF of BRN 6700

Always check early behaviour at levels

ST

Reply



**SMART Trader** April 17, 2014 at 4:25 PM

Anon

Here we trade price action in its purest form. Please do not discuss unrelated subjects like MACD, Divergence etc here.

If you want to discuss something general, kindly do it somewhere else

ST

Reply



**Unknown** April 17, 2014 at 4:42 PM

hi you not consider MSP of yesterday, above NS BRN 6700 today??

Reply



**SMART Trader** April 17, 2014 at 4:50 PM

Sudarshan

That level Was actually NS BRN 6700.

Today it was a little lower due to the reduction premium

I expected a lot of positional shorts to exit above that cigarette and will have enough order flow to break that level.

ST

Reply

.

**Anonymous** April 17, 2014 at 4:53 PM

then why you published the question

what moderation you are doing

Reply



**SMART Trader** April 17, 2014 at 5:10 PM

Anon

I do not moderate comments from traders. Just remove spans, that is all.

Let the other readers tell whether I have avoided answering or deleted any of their comments anytime

ST

Reply

.

**Anonymous** April 17, 2014 at 5:22 PM

Hi ST

Please comment on my trades .Especially the last one which I took as TRAP

<http://tinypic.com/r/don8bx/8>

rgds

Kishore

Reply



**SMART Trader** April 17, 2014 at 6:16 PM

Kishore

You have identified the trades very well.

I was aware of the last TRAP trade and I have drawn a line there. I avoided it as Nifty had moved nearly 100 points above average range.

Short covering might be already over and nobody will take fresh positions due to weekend and holiday

ST

Reply



**Anand P Mishra** April 17, 2014 at 6:20 PM

Hello Sir,

Can you please tell me what charting software you follow.

I am willing to buy a good charting resource which provides 3 min chart and OPTION charts also

Reply



**SMART Trader** April 17, 2014 at 6:27 PM

Anand

I am using Icharts web charts and I am satisfied with it

ST

Reply

**Anonymous** April 17, 2014 at 7:33 PM

thanks st

Reply



**vnik** April 17, 2014 at 7:39 PM

How to calculate MSP?

Reply



**SMART Trader** April 17, 2014 at 7:56 PM

VNK

<http://niftyinirvana.blogspot.in/2012/12/major-swing-pivots.html>

Please read all important posts listed below the blog

ST

Reply



**Manish Bharti** April 17, 2014 at 8:02 PM

Sir,

Is it a 3 min chart you are using?

Can same result be obtained with a 5 min chart.

Regards,

Manish.

Reply



**SMART Trader** April 17, 2014 at 8:11 PM

Manish

We are trading decision points, not chart patterns. 3M will provide faster and detailed view than 5M. It is your personal preference

ST

Reply



**goodidea.vishal** April 17, 2014 at 8:31 PM

@ST sir,

I read many times somewhere public forum...about ..trading plan ..and trading diary .till yet no seen any ones plan and diary.

YES ..i read your trading plan about 10 points per day in nifty . ..its your trading plan exactly or FINAL . ....OR something more in that ...if you have u that type of trading plan ....and if u have no problem to share with it ..then please share with it ....it will help to write my own plan ...

sir my English is poor sorry..ask too much question

thank you

Reply



**SMART Trader** April 17, 2014 at 8:52 PM

Vishal

A trading plan is a set of guidelines used to identify, execute and manage a trade. My plan is simple

1. Identify Market bias ie trend

2. Identify the current range

3. Identify the DP

4. Decide on entry pattern

After I identify the probable patterns, I check

Space, Critical mass, Orderflow, Risk and when to exit

This process is repeated again and again. After the trading hours I review it and find out what went wrong and what went well

ST

Reply

Anonymous April 17, 2014 at 9:11 PM

Hi ST,

I took the first breakout above the previous day swing point which is above NS BRN. Is it valid?

Regards  
Suresh

Reply



shree April 17, 2014 at 9:44 PM

Hallo,

It has been observed that Some times you take closing price of the candle as a technical point and some times you take high or low- particularly this about PIN BAR-as technical point

If you agree with my observation then can you tell me this is with any reason or its a JUST approach , which doesn't make any difference to your system?

Example....today opening NF low was 6707.05...it has broken on 10th candle and new low was made -6704---Had anybody taken closing of first candle as IRL point then 11th candle might have given BOF of IRL or FTC..and there LONG signal generated..but as per your trade you didn't consider it...

What is your experienced opinion?

I have taken this signal and tried to initiate long..but when I press F1 for order form system changed and I taken long little late and till then it was clear by BO of BRN as well as IRL...

Reply



SMART Trader April 17, 2014 at 10:15 PM

Shree

I do not take closing price of the candle as decision point. Usually I ignore tails as they could be just freak trades or overshoots. But for direct Breakout trades tails are considered

Today morning theoretically there was a BOF. That is why I have drawn a line there. But I did not consider it as very significant

Tails are very tricky. We will never know exactly where the orders are. I revise these levels little bit if markets behave differently on revisit. Please read

<http://niftyinirvana.blogspot.in/2013/12/dynamic-levels.html>

ST

Reply



SMART Trader April 17, 2014 at 10:42 PM

Shree

Consider levels as zones. You may need to use some discretion. For example today price made many attempts to cross BRN 6800. First 3 attempts did not touch BRN at all.

Where to draw the line? which level to be considered? 6797?

Look at the range high at 6760. Which one is the real level? Price stalled at three different levels.

ST

Reply



amber April 17, 2014 at 10:45 PM

Sir good evening , kindly update the blue line drawn below RN 6750 & MSP taken is 11.06 3M ? thnx

Reply



SMART Trader April 17, 2014 at 10:59 PM

Amber

As 11.39 candle exceeded the previous pivot high by a point, you can consider RN 6750 as MSP. It is very technical and theoretical. Anyway still it was a BOF of MSP and a trap pattern

ST

Reply



Uday Dave April 17, 2014 at 11:58 PM

Hi ST,

I read your reply to Vishal. Regarding "identify Market bias ie trend", how??

Please explain how you identify the bias when market opens and then on ongoing basis.

Is there any other way to look at it other than PDC/PDL/PDH?

Thanks.

Reply



**amber** April 18, 2014 at 1:04 AM

Sir thnx

Reply



**SMART Trader** April 18, 2014 at 9:50 AM

URD

1.Aware of the big picture.You will bet your house on it.  
<http://screencast.com/t/gfFVqTh4>

2.Where market opens?

Above or below PDC?

Gap up or down?

Trend gap or Counter trend gap?

Inside or outside previous day range?

Broken out of a consolidation?

Jumped over a DP like BRN?

Trading above or below opening price?

Is it within previous day closing range?

Current range above or below previous range?

Last DP crack upside or downside?

There will be some conflicting signals. Don't expect everything in black and white. There will be shades of Gray always

ST

Reply



**xrtrader1** April 18, 2014 at 10:37 AM

Amazing ST, Very day it is pleasure visiting here.

Reply



**Uday Dave** April 18, 2014 at 10:41 AM

Thanks ST.

I was trying to find a easy way around. In reality is there any??

Reply

**Anonymous** April 18, 2014 at 11:30 AM

Hi Sir,

Nothing to read on weekends ?

I eagerly wait on Saturday for some new addition in Rant n Raves.

Thanks

Arvind

Reply



**Uday Dave** April 18, 2014 at 11:48 AM

ST,

To put in simple terms and just to start with, cannot we just compare current range with previous day closing range or previous range to conclude whether it is going up or down? like,

<http://www.mql5.com/en/charts/1755641/nse-nifty-m1-gci-financial-ltd>

Reply



**SMART Trader** April 18, 2014 at 12:19 PM

URD

Yes. pay attention to that.I was referring to this by

"Is it within previous day closing range?"

This is only at the open. after that

"Current range above or below previous range?"

Last DP crack upside or downside?"

ST

Reply



**SMART Trader** April 18, 2014 at 12:22 PM

Arvid

Will try. This is a very narrow subject and I wonder how long one can write about this

ST

Reply

**Unknown** April 18, 2014 at 4:05 PM



Hi ST  
when can v expect ur new book "How i daytrade nifty futures".  
eagerly waiting for it.

Reply



Local April 19, 2014 at 2:17 AM

Not an issue, ST, I'll post a reply to Anon on Ilango's site ... which is probably where we should have discussed it in the first place.:)

Do you know what happened to SS's Indian Market Monitor? Used to have a very good price-action analysis.

Good to hear you're writing a new book.

Reply



SMART Trader April 19, 2014 at 10:10 AM

Sudarshan

I am not working on any other book. It is the same book which is available for download. Name changed later.  
There is a story behind the book. There was a challenge from James Clear (<http://jamesclear.com>) to write and publish an E-book on any subject within 30 days. I took up the challenge and did it. As far as I know I am the only person who did it.

ST

Reply



SMART Trader April 19, 2014 at 10:13 AM

Yoda

Thanks.  
SS is on his routine hibernation, it seems. He will be back with a bang.

ST

Reply

▼ Replies



Unknown April 22, 2014 at 4:12 PM

ST Sir,

Link provided for SS' blog in your page is no longer working, same with the link on Tradingblisspoint's site. Not sure whether Indian Market Monitor has been discontinued or moved to a new ID.

Regards,  
KSG

Reply



Trekkie September 23, 2014 at 12:49 AM

Hi ST,  
I am trying to understand the first long trade on break of IR. The IR is within previous day's closing range, daily is in micro down trend, I think I am getting lost somewhere....Could you please help?

Reply

▼ Replies



SMART Trader September 23, 2014 at 8:48 AM

Look at the price action as a continuation of the previous day price action.  
Price was pushed down below BRN 6700. Market opened above BRN. Price got rejected  
In a way it is a BOF of BRN. Further the 10 th bar proved price is not interested to fall.  
Risk was also very low. It was a fluid on top.

ST

Reply

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