



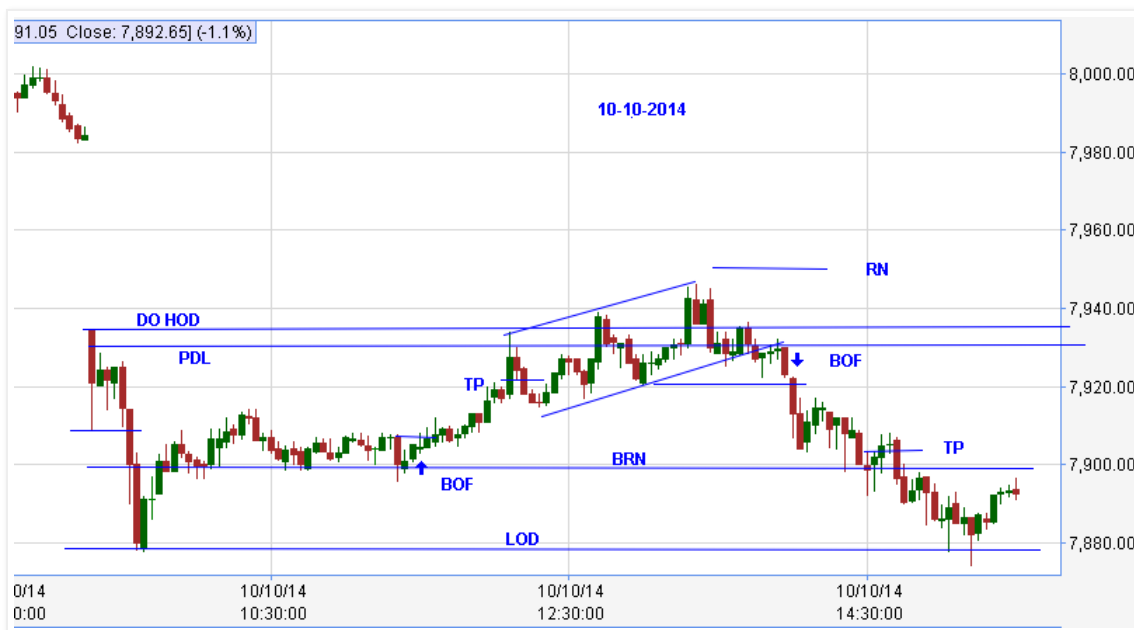
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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Friday, October 10, 2014

10102014



Nifty opened near PDL and sold. First candle was a MC. Avoided shorting below it as BRN was near. Price broke below BRN and bounced back, traded just above it for a long time. Long on a minor BOF.

TP when price got rejected from PDL. Then I suspected a channel. Later short on break of MSP as BOF of PDL/DO. Price went to LOD. Could not capture the full move. Exited on the bounce from BRN

Posted by [SMART Trader](#) at 3:36 PM



21 comments:



[Trader Pai](#) October 10, 2014 at 3:39 PM

ST,
Nice to see my chart almost matches yours.
My trade
<http://tradingdecisionpoints.blogspot.com/2014/10/101014-139-pm-no-trades-till-now.html>

Please comment

thanks n rgds
Kishore

Reply

▼ Replies



[SMART Trader](#) October 10, 2014 at 3:49 PM

Nice trade. You could ride it all the way down

ST



[mrajguru](#) October 10, 2014 at 4:04 PM

@ Kishore

Why you did not book @BRN? What was your thought process



kishore October 10, 2014 at 6:47 PM

@rrajguru
I kept SL above the red bar before the pin bar and above the round number 7910

thanks n rgds
Kishore

Reply



rrajguru October 10, 2014 at 4:03 PM

Why you did not trade here?

Please see the link.

<http://i62.tinypic.com/j5tf9g.jpg>

[IMG]<http://i62.tinypic.com/j5tf9g.jpg>[/IMG]

Reply

▼ Replies



SMART Trader October 10, 2014 at 4:39 PM

I was not looking to go long at that time
There were too many levels above it IRL, PDL, NS BRN, DO RN etc. The trade was a CT trade
Actually was looking for a breakdown. Later when price failed to go down tried a trade
Read 09102014 last comment

ST

Reply



Bharat October 10, 2014 at 4:18 PM

ST,

Was there a entry below 10.42? as price broke below IRL pulled back and failed to move above it.

Secondly I took the short below 1.33 and scratched as the entry bar turned to reversal candle.. was there anything wrong with entry ..
how and when u scratch the trade if its not moving in our direction after entry.

Thanks and Regards

Bharat

Reply

▼ Replies



SMART Trader October 10, 2014 at 7:38 PM

Yes there was a break of 10.42 bar to the downside.
You saw it as "price broke below IRL pulled back and failed to move above it."
In my view it was a BOF of BRN and price settled comfortably above BRN"
Bias was slightly bullish for the time as lat DP crack was upside. Better to avoid shorts at that time.
There were also space constraints above it which was against a long trade
Nothing wrong with the entry. Don't micro manage trades. Here a stop above the earlier swing high was within a reasonable risk limit

ST

Reply



videv October 10, 2014 at 6:26 PM

About your BOF short of PDL trade, I was long thinking BPB of PDL and booked a quick loss and only later able to see it was a channel.
That's one more thing I have added to my checklist from now.

As a general question, how do we decide that a channel is over? E.g. in today's case does break of MSP confirm that channelled move is over? There were so many levels in that area like IRL, flip zone, NS RN that I couldn't decide where to initiate short if at all.

The final move down from 7920 to 7880 also seemed like a channel to me, maybe I am seeing them everywhere now :-)

Reply

▼ Replies



SMART Trader October 10, 2014 at 7:47 PM

Usually MSP crack will signal a channel break
In an upward channel price will fail to make a higher high.
Down move was not a channel. It was respecting flips
Channel is a soft trend and you can very well ride it if you enter early by trailing

ST

Reply



Trekkie October 10, 2014 at 7:15 PM

Hi ST,
After TP in second trade why did you not reenter BPB at BRN, range low was 20 points or so away. Usually I attempt these and get caught in useless trades. Help me fix my thought process please. Thanks

Reply



SMART Trader October 10, 2014 at 8:01 PM

Where you will enter?
Where it will go?
How much you will make if it bounces from FTA?

ST

Reply

▼ Replies



Trekkie October 10, 2014 at 8:17 PM

ST, entry below 14.30 @x91.3 FTA was LOD xx78 at that time, could move till xx50 if positional longs covered because of weekend? please correct me.



SMART Trader October 10, 2014 at 8:59 PM

Space was just around 10 points. I did not expect price to break LOD and NS RN and run
All the positional weak longs exited on break of IRL there were very few those who entered yesterday
All the short term longs might have exited on the way down Can we expect more than 100 point fall?

Did you take the TRAP long at BRN in the morning?

ST



Trekkie October 10, 2014 at 9:19 PM

Hi ST,
Thank you. I was toooo biased today (because last night international markets were quite red and today was Friday), so did not take the long. I thought I had gotten over all biases until today, it came back and hit me like a ghost from the past :(So now i have one more hurdle to overcome, bias.

Reply



Trader Pai October 10, 2014 at 9:04 PM

ST,
I dont know how to explain .
But I have started having those moments where i could understand the price action ...
I hope you can understand what i am trying to say or may be i am dumb leave it , lol

rgds
Kishore

Reply

▼ Replies



SMART Trader October 10, 2014 at 11:34 PM

The least visited and the least commented post of the blog will give the answer
<http://nifty nirvana.blogspot.in/2012/02/chicken-sexing.html>

ST

Reply



Unknown October 13, 2014 at 11:52 AM

what are the situations at which the price may change its direction? i think break of MSP, FTC, at MTP's, at major filps.
suggest me if im wrong and add if there are any other.

Reply

▼ Replies



SMART Trader October 13, 2014 at 12:29 PM

Price may change direction at any place.
We trade direction change of price at decision points
TST, BOF, BPB, FTC etc at DP are all methods to trade directional change

Even BPB is a direction change trade after a pull back

ST

Reply



Unknown October 13, 2014 at 2:51 PM

what i mean is change in overall bias of majority of market participants .(from looking for going long and to change and look for short and viceversa

Reply



SMART Trader  October 13, 2014 at 3:18 PM

<http://nifty nirvana.blogspot.in/2012/05/buy-low-sell-high.html>

<http://nifty nirvana.blogspot.in/2014/08/taming-trend.html>

In trading time frame If price is in a lower range sell highs. Buy lows if price trades in a higher range

For higher trend prefer long if Daily in rally and short if it is in decline mode

ST

Reply

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