



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

Friday, May 18, 2012

Scouting Party

During war, fortifications are built behind natural barriers such as hills. In open terrains battle tanks and other armored vehicles can move quickly and attack the deep defense. Impassable terrain could be used to the defenders' advantage.

For the attacking forces, there is no way to assess the strength of the other side as they are hiding behind the fortifications built around these barriers. One of the ways to do this is by sending a scouting party. A few troops are send to get information about the area and about the enemy's movements and position.

If the scouting party find the defense is weak they signal other troops to launch an assault. If the defense is strong and cannot be broken they retreat and wait till the arrival of further reinforcement.

Trading is war. Fortifications are built behind trader decision points. You do not know what exists there. The only way to know this is to wait till a scouting party to cross the line and assess the situation. Listen to their signals and act accordingly.

BOF and BPB are much more reliable signals than TST and FTC

Posted by [SMART Trader](#) at 9:42 PM



2 comments:

Anonymous [January 21, 2014 at 2:01 PM](#)

just voow

rgds
kishore

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Unknown [June 29, 2014 at 9:53 PM](#)

Great post ST, in other post too you have compared spot price as soldier who crosses border and BPB or BOF happens.

Thanks

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