

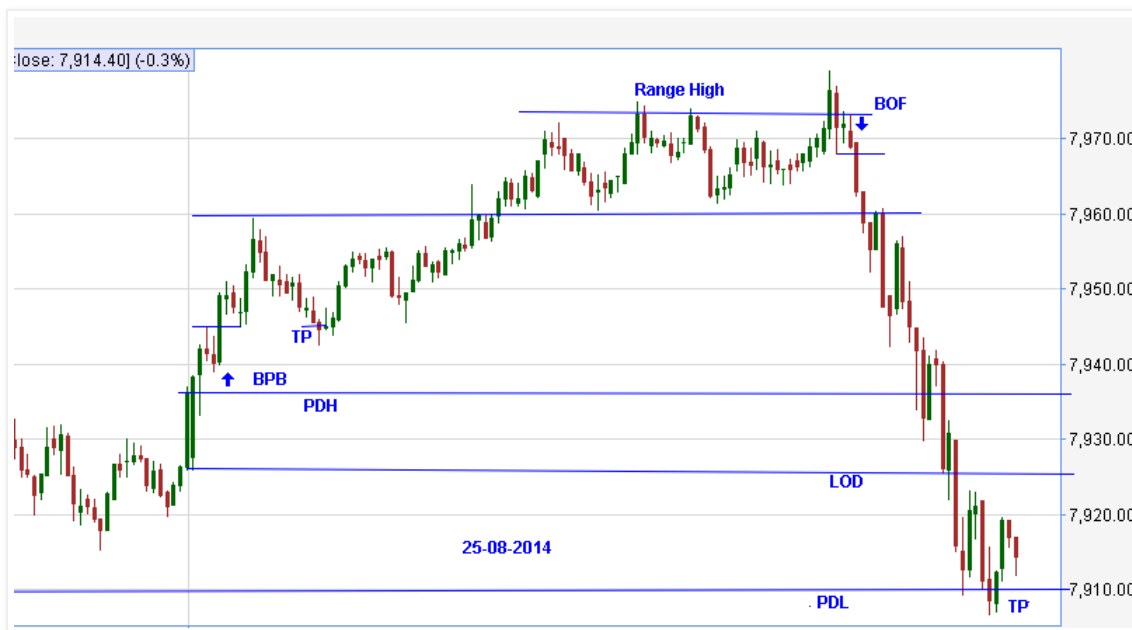


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Monday, August 25, 2014

25082014



Nifty opened below PDH and moved up. Long on BPB of PDH. The deep pullback hit my stop. Could not get any reliable signal to enter long again . Went short on the BOF of range high/HOD. This moved well Trailed till PDL and exited. Market has not forgotten how to fall.

Posted by [SMART Trader](#) at 4:04 PM



26 comments:



[Unknown](#) August 25, 2014 at 4:06 PM

Hi ST
Indeed markets has not forgotten how to fall. &k proved touch me not.

Thanks
TBP
Reply



[RAVI](#) August 25, 2014 at 4:17 PM

Hi ST!
Have a query here.. please clear my doubt [IMG]<http://i60.tinypic.com/9k9w86.png>[/IMG]
Reply

▼ Replies



[SMART Trader](#) August 25, 2014 at 4:33 PM

Every new swing high in an uptrend will not qualify as HOD. To attempt a counter trend trade BOF should be at a DP. Only a well established range extreme qualify as a DP. Look at what happened at the first trade. We cannot consider 7950 as HOD and initiate a short where I marked TP. It is not a BOF of HOD but a deep pull back

ST



Unknown August 25, 2014 at 7:05 PM

Sir, not understood clearly.. Please clear my point once again. Where u taken BOF, why that is not considered as swing high? Whats difference between both??

Thanks!



SMART Trader August 25, 2014 at 8:01 PM

Yes it was a swing high. I did not tell it was not a swing high
It was just a swing high. Later after two more tests it became a Range high
Skipped the BOF of the swing high and entered on BOF of Range high
A swing high qualifies as a range high after multiple tests
We trade DPs . A swing High is not a DP where as a range High qualify as a DP

ST



Unknown August 25, 2014 at 8:04 PM

Thanks sir!

Reply



Unknown August 25, 2014 at 4:29 PM

Hi St Sir U Rock Today
<http://i.imgur.com/fMoAapU.jpg>

Reply

▼ Replies



SMART Trader August 25, 2014 at 4:56 PM

That time it was not an established range high. It was just a swing high.
BO failure of a swing high is not a short signal. We are trading decision Points not swing highs and lows
Only an established range extreme qualifies as a DP especially for counter trend trades. In with the trend trade you can attempt a BOF of swing point. It is a TRAP pattern

Reply



A August 25, 2014 at 4:52 PM

Hi ST Sir,

Bias bullish and space was very less regarding last trade which i hesitated and missed the move. kindly clarify what are the other things to note when taking counter trend trade like this. Thanks in advance.

Regards
Arun

Reply

▼ Replies



SMART Trader August 25, 2014 at 5:10 PM

There is no guarantee that the trade will move. Target is always the range low.
Upward momentum was lacking and the BOF rejection was strong at the multi test range high.
Such strong BOF trades will move at least some points in our favour before reversing and will give us a chance to exit without much damage if it is not working.

ST

Reply



goodidea.vishal August 25, 2014 at 5:41 PM

Hi ST sir ,
Last trend is CT tradei think there is range and its range high failurethen target for that trade is range low ??? ...
If yes ,then range low is only 10 point below ...and its our FTA .
how can manage it . please throw some light on it
please share your thought process on last trade .

thank you

Reply

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SMART Trader August 25, 2014 at 8:32 PM

If market is not moving as you expected exit the trade without damage.
Do not hang on. If you have taken the earlier trade ,market gave 9 minutes to get out without loss. One hour to avoid a full stop out. You will be able to manage the final BOF the same way
<http://screencast.com/t/pvGnXtVWW>

ST



SuMa August 25, 2014 at 10:05 PM

Thanks a lot ST Sir. You take a lot of pain to answer our queries. Thanks a lot.



goodidea.vishal August 25, 2014 at 10:19 PM

Thank you sir , your chart teach me each and every doubt clear ,its really helpful for me
thak you sir



SuMa August 25, 2014 at 10:22 PM

This comment has been removed by the author.

Reply



xrtrader1 August 25, 2014 at 5:46 PM

Thanks ST.

Reply



Unknown August 25, 2014 at 6:08 PM

St sir ji 19th August 2014 chart same Situation in Range high
not clear this long

Reply

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SMART Trader  August 25, 2014 at 8:36 PM

On 19th a BPB triggered and the signal failed
It was a pattern failure. Patterns will not work 100% of the time

ST

Reply



amber August 25, 2014 at 6:31 PM

Sir good evening ,sir sent a mail when time permits kindly check thnx

Reply

▼ Replies



SMART Trader  August 25, 2014 at 8:36 PM

Right

ST

Reply



Arvind August 25, 2014 at 7:08 PM

Hi Sir.
In your second trade when the price reached at PDH ,there was strong pull back in the form of pin bar;which gave the sense of BOF of PDH. I took profit there. The pin bar scared me.
Can you please tell me , what was your thought process in that zone.

Thanks in advance.
Arvind

Reply

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SMART Trader  August 25, 2014 at 8:39 PM

Market was falling after a long long time.
So I decided to trail and extract the maximum

ST

Reply



videv August 25, 2014 at 9:36 PM

I was focused on taking profits on long exactly around BOF short level ... and happy to make some points and develop skill... so even though I saw the break below 7970 NF as trapping of longs, didn't take the short being CT and didn't expect the short trade to move so much either in an uptrend day till that time.

Your explanation of swing high vs range high is very clear. Traders got trapped on such a day when the last push above 7970-75 levels came and suddenly reversed trapping the late long traders. That zone between 7960-70 was being watched for about 2 hours by many (including me) and I raised TSL from 7999.x to 7967.x once it broke above 7970-75. At least I could protect some profits.

Reply

▼ Replies



SMART Trader August 25, 2014 at 10:44 PM

Totally avoiding CT trades is not advisable.
We may miss many fast and furious moves. But must be careful with them
Holding and hoping will not work here

ST

Reply



Tarak August 26, 2014 at 9:31 AM

Dear Sir ST,

Do you have real time postings / service as well?

thanks, Tarak

Reply

▼ Replies



SMART Trader August 26, 2014 at 9:57 AM

No. Just sharing my method

ST

Reply

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