

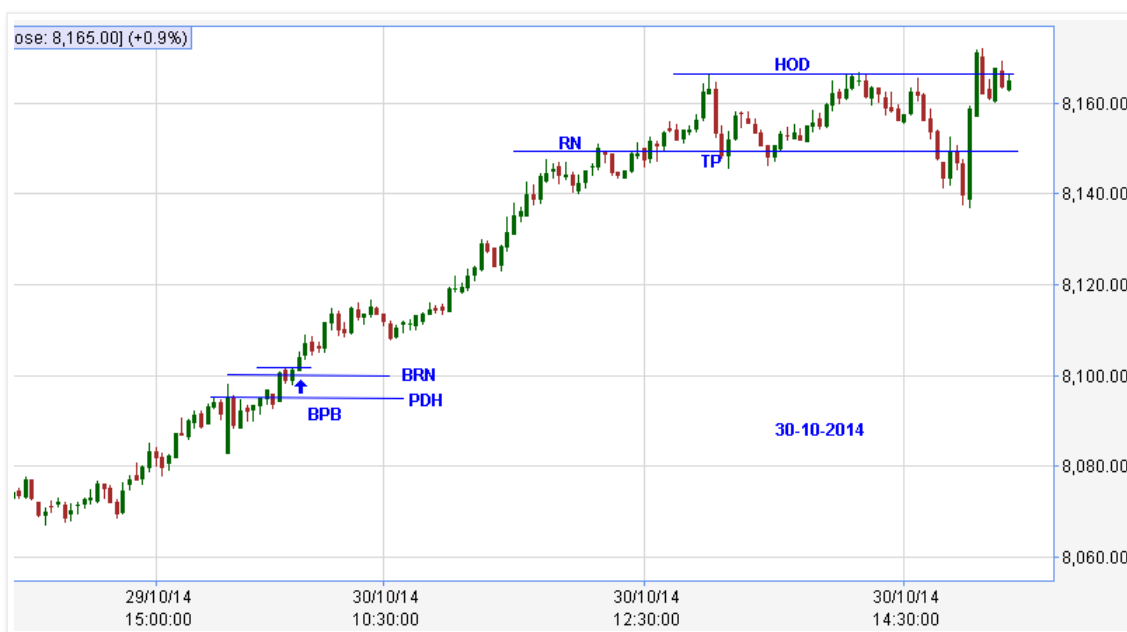


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Thursday, October 30, 2014

30102014



Did not trade yesterday. Today Nifty opened within previous day range. Broke PDH and BRN. Long on BPB of BRN. Trailed and stopped out at RN 8150. Did not take any trade in the afternoon as today is contract expiry. From tomorrow Nifty Futures lot size changes to 25

Posted by SMART Trader at 3:21 PM



35 comments:



Trader Pai October 30, 2014 at 3:35 PM

Thanks ST,
Did not trade today
I closed the second month with 4% loss .
First month it was 5 % loss .
Is it normal or am I doing something terribly wrong

thanks n rgds
Kishore

Reply

▼ Replies



SMART Trader October 30, 2014 at 4:00 PM

It is normal. With 4% a month, you can survive for 2 years in the market and learn
Most of the novice derivative traders will not last for 3 months.
If price moves start making sense to you, Nothing to worry. It is just a matter of time.

ST



Trader Pai October 30, 2014 at 4:03 PM

Yes ST,

I can feel the improvement . and price action has started making sense .

thanks
Kishore



Trader Pai October 30, 2014 at 4:04 PM

And thank god lot size reduction is a blessing for people like me ...

thanks
Kishore

Reply



Trader Pai October 30, 2014 at 3:36 PM

Hi ST,
Please comment on my yesterdays trades
<http://tradingdecisionpoints.blogspot.com/2014/10/29-10-2014-trade-1-bof-long-scracthed.html>

rgds
Kishore

Reply

▼ Replies



SMART Trader October 30, 2014 at 4:06 PM

Nothing much can be done yesterday. There was no price move

ST

Reply



Unknown October 30, 2014 at 3:43 PM

Hi ST
What is going to be your strategy from tomorrow as the lot size is getting reduced??

Thanks
TBP

Reply

▼ Replies



SMART Trader October 30, 2014 at 4:03 PM

Currently I am trading 50 and occasionally 100 for good signals
Still all in all out. Need to work on partial exits

ST

Reply



NPA Trader October 30, 2014 at 4:02 PM

Please confirm whether the lot size change in NF for all 3 months or Jan month only?

Reply

▼ Replies



SMART Trader October 30, 2014 at 4:14 PM

It is for all months.
If you are holding Nov contract 1 lot (50 Nos), it becomes 2 lots automatically
Tomorrow you can sell half of it if you want

ST

Reply



xrtrader1 October 30, 2014 at 4:09 PM

Thanks ST..

Reply



Unknown October 30, 2014 at 4:21 PM

Hi ST,

I am facing serious issue with SL. Today i've trailed my SL to 10:12 candle (8108) assuming that pull back as a minor swing point and the SL was triggered at 10:33 candle. Can you please advise how did you do your SL trail on today's trade.

Thank you,
Kiran.

Reply

▼ Replies



SMART Trader October 30, 2014 at 4:40 PM

Start trailing after price moves say 20 points in your favor unless it is not hitting a DP or trouble area. Consider the quality of entry also. Today price went above PDH, a major change. Broke BRN an important Option strike. This level is likely to get protected being an expiry day. Your risk was low and behind BRN and PDH, two important levels. There was a lot of space above. What is the point in protecting your 5 point profit? You rarely get these kind of trades. Give it a little room to play out.

ST



Trader Pai October 30, 2014 at 4:45 PM

ST,
Whats was your SL at 10 30?

rgds
Kishore



SMART Trader October 30, 2014 at 4:57 PM

My physical stop was below PDH.
You can have a disaster physical SL at a distance and have a mental SL.
This way you can escape some unwanted stop outs.

ST

ST



Trader Pai October 30, 2014 at 5:02 PM

Hi ST,
I couldnt understand it .
What is physical SL and mental SL.
Kindly elaborate

thanks
Kishore



SMART Trader October 30, 2014 at 8:23 PM

Physical means I feed a SL order in the system.
I will always have one for emergency situations to avoid disaster.
Mental means I will identify a level beyond which I decide to exit.
This is done by clicking square off button.

ST



Trader Pai October 30, 2014 at 8:43 PM

thanks ST understood



Trekke October 31, 2014 at 7:58 AM

Hi ST,
Thanks for the nice explanation. In this case, where was your mental SL, was it below BRN?



SMART Trader October 31, 2014 at 8:53 AM

In this particular case I will think of exiting below BRN if price reversed.

ST

Reply



PA Trader October 30, 2014 at 5:23 PM

Can you explain the thought process behind the BPB trade that you took. There was a big green candle which went above the BRN, then a small red candle which fell below the BRN and then a small green candle which only went marginally above BRN. Infact on my charts the green candle closed at 8101.3. You went long above this candle. How were you sure that the price has been accepted above the BRN?

Reply

▼ Replies



SMART Trader  October 30, 2014 at 8:16 PM

Price was in a range yesterday and broke it after 3 PM . Just 10 point move up then Today gaped down a little and retested the yesterday range high. Initial move was up, DO and LOD same Broke IR, MC, Broke PDC, PDH, IRH and BRN. Climbed above PDH and entered a new area. major transition. Settlement day. price showing bullishness. Broke above Option strike level. Level may get defended strongly Daily in Rally, Price in a higher range than yesterday. Likely to move into a higher range, Lot of space above, Critical mass is not long to look for profit booking, Risk is 7-8 points with SL below PDH. Not enough to take a chance?

ST

Reply



Trader Pai October 30, 2014 at 6:17 PM

"Start trailing after price moves say 20 points in your favor unless it is not hitting a DP or trouble area"

did you meant "hitting" instead of "not hitting".

If I am wrong could you please rephrase the sentence .. :) ..

thanks a lot

rgds
Kishore

Reply

▼ Replies



SMART Trader  October 30, 2014 at 8:25 PM

If price bounces of a DP, I will always exit on the break of a swing point
I will never wait for a complex pull back or a TRAP

ST



Trader Pai October 30, 2014 at 8:40 PM

So if its not near a DP you wont exit below a swing low if we are not in 20 point profit ?

rgds
Kishore



SMART Trader  October 30, 2014 at 10:56 PM

It depends on other factors also
Cant make rules like that. Basically we are trading DP to DP

ST

Reply



Nagendra October 30, 2014 at 7:28 PM

Dear ST,
Day by day I am getting some feel of the market from concepts learned from here.
I have some questions asking just for curiosity.
You are getting most of the time 20 or 30 points profit and your lot size is 50.
Is it enough for trade for living?. I have confusion how much profit are u getting.
Regards,
Nagendra

Reply

▼ Replies



SMART Trader  October 30, 2014 at 10:53 PM

No . My trading income is not sufficient to meet my expenses as of now.
I have other sources of income to fall back. Do not try to trade for a living unless you have sufficient capital that you are willing to lose and enough reserves to run your home for at least two years

ST



Nagendra October 31, 2014 at 7:15 AM

Thank you.

Reply

Unknown October 30, 2014 at 8:23 PM



Dear Capitalstars,

I visit Nifty Nirvana to gain some knowledge, certainly not seeking any tips. Since you have visited here, my sincere advice to you is to spend some quality time going through this blog. Read all the posts of ST Sir, visit all sections including the comments, download all available resources to read offline.

Believe me, in a few weeks' time you will be good enough to earn a decent living by trading Nifty futures via DP method. You can confidently give up your tipster life and you no longer have to lure gullible traders to your tips trap to make a living.

This is the right time to start as the Nifty lot size has been reduced. You can learn to trade the method with less risk.

All the best,
KSG

Reply

▼ Replies



SMART Trader October 30, 2014 at 11:01 PM

KSG
I am getting at least 2-3 comments from tipsters everyday
I am moderating and deleting all those

ST

Reply



Trekkie October 31, 2014 at 7:40 AM

Good Morning ST,
With zerodha, if I buy and sell 2 lots of Nifty (25x2) the brokerage, etc. should not change because it is all in and all out, am I correct?

Reply

▼ Replies



SMART Trader October 31, 2014 at 8:49 AM

Brokerage will remain the same

ST



Trekkie October 31, 2014 at 8:52 AM

Thanks ST. Just changed the order preferences in Zerodha trader to default 2 lots, that way I won't be caught selling 2 and covering one :)

Reply



Unknown October 31, 2014 at 8:54 AM

Hi ST
Found this on Zerodha

<http://zerodha.com/z-connect/zerodha/bulletin-latest-at-zerodha/lot-sizes-reduced-for-various-nse-fn-contracts>

Thanks
TBP

Reply

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