

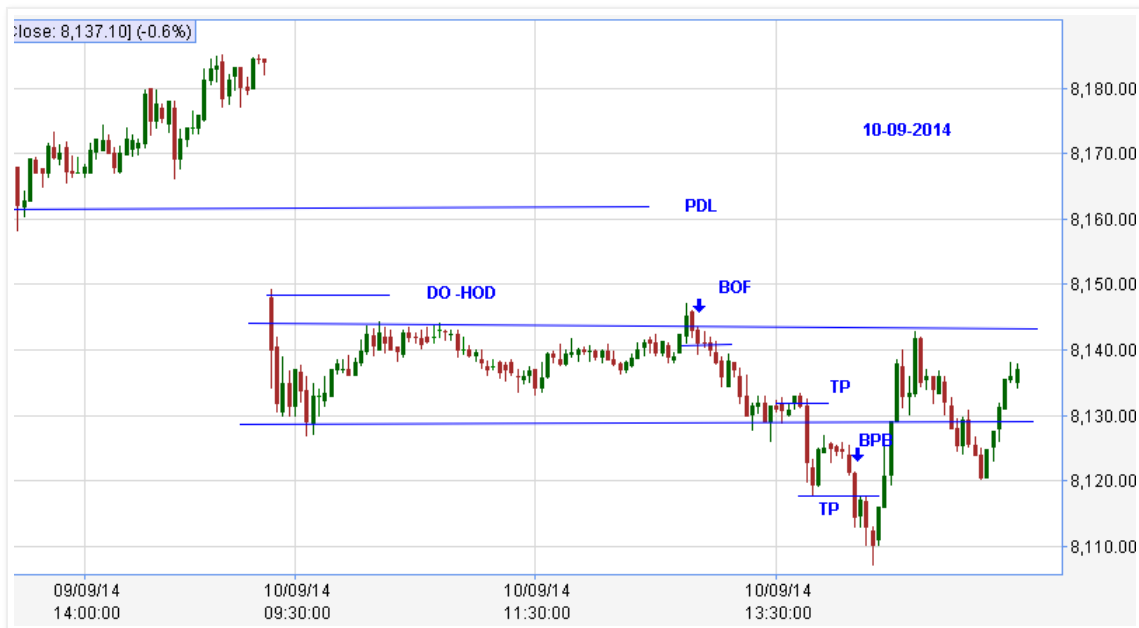


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*There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits*

Wednesday, September 10, 2014

10092014



Nifty gaped down below PDH. IR formed. Skipped the BO of IRL as Nifty has already down 50 points from PDC. Short on BOF of range high. Covered when price bounced at range low after a BOF. Another short on BPB of range low. Target was BRN. But had to scratch this trade as price bounced. No other trades.

Posted by SMART Trader at 3:40 PM



8 comments:



Unknown September 10, 2014 at 3:45 PM

Hi ST

Was there any way to hold on to the short which you took instead of covering it when price bounced?

Thanks  
TBP

Reply

▼ Replies



SMART Trader September 10, 2014 at 3:59 PM

I held it for 15 minutes. Covered as it was holding above the range low  
It fell as soon as I covered. I would have held it longer if it was just a TST

ST

Reply



Price Action Lab September 10, 2014 at 5:56 PM

Hi ST,

Short below IRL @ 9.35 is valid trade?

Regards

Naveen

Reply

▼ Replies



**SMART Trader** September 10, 2014 at 8:30 PM

It is a valid signal and valid entry pattern. Not a quality trade  
All patterns are not tradeable. We need to consider other factors like TRADE SCORE  
After a 30 point gap down and 20 point down move we cannot expect further move without some consolidation. That too into  
NS BRN 8100. So avoided it. Mechanically trading the three patterns at DPs may not work well

ST

Reply



**gsn** September 10, 2014 at 9:22 PM

I was tempted to take trade at BOF but thought of strong pullback from RL prevented me taking trade. Also RL was only 15 points away.

Reply

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**SMART Trader** September 10, 2014 at 9:53 PM

You have to consider the risk also.  
If you are going short around 8140, you can keep your SL very safely above the BO extreme, DO/HOD and RN 8150  
That is three layers of defense. That too a trend trade. Take a chance. You won't win unless you bet

ST

Reply



**Bhavir** September 10, 2014 at 11:28 PM

Hi ST .. thanks for sharing this and putting together decision points ebook. I have recently started studying this technique and paper trading.

- 1) I had the same trade as your first today with closing position at same level i.e. 8133 .. reason was second push below NS BRN failed and NF took out swing high
- 2) Guess I am too new to take the BPB trade you've marked
- 3) 2nd trade could have been buy @ 8130 after strong bounce back (initial stop @ 8120, previous bar high) - revised stop swing low 8132 - break even trade (only suspect in this trade was NS was still below / around BRN)
- 4) Based on my observations so far - I think a multiple position technique with half position to be taken out after fixed 10 point profit in NF would perform excellent over a long haul using decision points.

Please add or correct my understanding.

Thanks,  
Bhavir,

Reply

▼ Replies



**SMART Trader** September 11, 2014 at 10:01 AM

Once we achieve execution consistency we can try different tactics with multiple lots  
We can trade the method with option contracts also. Till then better to focus on basics

ST

Reply

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