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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, August 14, 2014

14082014



Nifty opened above RN 7750. Missed the up move. Rest of the day it was chop within BRN and PDH. Tried two short trades both counter trend trades. Stopped out of these trades.

Posted by SMART Trader at 4:03 PM



43 comments:



xrtrader1 August 14, 2014 at 4:26 PM

Hi ST,
What was the thought process for taking second trade ?
Reply

▼ Replies



SMART Trader August 14, 2014 at 4:48 PM

BOF of Range High /BRN
I expected some long unwinding due to holiday and weekend
ST



VKM August 14, 2014 at 6:40 PM

ST sir
I took long trade there, when you exit from first short but exit with a small profit when Nifty bounced back from HOD.
Second trade (short) as yours, exit at breakeven.
<http://dpinratrading.blogspot.in/2014/08/14082014.html>

VKM

SMART Trader August 15, 2014 at 10:47 AM



Nice trades.
Very tough day to day trade

ST

Reply



xrtrader1 August 14, 2014 at 4:50 PM

Thanks ST.

Reply



Trekkie August 14, 2014 at 4:59 PM

Hi ST,

If you took the up move, where would you have exited.

Reply

▼ Replies



SMART Trader  August 14, 2014 at 10:20 PM

I will exit around 7780 as price was not showing momentum

ST

Reply

veer August 14, 2014 at 5:21 PM

Dear ST,

The place where you marked BO- immediately after that can it be treated as BOF of PDH and long be initiated ? The other signals are point to take long such as little gap up open and above BRN. Am I right in my thinking?

Regards,

Veer

Reply

▼ Replies



SMART Trader  August 14, 2014 at 10:21 PM

Yes . It was a long signal and the right trade

ST

Reply



Bharat August 14, 2014 at 5:46 PM

ST,

Why u avoided BPB long above days high and BRN 1.57? where was the long entry for u if it shot strongly up from there.? how did u avoided direct PP longs above days high and BRN after so long consolidation and the range broken down failure at bottom (11.54)

Regards

Bharat

Reply

▼ Replies



SMART Trader  August 14, 2014 at 10:29 PM

I was very much biased towards shorts. Price has already moved up more than 250 points from the bottom I expected an unwinding of positional longs due to weekend and holidays so was looking for shorts. But it did not work

ST

Reply



L.V.Gandhi August 14, 2014 at 5:58 PM

There was Double bottom across PDH on 11:57 and 12:12. Can you explain the reason why we should not go long above the high of 12:06 bar?

Reply

▼ Replies



SMART Trader August 14, 2014 at 10:32 PM

BOF of PDH was the right trade to go long.
In a higher range buy the lows. I was biased and messed up

ST



L.V.Gandhi August 15, 2014 at 1:15 PM

Thank you very much.

Reply



PA Trader August 14, 2014 at 6:24 PM

Once your first trade failed, you could have possibly thought of a BOF long trade above the 12:06 candle with 7800 as possible target.

Reply

▼ Replies



SMART Trader August 14, 2014 at 10:34 PM

Right. Long was the right trade
One should not have a bias and need to trade what we see on the chart

ST

Reply



videv August 14, 2014 at 7:51 PM

I took a BOF long at PDH just above the level where you TP of first short. I was hoping for break of BRN, but it was very choppy action around BRN too, so got out with few points at second BOF short level but didn't take the short. It was too fast also.

Wouldn't it qualify as BOF long at PDH? though I must say there was not much points movement from HOD of morning till PDH, but it just seemed like a BOF to me, even if a mild one.

Reply

▼ Replies



SMART Trader August 14, 2014 at 10:35 PM

Your trade was right
Buying lows when price trading in a higher range

ST

Reply



sleepytrader42 August 14, 2014 at 9:23 PM

Hi ST,
What was your thought process for taking the BO of PDH? And did you consider taking the subsequent BOF of PDH immediately after?
Thanks.

Reply

▼ Replies



SMART Trader August 14, 2014 at 10:38 PM

It was a wrong trade. Happened due to my strong bearish bias
I expected a sell off. Market had other plans. Even the BOF of BRN did not work

ST



Trekkie August 14, 2014 at 10:58 PM

Hi ST, Why was the trade wrong? I took that short also, to me it looked like a BO of PDH after FTC. I thought longs might be keeping SL below PDH. Please correct my error.



SMART Trader August 14, 2014 at 11:08 PM

Could have waited for a good break and orderly pull back
FTC combined with fluid below made me short. But market was extremely strong
I expected good selling after the BOF of BRN. This one also reversed

ST

Trekkie August 14, 2014 at 11:20 PM



If you were to take BOF long, ideally above which bar would you have taken it. Thanks again.



SMART Trader  August 15, 2014 at 10:33 AM

Ideal entry should be above the bar where I exited my short
ST



Trekkie August 15, 2014 at 11:09 AM

Thanks a lot. Where would you have kept initial SL and where would the final exit be?



SMART Trader  August 15, 2014 at 11:22 AM

SL will be below the BO bottom
Final exit will be where I entered short
There is no point in hindsight analysis. The way we behave in real market will be totally different
ST

Reply



amber August 14, 2014 at 10:28 PM

Sir good evening,sir the low of 12.09 pm can be take as double bottom compared to the low of 11.54 am and what should be ideal distance of double bottom ,kindly update thnx

Reply

▼ Replies



SMART Trader  August 14, 2014 at 10:42 PM

Usually I do not consider it as DB.It is somewhat like a second push down
DB happens when price revisits the point after moving away well and after a reasonable time
ST



amber August 14, 2014 at 10:56 PM

Sir thnx



Unknown August 14, 2014 at 11:51 PM

Hi ST
Nf in second half was in rising channel ..can the lower edge be treated as DP to enter long BOF trades..

Reply



Unknown August 14, 2014 at 11:57 PM

Hi ST
Nf in second half was in rising channel ...can the lower edge of channel be treated as DP and long bof trades can be traded??

Reply

▼ Replies



SMART Trader  August 15, 2014 at 10:29 AM

I do not trade channels
Channels will not mix well with DP method
ST

Reply



Unknown August 15, 2014 at 4:45 PM

my total brokerage with all taxes is 150 rs.,at current nifty price . wats ur brokerage with all taxes for 1 lot at current nifty price?

Reply

▼ Replies



SMART Trader  August 15, 2014 at 9:29 PM

It is around 120/- on a single lot of Nifty
ST

NPA Trader August 16, 2014 at 6:14 PM



Which brokerage is that? and the service?



SMART Trader August 16, 2014 at 6:35 PM

Both Zerodha and TSO
Orders are getting executed well and Down time is very very rare
Do not need or expect any other service

ST



Unknown August 17, 2014 at 12:30 AM

im thinking to change my broker becoz charge is 150/lot.
which one u prefer zerodha or TSO ?



SMART Trader August 17, 2014 at 9:39 AM

Back office of Zerodha is very good and they are very innovative

ST

[Reply](#)



Unknown August 15, 2014 at 5:20 PM

how to change our on going bias with the flow of price? i mean how to know the present bias and how to know the bias is changing and wen bias change confirms ?

[Reply](#)

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SMART Trader August 15, 2014 at 9:28 PM

When price trades in a higher range bias is bullish. At a lower range bearish
Alternatively if price breaks below a DP, bias is bearish. If it breaks above a DP Bullish

ST

[Reply](#)



sleepytrader42 August 15, 2014 at 10:20 PM

Hi ST,
On many occasions one particular DP will provide more than one setup/opportunity ... over a period of time (e.g. multiple BOFs). Do you have any rules/guidelines you follow when the first and/or second setup fails?

[Reply](#)

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SMART Trader August 16, 2014 at 9:14 AM

When a DP trade fails It could be because of a BW or a Channel
It is better to stay out till the picture is clear

ST

[Reply](#)



amber August 16, 2014 at 5:11 PM

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

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