



This image is no longer available. Visit tinypic.com for more information.

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

Thursday, December 20, 2012

Love Virgins

Trading, barring a few option strategies, requires price move. Unless we are able to anticipate the direction of the price move correctly and enter with a prudent stop loss, we will not be able to profit in the long run.

The first and foremost thing in profitable trading is to identify the price levels where we can initiate trades with a very favorable RR ratio. We need to identify "Actionable Levels". These levels should be "Recognizable", "Reactionable" and "Repeatable". In fact this is a very simple task. Market itself will show you the levels it respected. I wonder why traders are spending their energy and time to find some calculated levels or some belief based levels when "Market Created" levels are right in front of them.

Rest is just finding tactics to trade these levels and gain the experience to read price action at these levels. The first part is relatively easy but the second part requires a lot of screen time and deliberate practice. This is applicable to all the trading methods and is not dependent on your identified price level or your method of identification.

All these levels are Make or Break levels. There are no permanent supports or resistances in Markets. Always, Market will be creating new levels and discarding the old levels. Better to give importance to the fresh levels. Tested and broken levels lose its importance and may not attract order flow as expected

Leave alone the used and abused levels. Trade the virgin levels.

Posted by [SWART Trader](#) at 7:17 PM



No comments:

Post a Comment

Note: Only a member of this blog may post a comment.

Enter your comment...



Comment as: [Google Account](#)

Publish

Preview

[Newer Post](#) • • • • • [Home](#) • • • • • [Older Post](#)

Subscribe to: [Post Comments \(Atom\)](#)

Important Posts

- [Disclaimer](#)
- [Glossary](#)
- [Rants 'n Raves](#)
- [Structure and Patterns](#)

Download E-Books

- [Decision Points](#)
- [Structure and Patterns](#)
- [Rants N Raves](#)
- [TRADE-SCORE](#)
- [Video Promo](#)

[Statcounter](#)

Reciprocal Links

- [Lance Beggs @ YTC](#)
- [URD @ charttechnicals](#)
- [KPL @ vfindirect](#)

Blog Archive

- [2015](#) (100)
- [2014](#) (274)
- [2013](#) (299)
- ▼ [2012](#) (338)
 - ▼ [December](#) (23)
 - [31122012](#)
 - [28122012](#)
 - [Liquidity Pools](#)
 - [27122012](#)
 - [26122012](#)
 - [21122012](#)
 - [Love Virgins](#)
 - [20122012](#)
 - [19122012](#)
 - [18122012](#)
 - [17122012](#)
 - [14122012](#)
 - [Major Swing Pivots](#)
 - [13122012](#)
 - [12122012](#)
 - [11122012](#)
 - [10122012](#)
 - [07122012](#)
 - [Enduring Edge](#)
 - [06122012](#)
 - [05122012](#)
 - [04122012](#)
 - [03122012](#)
 - [November](#) (28)
 - [October](#) (28)
 - [September](#) (27)
 - [August](#) (30)
 - [July](#) (33)
 - [June](#) (33)
 - [May](#) (33)
 - [April](#) (27)
 - [March](#) (31)
 - [February](#) (42)
 - [January](#) (3)