

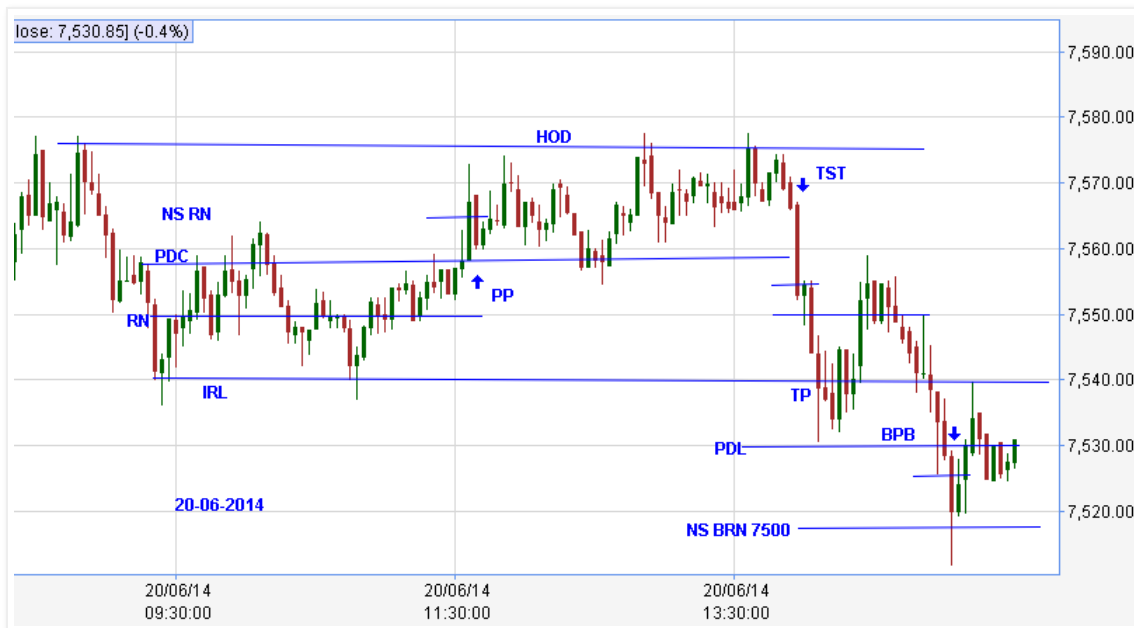


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Friday, June 20, 2014

20062014



Nifty opened within previous day range. IR formed. Did not go long on break of IRH as it was around NS RN. Price fell and tested IRL. Went long above the then HOD. Scratched it. went short below PDC on the way down. Price failed to cross IRL. TP at IRL. Tried another short on BPB of PDL. Thought it may break NS BRN. Stopped out above PDL

Posted by SMART Trader at 3:40 PM



25 comments:



Unknown June 20, 2014 at 3:52 PM

ST Sir,

Another range bound day, managed to close with no damage.

TRADE1:

Long at 7560, above IRH, DO, PDC.. with initial SL 7548
SL hit; exited trade with loss of 14 points

TRADE2:

Short at 7553, after BOF of HOD, PDC.. with initial SL 7560
Moved SL to 7551, breakeven
Trail SL hit; exited trade at cost

TRADE3:

Short at 7535, below IRL, LOD with initial SL 7547
Moved SL to 7533, breakeven.. PDL is protected
Trail SL hit' exited trade at cost

TRADE4:

Short at 7545, after BOF of RN, FTC above PDC.. with initial SL 7556
Moved SL to 7551, once morning low broken again
Moved SL to 7530, after red candle below PDL
Trail SL hit; exited trade with gain of 13 points

Points earned: -1

Reply

▼ Replies



SMART Trader June 20, 2014 at 5:04 PM

Rose Mary

Start a blog and document your trades. Then post the link
Then It is easier for all to track your trades.

ST

Reply



Unknown June 20, 2014 at 4:17 PM

Hi ST

If BOF PDC had to be taken ignoring RN for IRL as target, where would be the entry??

Thanks
TBP

Reply

▼ Replies



SMART Trader June 20, 2014 at 5:06 PM

If you are referring to the morning BOF of PDC, It is difficult to get a good entry
It was in a channel like move

ST

Reply



Unknown June 20, 2014 at 5:44 PM

very boring day indeed. Tried two long; one on the BO of IRL; trade did not move and scratched; second on retest of PDC @ 12.32 PM; scratched again. No damage done today. Did not try short entries as there are too many levels down IRL, PDL, etc., very strong Nifty spot support. Very range bound today.

Reply



kishore June 20, 2014 at 7:36 PM

Hi ST,
Not taken any trades today ..

thanks
Kishore

Reply



amber June 20, 2014 at 8:25 PM

Sir good evening,sir at TST you had shorted at that point what shud be observed while shorting ,kindly update thnx

Reply



Trade 4 living June 20, 2014 at 10:23 PM

Rajesh,

First understand the trend of the previous days and then decide.

My understanding of market structure is sell on strength and buy on weakness:

- Support means there are no sellers
- Resistance means there are no buyers
- Repeated failure to break or pullback at support means there is possibility of bullish phase
- Repeated failure to break or pullback at resistance means there is possibility of bearish phase

Based on these assumptions I am doing the following on paper trading in the morning session :

- Take long position around IRL after the price has gone from IRL to IRH and came back to IRL
- Take short position around IRH after the price has gone from IRH to IRL and came back to IRH

During the day

In case the price does not break the support on second attempt I go short

In case the price does not break the resistance on second attempt I go long

Please give me your feedback.

With kind regards,

Reply



SMART Trader June 20, 2014 at 10:51 PM

We are doing the same thing.
We identify ranges and buy low sell high
If price is trading in a range higher than the earlier one we prefer buying lows to stay with the trend

<http://niftyinirvana.blogspot.in/2012/05/buy-low-sell-high.html>

We prefer BOF of extremes to TST of extremes, that is all
Once price tests a barrier multiple times we trade the breakout of the level

<http://niftyinirvana.blogspot.in/2013/05/pressure-plays.html>

ST

Reply

▼ Replies



amber June 20, 2014 at 11:12 PM

Sir thnx

Reply



Trade 4 living June 21, 2014 at 12:02 AM

Rajesh,
Understand the market whether it has been trading / trending in the last few days.
The market in extremely simple terms:
- Support no sellers
- Resistance no buyers
- Trending either buyers or sellers in control
- Trading neither buyers or sellers are in control
- Buyer turns Sellers / Sellers turns Buyers depending on the market conditions
- When repeated attempts fail to break support zone, there is possibility of bull phase
- When repeated attempts fail to break resistance zone there is possibility of bear phase
Based on the above, I take following positions in opening session after view the risk: reward ratio:
- Go long around IRL when prices moves from IRL to IRH and back to IRL and moving towards IRH
- Go short around IRH when prices moves from IRH to IRL and back to IRH and moving towards IRL
Similarly during the day
- Go long around support zone when repeated attempt to break a support zone fails
- Go short around resistance zone when repeated attempts to break a resistance zone fails
Exit short when an attempt to break support zone fails
Exit long when an attempt to break resistance zone fails
Please give your feedback and let me what type of order you execute for entry and exit and where you would the stop loss.
With kind regards,

Reply

▼ Replies



SMART Trader June 21, 2014 at 10:03 AM

T4L
Our trend definition is little different
We define it as successive higher/lower ranges
All Support and resistance are not equally effective
So we stick to range extremes and levels called decision points
Most of the time SL limit orders are used for entry and for trailing
Sometimes market exits are also used
Kindly go through all the important posts listed below the blog
ST



Trade 4 living June 21, 2014 at 1:16 PM

Rajesh,

Thanks for your feedback and have gone through all your post at least twice.

Yesterday trades
- long 7545 at 10:51, exit 7570 at 11:57 (second failure to break HOD)
- long 7560 at 12:36, exit 7570 at 12:54 (third failure to break HOD)
- short 7570 at 13:51, exit 7540 at 14:15 (fourth failure to break HOD)
- short 7545 at 14:42, exit 7525 at 15:09

Take position only if there is possibility of movement of ten point for risk reward ratio of 1:1 or 1:2
and there is possibility of order flow after I execute the trade

All days are not like yesterdays !

Please give your feedback.
With kind regards



SMART Trader June 21, 2014 at 2:10 PM

You have traded extremely well
Well executed and well managed trades at the range extremes.
Capturing 85 points on a 30 point range day is just fantastic
I am sure you have the knack of trading ranges

ST



Trade 4 living June 21, 2014 at 2:45 PM

Rajesh,

Thanks for the feedback and everyday is not like yesterday, it just clicked. Overall I am still at a loss !
So I am on the right track !
To be honest with you I know understood the term trading ranges !

You do not know the price of your priceless advice you give.
You help and guide so many of us in their daily lives FREE OF COST !

My GURU always say the most expensive things in this universe is always FREE !

My wish is that you have excellent trading days !

My wish is that you attain Nirvana in real life for everything else is transitory !

With kind regards,



Trade 4 living June 23, 2014 at 12:12 AM

Rajesh,

Correction

My guru always say the most valuable things in this universe without which we cannot live are free !
Sunshine
Air
Water
With kind regards,

Reply



Bharat June 21, 2014 at 8:48 AM

ST,

I took BOF IRH yesterday's close below 10.09 Exited above 10.48
2.Short below 12.06 BOF of days high at that time.Exited above 12.39
3.Short on 12.54 BOF of days high at that time Exited above 1.06
4.Short below 10.57 exited above 2.15

Any of those trades can be avoided?

What should have been the thought process.

Regards

Bharat

Reply

▼ Replies



SMART Trader June 21, 2014 at 10:29 AM

Bharath

No problem in trades theoretically

I feel you are not paying attention to space

Trade less and take only quality setups with good order flow in our favor

Ensure reasonable space for the trade to move.Why spend the mental energy on something mediocre ?

ST

Reply



Monje Moderno June 21, 2014 at 10:59 AM

trade 4 leaving

i checked 4 ur blog ... its missing
can post ur chart with entry and exit.... if not kindly send it to dhadiga@gmail.com
thanks

Reply



Trekkie June 23, 2014 at 9:06 AM

Hi ST,
would there be an entry below 12:27?

Reply

▼ Replies

SMART Trader June 23, 2014 at 4:22 PM



I exited my long on 12.24 candle
There was only 6 points to RN . So skipped

ST

Reply



Trekkie June 23, 2014 at 1:48 PM

Hi ST, No DP in sight. Price is standing in the middle of nowhere and dancing, what do I do, what I do? stay away?

Reply

▼ Replies



SMART Trader June 23, 2014 at 4:23 PM

Hope you have taken the BOF of BRN

ST



Trekkie June 24, 2014 at 9:42 AM

Yes ST, I took that one, I was not sure if going directly below that significant bar was correct, so took it below 2:33 pm, may be it was too late? thanks.

Reply



Trekkie February 7, 2015 at 1:37 PM

Hi ST,
What is the difference in thought process between taking a short at black arrow and the TST short you took around 2 pm in the same area <http://imgizer.imageshack.com/img538/8645/2EAtlu.png>

Reply

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