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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*

Monday, April 30, 2012

30042012



When market spikes at open , generally two things can happen. 1. Trend will continue as a channel move 2. Price will reverse and the spike will act as a range. Today the price broke PDH and I was expecting a PB to the BO point. and was a little late to enter. In a Channel move do not expect a fast move and book profit if you can get a reasonable profit. BOF of PDH gave another long trade. Compare the chart with the price action of 27-04. Then price spiked into a resistance and the new zone was rejecting. Today spiked well above a resistance and price gets accepted at the new zone

Posted by [SMART Trader](#) at 9:25 PM



## 2 comments:



[Kranti](#) May 2, 2012 at 11:03 AM

I was watching that last three days the first 5 minute candle has always given spike and price never really broke out above that initial high. Your post has given me an understanding how price behaves when there is a initial spike..thanks

Reply



[SMART Trader](#) May 2, 2012 at 8:27 PM

Kranti

Thanks for the comment

Could you short the BOF of the spike high today ? It happened just 15 minutes before you made the comment.

ST

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