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

Wednesday, May 27, 2015

27052015

This is an illustrative example of the concepts being discussed.Markings are just visualizations on historical data in hindsight analysis
Nifty gaped below PDL. Outside trend gap. Did not give a clear FTC at LOD. Avoided long above IRH as PDL was very near. Went long on retest after the BOF of PDL. Covered on BOF of HOD. Missed the next up move as I was not confident to go long agaist that quick fall as Daily was in declie mode

Posted by SMART Trader at 7:51 PM   M B t F ⊕

9 comments:

tRaDeR_B May 27, 2015 at 9:55 PM
Hi ST

Have you read abt this? Will kill the liquidity...

http://www.livemint.com/Money/La17AEjZ9mcL1euuTnUySP/Sebi-may-raise-bar-for-derivatives-trade.html
Reply

▾ Replies

SMART Trader ✎ May 28, 2015 at 8:27 AM
There will be some effect for few days. Then everything will be normal again. People adjust

ST

Reply

Lazy Trader 8 May 27, 2015 at 10:15 PM
Dear ST,

Welcome back!

1) what made you skip the HOD , despite it testing the level twice on a day where the bias was on the downside?

2) BPB setups, are usually taken on break of the pull back candle by placing limit orders. However, at the first break of PDL, being followed by the pullback candles (2 doji candles) , the next candle would have filled the limit order, thereby rendering the trade useless + missing out on the BOF trade. Can this be avoided? How can one improve the thought process in such cases.

Is it suggested that on days without fresh triggers/events, once should pause a bit for better confos ? This would again contradict Lance`s principle of entering once the smart money enters with minimal risk

Thanks in advance!

Reply

▼ Replies

SMART Trader 🖉 May 28, 2015 at 8:38 AM

1.Was holding a long and exited there. I am not comfortable with SAR
2.Candle analysis is not much of use in smaller time frames. Think acceptance and rejection of levels.When price moved above PDL and got accepted short term bias turns positive. But daily trend in decline. So try to long and manage tightly as higher trend can assert
3.Market will remain range bound on such days. So fade the range extremes.

ST

ST

Unknown May 28, 2015 at 2:39 PM

Thanks for clearing this, i too was having issues in handling days where intraday trend is against major trend.
Do you observe BNF too as it has major impact on NF movement ? many times i have seen that better and clearer setups were formed in BNF than NF so we can consider taking those setups instead of NF.

Unknown May 28, 2015 at 2:39 PM

Thanks for clearing this, i too was having issues in handling days where intraday trend is against major trend.
Do you observe BNF too as it has major impact on NF movement ? many times i have seen that better and clearer setups were formed in BNF than NF so we can consider taking those setups instead of NF.

SMART Trader 🖉 May 28, 2015 at 8:10 PM

I do not monitor Bank Nifty. So cant say anything about it

ST

Reply

Trekkie May 28, 2015 at 10:59 AM

Hi ST,
Can we consider the move between 9.57 and 10:36 as FTC? Thanks.

Reply

▼ Replies

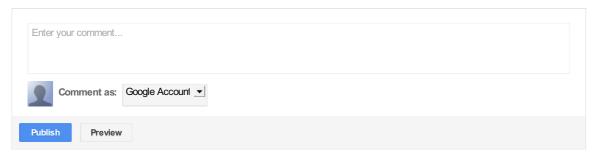**SMART Trader** 🖉 May 28, 2015 at 8:12 PM

Yes. But PDL can lend support
A TST at xx30 can be attempted with FTA PDL

ST

Reply

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