

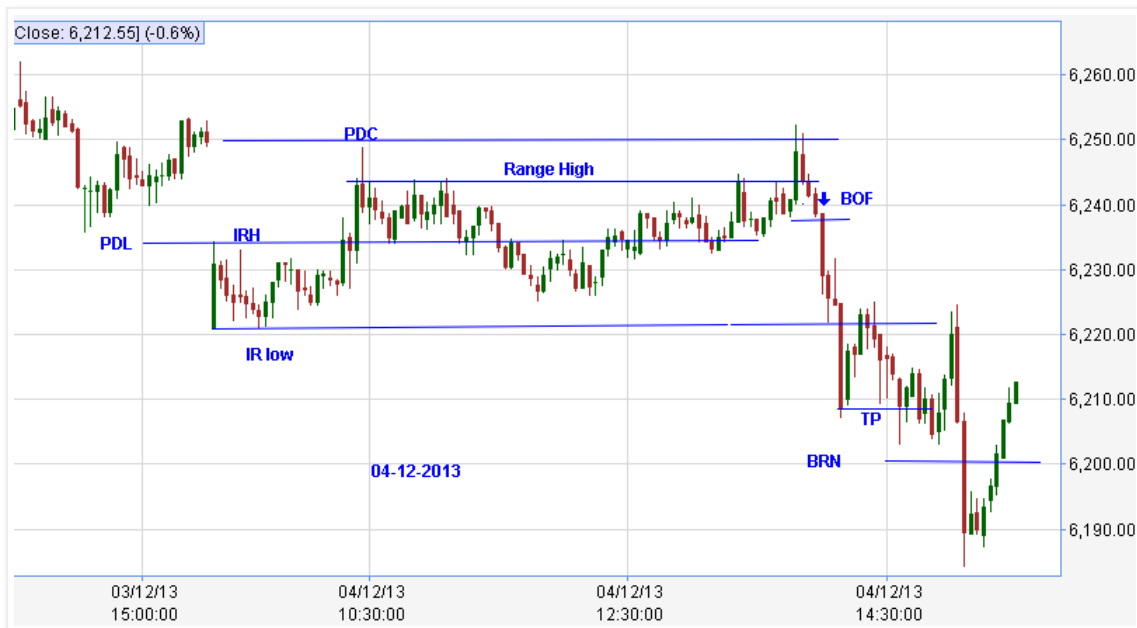


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Wednesday, December 4, 2013

04122013



Nifty gaped down below PDL. First candle was an MC and acted as IR. Did not trade the BPB of IRH as PDC was very close. Went short on BOF of PDC/Range High/HOD. TP around 6210. Missed the next move down. I was looking for a long above MSP.

Posted by SMART Trader at 3:37 PM



16 comments:



Unknown December 4, 2013 at 3:50 PM

Hi ST,

Found it to be a boring day until the BOF of PDC. I too took that trade which was my only trade. Wonder what's cooking in Delhi...

Thanks,
TBP

Reply



nifty for bread December 4, 2013 at 4:45 PM

Sir, I am not an experienced trader. I am going through your blog and your strategy. It is an entirely different kind of approach, which seems to be highly effective.

I have a doubt. Today, you did not enter short at FTC (near PDC) which was noticed before the eventual BOF. Can you please explain, when we have to enter at FTC and when we have to ignore FTC and wait for BOF or BPB.

Thanks,
S.Karthikeyan

Reply

SMART Trader  December 4, 2013 at 4:50 PM



Karthikeyan

Trade need space to move
Read all the posts under structure and patterns especially
Space, Trouble Areas, FTA, SCORE etc

ST

Reply



[nifty for bread](#) December 4, 2013 at 4:53 PM

Thanks for the reply Sir. I will read once again the related posts.

Karthikeyan

Reply

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[Anonymous](#) December 4, 2013 at 5:21 PM

Dear ST,
For BOF entry, how you spotted TP as 6210 as first support will be IR Low which is around 6220.

Regards,
Dinil

Reply



[nifty for bread](#) December 4, 2013 at 6:07 PM

Sir,

Under 'Critical Mass', you are emphasising on the importance to know how day traders are positioned We have to use VWAP for finding this? Is there any other way for this?

Should we consider VWAP even before the very first trade after the Market opens?

Thanks. Karthikeyan

Reply



[SMART Trader](#) December 4, 2013 at 6:16 PM

Dinil

You need not take profit at the next DP always. DPs are not brick walls. Monitor price action there and take an appropriate decision
Once IRL broke I waited for the pull back with a stop above MC. Next push down failed to go below the earlier swing low. So covered.

ST

Reply



[SMART Trader](#) December 4, 2013 at 6:28 PM

KS

There is no relation between critical mass and VWAP. Leave alone VWAP it is not that important. I do not monitor VWAP unless a momentum move happens near the close.

Most of the traders enter on breakouts. Suppose market is trending down. People enter on BO of swing lows. If market cracks a few swing lows, we can safely assume critical mass short

ST

Reply



[nifty for bread](#) December 4, 2013 at 6:36 PM

Thank you Sir. Regarding space - What is the minimum distance between entry and FTA? 20 points? This is my last question for the day. Please reply, when time permits.

Karthikeyan

Reply



[SMART Trader](#) December 4, 2013 at 6:59 PM

KS

No such rules

It all depends on YOUR OWN ASSESSMENT about the strength of price move and strength of FTA. If you think price momentum is enough to break the FTA you can enter even the FTA is very near

This is not a rule based method but a concept based one. It is very very discretionary

ST

ST

Reply



nifty for bread December 4, 2013 at 7:02 PM

Thank you so much Sir. This is enough for today.

Karthikeyan

Reply



amber December 4, 2013 at 8:50 PM

Sir good evening , sir when will be your book out as i just seen the promo thnx

Reply

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Anonymous December 4, 2013 at 8:57 PM

Dear ST,
Thank You.

Dinil

Reply



Unknown December 4, 2013 at 9:10 PM

Hi ST,

For initial range markup, do we have to consider the candles which have long shadows?? Are they not price rejections??

Thanks,
TBP

Reply



SMART Trader December 4, 2013 at 9:38 PM

TBS

Shadows are very tricky . We will never know exactly where the orders are.
If you are trading breakouts,consider shadows. Sometimes you can revise it on the next test. For example 10.30 bar with long upper shadow. Next two tests revealed that shadow was just an overshoot. hence drawn range high ignoring shadow.

ST

Reply



Unknown December 4, 2013 at 10:03 PM

Hi ST,

Thanks for the prompt reply.

TBP

Reply

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