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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 October 1, 2014

Good News

Here is some good news for retail traders. NSE is reducing the lot size of Nifty Futures and Options from 50 to 25 with effect from 31 st of October 2014. Here is the NSE Circular on the matter. Thanks to Amber for the link.

This is great news for the novice traders who want to focus on skill development without much damage to their accounts. Those who are currently trading the 50 lot can now experiment with multiple lots. Strategies like part exit and adding to the positions can be tested without much fear and tension.

I was lucky to test this method trading Mini Nifty with a lot size of 20.0therwise I would have lost 2.5 times more money during the initial stages which could have affected my psychology badly. Later Mini Nifty was discontinued as per SEBI direction. I had made a blog post on that earlier titled RIP Mini

Posted by SMART Trader at 10:18 AM

10 comments:



Unknown October 1, 2014 at 10:26 AM

wat about breakeven points when lot size 25?

Reply

Replies



SMART Trader October 1, 2014 at 10:48 AM

For small lot brokerage can be little higher 3-4 points. Still it is helpful for the learner in terms of Financial as well as psychological capital

ST

Reply



Trekkie October 1, 2014 at 10:35 AM

Awesome, thanks ST/Amber.

Reply



nifty for bread October 1, 2014 at 12:12 PM

Sir.

Thanking you and Amber for this useful info.

S.Karthikeyan

Reply



Trekkie October 1, 2014 at 1:02 PM

Looks like there is revision of number of lots to the downside for almost all scrip http://www.nseindia.com/content/circulars/FAOP27731.zip

Reply



Trader Pai October 1, 2014 at 3:01 PM

yay yay...grt news st

rgds Kishore



ST sir, Would you recommend increasing acceptable max. loss points (as of now- 10 points) after this revision? Reply

Unknown October 2, 2014 at 7:35 AM Hi ST

Happy Dusshera to you and your Family!!!

TBP

Reply

Tarak October 22, 2014 at 4:24 PM Dear ST,

I'm curious to know your strategy. Are you planning to stick with 1 lot or 50 (2lots)? (if you don't mind)

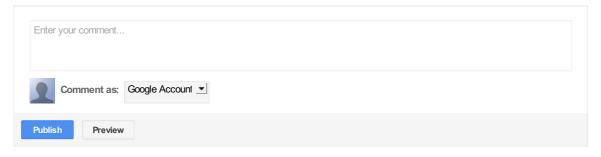
thanks, Tarak

Reply



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