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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*

Tuesday, March 25, 2014

25032014



Nifty gaped down open within previous day range. Vertical up move stalled at PDH. Short on BOF of BRN. Price traded in a 10 point range for a while . TP on BOF of Range low. Tried another short at BOF of BRN to the downside. This also ended up as a scratch. Nifty was within a 20 point range the whole day

Posted by SMART Trader at 6:37 PM



14 comments:



Uday Dave March 25, 2014 at 7:17 PM

Hi ST,

Today really very narrow range. Attempted only one and could not get even earn from it. Please have a look.  
<http://www.mql5.com/en/charts/1641659/nse-nifty-m3-gci-financial-ltd>

One query...

From the order flow perspective while trading the initial range, in case of gap open either full gap or inside the previous day range, what would be your preferred situation out of four possible setups? For example, there is gapup opening and initial move is up. Now we can have four different scenarios to trade initial range. IRH BPB, IRH BOF, IRL BOF and IRL BPB. Similarly, for gapup opening with initial move down.

Per my understanding, I have listed my preferences with 1 being the most preferred one and 4 being the least one.

Gapup and initial move up

1. IRH BOF
2. IRH BPB
3. IRL BOF
4. IRL BPB

Gapup and initial move down

1. IRL BOF
2. IRH BOF
3. IRH BPB
4. IRL BPB

Reply

Anonymous March 25, 2014 at 7:33 PM

Hi ST,  
When You say scratch is that mean no loss for that trade ?

rgds  
Kishore

Reply



SMART Trader March 25, 2014 at 8:16 PM

Kishore

Scratch means not waited for the initial stop to hit. For Small profit, a small loss or at breakeven

ST

Reply

Anonymous March 25, 2014 at 8:20 PM

Hi ST,  
Why I asked it because in the first trade you didnt scratch but for the second you did ?

rgds  
Kishore

Reply



SMART Trader March 25, 2014 at 8:29 PM

URD

I too could not book the profit there. I was hoping for a second leg down into the fluid.

I will write about the second part later today or tomorrow

ST

Reply



SMART Trader March 25, 2014 at 8:34 PM

Kishore

On Second trade I did not make any profit. I thought the BRN flip will hold. Ended with a small loss

ST

Reply

Anonymous March 25, 2014 at 9:01 PM

Sir One question - You took 1st bof but there was no space brn was near. Any reason for not avoid it. Pls clarify

Thanks  
Suresh

Reply

Anonymous March 25, 2014 at 9:11 PM

Dear ST,  
In my 3 M chart (i am using amibroker feed from global data feed), there is always a difference in my opening candle with that of yours.  
Can you have any idea why this is happening?  
<http://screencast.com/t/TPGMIZHaFG>

My second question is addressed to URD (excuse me ST if I am doing wrong). There is a lot more differences in candles and also levels with chart uploaded by URD. In today's chart LOD is around 6586 in URD's while according to mine as well as ST, its 6590. How you would able to trade with this difference?

Regards,  
Dinil

Reply



SMART Trader March 25, 2014 at 9:17 PM

Suresh

BOF of BRN means I have shorted on break of BRN to the down side. I was expecting a move to DO/IRL

ST

Reply



**SMART Trader**  March 25, 2014 at 9:23 PM

Dinil

Data especially the opening candle differs most of the time. I dont know why.  
You trade what you see on your chart. If You ignore tails most of the time there will not be any problem

ST

Reply



**Uday Dave** March 25, 2014 at 10:53 PM

Hello Dinil

There will always be a difference of 3 to 4 points between GCI MT4 and actual nifty future level. It is because of the spread that they use.

Thanks

Reply



**Uday Dave** March 26, 2014 at 11:06 AM

Good Morning ST

One query, please look at the chart

<http://www.mql5.com/en/charts/1645152/nse-nifty-m3-gci-financial-ltd>

Should it be scratched on break of that flip or give it more time with the original stop in place?

Thanks

Reply



**SMART Trader**  March 26, 2014 at 11:21 AM

URD

I exited it already.

After the gap up Higher time frame traders are bullish. How far it will go down? mostly new buying will emerge at NS BRN or at PDH. For 12 points maximum too much tension

ST

Reply



**Uday Dave** March 26, 2014 at 11:43 AM

Thanks a lot ST

Correct. Even after an hour of taking the trade it barely moved 4 points.

Got rid of it.

Reply

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