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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

Thursday, May 29, 2014

29052014



Another expiry. There was no choppiness. Smooth trending price action. Nifty opened within previous day range. IR formed. Skipped the break of IRL as there was PDL and BRN below. Went short on BPB of BRN. Entry was too late and had to scratch. Skipped the next two BOF trades. There was no momentum for the BOF of BRN and next one was into a BRN on expiry day. Further there was not much space. Short on break of range low. TP at the extreme low (Last trade entry was on the previous bar. Marked it wrongly)

Posted by SMART Trader at 3:45 PM



15 comments:



Unknown May 29, 2014 at 3:49 PM

ST Sir,
Thanks for introducing DP trading method... hard to believe how effortless it is to trade on these points... Given that one follow detaching emotions. I could see great improvement in my trades, as I am shifted to DP trading from SAR trades (where you simply trade ONE number :)).. There were times I lost 60 points in sideways market when market simply revolves around SAR... Where as in DP trading I have more numbers... Which I see as advantage to pick trades with good risk-reward.

I am pasting my trade log comments here once... please comment... let me know if you are not comfortable, I won't share trade details again.

TRADE1:

Short on BO of IRL at 7316 with initial SL above PDO (7323)
SL moved to PDL (7309)
SL moved to above BRN (7302)
Trial SL hit at 7302; exited trade with 12 point gain

TRADE2:

Long at 7302 as BOF of BRN with initial SL 7295
SL hit; exited trade with 9 point loss

TRADE3:

Short at 7292 as FTC above BRN with initial SL 7302
Moved SL to 7289 as new low formed
Moved SL to 7252 as BRN broken
Exited trade at 7232 with 58 point gain

Points earned: +61

Chart here <http://imgur.com/YUBo3si>

Reply

▼ Replies



SMART Trader May 29, 2014 at 4:41 PM

You could have avoided the second one.
It was counter trend.No space. PDL,IRL above it.
I have not traded any SAR methods.
So many people are trading the method but nobody is documenting it.

<http://niftyinirvana.blogspot.in/2012/10/the-sar-circus.html>
Share your experience

ST

Reply



NPA Trader May 29, 2014 at 4:10 PM

Hi ST,
Can we take the last trade as a BPB of range low?

Reply

▼ Replies



SMART Trader May 29, 2014 at 4:41 PM

Yes. You can

Reply

veer May 29, 2014 at 4:28 PM

Ms.Rose Mary

Excellent. Thanks for sharing. The step by step actual trades and the reasoning gives good guidance. I have one query . Your second trade Long at 7302. The SL - how did you keep 7295 - should it not be 7286 being the swing low. It will be helpful if you could please explain the same.

Regards

Veer

Reply



Unknown May 29, 2014 at 4:29 PM

Hi ST

How to gauge lack of momentum??

Thanks

TBP

Reply

▼ Replies



SMART Trader May 29, 2014 at 4:44 PM

TBP
After a BOF, price should move away rapidly from the area
It should not hang around the area with indecision bars

ST

Reply



Unknown May 29, 2014 at 4:55 PM

Thanks veer... reg ur query.. i consider low of 12:08:59 candle.. to manage long above BRN.. which is recent low before BO candle.. no much risk. had the trade worked, i would have moved SL behind DP's... below BRN / IRL like that.. hope u understood my point

Reply

Unknown May 29, 2014 at 5:01 PM



ST Sir,

Agree with you.. reg 2nd trade..

My experience with SAR is good, i struggled to develop faith in system for 1 year (2012)... traded well till Jan of 2014... i hope u know about Ilango sir.. i followed his JNSAR

The real potential of trader comes out in dealing with SAR during extended side ways market.. i have lost BIG money made in trending market in small chunks during these sideways market...

with my experience i can say, blind following of any SAR may not fetch good result.. we need to apply other studies so as to minimize loss in sideways market...

I am very comfortable with this DP trading now.. as we look n deal with market as it is in SIDEWAYS all the time.. trend moves will be add-on's :)

Reply



Bharat May 29, 2014 at 5:04 PM

ST,

I couldnt understand how you could avoid . breakdown failure long above 1.27.. there was enough space up to BRN.

Secondly how can we ignore. the 1.21 projection below the range which was almost half of the range till that time. and continue to take the breakout trade of that range. within that 1.21 projection. i was looking a channel type action after the initial move. like shown in the chart below.. Kindly enlighten me how can avoid such illusion. i also avoided the short below 2.48 looking to expiry blues.

<http://images.devs-on.net/Image/8jTyLldMbKhRPzdY-Region.png>

Regards

Bharat

Reply

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SMART Trader May 29, 2014 at 8:09 PM

01.27 BOF was counter trend

Space was around 10 points only

Big money was trying to push Nifty below 7300 from morning

Even when NF climbed above BRN 7300 at 12.12 bar for a while Nifty Spot remained below 7300

I wont trade against the institutions, that too on an expiry day

My entry was at 7279.50. Earlier low at 1.21 was 7277.20. Stops at the 02.27 swing low will be enough to move nifty 2 points and trigger stops at the 01.21 low

No way to know channels beforehand. Luckily they are rare

ST

Reply

veer May 29, 2014 at 5:58 PM

Thanks Rose Mary.

Regards,

Veer

Veer

Reply



Uday Dave May 29, 2014 at 6:47 PM

Hi ST

I traded using June series chart. It was a good day. Here BRN 7300 also remained as a key level.

<http://charttechnicals.blogspot.in/>

Thanks.

Reply

▼ Replies



SMART Trader May 29, 2014 at 7:39 PM

Nice trades

Trade markets own levels and these levels are called DPs

ST

Reply

Unknown May 29, 2014 at 9:08 PM



Thanks ST for the clarification

TBP

Reply

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