

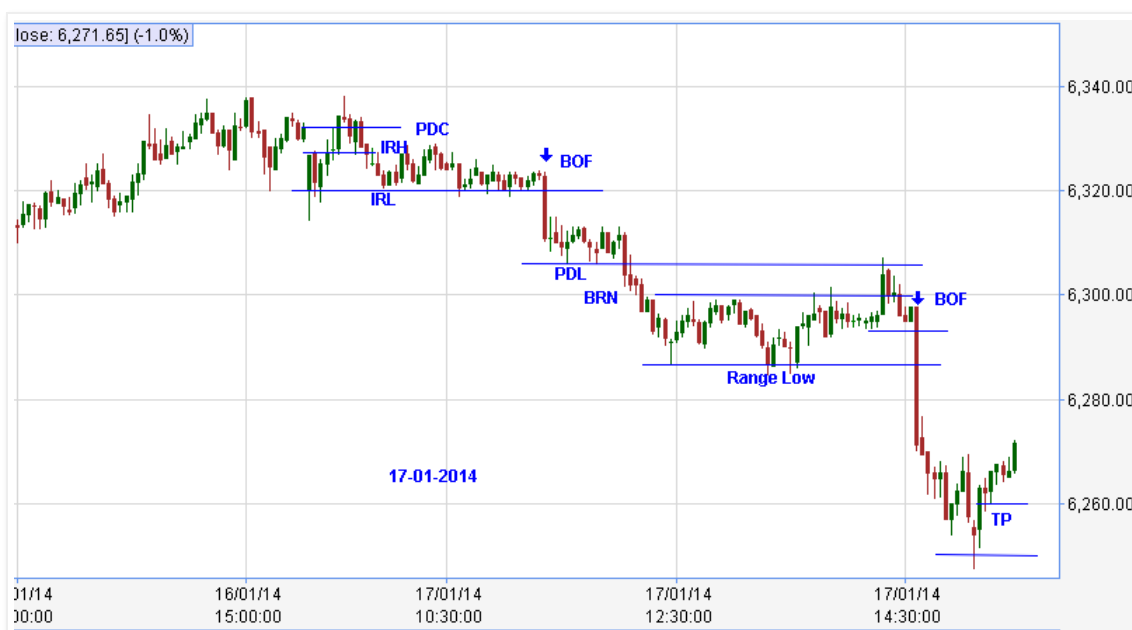


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Friday, January 17, 2014

17012014



Nifty opened below PDC within the previous day evening chop. BOF of PDC/IRH gave a short signal. Entered on break of IRL. TP near BRN. A range move for 2 hours followed. BOF of BRN and TST of PDL gave a nice short. Cool 50 point move.

Posted by SMART Trader at 3:30 PM



28 comments:

adhi narayanan January 17, 2014 at 3:38 PM

my today's trade chart link - <https://www.dropbox.com/s/widbarn5j10qew3/NFNIFTY%2030-Jan-2014.jpg>

Reply



SMART Trader January 17, 2014 at 3:44 PM

Adhi

Nice trades.

Happy to note you could exit and reverse a wrong trade so fast. Shows your maturity as a trader. Pay more attention to space. You could have gone long from LOD on a minor BOF

ST

Reply



Unknown January 17, 2014 at 3:46 PM

Sir,

I took both trades today. But the first one that I took was bof on ir. Was that a valid trade other than the fact that the space was limited? I assumed many traders would be trapped in the bof so went short.

Reply

adhi narayanan January 17, 2014 at 3:49 PM

"You could have gone long from LOD on a minor BOF".

Yes, noted. thanks.

Reply



SMART Trader January 17, 2014 at 3:53 PM

Nikhil

I think you took BOF of IRH/PDC
Space is very important. IRL held for nearly 90 minutes
ST

Reply



SMART Trader January 17, 2014 at 3:58 PM

Adhi

I was telling that instead of going for a BO trade better to look for a BOF on the other side

ST

Reply



Unknown January 17, 2014 at 3:59 PM

Hi ST,

Took BOF PDC short directly.
As u mentioned IRL held for a long time.
But just below the BOF candle below IRL was PDL and BRN. Will space be not a consideration here??

Thanks
TBP

Reply



SMART Trader January 17, 2014 at 4:19 PM

TBP

Space is always a consideration.
PDL gave support and took 45 minutes to yield.
Being aware of the space and FTA is important. If you are aware and have a plan then it is OK.

Today Adhi has done that. He entered long on BO of BRN. When the BO failed hitting PDL he covered it. Then went short to capture the down move. How many traders can do that ?
So many people have gone long on break of BRN today and got trapped. Their panic exit caused the momentum move down.

ST

Reply



Unknown January 17, 2014 at 4:48 PM

Thanks ST for the clarification
Adhi's manoeuvre was great.
Not many would have done it

TBP

Reply



chandiok January 17, 2014 at 5:07 PM

Dear ST,
Need your inputs....long way to go.
please view.. <http://niftypriceaction.blogspot.in/>

Thanks a ton
Chandiok

Reply

Anonymous January 17, 2014 at 5:16 PM

The BO volume was much smaller than BOF.
I think it happened due to MSP crack of Higher Timeframe (Just below range low). Maybe they gave up on BOF of BRN and started exit before MSP hit.

Reply



Unknown January 17, 2014 at 6:06 PM

Thanks for the reply. One last question. If in case there was a long trade at 6300 (which failed in this case) and instead just exploded upwards, at what level would you look to enter. I am asking this as I was ready for both and had a buy order placed at around 6316, just

above the pal congestion and wondering if that was where you would also enter.. Thanks again.

Reply

Anonymous January 17, 2014 at 6:44 PM

ST

Could you please let me know the reason for that last exit as you marked inside a hammer.

rdgs

kishore

Reply

Anonymous January 17, 2014 at 7:04 PM

Adhi was really fast...

What happened with me is my super fast brain was able to capture only the down move coz before I think of BO of BRN the opportunity was in the air :-) (the main reason was my bias was down till 6250 based on OI)

Bleeped up Brain sees only what it want to see or believe!!

Raghu

Reply



amber January 17, 2014 at 7:27 PM

sir good evening , sir in todays open why cant the IR be taken upto BOF of PDC , kindly update thnx

Reply

Anonymous January 17, 2014 at 8:26 PM

Sir,

If its true that markets own levels are created by the actions of traders based on their greed and fear?

If yes then, can I call this phenomenon a "volatility" ?

Since many days I observed Levels calculated based on Last 10 trading values using volatility method are tend to respond much more superior as DP's compared to PDH/L/O/C.

More interestingly the SPACE is very convincing in this method while we can still keep PDC and DO for good results.

Please make all of us more enlighten.

Raghu

Reply



SMART Trader January 17, 2014 at 8:49 PM

Chandiok

Good initiative

Why keeping it private?

ST

Reply



SMART Trader January 17, 2014 at 9:00 PM

Nikhil

Today it is very difficult for the price to move up. Too many barriers on top. An explosive up move is not possible and there was not enough time to make a gradual range by range up move.I think I may not enter

ST

Reply



SMART Trader January 17, 2014 at 9:05 PM

Kishore

Nifty failed to move below a prominent level 6250.Further push below the pivot low failed. So exited the trade. Further down move ruled out because no body is going to make a commitment near market closure. Especially on the last day of the week

ST

Reply



SMART Trader January 17, 2014 at 9:37 PM

Raghu

BOF of BRN was the right trade

Market moves are not entirely dependent on the two emotions of fear and greed. So many other factors influence it. Perception of value, money supply, Cross border fund movements, Currency rates, Inter market arbitrage, political developments, etc. etc.

More than 70% of the orders in global markets are executed by algos. Computers have no emotions. So we can't reach a conclusion that markets alternate between fear and greed. It is not like a pendulum swing. You may share your volatility method, if you are willing. I will encourage you to start your own blog. You are always welcome to make a guest post here.

I can't share anything about this as I do not know about this.

Please do enlighten us

ST

Reply



SMART Trader January 17, 2014 at 9:47 PM

Anon

Probably the shorts might have exited either on the BOF of Range low or on the break of MSP leaving very few orders above BRN

ST

Reply



amber January 17, 2014 at 10:08 PM

Sir kindly update on my question thnx

Reply



SMART Trader January 17, 2014 at 10:15 PM

Amber

The original IR was the first MC. later you can adjust it to HOD

Read the post titled Envelops and Brackets. Once a range gets overlapped by another range trade the new range

ST

Reply



amber January 17, 2014 at 10:30 PM

Sir thnx very much

Reply

Anonymous January 19, 2014 at 4:29 PM

Hi ST

What is the max points you risk for NF?

rgds

kishore

Reply



SMART Trader January 19, 2014 at 7:01 PM

Kishore

I never risk more than 10 points and I rarely allow the market to prove me wrong to exit

ST

Reply

Anonymous January 19, 2014 at 9:58 PM

ST,

In that case wouldn't you get frustrating early exits, when SL is hit and then the price booms in our traded direction?

thanks

Kishore

Reply



SMART Trader January 19, 2014 at 10:32 PM

Kishore

Sometimes it happens.

It is all in the game.I will try to re enter if possible or will look for the next opportunity.
This is not the last and final chance. markets are for ever and will give thousands of opportunities again

ST

Reply

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