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

Thursday, January 10, 2013

10012013

Nifty gaped up within previous day range. FTC above DO gave a short signal. TP on gap closure. BOF of range low gave a long signal.and this moved to range high as expected.. TST short of range high moved well and broke Range low and BRN. BOF of PDL gave a long which also moved well.Last BOF of range high was also trade able. But I was having a long position and exited it

Posted by SMART Trader at 4:09 PM   M B t F ℗

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10 comments:

akshay January 10, 2013 at 4:32 PM

hi sir
Incredible that you managed to take the first trade ...because of a counter trend gap open ...were you not expecting bullish order flow...And sir can you please explain how do you exactly judge the bias for the day?
When price is interacting with dp's do you keep limit orders on both sides ..which ever gets filled first you trade that?
Why did you take last bof pdl trade when fta (BRN 6000) was close by..?

Reply

Sakthivel January 10, 2013 at 5:47 PM

hi sir,

which software and data source you are using for charting coz mine is differing from you

Reply

SMART Trader ✎ January 10, 2013 at 5:59 PM

Akshay

1.It was a counter trend gap open. But it was not a CT outside Gap.(Read Gaps)
2.As a general rule the opening price for the day will either be the high or low for the day at least 50% of the time(Read Opening Price)
3.Initial move was downward. If it was going up on open I would have expected a spike and channel.
4.Market attempted another push up but failed.There was not a significant IR low to give support. FTA was the gap closure area which gave ample room.
5.As you know DO is a prominent DP We are getting a chance to hide behind a DP and shoot.

6.Risk is well within our tolerance level

7.There is no such thing as Bias for the day. Bias will go on changing as the price action unfolds.

8.I do not keep limit orders on both sides.In some situations like master candles I trade in the direction of candle break with SL on the other end.These are all about tactics. You can try.

9.Notice the earlier LOL break of Range low and BRN.BRN failed to stop the pull back Range low stopped it. so expected price to move upto Range Low.

10.PDL was a very prominent DP. Breakout failed to extend beyond the breakout bar.

11.Rejection was very strong. Very next bar retraced above the BO bar

12.Price has already moved 30 point from Range high. Early entrants are in profit.Once price starts to go up they will start booking their profit feeding buy orders.

13.Critical mass is in short position. They need to exit.

Trading is a thinking game. Unfortunately we will miss and fail to notice many clues.

If we focus on the right things, we will gradually improve and will be able to take better decisions most of the time.

ST

Reply

SMART Trader ✏ January 10, 2013 at 6:10 PM

Sakthivel

Thanks for the visit.
I Do not use software and data feeds.
I am using the web based charting from http://www.icharts.in/

ST

Reply

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akshay January 10, 2013 at 7:54 PM

thanks for replying !!Really appreciate what you are doing here on nifty nirvana..would love to learn more from you!!!

Reply

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ratnakar January 10, 2013 at 8:00 PM

Thank u Akshay, Thank u Smart Trader sir.

Reply

HARISH TAHKKAR January 10, 2013 at 10:00 PM

Your explainations & trading tacties are excellent.To day as usual but higly educative also.
Have you read "JOE ROSS"? His explaintion and trading tacites are worth to read,it is only as just like "AL BROOKS".
Thanks for sharing!I really enjoy the depth of your knowldege which has helped me lot.

Reply

MOHIT SHARMA January 12, 2013 at 2:18 PM

hi sir!
The LOD of 9.1.13 is 5981.35, while LOD of 10.1.13 is 5983.73.

How did the BOF of LOD of 9th happen on 10th? Please explain.

Reply

MOHIT SHARMA January 12, 2013 at 2:20 PM

Also, What is the significance of ATP at EOD for the next trading session (just for educative purpose)?

Reply

SMART Trader ✏ January 12, 2013 at 7:24 PM

Mohit

While marking levels on chart, generally I ignore the overshoots /tails.While trading I look at the levels on chart.Technically you are correct.
Everyday is a new day. DP s immediately above and below the opening price only matter

ST

Reply

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