

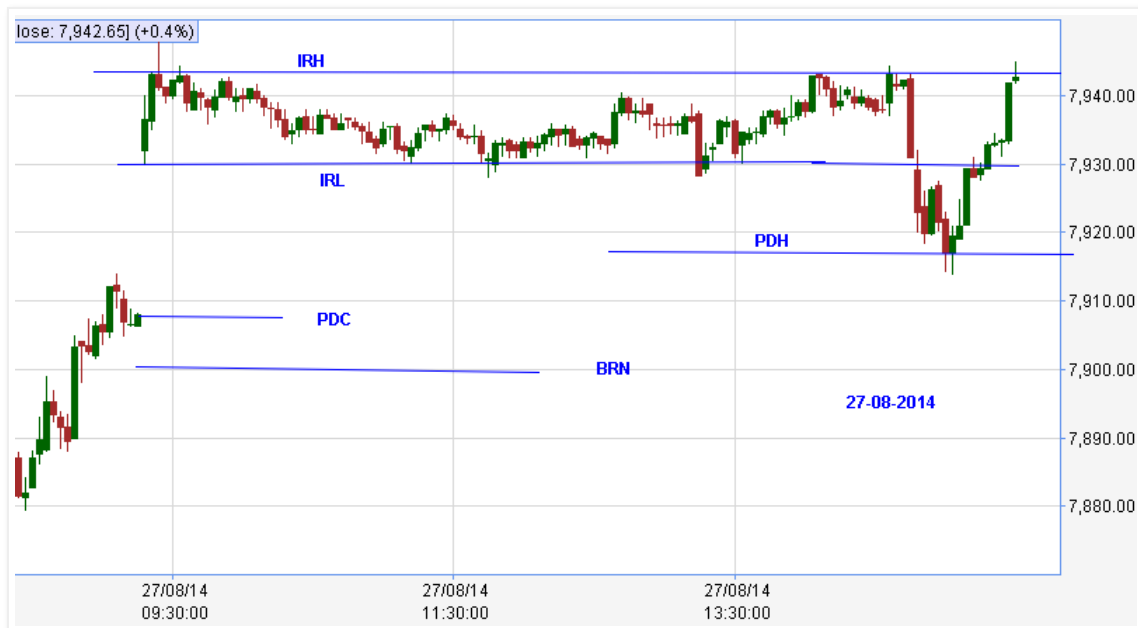


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Wednesday, August 27, 2014

27082014



Nifty gaped up above PDH. IR formed. Nifty traded within this range almost all the day. Could not capture the fall. Skipped the BOF of PDH as it came very late. But it moved well through the fluid. No trades today

Posted by [SMART Trader](#) at 3:34 PM



16 comments:



[rocky](#) August 27, 2014 at 3:55 PM

Why not long at first bar high pullback

Reply

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[SMART Trader](#) August 27, 2014 at 4:04 PM

It is not as per method. Such entries are taken only with SL behind a DP

ST

Reply



[Unknown](#) August 27, 2014 at 4:15 PM

Hi ST,

Where was the right entry for BOF of PDH? Is it above the 14:56 PM candle or any other location. Pls suggest

Thank you.

Kiran.

Reply

▼ Replies



SMART Trader August 27, 2014 at 5:18 PM

Space was less for the entry. IRL flip was FTA
You can long when price entered back into the IR @7931 with a target of IRH

ST

Reply



Unknown August 27, 2014 at 4:21 PM

<http://i.imgur.com/9S2d3Zf.jpg>
Explain Sir Ji

Reply

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SMART Trader August 27, 2014 at 5:24 PM

Where is space?
7930 was holding since morning. 2 BOF happened at IRL
There was no good BOF at IRH to trap longs
Why should one attempt a counter trend trade for 6 points?

ST

Reply



A August 27, 2014 at 4:41 PM

Hi ST sir,

Today price tested multiple times in IRL. Why didn't you look for short trade at 3 and 4 attempt on IRL. I went on third attempt and failed immediately. My thought process was since initial bias bullish no momentum on bull side, Fluid on downside, Price trading in tight range only barrier was PDH took a chance and failed. Was it valid trade? Please clarify. Thanks in advance.

Regards
Arun

Reply

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SMART Trader August 27, 2014 at 5:33 PM

Not a valid trade.
First touch of IRL was @ 11.12 bar low 7930.10
Second touch was @ 11.40 bar low 7928.10
Third touch was @ 13.15 bar low 7928.30. How your trade triggered here?
Fourth attempt succeeded and price went where it was supposed to go. FTA PDH

ST

Reply



Unknown August 27, 2014 at 6:02 PM

Hi ST, Any reason that you skip BO trade of IRL.

Thank you,
Kiran.

Reply

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SMART Trader August 27, 2014 at 6:50 PM

There was a sell order below 11.40 bar low.
Later at 13.15 a big red bar could not break the early low. So I cancelled the order
Then I was looking for a BOF of IRH to go short. But price just made a TST and sold
I could not get the entry

ST

Reply



L.V.Gandhi August 27, 2014 at 6:09 PM

Can you please explain where you planned short with what values as entry and SL and has it failed because order was not filled.

Reply

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SMART Trader August 27, 2014 at 7:13 PM



My preferred trade is a BOF at IRH. I avoid BO trades and rarely do it. But people are inclined towards BO trades. I really wonder why? IMHO most of the traders lose money trading breakouts. 90% of the BO are traps. We will end up providing liquidity to the big money.
<http://niftynirvana.blogspot.in/2012/12/liquidity-pools.html>
I have written many times to avoid breakouts and go for BPB. BO trades are the least preferred trades for me
<http://niftynirvana.blogspot.in/2013/10/breakout-blues.html>
This method is a range trading method and basically we are trying to buy the range lows and sell the range highs. Further it is always better to trade with the trend. Stay with the trend. If the current price range is above the previous one, the trend is up, and try to buy the range low. If we are in a lower price range only attempt to sell the range highs
<http://niftynirvana.blogspot.in/2012/05/buy-low-sell-high.html>

ST

Reply



L.V.Gandhi August 27, 2014 at 7:41 PM

Thank you very much.
Purpose of my question was BOF of IRH was having a space of only 6 to 7 points below 14:36 candle. Below IRL, there was more than 12 points to PDH. Hence I wanted to know your thought process.

Reply

▼ Replies



SMART Trader August 27, 2014 at 7:59 PM

LVG

Sometimes less space is an advantage in case of tight trading ranges.
Today it was just a TST at IRH. So I missed the trade. A BOF at IRH will push down the price to IRL and trigger the stops below IRL setting a chain reaction. This is what happened when price fell today. There was no follow up selling other than stop triggering. So it bounced back from PDH

ST



L.V.Gandhi August 27, 2014 at 8:27 PM

Thank you very much for clarifying.

Reply



SuMa August 27, 2014 at 9:17 PM

All I want to say is "thank you ST Sir". Your daily updates help us very much.

Reply

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