

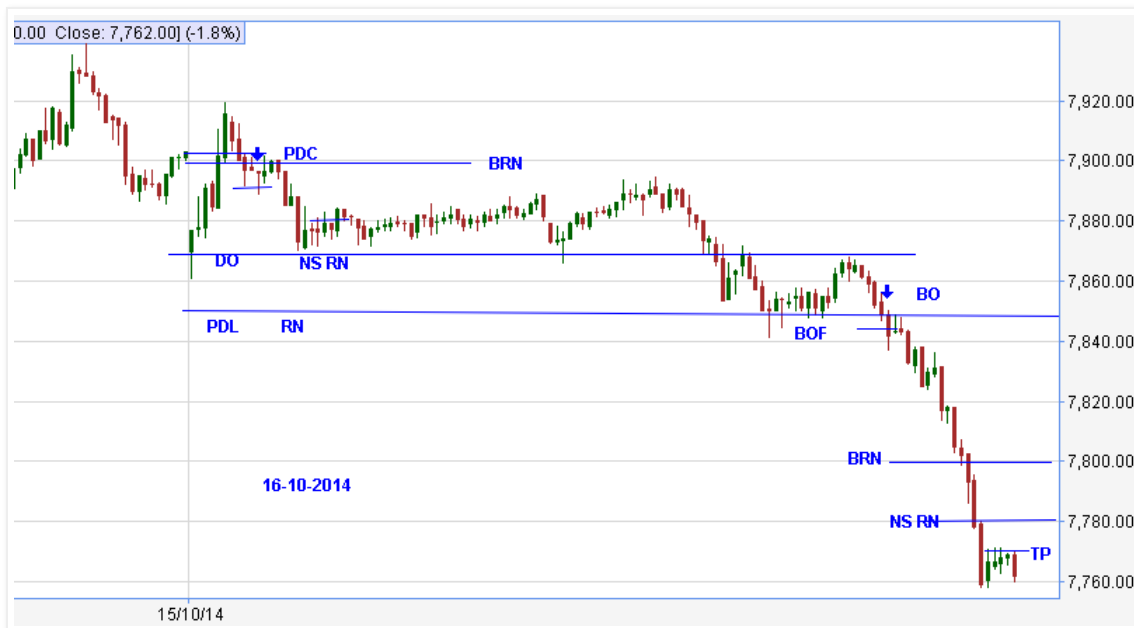


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Thursday, October 16, 2014

16102014



Nifty gaped down below PDC and went up. Short on BOF of PDC/BRN. Refused to go beyond IRL. Covered at 10 point profit. Price broke down below IRL and made another range between DO and PDL. There was a BOF of PDL. There was no momentum and space to move. So skipped. Shorted the break below PDL and it was just trailing rest of the day. Price has broken below the major flip in daily chart.

Posted by SMART Trader at 3:41 PM



40 comments:



Trader Pai October 16, 2014 at 3:47 PM

Hi ST,
Please comment on my trades .
http://tradingdecisionpoints.blogspot.com/2014/10/blog-post_16.html

thanks n rgds
Kishore
Reply

▼ Replies



SMART Trader October 16, 2014 at 4:20 PM

Trade 1 was OK
2. CT, No space,
3.CT, Micro managed, Price never cracked pin bar low
4.CT, No Space, Price did not break even the second rejection bar low
Trade went where it was supposed to go, Range high

ST



Trader Pai October 16, 2014 at 4:29 PM

Thanks a lot ST

rgds
Kishore

Reply



Trader Pai October 16, 2014 at 3:49 PM

ST,
You always say dont sell after lot of selling ?
A lot means 50 points or 60 points or more than that .Kindly let me know
Why I am asking this is wasnt your BO after a lot of selling ?.
Please advise.

Reply

▼ Replies



SMART Trader October 16, 2014 at 4:14 PM

Will depend on volatility.
Now a days daily range is 80-100 points
There were periods Nifty moved <40 points for weeks

ST



Trader Pai October 16, 2014 at 4:18 PM

Thanks ST

Reply



Unknown October 16, 2014 at 3:49 PM

Hi ST

Thanks for the chart. Usually how deep of far off do you keep the Limit order entry from a DP if you want that price to get triggered??
Also I want to thank you for the concept of Fluid. Tata steel moved very well through the fluid today.
Are you expecting 8200-7800=400, 7800-400=7400 on the Nifty as target??

Thanks
TBP

Reply

▼ Replies



SMART Trader October 16, 2014 at 4:29 PM

Usually I wait for a pattern to form. Like a swing point
Try to limit the entry within 10 points of DP so that I can hide it behind a DP
Unless it bounces back tomorrow price may drift down to the next flip around 7500, I feel
I am almost always wrong in my positional analysis

ST

Reply



Unknown October 16, 2014 at 3:56 PM

1.) I also wanted to short bpb of PDL (your last trade), but due to the fact that nifty was down 80 points from top and NS BRN was below 6-7 points , I hesitated and missed out on such good fall. What was yr thought process for this trade?

2.) Would you have taken Long in case there was a BOF of PDL at that time ?

Thanks

Reply

▼ Replies



SMART Trader October 16, 2014 at 4:41 PM

Price breaking PDL is a major transition. Yesterday was an inside day, barring to unsuccessful attempts to create a new high.
Making a new low means change from neutral to Decline in Daily. There was a strong BOF at PDL which refused to move beyond range high . This was a pattern failure. Trade was with the trend. Risk was within limits.
I would have gone long if I get an early entry. Other wise will go for a PP at the other end

ST



Trekkie October 16, 2014 at 5:37 PM

ST,
I have a lot to learn, but still am happy I did not take your last trade today :) My gut said go for it, but it was not in my trading plan, so did not take it and am happy that I stuck to the plan. Discipline is a big problem for me as you know.

Just to understand your trade better, would you have taken that last short had it occurred mid-day or earlier? What was the reason you did not wait for pull back, also the LOD at that time did not give much space. Please help me understand your

thought process. Thanks a lot for the help.



SMART Trader October 16, 2014 at 9:19 PM

BOF of PDL/RN was not able to take the price beyond range high
After the breakdown of DO, price attempted twice to move above and failed
I was very confident of this trade

ST



Trekkie October 16, 2014 at 9:42 PM

Thanks a lot ST. I think I have this bat issue too (lol) as you know. I just tried to invert the chart now and I think had this been a long trade I would have taken it.

Reply



Arvind October 16, 2014 at 4:27 PM

Hi Sir,
Took too much trades today. My trades
<http://screencast.com/t/zXd7Y8vWg>

In my last trade I TP blindly at BRN, and missed the next 40 pts.
Sir, how to deal with such kind of situation.

Thanks.
Arvind

Reply

▼ Replies



SMART Trader October 16, 2014 at 4:48 PM

Once you get a momentum move trail it.
After 7820 price never broke the previous candle high till the end

ST



Arvind October 16, 2014 at 4:52 PM

Thanks you sir.

Arvind

Reply



Unknown October 16, 2014 at 5:07 PM

Hi ST,

1) What was the reason you avoid long on BPB of BRN in the morning session at 9:33 AM candle?

2) I've drawn PDL at 7853.55 price by ignoring tails, due to that i went short at 13:39 PM candle and it is failed. How did you draw your PDL at RN?

Thank you,
Kiran.

Reply

▼ Replies



SMART Trader October 16, 2014 at 8:45 PM

I dont find any BPB at 9.33. It was a BOF
When two prominent levels comes too close, consider it as a zone
In todays chart BRN and PDC are considered as one zone

ST

Reply



L.V.Gandhi October 16, 2014 at 5:48 PM

1)7885 was MSP twice consecutively yesterday, After BPB at MSP, can we go long above high of 09:27 candle?

2)Can we take BOF short below 12:42 candle low as twice it crossed same MSP above and came below? If this trade is taken where you would have exited ie 13:21 candle high or 13:42 candle high or some other place.

Reply

▼ Replies

SMART Trader October 16, 2014 at 9:10 PM



MSP is relevant only in a trend move. It is not that important during sideways market
In a trend move crack of MSP will signal a trend reversal and a BOF of MSP will be a TRAP
I will not short there. I will wait for the price to touch BRN/PDC.



L.V.Gandhi October 17, 2014 at 7:40 AM

Thanks for the explanation.

Reply



Trekkie October 17, 2014 at 9:21 AM

Hi ST,
Is there a 117 point first bar today? My terminal also shows same..

Reply

▼ Replies



SMART Trader October 17, 2014 at 9:35 AM

<http://screencast.com/t/TvZotdQysN>

ST



Trekkie October 17, 2014 at 9:37 AM

Thank you ST. That looks so clean, I will stick with your chart.



Trekkie October 17, 2014 at 9:54 AM

Hi ST,
Can I read today's chart as no significant pull back has happened yesterday. Price is in the lower range (below BRN) of yesterday's fall. OR should I read it as price is in higher range between MSP and BRN?

My scary chart :D <http://imgazer.imageshack.com/img540/7503/Ebe3Sg.png>



SMART Trader October 17, 2014 at 10:12 AM

Price did not crack a DP to the upside to change the view
<http://niftynirvana.blogspot.in/2013/06/trading-plan.html>
My current expectation is a range BRN-PDL and IRL may act as mid point

ST



Trekkie October 17, 2014 at 10:36 AM

Thanks so much ST.



Trekkie October 17, 2014 at 12:35 PM

ST,
If the total ask quantity is more, does that tell us anything? <http://imgazer.imageshack.com/img538/7517/pUGAln.png>



SMART Trader October 17, 2014 at 1:36 PM

Sorry. I have no idea

ST

Reply



nirtos October 17, 2014 at 12:07 PM

hi ST,
exited bof long at 7890.6 when price came down second time. now is pbp entry there. or it is only a spike ab 7800.

Reply

▼ Replies



SMART Trader October 17, 2014 at 12:12 PM

No momentum to upside after breaking HOD
Be careful

ST



nirtos October 17, 2014 at 12:16 PM

thanks ST



Trekkie October 17, 2014 at 1:16 PM

ST, is that some tough price action around BRN today or am I the one that's confused?



SMART Trader October 17, 2014 at 1:34 PM

Stopped out of a short at BRN. Expected a BW. But price has moved above this BW. No DP around. So just watching

ST



Trekkie October 17, 2014 at 1:46 PM

Thanks ST. Was there no long on BPB of BRN prior to that?



SMART Trader October 17, 2014 at 2:02 PM

I skipped it
Read my reply to nirtos

ST



Trekkie October 17, 2014 at 2:06 PM

Thanks ST, how to determine lack of momentum in this case?

Reply



SMART Trader October 17, 2014 at 2:19 PM

People were short positionally and from morning also. Where you can expect them to keep their stops? at IRH. There was no explosive move to the upside when this level broke. It was a PP trade level and there was no strong follow up buying

ST

Reply

▼ Replies



Trekkie October 17, 2014 at 2:28 PM

ST, I took the PP (was CT, so probably was wrong as well), got stopped out below 12.06 bar, then instead of expecting BW I took another trade above 12.09 as BPB, then took the short below 12:42



SMART Trader October 17, 2014 at 2:50 PM

Do not trade a DP repeatedly.
If you get a stop out think BW or Channel

ST

Reply

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