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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*

Tuesday, November 18, 2014

18112014



Range day as expected. Nifty opened within previous day closing range and traded within it most of the day. There were too many levels inside the range. Attempted only one trade which ended up as a scratch. BPB of PDC and IRL

Posted by SMART Trader at 3:44 PM



18 comments:



**zoozoo** November 18, 2014 at 3:51 PM

Dear ST,

After you scratched, why didnt you entered long above 2:18 candle as there was a BOF (where u scratched) and after re entering the range it also gave a pullback.

Regards

Reply

▼ Replies



**SMART Trader** November 18, 2014 at 4:46 PM

The down move created a fluid. Price chopped around 8450 for 15 minutes and was not going up so thought of entering on the BO of other end

ST



**Bharat** November 18, 2014 at 5:30 PM

ST,

Would you please differentiate between your taking trade above 12.09 yesterday at IRL and earlier days MSP and u avoiding entry today at 2.18 bar with similar no of bars of chop. .. infact today look much clear to me for entry and i trapped there and yesterday was much more chop and i missed the move. ..

Secondly you exited the short today above small pullback bar micromanaging the short .. while u allowed pullback below the entry also yesterday.. i am getting confused with this type of exits.. can you please elaborate. where to take and where to avoid.



**Trekkie** November 18, 2014 at 7:13 PM

Hi ST,  
Would you have taken BO above HOD or above range high? Thanks.

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Reply



**Unknown** November 18, 2014 at 3:54 PM

Hi ST  
When you scratched the trade, would BOF IRL be a valid trade or would it have been a SAR kind of trade for you??

Thanks  
TBP

Reply

▼ Replies



**SMART Trader** November 18, 2014 at 4:48 PM

I do not SAR. The BOF was not showing any upward momentum  
ST

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Reply



**xrtrader1** November 18, 2014 at 3:57 PM

Thanks ST..

Reply



**Unknown** November 18, 2014 at 5:08 PM

dear ST Sir  
what was the reason of not taking BOF of PDH at 10.32 candle ?  
how you expected today is a range day ?

Reply

▼ Replies



**SMART Trader** November 18, 2014 at 10:19 PM

I was not confident in taking a counter trend trade into a cluster of levels such as IRL, PDC, RN, and IRL. Please do read the important posts  
<http://niftynirvana.blogspot.in/2012/02/daily-trading-patterns.html>  
<http://niftynirvana.blogspot.in/2013/05/trend-days.html>

ST

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Reply



**L.V.Gandhi** November 18, 2014 at 5:44 PM

I have two questions.  
1) why did you not consider BOF of PDH and IRL?  
2) in your short trade normally you keep SL of entry bar high. But you have shown a bar high below RN as SL? Can you share your thought process in this.

Reply

▼ Replies



**SMART Trader** November 18, 2014 at 10:44 PM

I was not confident in taking a counter trend trade into a cluster of levels such as IRL, PDC, RN, and IRL.  
BO of the lower extreme ie IRL did not extend more than 10 points. Two rejection bars with lower tails proved that price is not interested to go down. So exited on break of the earlier flip. After breaking the range low price pulled back to x52 level. There was no need to wait for another pullback.  
A BO happens when price breaks a DP and move beyond it. BPB entry is initiated on break of this extreme after a pull back. When this break fails, it is an FTC and price will consolidate or reverse. If the BO has taken price very far, it is OK to wait through a consolidation. Otherwise better to exit at breakeven if possible.

ST



**L.V.Gandhi** November 19, 2014 at 6:15 AM

Thanks for clarifying difference between BPB and BOF trades.

Reply



**Bhavir** November 19, 2014 at 1:06 AM

Hi - my reading of the market below. Took BPB Long trade; scratched.

<https://niftytradediary.files.wordpress.com/2014/11/18nov2014.png>

Reply



**Trekkie** November 19, 2014 at 9:21 AM

Hi ST,  
Good Morning. What is the difference between a flip and an abused level?

Reply

▼ Replies



**SMART Trader** November 19, 2014 at 9:56 AM

<http://niftynirvana.blogspot.in/2012/09/price-flips.html>  
<http://niftynirvana.blogspot.in/2012/12/love-virgins.html>

ST



**Trekkie** November 19, 2014 at 10:44 AM

Thank you ST, will read those again. Today are 8450 and PDC irrelevant because of price action yesterday and today?



**Trekkie** November 19, 2014 at 10:52 AM

ST,  
Can I say black line is a Flip, Red line is an abused level? Thanks. <http://imgizer.imageshack.com/img661/5779/86RGNV.png>



**SMART Trader** November 19, 2014 at 3:52 PM

Yes. Flip is change in polarity of S/R.

ST

Reply

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