

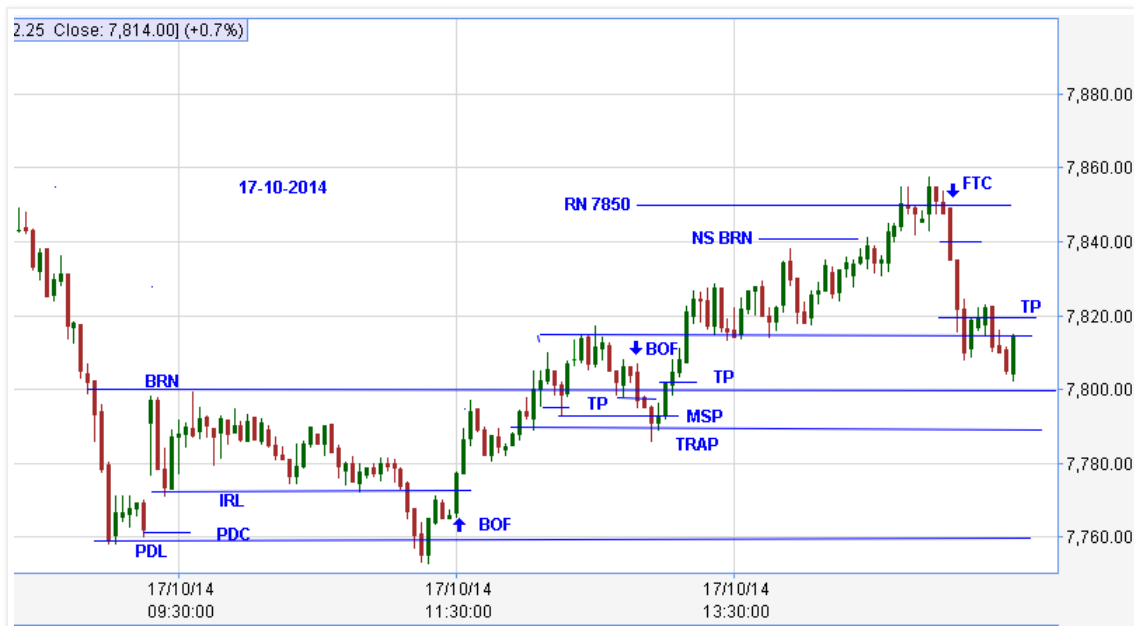


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Friday, October 17, 2014

17102014



Nifty opened within previous day range. IR formed. Went long on BOF of PDL/PDC on break of IRL. Covered when price failed to stay above BRN. Skipped BPB of BRN as there was no momentum or stop triggering on break of IRH, Then HOD. Went short on Break below BRN. I expected this to run as it was a pattern failure also. But break below MSP failed and gave a TRAP signal. Exited above BRN. Did not enter long and skipped the TRAP as I was suspecting a BW around BRN. But it moved well and hit RN 7850. Took a FTC trade here below NS BRN. It quickly moved down. Covered at FTA, a major flip

Posted by SMARTTrader at 3:36 PM



21 comments:



Arvind October 17, 2014 at 3:42 PM

Hi Sir,
Your one line advice yesterday , helped me a lot in my third trade.
My trades
<http://screencast.com/t/Xlo59ctYsQ>

Thank you
Arvind
Reply

▼ Replies



SMARTTrader October 17, 2014 at 3:50 PM

But I failed to follow that advise
You did not enter BOF of PDL/PDC?

ST

Arvind October 17, 2014 at 4:00 PM

Sir , I came very late today , just took a chance in my first trade.



Thanks.
Arvind

Reply



Trader Pai October 17, 2014 at 3:51 PM

Hi ST
Please comment on my trades
http://tradingdecisionpoints.blogspot.com/2014/10/blog-post_17.html

Whr they CT trades ?
Which range to trade at the area where I took my trades ?
When did the trend changed to UP today .Can you please point out the bar or area where the trend changed.

Your first trade was a CT trade and that too trading in to MSP ?
Please clarify when time permits .

thanks n rgds
Kishore

Reply

▼ Replies



SMART Trader October 17, 2014 at 4:26 PM

What if it is CT ? This is not a trend trading method. We try to trade ranges
80% of BOF trades at PDH and PDL will be CT trades.
Price makes a High/Low. Next day it tries to break it and fails
The last FTC trade was also CT. Manage CT trades tightly and allow trend trades to run
Price tried to break below IR and got rejected. Then we buy the range low targeting the range high. When price climbed above BRN, it entered a higher range. Price tried to make a BW around BRN and unfortunately you get caught within that

ST



Trader Pai October 17, 2014 at 4:37 PM

Thanks ST.
So my trades were fine today ?
rgds
Kishore

Reply



xrtrader1 October 17, 2014 at 3:56 PM

Hi ST, Why no trade after Trap ?

Reply

▼ Replies



SMART Trader October 17, 2014 at 4:25 PM

I thought price will make a BW around BRN

ST

Reply



Unknown October 17, 2014 at 3:59 PM

Hi ST
If you have entered a long on TRAP, where would have been the entry?? Above 7800 or the swing high created just above it??

Thanks
TBP

Reply

▼ Replies



SMART Trader October 17, 2014 at 4:28 PM

TRAP entry is always on break of extreme like a BPB
It is in fact a complex pull back

ST



L.V.Gandhi October 17, 2014 at 8:07 PM

Am I correct that entry should have been above high of 12:30 bar with a SL below entry bar.

Reply



rocky October 17, 2014 at 5:00 PM

Did not take BOF PDL PDC as it is CT. sir can you explain when to take CT trades. as many times you avoid to take CT trades .here is my trades took 3 please comment on the trades..all 3 valid trades ?<http://i62.tinypic.com/210eyb9.png>

Reply

▼ Replies



SMART Trader October 17, 2014 at 7:09 PM

If price brackets around a DP , stay out.
Don't trade the level repeatedly It can be a channel or a Barbed Wire
Read the reply written to earlier comment of trader Pai

ST

Reply



trading noob October 17, 2014 at 5:09 PM

Hello,

I understand you never have overnight positions.

But isn't that also reducing overall profit? as day traders can't participate in long trends and gap up/down moves.
What you think about trend trading, does day trading fall on the opposite spectrum of trend trading (as a day trader you could easily take counter trend trades and exit with profits)?

Could you give me some guidelines regarding overnight positions?

Reply

▼ Replies



SMART Trader October 17, 2014 at 7:26 PM

I do not take overnight exposures.It is not suitable for my psychology and personality
I stick to what is comfortable for me and try to gain expertise in it.
Every method, time frame and contracts have their own positives and negatives.
IMHO, "Jack of all trades" will not survive as a trader for long

ST

Reply



videv October 17, 2014 at 6:10 PM

Today I got totally clobbered around BRN /IRH area. 4 trades 2 long and 2 short and all got hit due to barbed wire kind of behaviour around BRN. I could have avoided 2 of these easily by waiting for candles to finish and show price acceptance/rejection.

Decided it's about time to go back to basics, and do more backtests on historical charts.

Reply

▼ Replies



SMART Trader October 18, 2014 at 9:39 AM

Once you get stopped out at a DP dont trade it again and again
Something could be wrong . A BW or a channels

ST

Reply



Trekkie October 17, 2014 at 6:23 PM

Hi ST,

For first trade, was your entry above 11.21 pivot or above 11.30 bar which broke IRL? Please can you give your trigger price? Thanks

Reply

▼ Replies



SMART Trader October 18, 2014 at 10:02 AM

Above the Pivot

ST

Reply



Trekkie October 20, 2014 at 10:20 AM

Hi ST,

Basic question..What makes markets gap up? I have read various theories on this, but nothing makes sense. What do you think causes gap

up? Thanks.

Reply

▼ Replies



SMART Trader  October 20, 2014 at 10:50 AM

Markets gaps up or down due to overnight change in sentiment. If people are willing to buy at a higher price market will gap up. For example today market gaped due to the BJP winning elections. Open is always at an equilibrium price determined at the Call Auction session of pre market.
<http://www.basunivesh.com/2012/07/16/pre-open-session-of-nse-bse-how-it-actually-works/>

ST

Reply

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