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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, September 18, 2013

18092013



Symbol	Expiry Date	Last Traded Price	ATP
NIFTY	26Sep2013	5944.50	5896.63

Nifty opened near PDC. Broke above PDH and BRN. Short on BOF of PDH below PDC. Covered when price failed to extend below IRL the MC Low. Then till evening Nifty was **channeling** and in a **Barbed Wire** around PDH. Finally a BO above HOD gave a nice move. It was a classic **VWAP run** during the fag end. There was a 50 point difference between VWAP and traded price.

Posted by [SMART Trader](#) at 3:40 PM



11 comments:

sentu September 18, 2013 at 4:24 PM

Sir,
How u enter on BO of HOD..is that a limit order,market or stoploss market order.if possible plz clarify and when u enter at the break of candle or opening of a candle or just above the line of HOD.Thank u.

Reply



SMART Trader September 18, 2013 at 7:08 PM

sentu

Stop loss limit order
If I feel a breakout is going to happen I feed an order early
Suppose the HOD is 5904, I enter an order like trigger 5904.50 limit price 5905.50 well in advance

ST

Reply

Anonymous September 18, 2013 at 9:15 PM

Hello sir ,

I may again sound silly but i didn't get answer from you on what is the meaning of DP,MC and other shorts ,as it is not in the glossary. why i am asking you bcoz i dont want to assume my own shorts when i am learning from your charts..

Thank You

Guptak03

Reply



SMART Trader September 18, 2013 at 9:55 PM

Gupta

DP is Decision points

MC is Master Candle

There are separate posts on these concepts under Important Posts > Structure and Patterns.

ST

Reply

adhi narayanan September 18, 2013 at 10:15 PM

In the last BO trade above HOD, my thinking was to see whether it was a BOF or a BPB of HOD. So i have missed that rally. Here your experience comes into play.

Reply



SMART Trader September 18, 2013 at 11:00 PM

Adhi

Yes experience plays a vital role in discretionary trading. You will never find a perfect trade. We are taking trades with high probability of winning with good risk management. SCORE it

S-Space is there. There is no immediate overhead resistance.

C-Critical mass is short from the morning. Those who are trading slightly higher time frames are waiting with a stop above HOD

O-There will be enough order flow above HOD to move the price a little higher. Not sure about the follow up buying

R-Risk very favorable. Even if there is no order flow on the buy side, we can exit the trade if it falls back in to the range

E-Three Earlier rejection from BRN area today is of less magnitude. Probability of a rapid rejection from the level is very low

Finally the market bias. Still Trading within previous day closing range. Never fell below the MSP

Considering all these factors will you take the trade or not ?

Conventional wisdom is to trade what you see. Wrong. seeing is not enough.

Trade what you observe.

ST

Reply



PA Trader September 19, 2013 at 9:40 AM

Is this "WAP run" the reason for the significant gap up today? There was a huge difference in the LTP and ATP at day end yesterday.

Reply



SMART Trader September 19, 2013 at 9:59 AM

Als

Nothing to do with WAP

This is US Fed announcement madness

May give a good shorting opportunity

BOF/FTC of BRN or somewhere else. Let us see

ST

Reply

Anonymous September 21, 2013 at 11:50 PM

prior to beginning of channel shown, why not SELL AT BPB OF IRL, when big red candle pierced IRL, FOR TARGET AS PDL. PL GUIDE ME FOR LEARNING PROCESS.

Shai

Reply

Anonymous September 21, 2013 at 11:53 PM

"Finally a BO above HOD gave a nice move" Ideally should one not wait for BPB ?

SHAI

Reply



SMART Trader  September 22, 2013 at 8:17 PM

Shai

I was already short ON BOF of PDH and covered the trade when price refused to go below IRH
Bias was very bullish as price was hanging around at the higher level of previous day range and did not crack MSP. Avoid such late entries.

Price attempted to break above BRN 5900 thrice during the day. Those who have shorted the market from morning might have kept their stops above HOD. So there is no need to wait for pull back. Such stop triggering breakouts rarely give favorable pull backs

ST

Reply

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