



This image is no longer available.  
Visit [tinypic.com](http://tinypic.com) for more information.

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

Tuesday, December 30, 2014

30122014



*This is an illustrative example of the concepts being discussed. Markings are just visualizations on historical data in hindsight analysis*  
Market was very choppy. Tried two trades one short and one long. Both the trades failed. I stayed with the first trade for a long time with the initial stop loss. But it moved after stopping me out above BRN. Second trade was into too much of traffic and could have avoided. Price was in a wide BW during the second half

Posted by SMART Trader at 3:56 PM



24 comments:



xrtrader1 December 30, 2014 at 4:06 PM

Thanks ST.  
Question: When do you break for lunch during Trading ?  
Reply

▼ Replies



SMART Trader December 30, 2014 at 4:25 PM

Between 1 and 2 PM usually.  
I am all alone in my house during day time. So no need for others to wait for me  
ST

Reply



Bhavir December 30, 2014 at 4:10 PM

Thanks ST. Indeed a tough day. Why do you say 2nd trade had too much traffic? I think there was clear room till PDC which unfortunately wasn't achieved.

Here's my observations. Your feedback is much appreciated.  
<https://niftytradediary.files.wordpress.com/2014/12/30dec20141.png>

Reply

▼ Replies



**SMART Trader** December 30, 2014 at 4:39 PM

PDC was not the FTA. FTA was MSP.  
The last impulse acted as a new range. If you observe closely you can see the real barrier was at 8310  
Your last entry was good. I thought of taking it but hesitated

ST



**Bhavir** December 30, 2014 at 5:21 PM

Thanks ST. Messed up the exit though on the last one : (

Reply



**PA Trader** December 30, 2014 at 4:43 PM

I went long above BRN in the 14:48 candle (Double bottom + BOF PDL). When price started to chop, I sensed that probably there is not much momentum. As it was nearing day end, I got out at 15:12 and then immediately price rocketed to IRL :-)

Reply

▼ Replies



**SMART Trader** December 30, 2014 at 5:09 PM

It was short covering. people were short from morning and disappointed. All Asian markets except India and Indonesia were in red  
It was only a TST of LOD. I would have confidently longed if it was a BOF

ST



**Trekkiie** December 30, 2014 at 6:50 PM

Hi ST,  
Thanks. For short covering trade EOD, if it was BOF, would you wait for price to cross x300 before entering long? Where would you look for entry?



**SMART Trader** December 30, 2014 at 7:18 PM

No. I will enter either on break of BO bar or a minor swing high if formed  
BOF means a few more traders getting trapped at the fag end and a lot more covering

ST



**Trekkiie** December 30, 2014 at 8:28 PM

Thank you ST. If it is breakout bar high (assuming 2:33 bar gave a proper breakout and price failed thereafter) then, would the fact that BRN was 7 points away have any role in deciding whether to enter or not?



**SMART Trader** December 30, 2014 at 9:35 PM

It was a wide barbed wire around BRN and PDL marked in green

ST



**Trekkiie** December 30, 2014 at 10:20 PM

Thank you very much ST.

Reply



**vinayak** December 30, 2014 at 4:56 PM

sir i think for 1st trade break of 8300 level around 12.14 pm was best entry TP was PDL and for second trade holding of PDL time 2.35 pm and crossing of 8295 level which is IRL was good entry TP is PDC which is 8315.

Reply

▼ Replies



**SMART Trader** December 30, 2014 at 5:01 PM

I usually avoid breakout type entries  
Today was very choppy and price was rotating in between too many levels

ST

Reply

**Bharat** December 30, 2014 at 6:02 PM



ST,

Was there a trap entry below 13.21 ?last MSP of downtrend failed there.

Regards

Bharat

Reply

▼ Replies



**SMART Trader** December 30, 2014 at 7:21 PM

Yes. But TRAP works well in a trend moves  
In a range move better focus on range extremes. There could be TRAPs within a range move

ST

Reply



**Unknown** December 30, 2014 at 6:10 PM

Good Evening ST  
I am entering into market after 2007. Trying trade nifty.  
I have gone through your book, good stuff. I am tracking your style now a days.  
Please clarify  
What are the lines to mark before trade and during the trade.  
How do you mark NS BRN /RN in Nifty futures chart  
Any guidelines?  
Appreciate your good service always  
Raju  
Reply

▼ Replies



**SMART Trader** December 30, 2014 at 7:26 PM

NS levels cannot be marked exactly. that is why we are not using these levels for trade entry  
When price hits a NS level NF will also stall. Take this as an approximate level

ST

Reply



**L.V.Gandhi** December 30, 2014 at 7:23 PM

9:48 candle was FTC IRH. So I went short below that. What was your thought process for not taking that?  
If you had taken short what would you have done. I have exited above 10:00 candle. What should I do in such cases.  
Reply

▼ Replies



**SMART Trader** December 30, 2014 at 7:58 PM

Yes. It was a FTC.  
It is always better not to micromanage and allow it to move to the next DP or FTA  
Price fell below PDC and got accepted there. So keep a SL above it and sit tight. with a small risk  
It is very difficult to find a trade with less than 10 point risk. There is no point in exiting a valid trade with 2 point profit and looking for another with 10 point risk

ST



**L.V.Gandhi** December 30, 2014 at 8:35 PM

Thanks.



**Bhavir** December 30, 2014 at 11:55 PM

Well said ST, master stroke statement to understand risk .. applies to any timeframe

Reply



**amber** December 31, 2014 at 2:12 PM

Sir good afternoon <http://www.fxstreet.com/webinars/sessions/breakouts-how-to-trade-themproperly-20141007/> thnx  
Reply

▼ Replies



**SMART Trader** December 31, 2014 at 5:59 PM

Thanks

ST

Reply

---

Add comment

Note: Only a member of this blog may post a comment.

Enter your comment...



Comment as: Google Account ▼

Publish

Preview

[Newer Post](#) • • • • • [Home](#) • • • • • [Older Post](#)

Subscribe to: [Post Comments \(Atom\)](#)

---

#### Important Posts

- [Disclaimer](#)
- [Glossary](#)
- [Rants 'n Raves](#)
- [Structure and Patterns](#)

#### Download E-Books

- [Decision Points](#)
- [Structure and Patterns](#)
- [Rants N Raves](#)
- [TRADE-SCORE](#)
- [Video Promo](#)

[Statcounter](#)

#### Reciprocal Links

- [Lance Beggs @ YTC](#)
- [URD @ charttechnicals](#)
- [KPL @ vfindirect](#)

#### Blog Archive

- [2015](#) (100)
- ▼ [2014](#) (274)
  - ▼ [December](#) (22)
    - [Happy New Year](#)
    - [30122014](#)
    - [29122014](#)
    - [24122014](#)
    - [High Low Range](#)
    - [22122014](#)
    - [19122014](#)
    - [18122014](#)
    - [17122014](#)
    - [16122014](#)
    - [Disclaimer](#)
    - [15122014](#)
    - [12122014](#)
    - [11122014](#)
    - [10122014](#)
    - [09122014](#)
    - [08122014](#)
    - [05122014](#)
    - [04122014](#)
    - [03122014](#)
    - [02122014](#)
    - [01122014](#)
  - [November](#) (19)
  - [October](#) (23)
  - [September](#) (22)
  - [August](#) (22)
  - [July](#) (27)
  - [June](#) (26)
  - [May](#) (20)
  - [April](#) (22)
  - [March](#) (24)
  - [February](#) (21)
  - [January](#) (26)
- [2013](#) (299)
- [2012](#) (338)