

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

Monday, July 21, 2014

## 21072014



Nifty gaped up above PDH and BRN. Entered long on BPB of BRN. Trade did not move. Stopped out. Another short on BPB of PDH. This one also stopped out. Rest of the day Nifty was in a Barbed Wire around PDH. No other trades

Posted by SMART Trader at 3:40 PM

#### 35 comments:



### **Unknown** July 21, 2014 at 3:43 PM

Hi ST

Did not find space to take any trade.

Thanks TBP

Reply



## **NPA Trader** July 21, 2014 at 3:46 PM

I have traded with nifty options chart for few reasons. please see my trade here. http://nsemcxpriceaction.blogspot.in/

Reply





## SMART Trader July 21, 2014 at 3:55 PM

Option trades, IMHO is very effective while trading the extremes  $\operatorname{But}$  so far I have not traded the method through options

ST

**Unknown** July 21, 2014 at 5:51 PM



hi NPA trader. im thinking to trade options, help me to decide

how is brokerage in options? options move well? what r the advantages and disadvantages of options over NF?



#### Deven Malhotra July 21, 2014 at 9:23 PM

Hi.

IMO, Challenges in options are - we can't enter with SL orders !! So, options tend to go away few points & if a move is not fast, they tend to loose those points very easily. I find my self manytimes surrounded with such situations. So instead of Ranging days, High Volatility days are good to trade options confortably as Trailing SL is few points only.

Thanks, Deven Malhotra



### **NPA Trader** July 21, 2014 at 9:57 PM

Chandra Mouli

For 1 lot of option it will be 75% lesser brokerage than nifty futures 1 lot. More or less all brokerages charging like the same. Options move well with futures when you buy At the money or In the money options.

Advantages and Disadvantages are,

1. your risk is fixed even if you loose your entire premium(at expiry) when you buy options.

2. More risk when you write(short) options. risk of unlimited loss. you need full margin like nifty futures for writing.

3. Your risk is less if you trade out of the money options when compared to futures.

4. You will loose your premium when there is no movement, range bound days.

Reply



#### Only Nifty July 21, 2014 at 4:03 PM

ST Sir,

Narrow range session.. attempted 3 trades, ended up with 8 point loss. Trades here

Reply

Replies



#### **SMART Trader J**uly 21, 2014 at 6:55 PM

Yes. A tough session to day trade

ST

Reply



#### Purusharth Mahajan July 21, 2014 at 4:06 PM

Hi Sir.

A new reader of your blog, find it very interesting.

May I pls know the reason of avoiding the BOF of LOD and when the BRN was tested for the third time I took the trade inspite of LOL. Was this approach correct.

Also I might bug you with question on trades on previdays, Pls bear.

Your service to people is highly appreciated.

Thanks

Reply

Replies



## **SMART Trader J** July 21, 2014 at 7:06 PM

Avoided it as it was counter trend and PDL and BRN above

Nothing wrong with the trade. Trade went where it was supposed to go, the other extreme of the range. My trades are not ideal trades. I do miss a lot and mismanage many trades. Everybody will. But as we gain experience, we will start making more good decisions than the bad decisions. Discretionary trading is all about our decisions.

ST

Reply



#### Guru Krish (Trading Nirvana) July 21, 2014 at 4:17 PM

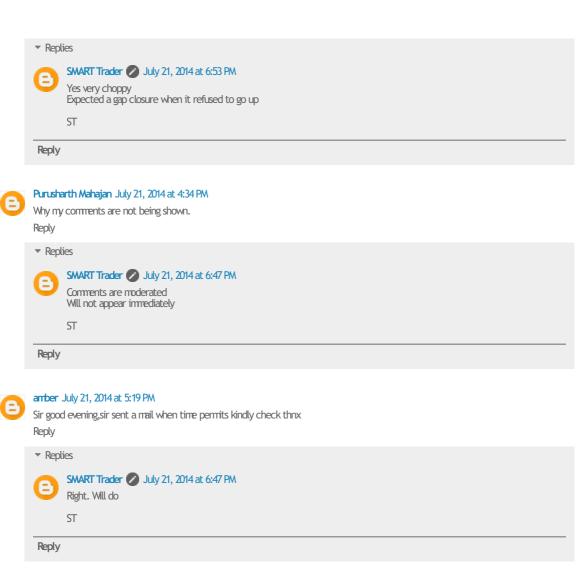
Hi ST,

Bumpy trades.. Choppy day.. My trades Here... Hope we get a break out tom:)

Cheers!

GΚ

Reply



B

## **Unknown** July 21, 2014 at 5:44 PM

how u avoided PP that is taken by rose?

Reply

Replies



### SMART Trader July 21, 2014 at 6:49 PM

My order did not trigger

As the earlier two BO attempts failed I kept the trigger little away @ 7705

ST

Reply



## Purusharth Mahajan July 21, 2014 at 7:28 PM

Pardon me for my wrong username "Micheal Richard". It was made to serve a different purpose (poker). Have corrected it now. Waiting for your clarification on my query.

Thanks, Purusharth

Reply

Replies



#### SMART Trader July 21, 2014 at 7:37 PM

I have already replied to your query

ST



# Purusharth Mahajan July 21, 2014 at 8:36 PM

Thanks for the reply sir.

For the third test of BRN later in the day. What should be our thinking like?

Should we look for a trend move as the short term trend was down or should we try to trade the BO as the critical mass was short. Today the BO trade was also triggered.



#### SMART Trader July 21, 2014 at 8:56 PM

Buying the low and selling the highs are always the preferred trade http://niftynirvana.blogspot.in/2012/05/buy-low-sell-high.html
Other trades are always low probability ones and involve higher risk
Here buying the BOF of LOD is a better trade than buying a BO of BRN

ST

Reply



#### Unknown July 21, 2014 at 7:55 PM

Hi Chandra Mouli.

Read your comments. Hope I do not offend by sharing what I feel trading options. I amgreat fan of options. Esplly Nifty options. Great liquidity and great bang for the buck.

#### Few pointers:

1) Don't trade options looking at NF. In this case you can't enter Limit orders on option trades.

2) Be very swift if you want to scratch your position. With the swiftness of options one may not find a chance to do it. I would suggest, just look at the price movement for a week or so. How much options move vis a vis NF.

All said and then ,you will enjoy the options trading journey

TBP

Reply



#### goodidea.vishal July 22, 2014 at 8:00 AM

@ chandra mouli

regarding option , if you are new to option trading then please avoid it , simply

there is standard rule, if future price increases then CE Will also increase and PE will decrease, BUT 30-40% OF time there is mis-pricing even in Nifty/Banknifty ATM / ITM Option, mostly rangebound market and month start and ...end of the month they will behave like MAD, they have own personality of option.

, they have own personality of option . Sir , you have knowledge about option intrinsic value , option time value ...etc . then its good ,but it is not sufficient plss try to grasp on screen /practical knowledge .

there is TIME decay is more effective in this instrument, cause of it has limited life (one ...two...three month), end of the month it will expire.

Reply



## **Trekkie** July 22, 2014 at 11:21 AM

Hi ST.

If long, what would be the ideal place for SL now?

Reply

▼ Replies



#### **SMART Trader J** July 22, 2014 at 12:20 PM

Look at the left side of the chart. What happened at 7750 level So isnt it better to exit the trade near that level and wait for the next signal

ST



## **Trekkie** July 22, 2014 at 1:28 PM

Hi ST,

I am totally lost now: D what do we need to happen for entry. Looks like price is in channel and no DPs nearby. Please could you share your thoughts? Thanks a lot.



## **Trekkie** July 22, 2014 at 2:04 PM

Nice spike and channel, hindsight is beautiful:)



## SMART Trader July 22, 2014 at 3:05 PM

S Roy What channel? It is all horizontal levels working well

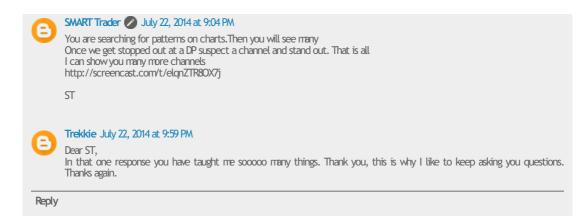
ST



## **Trekkie** July 22, 2014 at 5:51 PM

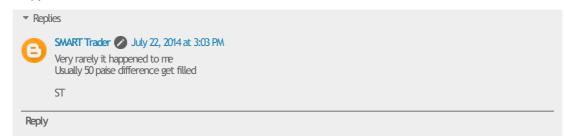
Hi ST,

I thought there was a spike and channel today (22nd) as price moved toward 7750 http://inragizer.imageshack.com/img673/9765/cc8618.png prior to 1:30 Am I seeing this wrong?



**Unknown** July 22, 2014 at 1:40 PM

my order T- 7720.20, L 7721 not trigered. any ticks to get order fills? and ur order xxxx.50 any specific reason for .50 Reply



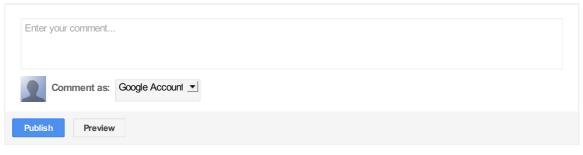
Unknown August 6, 2014 at 4:19 PM

Its a good technical analysis to invest in the market and good opportunity to send a best part in the trade. Free Stock Market Tips on Mobile

Reply

Add comment

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



Newer Post Home Older Pos

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@vfmdirect

### Blog Archive

- **2015** (100)
- **2014** (274)
- December (22)
- November (19)
- October (23)
- ► September (22)
- ► August (22)
- **▼ July (27)**
- 31072014
- 30072014
- Reading: Taps on DP
- Selective Attention
- 28072014
- Share Something
- 25072014
- 24072014
- **Big Picture**
- 23072014
- 22072014
- 21072014 18072014
- 17072014
- 16072014
- Structure and Patterns(E-Book)
- 11072014
- 10072014
- 09072014
- 08072014
- 07072014
- Three Thoughts
- 04072014
- Methodology
- 03072014
- 02072014
- 01072014
- ▶ June (26)
- ► May (20)
- ► April (22)
- ► March (24)
- February (21)
- ▶ January (26)
- **2013** (299)
- **2012** (338)

Simple theme. Powered by Blogger.