

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

Thursday, June 13, 2013

# 13062013



Nifty gaped below PDL, attempted to close the gap and failed. Went long on the BOF of BRN. This did not move as expected. Scratched it. Nifty channeled for a while and then traded in a range. Did not get any other signal to trade.

Posted by SMART Trader at 6:49 PM

## 5 comments:

## adhi narayanan June 13, 2013 at 8:06 PM

I have taken today's 6th bar as IRH. Market moved above it and came down below IRH. I have traded it as a BOF of IRH and covered with 15 pt profit.

Reply



## SMART Trader June 13, 2013 at 8:39 PM

Adhi

Good.

But the trade was very risky one

For BOF of a range high, the target is always the other extreme of the range. Here your IR was too tight to trade.

ST

Reply

# B

## **Raghu R Bhat** June 14, 2013 at 8:24 AM

ST what you are saying is unless you see a clear 30 points edge you will not take the trade (exceptionI can think of are the cigarette butt BO trades, where the market is trapped in a tight range for more than an hour) - rb

Reply



I think your comment is related to my answer to adhi. Let me explain

There is no confusion regarding IR low. Adhi took the 6th bar high 5726 as IRH.IRL, the logical target of the BOF trade is 5715 ignoring the

tails. If you consider commission+ slippage as 4 points potential is only 7 points. not a worthy trade.

Now think about the IRL( not on hind sight}. It is the first bar of the day. It withstood the 60 point gap down attack by the bears in a down trending market. Absorbed a massive selling of 12000 nifty lots.

The trade was bad even if it made money.

I amnot against trading even 10 point ranges. But you must well aware of the big picture

ST

Reply

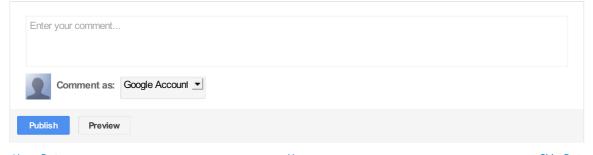
## adhi narayanan June 14, 2013 at 6:50 PM

In that trade, my thought was only to trade with the trend(i amusually avoid CT trades). But really i have forget the IR low before taking the position. That was a mistake.

Reply

#### Add comment

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



Newer Post Home

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)
- **2013** (299)
  - December (25)
  - November (25)
  - October (27)
  - ► September (26)
  - ► August (22)
  - ▶ July (26)
  - **▼ June** (26)
  - 27062013
  - 27002013
  - 26062013
  - 25062013
  - 24062013
  - Mission Statement
  - Capitulation
  - 21062013
  - 20062013
  - 19062013
  - 18062013
  - 17062013
  - From Harish Thahkkar
  - Re-read and Rediscover
  - 14062013
  - 13062013
  - Trading Plan
  - 12062013
  - 11062013
  - 10062013
  - Quit and Win
  - 07062013
  - 06062013
  - 05062013
  - 04062013
  - 03062013
  - Burn the Chart
  - ► May (25)
  - ► April (15)
  - ► March (25)
  - February (25)
  - January (32)
- **2012** (338)

Simple theme. Powered by Blogger.