

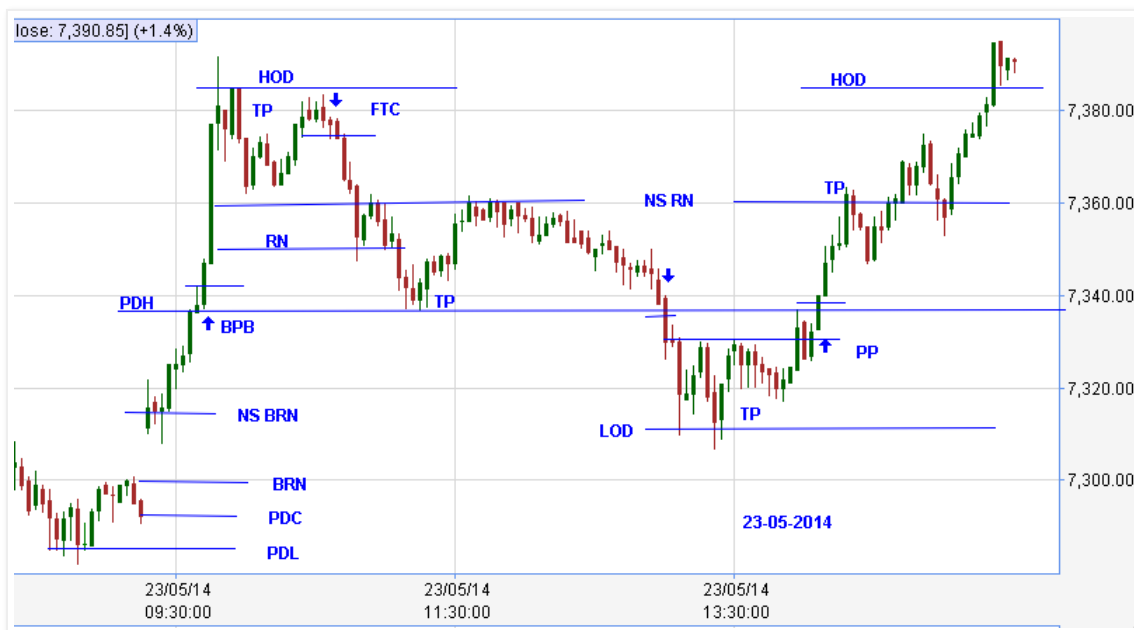


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Friday, May 23, 2014

23052014



Nifty gaped up above BRN and NS BRN levels. Went long on the BPB of PDH. TP when second attempt to go above 7380 failed. Went short on the retest of 7380 as FTC. TP at PDH. Another short on the break of PDH to the downside after a pull back to NS RN. TP at LOD. Long on break of PDH to the upside . Tp at NS RN level which acted as strong resistance earlier.

Posted by SMART Trader at 3:47 PM



19 comments:



Uday Dave May 23, 2014 at 3:56 PM

Hi ST,

Today was a good day to trade for me. Please have a look,

<http://charttechnical.blogspot.in>

I missed the first trade that you took. I was waiting for the pull back and kept waiting. How could you go long above BO candle without any pullback? Was it because it was breaking out of last three days range? Please shed some light on it.

Thanks.

Reply

▼ Replies



SMART Trader May 23, 2014 at 4:31 PM

URD

Nice trades. Last trade you waited and reaped the reward.

First trade, actually there was a minor pull back for nearly three minutes. I was watching it.

That upper tail printed within the first 15 seconds and rest of the time it was trading well below it. I entered my order after 2 minutes.

Check the lower time frame chart.

ST



Uday Dave May 23, 2014 at 4:54 PM

Thanks ST. Yes, it is very much apparent on 1M chart. For that last trade, somehow got the sense that it would test HOD at least. So waited for it and got rewarded. Learning the tricks slowly.

Reply



Unknown May 23, 2014 at 3:58 PM

Hi ST
Excellent trades. Loved them Fluids today.
Could have the short be taken at NS RN as TST FTC instead of waiting for the break of PDH?

Thanks
TBP

Reply

▼ Replies



SMART Trader May 23, 2014 at 4:38 PM

TBP

Yes you can go short there with very little risk

ST

Reply



Unknown May 23, 2014 at 5:10 PM

Hi ST,
I've read your E-book and going through your blogs from last couple of days, It is very impressive. Your approach is quite unique by using decision points. I would like to join with you to understand your concepts more clearly.
Thank you.
Kiran.

Reply

▼ Replies



SMART Trader May 23, 2014 at 6:02 PM

Kiran

Thanks for the visit and comment

ST

Reply



Trekkie May 23, 2014 at 6:42 PM

Hi ST, sorry about a silly question. How exactly do you draw the NS RN line. If NS is moving between 45 and 60 for example, do you draw the line on the futures chart, the first time NS spot touches 50?

Reply

▼ Replies



SMART Trader May 23, 2014 at 6:56 PM

NS levels will vary slightly as per premium/discount at the time
That is why I am not using it for entries. I monitor these levels for trade management only.
I watch the NS on my trade terminal and notice the NF level when it hits RN.
I draw the line there. If NF is not stalling there, I just ignore it

ST



Trekkie May 23, 2014 at 7:24 PM

Hi ST,
Just trying to get this cleared in my head. In this chart <http://i.imgur.com/492RRw.png> the top is Nifty Futures, the bottom chart is Nifty Spot. Arrows point to where Nifty Spot was at 50. In the middle circled area, Nifty only reached up to 46.75 should we consider this also as NS BRN? Thanks for your help.



SMART Trader May 23, 2014 at 8:11 PM

During momentum moves average premium/discount on NS will change a lot
During the morning up move you can see premium increased to 30 points. Like that in rapid down moves premium will shrink. You will not get the right levels then. During normal moves NS BRN and RN will influence NF moves. These levels are approximations. 3-5 point difference is normal because of premium/discount factor.

These levels cannot be used for entries or stop placement. If you are already in a trade and price stalls at NS areas take notice and book your profit. While entering a trade notice these levels and don't be surprised if you get a bounce back.

ST



Trekkie May 23, 2014 at 8:53 PM

Hi ST,
Thanks so much.

Reply



Trekkie May 23, 2014 at 7:04 PM

Thank you so much ST.

Reply



Unknown May 23, 2014 at 9:17 PM

Hi ST .
I have a doubt why NS levels influence NF?

Reply

▼ Replies



SMART Trader May 23, 2014 at 10:37 PM

Option strikes of the underlying will influence Future contracts.
It is applicable to Indices and stocks
<http://niftynirvana.blogspot.in/2012/02/clash-of-titans.html>

ST



Unknown May 27, 2014 at 9:52 PM

hi smart trader ,
i,m new to your method, im reading your all posts and recently read clash of titans.
i think for trading, only Future contracts are available ,not spot,
i mean all guys trade only futures then y spot influence? and what is the meaning of "trading a derivative" ?
please clear my doubt.



SMART Trader May 27, 2014 at 10:37 PM

Chandra Mouli

Option settlements are made on Nifty Spot levels
Institutions will have massive option positions and they will defend these levels especially near expiry
Option strikes are important levels for stocks as well as indices

ST

Reply



Unknown May 23, 2014 at 10:19 PM

ST Sir,

I did 2 trades today..

Trade1 : 1st 3 candles I considered as IR.. went long above IRH.. could not take profit at highs but exited once PDH broke again... could have managed better by following FTC signal.. noted this point

Trade2 : I considered day low (DL) as decision point (hope I am correct).. afternoon session NF broke morning low and reversed immediately.. I went long here & managed to exit at EOD :)

Pls clear my doubt.. whether DO, DL, DH (intraday levels) can be considered as DP's?

Reply

▼ Replies



SMART Trader May 23, 2014 at 10:54 PM

Rose Mary
You gave back too much on the first trade
DO,DL,DH are DP's. DL is called LOD (Low of the day) and DH is called HOD (High of the day)
You can see it marked even on today chart and it is there in the glossary and important posts
ST

Reply

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