

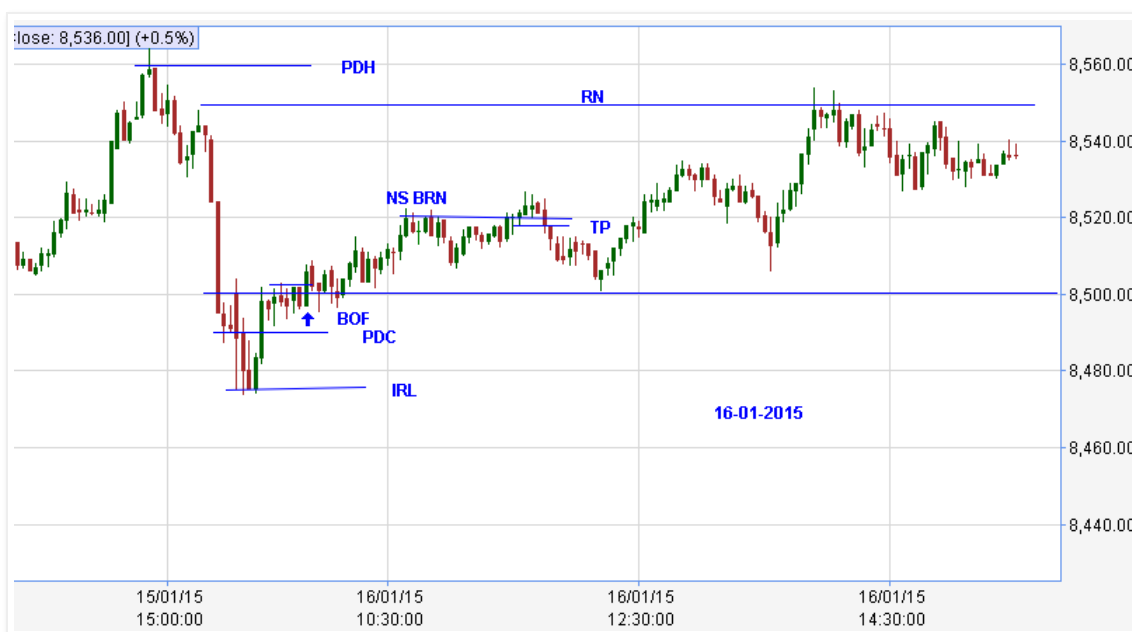


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Friday, January 16, 2015

16012015



This is an illustrative example of the concepts being discussed. Markings are just visualizations on historical data in hindsight analysis
 Nifty opened near BRN 8500 and moved down breaking PDC. I was expecting a gap down due to weak global cues. Went long on BOP of PDC/BRN. Exited when price failed to move above NS BRN level. . Price did not touch any DP afterwards and there was no prominent range formation. Waited for a signal at PDH before closure. Price did not reach there.

Posted by SMART Trader at 3:40 PM



16 comments:



Trader Pai January 16, 2015 at 4:07 PM

Hi ST,
 Would you have taken BOP short if price had moved down at BRN , (at the place where you took long_ , instead of going up ?

rgds
 Kishore
 Reply

▼ Replies



SMART Trader January 16, 2015 at 5:51 PM

On break of PDC.

ST

Reply



Unknown January 16, 2015 at 4:13 PM

Good evening ST,

There was another BOF long at NS BRN around 13.35 went up to RN, I am right.

Raju

Reply

▼ Replies



SMART Trader January 16, 2015 at 5:53 PM

Yes
I do not Enter at NS levels as they are not considered as DP
They are used for managing the trades

ST



Ravi January 16, 2015 at 11:50 PM

Than why yesterday you took long on NS BRN support?



Unknown January 17, 2015 at 3:33 PM

imconsidering swing H/L and NS levels as first trouble area.

Reply



xrtrader1 January 16, 2015 at 4:22 PM

Hi ST,
What made you close Trade at TP ? What was the thought process in managing the trade ?

Reply

▼ Replies



SMART Trader January 16, 2015 at 5:56 PM

That swing high was NS BRN
When price gave a FTC above this exited. I was sure that this will bring down price to BRN again
Was looking for a TST or BOF again at BRN. But price ran away

ST

Reply



Bharat January 16, 2015 at 5:30 PM

ST,
Why didnt you exited the long when next bar after breakout bar failed and moved to 95. ? where you kept initial sl? wasnt it a barbwire around 8500?

Thanks and Regards

Bharat

Reply

▼ Replies



SMART Trader January 16, 2015 at 6:10 PM

My stop was below the 7th bar low
First pullback of up move.Risk was around 11 points
Usually if Nifty moves against other Asian markets there will be directional conviction
Still a BW can develop

ST

ST

Reply



L.V.Gandhi January 16, 2015 at 7:11 PM

After FTC day's High and formation of Pivot low in 14:09 bar, I went short below PL in 14:15 bar. What was your thought process in this point. Above high of 14:18 bar, I did exit. Where should have been exit? can you share your thought process here?

Reply

▼ Replies



SMART Trader January 16, 2015 at 8:08 PM

I skipped this trade due to the following reasons
1. Trade was CT
2. 8532 swing high looked very prominent and I felt this flip will hold

3. Trade was not at a DP. I would have shorted if the signal came at PDH
4. Why didn't you short below the pivot low made by 14.00 bar?

ST



L.V.Gandhi January 17, 2015 at 7:05 AM

Thanks for detailed reply.
Considering bars like 14:00 as pivots, I thought as micro management and also it was CT. hence waited for further confirmation



SMART Trader January 17, 2015 at 11:52 AM

Risk is reduced by making entry close to the stop and not by placing the stop close to the entry.
Decide your exit first. <http://niftynirvana.blogspot.in/2012/07/exit-first.html>

ST



L.V.Gandhi January 17, 2015 at 7:50 PM

Thanks.

Reply



SMART Trader January 17, 2015 at 12:10 PM

Ravi
DPs are not magical levels. They are high probability support and resistance levels
RN is a comparatively weaker level and it is very difficult to identify NS levels on NF charts
It always reminds me of this. <http://www.goodkids.in/wp-content/uploads/Marriage-of-Draupadi.jpg>
I very rarely attempt to trade NS levels on NF and I have burned my fingers many times. There is nothing wrong in trading these levels at all, but I will not advise it. If you feel confident to shoot an arrow looking at the reflection, just do it

ST

Reply

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 - [08/01/2015](#)
 - [07/01/2015](#)
 - [06/01/2015](#)
 - [05/01/2015](#)
 - [02/01/2015](#)
 - [01/01/2015](#)
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- [2013](#) (299)
- [2012](#) (338)