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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*

Thursday, June 26, 2014

26062014



Neat and clean price action on an expiry day. Nifty opened below PDL .IR formed. Short below IRL as BPB of PDL. Exited when price came back above first pull back swing high. Nifty traded in a range till expiry action started. BOF of range high was a good signal to short. did not take it . Need to change this habit it seems. Expiry are not that choppy lately.

Posted by SMART Trader at 3:30 PM



35 comments:



Allwin June 26, 2014 at 3:37 PM

Today I missed BPB at IRL, but caught BOF of RH, got 36pts. Thanks to you.

Reply

▼ Replies



SMART Trader June 26, 2014 at 4:06 PM

Allwin

Good. I was just watching  
Still scared after losing a lot trading expiry and announcements

ST

Reply



Unknown June 26, 2014 at 3:40 PM

Hi ST

Was the TST range low an opportunity to go long with range high as target as IRL/range low was one range and second one was 7520-7540.

Also why did u not take BOF short? Anything specific?

Thanks

TBP

Reply

▼ Replies



**SMART Trader** June 26, 2014 at 4:09 PM

Yes

TST of range low is a signal to go long

Usually I stay away from counter trend TST

Staying away on expiry is an old habit and old habits die hard

ST

Reply



**Deven Malhotra** June 26, 2014 at 3:46 PM

Hi ST,

A great Day. Put of rs 40 just doubled in few mins. I owe it to you for coining the concept of Fluids !!..

Thanks,

Deven Malhotra

Reply

▼ Replies



**SMART Trader** June 26, 2014 at 4:03 PM

Deven

Nice trade

ST

Reply



**NPA Trader** June 26, 2014 at 3:52 PM

Hi ST,

Where will be the entry of last BOF fall, if it was taken?

Reply

▼ Replies



**SMART Trader** June 26, 2014 at 4:17 PM

Right entry is below the pull back bar. next bar after the BO green bar

But it will be very difficult to execute there without hesitation. Next point is the swing low

Here again space is a problem. But still I will attempt it as there was a pull back after price hitting MSP

ST

Reply



**Unknown** June 26, 2014 at 3:57 PM

ST Sir,

Only one trade, stayed away from market in noon session. check [here](#)

Very much happy to say, i had a gr8 start in DP trading... earned 829 points in 26 sessions :) {thanks to markets.. gave excellent opportunities recently}

Thinking to go back with more lots (what i used to trade with SAR earlier), i feel confident now.

Hope i could handle big quantity also!

Reply

▼ Replies



**SMART Trader** June 26, 2014 at 4:26 PM

Good results

You could have shorted the break of IRL as price is breaking out of the range

829 points, I think is with 2 lots. Dont scale up in a hurry. Let the procedural memory develop

ST



**nirtos** June 26, 2014 at 4:34 PM

Hi,

IS THIS AFTER BROKERAGES.

THANKS



Unknown June 26, 2014 at 5:20 PM

nirtos,  
Yes



PUCHU\_2500 June 26, 2014 at 5:29 PM

rose,  
great score. congratulations. just I remind you what ST sir advised you. pls, see....  
<http://niftyinirvana.blogspot.in/2014/06/03062014.html>



Unknown June 26, 2014 at 6:37 PM

thanks PUCHU\_2500 :)

Reply



Unknown June 26, 2014 at 4:32 PM

Thanks sir.  
May be i will wait for another 1 month to scale up, procedural memory.. WoW :)

Reply



Unknown June 26, 2014 at 4:33 PM

Hi Rose Mary,

Congratulations..That is a good achievement for a beginner.  
What do you mean by SAR?

Regards,  
Kiran.

Reply

▼ Replies



Unknown June 26, 2014 at 5:24 PM

SAR stands for Stop and Reverse.. its used basically for positional trading.. traders use EMA's as SAR.  
Ex: 10 day ema

If NS closed above 10 day ema.. carry longs, else shorts.  
it works best in TRENDING markets.. lot of whipsaws comes in side ways market.. trader's real ability comes, how best he handle sideways market :)



SMART Trader June 26, 2014 at 6:12 PM

Rose Mary

I was very keenly following the SAR system by Assortz  
Unfortunately, he discontinued posting. Still I feel this is one of the best materials available on SAR method.

<http://assortz.blogspot.in/2012/01/sar-number-math-not-myth-traders-view.html>

Another thread I followed for months was by dpaterso at baby pips for months. That one ended without any success despite too much efforts by a lot of traders

<http://forums.babypips.com/free-forex-trading-systems/4976-parabolic-sar-thats-all.html>

Circular logic was one of the oldest site trading SAR. I had a trial subscription for a while. Site is still there but the forum has disappeared  
<http://www.circularlogic.com/>

ST



Unknown June 26, 2014 at 6:35 PM

Okey.. my understanding of market is very limited sir.. 2 years of JNSAR & 26 days of DP trading now.  
The kind of links you put here, shows how much of effort you spent.. during testing times in market.

We all owe you a lot... for selfless sharing of your system. which came after after lot of effort.



vikram June 26, 2014 at 7:22 PM

Rose mary, This is really awesome and inspiring that you could successfully trade DP method and came out with excellent profits in just 26 days... Do share your learning steps..



Unknown June 26, 2014 at 10:42 PM

Vikram,

I will just list out steps on how i started after visiting blog.

1. Gone through e-book couple of times
2. Read all important posts
3. Did paper trades for a week
4. Read e-book 2 more times, this time i found concepts were more clear... after correlating how price reacts at DP's during live market
5. Started actual trades with 2 lots
6. At EOD, I compare my trades with ST sir... & note down learning's
7. I start day with check-list prepared
8. Look how day trend is positioned 1st
9. Check Initial Bias
10. Once IR formed, look if any DP's around... if yes, I consider them for trade.
11. Decide the pattern to trade (in case of prolonged range... BPB,BOF works better)
12. Check where FTA is positioned... at least 10 points away (Sometimes FTA may not be much relevant if, range BO is happening... today IRL BO is one example... we must apply our intuition, before taking decisions)
13. Check if critical mass favours your trade
14. Check Sufficient order flow, to drive till next DP... whenever I see FTA around 10 point away.. Mostly I vote to trade that.. If NOT moving in favour... I simply put SL 2 points away to cost price... Break Even.
15. If my initial SL is more than 10 point, I prefer NOT to trade.. R:R should be 1:1 at least.
16. Once trade started moving in my favour... I do start trailing my SL behind DP's... It could be Static/Dynamic DP (or) Swing high/low (or) flip.
17. Limiting maximum trades to 4, per day.
18. Max risk of points per day 20-25
19. If 2 trades fail in a row, avoid further trades... unless low R:R trade arises.
20. Last but not least... start a blog & use it as trade journal.

Hope it helps!



PA Trader June 27, 2014 at 6:41 PM

Rosemary, excellent performance within just 26 sessions.

Reply



VKM June 26, 2014 at 6:36 PM

ST sir,

Today i missed the first short trade, was waiting for a pullback below IRL  
Took a short on BOF of RH and scratched  
Take a long at 14:42 candle high as BPB of range high, i thought it will run into the fluid but failed. How can we avoid this trade?  
Then shorted the BOF of range high which went well below the range low and BRN.

dpintratrading.blogspot.in

VKM

Reply

▼ Replies



SMART Trader June 26, 2014 at 7:29 PM

Be aware of the big picture. today is expiry  
Nifty was trading between 7500-7600. Morning sell off itself showed the big boys want an expiry below 7500  
Price fell to 7520. Now it is very difficult for the bulls to lift it above 7600. So they loosened their grip a little and allowed poor retailers to go long and made retail shorts to book profit. At the fag end a BOF. retail traders panicked and exited pushing price below 7500. These are all games big money play. Expect these kind of traps on expiry

ST



VKM June 26, 2014 at 8:13 PM

Yes sir expiry drama.  
Thank you sir.

VKM

Reply



Sunil Saranjame June 26, 2014 at 11:44 PM

Dear ST, I think my earlier comment might have gone into the spam folder. Please check. It was about the SAR and I think one must read Wëlles Wilder's original book published in the early 70s. I have the PDF book and if anybody wants it then I'll be happy to mail it. Thanks.

Reply

▼ Replies

SMART Trader June 27, 2014 at 8:57 AM



SS  
Happy to see your comment after a long time.  
I could not locate your earlier comment. Dont know what happened  
I have not read wilder's book. Please do send me a copy to  
niftyninvana at g mail

Thanks a lot  
ST

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Reply



Unknown June 27, 2014 at 9:34 AM

Nifty being resisted at the median - 7565

Reply



amber June 27, 2014 at 10:06 AM

Sir SS kindly mail me the pdf book ,onhrmanagement@gmail.com thnx

Reply



Unknown June 27, 2014 at 12:33 PM

sir are we in a channel today?

Reply

▼ Replies



SMART Trader June 27, 2014 at 6:32 PM

Morning session there was no channel  
Afternoon it channeled for a while

ST

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Reply



Unknown June 27, 2014 at 5:00 PM

@SmartTrader The initial downmove was a kind of a freak or was it slow enough to take a trade there?

Reply

▼ Replies



SMART Trader June 27, 2014 at 6:33 PM

Market was very choppy and there was no clear signal

ST

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Reply



Unknown June 27, 2014 at 5:18 PM

ST sir,  
Plz let me know which charts you use for 3 min time frame.I use GCI charts with 5 min time frame but its lacking 5 points nf.Thx in advance.

Regards,  
SS Dhiman

Reply

▼ Replies



SMART Trader June 27, 2014 at 6:34 PM

I am using Icharts. It is web based interactive charts  
Around Rs 800/- per month

ST

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Reply

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