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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, September 12, 2013

12092013



Nifty opened near PDH and tried to breakout. BOF of PDH gave a short. Sold below PDC. TP at BRN 5900. Tried a long trade on BOF of BRN. This trade did not move. Scratched. Nifty moved in a range just below BRN for a while. BOF of BRN gave another short signal. My target was PDL. But Nifty moved beyond that. Did not go long on BOF of PDL as it was too late.

Posted by [SMART Trader](#) at 3:44 PM



13 comments:

[Anonymous](#) September 12, 2013 at 5:06 PM

Hi ST,

1. Was there a BPB at BRN near 10:25?

2. How did you decide to take the BOF when NF was trading in a range close to an hour and that it would break RL?

Reply



[Unknown](#) September 12, 2013 at 6:05 PM

hello sir,
is there a way to post a chart of my trade. I can then ask u my doubts more visually. Say if i upload the image of my chart on any site, then can i share the link here, or if there is any other way please guide.

Thanks

Reply



[SMART Trader](#) September 12, 2013 at 6:16 PM

anurag

upload and post the link

ST

Reply



SMART Trader ✓ September 12, 2013 at 7:00 PM

Anon

1. Yes. Yes but the trade did not trigger. I would have gone short if price broke the breakout swing low
 2. This question needs some explanation
 Nifty broke and traded below BRN for a while. I was looking to go short. But it suddenly reversed and made an attempt to go above 5900. I went long here as BOF. But price could not proceed beyond the BO candle. There was no followup buying. This trade failed.
 Trading in the range for a while. Another break above BRN. Fails to go beyond the BO candle. Only stops triggered. No fresh buying followup. Falling back to the range. A BOF. Short below the marked swing low.
 BOF trade with the trend, trapped traders' order flow will be there. Usually BOF of a range extreme will lead to the break of other extreme.
 FTA is range low the natural target. 15 points away. Expect a bounce from there. Risk is very low with stop just a point above BRN.
 As expected a bounce. Further push down breaks the previous swing low. Now stop just above the new swing high. Trade is free now. No tension. Moves further down and I trail.

Reply



The stalker September 12, 2013 at 8:34 PM

Sir
 ATP at 14:30 showed 5897, market price @ 5872. Considering the trend I went short assuming that most of the traders are long in the market. TP @ 5845.

Is this a correct use of ATP or am I plain lucky.

Reply



SMART Trader ✓ September 12, 2013 at 8:52 PM

stalker

I do not use WAP as a stand alone system to enter a trade. Some times it may help to extract more juice from a trade during the last minutes of trading time that is all.

ST

Reply



Unknown September 12, 2013 at 9:39 PM

Sir, I request u to please go thru my chart n point out my mistakes, so that i can improve.

<http://imageshack.us/photo/my-images/607/tavt.png/>

Thanks

PS: got the clarification for my second trade from ur post. Thanks

Reply



SMART Trader ✓ September 12, 2013 at 11:02 PM

Anurag

Your trade 1 is an attempt by the price to cross over to a higher range. That trade gets invalidated as the price falls back to the old range. Consider the breakout bar as a MC. Once price breaks below the MC trade is over.
 Regarding Trade 2, Apply the same logic. Once price refuses to go down below the range low and bounces back you exit the trade above the pin bar and make reasonable profit.
 I kept the stop above the previous swing high as the trade was a second BOF and it was a trend trade. So decided to give it maximum room.
 We are going to regret after each and every trade because we will never perfect our exit.

ST

Reply

Anonymous September 13, 2013 at 12:57 AM

ST sir,
 Fantastic blog I thank you for that first.
 Sir I use 2 mins charts and trade as showed here with some trend lines including..
 Sir may I know the meaning of BPB, BRN, FTA AND other shorts so it will help me to understand the trades more..

Regards

guptak03

Reply



Arvind September 13, 2013 at 7:27 AM

Sir,
 Your 3rd short trade is always a dream for me. It was there in hindsight but range low was staring at me. Till the time I decided to tight my belt it was too late. I hope your explanation regarding that will help me next time.

Thanks

Reply



SMART Trader  September 13, 2013 at 9:01 AM

Gupta

Go through the glossary and other important posts listed at the bottom

ST

Reply



Unknown September 13, 2013 at 9:10 AM

Thanks a lot sir for the explanation. If i have your permission i'll be uploading the chart each day n will wait for ur guidance.

Thanks once again.

Reply



SMART Trader  September 13, 2013 at 9:27 AM

Anurag

Everyday it is not possible

If you have specific doubts, feel free to ask me.

ST

Reply

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