

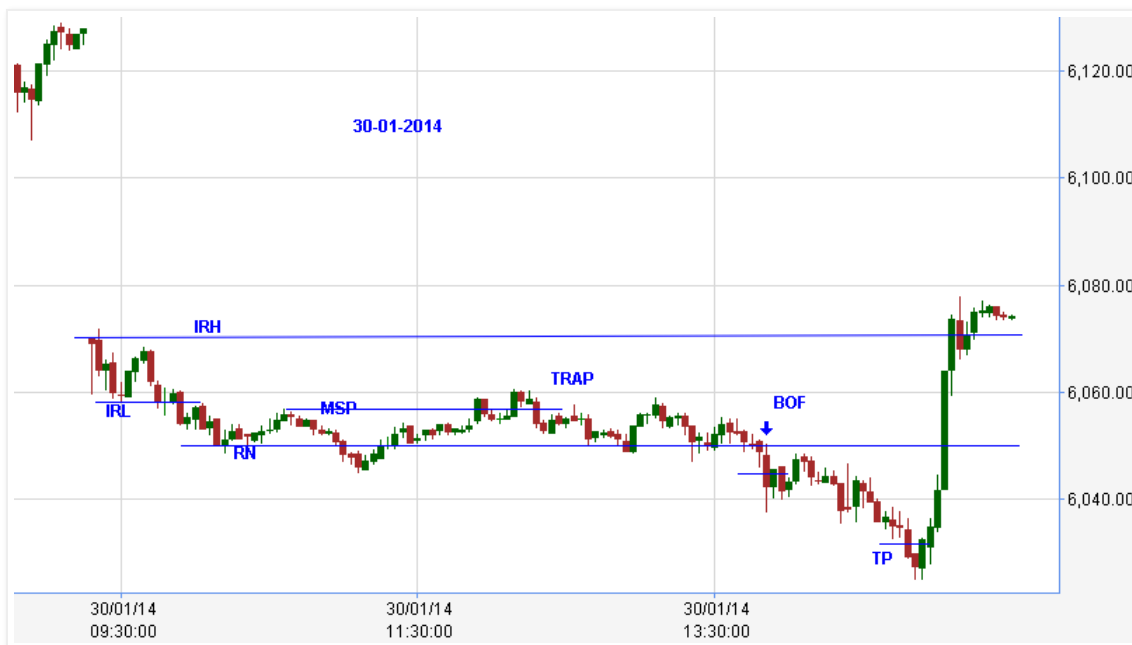


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Thursday, January 30, 2014

30012014



Expiry day .Nifty gaped down below PDL. IR formed. Skipped the short below IRL as RN was just below. BOF of RN was a signal to go long . Avoided. Trend was down and need to crack MSP,IRL and IRH to go up. A TRAP at MSP. Thought of going short below the Higher low made after the BOF of RN.Went short only below the then LOD. Covered around 3 PM at a small profit. Could have gone long above RN and made cool 20 points. Hesitated and missed it.

Posted by [SMART Trader](#) at 3:42 PM



24 comments:



[Unknown](#) January 30, 2014 at 4:01 PM

Hi ST

Happy Anniversary to Nifty Nirvana.
Thanks for being there.

After u TP at the fag end, could a BOF LOD be initiated. If yes where wud have been the entry?? Above RN??

Thanks

TBP

Reply



[SMART Trader](#) January 30, 2014 at 4:16 PM

TBP

No patterns will work there.
Market may do anything.It is Clash of the Titans.Better stay out

ST

Reply



Unknown January 30, 2014 at 4:24 PM

Hi ST
Thanks for the reply
if not for expiry, then?

TBP
Reply



SMART Trader January 30, 2014 at 4:28 PM

TBP

Above RN/MSP
When price reenters previous range
Almost same levels

ST
Reply



Unknown January 30, 2014 at 4:31 PM

Thanks ST for the reply
Reply

.

Anonymous January 30, 2014 at 4:37 PM

ST,
What is the thought behind covering the short there?

rgds
Kishore
Reply



SMART Trader January 30, 2014 at 4:47 PM

Kishore

Today is derivatives expiry day.
We will never know what big boys are going to do. In the evening session anything can happen. So exited and watched the drama.

ST
Reply

.

Anonymous January 30, 2014 at 5:46 PM

DP trading does not take TLs into consideration. But just wanted to share this perspective of TL BOF.
<http://tinypic.com/r/ad2g6v/8>
DM
Reply



SMART Trader January 30, 2014 at 6:06 PM

DM

As far as I know a downtrend line has a negative slope and is formed by connecting two or more high points not low points

Correct me if I am wrong

ST
Reply

.

Anonymous January 30, 2014 at 7:51 PM

Sir, not traded today.

DM please see the pattern that you should be looking for.. its expanding wedge with right BOF and target done

<http://i62.tinypic.com/2nqcf03.png>

some trend line here

<http://i58.tinypic.com/149um8.jpg>

Raghu

Reply



SMART Trader January 30, 2014 at 8:22 PM

Raghu

<http://i58.tinypic.com/2h5myk2.png>

ST

Reply

ANOO.PAV January 30, 2014 at 8:58 PM

good evening sir i don't trade today .what is day high low and close ...? replay me pls

Reply



nifty for bread January 30, 2014 at 8:59 PM

Sir,

I refer to your chart with modified wedge. Really enjoyed it.

I was amazed to see the effect of tampering a candle, a little bit. You are asking some questions. May be the questions are your answers.

Thanks

S.Karthikeyan

Reply

ANOO.PAV January 30, 2014 at 9:00 PM

sir why you don't take position first break down of RN.....?

Reply

ANOO.PAV January 30, 2014 at 9:02 PM

SIR , can I get I CHART with out any payment....? replay me pls

Reply



SMART Trader January 30, 2014 at 9:33 PM

Anoop

6069.90,6077.70,6025.10,6074.20

Market was already down a lot and near a RN option strike around which price can chop around.

I do not trade breakouts unless it is a power play or IR breakout

Ichart is a paid service. Rs 800/-PM

ST

Reply

ANOO.PAV January 30, 2014 at 9:55 PM

ok thank you sir

Reply



nifty for bread January 30, 2014 at 10:20 PM

Sir,

First I want to thank Anoop for this question.

Your reply to Anoop cleared my confusion regarding BO. Pressure play is for you and maybe the seniors. My task is clearly cut out - trade

only BOF and BO at only IR and nowhere else.

Thanks.

S.Karthikeyan

Reply

Anonymous January 31, 2014 at 1:16 AM

Trendline is a misnomer here. Lower bound might be a better term

I have explained more in the uploaded images. I am not looking for any pattern. I am looking for more touches to the boundary. And this boundary acts in a similar manner to the horizontal support/resistance.

Nifty: <http://tinypic.com/r/1z5m80h/8>

BankNifty: <http://tinypic.com/r/1z2cz0/8>

DM

Reply

Anonymous January 31, 2014 at 8:50 AM

Sir,

till date I was not tempted to tamper anything, sticking to text books like little stupid boy.

but still i missed your point! what is that you are trying to say?

Raghu

Reply



SMART Trader January 31, 2014 at 9:19 AM

DM

In trading, every level that is visible and acted upon by a big enough group of traders will work.

DPs are more reliable locations because they are visible to all the time frame traders irrespective of the indicators they use.

For example PDH is a PDH for all the traders and most of them notice it and many act there.

ST

Reply



SMART Trader January 31, 2014 at 9:32 AM

DM

Another observation

Your NF charts have 5 touches

<http://oi60.tinypic.com/1z5n80h.jpg>

Look at Raghu's chart. It has only two

http://tinypic.com/view.php?pic=2nqcfo3&s=8#.Uusf0_shWOc

Reply

Anonymous January 31, 2014 at 9:40 AM

ST,

Am in complete agreement with you that DPs are more obvious and hence more reliable signals. And they simplify trading to the bare minimum required and hence help the trader decide and pull the trigger faster.

DM

Reply



SMART Trader January 31, 2014 at 9:56 AM

Raghu

I was just showing you an interesting observation

If the first candle had a little longer tail, it will change the way the wedge is drawn. Then there were two BOF of the wedge boundary. These two BOF did not work.

So a one tick extra tail can change the fortunes of traders.

ST

Reply

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