

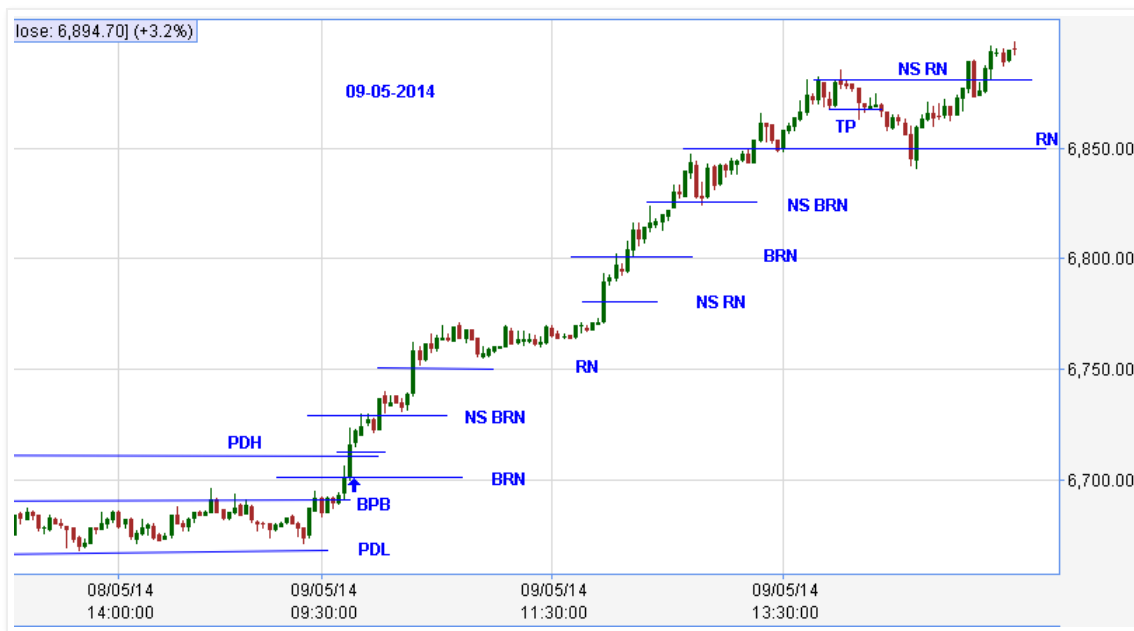


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There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Friday, May 9, 2014

09052014



Nifty opened within the previous day Barbed Wire and broke BRN. Went long on BO pull back of BRN. Entry was on break of PDH. Then it was trailing till the end. There was no confusion at all. TP near NS RN 6850.

Posted by SMART Trader at 3:35 PM



20 comments:



Unknown May 9, 2014 at 3:43 PM

Hi ST

A smooth day after quite a time.
Traded Tata Steel as BOF IRL. It was trailing after that.

Thanks
TBP

Reply



Unknown May 9, 2014 at 3:57 PM

What a day Sir Ji..
Took long on BOF of PDC ... booked 1 lot n carried 1 lot.. Hope exit polls n results come in favour to NaMo :)

Reply



Unknown May 9, 2014 at 4:13 PM

hi ST
How often v can expect these type of moves? 1 a month or more?

Reply

▼ Replies



SMART Trader May 9, 2014 at 5:10 PM

Sudarshan

Fortunately these days are very rare.
The range trading mindset will stay and we will try to short at every DP
Fortunately the market never gave a short signal today

ST

Reply



Kishore May 9, 2014 at 5:03 PM

Hi ST..
Only 30 points..
A bad exit cost me so many points ..I exited at a profit of 30 points ,....

<http://tinypic.com/r/5fi5xj/8>

As the nifty already moved huge points did not have the courage to take another position .

rgds
Kishore

Reply

▼ Replies



SMART Trader May 9, 2014 at 5:14 PM

Kishore

Yes. Difficult to enter again on an over extended move.
Should get an entry early and ride the move

ST



Kishore May 9, 2014 at 5:52 PM

When to ride and when not to ride ?..
When can one confirm a day in Type 1. (trending)

regards
Kishore



PA Trader May 9, 2014 at 6:19 PM

I too couldnt enter a trade as was not feeling comfortable because of the extended moves in one direction. When the market has already moved 40-50 points my mindset becomes to look for a counter trend trade. This is what prevented me from entering a trade today.

Reply



Deven Malhotra May 9, 2014 at 7:40 PM

Hi ST,

Although i have left trading Positional, but an Observation on daily Chart. A TRAP pattern has occurred giving an Entry signal for a Positional Long today-
<http://www.tradewithdeven.blogspot.in/>

Mkt is in uptrend, If Price sustains above Last high, another entry will also trigger..
whats your comments..

Thanks,
Deven Malhotra

Reply

▼ Replies



SMART Trader May 9, 2014 at 8:01 PM

Yes Deven
You are right. It was a TRAP
I was aware of it. Further up move will create a flip zone at 6900
One can go long with SL below it. But everything will depend on the "Big Event"
On 04/02/2014, I had posted a day chart which I deleted later. It was about a BOF of 6000
Market was in a range 6000-6400 for a long time. This BOF ran for 800 points

ST

Reply

SMART Trader May 9, 2014 at 7:43 PM



Kishore/PA Trader

There is no way to know for sure.
But there will always be some clues around.
1.Price broke out of the Barbed wire range. naturally we can expect some up move
2.Break out of BRN which showed strength
3.BO PDH. A major transition in sentiment
4.BoF of BRN 6700 , Range low of daily chart.6700-6900 range
5.Positional traders panic and start to exit
6.Critical mass of position traders short
7.Reversal after nine days of continuous fall.
8.Move in the direction of major trend after a pull back.
9.Week end . Shorts already in profit started booking profit on the first sight of reversal
10.Position buildup for election result play
For other funny reasons watch CNBC
But nobody thought Nifty will retrace the nine day fall in a single session.
Anyway fortunes were made and lost today

ST

Reply

▼ Replies



kishore May 9, 2014 at 7:59 PM

Hi ST,
Yesterdays Barbed wire has significance today ?
Why I am asking this is there was BOF PDC today and I hesitated to take long because of barbed wire .

rgds
Kishore



SMART Trader May 9, 2014 at 8:20 PM

Kishore

If price opens within previous days closing range, this range extremes may act as barriers.
This is applicable to all ranges including Barbed wires. If the range is narrow better to wait till price trades out of it
ST



PA Trader May 9, 2014 at 8:55 PM

Great situational awareness. Thanks!

CNBC? I would rather watch Cartoon Network with my kid. I have already lost lot of money watching CNBC experts.

Reply



Unknown May 9, 2014 at 8:31 PM

Hi ST
i remember the chart u were mentioning
is there any way to know till what point did the bof take the price as at some point fresh positions invariably get built
thanks
TBP
Reply



Chris May 9, 2014 at 8:55 PM

Hi ST,

New reader here. Where did you put your initial stop loss? Was it just below the 6700 BRN? Thanks.
Reply

▼ Replies



SMART Trader May 9, 2014 at 9:13 PM

Chris

Thanks for the visit and comment
Initial SL was below BRN. But if price falls below PDH after breakout, I will look to scratch

ST

Reply



Trekkie May 10, 2014 at 10:44 AM

Hi ST,
Is there any trading related reason(as in better data perhaps?) you prefer to use icharts rather than Amibroker?
Reply

▼ Replies



SMART Trader  May 10, 2014 at 11:32 AM

S Roy

No special reasons.

I dont want to run any scans or AFLs . just wanted to know what market is doing right now at the moment

So avoided all the headache of database maintenance, back fill,data purification etc.Only drawback is cant access it without connecting to net.

ST



Trekkie May 10, 2014 at 12:00 PM

Hi ST,

Thank you.

Reply

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