



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

Wednesday, July 9, 2014

# 09072014



Nifty opened near PDL/PDC. IR formed. Short below PDL as bias was bearish. Price broke BRN but failed to continue. Covered the trade when second push down failed. As expected Nifty traded in a wide range with PDL and BRN in between which acted as barriers. BPB od PDL short moved to LOD as expected. BOF of BRN long trade stopped out below BRN 7600

Posted by SMART Trader at 3:43 PM

# 23 comments:



# **Only Nifty** July 9, 2014 at 3:48 PM

ST Sir,

Couldn't capture gains in today's volatile session.

My 1st trade went into profit of 50 points, but i missed to book.. i observed, i am turning clueless, where to place trail SL. if there is no DP around.. this trade is one such example.. seems your exit is most logical one.. thanks for this learning!

Stayed away, after seeing multiple false BO at PDL.

Trades here

Reply





### SMART Trader July 9, 2014 at 4:12 PM

You did not notice BRN 7600 and NS BRN 7600 around 7620NF I think you could have managed much better, if you did. Failure to continue beyond the earlier extreme is the first sign of weakness

ST

Only Nifty July 9, 2014 at 4:21 PM



NS, i havent used for trial SL so far.. but, 7600 NF.. yes i missed to notice.

Reply



#### Unknown July 9, 2014 at 3:53 PM

Hi ST

Price had visited both the extremes ( LOD and HOD) by 11:24. Can we consider PDL as a defunct DP once that happened? So, can we trade only the extremes neglecting PDL??

Thanks TBP

Reply

Replies



# SMART Trader July 9, 2014 at 4:01 PM



You can trade the range extremes. But the DPs in between will still continue to influence price. This makes trading difficult You need to execute at the extreme and sit tight with the initial stop

Reply



### Guru Krish (Trading Nirvana) July 9, 2014 at 4:08 PM

Started with my personal trade journal here...trading-nirvana.blogspot.com.:)) all thanks to you and RM to bring some discipline in my trading ...) no trades yesterday and today.. waiting for this Budget to get over, cant risk my budget with this :P

Reply

Replies



SMART Trader July 9, 2014 at 4:41 PM

Nice One All the best

ST

Reply



#### **PA Trader** July 9, 2014 at 4:33 PM

ST, Whats your advise for tomorrow? Should we trade? Or should we trade after the budget only?

Reply

Replies



# SMART Trader Ø July 9, 2014 at 4:44 PM

This method usually do not work well during such situations We need day traders in control and not news traders I will prefer to stay out till everything stabilizes

ST

Reply



### **Trekkie** July 9, 2014 at 5:07 PM

My chart, looks a lot different, especially the pivot where you exited the first trade does not exist for me. http://i.imgur.com/hGbzPKz.png The second trade my order was skipped, where did yours fill? My order was SL 7616.15 - 7615.15 As luck would have it, the third trade got filled :D wish that was skipped instead. I also took a trade below 12:06, was it totally brainless trade on my part?

Reply

▼ Replies



#### SMART Trader Duly 9, 2014 at 6:21 PM

Exit the trade above BRN. Always there will be difference in charts 7617.75-7617.25. it got filled for me.Last trade cant do anything. 12.06 trade the space was very less at 10 points. So I skipped

ST

**Trekkie** July 9, 2014 at 7:42 PM



Thank you ST. Is 20 points the space that you normally look for?



# SMART Trader July 9, 2014 at 8:43 PM

20 point is ideal as we are getting 1:2 RR If you anticipate a lot of stop triggering or the trade is with the trend or it is a powerful BOF or the Dp is weak you can attempt even if it is very near

Reply



#### **Unknown** July 9, 2014 at 5:53 PM

good evening today again i traded at PDC booked at 2nd green candle it was too fast then placed at days high it never hit then again on PDL booked after 20 points thanks ST for such nice systemand simple technique. I amstill learning this type of trade

Reply

▼ Replies



### SMART Trader July 9, 2014 at 6:10 PM

It may take a while to get the thought process right. The struggle is worth it and this will give you an enduring edge in the market These levels work because they are markets own levels unlike some SMA,EMA,Pivot,and Fibos

Reply



#### A July 9, 2014 at 6:12 PM

Hi ST,

I took long trade (V shape) BOF of BRN and exited at RN. My thought process was Critical mass short and try to exit above BRN it create opposing orderflow also fluid zone and powerful DP to initiate trade. Was this valid thought process. Looking for your valuable feedback.

Regards Arun

Reply

▼ Replies



# SMART Trader July 9, 2014 at 6:25 PM

Nothing wrong There was no follow up buying after it We cant do anything other than exiting without damage to the account You did it well

ST

Reply



#### Guru Krish (Trading Nirvana) July 9, 2014 at 7:29 PM

Just curious to know, is the RN a powerful DP coz now we have strikes at those levels too? or any other factor?

GΚ

Reply

Replies



### SMART Trader July 9, 2014 at 8:38 PM

I was only looking at BRN earlier After the introduction of xx50 option strikes these levels have increased prominence Usually I look at RN for trade management only. Not for entries But you can consider these levels if they establish as range extremes like today



#### Guru Krish (Trading Nirvana) July 10, 2014 at 8:48 AM

You mean to say, when they are also nearer to other DP's they make more logical ?? like RN/PDL RN/PDH, RN/PDC etc ??

SMART Trader July 10, 2014 at 9:26 AM



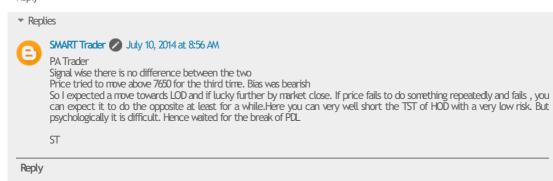
Reply



### **PA Trader** July 10, 2014 at 8:32 AM

ST, Can you please explain the reasoning behind taking your second trade, the BPB of PDL? Price was rotating around the PDL. Infact there was a similar BPB opportunity at around 12 PM, which didnt work. But the one you took, worked. I wanted to understand the difference between the two situations. Thanks

Rent



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