

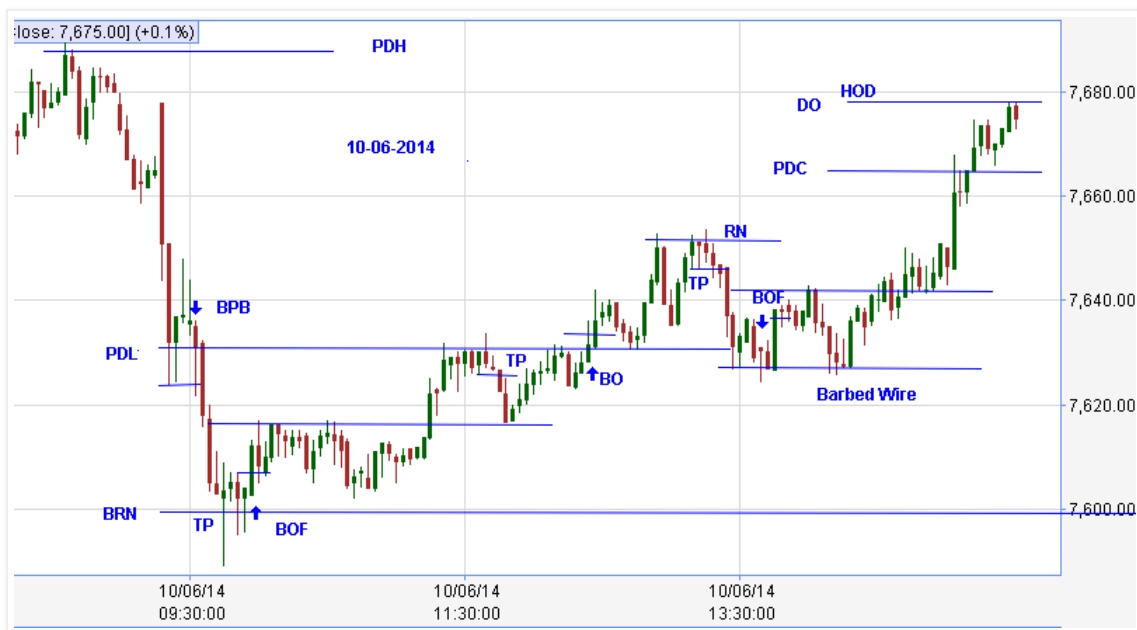


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*There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits*

Tuesday, June 10, 2014

10062014



Nifty opened above PDC and sold. Went short on BPB of PDL. TP at BRN. Entered long after the selling climax at BRN. Nifty tested the patience and finally went up. TP when it failed to go above PDL which was my target. Went long on the BO of PDL. TP at RN. Tried a short on BPB of PDL and stopped out. Price started making a Barbed Wire around PDL. Stayed out. Missed the final BO up move of Range high as I hesitated due to PDC and RN above it. Good example of WoW pattern discussed a few days ago

Posted by SMARTTrader at 3:41 PM



19 comments:



Unknown June 10, 2014 at 3:50 PM

Hi ST

Can we say that "WOW" will invariably have higher lows which can be used as SL levels provided we manage to get on the trend??

Thanks

TBP

Reply

▼ Replies



SMARTTrader June 10, 2014 at 3:59 PM

TBP

Just observing it..It is happening frequently now a days  
I have not tried to trade this

ST



Unknown June 10, 2014 at 4:01 PM

Hi ST

Where and how can one initiate trade using "WOW"??

TBP



**SMART Trader** June 10, 2014 at 4:12 PM

I think on the failure of retest/ second push.  
With SL below LOD. This is just an observation  
I have not studied the pattern well

ST

Reply



**Unknown** June 10, 2014 at 4:01 PM

PT, in yr chart PDL appears to be somewhere at 7630, whereas in icharts, it is showing as 7624.25 ?

Reply

▼ Replies



**SMART Trader** June 10, 2014 at 4:21 PM

Sumresh

Yes. It was a little lower. DPs are zones not exact lines  
After watching the price action I adjusted the level a little thinking it is the exact level  
Watch candles 2,3,6 then seven candles around 11.30. Further the BPB of PDL  
I got trapped in a short trade due to this adjustments.

ST

Reply



**nirtos** June 10, 2014 at 4:19 PM

Hi st,  
Where was ur sl when u entered bof brn ,at days low or below brn

Reply

▼ Replies



**SMART Trader** June 10, 2014 at 4:25 PM

Below BRN. Three candles rejected BRN with lower tails.

ST



**Unknown** June 10, 2014 at 4:31 PM

Sir, I have seen you many times scratching trades when price gets rejected on Double tops, this time DT was at 7616, what was the consideration for holding with SL below BRN ?



**SMART Trader** June 10, 2014 at 5:56 PM

I have noticed many times market reverses the entire fall after these kind of selling climax.  
Read my reply to URD here. I suspected this behaviour  
<http://niftyinirvana.blogspot.in/2014/06/05062014.html#comment-form>  
Usually I enter these trades above the consolidation as Pressure Play

ST

Reply



**NPA Trader** June 10, 2014 at 4:56 PM

Hi ST,

The gap above the day before yesterday's close was filled today. I have noted that, when I bought where you taken your second trade.

<http://nsermcpriceaction.blogspot.in/>

Reply

▼ Replies



**SMART Trader** June 10, 2014 at 6:01 PM

Yes. You are right It was a bounce after gap closure  
Why you did not take the first trade into the gap fluid?

ST

**NPA Trader** June 10, 2014 at 6:36 PM



Hi ST,  
I was not in front of the screen at the opening. Missed it.

Reply



A June 10, 2014 at 8:42 PM

Hi ST,

It seems like spike and channel pattern. Am i right?

Regards  
Arunkumar

Reply

▼ Replies



SMART Trader June 11, 2014 at 8:37 AM

In Spike and Channel, Channel will be formed in the direction of the spike

ST

Reply



Trekkie June 10, 2014 at 10:58 PM

Hi ST,

I was not comfortable taking the first trade and let it pass. I was a bit nervous looking at all those tails there. Could you please guide? For the second trade I went long only above 10 a.m bar (basically above that congestion). Was the entry too late?

Reply

▼ Replies



SMART Trader June 11, 2014 at 9:04 AM

S Roy

You are trading the BOF of BRN and your stop is below BRN  
Your logical target is PDL. The more you delay your entry, less favorable your RR  
Enter when you feel BRN is going to hold. Trade the core concept. Acceptance and rejection.  
Price action will unfold differently and every occurrence is unique.

ST



Trekkie June 11, 2014 at 10:25 PM

Hi ST,

Thank you so much. Could you please guide me on how to understand the first trade. I was hesitating to enter because of the tails, because of rejection.



SMART Trader June 11, 2014 at 10:43 PM

Usually such moves will have two legs.  
There was sufficient space for the trade to move as FTA was BRN  
Further this area was a fluid created by a gap up earlier

ST

Reply

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