



This image is no longer available. Visit tinypic.com for more information.

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

Tuesday, March 10, 2015

10032015



This is an illustrative example of the concepts being discussed. Markings are just visualizations on historical data in hindsight analysis
Nifty opened within previous day range. long on BOF of PDL/PDC. TP when it failed to stay above BRN. A short of BOF of BRN did not move and trade got stopped out. Next TST was a good opportunity, but missed. Shorted the break below PDL. But could not capture the full move. Did not attempt the BOF of LOD

Posted by SMART Trader at 3:35 PM



30 comments:



Unknown March 10, 2015 at 3:37 PM

Thanks for the chart ST

TBP

Reply



Bharat March 10, 2015 at 4:44 PM

ST,

I Didn't understand your first long trade without confirmation and against trend. The 10.15 bar was long legged doji and 10.18 bar also have wick above. so not a strong rejection . it took three bar to move above 10.12 breakdown bar.. what made you to take counter trend trade on weak signals. i missed it completely.

Secondly . What made you take 3rd trade short . near morning range low. and the down move already coming from 8800. dont we expect failure there to take longs? i also missed this trade too.

Thanks and Regards

Bharat

Reply

▼ Replies

SMART Trader March 10, 2015 at 10:40 PM



After a trend day price usually will consolidate within the last impulse for a while
Then it may break down or reverse. On 05032015 same thing happened. BOF itself was the confirmation. I was not confident to take a blind entry. Price tested the bottom thrice and the fourth attempt also failed
Momentum moves usually will have two legs. Price was entering a new area and expected some stops below then LOD

ST



Uday Dave March 11, 2015 at 12:05 PM

Sir

It is regarding "Momentum moves usually will have two legs." Today there was a momentum move from the top with one leg of the momentum move from 8781 to 8737, and second leg from 8763 to 8727. Is my understanding correct?

URD



SMART Trader March 11, 2015 at 12:56 PM

Yes. But we cannot capture these kind of moves.

Ideally the first leg should cross a DP and pull back need to stall at this DP. Look for a TST/BPB short.

Alternatively it can bounce a little from a DP and second leg runs breaking DP and early extreme. Look for a BO

In type 2 always there is a danger of reading this as a BOF. So wait for confirmation before going for a reversal trade against a momentum move

Today market is not respecting levels well. despite the sell off in Dow market is holding but choppy. Current up move is not respecting flips. I wonder what will happen at HOD

ST



Uday Dave March 11, 2015 at 1:34 PM

Sir,

Thanks for it. But can't we use this information to our benefit while managing the trade?

URD



SMART Trader March 11, 2015 at 3:53 PM

Sure. The defined structure of a trader can't accommodate or explain every move that can happen

So we need to stick to our own frame work and attempt only those fits our plan. We will always miss more moves that we can capture

ST

Reply



Unknown March 10, 2015 at 5:02 PM

ST

my first trade was same as of you but short trade i could not initiated even prev day close BOF last long system rejected my long at 8726
how i will improve my thought process please guide

Reply

▼ Replies



SMART Trader March 10, 2015 at 10:44 PM

Nothing more to learn. keep practicing

<http://jamesclear.com/learning-vs-practicing>

ST



Uday Dave March 10, 2015 at 11:10 PM

Sir

That is a very good article. Very well explained, the importance of practicing. I can correlate it. Thanks for it.

URD



SMART Trader March 11, 2015 at 9:22 AM

URD

I am a fan of James Clear.

My E-Book was the result of his challenge. AFAIK, I am the only person did it among his readers

<http://jamesclear.com/writer-challenge-2013>

ST



Uday Dave March 11, 2015 at 9:55 AM

Sir,

And that E-book was a gem. Congratulations for the achievement. You always have been an inspiration for me.

URD

Anonymous [March 11, 2015 at 11:23 AM](#)

Thank you sir for this nice reference. That blog seems to be really great resource.

Reply



Unknown [March 10, 2015 at 7:11 PM](#)

there is good short opportunity near TST area .why didn't you attempt short there ?

Reply

▼ Replies



SMART Trader [March 10, 2015 at 10:45 PM](#)

I hesitated as my earlier short failed

ST

Reply



Raju [March 10, 2015 at 8:40 PM](#)

Dear ST

Thanks for the chart.

Question: Do you draw all lines like PDL, PDC, PDH, DO, RN & BRN on chart every day morning.

Thanks

Raju

Reply

▼ Replies



SMART Trader [March 10, 2015 at 10:48 PM](#)

I wont draw it full. But will mark them all with small lines a little left to the current candle

ST

Reply



zen [March 10, 2015 at 8:56 PM](#)

ST,

For your 1st trade ... where you marked TP, why its not a pull back of BO BRN but TP ?

Reply

▼ Replies



SMART Trader [March 10, 2015 at 10:49 PM](#)

It was a CT trade and when it broke the swing low I exited

ST

Reply



Neethi [March 10, 2015 at 10:13 PM](#)

Thanks for the Chart ST Sir.

how to confirm about the LOD? is that confirmed by , the price is already down about 100 points and 2nd time TST at 8720 area strongly rejected?

Neethi

Reply

▼ Replies



SMART Trader [March 10, 2015 at 10:54 PM](#)

Real LOD cannot be confirmed till the end. Actually it happens as a FTC
That is a BOF of price extreme after an extended move. Trades are kind of blind ones

ST

Unknown [March 10, 2015 at 11:43 PM](#)



Hi st,
Why didnt u mark irh today
I didn't take your second trade because of irh

Kishore



SMART Trader March 11, 2015 at 9:12 AM

10.30 up move enveloped it. Then focus on the new extremes

ST

Reply



Trekkie March 11, 2015 at 9:24 AM

Hi ST, for the last short, what made you choose entry below 1:21 bar instead of below 1:24 bar or 1:15 bar . Thanks for your help.

Reply

▼ Replies



SMART Trader March 11, 2015 at 9:55 AM

I wanted the price to fall below PDL.FTA was RN and wanted an early entry to ensure some space
I thought a few stops below 1.21, the pullback low after the bounce will take price a little further to trigger stops below 1.15

ST



Trekkie March 11, 2015 at 12:17 PM

Hi ST,
Would you please post the possible trades and exits for 9th? Thanks.



SMART Trader March 11, 2015 at 12:40 PM

Will do later

ST



Trekkie March 12, 2015 at 7:17 AM

Good morning ST. reminder :)



SMART Trader March 12, 2015 at 4:28 PM

<http://screencast.com/t/SbUuqP3zGZTL>

ST



Trekkie March 14, 2015 at 10:44 PM

thank you so much ST.

Reply

Add comment

Note: Only a member of this blog may post a comment.

Enter your comment...



Comment as: **Google Account** ▼

Publish

Preview

[Newer Post](#)

[Home](#)

[Older Post](#)

Subscribe to: [Post Comments \(Atom\)](#)

Important Posts

- [Disclaimer](#)
- [Glossary](#)
- [Rants 'n Raves](#)
- [Structure and Patterns](#)

Download E-Books

- [Decision Points](#)
- [Structure and Patterns](#)
- [Rants N Raves](#)
- [TRADE-SCORE](#)
- [Video Promo](#)

[Statcounter](#)

Reciprocal Links

- [Lance Beggs @ YTC](#)
- [URD @ charttechnicals](#)
- [KPL @ vfindirect](#)

Blog Archive

- ▼ [2015](#) (100)
 - ▶ [August](#) (7)
 - ▶ [July](#) (17)
 - ▶ [June](#) (13)
 - ▶ [May](#) (10)
 - ▶ [April](#) (11)
 - ▼ [March](#) (11)
 - [19032015](#)
 - [18032015](#)
 - [17032015](#)
 - [16032015](#)
 - [13032015](#)
 - [12032015](#)
 - [11032015](#)
 - [10032015](#)
 - [05032015](#)
 - [04032015](#)
 - [02032015](#)
 - ▶ [February](#) (10)
 - ▶ [January](#) (21)
- ▶ [2014](#) (274)
- ▶ [2013](#) (299)
- ▶ [2012](#) (338)