

Twitter Thread by Subhadip Nandy



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Received quite a few messages from traders who lost big in yesterday's BankNifty expiry . This includes both buyers and sellers .

The common refrain is " It's operators / big players who screwed the retail , BankNifty should not move like this , SEBI should investigate "

Are you fucking kidding me ?

The volatility yesterday was minimal , max 1% upmove downmove . If you or your strategy cannot handle this , you should not be in this game

Let me give an example :

In order to play cricket , you go thru net practice by practising batting against slow medium pace bowlers . You do this for a few days

Then you arrive for a match on a fast bouncy pitch with some tearaway quicks in the opposition. Your lack of technique and experience is brutally exposed , obviously .

Now what do you do ?

Blame the pitch , the bowlers , the umpire ?

Or understand that your technique is faulty ?

When I am trading the expiry , I have :

1. The whole weeks price action plotted , major levels written down
2. The futures chart running with OI , trend , volatility , volume indicators
3. The options charts of the ATM calls and puts with OI
4. The whole options matrix live

Traders have seen how I watch data and trade the expiry at the Kotak live event . Now the question is , do you watch and analyse the data from all angles ? If not , you will continue to lose . Period.

Last but not the least , I have stops in the system at a fixed money loss per trade . None of the trades are on hope or ego or bhagwan bharose . I will cut losses and live to fight another day, always .

And a last word of warning. What happened yesterday was just the trailer , the worst is yet to come . The insanely leveraged option selling game on expiry days has become an overcrowded trade , time for it to burst . It's just a matter of time .