



***FOREX
ICT & MMM
NOTES***

DISCIPLINE & CONSISTENCY

BY: REGINALD MMARI

JANUARY 2020

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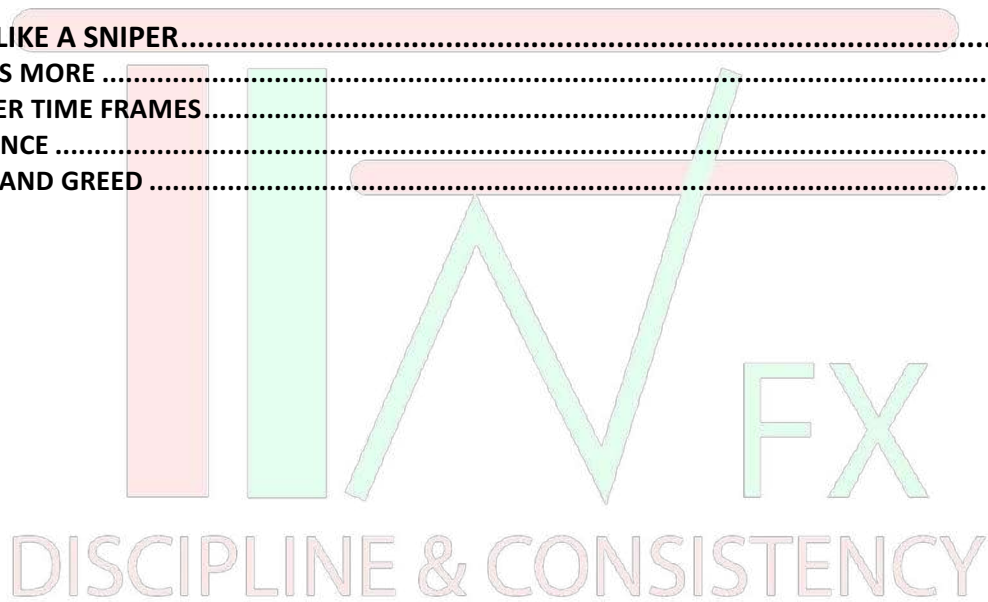
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RISK DICLAIMER

Futures, Options, and Currency trading all have large potential rewards, but they also have large potential risk. You must be aware of the risks and be willing to accept them in order to invest in these markets. Don't trade with money you can't afford to lose.

It should not be assumed that the methods, techniques, or indicators presented in this PDF will be profitable or that they will not result in losses.



This PDF is for informational and educational purposes only and should not be construed as investment advice. Such set-ups are not solicitations of any order to buy or sell. Accordingly, you should not rely solely on the Information in making any investment. Rather, you should use the Information only as a starting point for doing additional independent research in order to allow you to form your own opinion regarding investments. You should always check with your licensed financial advisor and tax advisor to determine the suitability of any investment.

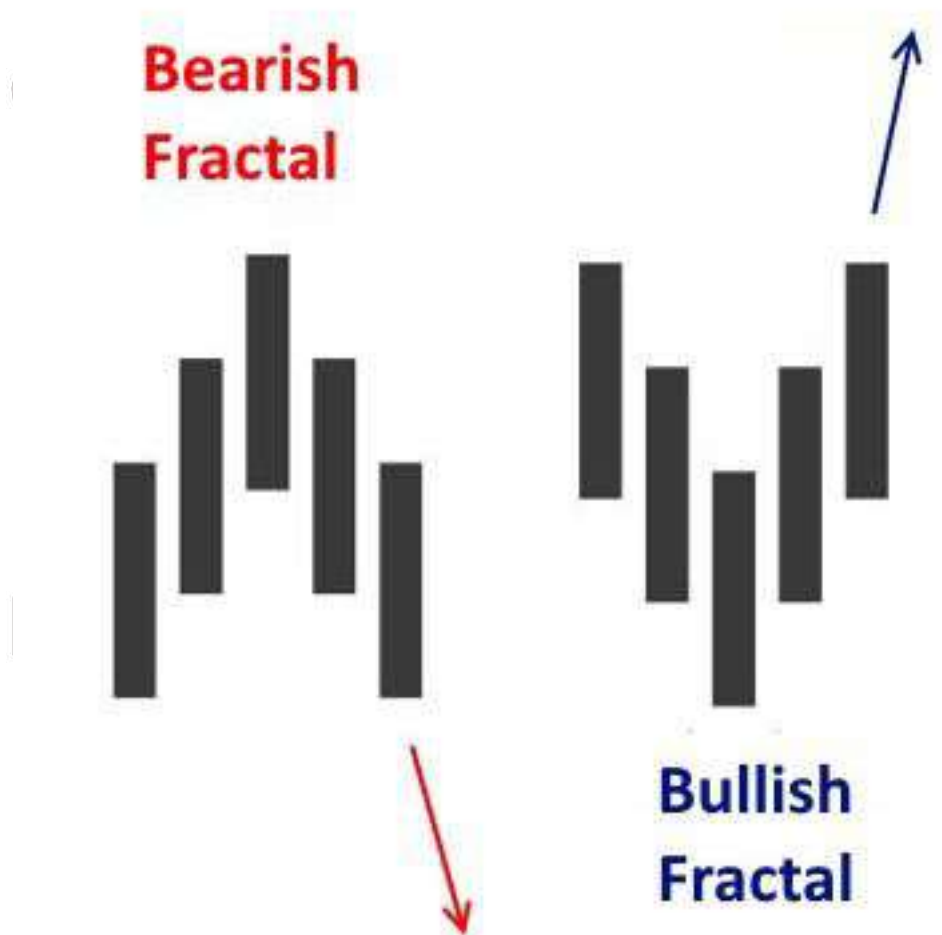
PRICE FOUNDATION – SWING POINTS (FRACTALS)

SWING HIGH

- Ideal Setup is having two lower candles on the left and right with a higher candle in the Middle

SWING LOW

- Ideal setup is having two higher candles on the left and right with a lower candle in the middle



MARKET STRUCTURE CONCEPT

- The actual turning points that includes high and lows within it (Intermediate highs and lows)
- The market trade in a generic pattern of rhythm and it is easy to read if you are aware of the basic structure price tends to move in
- This concept is universal. It relies on your understanding of swing Highs and swing Lows.
- As Markets decline and make lower lows, each new swing low in price is anchored or reacting to another swing higher and swing lower. Putting it another way “every swing in price has an equal counter swing it is unfolding from and attempt to fulfill”
- Generally, the market trades from short term low (STL) to short term high (STH) back to a new short term low (STL). As these STL’s and STH’s form, they will develop a “market structure “of price action.
- Any short term low (STL) that has higher short term lows (STL) on both sides of it is considered an Intermediate term low (ITL).
- Any short term high (STH) that has lower short term highs (STH) on both sides of it is considered an Intermediate term high (ITH).
- Any Intermediate term low (ITL) that has higher intermediate term lows (ITL) on both sides of it is considered Long term low (LTL)
- Any Intermediate term high (ITH) that has lower intermediate term highs (ITH) on both sides of it is considered Long term high (LTH)

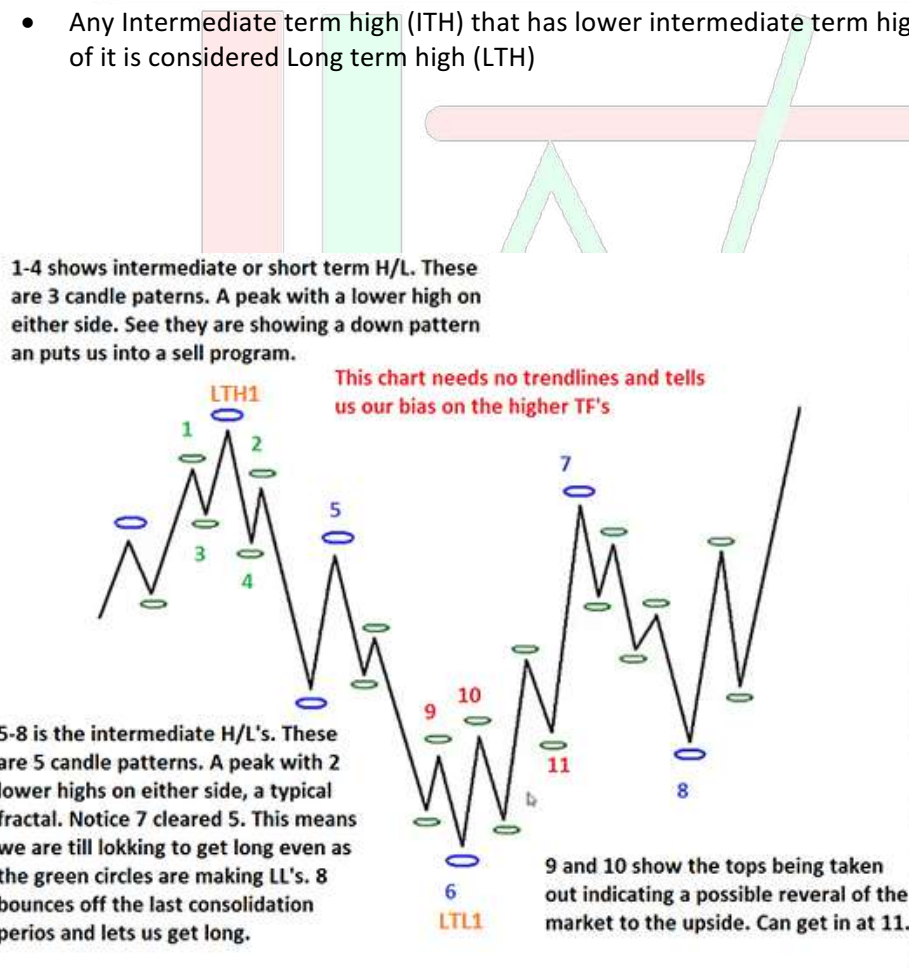
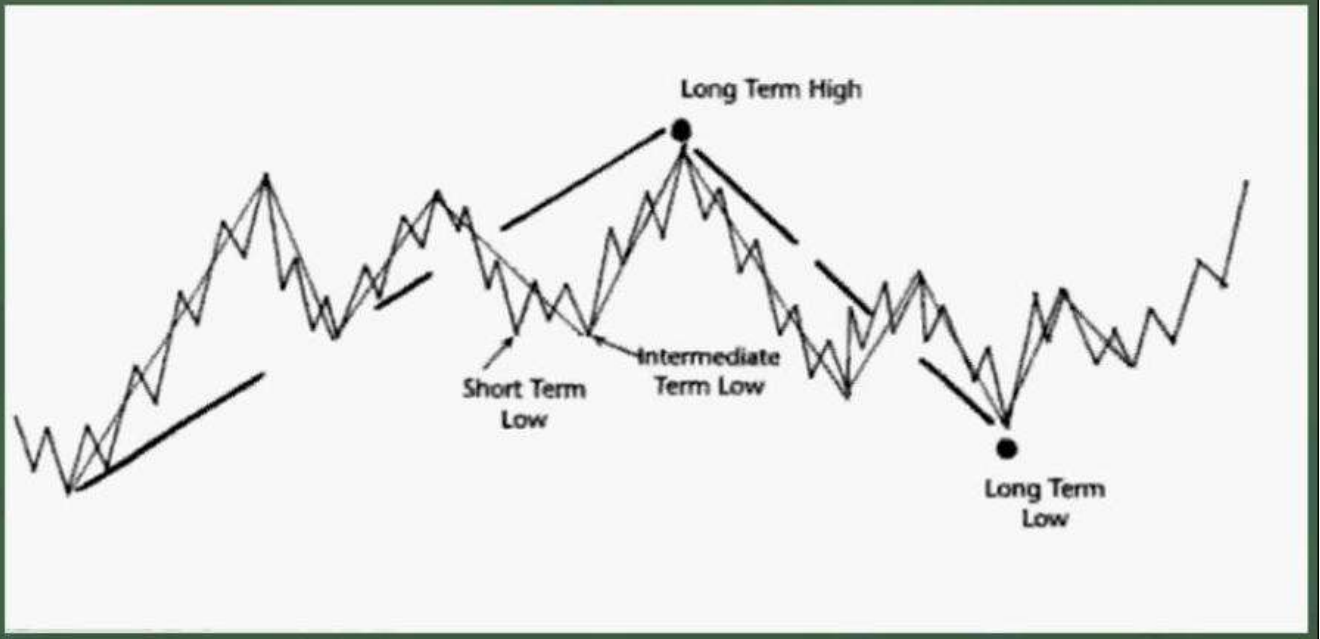


Illustration Of The Market Structure Concept



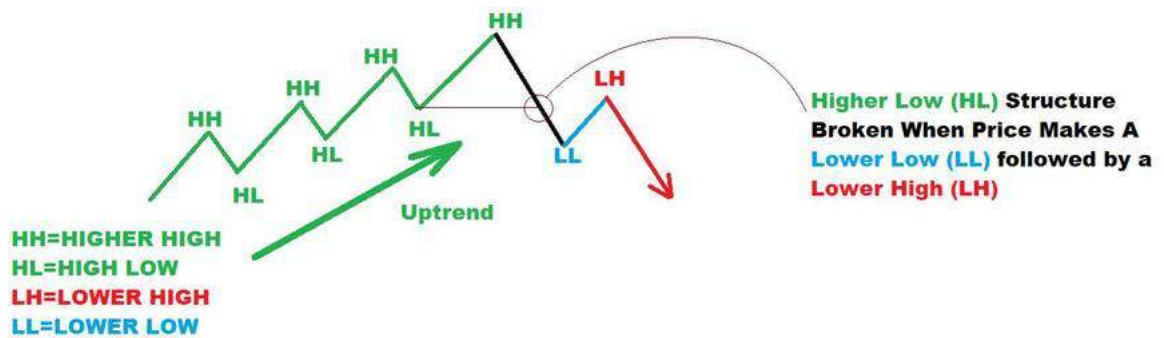
TRADING WITH MARKET STRUCTURE

- When your analysis suggests the market is bullish, it would be wise to consider only trading on the long side and filter counter trend setups thus placing the odds in your favor.
- Let's assume for a moment you are looking for long opportunity in the market, by using "market structure" to highlight the shorts, intermediate and long term lows, you could position trade lasting for weeks if not months.
- Not to mention if you missed opportunity to go in near LTL or ITL, buying near STL will many times provide a handsome entry point for a trade with upside objective based on the LTL or ITL swing projection, for shorting opportunities simply reverse the direction and hunt for LTH, ITH and STH respectively
- Market structure will break after reaching Support or Resistance Level and has created ITL/ITH then if the structure is broken to opposite direction look for optima trade entry.
- Every swing has an equal leg in price it is counter trading against or trading in sync with, and the price measurement in terms of projection objectives is quite astonishing.
- If a swing up moves 50 pips after consolidation, if it continues higher anticipate another 50 pips higher added to the low during consolidation. If fail to trade higher anticipate a decline of 50 pips from higher made from the most recent rally. Reverse for selling condition.
- If the market structure is bullish, price will be breaking previous swing highs but maintaining swing lows

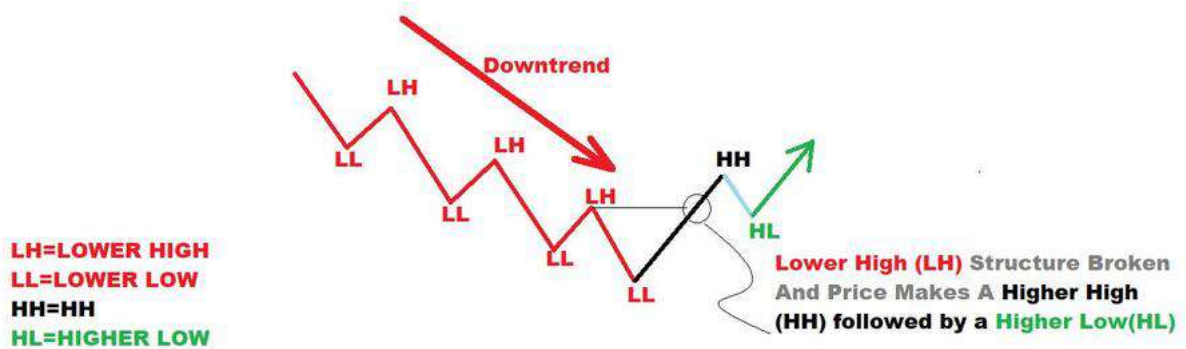
- If the market structure is bearish, price will be breaking previous swing lows but maintaining swing highs
 - Hunt Intermediate swings, limit your consideration to only trading the Intermediate term highs for short trades and Intermediate term lows for long trades
 - Taking short term scalps and or day trades in that same direction is advised. Your trading plan is not to capture every move in the market just like easy low hanging fruit.
 - Using Daily, H4 and H1 market structure and nesting fractals can be a wildly profitable price action concept
 - When the bearish market structure is broken, the market structure will shift to bullish and when the bullish market structure is broken, the market structure will shift to bearish.
 - Expect market structure to be broken at support/resistance level.
 - When the most recent swing low is broken after the move to resistance market structure will shift to bearish.
 - When most recent swing high is broken after the move to the support market structure will shift to bullish.
 - Monitor Market structure on Higher time frame like weekly, daily and monthly charts.
 - You can have a bullish market flow in a bearish market structure, for example you can have a buy trade in Lower time frame within higher time frame bearish market structure.
 - Wait for Higher timeframe market structure to be in sync with low time frame market flow.
 - Market structure will be considered a move from a major high to major low and vice versa
 - In Bullish market structure pay attention to swing lows and not swing highs (buy low)
 - In bearish market structure pay attention to swing highs and not the lows (sell high)
 - There is high probability of seeing big market shifts after every three months (quarterly). Monitor market during this period of time and include COT and Dollar index analysis for confluence.
- Measure swing low to swing low, count the days. Multiple that number by 1.28 (round down) and add that number of bars to the swing high in the middle of the two swing lows. This should bring you to the next swing high.

DISCIPLINE & CONSISTENCY

HOW A DOWNTREND STARTS



HOW AN UPTREND STARTS: THE IDEAL PRICE STRUCTURE



MARKET FLOW

- Only previous most recent swing high/low are used to determine the “market flow” with old swings disregarded.
- There is strong agreement of Market Flow if Daily, 4 Hour, and 1 Hour timeframes are in line. Focus on 4 Hour Market Flow for consistency. (use H4 chart to see market flow)
- If market structure and market flow are not inline or clear to you, don't trade
- If recent swing high (fractal) is broken, the market flow is bullish until the most recent swing low is broken.
- If recent swing low (fractal) is broken, the market flow is bearish until the most recent swing high is broken.
- Market flow can change at any time.
- Pay attention to intermediate term swings not short term swings

TRADING WITH SUPPORT AND RESISTANCE

- Support and Resistance are good areas to know what price might do.
- Support and Resistance helps to know Supply and Demand areas.

TYPES OF SUPPORT AND RESISTANCE

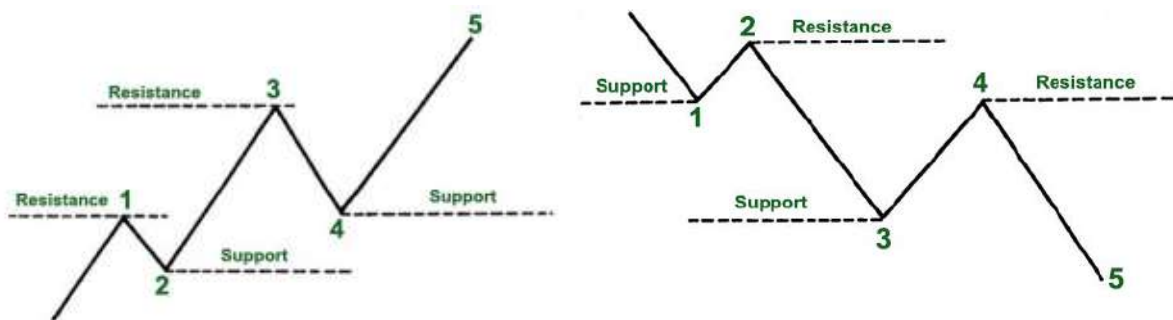
NATURAL SUPPORT AND RESISTANCE

- 12 month Highs and Lows (12-month range)
 - Draw Horizontal lines at 12-month High and Low and watch price reaction when it gets to the levels
- Quarterly Highs and Lows (3 months' range)
 - This is the best one, draw horizontal lines at each quarter High and Low and watch price reaction when it gets to the levels
- Monthly Highs and Lows (4 weeks range)
 - Use most significant Highs and Lows of each month and watch price reaction at those levels
- Weekly Highs and Lows (week range)
 - Draw horizontal lines at weekly high and low and watch price reaction when it gets to the levels
- Daily Highs and Lows (24 hours range)
 - Look for Daily key support and Resistance by looking three days back (remember Fractal or swing point is made by three candles, in daily time frame it will be three days)
 - Previous day's high can be today's low
 - If price gets to these levels in London or New York market open that will be good setups if other criteria are met)
- Session Highs and Lows (Asian, London and New York Sessions)
 - Asian Session sets the parameters for the following London session
 - Begins: 7pm EST or 12am GMT
 - Ends: 4am EST or 9am GMT
 - Allow up to 1 hour before and after these times
 - London Session sets the parameters for the following New York session
 - Begin: 3am EST or 8am GMT
 - End: 12pm EST or 5pm GMT
 - Allow up to 1 hour before and after these times
 - New York Session sets the parameters for the following new trading

session's trading

- Begin: 8am EST or 1pm GMT
 - End: 5pm EST or 10pm GMT
 - Allow up to 1 hour before and after these times
- Intraday Fractals (short term Support and Resistance intraday)
- Swings that form and retrace back into previous session High or Low
 - You can use these levels for low risk entries and take profit
 - Use 15 minutes' chart for monitoring intraday Fractals
- Trend line analysis (Channel, Supply and Demand lines)

Once support is broken it will act as support, and once the support is broken it will act as resistance



IMPLIED SUPPORT AND RESISTANCE

- Fibonacci Levels
- Retracements
 - Extensions

FIBONACCI

- Traders use the Fibonacci Retracement levels as potential **support and resistance areas**.
Since so many traders watch these same levels and place buy and sell orders on them to enter trades or place stops, the support and resistance levels tend to become a self-fulfilling prophecy.
- Traders use the Fibonacci Extension levels as **profit taking levels**. Again, since so many traders are watching these levels to place buy and sell orders to take profits, this tool tends to work more often than not due to self-fulfilling expectations.
- The Fibonacci tool works best when the market is trending. The idea is to go long (or buy) on a retracement at a Fibonacci support level when the market is trending up, and to go short (or sell) on a retracement at a Fibonacci resistance level when the market is trending down.

In order to find these retracement levels, you have to find the recent significant Swing Highs and Swings Lows. Then, for downtrends, click on the Swing High and drag the cursor to the most recent Swing Low. For uptrends, do the opposite. Click on the Swing Low and drag the cursor to the most recent Swing High.

- Previous Three Days - Reference the previous three days when trying to determine points to draw Fibs at the Highs/Lows.
- Session Highs Lows - You can use a Session High/Low when drawing Fibs. Not just only daily highs/lows.

TARGETING USING FIB RETRACEMENT

- Upside Objective: Pull Fib from recent swing high to the swing low. First take profit would be around the 100 level and then the 200 level.
- Downside Objective: Pull Fib from recent swing low to the swing high. First take profit would be around the 100 level and then the 200 level.
- Always look to the left of price to identify other key price levels which may coincide with the targeted price objective.

TARGETING USING FIB EXANSION

- Upside Objective: Pull from the buy point on the swing low towards the previous swing high. This will show the expansion levels.
- Downside Objective: Pull from the sell point on the swing high towards the previous swing low. This will show the expansion levels.
- Prolonged Targeting - Use Fib Retracement and instead of pulling from high to low and the high sits on the 100 level, raise the Fib tool so that the high sits on the 50 level. You'll see the extension levels move higher for a longer range price objective in a trending higher market

FIBONACCI RETRACEMENT LEVELS

LEVEL	DESCRIPTION
0	First TP - Scaling
0.62	62%
0.705	Sweet Spot OTE :: %\$::
0.79	79%
0.5	Equilibrium
1	100
-0.27	TP 1
-0.62	TP 2
-1	Symmetric Swing
2	200

PIVOT POINTS

- Monthly Pivots
 - Weekly Pivots
 - Daily Pivots
- Typically, when price is trading above central pivot, it's time to sell. When trading below, it's time to buy. If price has not gone below central pivot for the day, it may act as support. It may act as resistance if price has not gone above central pivot for the day.
 - Use pivots as a tool to find anticipated levels to trade on in the future. Drawn by hand or indicator from 05:00 GMT. Central pivot acts as an anchor for PA. PA acts like a rubber band; it moves away from central pivot and then pulls back towards it. However, like a rubber band, once trend takes off it will snap and fly. Used best in range trading periods.
 - Buy Zone- Area below central pivot
 - Sell Zone- Area above central pivot

OTHER SUPPORT AND RESISTANCE LEVELS

- Week open/Close
- Previous Day open/close
- Daily ADR High/Low
- Institutional Price levels (IPL) – These are price points where institutions block orders sits (they use these levels to enter the market)
 - These are levels that we like to follow
 - 100 pip – Big Figure level (for example 1.6000 to 1.6100)

- 50 pip – Mid Figure level (for example 1.5950)
- In between Big figure 1.6000 and Mid Figure 1.5950 we are looking for 1.5980 level)
- In Between 1.5950 and 1.5900 even Big Figure we are looking for 1.5920
- In Summary we are looking at
 - 00 Levels
 - 80 levels
 - 50 levels
 - 20 levels

ICT TRADER'S TRINITY

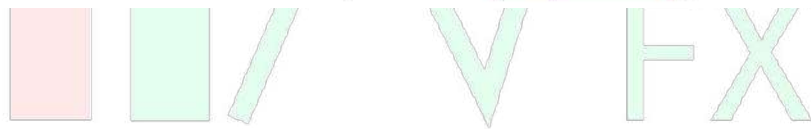
- Always look for 3 periods back to any time frame you are trading to see the significant Swing Points for example 3 months, 3 weeks and 3 days (you can mark the highest high and lowest low of 3 periods like 3 months high and low)
- The 3 periods high and low will be used to identify if we are trading within the trinity or if we have broken the trinity (most of the time market will trade within 3 months or periods high and low) for example if price is trading within 3 months high and low it is trading within the trinity but if it will break the 3 months high or low then the price is trading outside trinity
- If the current trinity is broken look for previous trinity where market might reach for to the same direction of the broken trinity, for example if the three months' low is broken look back for another 3 months high or low price might reach those level
- If the trinity is broken expect to see Major high or low to form in the market place (Monthly trinity viewed in D1 or H4 chart is good to see this unfold)
- Whenever the trinity is broken you can use Fibonacci from the point where the trinity is broken to previous 3 periods high or low and use 162 or 200 fib levels for target and entry. For example, if the 3-month trinity was broken to the upside, draw a fib from the current trinity high that was broken to the 3-month trinity low to know where price might reach
- After projecting where price might be reaching for, know that not every time price will trade directly to projected area of take profit, sometime price will retrace within the broken trinity or fair value to give you Optimal trade entry and then it will move to the projected area of take profit

TRINITY LEVELS

- Upper boundary price levels would signify an overbought area and we should look for opportunities to sell.
- Lower boundary price levels would signify an oversold area and we should look for opportunities to buy.
- Always see if this is in agreement or against higher time frame analysis.
- Price will typically come back to the fair value zones in the centre area of the Traders Trinity.

Try not to trade in the Fair Value Zone or dotted small lines below oversold area or overbought area unless there is another indicator or patter like optimal trade entry supporting it

- Same procedure can be used in weekly and monthly trinity
 - Use D1 time frame for Monthly trinity, H4 time frame for Weekly trinity and M15 or H1 for Daily trinity
- Daily trinity



DISCIPLINE & CONSISTENCY

- KEY POINT
 - The more times a support and resistance area is “hit”, the more significant it is.

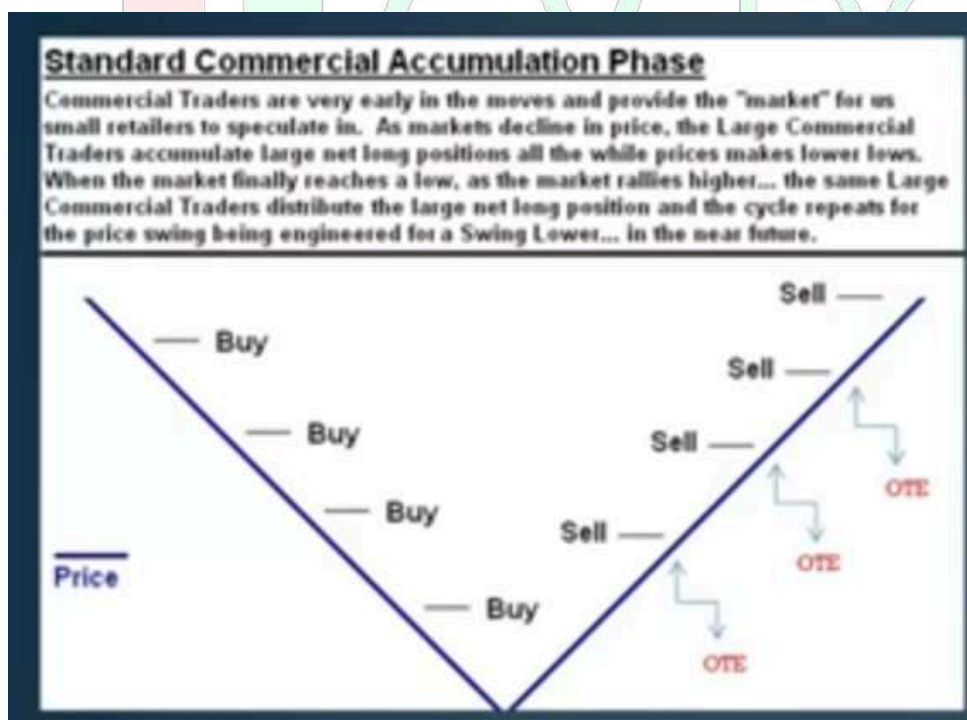
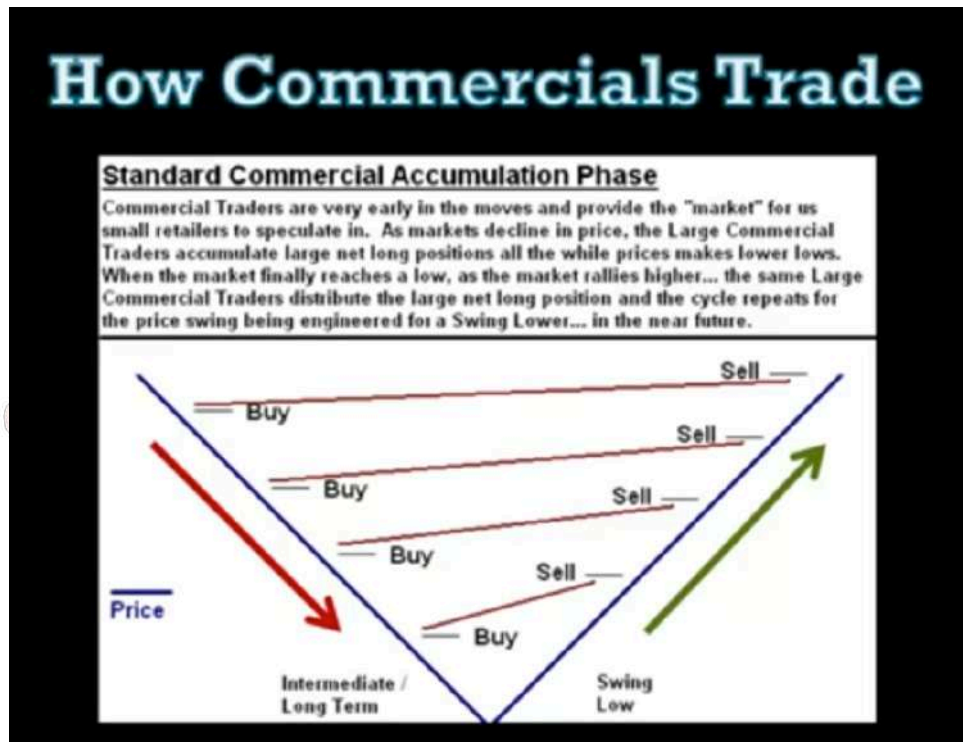
THE COMMITMENT OF TRADERS DATA AND COT CHARTS

- Every week the commodity futures trading commission (CFTC) releases a report basing three groups of traders, the large hedgers commercials, the small speculators (us small traders'/street money) and non-commercial large traders.
- They report overall positions at above three groups by breaking down total longs and total shorts.
- We look at the measurements of the long or short positions of the Commercials (large Hedgers) and the Large Spectators (Non-Commercials). We do not look at small traders.
- Commercials or "Smart Money" always watch fundamental supply and demand and they are in any tradeable market. They have more money than us collectively (Large Corporations and Banks).
- Smart Money are the market; we have to understand what they are doing.
- COT helps us to understand the fundamentals, because the smart money is moving the market by using the fundamentals and not the technical. COT will help us to understand the fundamental analysis of the smart money and we trust their analysis because they are the market, they provide liquidity to us.
- We will be focusing on the Commercials as our fundamental insiders. Commercials or "Smart Money" are most informed group and provide counter trade)
 - When they are at 4 Years extreme high or low they will reverse
 - We are going to use the data and merge them with Monthly and Weekly analysis for direction
- The majority tops and bottoms are highlighted by COT fingerprints left by the large commercial traders.
- If the commercials are net short you will probably see significant long term high to be formed in the market place.
- If the commercials are net long you will probably see significant long term low to be formed in the market place.
- It is important to understand the COT for the past 12 months to see these level and understand where are we in the market place. See the previous net long and net short reading and use current reading to see whether you are oversold or overbought based on the readings.
- If commercials are at 12-month extreme net short that means price was buying and commercials was selling to that and we are near or at the long term high for the trend reversal.
- If commercials are at 12-month extreme net long that means price was selling and commercials was buying to that and we are near or at the long term high for the trend reversal.
- When the commercials are buying, Large Speculators will be selling and vice versa.
- When price cross 50 level in COT is when the net long/short position will start (Commercials)
- If commercials are trading above 50 level, they are in net longs and if they are trading below 50 level they are in net short.
- When the commercials are turning to another direction but still remain below 50 level or above 50 level based on the direction, they are just offloading position because they know fundamentally what will happen then the true move will follow.
- Make sure you understand the price of particular pair when using COT



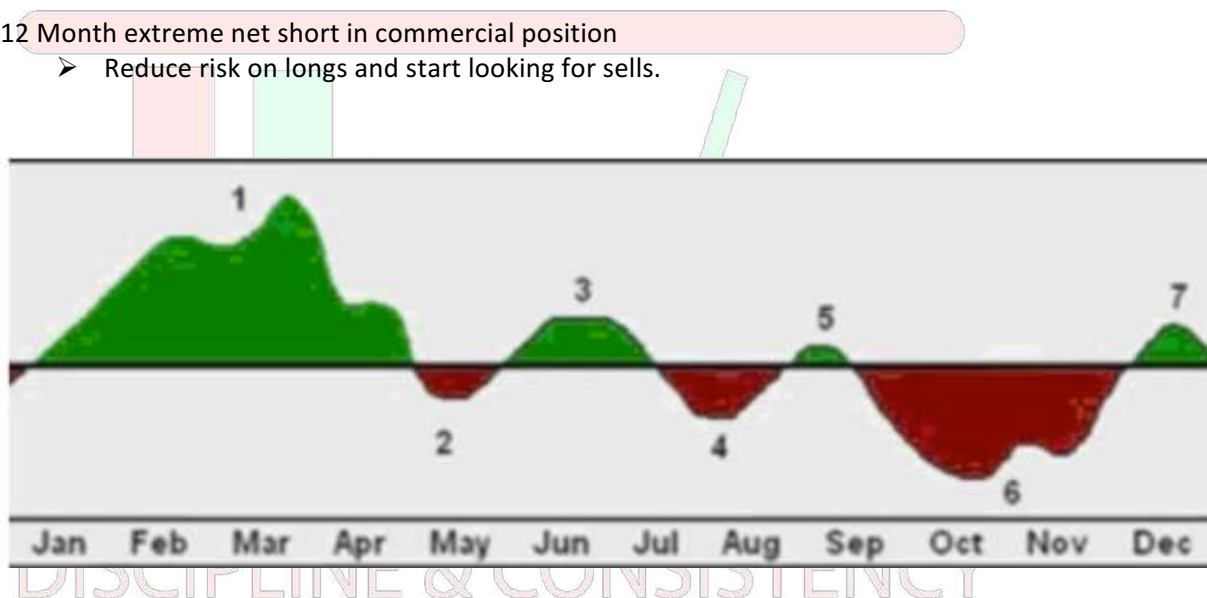
HOW COMMERCIALS TRADE

- Professional trader waits for the low to form in price actions. Trading long with the understanding the commercials will be selling the market to them.



THE COT INSIDER TACTICS

1. 12 Month extreme net long in commercial position.
 - Reduce risk on shorts, start looking for buys
2. Net Short commercial position
 - Look for short intermediate term downside correction
3. Net Long Commercial Position
 - After 12 Month Net Long, look for position or swing longs
4. Net Short Commercial Position
 - Look for short intermediate term downside correction
5. Net Long commercial position
 - Look for short intermediate buys with COT trend
6. 12 Month extreme net short in commercial position
 - Reduce risk on longs and start looking for sells.



STOP LISTENING TO THE HERD

- Trade in line with the direction of the most recent 12-month commercial net position
- Wait for price to form intermediate term swings
- Use optimal trade entry pattern to enter and trade with large traders
- Filter Longs when COT reaches 12 months and 4 year extremes on commercial net short positions
- Filter shorts when COT reaches 12 months and 4 year extremes on commercial net long positions
- Trade with COT trend engineered by commercials
- Look for seasonal tendencies to line up with net readings for remarkable trade setups.

SEASONAL TENDENCIES

USD

- Typically tops out in the middle of February and declines into mid-March.
- Last half of March is usually strong and then sells off in April (and last bit of March).
- Beginning to middle of May is a strong time for the USD.
- Middle of June usually marks a short-term high and the USD declines into the end of August.
- Rally from beginning of August to early to mid-September.
- After this the lines become divergent meaning signals are less clear and no strong

seasonal patterns are blatantly present.

EUR

- The Euro typically forms a bottom in mid-February and then moves higher into mid-march. A pull back then occurs then we see another climb into the end of April.
- Another low in June which climbs into late July/early August.
- Usually a decline from early August to early September.
- Early to late September begins a bullish trend for Euro through year end with a pullback in October.

GBP

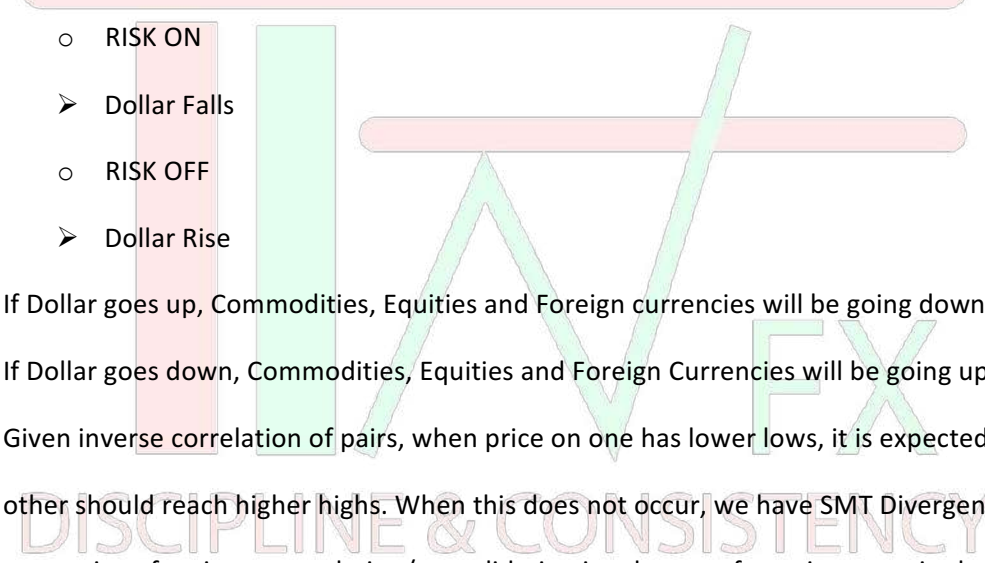
DISCIPLINE & CONSISTENCY

- The Pound typically forms a bottom in early March and then moves higher into the end of April.
- Early May to mid-May is usually a bearish time.
- A bottom typically forms again in mid-May we see a move higher into early August.
- Price usually peak early in August and decline into mid-September.
- Price peaks in early November and the price slides into mid-to-late November.
- Prices bottom in late November and rally into the end of the year.

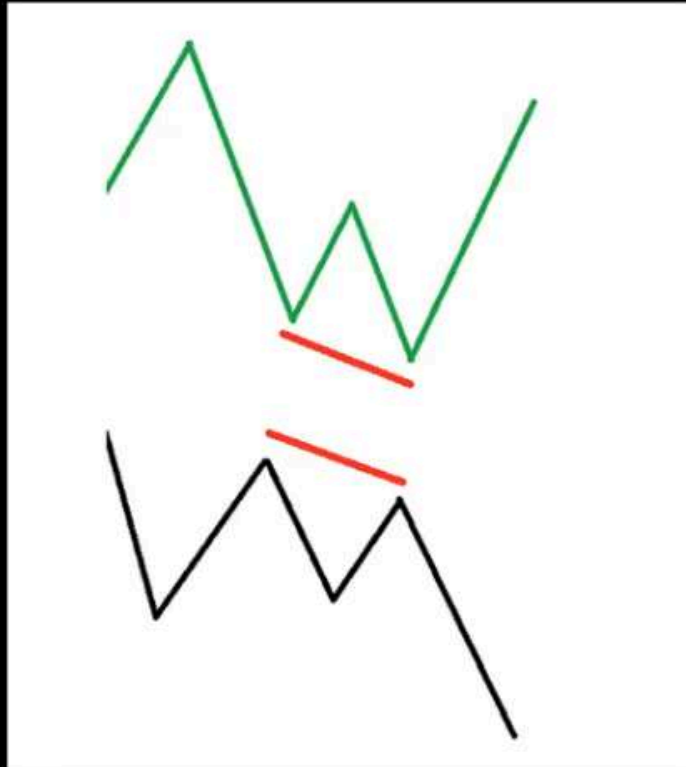
SMART MONEY CORRELATION

- Smart money actions get revealed through cracks in the market.
- Trading correlation is a smart money fingerprint they leave in charts as they switch the tide of the current intermediate term price swing
- Intermediate term swing points are where the real potential resides, not minor swings
- When the correlation materializes at predetermined support & resistance levels we can be confident a reaction will unfold.

USDX SMT DIVERGENCE

- When trading currencies, the USD index is used to determine the current market tone.
 - RISK ON
 - Dollar Falls
 - RISK OFF
 - Dollar Rise
 - If Dollar goes up, Commodities, Equities and Foreign currencies will be going down.
 - If Dollar goes down, Commodities, Equities and Foreign Currencies will be going up.
 - Given inverse correlation of pairs, when price on one has lower lows, it is expected that the other should reach higher highs. When this does not occur, we have SMT Divergence. This is suggestive of major accumulation/consolidation in advance of a major move in the opposite direction.
- 

The USDX SMT Divergence



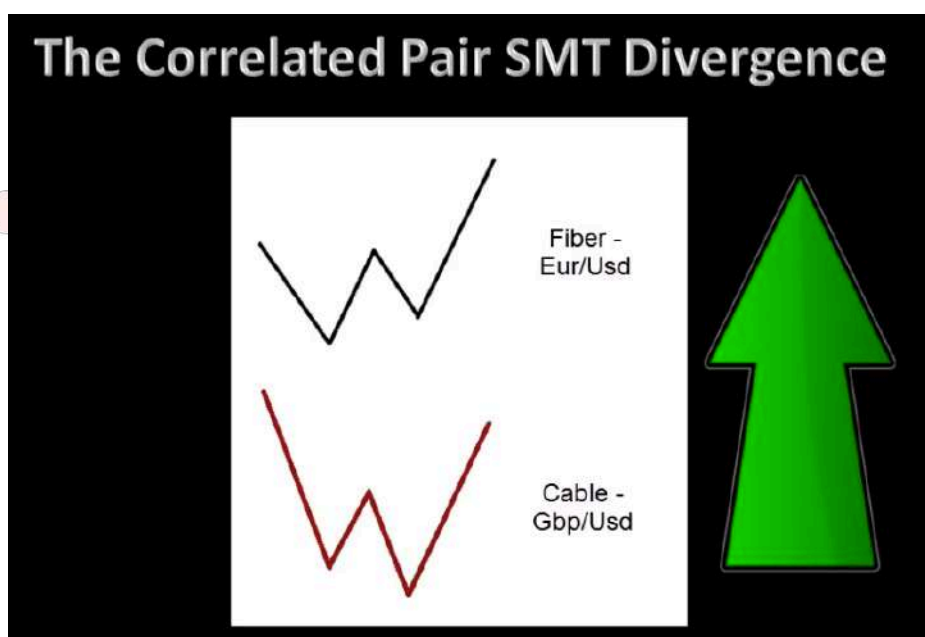
CORRELATED PAIR SMT DIVERGENCE

BULLISH SMT DIVERGENCE

- Should occur at and confirm predetermined Support Levels.
- Compare lows in correlated pairs like EURO and POND at key support level. If one fails to make a lower low that is indicating a short term shift in the market to bounce higher
- Compare highs in correlated pairs at key resistance level. If one fails to make a higher high is indicating a short term shift in the market to go lower
- If one pair fails to make a lower low while the other succeeds, then expect both pairs to shoot higher at a key resistance level.
- When looking at Support plays or "buys" - consider the pair that fails to make the lower low

respectively. Premise behind this: The pair that fails to drop lower, it is being bought and hence, not willing to go lower... this is essentially "Demand in Operation"... anticipate Higher prices.

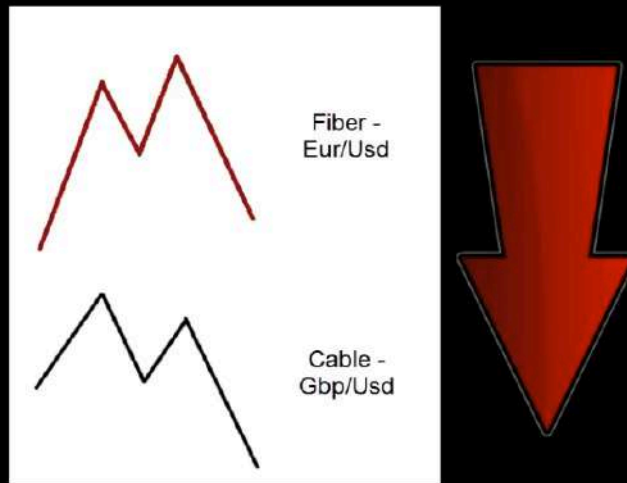
- EUR/USD is making higher lows while GBP/USD is making lower lows > Buy EUR/USD



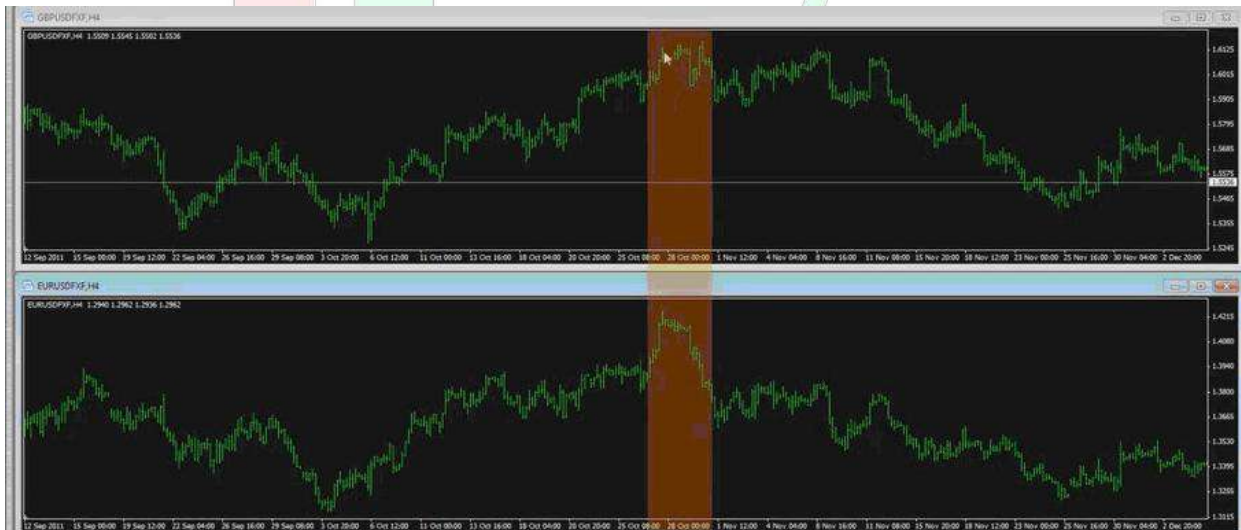
DISCIPLINE & CONSISTENCY

- Should occur at and confirm predetermined Resistance Levels.
- If one pair fails to make a higher high while the other succeeds, then expect both pairs to go lower at a key support level.
- When looking at Resistance plays or "sells" - consider the pair that fails to make the higher highs respectively. Premise behind this: The pair that fails to rally higher, it is being sold and hence, not willing to go higher... this is essentially "Supply in Operation"... anticipate Lower prices.
- EUR/USD is making higher highs while GBP/USD is making lower highs > Sell GBP/USD

The Correlated Pair SMT Divergence



Real Example of Correlated Pair SMT Divergence (GBP/USD vs. EUR/USD): GBP made a higher high while EUR failed to make higher highs. This signal a reversal for both pairs.



THE CRB COMMODITY INDEX SMT DIVERGENCE

- The CRB index (cash) is used to monitor commodity prices such as Gold and Oil, typically you will see an inverse relationship to CRB and USDX
- The CRB index tends to be a bit early to change direction and can warn of possible long term shifts in trend

STOCK INDEX SMT DIVERGENCE

- Watch the stock indices (Dow, SP500, NAZDAQ) , compare the highs at resistance and lows at support

UNDERSTANDING MAJOR MARKET SWINGS

<u>RISK ON (Dollar Fall)</u>	<u>RISK OFF (Dollar Rise)</u>
USDX Declining	USDX Rising
CRB Rising	CRB Declining
Currency Majors Rising	Currency Majors Declining
Stocks Rising	Stocks Declining

DISCIPLINE & CONSISTENCY

REACTION LEVELS

- Use Highest time frame (Monthly, Weekly and Daily time frame).
- In our class we will be looking at D1 and H4 after having Monthly and weekly bias.
- Institutions are watching at higher time frame reaction levels
 - Mark/Draw horizontal lines at swing points on Daily time frame (Every turning point or fractal)
 - Major price reaction levels occur around annually highs and lows, Quarterly high and lows (January to March, April to June, July to September and October to December) mark the highest high and lowest low of each quarter, also Monthly highs and Lows, Weekly and Daily high and Lows.
- Whenever you see a swing point mark or draw horizontal lines to open, close, high and low of each of three candles that forms a swing/fractal and look for price reaction around those levels
- As you move from higher to lower time frame i.e. D1 to H4, you can add dynamic support and resistance from the lower time frame because they won't be visible on D1 time frame
- You don't look for a trade pattern on intraday chart unless it is trading on higher time frame reaction level
- You can plot Support and resistance on 15M chart too but they are not as important as those on D1 and H4 because those are the levels where institutions are looking for value.
- Focus on tracking trades only at higher time frame support and resistance levels, don't focus in the middle (between support and resistance)

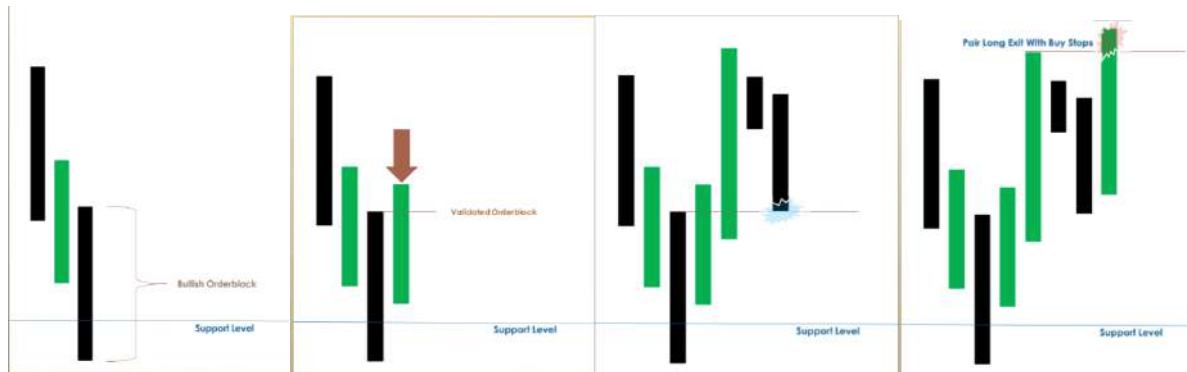
ORDER BLOCKS

- Order blocks are specific candles or bars that when properly viewed in institutional context can highlight smart money buying and selling.
- Apart from using commonly used "supply and demand zone" Order block are very specific levels that can be refined to lower time frames to exact price levels... not a bread range or zone.
- The higher time frame institutional order flow is critical to selecting high probability Order blocks to trade on. Understanding the current trading range is equally important in relationship to detecting the actions of the smart money traders or Institutions and Banks (MN, WK, D1 and H4) are higher time frames.)

BULLISH ORDER BLOCK

- Definition – The Lowest Candle or Price Bar with a Down Close that has the most range between Open to Close and is near a "Support" level.
- Validation: When the High of the Lowest Down Close Candle or Price Bar is traded through by a later formed Candle or Price Bar.
- Entry Techniques: When Price Trades Higher away from the Bullish Order block and then Returns to the Bullish Order Block Candle or Price Bar High – This is Bullish.
- Defining Risk: The Low of the Bullish Order block is the location of a relatively safe Stop Loss placement. Just below the 50% of the Order block total range is also considered to be a good location to raise the Stop Loss after Price runs away from the Bullish Order block to reduce

Risk when applicable.



BEARISH ORDER BLOCK

- Definition – The Highest Candle or Price Bar with a Up Close that has the most range between Open to Close and is near a “Resistance” level.
- Validation: When the Low of the Highest Up Close Candle or Price Bar is traded through by a later formed Candle or Price Bar.
- Entry Techniques: When Price Trades Lower away from the Bearish Order block and then Returns to the Bearish Order Block Candle or Price Bar Low – This is bearish.
- Defining Risk: The High of the Bearish Order block is the location of a relatively safe Stop Loss placement. Just above the 50% of the Order block total range is also considered to be a good location to raise the Stop Loss after Price runs away from the Bearish Order block to reduce Risk when applicable.
- To put it in a simple way, the bullish order block is the last bearish candle before the move up to break previous swing high and bearish order block is the last bullish candle before the move down to break the previous swing low.

ORDER BLOCK SELECTION

- If the order block is broken, look for previous order block before the broken one and that is possible turning point
- Always mark the previous Order blocks because the smart money might repeat them and react in the future
- Take profit in the middle of the range, you won't get the actual high/low.
- After SMT divergence at support/resistance, the first lowest order block will hardly be repeated, instead wait for a fair value or second order block to the direction of the market to form and during retracement to the second Order block cut through the candles and see if on the left there is supporting factor (old swing, support/resistance etc.) to support this middle candle second order block.
- Cut through the candles and see where market bought or sold before to the direction of the market, for example on the buy trade see where price bought before on the move down (swing low to the bearish market) and that level will be used as support in the future and

vice versa for a sell trade.

- At the order block, during the move towards the order block (retracement of the order block) expect price to reach to these point of the order block. We will use bearish order block as our example.
 - First objective will be low of the bearish order block
 - Second objective or reaction point will be at the open of the bearish order block
 - Third objective will be middle of the order block
- If price retrace more than 50% of the order block then the order block will not be valid, look for a previous order block and project the same.
- You can use order blocks on the left of the chart and extend them through the current market they will be good reaction areas.
- If there is a swing low near the bearish order block price might not go exactly to the order block and reverse at the swing low.
- After a big move, when market is trading back to the order block most of the time it will create a short term swing in the move towards the order block that will be broken during the real move to the order block.
- If the short term swing will be in line with 50% fib retracement level that will be a good trade because retail traders are using 50% and they will be stopped.
- If you see consolidation near the order block in Asian Session or New York that is good indication of a good trade forming



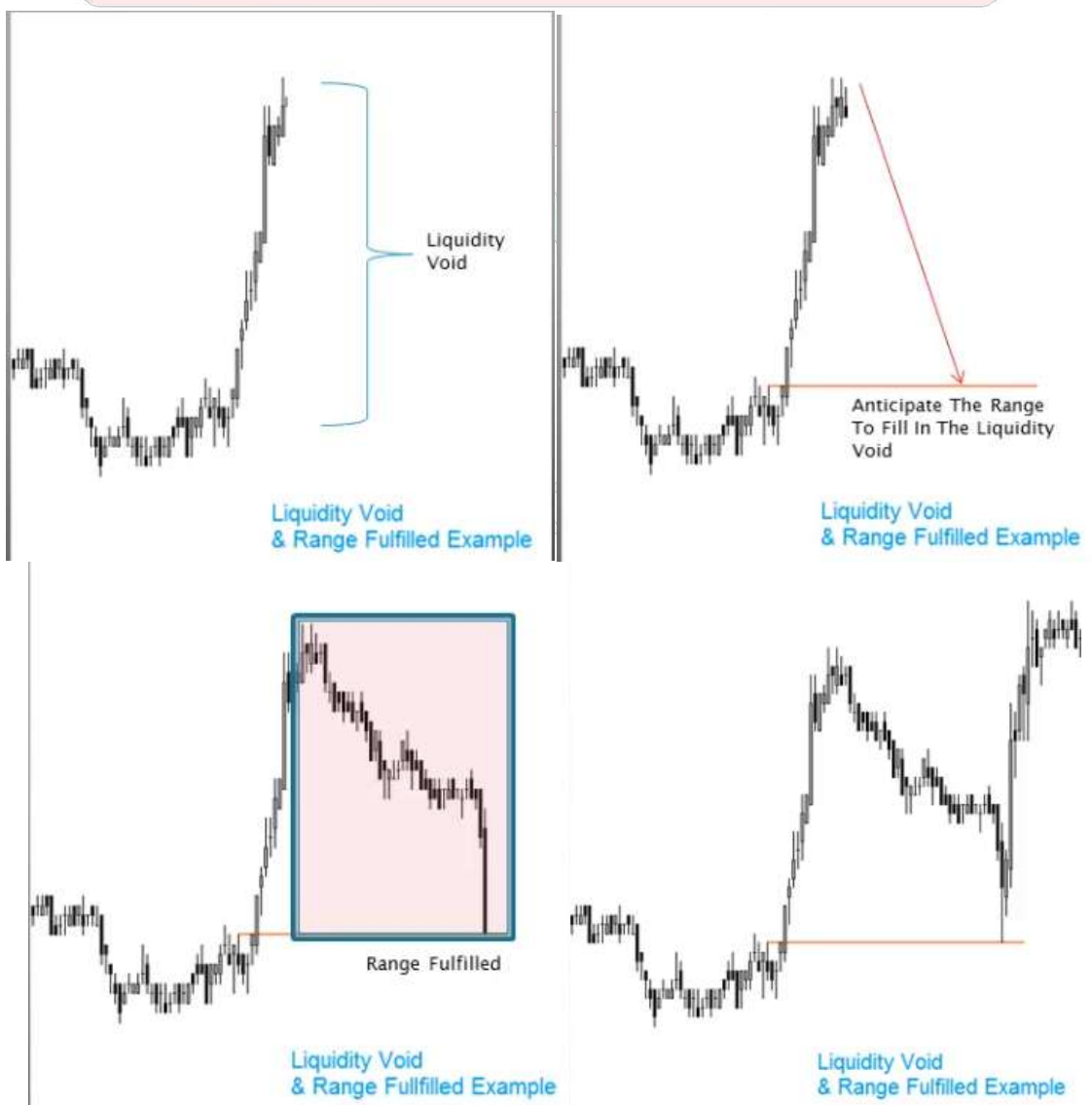
LIQUIDITY POOL

- Liquidity pools reside just above previous high and below previous low.
- Smart Money will fake breakout to these levels to take stops and pretending orders but they won't maintain the overall direction.
- When you open your charts, the first question you should ask yourself is "where is the money"? for a buy trade see swing lows that are potential for stops to be placed there, there is where the money is and for sell trade see swing highs that are potential for stops to be placed.



LIQUIDITY VOID

- Liquidity Void is a range in Price Delivery where one side of the Market Liquidity is shown in wide or “long” one sided ranges or candles. Price typically will want to revisit this “porous range” or void of contrarian liquidity.
- The market will slip to the only available trade levels as a result of thin liquidity and these voids in liquidity will be revisited at a later time.
- The market will seek to “fill in” any gaps or missed levels on trade. Impulse price swings are typically seen with these voids in liquidity.
- Liquidity void is when you see a burst move or a very move long without a pause after consolidation, if you missed the opportunity don’t worry because price will fill the burst range and retest the Order block before the burst move.
- Identify consolidation before the burst move and the order block to find opportunity, you can trade the move back to the Order block although it is not advisable because the move will be fast.





DISCIPLINE & CONSISTENCY

FAIR VALUE GAP

- Fair Value Gap is a range in Price Delivery where one side of the Market Liquidity is offered and typically confirmed with a Liquidity Void on the Lower Time Frame Charts in the same range of Price. Price can actually “gap” to create a literal vacuum of Trading thus posting an actual Price Gap.



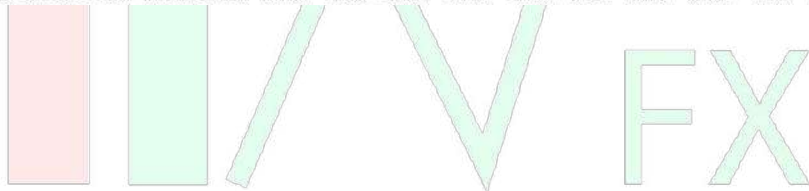
LIQUIDITY INJECTION

- Is the Judas swing or stop hunt move that will take the stops sitting above previous swing high or below previous swing low.



NEUTRALIZING OPEN FLOAT

- Open floats are existing real trades that are in the market place.
- If you see a swing high with a fast move down followed by Asian Range consolidation, mark the swing high and anticipate to see a breakout of Asian range high and previous swing high prior to Asian Range before a sell and vice versa for a buy trade



DISCIPLINE & CONSISTENCY

NEUTRALIZING PENDING STOPS

- These are seeking and destroy moves
- The up and down moves that will take both swing highs and lows to make it a hard day to be profitable.
- You will see these moves most often in the first week of the Month going to NFP (classic NFP week pattern).
- The move will end in the consolidation in the middle



DISCIPLINE & CONSISTENCY

ENGINEERING LIQUIDITY

- This is the false move after Asian Range consolidation that will validate trades to the direction of the Overall trend and stop them in London or New York before going to the intended direction.
- In order to avoid fake breakouts coming out of Asian Range make sure you understand high timeframe direction and order block.
- When you see double bottom/top just know stops are sitting below/above them and Market Makers will take those stops before continuing to the intended direction



CROUCHING OUTSIDE ORDER BLOCK

- This is one of the strongest setup for London open kill zone, New York Upon Kill Zone or London Close reversal profile setup.
- When price is going to higher time frame Order block in the Kill zone time.



INSTITUTIONAL PRICING

- These are specific levels where when we see price is trading there and they are in line with higher time frame Support/Resistance or Order block and fib retracement will give us confirmation that trade to the direction of the market will be going underway
- The institutional numbers are 11,20,50,50 and 10,30,60 ,90
- Pay attention to the body of the candle at these numbers and not the wicks



MIDIGATION BLOCKS

- You will see these orders most often at Support/Resistance in Intermediate term or long term high or low when market structure is broken.
- For a sell trade you will use the last bearish candle (bearish order block) before the move up that took the stops high and break the market structure low.
- After the market structure is broken, wait for price to trade away from the point where it was broken and pay attention to the bearish order block as per explanation above which most of the time it will be a short term low fractal and there is high probability of price to trade back to the low of the bearish order block.

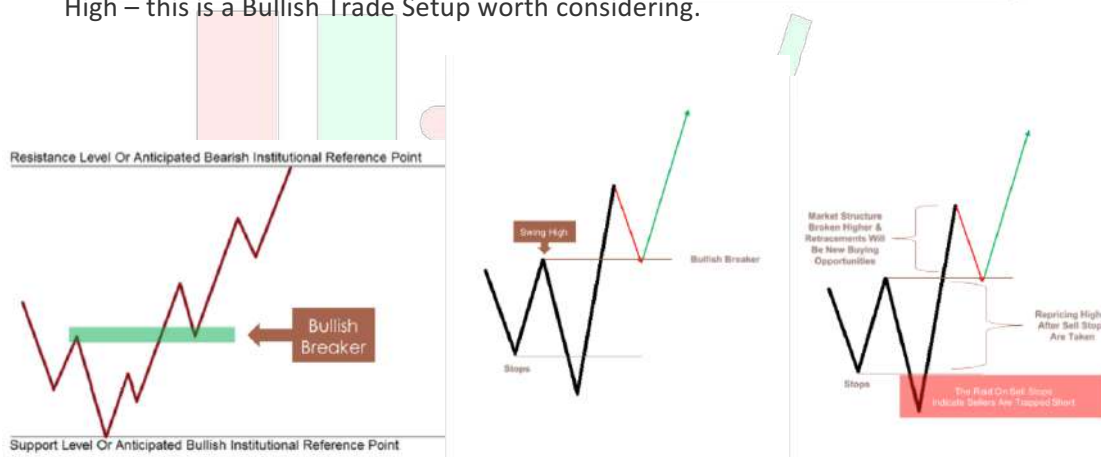


THE BREAKER

- The breaker is more like mitigation blocks.
- This is the order block prior to Judas swing going or in London session that will break the Asian range to the opposite direction of the market trend.
- After the false move price will go to the intended direction and it will break the Asian Range to the true direction of the market and the order block prior to the false move.
- Allow price to move after the break of the Order block and wait for retracement to the order block as it is illustrated in mitigation blocks.
- The Breaker Block will take the previous swing high before it takes the support and it will take the previous swing low before it takes the resistance

BULLISH BREAKER BLOCK

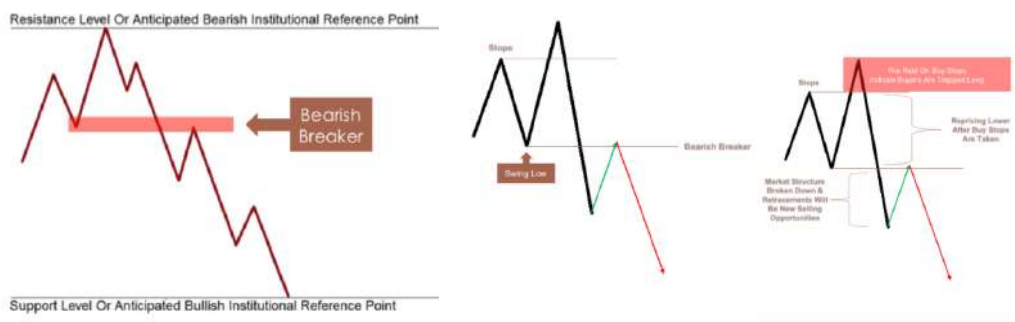
- Bullish Breaker Block is a bullish range or Up Close Candle in the most recent Swing High prior to an Old Low being violated. The Sellers that sold this Low and later see this same Swing High violated – will look to mitigate the loss. When Price returns back to the Swing High – this is a Bullish Trade Setup worth considering.



DISCIPLINE & CONSISTENCY

BEARISH BREAKER BLOCK

- Bearish Breaker Block is a bearish range or Down Close Candle in the most recent Swing Low prior to an Old High being violated. The Buyers that buy this Low and later see this same Swing Low violated – will look to mitigate the loss. When Price returns back to the Swing Low – this is a Bearish Trade Setup worth considering.



THE POWER OF THREE

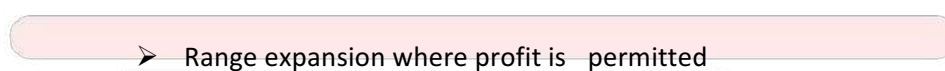
3 MAJOR MARKET CYCLES

- Before we traders can come to realize consistency in our trading, we first have to understand we only arrive at this state of consistency by understanding the three major market cycles those being:

ACCUMULATION PHASE

- Smart Money accumulating longs or shorts (You want to be in the trade in Accumulation phase)

PROFIT RELEASE PHASE



DISTRIBUTION PHASE

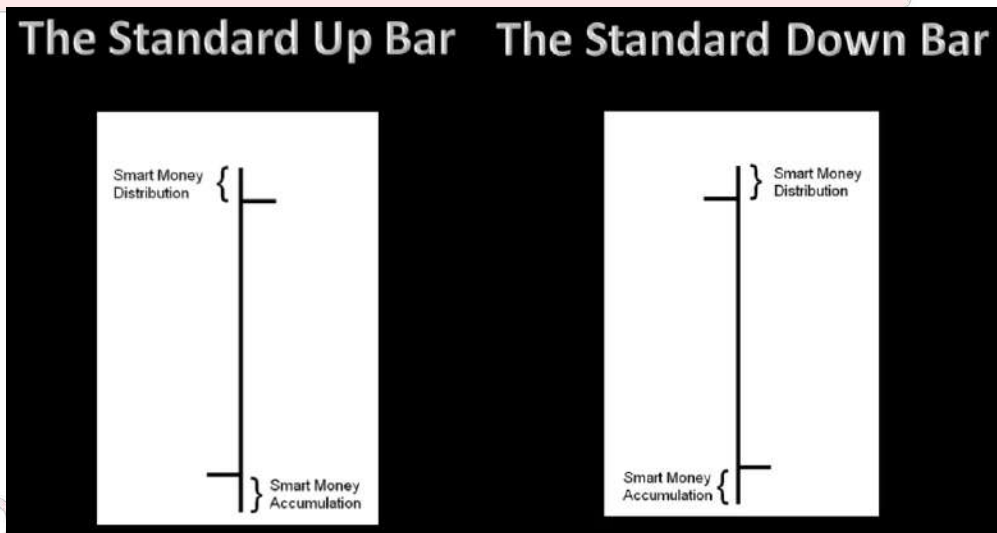
- Smart Money distributes long or shorts

THE OPEN

- Smart money distributes above the open and accumulates below the open
 - For the up days, the move below the opening price is the Judas Swing or stop hunt move, if you see a fast move below the opening price that is the confirmation that trade will go our way
 - The open will be near the low of the day, typically 20% of the total range, there will be a long body in the middle, then the close will be near the high of the day, typically the upper 20% of the total range
 - For the down days, the move above the opening price is the Judas swing or stop hunt move, if you see a fast move above the opening price that is the confirmation that trade will go our way
 - The open will be near the high of the day, typically 20% of the total range, there will be a long body in the middle, then the close will be near the low of the day, typically the lower 20% of the total range

THE TYPICAL ACCUMULATION

- Typical accumulation starts at the opening price
 - If we are looking for a buy trade, we will be waiting to see a move below the accumulation range or open price
 - If we are looking for a short trade, we will be waiting to see a move above the accumulation range or open price
 - Smart Money buys in down move and sell in up move, so should you.



- You need to make sure you have higher time frame premise in mind
- Wait for price to get to specific levels, don't enter before they go to support/resistance of Weekly, Daily, H4 and not less than H1 charts
- When price is trading to support/resistance levels, look for SMT divergence
- Don't rush to get in before (use time and price theory)
- Wait for Daily chart to post a swing high/swing low (fractal)
- In summary you will be looking for open price, Judas Swing or false move and range expansion or real move

TIME AND PRICE THEORY

- There is specific time of the year, month or day where price will make significant high/low (study seasonal tendencies)
- Time and price theory is when price meets support/resistance at specific time of the day that we anticipated high/low to be formed (Kill zones). When this unfolds it will give us a strong confirmation when the setup is confirmed by other tools.
- For example, Monday, Tuesday and Wednesday are high probability days for high of the week or low of the week to be formed but look closely for Tuesday and Wednesday London open

KILL ZONES

- We need to understand that there are specific hours of the day that high/low of the day is likely to form, understanding this will help you to know when you want to look for a setup and when not to.
- Below are specific hours or Kill zone that will be used to hunt for trades

ASIAN KILL ZONE: 23:00 – 03:00

LONDON OPEN KILL ZONE: 07:00 – 10:00 GMT

LONDON CLOSE KILL ZONE: 15:00 – 18:00 GMT

NEW YORK OPEN KILL ZONE: 12:00 – 15:00 GMT

- Allow up to 1 hour before and after the kill zones timings because sometimes setup will come 1 hour early or 1 hour before and because of Daylight Saving Time.
- Monitor 4 hours after 05:00 or New York midnight, there is high probability of high/low of the day to form within those 4 hours
- You will see high/low of the day forming most of the time around 09:00 – 09:30 GMT
- 10:00 GMT most of the time expect to see a Judas Swing or and Divergence above/below the 07:00 – 09:00 GMT price that will form a swing high/low to the direction of the market, for example if you are in a sell trade you will see a move back to the higher of the day that will form a swing high and continue down. Mark the opening price of 10:00 GMT and most

of the time this price will setup New York Optimal Trade Entry in sync with High/Low that was formed in London. In New York most of the time price will trade back to 07:00 Price and give you optimal trade entry. When you don't see a Judas swing in London expect the Judas to form in 10:00 GMT

- For a sell trade, most of the time high of the day will form in first 4 hours after 05:00 GMT (London open kill zone) but ideal time window for a high to form is 07:00 – 10:00 GMT and low of the day will form around 15:00 – 16:00 GMT and vice versa for a buy trade (if you were selling from London open kill zones you need to close trades around 15:00 – 16:00 GMT)

- Typically, the daily high or low is formed on a sharp counter trend direction on that day.

(Judas Swing/Stop hunt)

- 05:00 GMT is the beginning of the true trading day and end of Asian range
- 19:00 GMT is the end of the true trading day
- 20:00 to 00:00 GMT is Central Bank Dealing Range or the Flout
- 00:00 to 05:00 GMT is the Asian Range
- 10:00 – 11:00 most of the time you will see a pause in price after London move or a Judas swing that will make a fractal to the direction of the market in lower time frame
- 12:20 GMT (20 minutes after the beginning of New York kill zone) is when futures contracts begin trading
- Start looking for New York trade setups from 12:20, for a buy trade you need to buy 10pips below the 12:20 price and for a sell trade you need to sell 10 pips above the 12:20 price for New York trade

MARKET PROFILES

- Traders all too many times rush into the action of entering trades with no real understanding of the current market environment or “profile”
- Market profiling is a concept that classifies what type of trading environment the current market is currently trading within
- This swings the odds of success when you apply the proper technical analysis to the present profile

THE PROFILES WE USE ARE

CONSOLIDATION RANGE PROFILE

- Understand where you are in the move that may already exist.
- If in bearish market environment, during a consolidation range you can identify false breakouts to trade against or opportunities to enter short with an OTE.
- Establish Position During Consolidation -Periods of consolidation are typically the opportunity to establish your position in anticipation of where the trend will go. Look for times candles/bars are small to enter trades.
- Consolidation is equilibrium, when price breaks the consolidation it will retest the consolidation and continue to trade to the direction of the market.

BREAKOUT – VALID AND FALSE

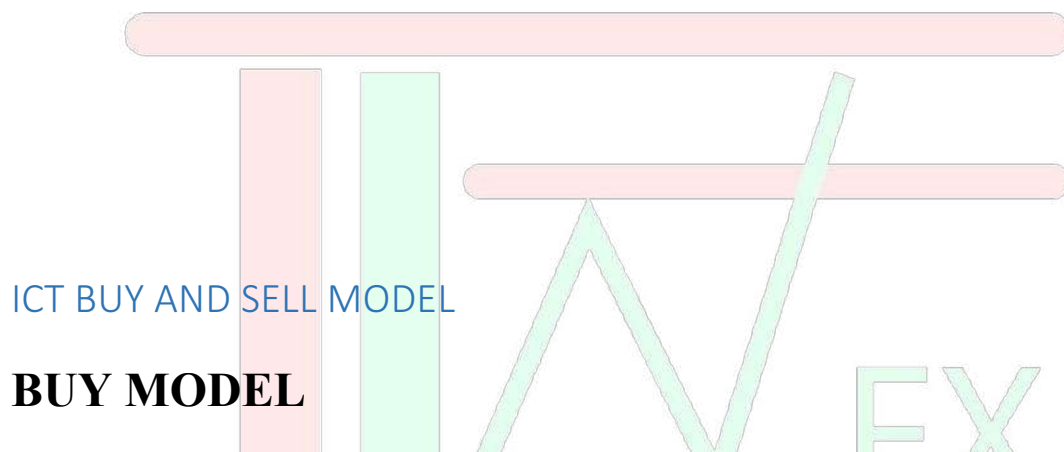
- We don't trade breakouts, wait for retest

TRENDING PROFILE

- Don't enter in a move that has already started, wait for another consolidation and find opportunity

REVERSAL PROFILE

- The profile will form a sell day during a bullish Asian, London and possibly NY session but fail to hold its rally and reverse lower. It will form a buy day during a bearish Asian, London and possibly NY session but will fail to hold its lower price slide and reverse higher. Typically, New York Open, London Close and late NY session will post the reversal.



Inside Fractals: ICT Buy Model

Accumulation To Distribution

- 1) Consolidation
- 2) The Run To Support
- 3) The Smart Money Reversal
- 4) Accumulation The Low Risk Buy
- 5) *Re-accumulation
- 6) Distribution

* Re-accumulation
Or
* Re-distribution

- This pattern is in all the time frames and all the tradeable instruments.

Consolidation

- Consolidation at higher time frame resistance level or bearish order block
- If you want to sell you can start looking for patterns here

The Run to support

- Price will break the low of the consolidation and retest the consolidation then run into key Support level or Order block, sometimes there won't be a retest to the consolidation and price will fall directly to key support.

The Smart Money Reversal

○ Having reached at the key support level price will reverse to the upside, look for buy optimal trade entry

Accumulation the Low Risk Buy

○ After rejection at the support price will run higher and accumulate low risk buy trades

Re-accumulation

○ Price will trade at or near the previous accumulation

- DISCIPLINE & CONSISTENCY
- This is the area that you need to pay attention, for example if the higher time frame market structure is bearish, during the re-accumulation at or near previous accumulation don't expect price to go higher than the accumulation phase, instead anticipate price to bounce at the low of previous accumulation and decline lower (trend continuation profile)
 - But if the market structure is bullish, price will trade above previous accumulation and stop those who went short on the move to support

Distribution

- After taking stops above the previous accumulation price will distribute to the market and re-accumulate or re-distribute (consolidate)

SELL MODEL

Inside Fractals: ICT Sell Model

Accumulation To Distribution

- 1) Consolidation
- 2) The Run To Resistance
- 3) The Smart Money Reversal
- 4) Distribution The Low Risk Sell
- 5) *Re-distribution
- 6) Distribution

* Re-distribution
Or
* Re-accumulation

The MarketMaker Profile
The Sell Model

Resistance

- This pattern is in all the time frames and all the tradeable instruments.

Consolidation

- Consolidation at higher time frame support level or bullish order block
- If you want to sell you can start looking for patterns here

The Run to support

- Price will break the high of the consolidation and retest the consolidation then run into key Resistance level or Order block, sometimes there won't be a retest to the consolidation and price will rise directly to key Resistance.

The Smart Money Reversal

- Having reached at the key resistance level price will reverse to the

downside, look for sell optimal trade entry

Accumulation the Low Risk Buy

- After rejection at the resistance price will decline lower and accumulate low risk sell trades

Re-accumulation

- Price will trade at or near the previous accumulation
- This is the area that you need to pay attention, for example if the higher time frame market structure is bullish, during the re-accumulation at or

near previous accumulation don't expect price to go lower than the accumulation phase, instead anticipate price to bounce at the high of previous accumulation and rise higher

- But if the market structure is bearish, price will trade below previous accumulation and stop those who bought on the move to resistance

Distribution

- After taking stops below the previous accumulation price will distribute to the market and re-accumulate or re-distribute (consolidate)

- Pay attention to 1. Consolidation, 3. Smart Money Reversal and 6. Distribution

(consolidation) areas

HOW TO USE HIGHER TIME FRAME CHARTS

- When you are looking for an idea to trade, always start looking at Monthly time frame, then weekly, then daily charts before moving to lower time frames like H4, H1, M15 and M5 charts
- Understand where price is trading from and where is reaching for, where is the next level of institutional interest

THE MONTHLY TIME FRAME CHART

- When looking at Monthly chart, Key support and resistance levels, look for old highs and lows with significant reactions and the monthly order blocks, you can cut through the candles and use reactions levels on the left like the order blocks (order blocks are institutional levels of interest)
- Look for where range contracted and then expanded
- Use fib levels from one swing to another swing

THE WEEKLY TIME FRAME CHART

- After moving from Monthly to weekly time frame, start looking for new Key Support /Resistance on weekly time frame
- Look for weekly order blocks, consider the old order block on the left
- Look for areas of liquidity above old highs and below old lows
- Look for weekly market structure
- Determine COT trend
- Use fib levels from one swing to another swing

THE DAILY TIME FRAME CHART

- Look for new key Support and Resistance levels of daily time frame – use 2-3 years data and don't discount the levels acquired of the study of monthly and weekly charts
- Consider seasonal tendencies – They are not guarantee but more like a map
- Highlight key swing highs and lows – open, close, high and low of 3 bar patterns
- Identify major reaction levels where price obviously and strongly move away from a level
- Highlight potential order blocks where price will possibly react in similar fashion, consider the old order block on the left
- Look for areas of liquidity above old highs and below old lows
- Determine the current Market structure
- Monitor correlation concepts
- Use 18&40 EMAs
- All levels and blocks are carried over to the lower H4 and H1 or lesser charts

THE H4 TIME FRAME CHART

- The D1 analysis is kept in focus. We hold to this bias as our foundational basis for trade idea
 - While D1 analysis is in sell model, we look for key resistance levels to stalk setups on
 - While D1 analysis is in buy model, we look for key support levels to stalk setups on
- Look for new key Support and Resistance levels of H4 time frame
- Look for pools of liquidity
- Order blocks can be fine-tuned on this period and more precise levels at or near institutional levels
- Monitor Monthly trinity (Previous Month high/low)
- Define the H4 market flow and couple this with market structure
- Fibonacci levels

- Look for price patterns (Head and shoulders, M or W and other patterns)
- Define oversold and overbought basis previous month range
- All H4 analysis is carried over to the H1 charts

THE H1 TIME FRAME CHART

- The D1 analysis is kept in focus
- D1 analysis can be mixed. Consult the H4 perspective, ideally D1 and H4 will agree
- The order blocks on both D1 and H4 will produce highest probability setups. Focus there
- Look for new key Support and Resistance levels of H1 time frame
- The reaction levels seen on the H1 chart will permit fine turning order block
- Viewing the weekly perspective on a H1 chart will provide a good vintage points for swings
- Look for logical levels where retail traders and funds would possibly have stops resting near
- The day of the week theory is rough idea where the weekly high or low is likely to form
- Monitor Weekly trinity
- Look for weekly pivots (buy and sell pivots)
- Look for price patterns
- Fibonacci levels
- Define oversold and overbought basis previous week range
- All H4 and H1 analysis is carried over to the M15 and M5 charts



THE M15 TIME FRAME CHART

- D1, H4 and H1 TF perspective is maintained even while studying price action
- Have the day separated with vertical lines to have or highlight possible day of the week theory
- Look for key support and resistance levels of higher than H1 time frame
- Look for sessions highs and lows, weekly and daily open and close price
- Look for previous 3 day highs and lows
- Fibonacci levels
- Pivots – Daily pivots
- SMT divergence concept
- Look for Asian range (00:00 – 05:00 GMT = initial high and low of the day)
- Look for price patterns – Do not rush the pattern. Wait for the setups and the time of the day for highest possible odds
- Look for fractal formation

THE M5 TIME FRAME CHART

- Look for key support and resistance levels of higher than H1 time frame
- Look for sessions highs and lows, weekly and daily open and close price
- Look for previous 3 day highs and lows
- Fibonacci levels
- Pivots – Daily pivots
- Mapping Kill zones – time of the day
- Look for Asian range (00:00 – 05:00 GMT = initial high and low of the day)
- Average daily range – 5-day basis
- Anticipate Manipulation – Judas

FINDING YOUR WAY IN PRICE

PRIMARY OBJECTIVE

- Know your timeframe for trading

PROFFESIONAL PERSPECTIVE

- Frame trades on at least three time frames
 - Position Trades (Month or More) - Monthly Time Frame, Weekly Time Frame and Daily Time Frame
 - Swing Trades (Week or More) - Daily Time Frame, 4 Hour Time Frame and 1 Hour Time Frame
 - Short Term Trades (One Day or More) - 4 Hour Time Frame, 1 Hour time Frame and 15 Minutes Time Frame
 - Day Trades and Scalps - 1 Hour Time Frame, 15 Minutes Time Frame and 5 minutes Time Frame.

THE KEYS TO MULTIPLE TIME FRAMES TRADING

Where your Focus will be

- The Highest Time Frame will be used for Direction Bias
 - Trades will be managed by the highest or middle time frame
 - The shortest time frame will be used for entries and signal potential clues
 - The Highest probability trades are made in the Higher time frame direction
 - All trades are framed over key Support and Resistance
- You can start analyzing from Higher Time frame (Monthly Time Frame) even if you are a day trader

TOP DOWN ANALYSIS

GENERAL MARKET (RISK ON OR RISK OFF)

- Monitor if you see a strength or weakness in the stocks, commodity, dollar index, and COT, see if gold and oil is giving you any clues
- Is dollar index confirming recent highs or lows?
- Are there any market reports? Due to that might change the current market tone?
- The more the other asset classes confirm or negate your trading idea, the better.

ANTICIPATORY STAGE OF ANALYSIS

- This stage of analysis is where you will spend the majority of your time, it is on the weekly and daily time frames. Since the trades are based on these higher time frames, there might be a few days or so before a trade sets up.
- You want to track the COT, CRB, USDX, Seasonal tendencies, Key support and resistance levels, and SMT divergence
- This stage of analysis is the foundation of your successful trading career

EXECUTION STAGE OF ANALYSIS

- This is the stage of analysis where you hunt setups based on the insight and conclusions you arrived at in the Anticipatory stage of analysis
- If Risk On – Look for setups to buy currencies and confirm these setups with higher moving or poised to rally stock indices, CRB, Oil, Gold and SMT concept and vice versa if Risk Off

MANAGEMENT STAGE OF ANALYSIS

- This is the stage of analysis that requires your concepts for trade management on open positions. The management of profit objectives, stop loss, limit orders, Initial take profit and scaling later portions
- Your trading plan must have clear concepts and techniques for the process you will adhere to when managing open positions. This stage of analysis is crucial for consistency and longevity.
- You can find wonderful setups, enter at optimal trade entry points and still mismanage the trade is this stage you will find your results bring with it loss and regrets.

REACTIONARY STAGE OF ANALYSIS

- This stage of analysis is seen when your trades are open and you suspect or clearly see reasons to collapse the trade and cut your losses or take what profits you have open
- There must be a clear parameter in your trading plan that would invoke an immediate trade termination and abort on your original trade idea
- This might be a result of a report or news event and or you realize you were human and essentially wrong.

DOCUMENTATION STAGE OF ANALYSIS

- This stage of analysis is where you record your Journal what your trade idea was based on. What tools you used and why? Screenshot before taking a trade and after results. Record how you felt going into the trade, while the position was open what made you nervous
- The results of the trade should be documented and reflection on the trading plan and was it adhered to from beginning to end. Document any lessons learned from the trade and what you would have liked to have done differently. Determine what leverage and or lot size your next trade will be using.
- Keep these records and refer to them when you experience a period of drawdown and or a

string of losses. It will remind you that temporary losing streaks come and go

THE TRADING PLAN ROUTINE

TRADING INTERMEDIATE TERM

Average pip: >200

- Identify Monthly, Weekly and Daily key support/resistance levels
- Determine Risk of / Risk Off
- Daily buy or sell in effect swing point at key Support / Resistance levels
- Transport the key levels from Monthly, Weekly and Daily charts to lower time frames charts (H4, H1, M15 and M5 charts)
- Wait for price to trade to higher time frame support/resistance levels
- Trade in direction of the market structure daily basis
- Optimal Trade entry – Basis lower time frame at key support / resistance, use any pattern you like in this area like turtle soup, reflection pattern, Optima trade entry, TDI signal, M or W etc.)
- Entry ideal traded in major session open (London or New York)
- Limits orders used at 62% - 70.5% (sweet spot) fib levels (pending orders)
- Risk is limited to maximum 2% per trade
- Stop loss orders originate at 30 pip from entry
- First take profit is taken at 50% of position at 20-30 pip profit and move the balance position stop loss at break even
- Targets on balance are scaled at fib extensions 127% and 162% or 200%

TRADING SHORT TERM

Premise: Trade in Sync with Market Structure

Duration: Intraday to few days (<5)

Average pips: 50 – 150 pip per trade

- Use D1 time frame and plot 18 and 40 EMAs (close)
- When 18 EMA is above 40 EMA and if it's opening up/widening (don't pay attention to crossover) you want to be looking for a buy signals and if 18 EMA is below 40 EMA and if it's widening you want to be looking for a sell trade
- Many times 18 EMA acts as dynamic support/resistance on a D1 time frame, most of the time when price is trading to 18 EMA you will see hidden divergence or OTE pattern
- You will in trouble only when price reaches significant high/low
- After a move up if you see 18 EMA starts to go down prepare for consolidation and vice versa for a move down
- Consider the current market profile on D1 (consolidation, consolidation or reversal)
- You won't get in at absolute highs and lows and you won't get out at absolute highs and lows because there is no need of catching every pip (significant highs will form above 18&40EMAs and significant low will form below 18&40EMAs)
- It doesn't mean if 18 is above 40 EMA you won't have sell programs; it simply means you will be focusing more on buy programs (focus on fractals low/swing low) and after the fractal formation on D1 buy on the 4th day
- It doesn't mean if 18 is below 40 EMA you won't have buy programs; it simply means you will be focusing more on sell programs (focus on fractals highs/swing highs) and after the fractal formation on D1 sell on the 4th day
- Always be patient and wait for the new fractal to form to be in sync with the market flow
- Look for confluence of signals

Buy Signal

- Trade in observation of a bullish market profile (fractal)
- Look for price patterns and confluences
- Optimal trade entry for entry price and fib extension for take profit

Sell Signal

- Trade in observation of a bearish market profile (fractal)
- Look for price patterns and confluences
- Optimal trade entry for entry price and fib extension for take profit
 - Risk no more than 2% per trade
 - Use risk management and control down
 - Trade what you see, if you see a sell on a buy model, that is what you should go for
 - Consider the buy and sell model

TRADING INTRADAY

DISCIPLINE & CONSISTENCY

Premise: Trade in sync with the Market Structure

Duration: Intraday to Overnight

Average Pips: 20 – 100 pips per trade

Day Range is going to be primary decision whether you are going to be a buyer or seller on a particular day because you want to capitalize on a day range

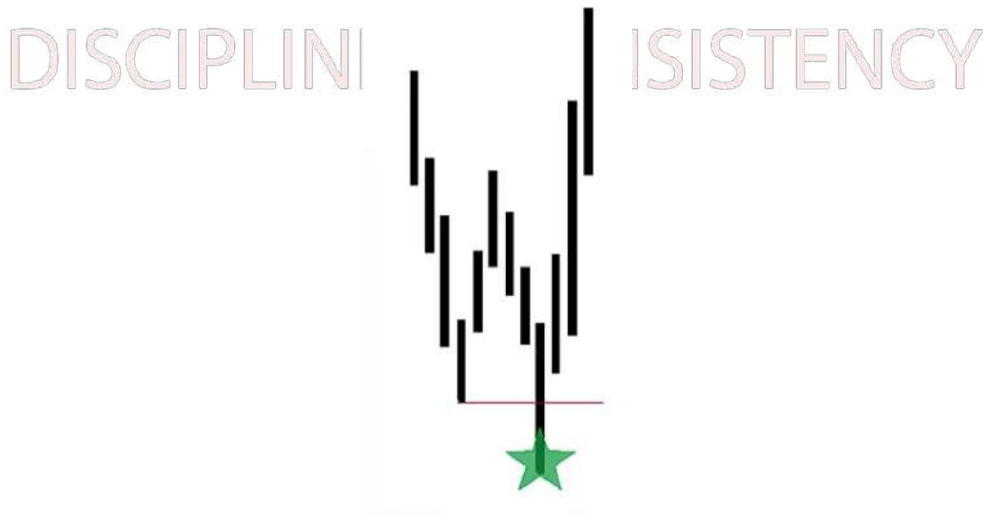
Don't force yourself to take swing trades on a Day Trading mind-set

Buy Signal

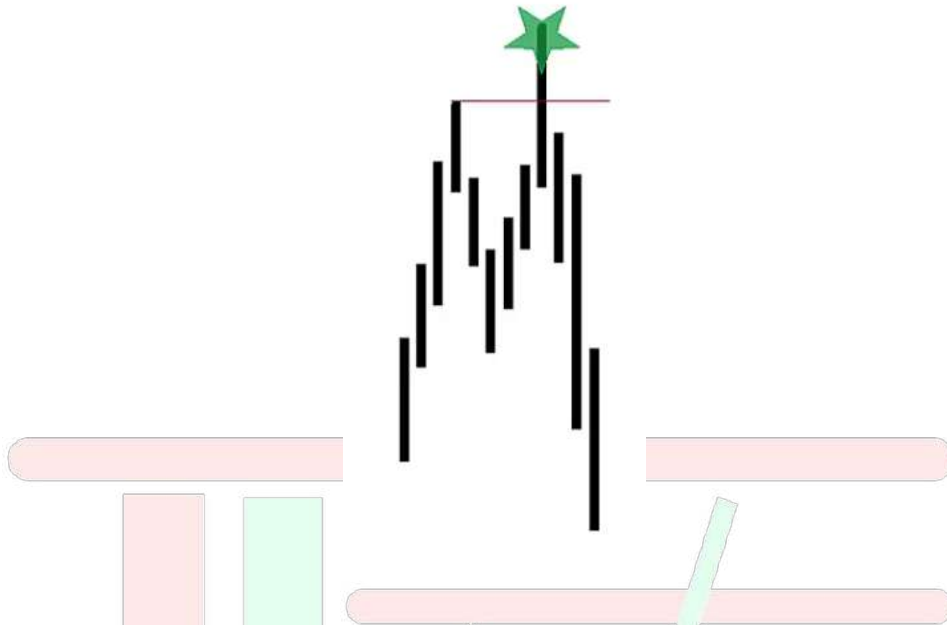
- Trade long in observance of a bullish market maker profile
- Look for price pattern and confluences
- Optimal trade entry for entry price and fib extension for take profit
- Entry and exit based on time and price theory

Sell Signal

- Trade long in observance of a bearish market maker profile
- Look for price pattern and confluences
- Optimal trade entry for entry price and fib extension for take profit
- Entry and exit based on time and price theory
 - Risk no more than 2% per trade
 - Use risk management and control down down
- On a buy trade, wait for initial low to be breached below the opening price and make sure the price has traded to higher time frame support level within a kill zone



- On a sell trade, wait for initial high to be breached above the opening price and make sure the price has traded to higher time frame resistance level within a kill zone



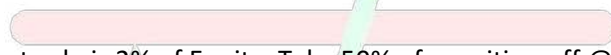
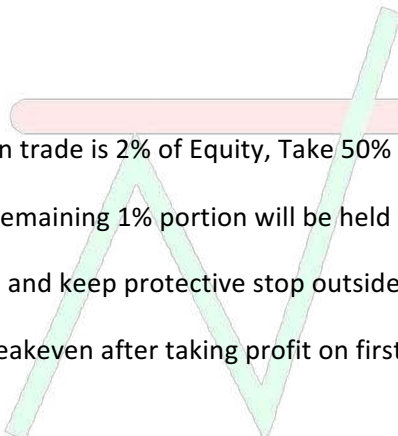
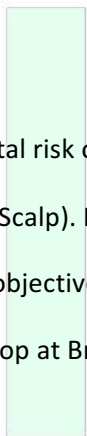
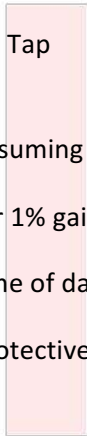
20 PIP PER DAY SCALPING METHOD

- 20 – 15 pips per trade is considered as scalping
- Keys to profitable scalps

- Understand Price Action Theory
- Firm Grasp of Key S&R Levels
- Trade Higher Timeframe Bias
- Take Profits Routinely & Often
- Trade One or Two Pairs at Max

BASIS SCALPING BUY METHOD

- Identify a key support level
- Anticipate a Judas Swing Lower (you can trade this move knowing trading to support)
- Look for OTE around key support level to go long
- Risk 20 pips
- Look for SMT Divergence to anticipate low of day
- Take first profit @ 20 pips
- Enter on Double Tap
 - Assuming total risk on trade is 2% of Equity, Take 50% of position off @ ~20-30 pips for 1% gain (Scalp). Remaining 1% portion will be held for the daily range. Look for time of day objective and keep protective stop outside the daily range.
 - Protective stop at Breakeven after taking profit on first half of trade.
- Let second portion run and hold for Daily Range
- Look for Time of Day Objective around NYO, LOC, and 18:00 GMT.



DISCIPLINE & CONSISTENCY

The Basic Scalping Method Buy

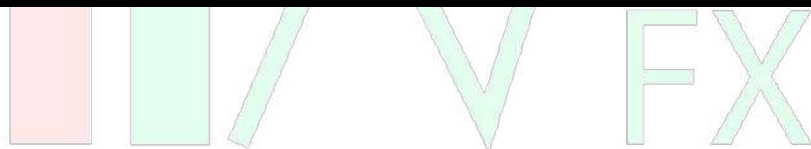


BASIC SCALPING SELL METHOD

- Identify a key resistance level
- Anticipate a Judas Swing Higher (you can trade this move knowing trading to resistance)
- Look for OTE around key resistance level to go short
- Risk 20 pips
- Look for SMT Divergence to anticipate high of day
- Take first profit @ 20 pips
- Enter on Double Tap
 - Assuming total risk on trade is 2% of Equity, Take 50% of position off @ ~20-30 pips for 1% gain (Scalp). Remaining 1% portion will be held for the daily range. Look for time of day objective and keep protective stop outside the daily range.
 - Protective stop at Breakeven after taking profit on first half of trade.

- Let second portion run and hold for Daily Range
- Look for Time of Day Objective around NYO, LOC, and 18:00 GMT.

The Basic Scalping Method Sell



DISCIPLINE & CONSISTENCY

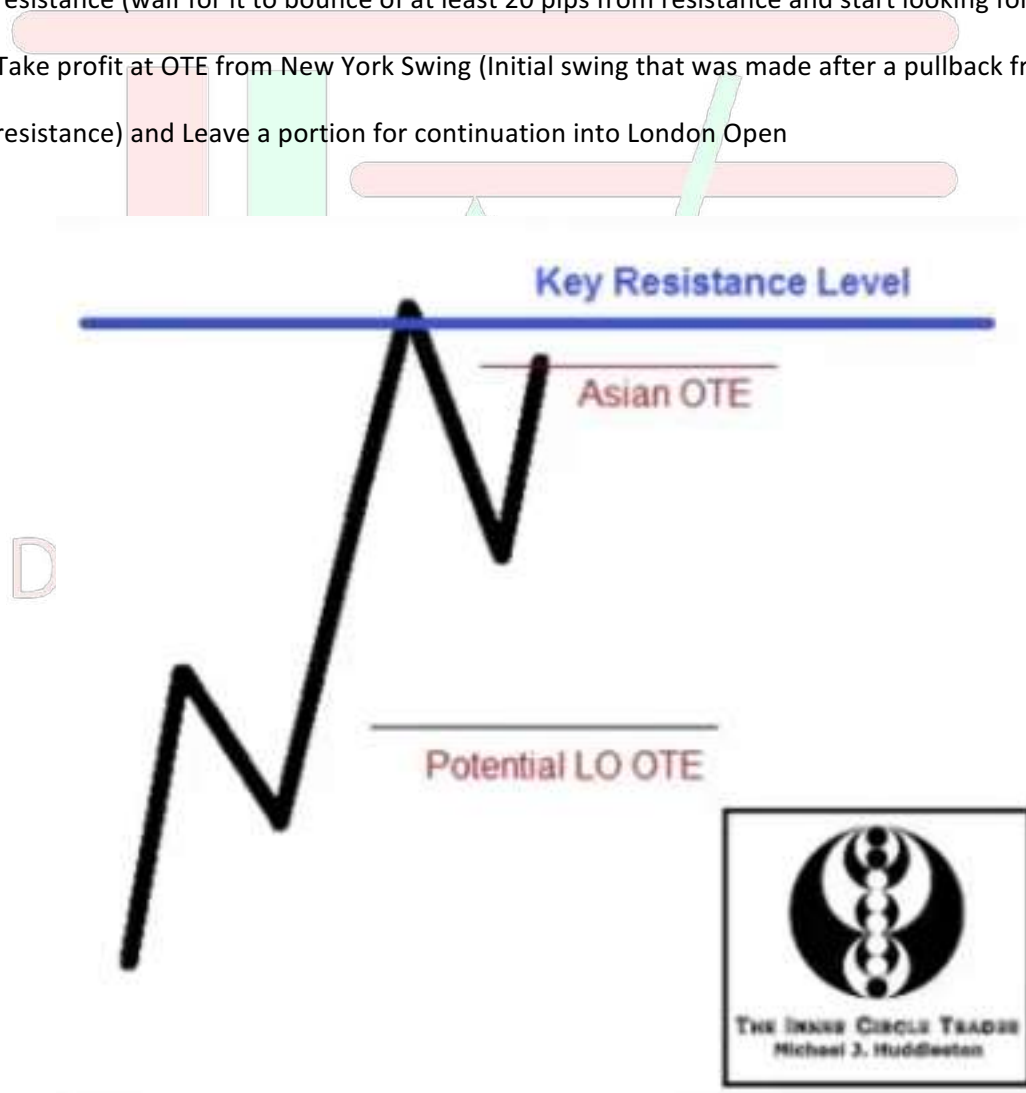
ASIAN SESSION BUY

- Typically, the Asian session will trade counter New York session direction. Even in bear trending market environments the Asian session will engineer a rally that many times provides the swing setup for London open trading.
- Asian session rarely sees follow through on new lows
- Note key support/resistance levels on higher time frame (Weekly, Daily, H4 and note less than H1)
- Anticipate optimal trade entry buys to form in Asian session when price trades down to support (wait for it to bounce of at least 20 pips from support and start looking for OTE)
- Take profit at OTE from New York Swing and Leave a portion for continuation into London Open (Initial swing that was made after a pullback from support)



ASIAN SESSION SELL

- Typically, the Asian session will trade counter New York session direction. Even in bull trending market environments the Asian session will engineer a decline that many times provides the swing setup for London open trading.
- Asian session rarely sees follow through on new highs
- Note key support/resistance levels on higher time frame (Weekly, Daily, H4 and note less than H1)
- Anticipate optimal trade entry sells to form in Asian session when price trades up to resistance (wait for it to bounce of at least 20 pips from resistance and start looking for OTE)
- Take profit at OTE from New York Swing (Initial swing that was made after a pullback from resistance) and Leave a portion for continuation into London Open

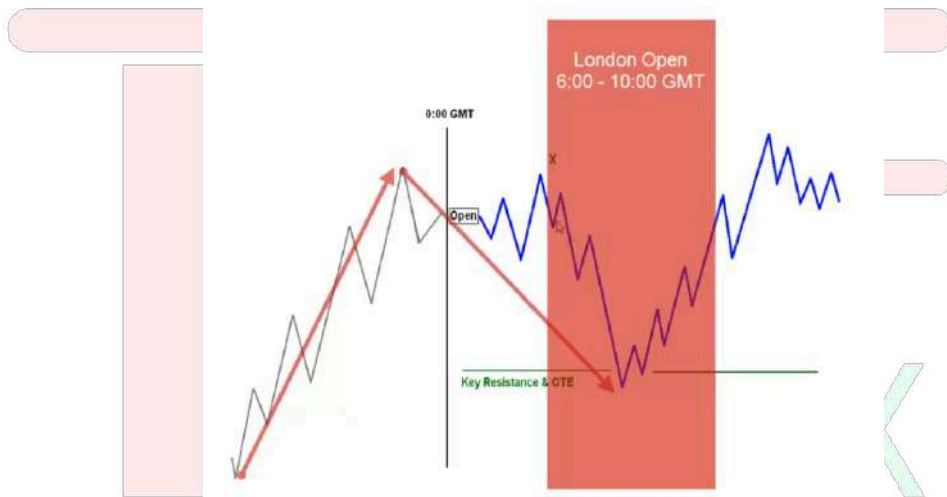
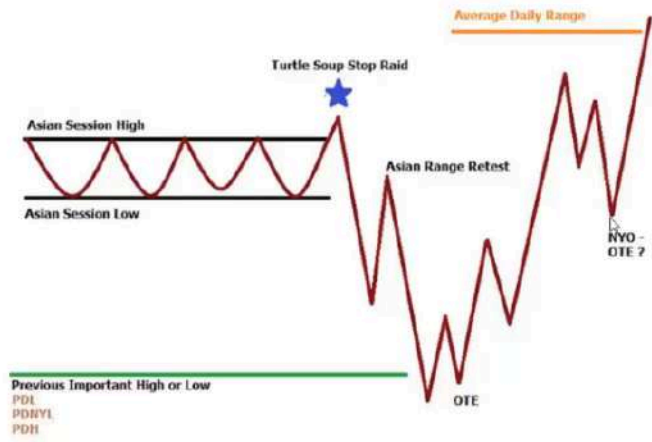


LONDON OPEN TACTIC

- London Open Kill zone: 06:00 – 10:00 GMT (Ideal time is 07:00 – 09:00 GMT)
- When Considering the 24-hour trading day in forex, the largest range of pips is without a doubt found in the London Session
- London open posts the high/low of the day
- The Lion's portion of the Daily Range is put in during the London and New York sessions
- It is possible to establish an intraday position and catch "The London Express" (London express is Swing or true move that is 4-8 hours in duration). This is essentially the daily Range on pips and quite profitable.
- London Open sees stop raid or false breakouts



- Goal is to dial in on the Low of the day to go long from.
- First objective after London Open is to raid Asian High stops.
- After stops are taken out, price moves lower testing key support levels & OTE.
- From London Open to Close or 18:00 GMT, the Daily Range is put in and you should not use tight trailing stops.
- Buy below 05:00 – 05:30 price, below opening price and below Asian Session Swing Low
- In Bullish conditions you may leave a portion of the trade on beyond 18:00 GMT for short term overnight trades that can pay well with only 10-20% of original position.

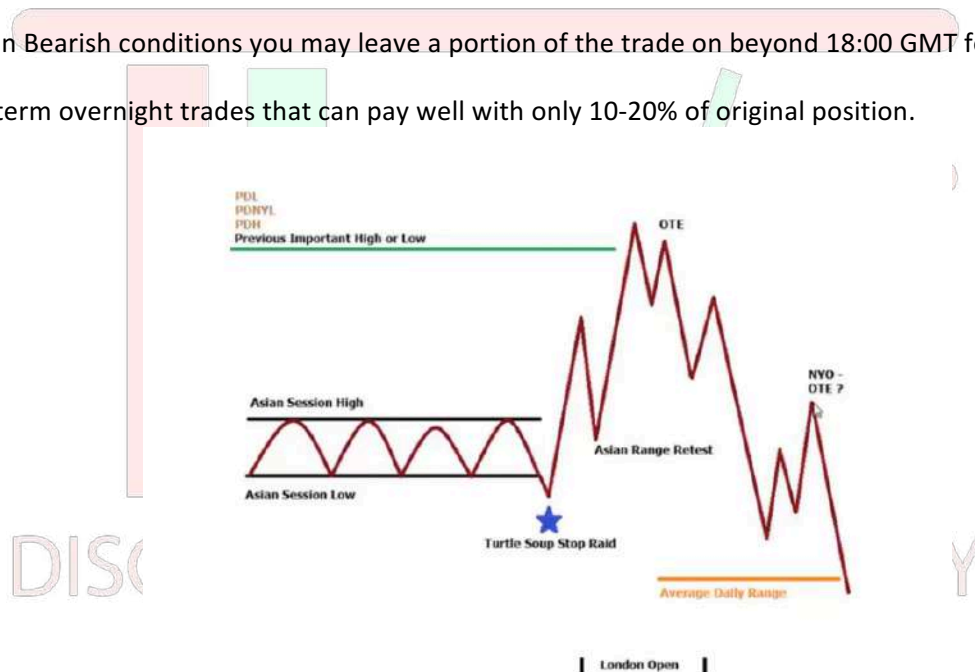


DISCIPLINE & CONSISTENCY

LONDON SELL TRADE

Raid Stops then shoot for Resistance

- Goal is to dial in on the High of the day to go short from.
- First objective after London Open is to raid Asian Low stops.
- After stops are taken out, price moves higher testing key resistance levels & OTE.
- From London Open to Close or 18:00 GMT, the Daily Range is put in and you should not use tight trailing stops.
- Sell above 05:00 – 05:30 price, above opening price and above Asian Session Swing High
- In Bearish conditions you may leave a portion of the trade on beyond 18:00 GMT for short term overnight trades that can pay well with only 10-20% of original position.



- Turtle soup is initial fake out outside Asian range before the real Judas swing to the key support/resistance level
- After turtle soup the Judas swing will begin and break Asian Session Hi/Lo to the key support/resistance, on the move to key support/resistance anticipate price to retest the broken Asian range but sometimes there might be a minor to no pullback to the Asian range (refer to the ICT buy and sell Model)
- Key support/resistance can be Higher Time frame Support/Resistance, Higher Time Frame Order Block, Previous day Hi/Lo, Previous Week Hi/Lo,

Week Open, Day Open, Previous day New York High/Low

- Additional trade entries can be made in the direction of the “London Express” in New York Open
- Most of the time during 12:00 you will see a small retracement that might scare you, don't panic
- Take profit objectives should be based on time and price theory at key levels (ideal time for take profit is 15:00 – 16:00 GMT and 18:00 GMT)
- Also take profit when price trades back to Asian range or before New York open (most of the time price will retest the high/low that was formed in the London session before continuation – Judas)
- When price has reached key support/resistance level start looking for SMT divergence and other patterns and indicators for signal, (you can use 5 minutes' chart for entry at key support/resistance level)
- Entries should be within the London Kill zone (06:00 – 10:00 GMT but the ideal London open kill zone is 07:00 – 09:00 GMT)

WHEN TO AVOID LONDON OPEN

Some of obvious Reasons:

- Interest rate announcement
- Key Speeches
- Holiday trading
- Global and Economic events
- Weekly Range objective achieved

Occasionally

- If the Asian session range is over 50 pips, wait for New York trade to be safe

LONDON CLOSE/LATE NEW YORK CLOSE (REVERSAL MARKET PROFILE)

- London Close kill zone: 15:00 -17:00 as late as 18:00 GMT
- Generally, the market will look to encounter profit taking around 16HRS GMT as London traders close their trading day and NY traders are taking lunch.
- High/Low of the day can be formed in London close too

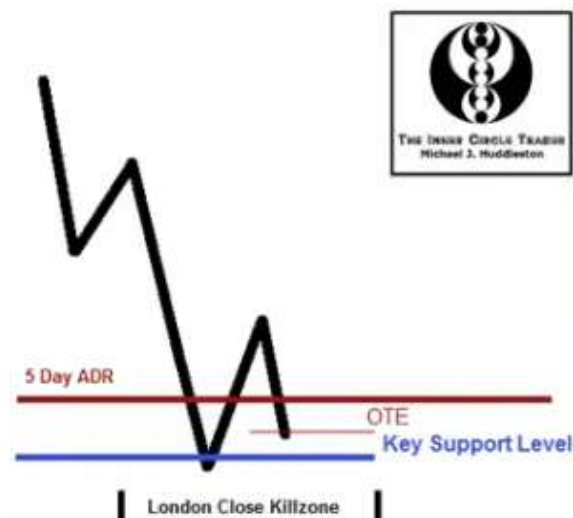
There are Two Types of Trades in London Close

COUNTER TREND TRADE

- Quick 15-20 pips scalp using 5 minutes' chart to the opposite direction of the daily trend if the ADR is met and significant high/low of the day was formed

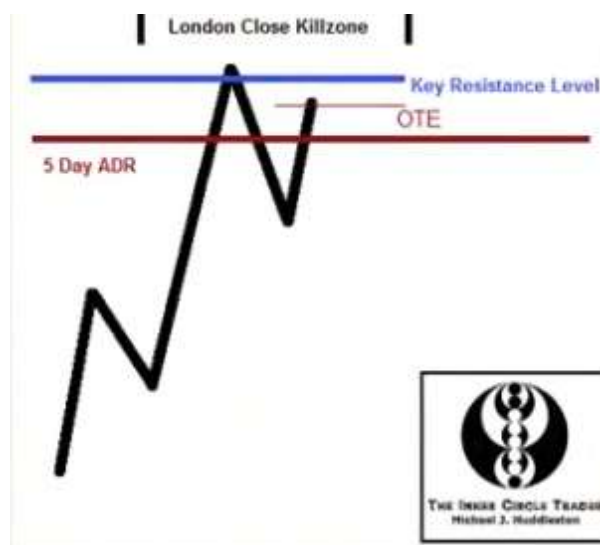
LONDON CLOSE COUNTER TREND – BUY

- Reference the US Dollar Index and determine if it has met its 5-day Average Daily Range
- Determine if the pair traded has met its 5 day ADR.
- Prior to the London Close Kill Zone window determine higher timeframe Weekly, Daily, 4-hour, 1-hour S&R levels.
- Note the previous 3-day highs and lows, Session Highs/Lows, and Pivot Points
- As price drops down into the ADR level and Kill Zone, look at the 5-min lows for a bounce off of one of the levels.
- After the bounce, pull a Fib over the short term upswing and consider buying the pair at OTE on the 5-min chart.
- Risk 10 pips under the low used for the Fib and take profits on 15-20 pips and hold for the high of the Fib based swing.
- Ideally, better trades form on swings measuring at least 15%-20% of the daily range of the trading day.



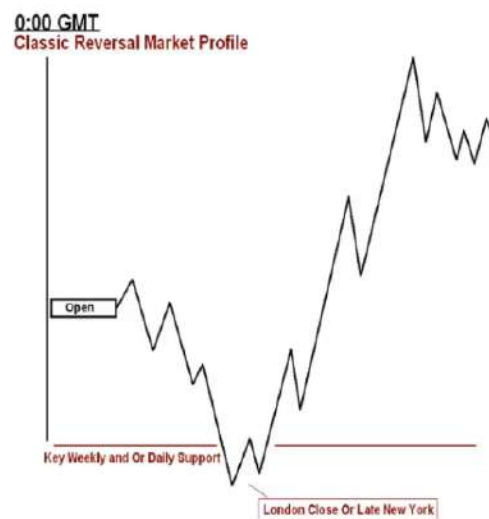
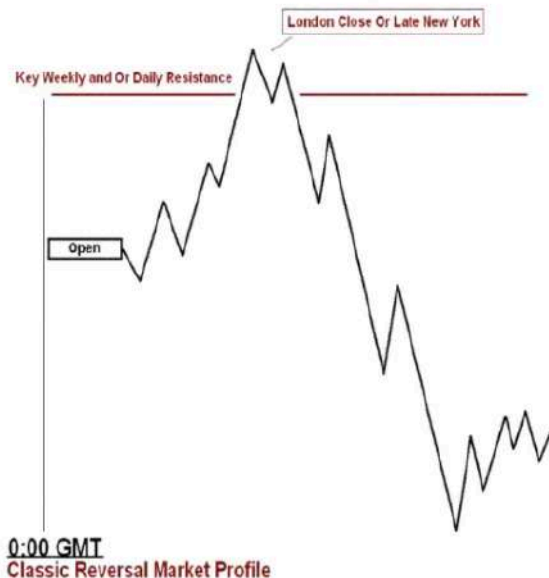
LONDON CLOSE COUNTER TREND – SELL

- Reference the US Dollar Index and determine if it has met its 5-day Average Daily Range
- Determine if the pair traded has met its 5 day ADR.
- Prior to the London Close Kill Zone window determine higher timeframe Weekly, Daily, 4-hour, 1-hour S&R levels.
- Note the previous 3-day highs and lows, Session Highs/Lows, and Pivot Points
- As price rises up into the ADR level and Kill Zone, look at the 5-min lows for a bounce off of one of the levels.
- After the bounce, pull a Fib over the short term downswing and consider selling the pair at OTE on the 5-min chart.
- Risk 10 pips above the high used for the Fib and take profits on 15-20 pips and hold for the low of the Fib based swing.
- Ideally, better trades form on swings measuring at least 15%-20% of the daily range of the trading day.



LONDON CLOSE TREND TRADE (Classic reversal market profile)

- Trend trade entry to get in sync with the daily trend or long term price swing. This will happen if price is trading to higher time frame optimal trade entry
- This trade will form the high or low of the day and above/below London open high/low
- Look for Higher time frame support and resistance level, this will happen if price didn't trade to support and resistance in London open
- Monitor if price has reached 5 day ADR
- For the London close trend trade sell, the day will start as classic buy day and reverse in London Close/Late New York and price will trade below London low
- For the London close trend trade buy, the day will start as classic sell day and reverse in London Close/Late New York and price will trade above London high



NEW YORK OPEN TRADE

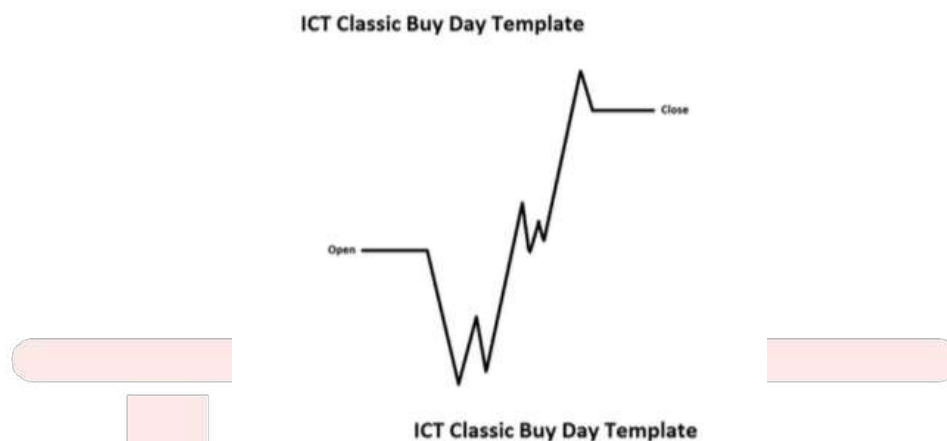
- New York Open Kill zone: 12:00 – 15:00 GMT
- High or Low of the day can be formed in New York open too
- New York session is the easiest one to trade as London session high/low already in place
- Consider high time frame Premise
- Majority of time this session will trade in sync with higher time frame direction
- Consider London and Asian session highs and lows (price might bounce off these levels)
- Most of the time price will trade to the direction of the move that was established in London session
- Consider 5:00 – 5:30 GMT price level as most of the time price will retrace to these levels and will continue to the intended direction
- Expect a pullback to the high or low that was formed in London, most of the time price will retest these levels as they may act as liquidity pool
- Monitor what happened in London session
- Buy below 10:00 and 12:20 GMT open price
- Sell above 10:00 and 12:00 GMT open price
- Avoid New York Open setups If D1 swings are maturing into key support/resistance level

DISCIPLINE & CONSISTENCY

ICT INTRADAY PRICE TEMPLATES

- These templates are applicable to all time frames

CLASSIC BUY TEMPLATE

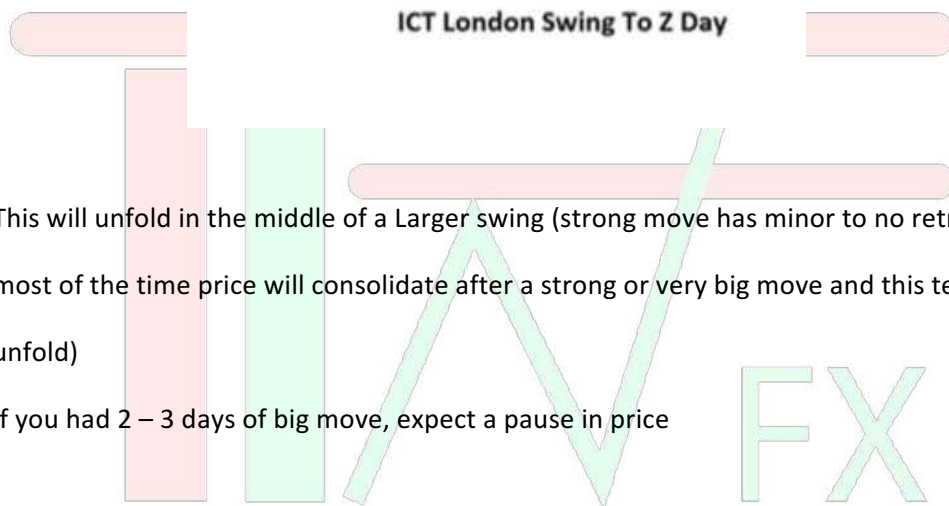


- Always buy when the market drops at the right time of the day at key support level (buy below the opening price)
- On a buy day, if price starts by trading above the opening price, do not fall for that and wait for it to trade below the opening price
- The faster the move to the support the good the trade, (it will look stupid and scary but buy when you see a fast move down to support)
- The distance from the open price to support will be 15 – 30 pips on average. If the move from open price to support in London session is more than 30 pips, wait for New York trade
- If you can't trade London session you can trade New York session to get in sync with London trade
- Always take small profit of 20 – 30 pips at 12:00

SELL TEMPLATE WILL BE VICE VERSA OF BUY TEMPLATE

LONDON SWING TO Z DAY

ICT London Swing To Z Day

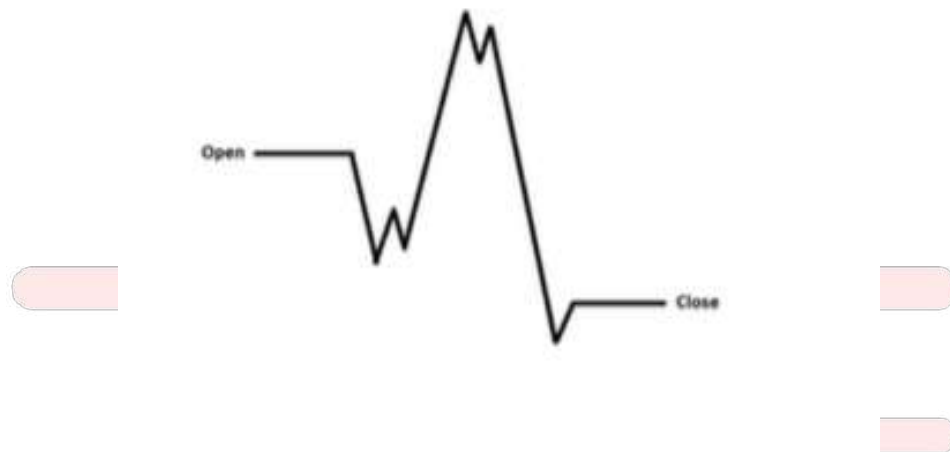


- This will unfold in the middle of a Larger swing (strong move has minor to no retracement, most of the time price will consolidate after a strong or very big move and this template will unfold)
- If you had 2 – 3 days of big move, expect a pause in price

DISCIPLINE & CONSISTENCY

LONDON SWING TO NEW YORK OPEN / LONDON CLOSE REVERSAL (REVERSAL MARKET PROFILE)

ICT London Swing To NYO\LC Reversal



ICT London Swing To NYO\LC Reversal

- The reversal market profile is one that typically forms as a 'Key Reversal Day'.
- It will form a sell day during a bullish Asian, London and possibly into New York session but fails to hold its rally and reverse lower
 - The Swing up will likely be the Right Shoulder of an inverted head and shoulders top on higher time frame or Swing up to the higher time frame OTE
 - This move will many times look just like classic London open buy day

DISCIPLINE & CONSISTENCY

The Classic Reversal Market Profile



- Instead of seeing the typical London Close counter trend, reversal then consolidation, price forms a larger reversal at Daily high

The Classic Reversal Market Profile



- The Reversal Decline will blow through the New York lows, London lows and Asian low



- Many times at 18:00 GMT or even later the market will eventually consolidate into the new Trading Day

- DISCIPLINE & CONSISTENCY
- The reversal market profile will form a buy day during bearish Asian, London and possibly into New York session but fails to hold its lower price slide and reverse higher
 - The Swing down will likely be the Right Shoulder of an inverted head and shoulders bottom on higher time frame or Swing down to the higher time frame OTE
 - This move will many times look just like classic London open sell day

The Classic Reversal Market Profile

0:00 GMT

Classic Reversal Market Profile

This Swing Down will likely be the Right Shoulder of an inverted Head & Shoulders bottom on higher time frame. Or a swing down into the higher time frame OTE Long.



The swing Down in price will many times look just like a Classic London Open Sell Day.

- Instead of seeing the typical London Close counter trend, reversal then consolidation, price forms a larger reversal at Daily low

The Classic Reversal Market Profile

0:00 GMT

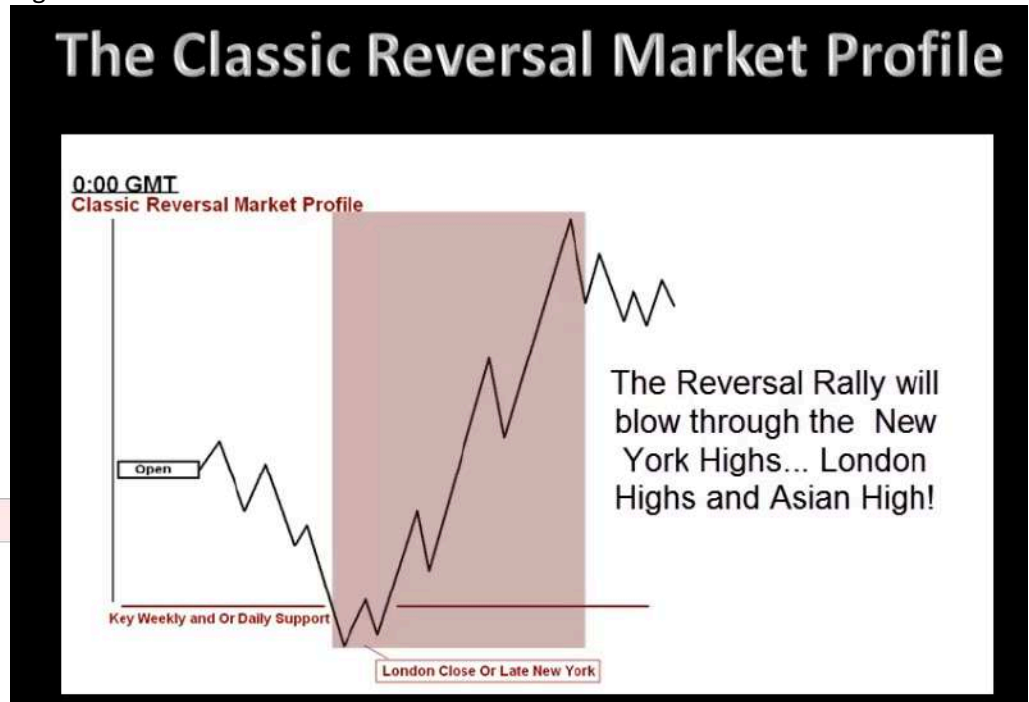
Classic Reversal Market Profile



Instead of seeing the typical London Close "Counter Trend" Reversal then consolidation... price forms a larger Reversal at the Daily Low!

DIS

- The Reversal Rally will blow through the New York highs, London highs and Asian high



- Many times at 18:00 GMT or even later the market will eventually consolidate into the new Trading Day
- Typically, New York open, London close and late New York Session posts the Reversal

DISCIPLINE & CONSISTENCY

RANGE TO NEW YORK OPEN/LONDON CLOSE RALLY

ICT Range To NYO\LC Rally



ICT Range To NYO\LC Rally

- This pattern will unfold most often during the NFP, FOMC and Interest Rates Announcements
- Before the News price will break London Lows and rally after News Release
- Always remember to see cross pairs of the major pair you are trading when this template unfolds
 - If Dollar is dropping and EURUSD pair is consolidating EURJPY will be buying
 - If Dollar dropping, GBP is buying and EUR is consolidating, wait for GBP to hit resistance level and EUR will give nice range to NYO/LC rally setup
 - If majors are consolidating but crosses are moving, wait for the crosses to hit key Support/Resistance levels and come back to majors and trade to the direction of the crosses

CONSOLIDATION RAID ON NEWS RELEASE

ICT Consolidation Raid On News Release

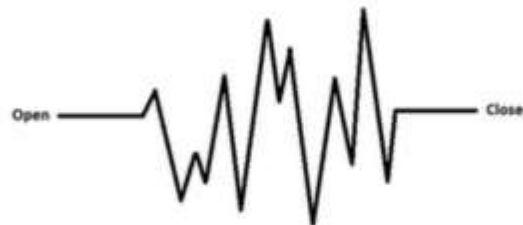


ICT Consolidation Raid On News Release

- This pattern will unfold most often during the NFP, FOMC and Interest Rates Announcements
 - After opening price, market will consolidate before the News
 - During the News releases price will drop to induce traders and take stops (this move might not be that big below the consolidation but it has to break the consolidation)
 - After clearing the stops and inducing, price will move into true direction
- You have to identify Key support level or order block below the consolidation
- See if price will reject at support/resistance within 5 minutes after News release, if it won't reject then leave the trade because you might be wrong in your analysis

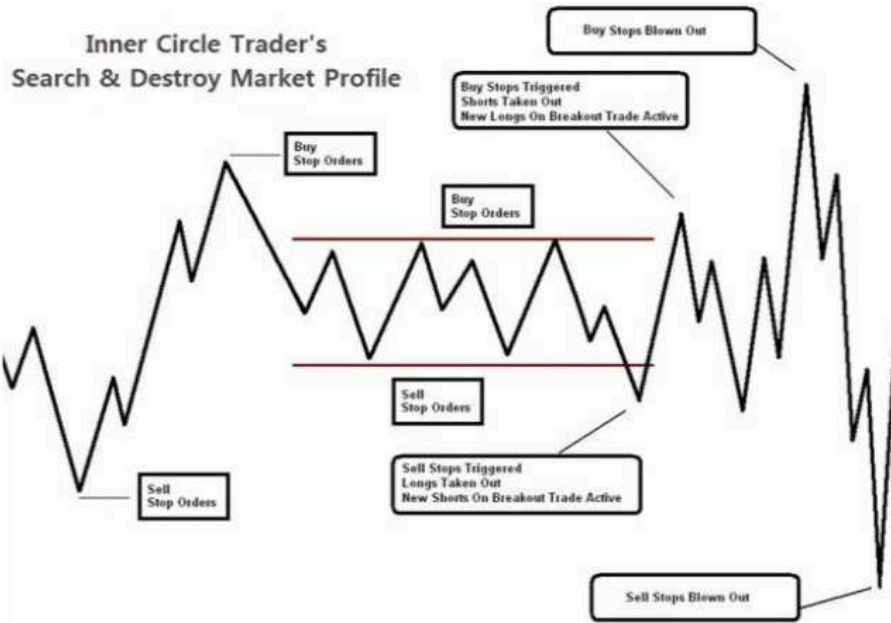
SWING TO SEEK AND DESTROY

ICT London Swing To Seek & Destroy



ICT London Swing To Seek & Destroy

- This template will unfold most often after a big move/swing or at the end of the price move (support/resistance)
- It is better to trade when a pair is in the middle of the range knowing it is going to support or resistance rather than trading a pair that is already in support/resistance because we don't know if it is going to hold the support/resistance or break it



FOR THE SELL TEMPLATES IS THE OPPOSITE OF THE BUY TEMPLATES

TRADING THE NEWS

- News are used to Inject Volatility
 - One of the most difficult ways to trade is to try to trade the News Releases
 - The Internet is littered with so-called robots or programs designed to quickly give you trading profits on the kneejerk reaction to the News (this is pure gambling)
 - We can never know for sure what the numbers will be in the reports, we don't guess
 - However, we can wait for the release and watch the reaction and many times a signal will form shortly after the release (within 5 minutes after release)
 - Many times price will trade counter direction to the intended news hawks
 - Use News for injections an volatility and to fuel trade ideas based on price action



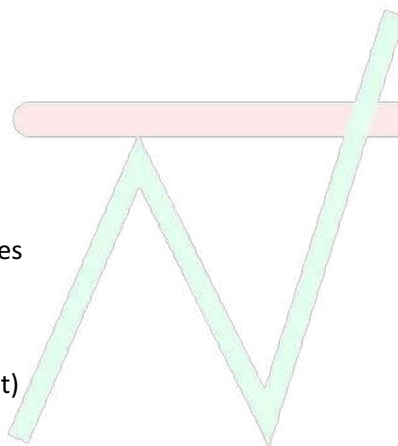
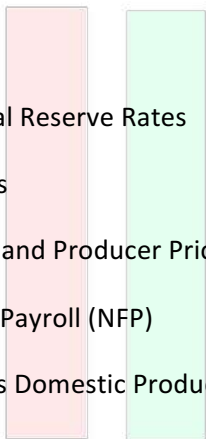
KEY ECONOMIC RELEASES

UK – THE POUND

- BOE Rate Decision
- Retail Sales
- Consumer Prices
- Claimant Count
- GDP (Gross Domestic Product)
- Industrial Production

US – THE DOLLAR

- The Federal Reserve Rates
- Retail Sales
- Consumer and Producer Prices
- Non-Farm Payroll (NFP)
- GDP (Gross Domestic Product)
- Trade Balance
- Consumer Confidence Reports
- Service and Manufacturing ISM



FX

DISCIPLINE & CONSISTENCY

GERMANY – THE EURO

- ECB Rate Decision
- Germany IFO (Business Confidence)
- Germany Unemployment
- Germany Consumer Prices
- Germany GDP (Gross Domestic Product)
- Manufacturing and Service Sector

TRADING INSIDE THE RANGE

- Range is the move from one peak to another peak
 - Inside the big range you will have small ranges (pull packs) and each of the pull back is potential for taking trades and take profit
1. Fulfilled range
 - When the price has traded to and away from support and resistance
 2. Unfulfilled range
 - When price is expected not to the support and resistance
- Range Expansion and Range Contraction
 - Markets always moves from small ranges to large ranges
 - You need to be in the trade when the range has contracted and you will be profitable during the range expansion if you're trading with the market flow

MONTHLY RANGE

- Determine the current market structure
- Understand where the market is trading from and where is reaching to (support and resistance)
- Focus on swings and turning points
 - Use mt4 fractal indicator to see the swings
 - Swing points on monthly time frame has a huge impact on where the price is going to go.
- Note the key support and resistance levels
 - From support we are trading to resistance and from resistance we are trading to support
- Use the most recent high and low of the current big range (small ranges within the big range)
 - Apply fib and note the retracement levels (within 62% and 79%) – use horizontal lines or rectangle to mark these levels. You will see price reacts when it gets to these levels (new swing will be formed to the direction of the market flow)
 - At the turning point the new high and low becomes a new range to apply fib
 - Always note the range of every new high and low within the big range
 - Don't forget to use overall range



You can do the same to weekly and daily ranges

THE AVERAGE DAILY RANGE

- Align your trades to expectations to 5 day ADR
- If the range was contracted for 5 days expect a range expansion
- Once trade entry- stalk ADR objectives
- Anticipate profit objectives near ADR
 - If ADR is 100 pips get out at 80-90 pips, you don't have to capture the actual high/low
- Expect 15:00 to 16:00 GMT, ADR convergences and other technical to confirm profit taking objectives
- If ADR has exceeded use fib from ADR low to ADR high for extension objectives
- Load ARD indicator around 10:00 GMT

CENTRAL BANK DEALERS RANGE (THE FLOUT)

DISCIPLINE & CONSISTENCY

- Every day you will see a consolidation from 20:00 – 00:00 GMT (THE FLOUTE) and it will continue into Asian session
- During this time smart Money are analysing the market based on the open position to see what their next move will be
- This will help us to know oversold/overbought areas without looking at indicators
- The flout will help us to know where the high and low of the day will form
- Look for entire range between 20:00 – 05:00 GMT (don't trade between these times)
 - By using H1 chart, mark the high and low of 20:00 – 05:00 GMT (mark the body of the candles and ignore the wicks)
 - Mark the middle of the range (sellers will be below the middle of the range and buyers will be above it)

- Draw the deviations of (20:00-05:00 GMT range) above the range and below the range and extend horizontal lines at every deviation
 - For a sell trade expect a high at 1 deviation above the flout
 - After high is made, market will fall 2 deviations below the flout
 - Consider the high to form in London
 - For a buy trade is the opposite
- Expect the flout to occur between Monday, Tuesday and Wednesday
- Sometimes price will go a little bit above/below the flout
- To put it simple
 - Measure the number of pips from the low to high of 20:00 – 05:00 GMT range
 - For a sell trade, the high of the day will form at same number of pips above the 20:00 – 05:00 GMT range (1 deviation). For example, is the flout range is 20 pips, the high of the day will form at 20 pips above the flout
 - Target or low of the day will form at 20 time 2 below the flout (2 deviation), that will be 40 pips below the 20:00 – 05:00 range
 - For a buy trade is the opposite of the above
- The ideal high/low of the day will form at 1 deviation above/below the flout but it can go up to 2 deviations for Reversal market profile (London Close/New York open reversal)
- The ideal take profit is 2 deviations but it can go up to 3
- Consider higher time frame analysis to know the direction of the trade

THE JUDAS SWING

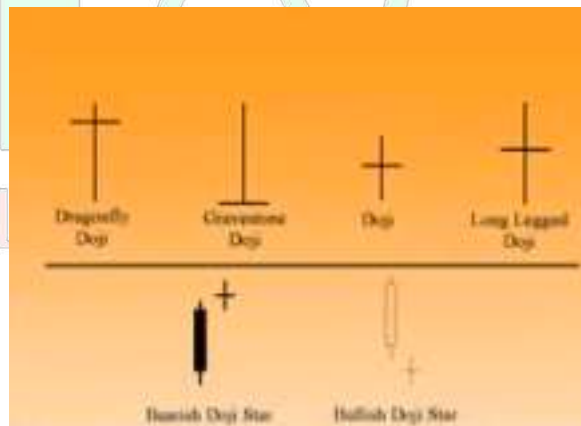
- What is the Judas Goat?
 - A Judas Goat is trained goat used at a slaughterhouse and in general animal herding
 - The Judas Goat is specially trained to associate with sheep or cattle, not to co-exist but designed to destroy by leading those following it to a special destination
 - In stockyards, a Judas Goat will lead sheep to slaughter, while its own life is spared
- What is the Judas Swing?
 - A Judas Swing is “engineered” price swing meant to lead reactionary traders into wrong direction
 - The Judas Swing typically is a false rally higher that appears initially to emotional traders as the next big run in price and vice versa
 - In the market, Traders that follow this Judas Swing find themselves trapped on the wrong side of the market and ultimately pay the price
- When does Judas Swing typically form?
 - At key support/resistance
 - Previous high or low
 - Counter swing from optimal trade entry
 - Raid previous week high/low
 - Raid previous session high/low
 - If you are trading London, look for the Asians stops to be raided
 - If you are trading New York, look for London stops to be raided
 - If you are trading Asian, look for New York stops to be raided

- Time of the Day when Judas Swing typically form
 - 10:00 GMT - this Judas will form setup New York session OTE
 - 15:00 GMT – this Judas Swing will setup London Close trade
 - 18:00 GMT – this one is not important as we don't trade more than 18:00 GMT
- You can use the timings to get in sync or if you missed the London trade, you can trade New York or London Close

HIGH PROBABILITY PRICE PATTERNS

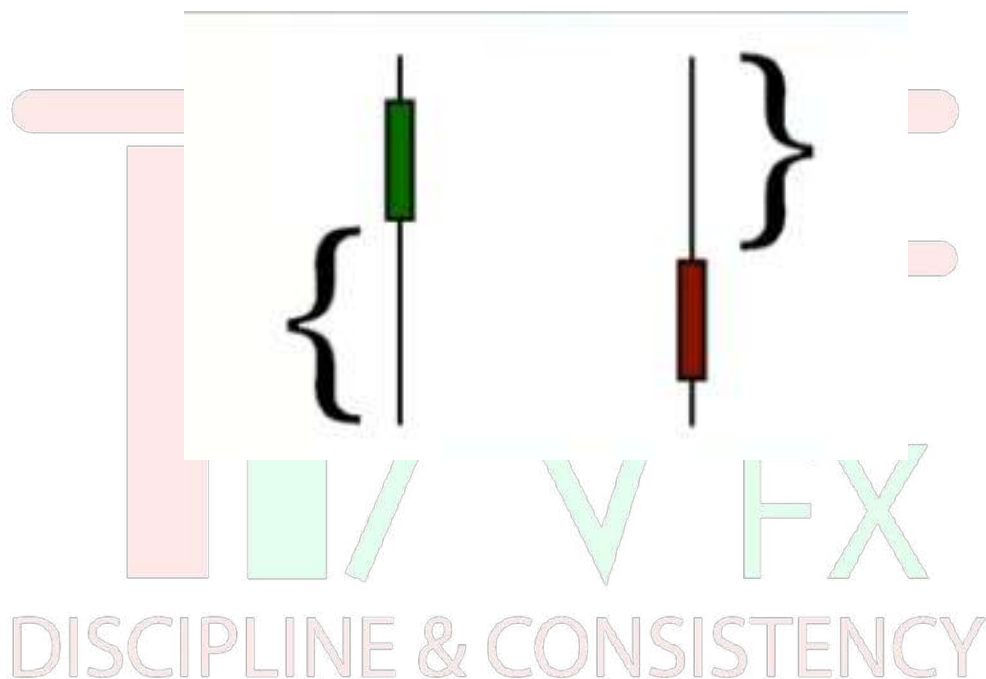
THE DOJI CANDLESTICK PATTERN

- Doji are important candlesticks that provide information on their own.
- Doji form when asset's open and close are virtually equal. The length of the upper and lower shadows can vary and resulting candlestick looks like a cross, inverted cross or plus sign. Alone Doji are neutral patterns. Any bullish or bearish bias is based on preceding price action and future confirmation
- There are slight variances but they are best seen at the end of a Swing. A Doji Star can be very strong as well (long wicked Doji is the best)



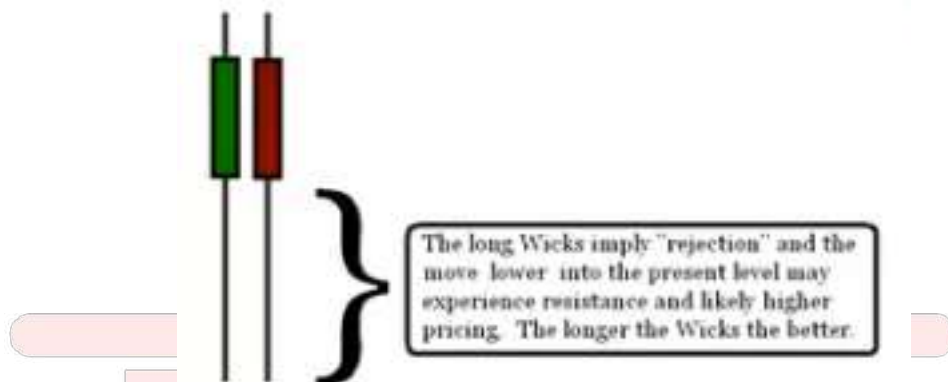
THE HAMMER CANDLESTICK PATTERN aka PIN BAR

- Hammer candlestick form when a security moves significantly lower after the open, but rallies to close well above the intraday low. The resulting candlestick looks like a square lollipop with a long stick. If this candlestick forms during an advance, then it is called a Hanging Man
- If you see this patterns at key support/resistance level as well as in optimal trade entry points, they provide confirmation of a trade you may be in. You will refer to this pattern after the fact as well to establish a late entry in sync with the current market flow and or direction
- If you see this pattern during news releases you can trade the news
- You can use this pattern in any time frame but H4 and H1 are the best



THE TWEEZER LOW CANDLESTICK PATTERN

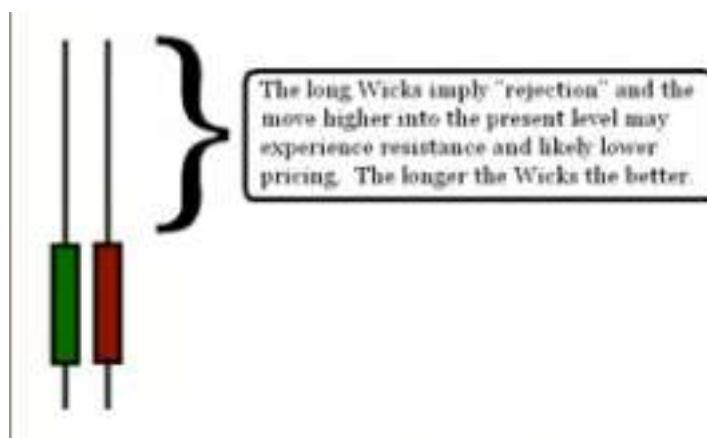
- The Tweezer low pattern is comparable to a very short-term double bottom. Essentially, the tweezer candles indicate that price held twice at the exact same level
- At the lows, sellers were not able to push the asset lower. This pattern can be used in any time frame but H4 and H1 are the best at higher time frame support level. If it accompanies a SMT divergence, trade the maximum risk exposure on that alone
- It is a solid confirmation a significant low is placed in



THE TWEEZER HIGH CANDLESTICK PATTERN

- The Tweezer high pattern is comparable to a very short-term double top. Essentially, the tweezer candles indicate that price held twice at the exact same level
- At the highs, buyers were not able to push the asset higher. This pattern can be used in any time frame but H4 and H1 are the best at higher time frame resistance level. If it accompanies a SMT divergence, trade the maximum risk exposure on that alone
- It is a solid confirmation a significant high is placed in

DISCIPLINE & CONSISTENCY



RAIL ROAD TRACKS CANDLESTICK PATTERN

- RRT is one of the best reversal candlestick pattern you can discover on a chart
- It actually signifies that the market makers have engineered a reversal. The fact that the asset quickly reverses direction and posts equally if not larger subsequent candlestick is enormous insight
- If there were only two candlestick pattern you'd trade with, it would be hammers and RRT. They are that strong and that reliable when they form at key levels.... There is nothing easier to trade on than that



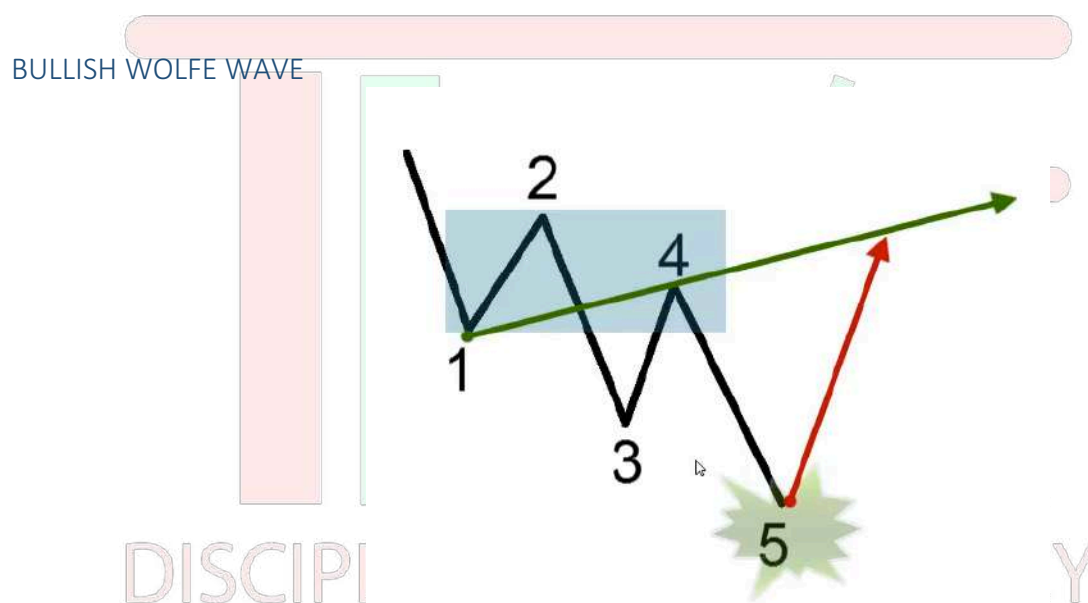
HEAD AND SHOULDERS & INVERTED HEAD AND SHOULDERS PATTERN

- This pattern forms at intermediate or long term high/low
- You can measure the distance from the neckline to the head and once the neckline is broken the same number of pips from neckline to head will be used as take profit objectives added below or above the neckline
- Most of the time you will have retracement back to the neckline



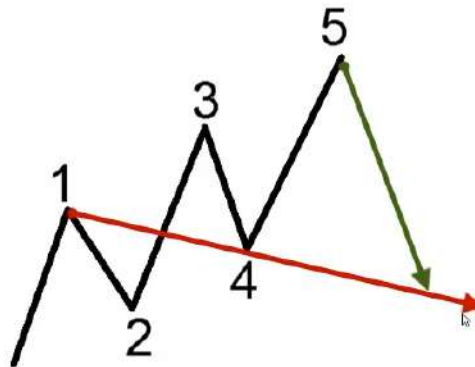
THREE INDIANS CLIMAX REVERSAL (THREE PUSHES TO THE HI/LO)

- This pattern will unfold when price is trading to key support/resistance levels
- You want to see 3 visible swings near the support/resistance
- Include harmonic pattern like Wolfe waves or other indicators for confluence
 - A Wolfe wave is a natural harmonic rhythm that exists in all markets. It is made up waves of supply and demand that form their own equilibrium
 - The key to its accuracy is in properly identifying the 1,2,3,4 and 5 points
 - Targeting is determined by extending point 1 to 4 with a trend line
 - Channels and flags tend to see Wolfe waves created inside their perspective price action
 - You will see these patterns on larger consolidation near an expected reversal
 - It will come in a formation of three Indians climax reversal



- Point 3 will be lower than point 1
- Point 4 must go above point 1 and it must be within the range of point 1 and 2
- Point 5 will most often break the trend line extended from point 1 and 3 (false breakout). When you see point 5 breaks the trend line, you will see point 3 or 5 is trading at support level
- Extend point 1 and 4 by using a trend line and that is where take profit objectives should be

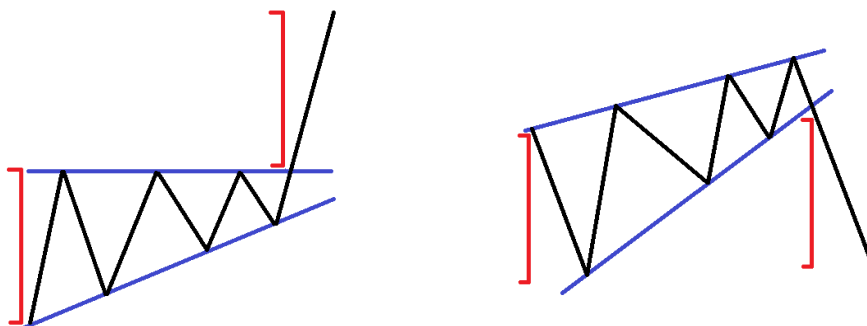
BEARISH WOLFE WAVE



- Point 3 will be higher than point 1
- Point 4 must go below point 1 and it must be within the range of point 1 and 2
- Point 5 will most often break the trend line extended from point 1 and 3 (false breakout). When you see point 5 breaks the trend line, you will see point 3 or 5 is trading at resistance level
- Extend point 1 and 4 by using a trend line and that is where take profit objectives should be

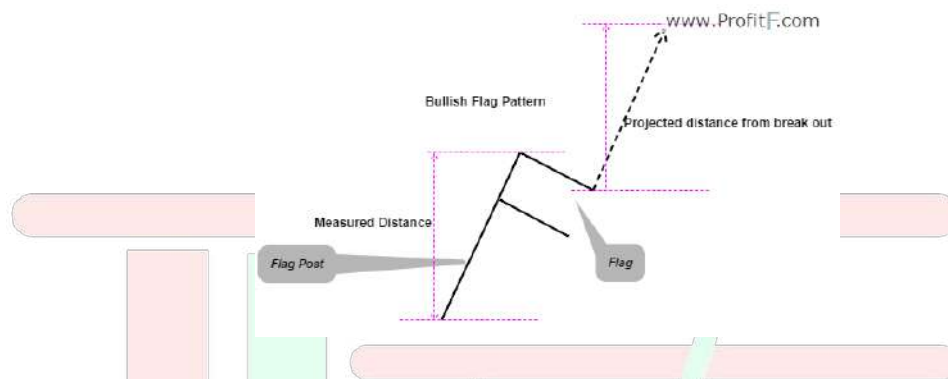
TRIANGLES CONTINUATION PATTERN

- Note a key resistance level where you find consolidation and support/resistance. Plot a general trend-line from low point to its intersection with the key resistance level. Measure from low up to the resistance level.
- Use the widest portion of the triangle and add that pip range to the low point dips along the trend line. Not each level as it progresses and these levels would be where you'd expect take profit points in the future during a buy program.



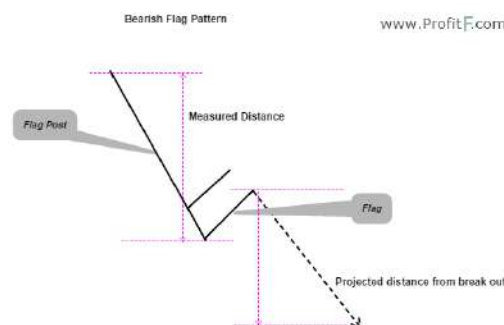
BULL FLAG CONTINUATION PATTERN

Look for the flag pole which would be a sharp price run up followed by descending range of price between channel. Price objective would be done by getting the pip range from low to high and adding that distance to the lowest low of the flag and to the breakout of the flag. There would be a reasonable expectation that price will appreciate to meet those levels.



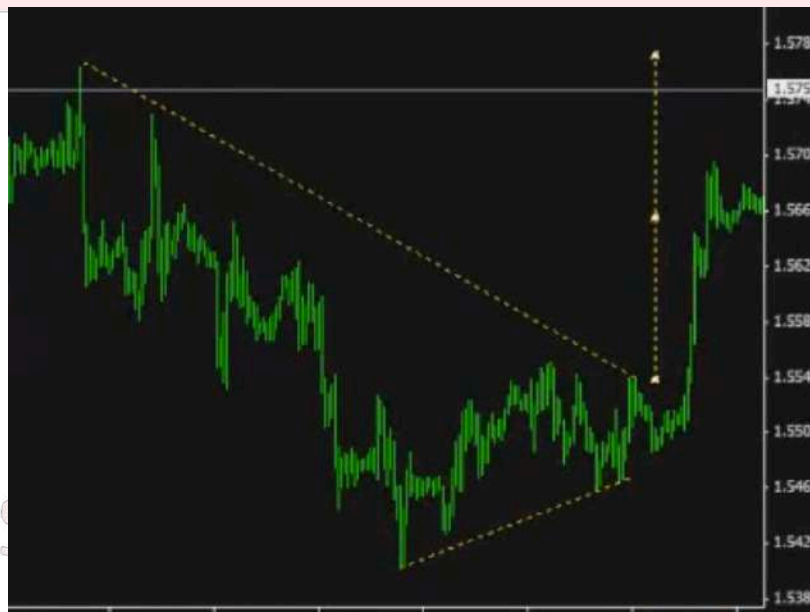
BEAR FLAG CONTINUATION PATTERN

Look for the flag pole which would be a sharp price run down followed by ascending price range/channel. Price objective would be done by getting the pip range from high to low and adding that distance to the highest high of the flag and to the breakout lower of the flag. There would be a reasonable expectation that price will depreciate to meet those levels



COIL EXPANSION PATTERN

- Draw trend-line of lower highs and trend-line of higher low to a point where they look to intersect. As price approaches the intersection, we'd expect price to range higher or lower from that point. Use higher time frame analysis to get in sync and anticipate which direction price will due to directional bias. If pattern occurs at key support level, anticipate price to range higher.
- Measure range from the low to the touch point of the upper trend line of lower highs above it. Add the range to the upper or lower trend line to identify a price objective once price begins to range out of the coil.



THE TURTLE SOUP PATTERN

- Turtle soup pattern is when the price breaks previous 20 days high or low.
- Most of the time when price breaks above the previous 20 days high or below the previous 20 days' low, it will trade back to the range
- Turtle soup pattern on lower time frame is when price breaks above previous high or below previous low (pools of liquidity)
- Buy when price breaks below previous 20 days' low and buy when it breaks above previous 20 days' high



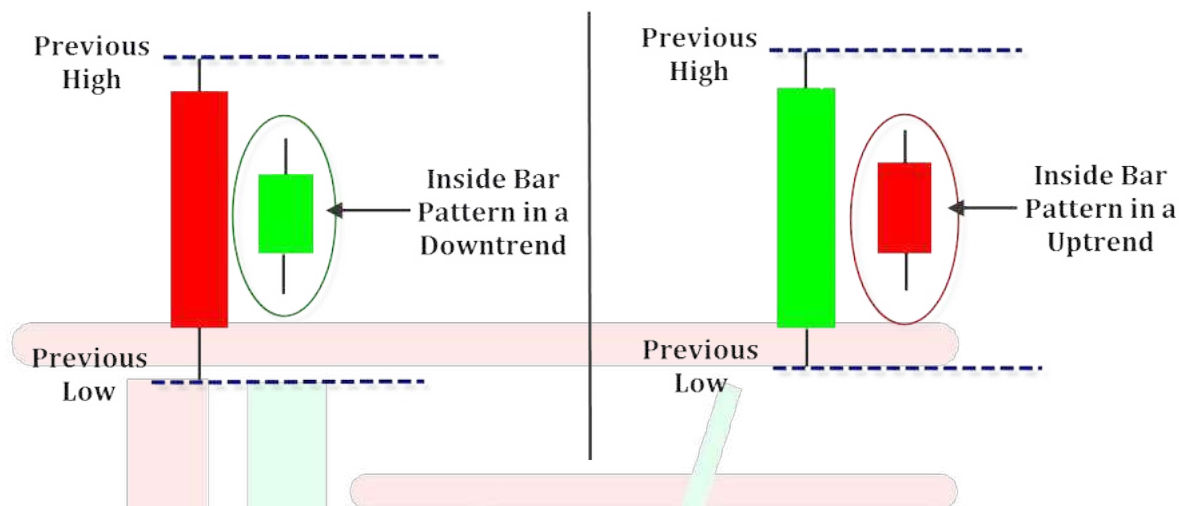
OUTSIDE DAY WITH DOWN/UP CLOSE (RANGE EXPANSION)

- Outside day is when a day has higher high and lower low than the previous day candle
- If previous day's high and low was taken today and market close down at key support level (outside day with down close), that is bullish indication and if market close up at key resistance level (outside day with up close), that is bearish indication



INSIDE DAY (RANGE CONTRACTION)

- Inside day is when a day has lower high and higher low than previous day candle
- When this scenario unfolds expect the range to expand to the direction of the market



OTE (OPTIMAL TRADE ENTRY)

- Deep Fib Retracement - The ~62 and ~79 retracement levels because they are almost at the full 100% retracement.
- OTE would be roughly the 50% level between the 62 and 79 levels.

THE ENTRY CONCEPT

- Focus on optimal setups
 - Consider Day of the week and time
- Apply the power of three, range expansion and range contraction concepts
 - Don't trade on Sunday/Monday, just watch the price action and anticipate the potential move
- If bullish, anticipate Banks to sell first
- If bearish, anticipate Banks to buy first
- Exploit the raids of old swings and expect patterns to form to confirm entry – Judas swing/turtle soup

PROFESSIONAL ORDER PLACEMENT

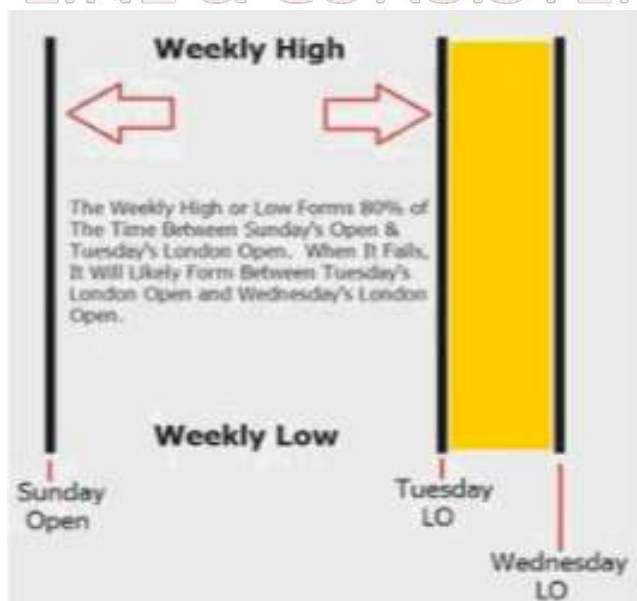
- Try keeping entry and exit to limit orders
 - Limit orders will provide best price entry/exit
 - It gives you control
- Market orders are last ditch protection
 - If your limit order was not triggered in London, wait for New York and use market order to get in sync with the market
- Don't try to get the best entry price
 - Generally, enter between 62% and sweet spot, 79% is where deep market might reach
- Always factor the spread plus 2-3 pips

HOW TO CAPTURE EXPLOSIVE FOREX PROFITS

WEEKLY HIGHS AND LOWS

- The Weekly High or Low forms 80% of the time between Sunday's /Monday's Open & Tuesday's London Open. When it fails, it will likely form between Tuesday's London Open and Wednesday's London Open

DISCIPLINE & CONSISTENCY



WEEK'S OPENING PRICE

- Identify the Opening Price for the Week and keep it noted on the chart through the trading week. If we're bullish on market conditions, we look for an opportunity to go long when the low for the week is formed (likely to form before Tuesday's London Open). The same is true for shorts.
- If it has not formed by Tuesday's London Open, then very likely to occur between Tuesday's London Open and Wednesday's London Open.

TRADING PLAN DEVELOPMENT

- NO PLAN = EMOTION DRIVEN RESULTS
- DETAILED ORGANIZED PLAN = OBJECTIVE RESULTS
- TRADING PLAN SHOULD BE REVIEWED FREQUENTLY AND SUMMARIZED
- DON'T HOPE, TRADE YOUR PLAN

THE MAJORITY OF THE TIME

- Manage your time wisely
- Do not spend countless hours on analysis without a clear objective or premise to it
- Spend quality time with higher time frame analysis
- Nothing significant occurs without first leaving tell-tale signs on long term basis (MN, WK, D1, H4 and H1 charts)

THE LEAST IMPORTANT PROCESS

- Don't focus on the money
 - Don't focus on the amount of money you hope to make - There is no guarantee you are going to make it on every trade
 - Don't worry about the losses – You will lose trades so don't worry about them
 - Don't worry about the missed trades
 - The least important process in trading is the entry signals
 - Premise and sound basis is paramount – Understand what you are doing
 - Keep focus on the plan and work the trading edge your method exploits

THE GENERAL OVERVIEW

- Bring the pieces together – Fundamental, Technical and intermarket analysis goes together in building a trading plan
 - Impeccable risk control is the first component to any successful trading plan
 - Flawless equity management is essential to every successful trading plan
 - Fundamentals at any measure can assist a trader in trading plan development
 - Technical analysis and a comprehensive approach to sound tools and concepts is the frame work to exercising a trading plan – Understand the tools you are using and stick to them
 - Executing a top down analysis with all the above components will deliver optimal results while consulting RISK

THE PARADIGM SHIFT

- You are not the only predator in the market place
 - When you are confident going in or developing confidence on, understand over-confidence is counterproductive (EGO)
 - Never assume your well designed Trading plan won't hit a losing streak
 - Always reflect on your wins as a victory and your losses as a learning opportunity
 - It will take preparation in advance to weather periods of inevitable drawdowns. Journal your results both good and bad
 - Do not over-drive your trading plan or attempt to trade outside its intended plan action
 - Every great trader has one thing in common and it is respect and understanding that risk will always outweigh the reward unless it is properly managed. It is not about the profits

PACK SMALL PLAY BIG

- 2% Risk or less is enough
 - The question will always be in the developing traders mind, “how can I make fortune with so little risk?”
 - Proficient consistent Traders focus on the reality that their trading will not be perfect
 - You can make all the money you will ever need risking 2% and many times even less than that per trade
 - Wealth is built with time and not excessive risk exposure

KEEPING REALISTIC GOALS IN FOCUS

- Don't take the bait
 - Your goal is to steadily build your account with little drawdown as humanly possible
 - Your trading is not hinged on the premise you must hit home run profits every trade or even weekly
 - Your career should be built on a low yet sufficient baseline target based on % return or pips per month or week
 - Trading with risk controlled and profiting, a net gain of 25 pips per week should be a new trader's goal
 - After consistently harvesting 25 pips per week, graduate to 50 pips
 - After 50 pips per week is achieved aim for 75 pips and eventually move beyond your experience and tolerance of risk increases

MODULAR THINKING – STEADY PROGRESS

- Small consistency still surprises – The exponential mind-set (little things big results)
 - Build in your trading plan flexibility
 - You might have a weekly goal that may require short term day trades or scalps to achieve
 - Do not force yourself into hunting and believing you need to make your goals daily and or weekly
 - Your weekly goals might fall short a week or two and still be met in the course of the same month
 - Your monthly goal might average out over the quarter or the entire year, don't be so rigid and allow the market to pay you when and how it will
 - Your goals might fall short of your forecast and hopes, however don't be disappointed if this occurs. You will still be heading in the right direction

KEEP SOMETHING – PAY YOURSELF

- Methodically take 1st profit
 - Before entering any trade, it is crucial for you to know at what level you will take first profit and reduce risk
 - Limiting risk after taking half of your original position off and will remove the emotional and psychological pressure you may feel while the position is open
 - Taking 1st profit at a predetermined level will assist in building confidence and removes the sting of the trade losing should it reverse on you and stop you at break even

THE 7 KEYS TO SUCCESSFUL FOREX TRADING

1. Understand the asset class you are trading (i.e. don't follow 20 pairs at once)
2. Think independently and use your own analysis (turn off the TV and rumour sites)
3. Develop and adhere to your personal trade profile and comprehensive trade plan
4. Trading your personal comprehensive Trading plan
5. Utilize and exercise impeccable equity management (1-1.5% risk per trade for new traders, 2% for experienced traders)
6. Don't assume to know where price will go (i.e. no predictions)
7. Think in terms of probability and not absolutes, there are no absolutes in trading

TRADE LIKE A SNIPER

- Traders who learn to pick and choose their trades like a Forex "sniper" are typically the ones who succeed. Traders who fail act like machine-guns by shooting at everything they see (overtrading) and/or tend to run out of ammo (money) very quickly.

LESS IS MORE

- Wait patiently for anticipated target to come into view as a result of your own analysis.
- Act only when your set of criteria are met.

HIGHER TIME FRAMES

- The higher the timeframe the more reliable the target, information is presented. Looking at Monthly or Weekly time frames only does not give you enough targets to trade.
- Base most of your analysis off of Daily and 4-Hour charts to identify high value, probability targets.
- Work with the lower timeframes (1-Hour and 15-Min) to manage the circumstances around the trade.

PATIENCE

- Most of new traders lose money in the markets, and most of them are also anything BUT patient.
- For new traders, fight the tendency to make yourself trade because you have the idea that trading will give you money. Only smart trading with a plan can make you money.
- Wait for confirmation by multiple factors before jumping into a trade to avoid false moves.

FEAR AND GREED

- Combat natural tendencies of fear and greed by documenting and diligently following a trading plan.
- Make trading about following rules, plans, and risk management. NOT about emotions.

