

THE MISSING PIECE OF ICT PUZZLE

THE
CCANDLE
RRANGE
TTHEORY



SHAMSPECULATOR
CPI Coaching Program Notes

Torio Trades

“CRT is the missing piece of ICT”

CONTENTS

Level 1 - Basic

- Chapter 1: Market Profiles
- Chapter 2&3: Key Levels (Integration of MP & KL)
- Chapter 4&5: Timeframe Alignment & Timeframe Selection

Level 2 - Beginner

- Chapter 6: Dealing Ranges and PD Array Matrix
- Mini Chapter: Everything about Orderblocks
- Chapter 7&8: Weekly Profiles & Intraday Profiles
- Chapter 9: Advanced Market Structure and Orderflow
- Chapter 10&11: Range Trading

Level 3 - Intermediate

- Chapter 12: OHLC / OLHC
- Chapter 13: Seasonal Tendencies
- Chapter 14: SMT Divergence
- Mini Chapter: Weekly Performance Review (WPR)
- Chapter 15&16: Quarterly Shifts and IPDA

Level 4 - Lower Advanced

- Chapter 17: Time
- Chapter 18: Draw on Liquidity
- Chapter 19: Risk and Money Management (ENIGMA)
- Chapter 20: Proper Journaling
- YT Content: Candle Range Theory (CRT) - Masterclass

Level 5 - Advanced

- Chapter 21: Nuances of Intraday Trading
- Chapter 22: Intraday Market Conditions
- Chapter 23: Standard Deviations
- Chapter 24: Mastering Turtle Soups
- Chapter 25: Narrative
- Chapter 26: Intricacies of Swing Trading
- Chapter 27: Entry Models
- Chapter 28: Intermediate Timeframe Analysis

Read this first. (Important)

This e-book are created for those who already watch Sham's CPI Course.

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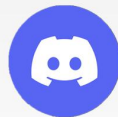


tiktok.com/@toriotrades

- I modified an indicator just for our strategy (CRT). It will help you analyzing the market easier. 🔥
- Send me a message for my Trading Journal (FREE)

The LINK are on my SocMed Accounts.

Suggested Group/Community



Krazy Community

discord.gg/zsdBGbg6bb

- Free Trading Resources
- Propfirm Giveaways + Discounts (Must Join)
- Free FX Replay



t.me/CrtUnlockedClone

- Multiple free paid courses about CRT

t.me/CandleRangeTheory

- CRT Key Notes and PDF for FREE

CHAPTER 1

Market Profiles

What is Market Profile?

- it is a detailed analysis of market dynamics and looking at the markets with a dynamic, mechanical, and objective perspective.
- there are two ways to look at the market based on market profile, first the Simpler Version and last the Advanced Version.

Simpler Version

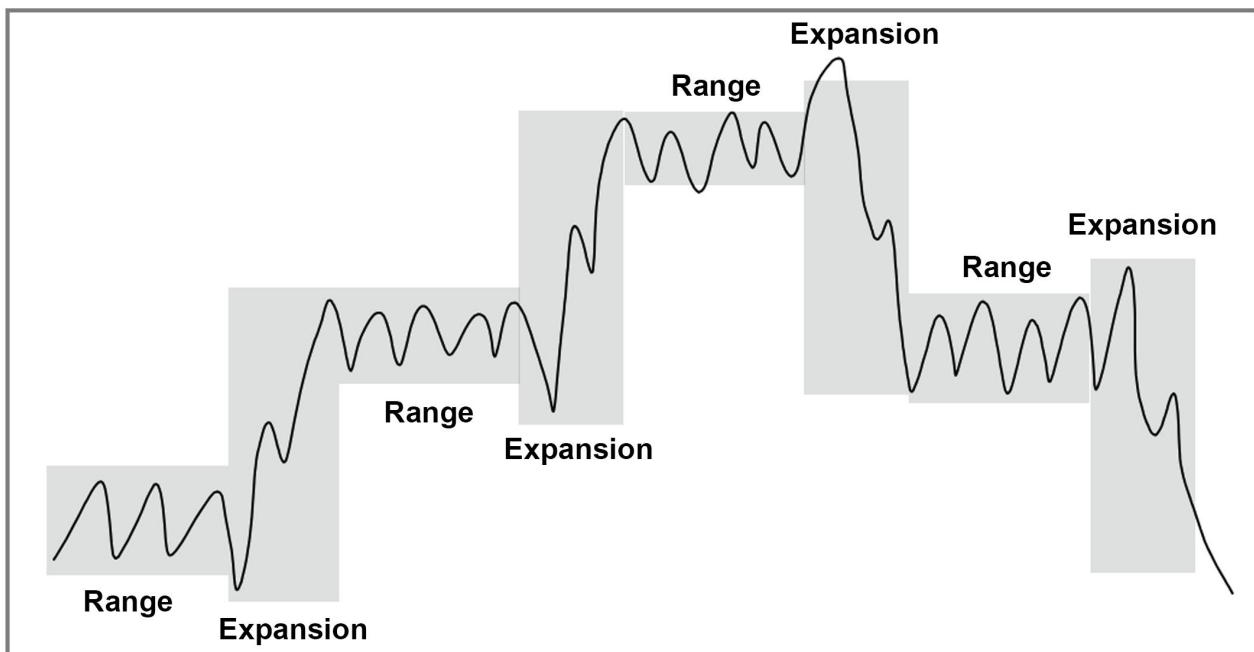
- contains 2 profiles in consideration (range, expansion) and it is the most basic way on looking at the market.



Range



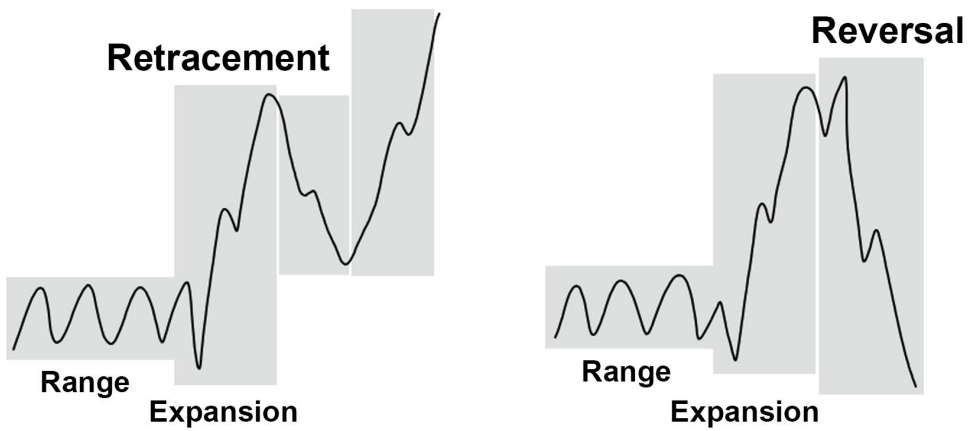
Expansion



- your job as a trader is to take part only on the expansion profile and avoid consolidation or ranging profile.
- this acts a huge filter to avoid low probability condition like ranging profile.

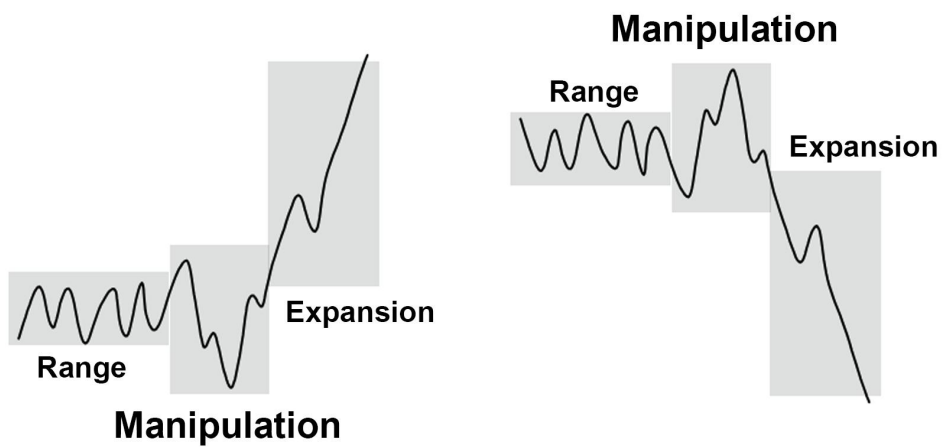
Advanced Version

- contains multiple profiles in consideration (range, expansion, retracement, reversal)

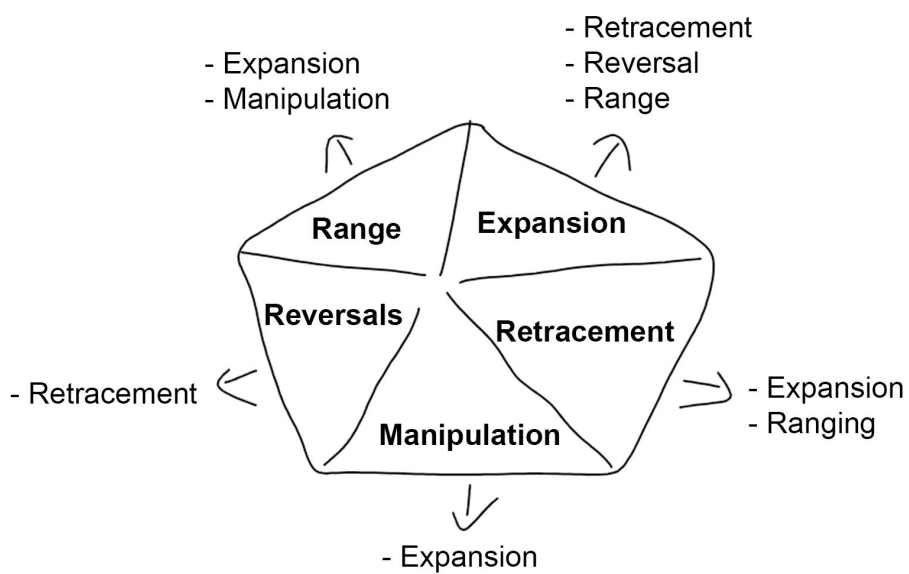


Most Advanced Version

- this contains the one of the most important profile the manipulation profile.

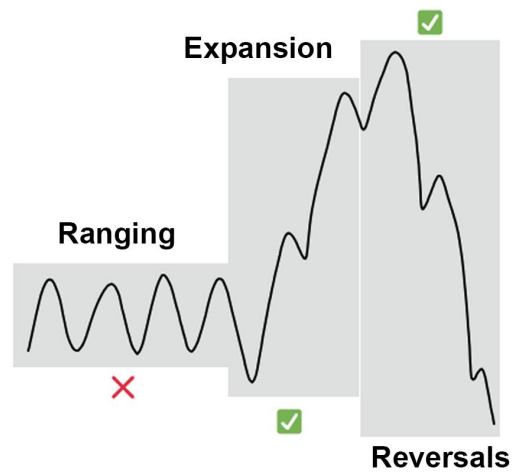


Possible Outcomes

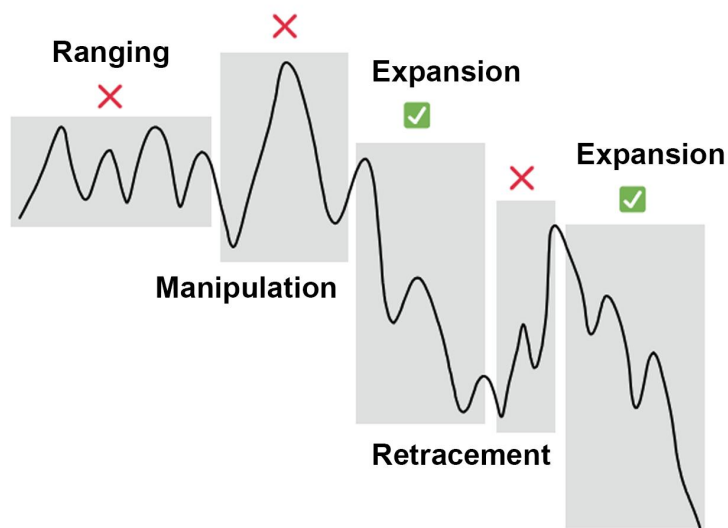


Market Profile Rules

- only trade the Expansions and Reversals

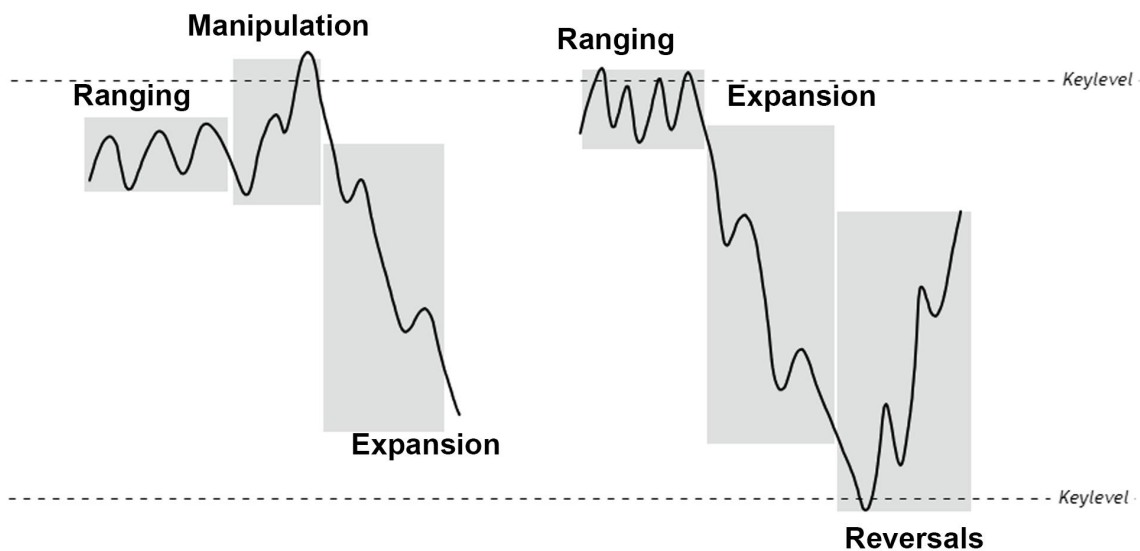


- avoid trading the Ranging, Manipulation, and Retracement



Integration with Keylevels

- we will use past price action to predict the future one.



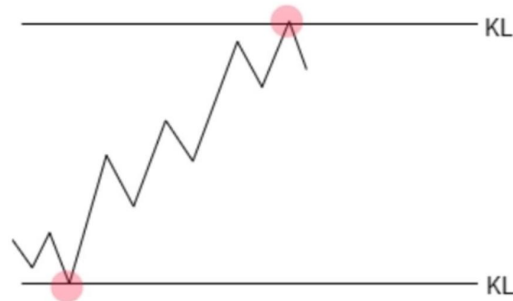
CHAPTER 2&3

Key Levels & Market Profile

(Integration of KL+MP)

What is Key Level?

- important price points, areas or zones on the charts where significant expansions and reversal occurs.



Use of Key Levels

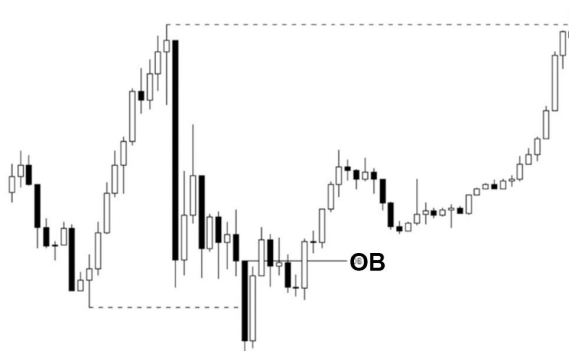
- Potential areas for CRT to be formed.
- Zones for expansion and reversal profile to occur.
- Confluence.
- Framing trade ideas.

Important Key Levels

- Highs & Lows
- Orderblocks
- Breaker Blocks
- Fair Value Gaps

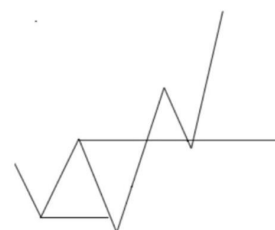
Orderblock

- the candle that digs below a low or digs above a high, when engulfed is called an orderblock.



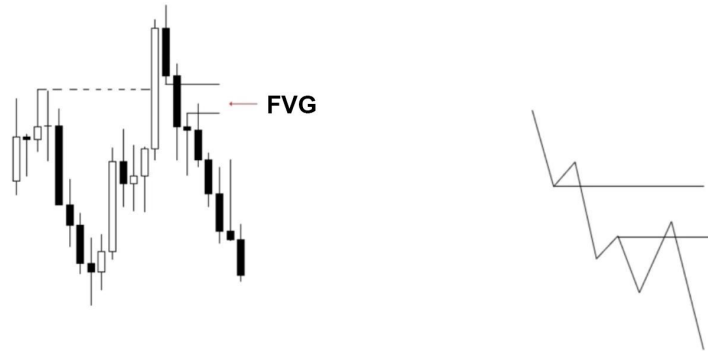
Breakerblock

- the high that takes out a low or the low that takes out a high, when retested is known as a breakerblock.



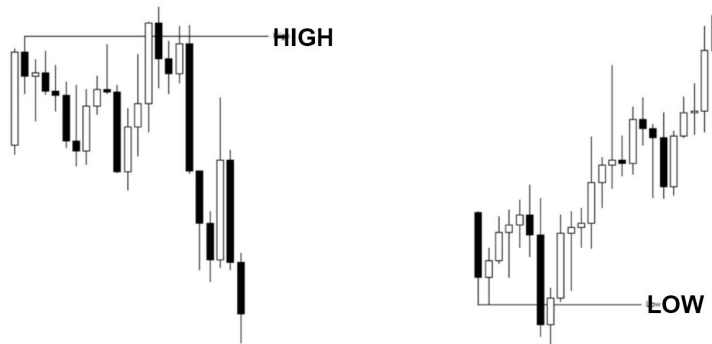
Fair Value Gap (FVG)

- a price gap between consecutive candles suggesting imbalance in price action. (Lower timeframe turtle soup)

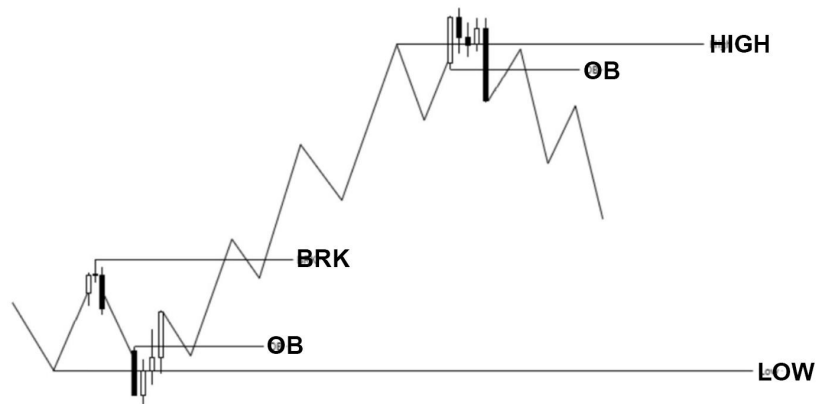


Highs and Lows

- significant swing points on the chart



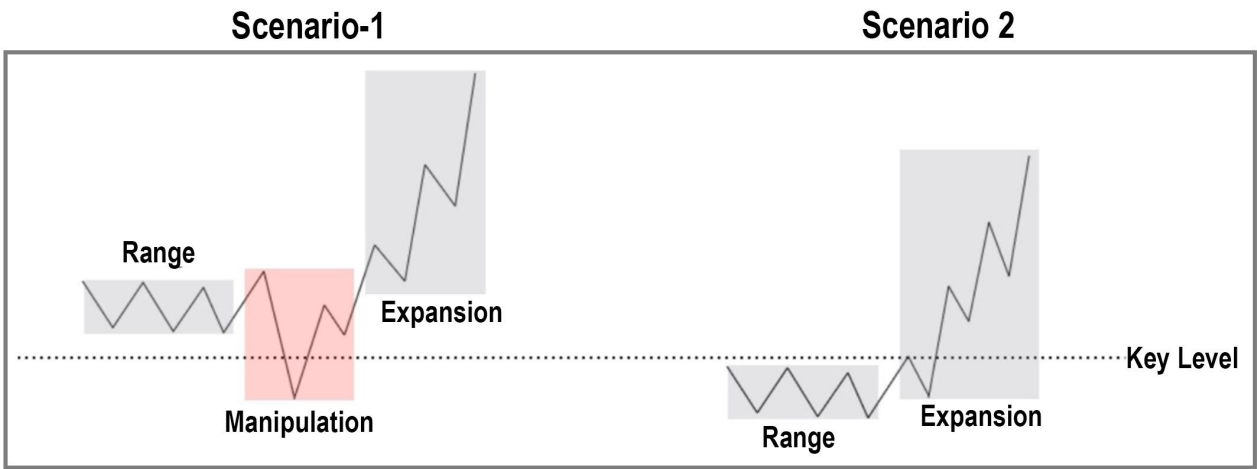
Anatomy of Price (Swings)



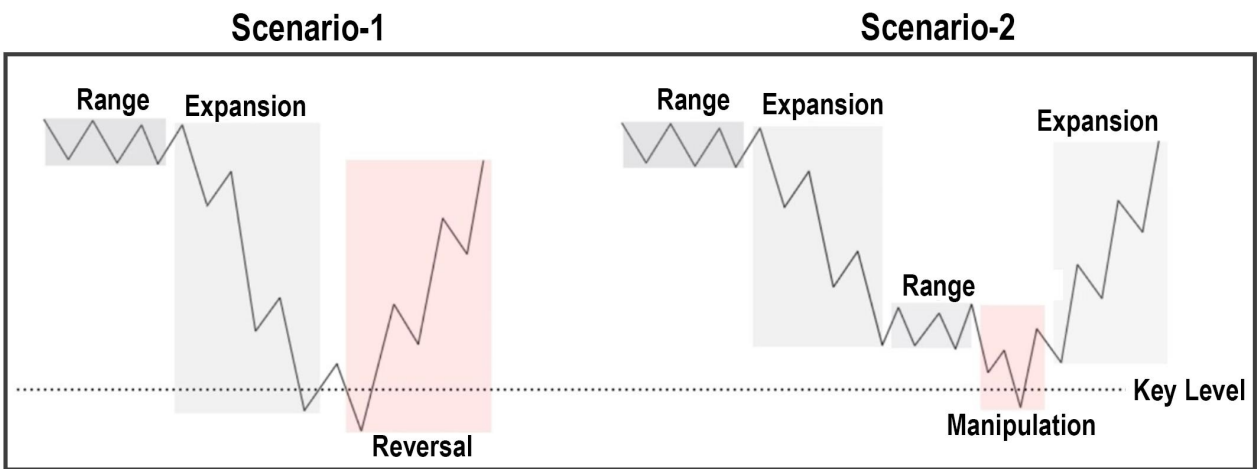
Key Levels + Market Profile

- Using proper rational and sound logic.
- Each combination of key levels and market profile will have a certain possible outcome.
- Acts as an important filter.
- Avoid certain combinations and trade others.
- Use key levels as a factor to expect or anticipate a market profiles.

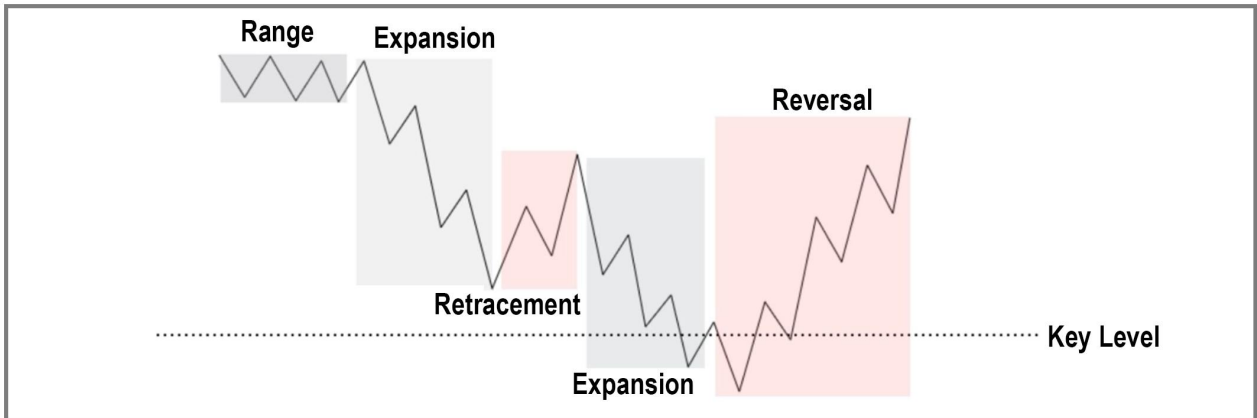
Ranging Profile + Key Levels



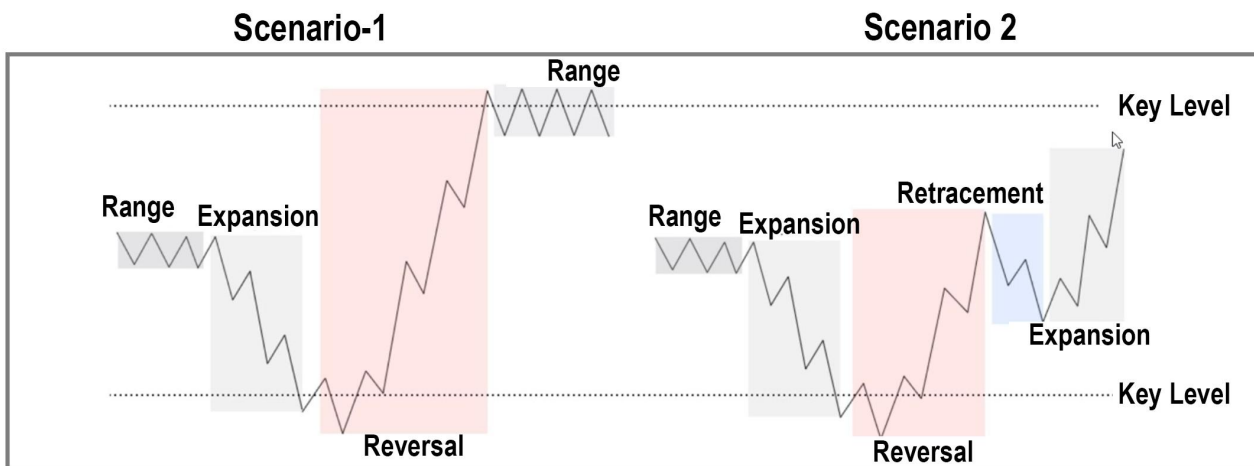
Expansion Profile + Key Levels



Scenario-3



Reversal Profile + Key Levels



Filters of KL & MP

- Avoid trading Ranging, Manipulation & Retracement Profiles.
- Only trade Expansion & Reversal Profile.
- Expansion & Reversals combined with Key Levels.

Filters and Possible Outcome

Last Market Profile + Key Level Presence = Outcome

- Expansion Profile + No Key Level = Retracement / Range (AVOID)
- Expansion Profile + Key Level = Reversal (TRADE)
- Ranging Profile + No Key Level = Manipulation (AVOID)
- Ranging Profile + Key Level = Expansion (TRADE)
- Reversal + No Key Level = Retracement (AVOID)
- Reversal + Key Level = Range (AVOID)
- Retracement Profile + Key Level = Expansion (TRADE)
- Manipulation Profile = Expansion (TRADE)

Logical Framework (Important)

- Use higher timeframe for finding key levels.
- Use lower timeframe for profiling.

Daily = Key Levels
H1 = Market Profiling

H4 = Key Levels
M15 = Market Profiling

H1 = Key Levels
M5 = Market Profiling

M15 = Key Levels
M1 = Market Profiling

CHAPTER 4&5

Timeframe Selection and Timeframe Alignment

Timeframe Slection:

A. *Timeframe selection:*

- Monthly Chart - Position Trading
- Weekly Chart - Swing Trading
- Daily Chart - Short Term Trading
- 4 Hour - Intraday Trading

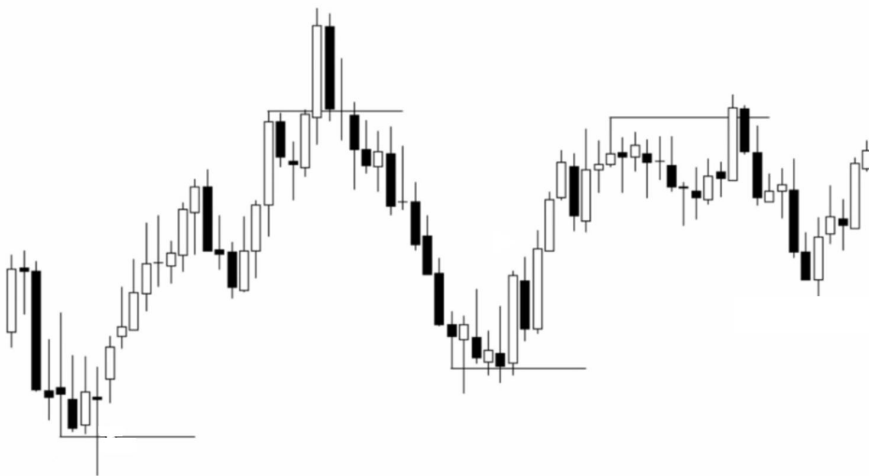
B. *Defining your model:*

- Position Trader - Trade the monthly range.
- Swing Trader - Trade the weekly range.
- Short Term Trader - Trade the daily range.
- Day Trader or Intraday Trader - Trade the daily candle's range.
- Scalper - Trade the hourly range.

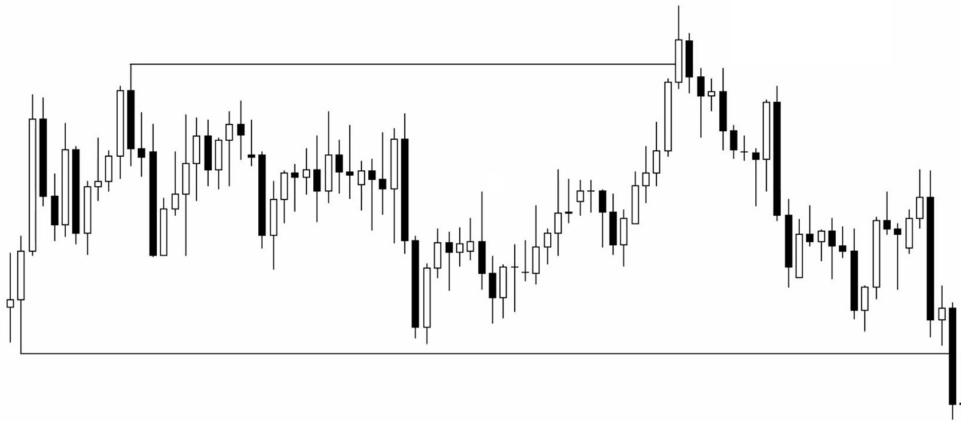
Monthly Chart



Weekly Chart



Daily Chart



Timeframe Alignment:

- CRT - Higher Timeframe
- Key Levels - Higher Timeframe
- Structure - Intermediate Timeframe (Optional)
- Profiling - Lower Timeframe
- Entry - Lower Timeframe

Swing Trading

Monthly Key Level + CRT - Daily Structure - H4 Profiling + Entries

Short Term Trading

Weekly Key Level + CRT - H4 Structure - H1 Profiling + Entries

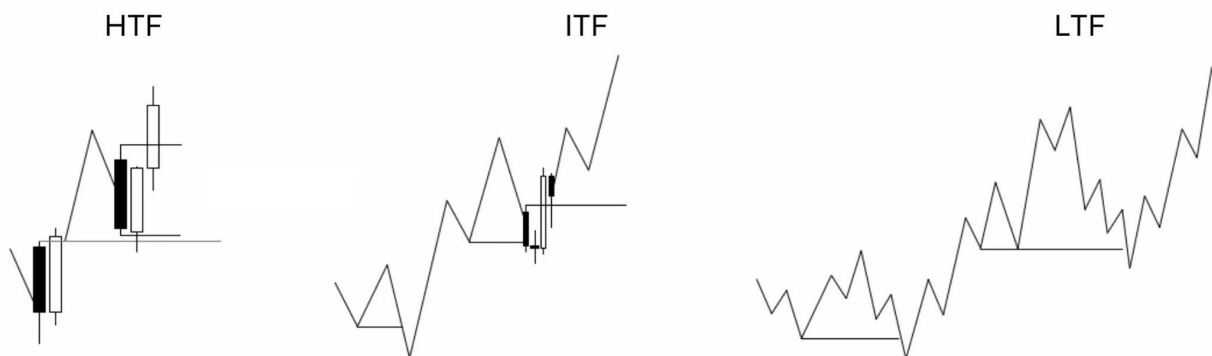
Intraday Trading

Daily/H4 Key Level + CRT - H1 Structure - M15 Profiling + Entries

Scalping

M15 Key Level + CRT - M5 Structure - M1 Profiling + Entries

Framework = HTF - ITF - LTF



CHAPTER 6

Dealing Ranges

Dealing Ranges

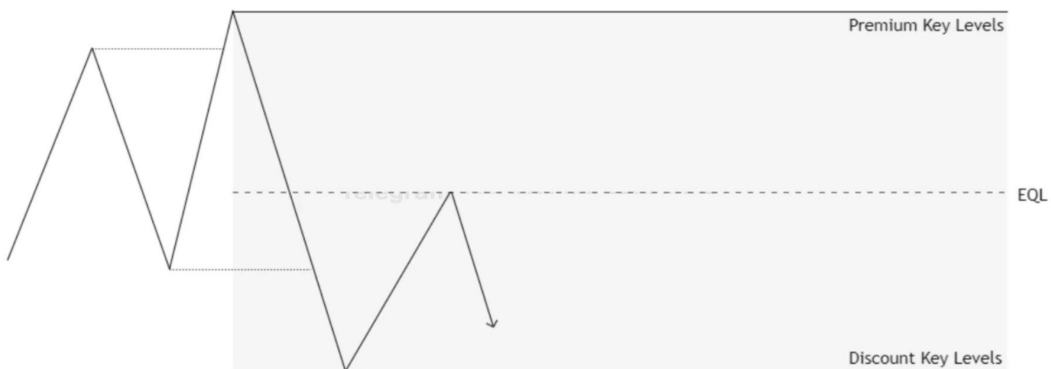
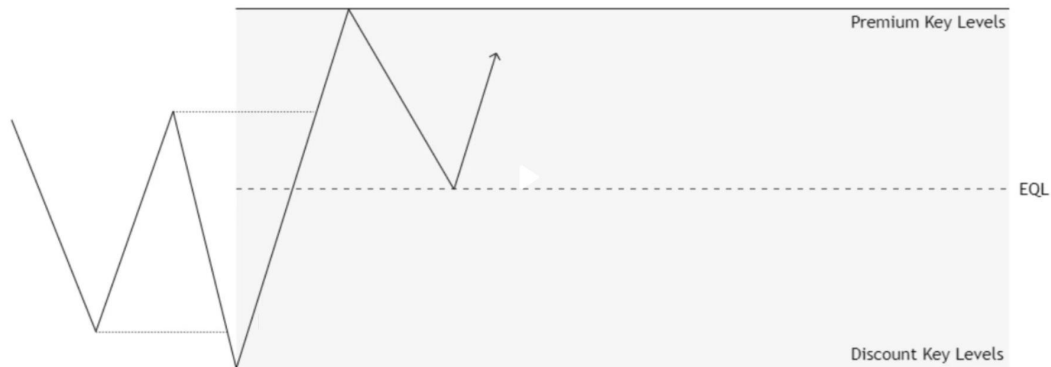
- when price takes out both swing low and swing high and has an expansion swing - That particular expansion swing is considered a dealing range.
- a dealing range divided into two halves gives us a discount region (the lower half) and a premium region (the upper half).
- a dealing range is similar to a PD Array Matrix - But its a for expansion swings.

Dealing Range & PD Array Matrix

Premium Key Levels

----- EQL

Discount Key Levels



Combining DR with Market Profiles

Using Timeframe Alignment:

- Higher Timeframe = Dealing ranges
- Lower Timeframe = Market Profiles / Profiling

Use of Dealing Range

- Used as a Filter.
- Used to build a HTF narrative.
- Used for targets.
- Used to manage risk appropriately.

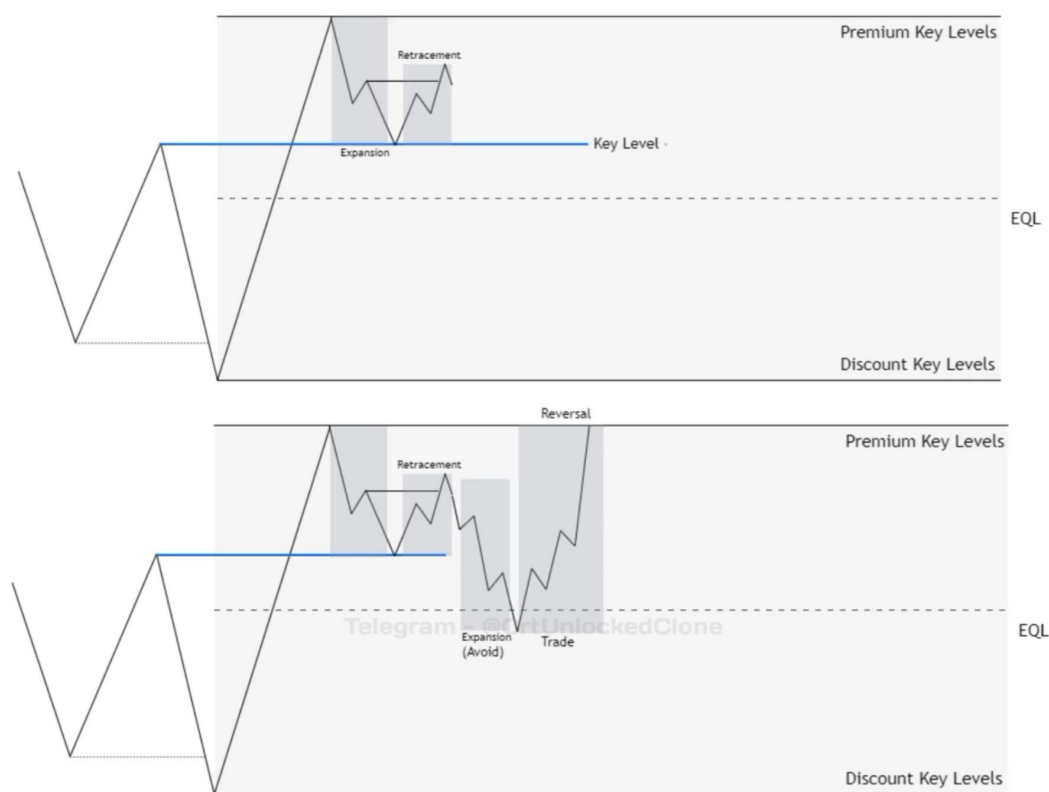
Dealing Range + Market Profiles

Bullish Orderflow = Bullish Draw

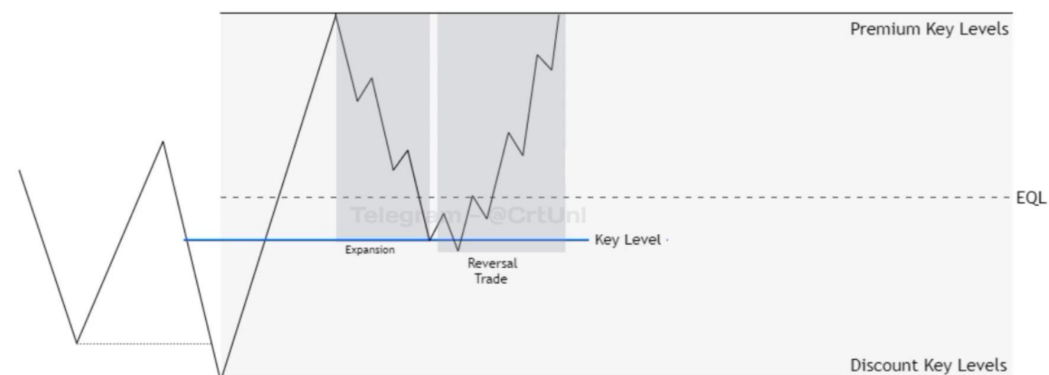
- Premium KL + Expansion = Retracement
- Discount KL + Expansion = Reversal

Bullish Draw + DR + MP (Based on Timeframe Alignment)

Scenario 1



Scenario 2

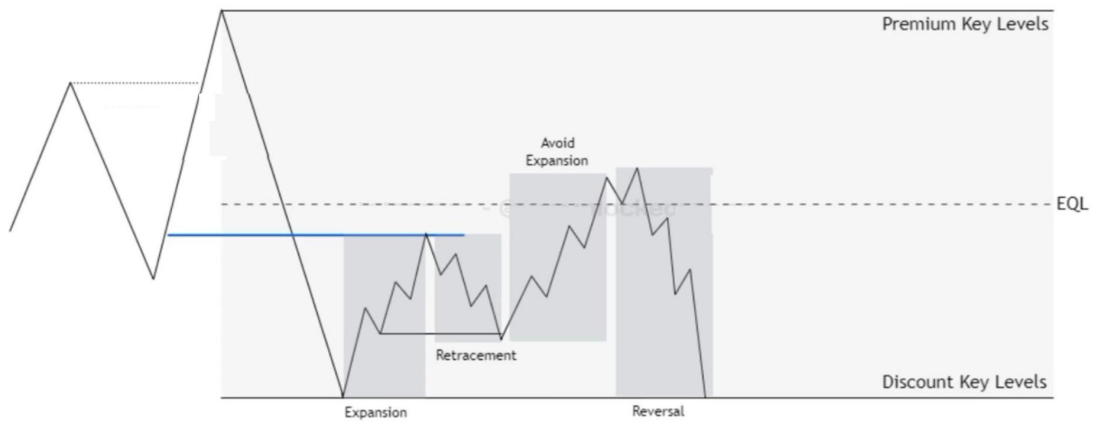
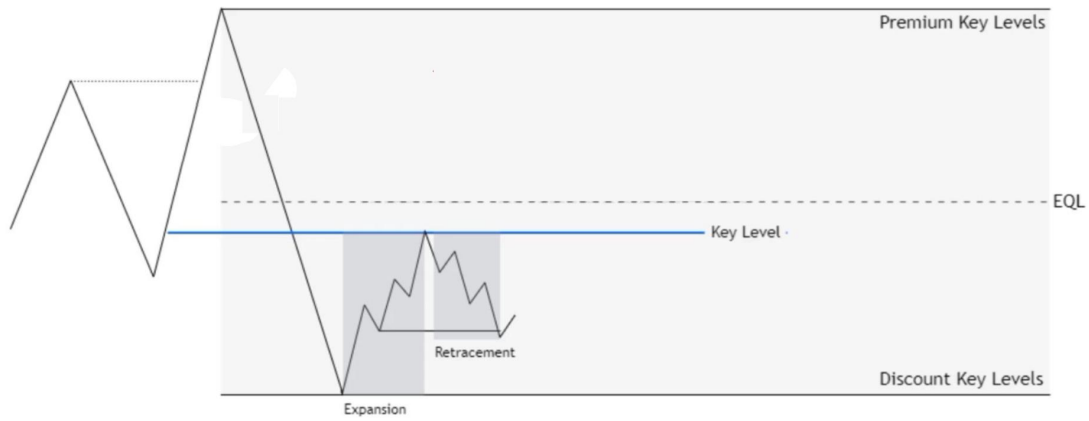


Bearish Orderflow = Bearish Draw

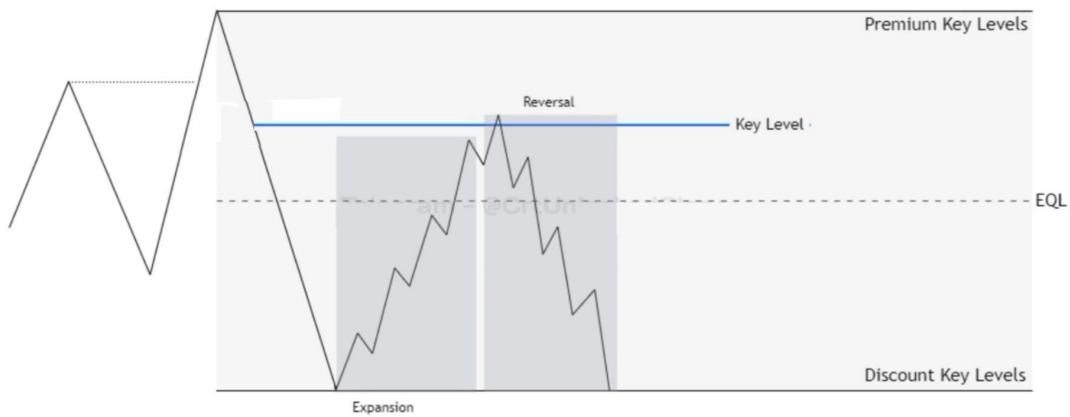
- Discount KL + Expansion = Retracement
- Premium KL + Expansion = Reversal

Bullish Draw + DR + MP (Based on Timeframe Alignment)

Scenario 1



Scenario 2



Dealing Ranges

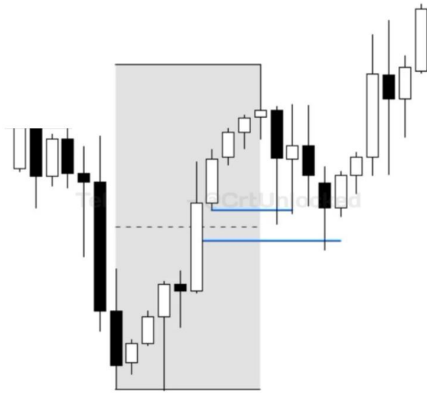
- Building Narrative
- Filter
- Draw on Liquidity (Targets)

Dealing Ranges

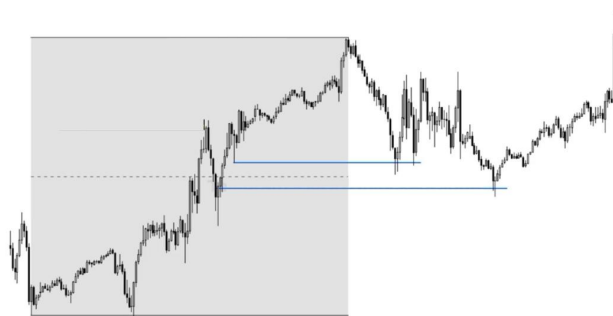
1. Trade the retracements and reversals only after a LTF confirmation - CSD
2. Avoid trading the counter expansion followed by the retracements.
3. Only trade Expansion towards the draw on liquidity.

Example - 1

Higher Timeframe - Dealing Range

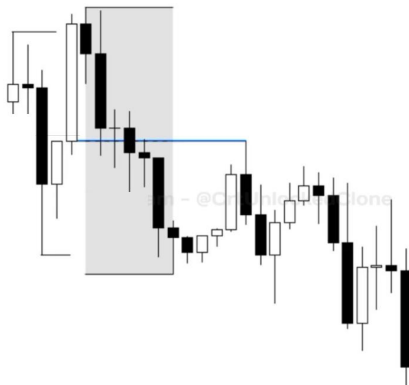


Lower Timeframe - Market Profiling



Example - 2

Higher Timeframe - Dealing Range



Lower Timeframe - Market Profiling



Example - 3

Higher Timeframe - Dealing Range



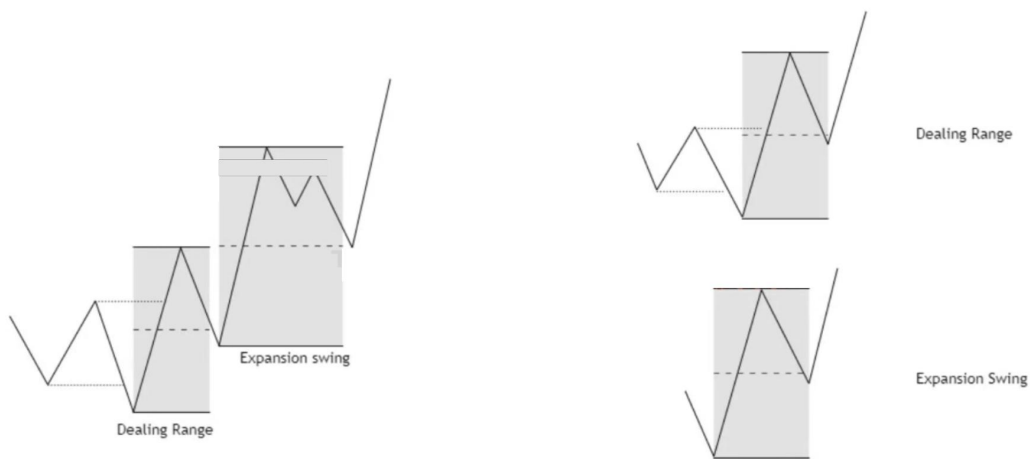
Lower Timeframe - Market Profiling



Important

- Its mostly used to build narrative - Once you've build a narrative and the key levels, market profiles and dealing ranges are in-sync with each other, you can then start positioning yourself with CRTs towards the draw on liquidity.
- Apart from dealing ranges - You can apply the same concepts in typical ranges and expansion swings.
- This is just the "PRICE" aspect of the markets - We still have yet to learn the "TIME" aspect and then the most important of all integrating both of them together in a logical framework.
- Build your fundamental understanding with this logical framework.
- Dealing ranges makes up at least a quarter of the market movements.
- You will have to apply the same logical framework to expansion swings and ranges - Which make up the rest of the movements.
- Must use "Timeframe Alignment"

Expansion Swings and Dealing Ranges



MINI CHAPTER

Orderblocks

Orderblocks:

- an orderblock is a candle or a consecutive sequence of candles that either takes out liquidity or fills liquidity.
- an orderblock forms when price engulfs these candles by closing above or below them.

Core Concept of Orderblocks

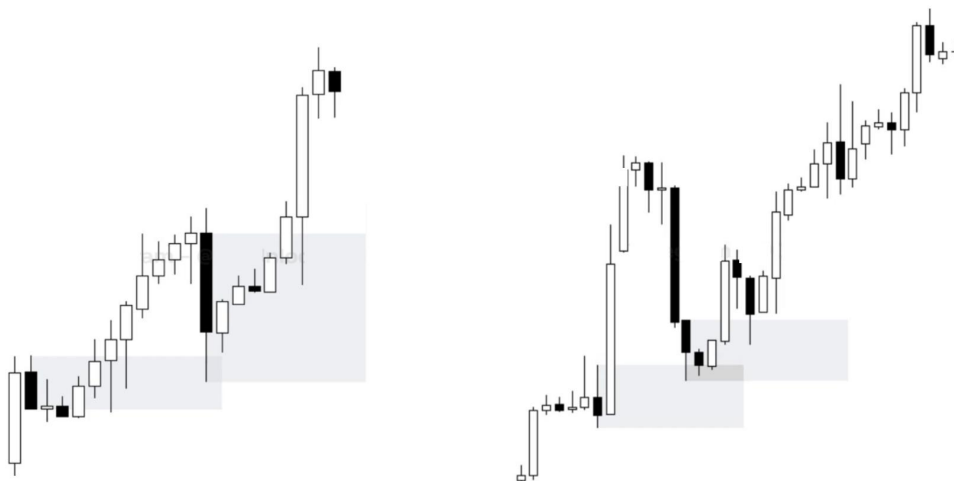
Orderblocks are considered valid because they serve two purposes:

- They either take out liquidity by purging below lows or above highs.
- They fill liquidity by filling FVG or testing already existing orderblocks.

Purging Liquidity



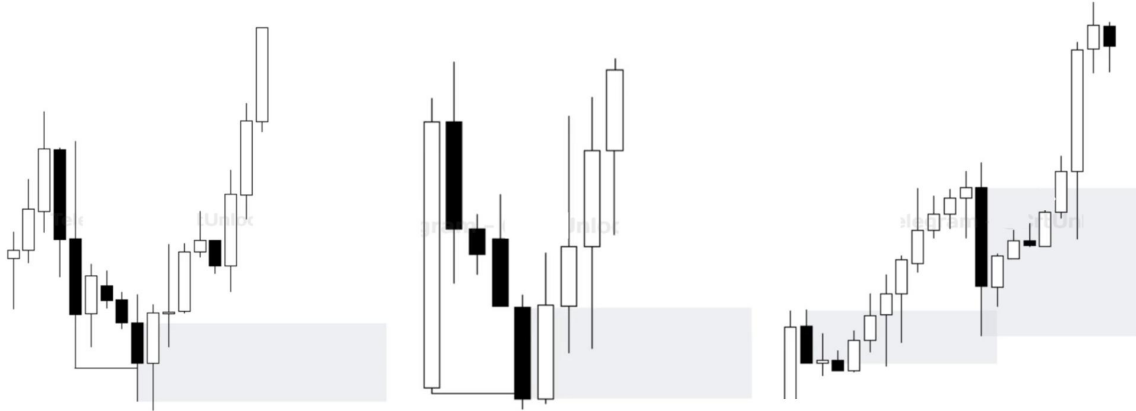
Filling Liquidity



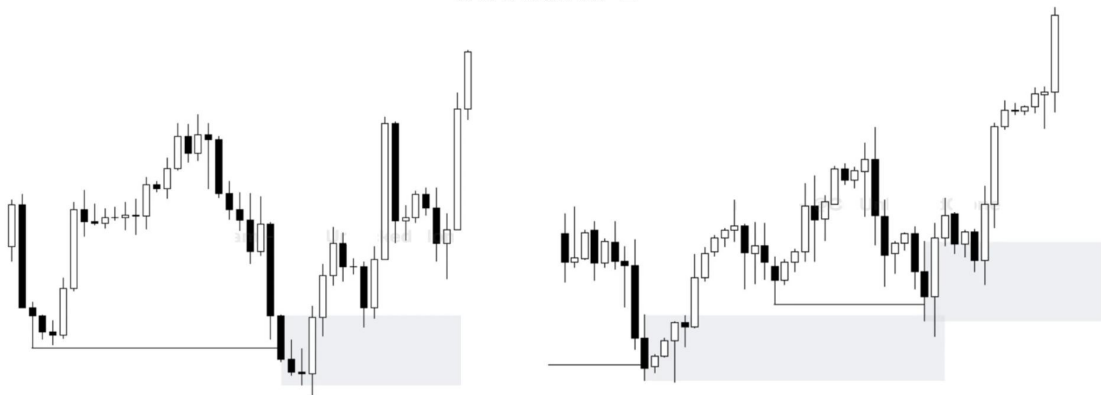
Body or Wicks? It depends

- If price closes just above or just below the open of the candle, then you would use just the body as the orderblock. (Scenario -1)
- If price closes above the high or below the low of the candle, then you would use the whole candle as the orderblock. (Scenario -2)

Scenario 1



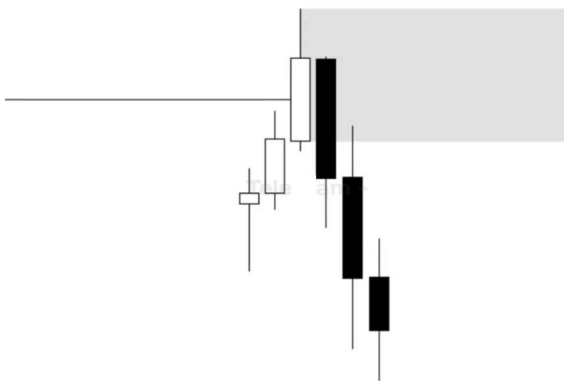
Scenario 2



Body or Wicks?

- If the wick is significantly smaller compared to the body, use the body as the orderblock.
- If the wick is larger compared to the body, use the wick.

Larger Body and Small Wick



Larger Wick and Small Body



Chapter 7&8

Weekly Profiles & Intraday Profiles

Weekly Profiles:

- Weekly profiles are an advanced form of market profiles used to breakdown the weekly candle's range into manageable segments, each with specific practicals.
- Weekly profiles only work when incorporated correctly with key levels and PD array matrix or dealing ranges.

Weekly profiles assist you with:

- Understanding OHLC/OLHC of the weekly candle.
- Breaking down the weekly candle.
- Determining daily bias.
- Determining HTF narrative.
- Identifying HTF draw on liquidity and targets.
- Understanding time.

Framework:

- Key Levels
- Market Profiles
- PD Array Matrix
- Dealing Ranges

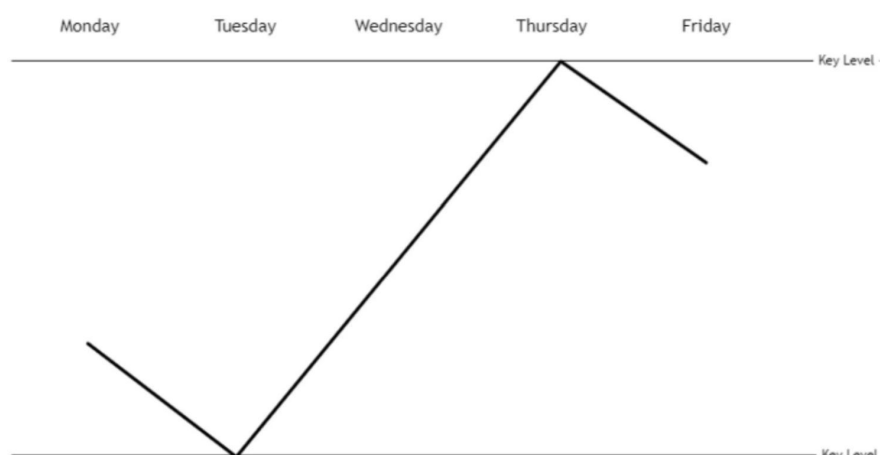
Important things to note:

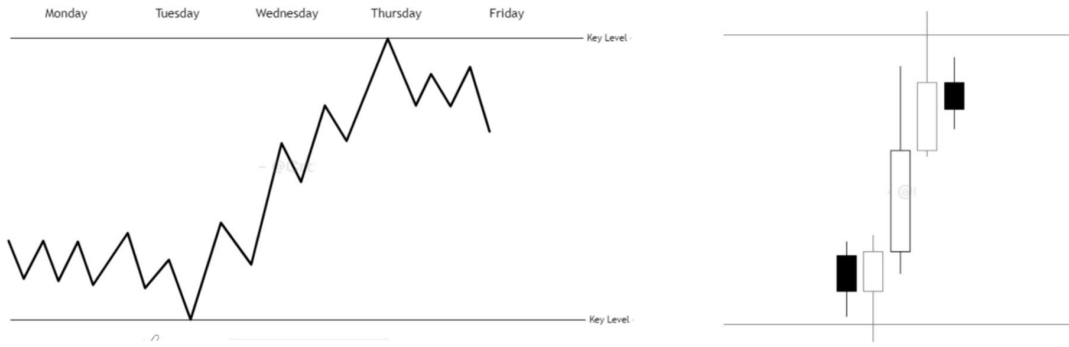
- Monday's price action = Framework.
- Adjustable
- Subject to change
- Dynamic
- Use news calendar

Important Weekly Profiles:

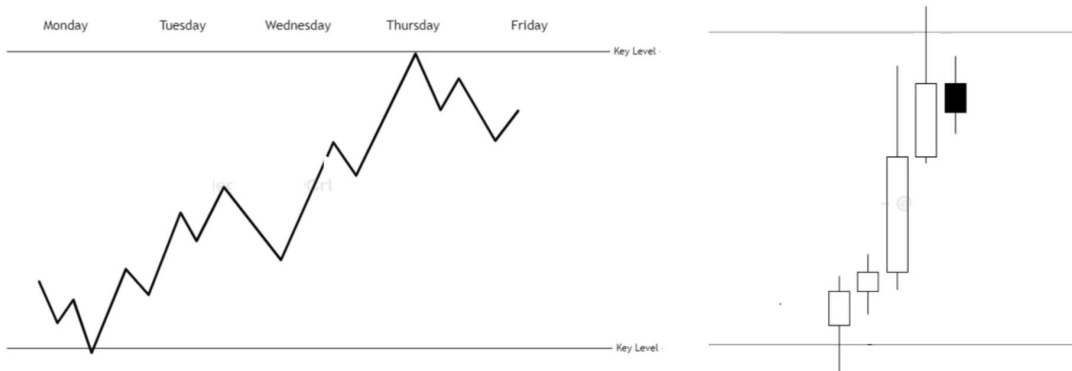
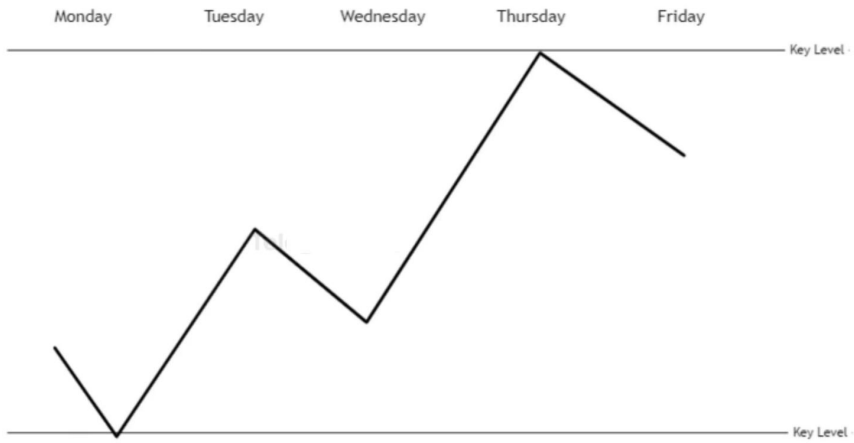
- Classic Expansion Week
- Midweek Reversal
- Consolidation Reversal

Classic Expansion Week - 1

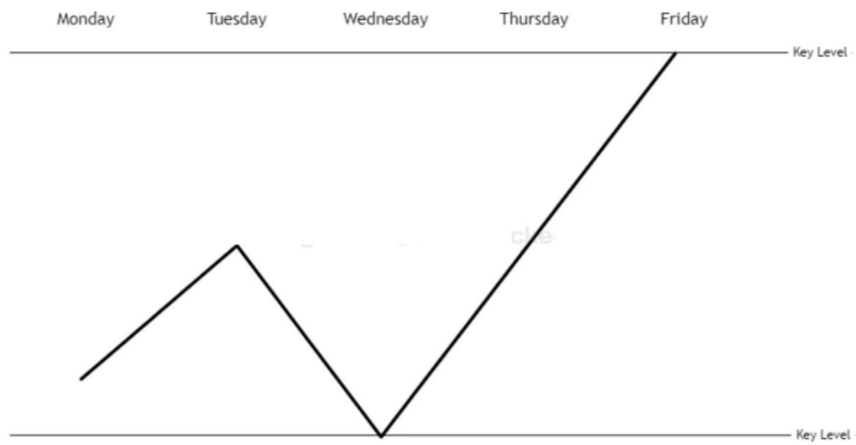


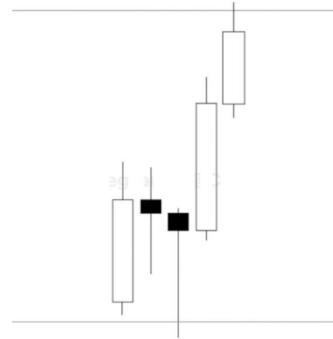
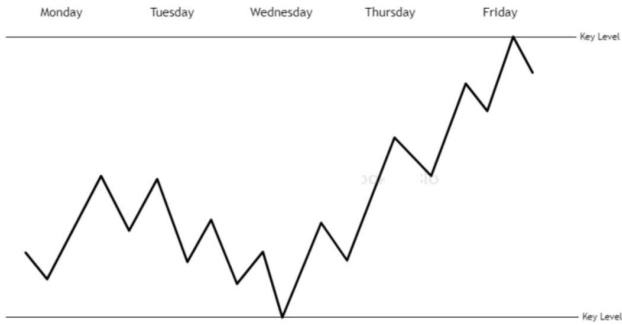


Classic Expansion Week - 2

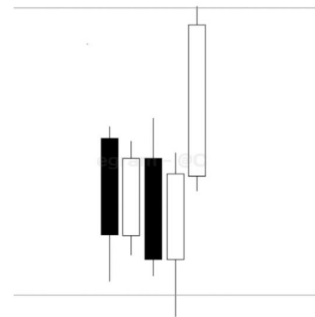
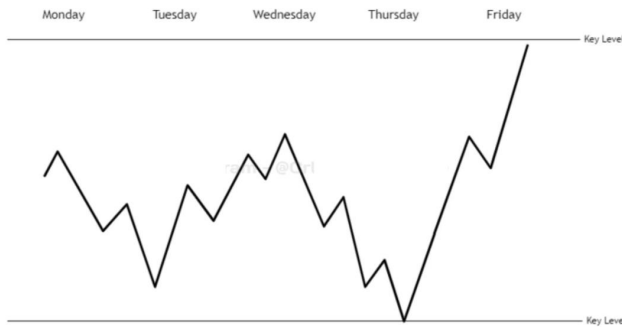
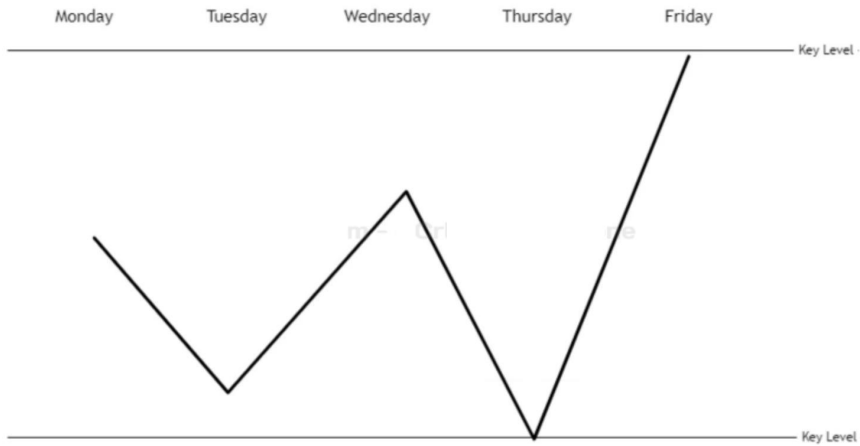


Midweek Reversal





Consolidation Reversal



Example - 1

Naked Charts



Mark out key levels



Result



Example - 2

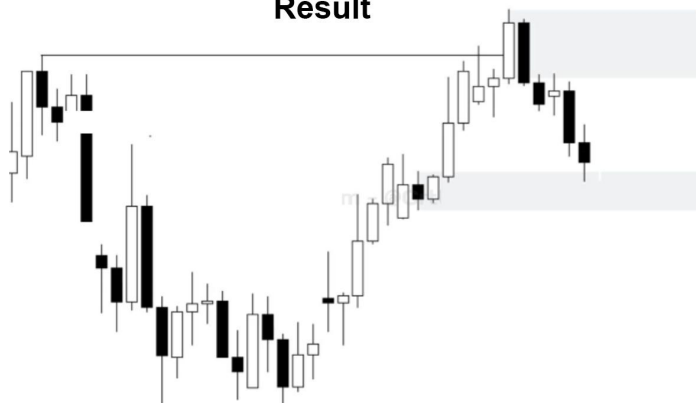
Naked Chart



Mark out key levels



Result



Example - 3

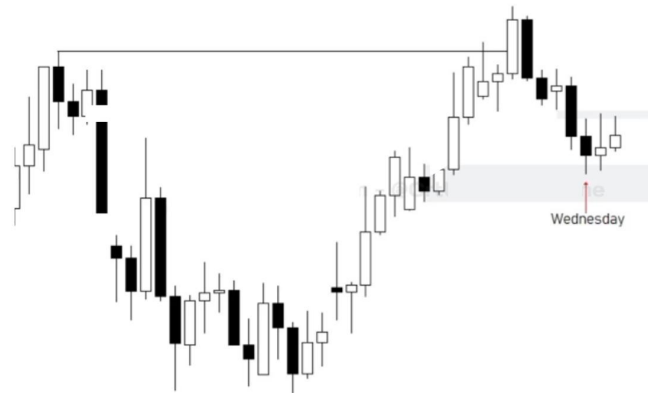
Naked Chart



Mark out key levels



Result



Example - 4



Intraday Profiles

- Intraday profiles are an advanced form of market profiles used to break down the daily candle's range into manageable segments, each with specific fractals.
- Intraday profiles only work when incorporated correctly with key levels and PD array matrix or dealing ranges.

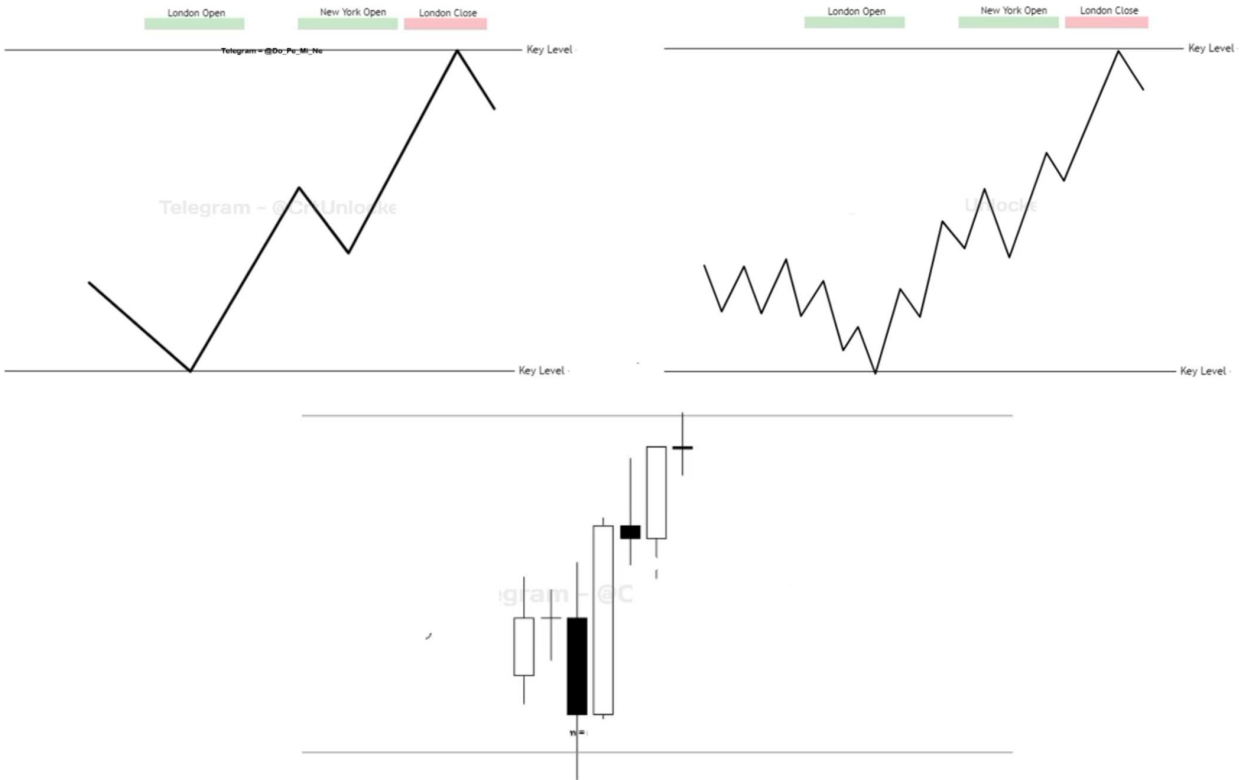
Intraday profiles assist you with:

- Understanding OHLC/OLHC of the daily candle.
- Breaking down the daily candle.
- Determining intraday session bias.
- Determining Intraday narrative.
- Identifying LTF draw on liquidity and targets.
- Understanding time.

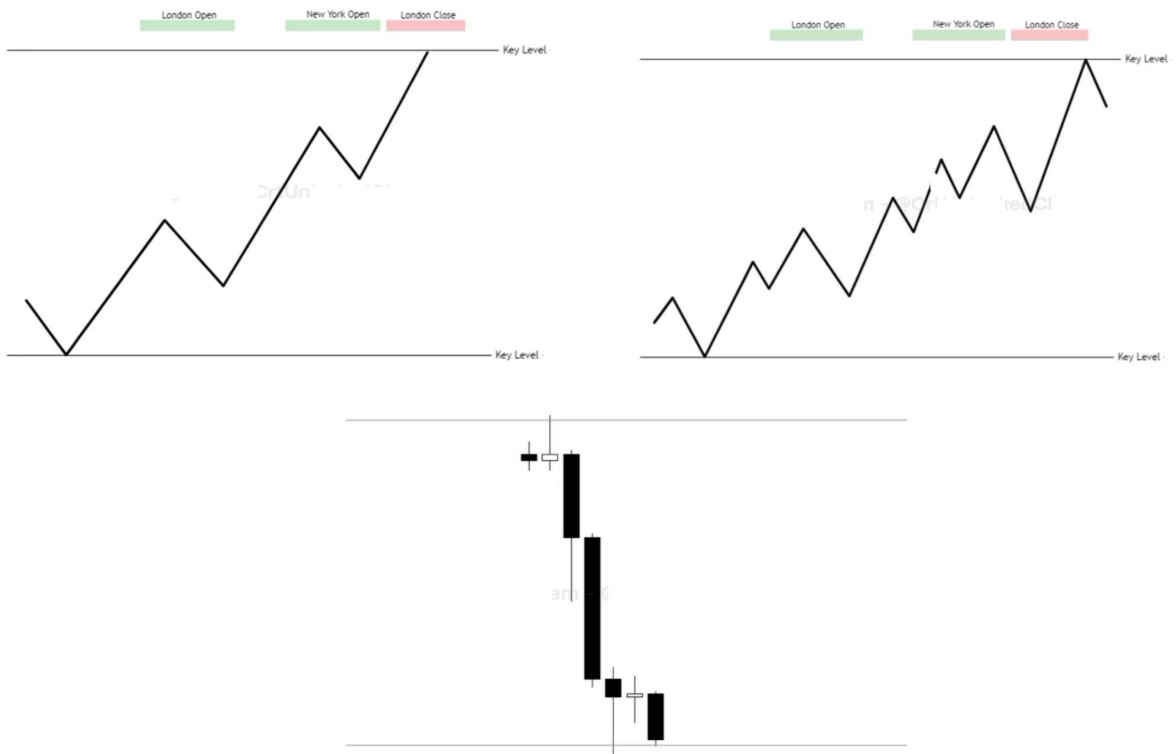
Important Intraday Profiles:

- Normal protraction profile.
- Delayed protraction profile.
- NY continuation.
- NY reversal.

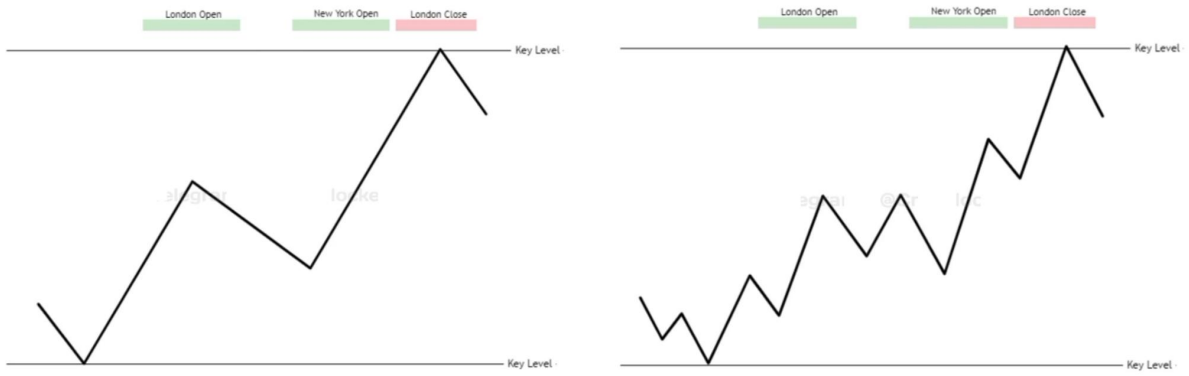
Normal Protraction Profile



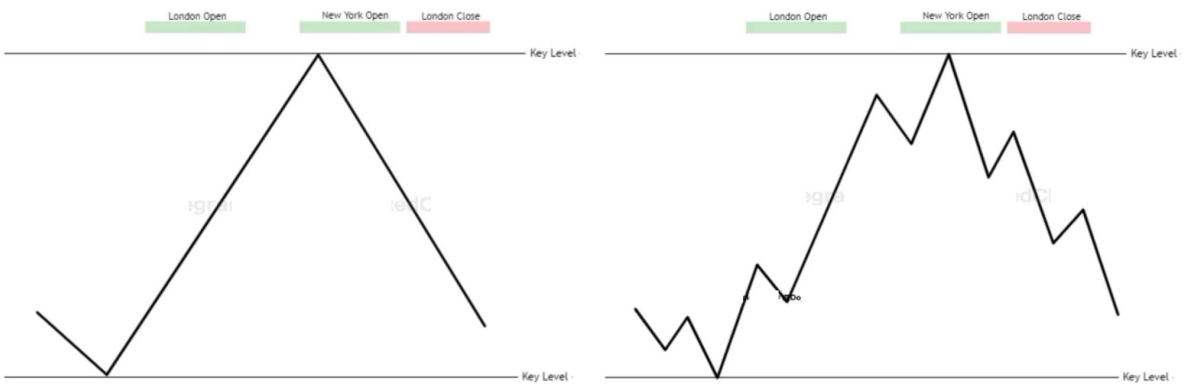
Delayed Protraction Profile



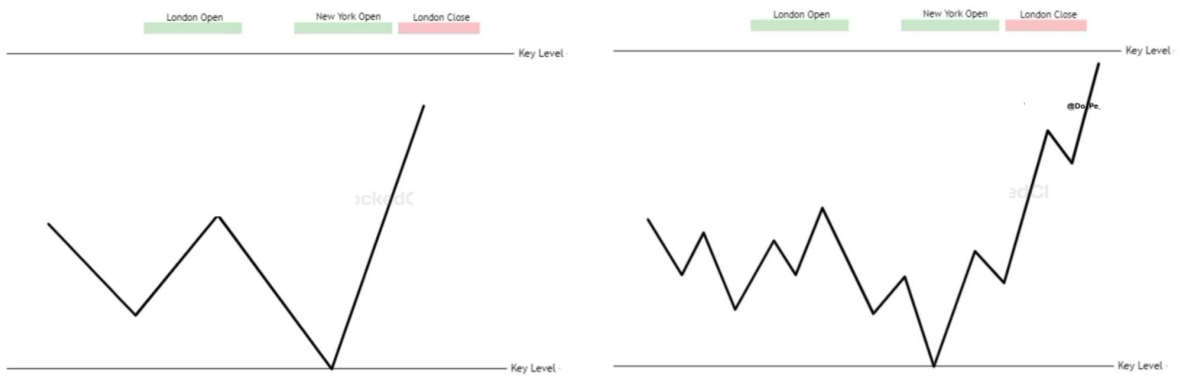
NY Protraction Profile



NY Reversal Profile - 1



NY Reversal Profile - 2



Example 1 - Normal Protraction



Example 2 - Normal Protraction / NY Continuation



Example 3 - Delayed Protraction / NY Reversal



Chapter 9

Advanced Market Structure

Market Structure:

- The framework within which price movements occur called market structure.
- Key elements of basic market structure includes just simple highs and lows.
- The concept of market structure is inherently “subjective” , serving primarily as a confluence for pre-existing ideas rather than as the main basis.

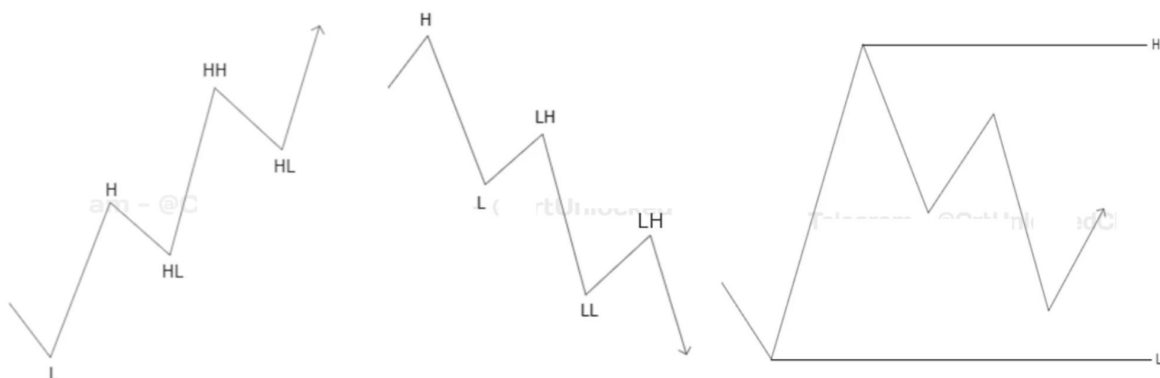
Basic Market Structure:

- Highs and Lows
- Used as a confluence, Not as the main basis for generating trading ideas.
- Enhancing perspective and view of the markets.
- Not significant but good to be aware of.

Uptrend

Downtrend

Range



Uptrend

Downtrend

Range

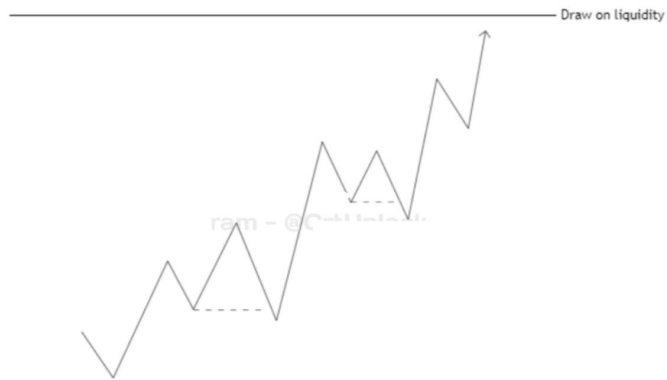
Advanced Market Structure:

- More refined and accurate perspective.
- Advanced market structure takes into account the breaking and rejection of highs and lows.
- It also incorporates other methods to measure and gauge market orderflow and structure, which are based on practical concepts rather than just unrealistic theory.

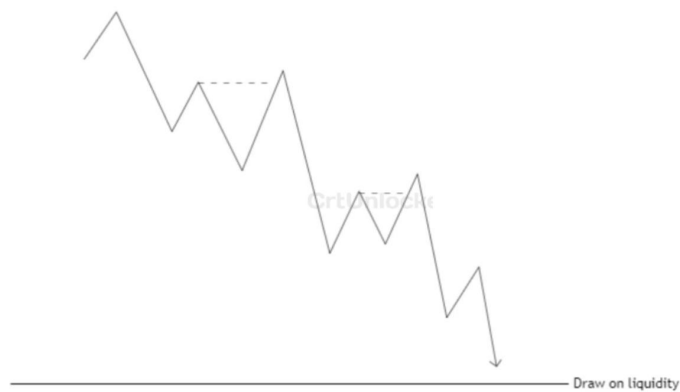
Uptrend - Price is in a bullish trend or uptrend when it is consistently breaking above highs and rejecting below lows.

Downtrend - Price is in a bearish trend or downtrend when it is consistently breaking below lows and rejecting above highs.

Bullish Trend - Draw on Liquidity = Higher

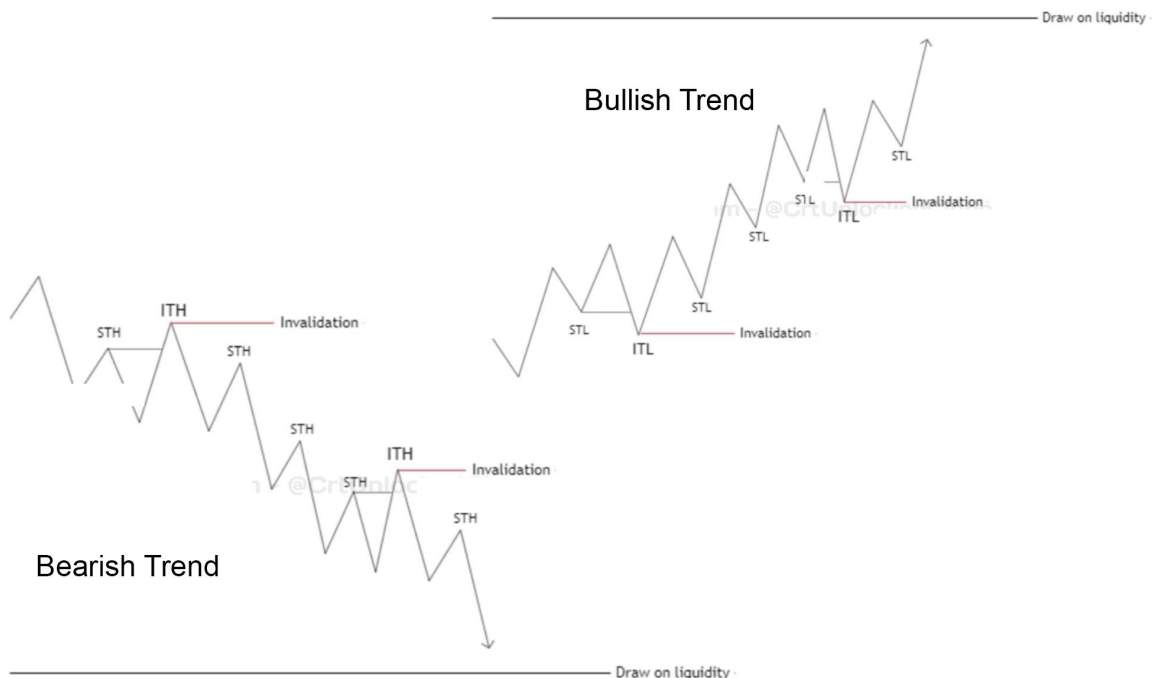


Bearish Trend - Draw on Liquidity = Lower



Advanced Market Structure:

- **Short term swings.**
 - STL (Short Term Low)
 - STH (Short Term High)
- **Intermediate term swings.**
 - ITL (Intermediate Term Low)
 - ITH (Intermediate Term High)



Advanced Market Structure:

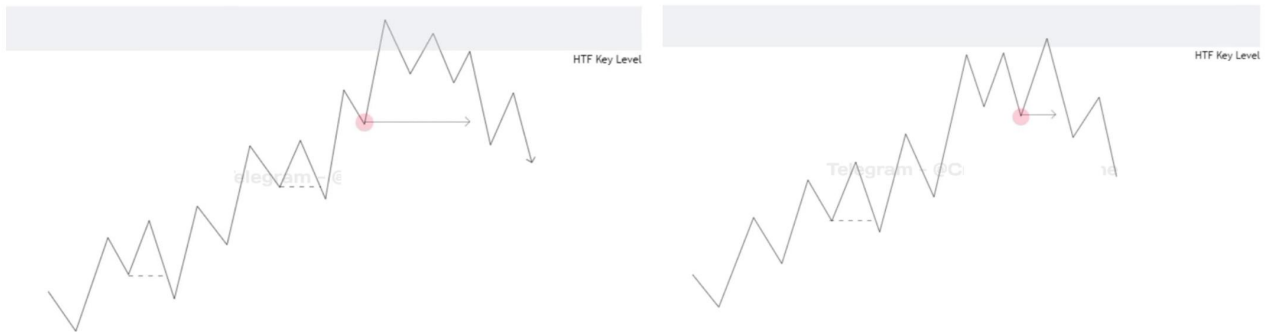
Prerequisites:

- Higher timeframe draw on liquidity on sync.
- Higher timeframe key levels.
- Key time and macros.

Bearish Structural Shift:

- When a low that breaks a high and leads the price to test a key level is broken, the structure changes and shifts to bearish.

Bearish Shift



Bullish Structural Shift:

- When a high that breaks a low and leads the price to test a key level is broken, the structure changes and shifts to bullish.

Bullish Shift



Example



Example



Important Points:

- Its only used as a confluence to gain conviction in analysis.
 - Its must never be used alone or as the main basis for analysis.
 - Used to gain a refine perspective over the structural aspect of charts.
 - Only use the advanced framework.
-
- I personally only use it for HTFs.
 - Intraday Trading = only H4
 - Swing Trading = only Daily.

Chapter 10&11

Range Trading

Range Dynamics:

- When price moves within a relatively fixed range (High and Low) over a period of time - It is said to be in a range or range bound conditions.
- Buy below the range low and sell above the range high.
- Trade only at the extremities of the range.

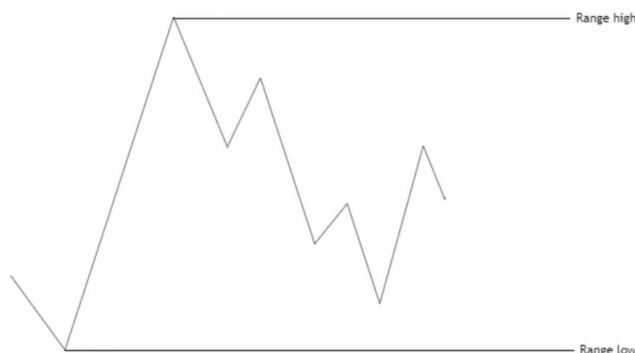
Type of Ranges

Typical Ranges: Range bound price movement stuck between a high and a low.

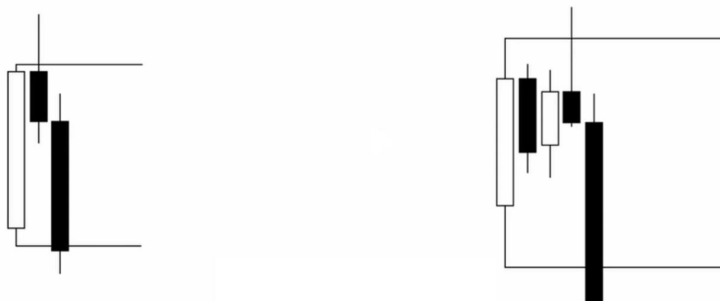
CRT Ranges: Higher timeframe candles in the form of ranges.

Time Ranges: Asian session range, Central bank dealers range, Monday's candle range etc.

Typical Ranges



CRT Ranges



Time Ranges

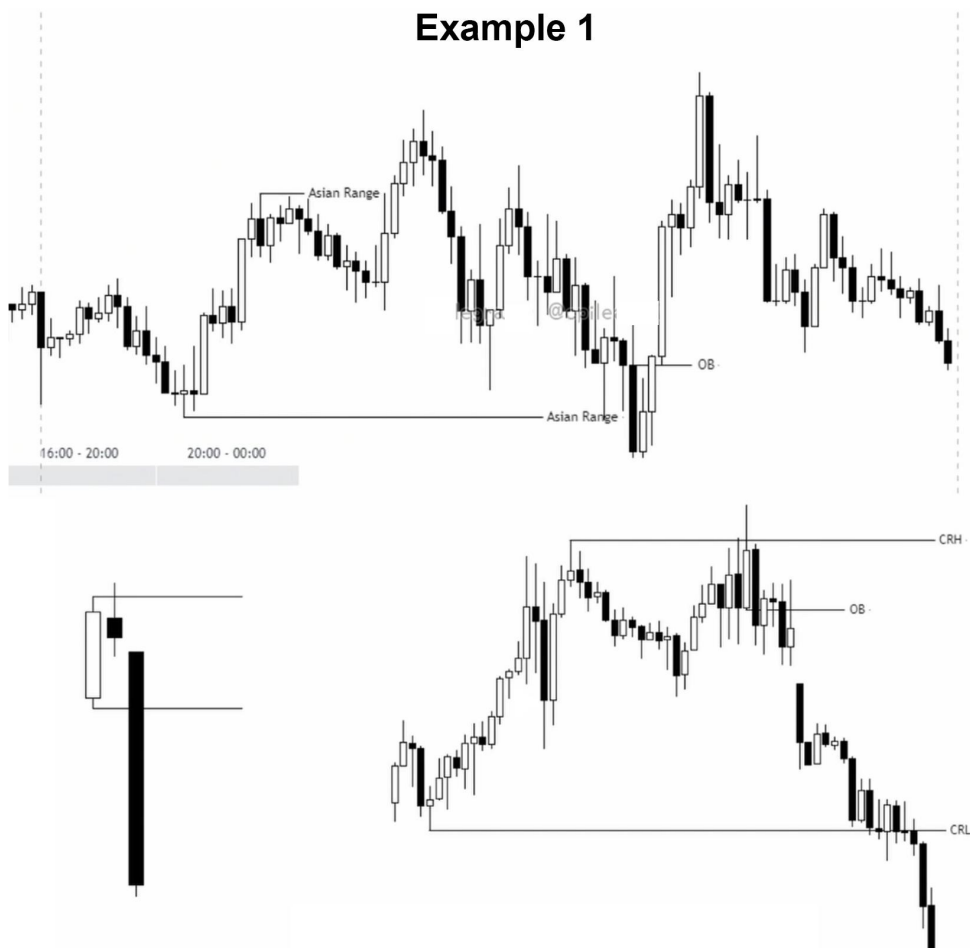


How to trade ranges?

Trading ranges is pretty simple - we've got the following protocols for it:

- Don't trade inside of ranges
- Buy the breakout of the low of the range.
- Sell the breakout of the high of the range.
- Target the 50% of EQL of the range.
- Wait for the purge/breakout at key time.
- Combine it with CRT.

Example 1



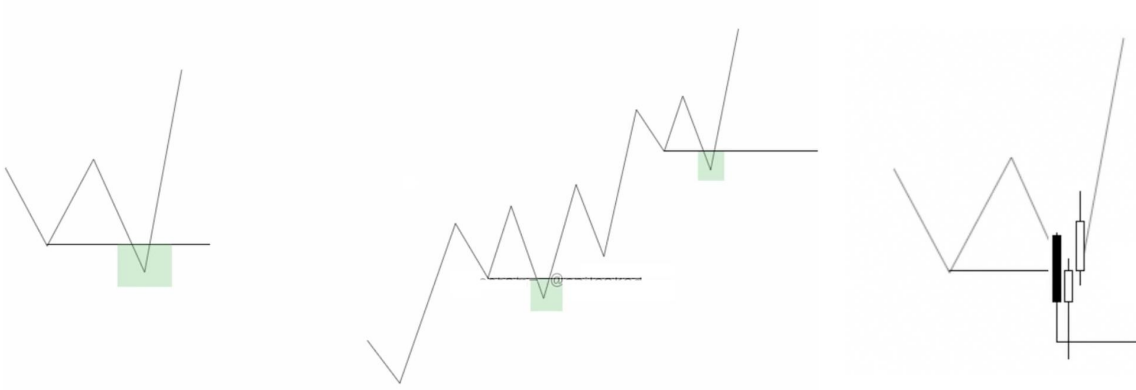
Turtle Soup

- Turtle Soup = False Breakout / Purge.
- The price move which takes out liquidity and manipulates retail traders.
- The move which deliberately push prices higher above old highs and below old lows with the goal of taking counter liquidity and filling up orders.

Bullish Turtle Soups

- False breakouts or purges below lows in a bullish market.
- Bullish turtle soup occurs when draw on liquidity is higher.
- always intergrate it with the other concepts and profiles.
- Combine it with CRT.

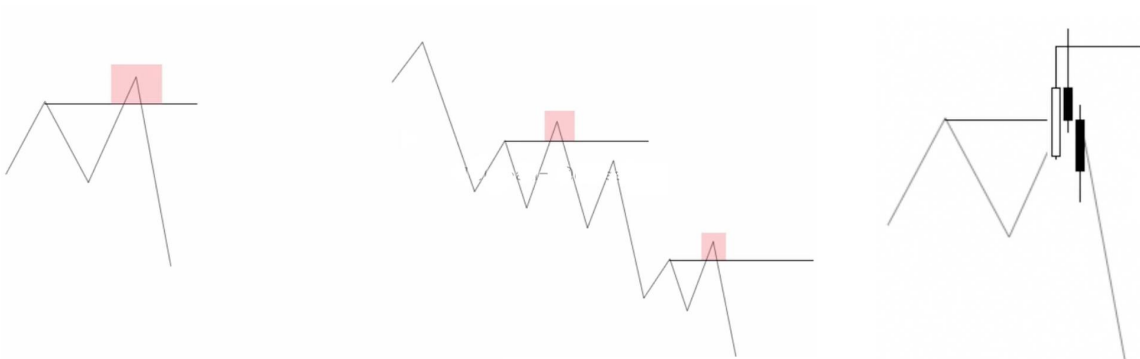
Bullish Turtle Soup



Bearish Turtle Soups

- False breakouts or purges below highs in a bearish market.
- Bearish turtle soup occurs when draw on liquidity is lower.
- Always integrate it with the other concepts and profiles.
- Combine it with CRT.

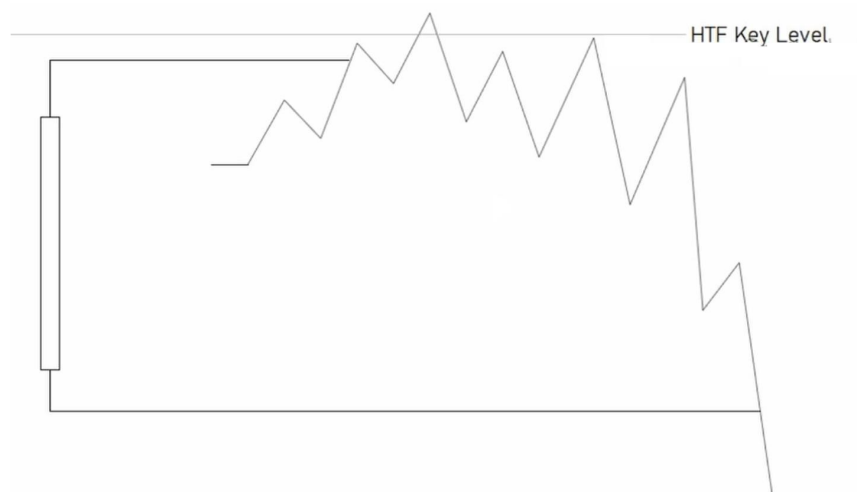
Bearish Turtle Soup



High Probability Turtle Soups

- Above or below CRT.
- At higher timeframe key levels.
- At key times.
- Previous day/week high or low.
- At distribution phase.

High Probability Turtle Soup



Chapter 12

OHLC / OLHC

OHLC / OLHC

- OHLC stands for Open, High, Low and Close.
- This concept is used to breakdown a single candle to multiple dynamic phases or sequences.
- It helps in developing anticipatory skills.
- OHLC is used as a framework for understanding how market makers influence price action or movement in the markets.

- Proper development of price anticipatory skills.

- Developing a liquidity-based perspective:

1. Engineering Liquidity

2. Neutralizing Liquidity

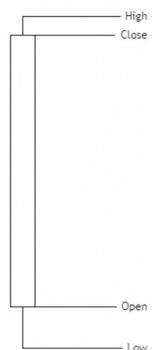
3. Order Pairing

- Used in conjunction with market profiles, key levels, dealing range and so on.



OLHC (Open, Low, High, Close)

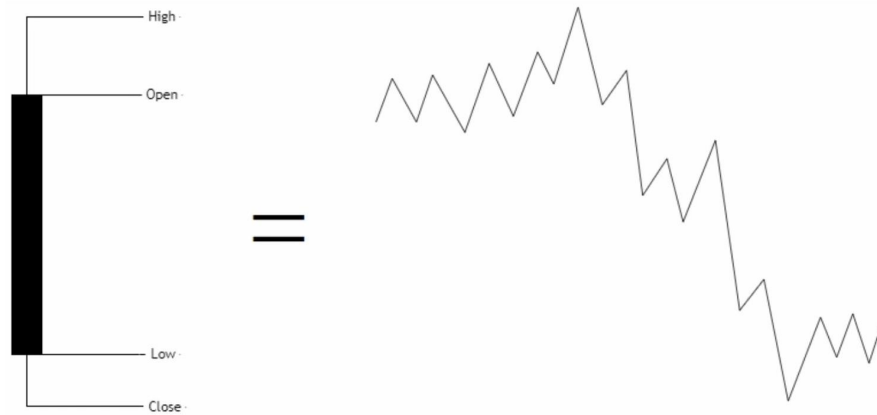
- Open - Range
- Low - Manipulation
- High - Expansion
- Close - Range
- Open - Generating Liquidity
- Low - Purging Liquidity
- High - Neutralizing Liquidity
- Close - Reset



OHLC (Open, High, Low, Close)

- Open - Range
- High - Manipulation
- Low - Expansion
- Close - Range

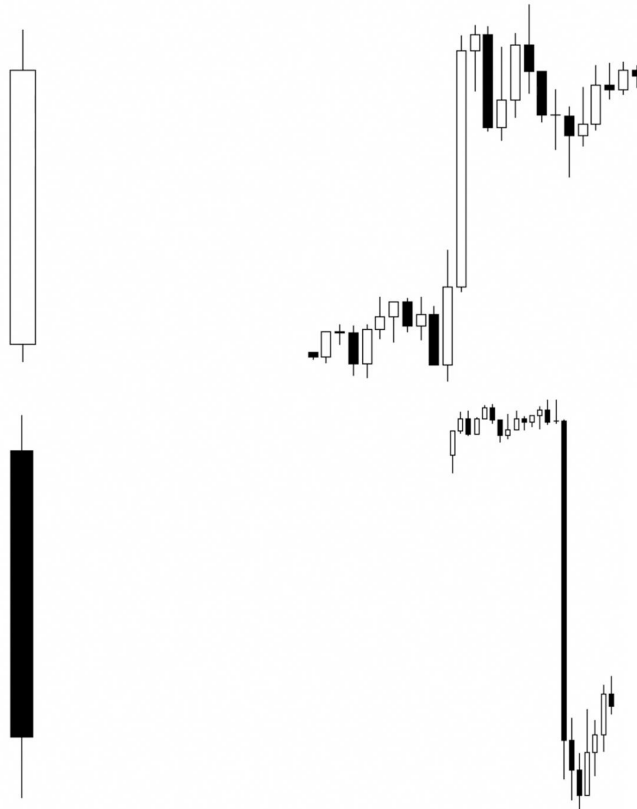
- Open - Generating Liquidity
- High - Purging Liquidity
- Low - Neutralizing Liquidity
- Close - Reset

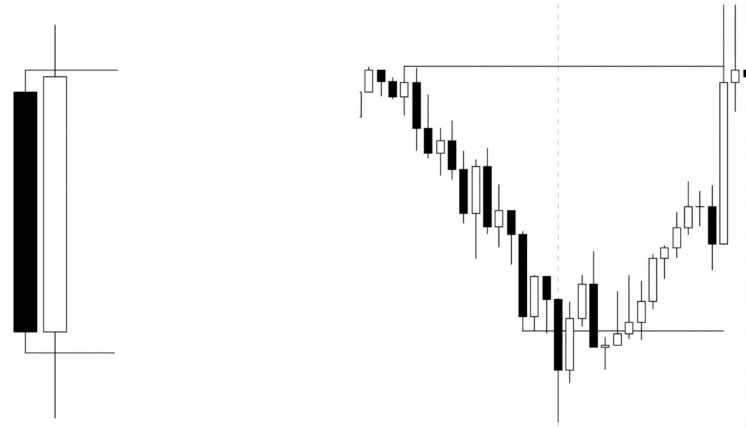


Integrating OHLC/OLHC

- The open of the candle most of the time starts with a ranging profile.
- The high/low during the manipulation profile always tests a HTF key level.
- The expansions occurs towards an opposing HTF key level.
- The close of the candle acts as a reset.

Examples

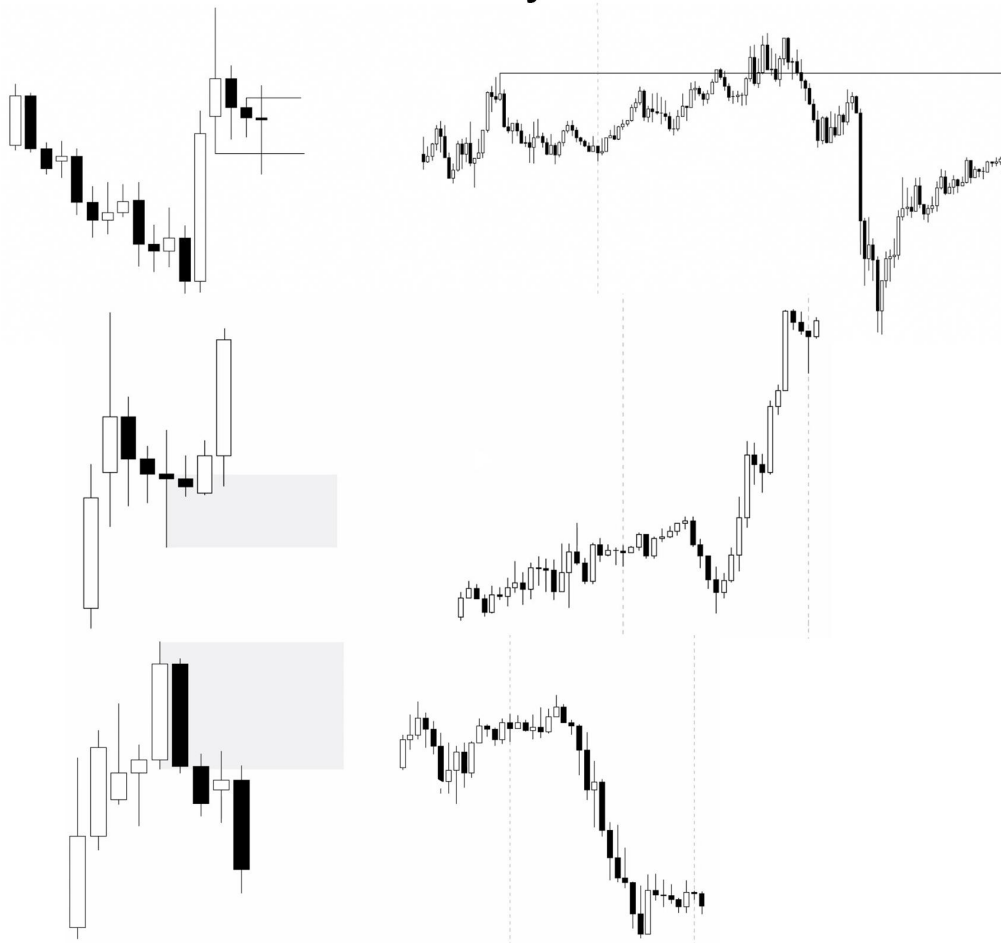




Developing Anticipatory Skills:

- How to combine OHLC with key levels and accurately anticipate price action on the HTF and LTF.
- How to accurately integrate market profiles.
- How to probe orderflow through OHLC.
- How to use it as a filter.

OLHC + Key Levels



Developing Anticipatory Skills:

- Don't trade right away after OPEN
- Always wait for price to form the HIGH/LOW of the candle at a HTF key level before trading it.
- Following the above two rules will make sure you only catch high probability trade ideas.
- Always partial or get out as soon as an opposing key level is reached.

Chapter 13

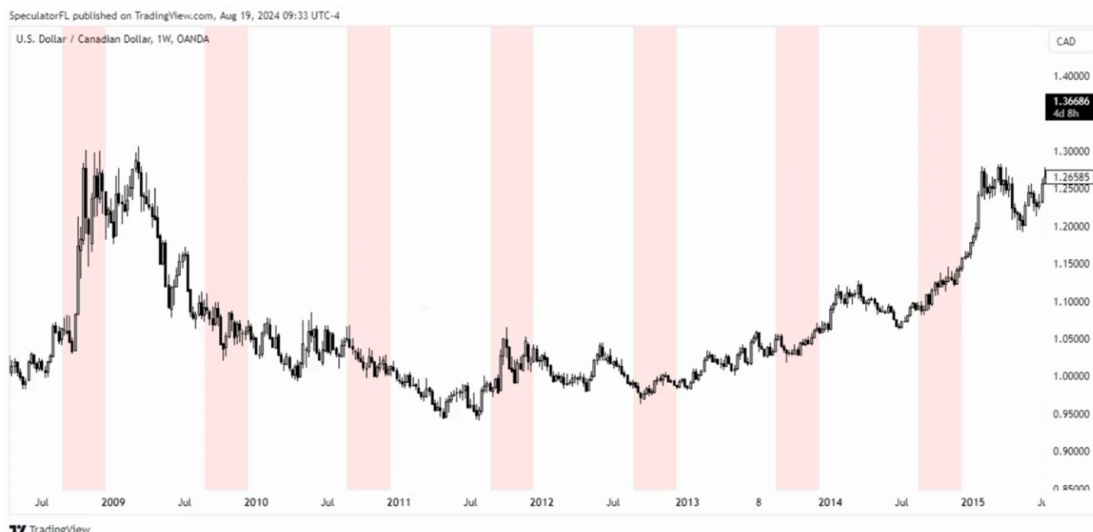
Seasonal Tendencies

Seasonal Tendencies:

- Seasonal tendencies is essentially a roadmap of past performances.
- Seasonal tendencies should never be viewed as a universal remedy for time or a be-all end end-all concept.
- Used as a confluence to add more conviction to your higher timeframe analysis.
- A huge sample size of data of the last 15 - 40 years.



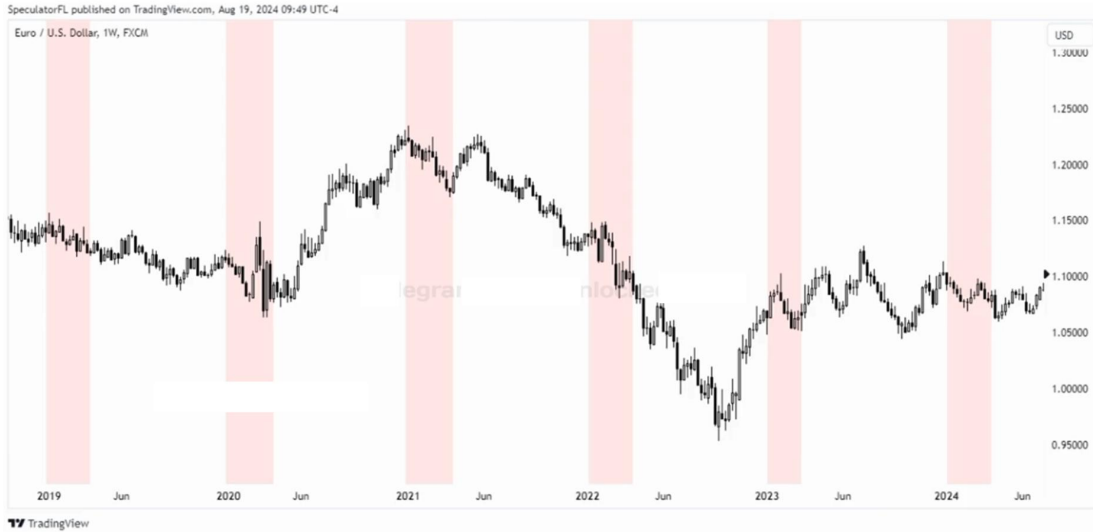
Using Bullish Seasonal Tendencies in HTF Analysis





Using Bearish Seasonal Tendencies In HTF Analysis

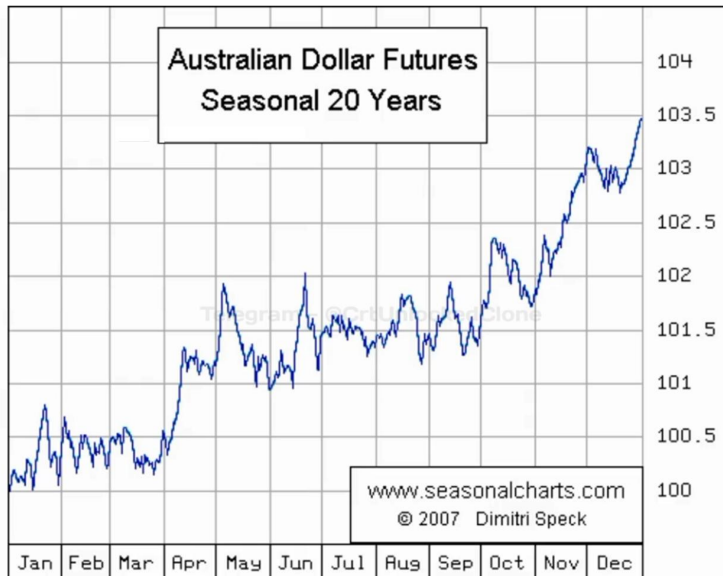




Seasonal Tendencies:

Bullish Ideas

- Combine bullish supporting ideas like higher-timeframe bullish key levels, dealing reanges, and turtle soups during bullish seasonal period, and they'll outperform almost everything.
- Don't just buy because of a bullish seasonal tendency wait for the right opportunity.





Seasonal Tendencies:

Bearish Ideas

- Combine bearish supporting ideas like higher-timeframe bullish key levels, dealing reanges, and turtle soups during bearish seasonal period, and they'll outperform almost everything.
- Don't just sell because of a bearish seasonal tendency wait for the right opportunity.



Chapter 14

SMT Divergence

SMT Divergence

- SMT Divergence Introduction.
- Symmetrical and Non-symmetrical markets.
- Combination of pairs/assets for SMT Divergence.
- Finding high probability SMT Divergence. (False & True)
- Important points.
- Examples

Introduction

- Discrepancies between correlated markets or instruments are called divergences.
- Identifying divergences at key areas and key intervals with the help of ICT concepts is called SMT divergences.
- SMT divergences signal potential continuation and reversals in the markets.
- SMT divergences are used as a confluence for the already pre-existing ideas and frameworks.

Symmetry & Non-symmetry

- Symmetrical market conditions occur when two correlated assets or instruments move in complete symmetry, consistently forming the same market structure and orderflow - This often leads to the continuation of price movement.
- In contrast, non-symmetrical market conditions arise when correlated assets or instruments move in a non-symmetrical market structure, with highs and lows occurring in a non-uniform manner. This suggests non-symmetrical conditions, which may eventually lead to a potential reversal in the markets.

Symmetrical Conditions

In symmetrical conditions:

**When DXY makes a lower low,
Foreign currency makes a higher high.**

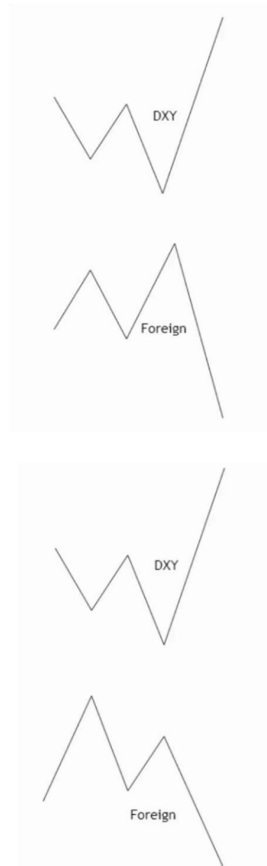
This confirms current price action and the underlying “orderflow” is likely to continue.

Non-symmetrical Conditions

In non-symmetrical conditions:

**When DXY makes a lower low,
Foreign currency fails to trade higher
than the previous high - This is SMT DVG.**

This does not confirm current price action and the underlying “orderflow” is not likely to continue - Reversal is likely.



Combination of Assets for SMT

Forex Currency Pairs for SMT Divergence:

- EUR/USD and GBP/USD
- EUR/USD and DXY
- USD/JPY and USD/CHF
- AUD/USD and NZD/USD

Other Combinations:

- Bitcoin (BTC/USD) and Ethereum (ETH/USD)
- Gold (XAU/USD) and the US Dollar Index (DXY)
- Gold (XAU/USD) and Silver (XAG/USD)
- ES and NQ

Finding High Probability SMT DVG

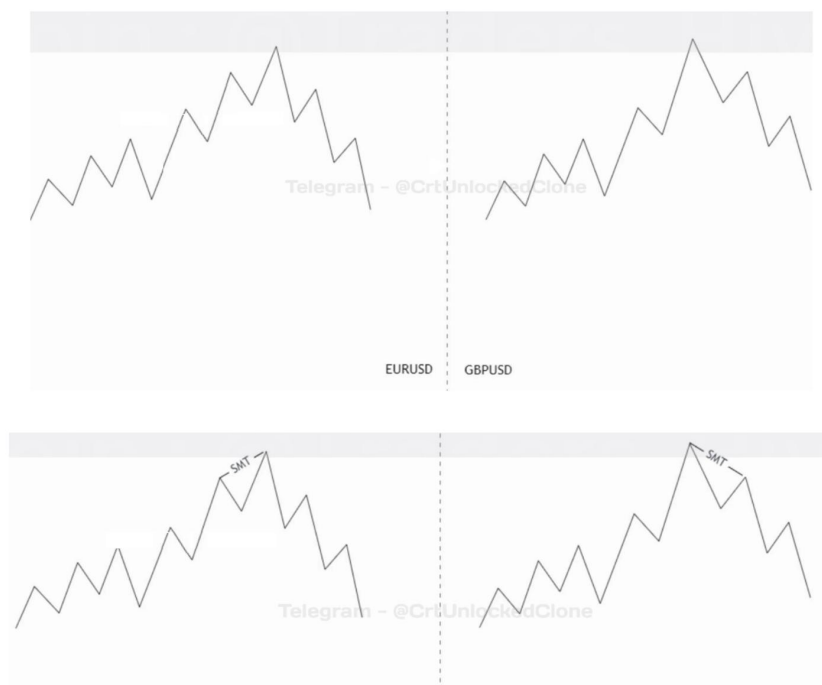
- SMT divergences occur and form on every timeframe and literally ever hour. However, there are both true and false SMT divergences. If you trade every SMT divergence, you're likely to end up losing everything.
- That's why we use certain filters to eliminate false SMT divergences and focus only on High-probability SMT divergences.
- We'll discuss these filters here.

Filtering SMT Divergences

Important filters for identifying High Probability SMT Divergences:

- SMT divergences formed at higher timeframe key levels.
- SMT divergences formed at CRT highs/lows.
- SMT divergences formed at key times. (Important)
- SMT divergences formed at previous day/week highs and lows.
- SMT divergences formed at key market structures.
- SMT divergences formed at key market profiles.

SMT Divergence



EURUSD



GBPUSD

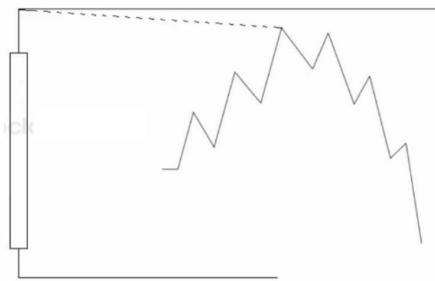
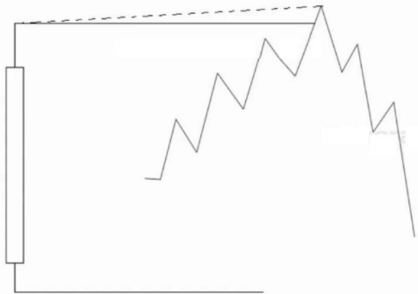


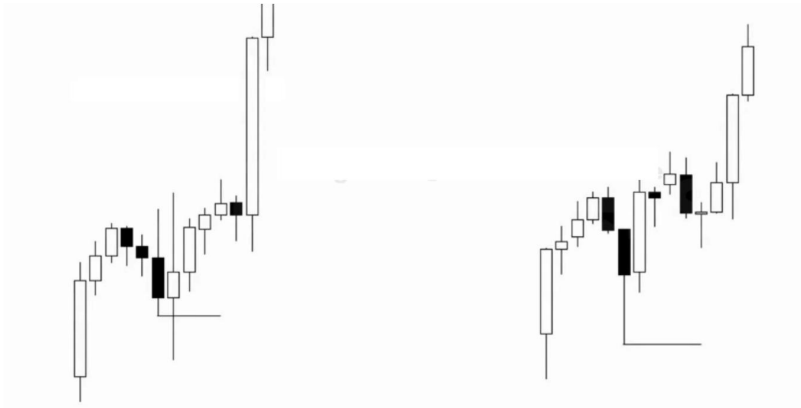
Correlating Assets

5 AM EST



5 AM EST





SpeculatorFL published on TradingView.com, Aug 30, 2024 08:13 UTC-4
 SBP 500 E-mini Futures, 1D, CME



SpeculatorFL published on TradingView.com, Aug 30, 2024 08:16 UTC-4
 SBP 500 E-mini Futures, 1W, CME





Important Points

- SMT divergences should only be used as a confluence for pre-existing ideas.
- Identify and trade SMT divergences only at key levels and key times.
- Avoid trading false SMT divergences in random places.
- SMT divergences should never be used as the predominant concept to generate ideas.
- The best SMT are formed at key times, in the direction of the higher timeframe draw on liquidity.

MINI CHAPTER

Weekly Performance Reviews

Weekly Performance Reviews:

- Weekly Performance Reviews (WPR) are conducted to assess the performance of both your model and yourself.
- WPRs are carried out to evaluate how well you have followed your plan throughout the week.
- WPRs are done at both amateur and professional levels, each with its specific purposes.
- WPR is an integral part of trading.

At Amateur Level

- WPRs are conducted to gather data about your model to calculate key metrics, such as the number of trades per week, win rate (WR), average risk-reward ratio (RR), and more.
- With the help of WPRs, you can perform comparative analysis between different models to determine which one is better.
- WPRs help you identify the trading style and entry models that suit you best.
- WPRs enable you to measure and compare the performance of different models.

At Professional Level

- WPRs are used to measure the performance of your model throughout the week.
- WPRs are used to assess your performance by comparing your executions with your model's performance using a metric called the Execution Consistency Ratio (ECR).
- WPRs help keep you aligned with your goals and maintain self awareness and consciousness.
- WPRs assist in making necessary adjustments to your model.

Execution Consistency Ratio (ECR)

- ECR was invented by Sham through my own research and discoveries while mastering the art of self-evaluation, self-review, and performance reviews.
- ECR is a technical metric used in WPRs to gauge and assess your performance compared to your model's performance.
- It is essentially a metric for measuring consistency.
- ECR is measured in percentages or ratios, with a higher percentage indicating greater consistency.
- A 1:1 ratio or 100% ECR suggests you are 100% consistent, whereas anything below that indicates inconsistency.

Process of Doing WPRs

- A WPR consists of three parts.
- The first part involves gathering data on the performance of your model and trading system.
- The second part focuses on collecting data on your own performance, including your executions and the types of trade you took.
- The third part involves performing a comparative analysis between your model's performance and your own, and then determining the Execution Consistency Ratio (ECR).

Process of Doing WPRs: First Part

- Record the number of trades your MODEL offered.
- Note the number of losses and wins the MODEL produced.
- Calculate the win rate.
- Calculate the average RRR.
- Record absolute drawdown.
- Record relative drawdown.
- Calculate the PnL.

Process of Doing WPRs: Second Part

- Record the number of trades YOU executed.
- Note the number of losses and wins YOU took.
- Calculate the win rate.
- Calculate the average RRR.
- Record absolute drawdown.
- Record relative drawdown.
- Calculate the PnL.

Process of Doing WPRs: Third Part

- The third part involves conducting a comparative analysis between your model's performance and your own execution and performance.
- You will compare all the metrics against each other.
- For example, compare how many trades your model offered versus how many you executed.
- Compare how many wins your model produced versus how many you executed.
- Do the same analysis for losses and the other metrics.
- This analysis will provide data showing how much you deviated from your model and how consistently you followed it.
- Also, you will note and record if there were any extra, invalid losses that you experienced but your model did not suggest.
- Similarly, you will record any winning trades that your model offered but you did not execute.

It would look something like this:

Models Performance:

- Trades= 4
- Wins = 2
- Losses = 2
- WR = 50%
- RRR = 2R Average
- AD = -1R
- RD = -1R
- PnL = +2R

Your Performance:

- Trades= 5
- Wins = 2
- Losses = 3 (1 Invalid Loss)
- WR = 40%
- RRR = 2R Average
- AD = -2R
- RD = -1R
- PnL = +1R

After that, you will calculate the Execution Consistency Ratio (ECR) based on this data.

To calculate ECR, on the following formula:

$$ECR = \frac{(\text{Number of trades your model offered})}{(\text{Number of valid trades you executed}) + (\text{Number of invalid losses}) + (\text{Number of invalid wins}) + (\text{Number of valid wins not executed}) + (\text{Number of valid losses not executed}) + (\text{Number of trades your model offered} - \text{Number of valid trades you executed from your model})}$$

$$ECR = \frac{4}{(4) + (1) + (0) + (0) + (0) + (4-4)}$$

$$ECR = 80\%$$

After calculating the ECR, you will end up with a percentage that helps you measure your performance:

- **ECR of 100%:** Excellent consistency or fully consistent.
- **ECR between 70% and 100%:** Good consistency or decently consistent.
- **ECR below 70%:** Below average consistency.
- **ECR below 50%:** Poor consistency.
- **ECR below 40%:** Consider quitting trading.

Example

Model's Performance:

- Trades = 6
- Wins = 4
- Losses = 2
- WR = 66%
- RRR = 2R Average
- AD = -2R
- RD = -2R
- PnL = +6R

Your Performance:

- Trades = 4
- Wins = 2
- Losses = 2
- WR = 50%
- RRR = 2R Average
- AD = -2R
- RD = -2R
- PnL = +2R

$$ECR = (6) / (4+0+0+2+0+[6-4])$$

$$ECR = 75\% \text{ (Decently Consistent)}$$

Model's Performance:

- Trades = 5
- Wins = 2
- Losses = 3
- WR = 40%
- RRR = 2R Average
- AD = -1R
- RD = -2R
- PnL = +1R

Your Performance:

- Trades = 7
- Wins = 2
- Losses = 5
- WR = 28%
- RRR = 2R Average
- AD = -2R
- RD = -3R
- PnL = -1R

$$ECR = (5) / (5+2+0+0+0+[5-5])$$

$$ECR = 70\% \text{ (Below Average Consistent)}$$

Model's Performance:

- Trades = 6
- Wins = 4
- Losses = 2
- WR = 66%
- RRR = 2R Average
- AD = -1R
- RD = -1R
- PnL = +6R

Your Performance:

- Trades = 8
- Wins = 3
- Losses = 5
- WR = 37%
- RRR = 2R Average
- AD = -2R
- RD = -2R
- PnL = +1R

$$\text{ECR} = (6) / (5+3+0+1+0+[6-5])$$

ECR = 60% (Below Average Consistency)

Model's Performance:

- Trades = 3
- Wins = 2
- Losses = 1
- WR = 66%
- RRR = 2R Average
- AD = -1R
- RD = -1R
- PnL = +3R

Your Performance:

- Trades = 3
- Wins = 2
- Losses = 1
- WR = 66%
- RRR = 2R Average
- AD = -1R
- RD = -1R
- PnL = +3R

$$\text{ECR} = (3) / (5+0+0+0+0+[3-3])$$

ECR = 100% (Excellent Consistency)

Chapter 15 & 16

Quarterly Shifts and IPDA

Quarterly Shifts

A quarterly shift is not a standalone concept: rather, it is an idea/tool that can be used in conjunction with other higher timeframe concepts, such as seasonal tendencies, dealing ranges, or IPDA, to gain conviction in our analysis or generate new higher timeframe ideas or biases.

- The core idea of a quarterly shift is that every 3-4 months, there is a significant structural change in the markets.
- This concept also suggests that a market operates within a particular profile for a maximum of 3-4 months, after which it transitions into a different market profile with a new structural orderflow.
- These 3-4 month periods are not based on calendar months (e.g., starting in January) but instead begin from the most recent month when the new structure or market profile emerged.

Core Idea of Quarterly Shifts

The primary belief behind a quarterly shift is that, approximately every 3-4 months, markets undergo a major structural change. This doesn't mean the market resets, but rather that there is a noticeable transformation in the market's structure or the orderflow.

- Anticipating changes in market profiles or orderflow.
- Enhanced decision making about structure.
- Timing and identifying profiles or trends.

Market Profiles and Major Structural Changes:

Each 3-4 month period is marked by a dominant market profile or structure. During this time, the market typically behaves in a certain predictable way, with its price action and order flow aligning within that structural framework.

After the 3-4 month period, the market tends to transition into a new profile, leading to different price behaviors and structural characteristics.

Not Linked to Calendar Quarters:

It's important to note that these quarterly shifts do not follow calendar months (such as starting in January, April, etc.). Instead, they are tied to when the most recent structural or market profile change occurred.

For example, if a new market structure or orderflow begins in February, the next shift could happen around May or June. This flexible timing is based on when a notable market transition is observed rather than adhering to fixed quarterly boundaries.

Application with Other Concepts

The idea of quarterly shifts becomes more powerful when paired or integrated with other higher timeframe concepts.

- For instance, seasonal tendencies can provide insight into expected market behavior at certain times of the year, while quarterly shifts may signal when these tendencies are starting to assert themselves more strongly.
- IPDA framework can offer a better understanding of the underlying liquidity conditions.
- SMT Divergences... Important.

Quarterly Shifts

- If an asset has been in a specific market profile, such as consolidation, for the 3-4 months, you can anticipate an expansion profile over the next 3-4 months.
- Similarly, if the market has been in an uptrend or showing bullish orderflow over the past few months you could expect a shift towards bearish or ranging orderflow in the upcoming months.
- If the market has experienced bearish orderflow for the past four months, but shifted to bullish orderflow last month, then you can anticipate continued bullish orderflow for this month and the next, signaling a bullish quarter.

Importance and benefits

Higher Timeframe Draw on Liquidity:

- Helps in identifying the higher timeframe draw on liquidity.

Narrative and Bias:

- Aids in building a clearer and sharper narrative and directional bias.

Integration

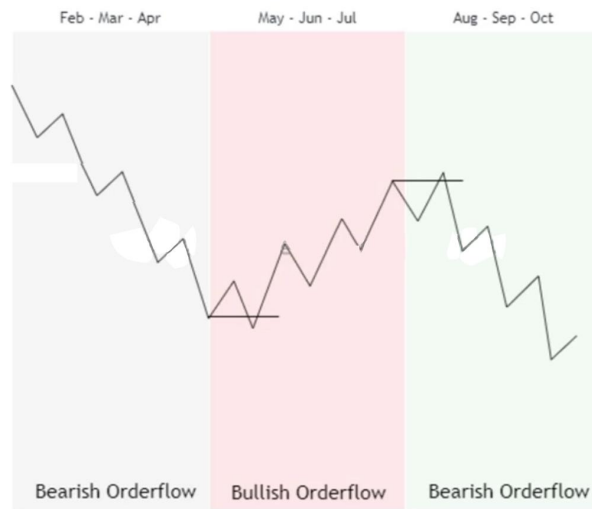
Quarterly shifts must be combined with other higher timeframe concepts such as seasonal tendencies, dealing ranges, key levels, and SMT - This creates a sharper narrative and helps in identifying a strong directional bias:

- Market Profiles and Orderflow
- Seasonal Tendencies
- Key Levels
- SMT Divergences
- Dealing Ranges

Quarterly Shifts + Market Profiles and Orderflow:

- Every 3-4 months, expect a major shift in market profiles and orderflow, following basic principles from the initial chapters.
- A bearish orderflow often signals a bullish next quarter, and vice versa.
- After a quarter of consolidation, anticipate an expansion profile in the following months.
- An expansion in the previous quarter may lead to a reversal or ranging profile in the next following months, depending on key levels and dealing ranges.





Quarterly Shifts + Seasonal Tendencies:

Combining seasonal tendencies with quarterly shifts is my favorite and, in my opinion, the best approach.

- For example, you can align bullish seasonal tendencies and periods with bullish quarters. If the last 3-4 months have been bearish but this month is seasonally bullish, then you might anticipate a bullish quarter in the upcoming months.
- Vice versa and so on.



Quarterly Shifts + SMT Divergence:

- Quarterly shifts are most effective when combined with seasonal tendencies and SMT Divergence.
- You will often notice that a quarterly shift occurs alongside an SMT Divergence.
- The most significant quarterly and structural shifts can be captured when an SMT Divergence is present.
- For example, if the last quarter or 3-4 months have been bearish and you observe a significant monthly and weekly SMT Divergence at the end of that period, you can reasonably expect the next few months to shift structurally to bullish.



Quarterly Shifts + SMT Divergence + Seasonal Tendencies + Market Profiles + Keylevels + Dealing Ranges:

- Now, imagine combining all of these elements into such a cohesive foundation.
- By doing so, you'll make sure to consistently position yourself on the right side of the markets and always maintain a strong directional bias.
- This approach will help you build the most accurate higher timeframe narrative.

Intergration

IF:

- Last 3-4 months were bearish.
- Last 3-4 months had an expansion profile.
- There is a major SMT divergence.
- The new few months are seasonally bullish.
- We have tested a discount key level.

THEN:

- You can reasonably anticipate a reversal profile with bullish price action and orderflow over the next few months.

Chapter 17

Time

Time:

ICT and CRT based trading relies on two integral components: **Time and Price**

- All these concepts revolve around the relationship between price and time.
- To achieve greater accuracy and precision, it is essential to be well-versed in both aspects and understand how to integrate them logically.
- Time is often considered even more important than price.

Time and Price Theory

Price:

- Market Profiles
- Key Levels
- Dealing Ranges
- CRT
- Turtle Soup
- SMT Divergence
- Power of Three
- Market Maker Models

Time:

- Kill-zones
- Quarterly Shifts
- Seasonal Tendencies
- Day of the Week
- Time of the Day (Key Times)
- OHLC
- Timeframe Selection
- Intraday Profiles
- Weekly Profiles

Integration: Combining Time & Price in a logical fashion around a logical framework.

Importance of Time:

The most significant moves and expansions happen at key times of the year, key times of the week, and key times of the day.

- Understanding time ensures you catch these expansions and avoid low-probability conditions.
- Time is a great tool for building sharp and clear narratives.
- Time also confirms the validity of concepts like SMT Divergence, Weekly Profiles, Intraday Profiles, Turtle Soup, CRT or its purges.
- Time acts as a powerful filter, helping you sift out lower-probability conditions and focus only on higher-probability ones.
- Time also serves as a major confluence for generating trading ideas.





Kill-Zones and Key Times

Yearly: Seasonal Tendencies and Quarterly Shifts

- Key times of the year for expansions and significant moves are determined by analyzing seasonal tendencies, aligning them with quarterly shifts, and checking for major SMT divergences.
- This approach will help you identify the best times for expansions and those you should avoid.

Monthly: OHLC, AMD and Power of 3

- Key times of the month for expansions and significant moves can be identified using AMD, OHLC, and the PO3.
- Week 1 is usually used for generating liquidity and is often a ranging profile or consolidation.
- Week 2 typically involves either manipulation or expansion, based on dealing ranges and key levels.
- Week 3 generally is the distribution or expansion candle, where the most significant moves occur.
- Week 4 can be a continuation, reversal or resetting phase, depending on key levels and draw on liquidity.

Weekly: OHLC, AMD and Weekly Profiles

- Key times of the week or specific days of the week where significant moves or expansions occur can be identified using the framework of weekly profiles, key levels, and OHLC.
- It follows the same basic principles as the monthly framework; you just need to integrate everything appropriately.

For Forex

Asian Sesion =	20:00 - 00:00	Important refined key times:	
London Open =	02:00 - 05:00		03:00 - 04:00
London Lunch =	05:00 - 07:00		06:00 - 07:00
New York Open =	07:00 - 10:00		08:30 - 09:30
London Close =	10:00 - 12:00		10:00 - 11:00

Eastern Standard Times (EST)

For Indices

Asian Sesion =	20:00 - 00:00	Important refined key times:	
London Open =	02:00 - 05:00		03:00 - 04:00
New York AM =	08:30 - 11:00		06:00 - 07:00
NewYork PM =	13:30 - 16:00		08:30 - 09:30
			10:00 - 11:00

Eastern Standard Times (EST)

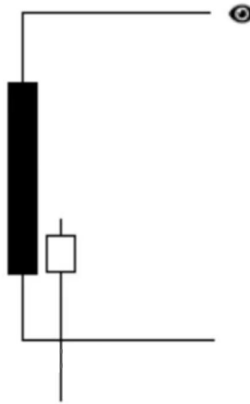
Chapter 18

Draw on Liquidity

Draw on Liquidity

Draw on liquidity, or directional bias, is about understanding where the market is likely headed and identifying the most probable price targets based on the timeframe you're analyzing.

- This is the **most important aspect** of your analysis and should be your **first priority** in trading.
- Every other idea, trade setup, and narrative revolves around having a clear understanding of the market's draw on liquidity or directional bias.
- Without knowing the correct draw on liquidity, you're simply pattern trading, which is the worst approach.

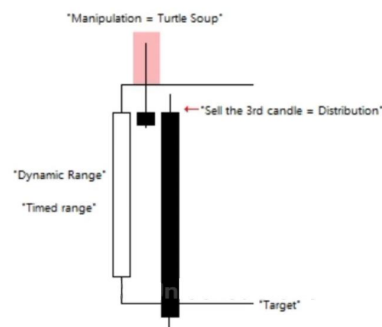


Importance of Draw on Liquidity

- The first and most crucial importance of draw on liquidity is that it helps you understand what the market **wants to do** and where it's likely headed, rather than where you want it to go. This removes emotional and sentimental biases, keeping your approach focused, mechanical and objective.
- With the correct draw on liquidity, you'll **always be correctly aligned with the market**, significantly improving your trading decisions.
- Knowing the draw on liquidity or directional bias **increases your odds** of success and boosts your win rate since you're trading in the direction the market is already leaning toward.
- It acts as a **filter**, allowing you to focus only on trade in one particular direction until the directional bias shifts.
- It helps you **avoid unnecessary setups** that might look appealing but go against the market's natural flow, saving you from potential losses.
- Draw on liquidity enables you to **scale into positions** more confidently, knowing that you're trading with the market's orderflow.
- It simplifies the **decision-making process** by reducing the number of conflicting signals, allowing you to act with clarity and conviction.

Types of Draw on Liquidity

- **Short-Term Draw on Liquidity**
- **Long-Term Draw on Liquidity**

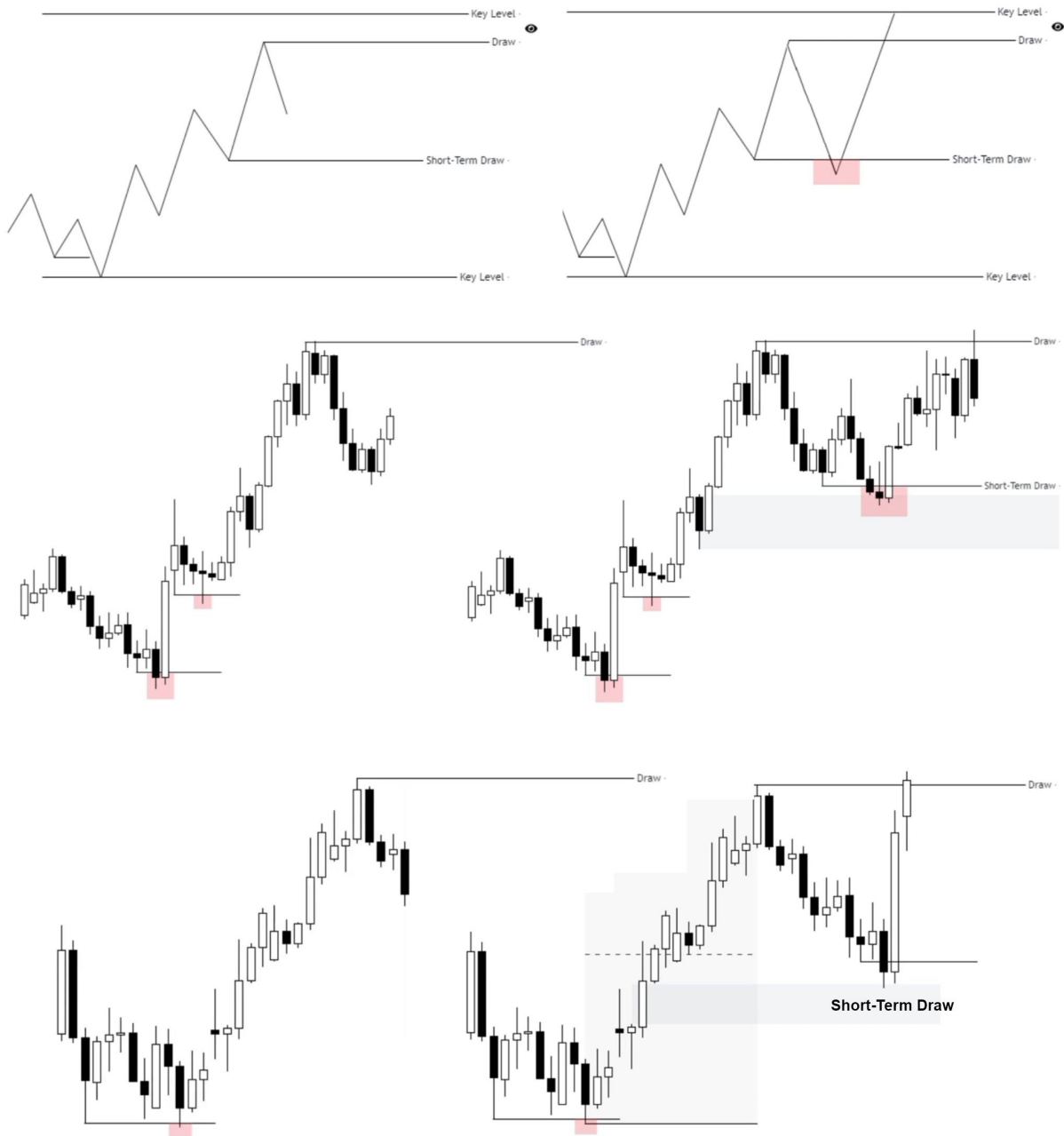


Short-Term Draw on Liquidity

Short-term draw on liquidity helps you identify where **retracement profiles** or **shorter moves** could end. It is used to determine where the market is initially drawn to in the **immediate** price action.

- For example, when you're trading intraday the short-term draw helps pinpoint where the market will likely make its first move, like a liquidity purge or initial target before making the major move.
- This gives you clarity on where price might pause or reverse before continuing toward a bigger draw.

Short-Term Directional Bias

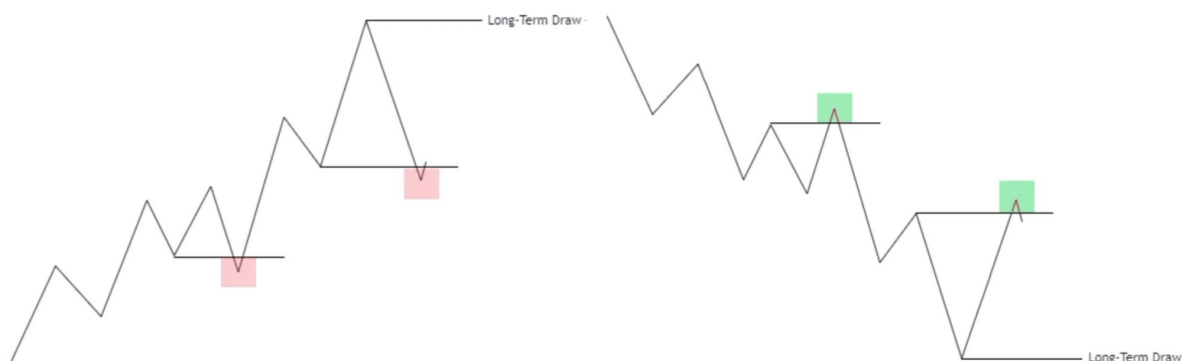




Long-Term Draw on Liquidity

Long-term draw on liquidity is about **major moves** and **expansions**. It helps you see where price is heading in the bigger picture, beyond immediate market reactions. This is used for understanding where price is likely to go as part of a **broader narrative**, guiding larger moves over higher timeframes, like daily, weekly, or even monthly.

- Long-term draw helps anticipate where price could expand toward after it completes its smaller moves, allowing you to target the larger liquidity pools that the market wants to take out.
- In summary, short-term draw helps you with immediate, smaller moves in the current profile, while long-term draw guides the major, integral direction of the market, setting the stage for expansive, more broad narratives. Both are essential depending on the timeframe you're working within and the market profile you're in.

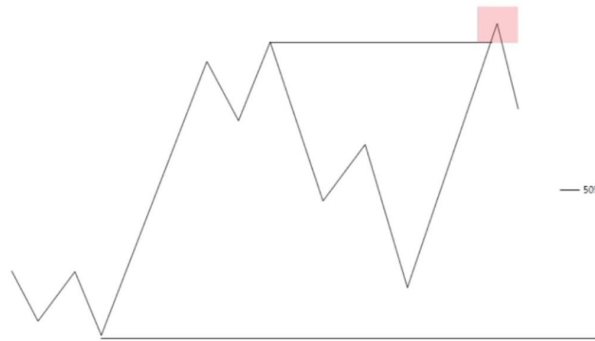


Draw on Liquidity

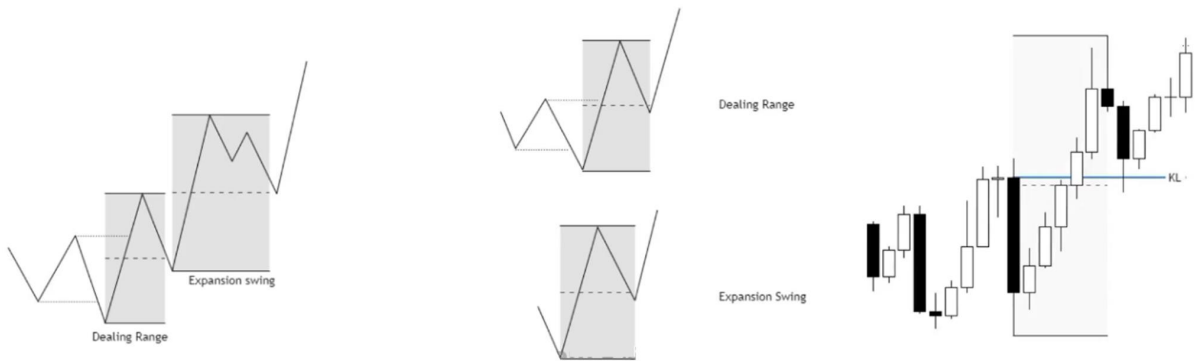
It can be in the following different forms:

- Range high and low
- Candle range high and low
- Higher timeframe key levels
- Discount/Premium of a dealing range
- Equilibrium of a dealing range or expansion swing

Range Dynamics



Dealing Ranges



Integration

All of these concepts need to be integrated appropriately within a logical and sound framework. That's how you'll accurately determine both short-term and long-term draw on liquidity.

Here's an example using IF-THEN logic:

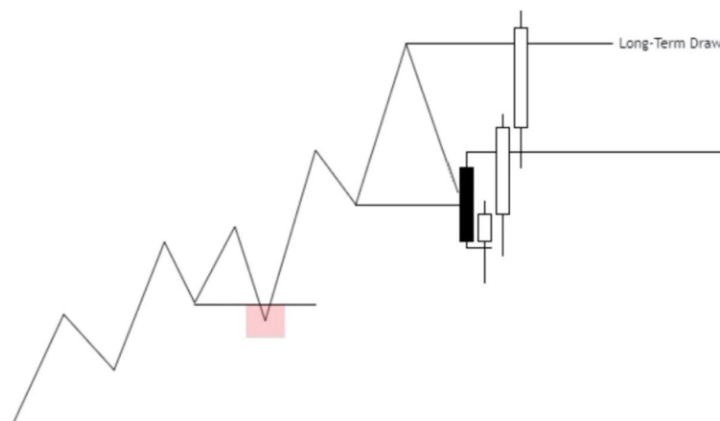
IF:

- Orderflow is bullish
- We've rejected below a low
- The market profile is in a retracement phase
- A candle range is present

THEN:

- The first draw on liquidity is the candle range high
- The next draw on liquidity is the opposing swing high
- Follow this up with the expansion profile

Graphical Representation



Long-Term Draw on Liquidity = Expansion and Reversals
Short-Term Draw on Liquidity = Retracements

Chapter 19

Risk & Money Management

Purpose of Risk & Money Management:

- Risk Management is essential to protect your capital and ensure long-term sustainability in trading.
- It's not just about making money on a single trade but about consistently managing losses and profits over time.
- Without proper risk management, even the best trading system can lead to significant losses or complete account wipeout.
- The key to success is balancing risk so that no single loss can heavily impact your overall capital or emotional state.

Common Misconceptions:

1. Higher Win Rate Equals Success:

- A high win rate does not guarantee profitability; even traders with low win rates can succeed if they manage risk properly.
- The focus should be on the balance between win rate and the Risk-Reward Ratio, not just on the number of winning trades.

2. Risking More Leads to Higher Gains:

- Increasing risk per trade might bring temporary gains, but it dramatically increases the chance of ruin during losing streaks.
- Recovering from large drawdowns is exponentially harder; preserving capital through consistent risk management is key for survival trading.

Traders vs Gamblers

Risk Management:

- Gamblers take large, impulsive risks without planning, while traders calculate risk carefully with stop-losses and position sizing to protect their capital.

Mindset:

- Gamblers are driven by emotion and the thrill of quick wins, whereas traders rely on discipline and logic, following a structured system.

Probability & Edge:

- Gamblers rely on luck with no consistent edge, while traders base decisions on probabilities and their system.

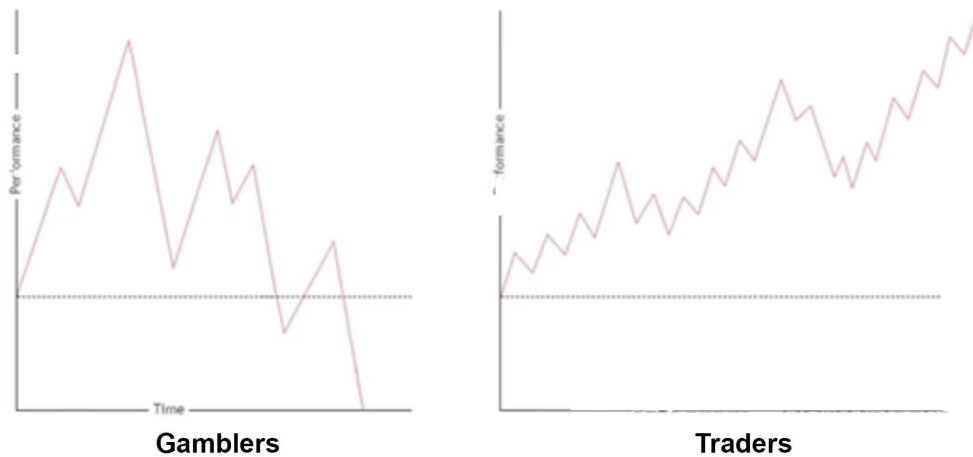
Perspective:

- Gamblers focus on short-term gains, often ignoring long-term consequences, while traders prioritize consistent profits and longevity in the market.

Risk of Ruin:

- Gamblers are more prone to losing everything due to reckless behavior, while traders mitigate this by ensuring no single loss can wipe out their account.

Equity Curve



Defining Key Terms

Win Rate:

- The percentage of trades that result in a profit out of all trades executed.
- For example if you win 40 out of 100 trades, your win rate is 40%
- A high win rate doesn't necessarily guarantee profitability; it must be evaluated in conjunction with risk management.

Risk-Reward Ratio (RRR):

- The ratio between the potential profit of a trade and the risk taken.
- Calculated as: $RRR = \text{Potential Reward} / \text{Risk}$.
- A trader with an RRR of 3:1 is risking \$1 for every \$3 of potential profit.

Risk Per Trade:

- The percentage or amount of your total capital that you are willing to lose on a single trade.

Position Sizing:

- The process of determining how many units (share, lots, contracts) to trade, based on your account size, risk tolerance, and stop-loss distance.

Relationship of Winrate and Risk-Reward Ratio

	10%	20%	30%	40%	50%	60%	70%	80%	90%
1:0.5	Red	Red	Red	Red	Red	Red	Green	Green	Green
1:1	Red	Red	Red	Red	Yellow	Green	Green	Green	Green
1:2	Red	Red	Red	Green	Green	Green	Green	Green	Green
1:3	Red	Red	Green	Green	Green	Green	Green	Green	Green
1:4	Red	Yellow	Green	Green	Green	Green	Green	Green	Green
1:5	Red	Green	Green	Green	Green	Green	Green	Green	Green
1:6	Red	Green	Green	Green	Green	Green	Green	Green	Green
1:7	Red	Green	Green	Green	Green	Green	Green	Green	Green
1:8	Red	Green	Green	Green	Green	Green	Green	Green	Green
1:9	Yellow	Green	Green	Green	Green	Green	Green	Green	Green
	NOT PROFITABLE			BREAK EVEN		PROFITABLE			

Risk of Ruin

Concept of Risk of Ruin:

- Risk of ruin refers to the probability or chance of depleting your trading account to a point where it becomes impossible to recover.
- Poor risk management, over-leveraging, and high risk per trade significantly increase the chances of ruin.

Personal vs. Prop Firm Accounts:

- On personal accounts risk of ruin can be more flexible, but prioritize longevity and capital preservation to protect your own funds.
- Propfirms have more strict rules (e.g.. max drawdowns), so you need to approach risk more conservatively to avoid breaching those limits.
- You must adapt your risk management approach to account type, understanding that personal and propfirm accounts require different strategies to mitigate risk of ruin.

Why to avoid risk of ruin?

- If you lose 10% of your account you need 11% profits to recover but if you lose 50% of your account you need to make 100% to recover. If you lose 75% you need to make 400%. the math makes it pretty easy to see why you want to avoid any substantial losses.

Risk of Ruin Table = 0.5% Risk Per Trade

Win Rate (%)	Risk-Reward Ratio (RRR)	Consecutive Losses to Hit 10% Drawdown	Chances of 20 Consecutive Losses	Risk of Ruin (%)
20%	1:1	20	6.73%	Very High
20%	1:2	20	6.73%	High
20%	1:3	20	6.73%	Moderate
30%	1:1	20	0.7%	High
30%	1:2	20	0.7%	Moderate
30%	1:3	20	0.7%	Low
40%	1:1	20	0.09%	Moderate
40%	1:2	20	0.09%	Low
40%	1:3	20	0.09%	Very Low
50%	1:1	20	0.01%	Low
50%	1:2	20	0.01%	Very Low
50%	1:3	20	0.01%	Almost Zero

Importance of Being Aware of Risk of Ruin

Capital Preservation:

- Understanding the risk of ruin helps us safeguard our capital, ensuring we do not deplete our trading account due to a series of losses.

Psychological Preparedness:

- Being aware of the risk of ruin prepares traders psychologically for potential losses, helping them manage emotions and maintain discipline during drawdowns.

Performance Measurement:

- Monitoring risk of ruin helps us evaluate the effectiveness of our trading system, allowing us to refine our approaches and enhance overall performance.

Accountability:

- Recognizing the risk of ruin fosters a sense of accountability in us, motivating and encouraging us to adhere to our risk management rules and avoid reckless trading decisions.

Drawdown

Definition of Drawdown:

- Drawdown is the reduction in an account's equity from its peak to its lowest point before a new peak is achieved.

Types of Drawdowns:

- Maximum Drawdown = The largest drop from a peak to a trough during a specific time period. This measure helps us understand the worst-case scenario in terms of potential losses.
- Average Drawdown = The average decline from peaks to troughs over a specified time period or windows.

Significance of Drawdowns:

- Risk assessment
- Psychological Impact

Risk Management Models

Conservative and realistic model: Intraday Model

Winrate:	40%
Risk to Reward Ratio:	Average 3R
Trades per Week:	3-4
Risk per Trade:	0.5%
Maximum Drawdown:	10%
Risk of Ruin:	3.62%

Risk Model for Propfirms: Aggressive

Challenge - Phase 1: • 1% risk per trade.	Key Points: <ul style="list-style-type: none">• In P1 & P2 your risk of ruin is around 7.84%.
Verification - Phase 2: • 1% Risk per trade.	<ul style="list-style-type: none">• In funded stage your risk of ruin is around 3.62%.• In funded stage it would take 20 consecutive losses for you to blow your account, the chances of which are 3.62%.
Funded - Live Account: • -.5% risk per trade.	<ul style="list-style-type: none">• Considering that you're perfectly executing your model without any inconsistencies.

Risk Model for Propfirms: Conservative

Challenge - Phase 1: • 0.5% risk per trade.	Key Points: <ul style="list-style-type: none">• In P1 & P2 your risk of ruin is around 3.62%.
Verification - Phase 2: • 0.5% risk per trade.	<ul style="list-style-type: none">• In funded stage your risk of ruin is around 3.62%.• In funded stage it would take 30 consecutive losses for you to blow your account, the chances of which are 1.52%.
Funded - Live Account: • 0.35% risk per trade.	<ul style="list-style-type: none">• Considering that you're perfectly executing your model without any inconsistencies.

Ending Remarks

- In conclusion, risk management is the foundation of long-term trading success.
- Always know your risk per trade and how it impacts your account.
- Your win rate and risk-reward ratio must be aligned with your risk tolerance and drawdown limits.
- Be aware of the risk of ruin - without proper risk management, even a profitable system can lead to account depletion.
- Adjust your risk management strategies depending on the account type, whether it's a personal account where you control all aspects, or a prop firm account where you must adhere to stricter drawdown rules.

Chapter 20

Proper Journaling

What is Journaling in Trading?

Journaling:

- Journaling in trading refers to systematically recording every aspect of your trades, including entries, exits, market conditions, and your thought process during each trade.
- It involves recording both your thought processes behind determining your draw on liquidity, building narrative as well as the thought process behind framing entries.
- Its not just about tracking the technical aspects - it involves documenting your emotions, mindset, and psychology throughout the trading day.
- Journaling help us analyze our behavior and performance over time leading to better decision-making.

Purpose of Journaling:

- Journaling is essential for developing a structured, disciplined approach to trading. It allows us to track our decision-making process, performance, and emotional responses, leading to much more objective trading.
- It serves as a tool for continuous improvement, helping us understand the effectiveness of our strategies and models, identify recurring mistakes, and optimize risk management.

Overview of What Will be Covered:

- The video will discuss key aspects of journaling, including how to track important metrics such as winrate and RRR, how they interrelate, and their impact on long-term profitability.
- We'll explore the psychological side of trading and how emotions can affect decision making.
- By the end, you'll learn about techniques for creating an effective journal, what to record, and how to use it for data driven improvement in your trading system.

What to Record in a Trading Journal?

Analysis:

- Higher timeframe thought process for determining draw on liquidity.
- Higher and lower timeframe thought process for building narrative.
- Thought process behind the integration of both aspects.

Trade Setups and Executions:

- Thought process behind framing lower timeframe entries (e.g.. London, Newyork).
- Market Conditions = Day of the week, Date, Time of the day.
- CRT Parameters = Timing of CRT, Timing of purge of CRT.
- Risk Parameters = Risk per trade, Result of trade, Profit and Loss Ratio in RRR.
- Higher Timeframe Aspests = Strength of narrative, backing of draw on liquidity.
- Validity, Activity and Quality
- Emotions during the trade.

Trading Journal													
Day	Date	Trade	Result	Draw on LQ	Narrative	CRT	Purge	Validity	Foresight	Activity	Quality	PnL	Notes
Tuesday		Long	Loss	Not	Moderate	9pm	3am	Yes	I	Taken	Bad	-1r	---
Tuesday		Long	Loss	Not	Strong	5am	9am	Yes	I	Taken	Bad	-1r	---
Wednesday		Long	Loss	Not	Weak	9pm	2am	No	I	Taken	Bad	-1r	---
Wednesday		Long	Win	Aligned	Strong	9pm	3am	Yes	I	Taken	Good	3r	---
Thursday		Long	Win	Aligned	Strong	5am	9am	Yes	H	Not	Good	3r	---
Friday		Short	Win	Aligned	Strong	5am	3am	Yes	I	Taken	Good	3r	---
Monday		Short	Loss	Not	Moderate	5am	9am	Yes	H	Not	Good	-1r	---
Monday		Short	Win	Aligned	Strong	5am	10am	Yes	I	Taken	Good	3r	---
Wednesday		Long	Win	Aligned	Strong	1am	5am	Yes	I	Taken	Good	3r	---
Thursday		Short	Win	Aligned	Strong	9pm	3am	Yes	I	Taken	Good	3r	---
Friday		Long	Win	Aligned	Strong	9am	3am	Yes	H	Not	Good	3r	---
Friday		Short	Loss	Not	Weak	-	-	No	I	Taken	Bad	-1r	---

Psychological Aspects

Emotional Control:

- Emotions like fear, greed, and overconfidence can have a massive impact on your trades. By journaling your emotional state before, during, and after each trade, you gain insight into how emotions affect your decision-making.

Over time, reviewing these emotional notes can reveal triggers that consistently lead to poor decisions or poor trades.

Mindset Review:

- Its important to not only document emotions but also your overall mindset. Were you confident and composed, or stressed and anxious during your trades? How does your mental state vary depending on market conditions?

- Over time, you will be able to enhance your mindset for optimal trading conditions by recognizing when you are in the right mental space to execute trades effectively.

Final Tips for Successful Journaling

Be Honest and Detailed:

- Journaling is most effective when you are completely honest with yourself. Encourage yourself to note down your mistakes, fears, and biases without holding back. These details are critical for identifying areas that need improvement.

Stay Consistent:

- Like any skill, the benefits of journaling compound over time. Make sure that you stick to the habit even when you experience losses, as only the long-term insights gained will lead to growth.

- Encourage self-discipline and accountability.

- Start today and take action.

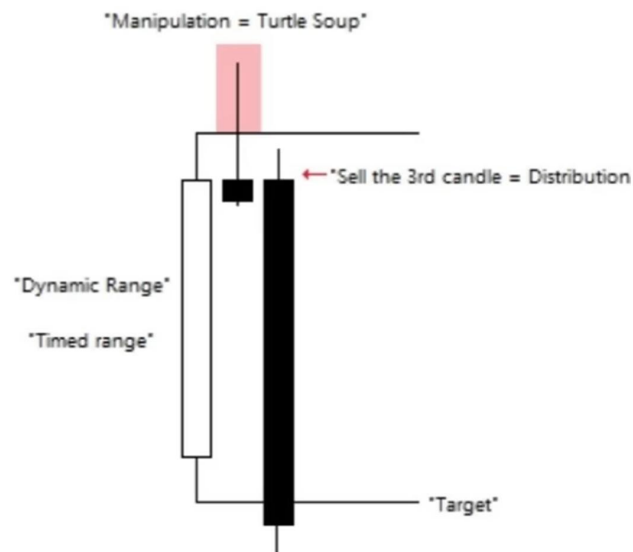
Youtube Content

Candle Range Theory (CRT)

Candle Range Theory

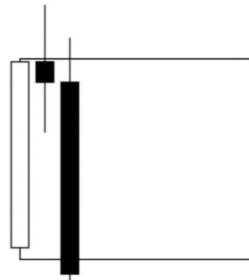
This idea revolves around certain candles forming at key times, following specific protocols and being treated as ranges. These candle ranges can either be truly broken or falsely broken.

- These candles can sometimes be falsely broken within a specific framework to manipulate liquidity, causing price to expand in the opposite direction.
- Other times, they're truly broken within the same framework, and in those cases, they can serve as support for price to expand further.



Difference between CRT and Typical Ranges

- **Objectivity:** CRT offers more objective highs and lows with fixed opening and closing times, while typical ranges are subjective and vary.
- **Mechanics:** CRT is more mechanical, with fixed targets and a clear focus on liquidity draw, whereas typical ranges lack this precision.
- **Alignment:** CRT can be properly aligned and refined within a top-down analysis, while typical ranges often don't fit well with this approach.
- **Subjectivity:** Typical ranges have varying, often inconsistent highs and lows, making them less reliable than CRT's structured approach.

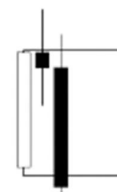


Types of Candle Ranges

3-Candle CRT:

As the name suggests, this consists of three candles:

- The first candle forms the range.
- The second candle manipulates the range.
- The third candle is the distribution candle.



Inside CRT:

This type uses a single candle as the CRT, followed by multiple candles for manipulation and distribution.



Best CRT:

The 3-Candle CRT is considered the best and most reliable.

Importance of Candle Ranges

CRT is crucial for aiding in three main aspects:

Accurate Liquidity Draw & Directional Bias:

- It helps refine liquidity targets and establish a clear directional bias.

Building a Sharp Narrative:

- CRT aids in constructing a clean and focused market narrative.

Framing Lower Timeframe Entries:

- It provides a structured approach for identifying and executing precise lower timeframe entries.

Misconceptions around CRT

Not a Standalone Pattern:

- CRT should never be used purely as a pattern. That's the worst way to approach it.

Requires a Logical Framework around ICT Concepts:

- CRT must be applied within a logical framework and only when it follows specific protocols.

Authorship:

- CRT was authored by Romeo and coined by Sham.

Framework for Candle Ranges

First Candle - The Ranging Candle:

The first candle establishes the range, but this doesn't imply consolidation. Instead, the entire price action of this candle is treated as the range framework.

Second Candle - The Manipulation Candle:

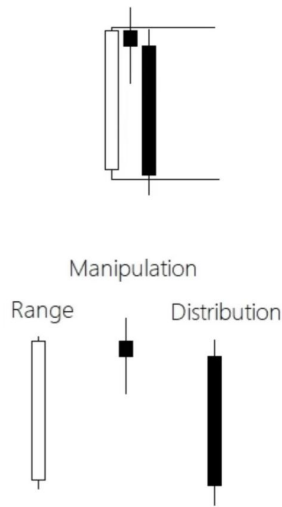
The second candle manipulates the first candle's range, often forming a turtle soup. Two scenarios can occur:

- If the second candle closes inside the range, the likelihood of a reversal towards the opposite end increases, giving strong conviction in the analysis.
- If the second candle closes outside the range, the probability of reversal drops.

While the range remains intact, caution is required.

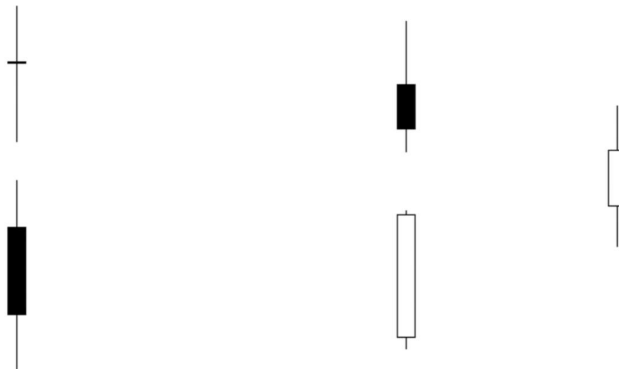
Third Candle - The Distribution Candle:

The third candle handles the distribution. The first target for distribution is the 50% of the range, while the second target is the opposing end of the range.



First Candle - The Ranging Candle:

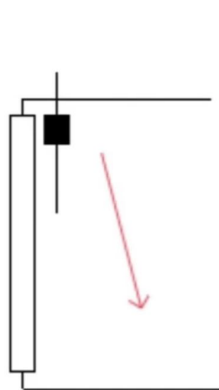
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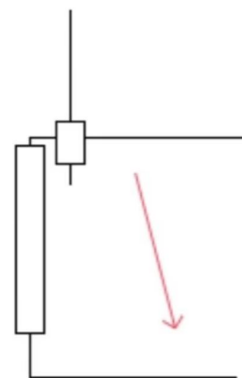
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The second candle manipulates the first candle's range, often forming a turtle soup. Two scenarios can occur:

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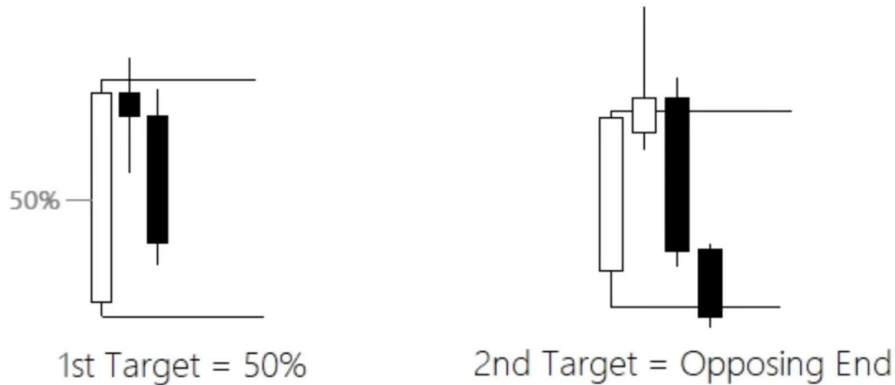
More Favorable = High Odds



Less Favorable = Low Odds

Third Candle - The Distribution Candle:

The third candle handles the distribution. The first target for distribution is the 50% of the range, while the second target is the opposing end of the range.



Trading Candle Ranges

There are multiple ways to trade candle ranges, but here are the two best methods:

Trading the 2nd Candle:

- The optimal way to trade the 2nd candle is through an orderblock entry. This is a confirmation entry that occurs after the 2nd candle purges the CRT and then displaces in the opposite direction.

Trading the 3rd Candle:

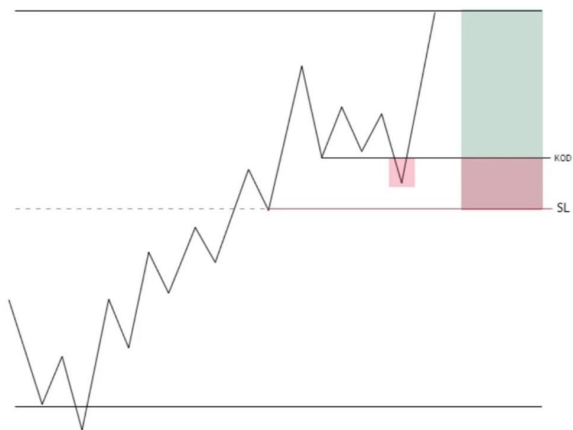
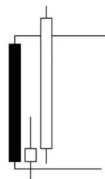
- The best way to trade the 3rd candle is by using a kiss of death entry. This is the last turtle soup entry before price reaches the opposing draw on liquidity or the extreme of the opposing range.

Trading the 2nd Candle: Orderblock Entry





Trading the 3rd Candle: Kiss of Death Entry



CRT + ICT

Candle Ranges + ICT

- Candle ranges alone aren't enough. Treating them as a standalone concept leads to pattern trading, which is the wrong approach.
- Similarly, ICT provides a strong logic, but it lacks the objective and mechanical framework needed for a precise draw on liquidity, narrative building, and framing entries.
- This is where CRT + ICT come together, CRT is the missing piece of the ICT puzzle. When combined accurately, they form a complete and powerful system.



Candle Ranges + Timeframe Alignment

For example, in intraday trading, the following timeframe alignment is key:

- **Higher Timeframe:** Daily and 4H (Used for determining the draw on liquidity, identifying key levels, and CRT)
- **Intermediate Timeframe:** 1H (Used for orderflow and market profiling)
- **Lower Timeframe:** 15M (Used for framing precise entries)

Different trading styles will require their own unique timeframe alignments to maximize the effectiveness of CRT + ICT together.

CRT + Market Profiling and Orderflow

Candle ranges are more precise and effective when combined with ICT **market profiling** and correct **orderflow**. This ensures you consistently select the right directional bias and align with the correct market profile.

These elements act as filters, helping you avoid low-probability setups and only engage in high-probability market conditions. This combination increases the accuracy and reliability of choosing the correct Candle Ranges.

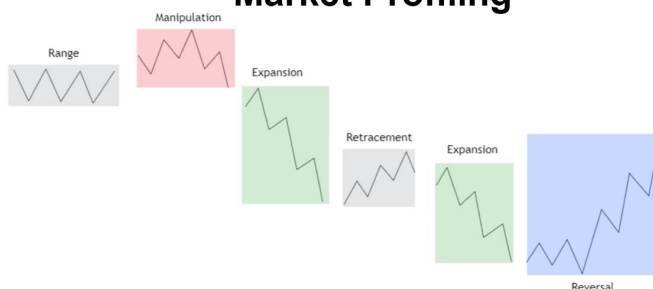
CRT + Market Profiling

Market profiling involves determining which type of market profile the market is moving in. There are five different types of market profiles:

- **Consolidation or Ranging Profile**
- **Manipulation Profile**
- **Expansion Profile**
- **Retracement Profile**
- **Reversal Profile**

Each profile has specific characteristics and potential outcomes, reacting differently to key levels and CRT. Understanding the correct market profile is essential for applying candle ranges effectively.

Market Profiling



CRT + Orderflow

Orderflow, or advanced market structure, involves identifying the underlying flow of orders and the directional bias of the market. It plays a crucial role in determining accurate liquidity draws and ensuring you stay on the right side of the market. There are primary types of orderflow:

Bearish Orderflow:

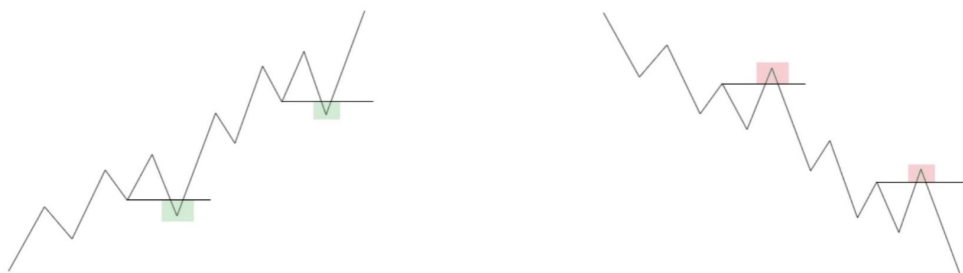
- When market/price rejects above highs and breaks below lows.

Bullish Orderflow:

- When market/price rejects below lows and break above highs.

The best candle ranges are typically found in these rejections of highs and lows, positioning you to trade in the correct market direction.

Orderflow:



Bullish Orderflow:

- Rejecting Lows.
- Breaking Highs.

Bearish Orderflow:

- Rejecting Highs.
- Breaking Lows.

CRT + Key Levels

Key levels serve as catalysts for price to expand or reverse from, with higher timeframe key levels being the most significant. These levels are often tested during manipulation and expansion profiles, and the best **candle ranges** typically form around these key levels.

The most effective key levels are:

Orderblocks - OB

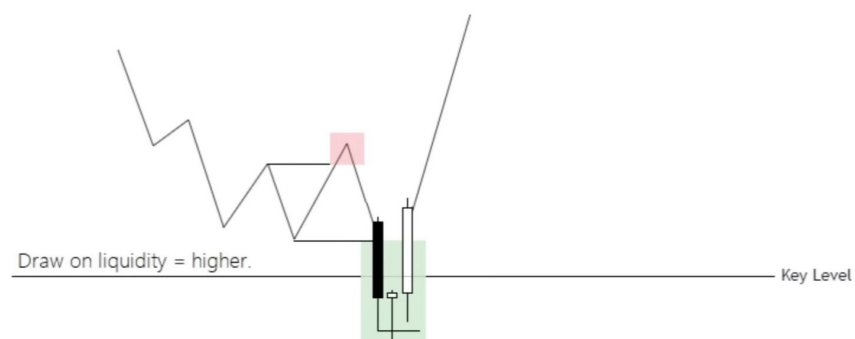
Fair Value Gaps - FVG

Breaker Blocks - BRK

Rejection Blocks - RJB

Highs, lows, and swing points.

Key Levels:



CRT + Orderflow

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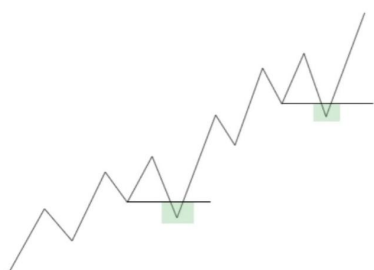
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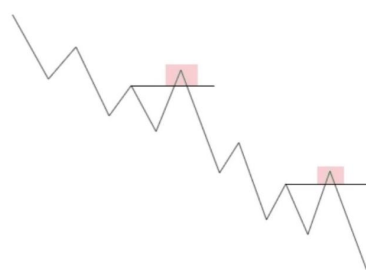
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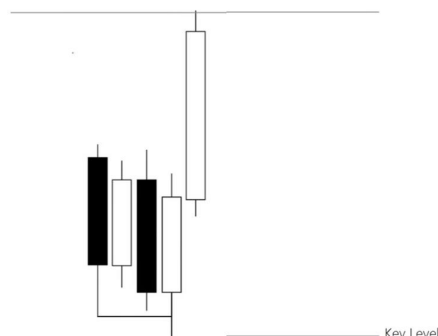
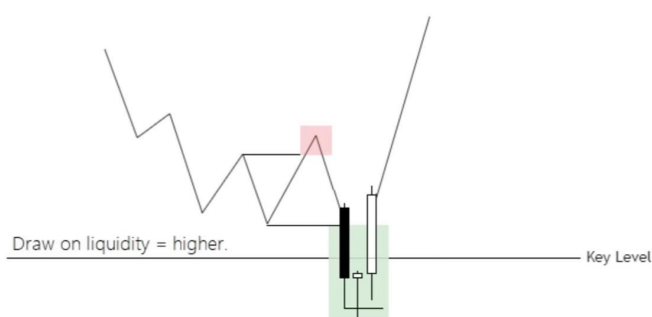
Fair Value Gaps - FVG

Breaker Blocks - BRK

Rejection Blocks - RJB

Highs, lows, and swing points.

Key Levels:



CRT + Time

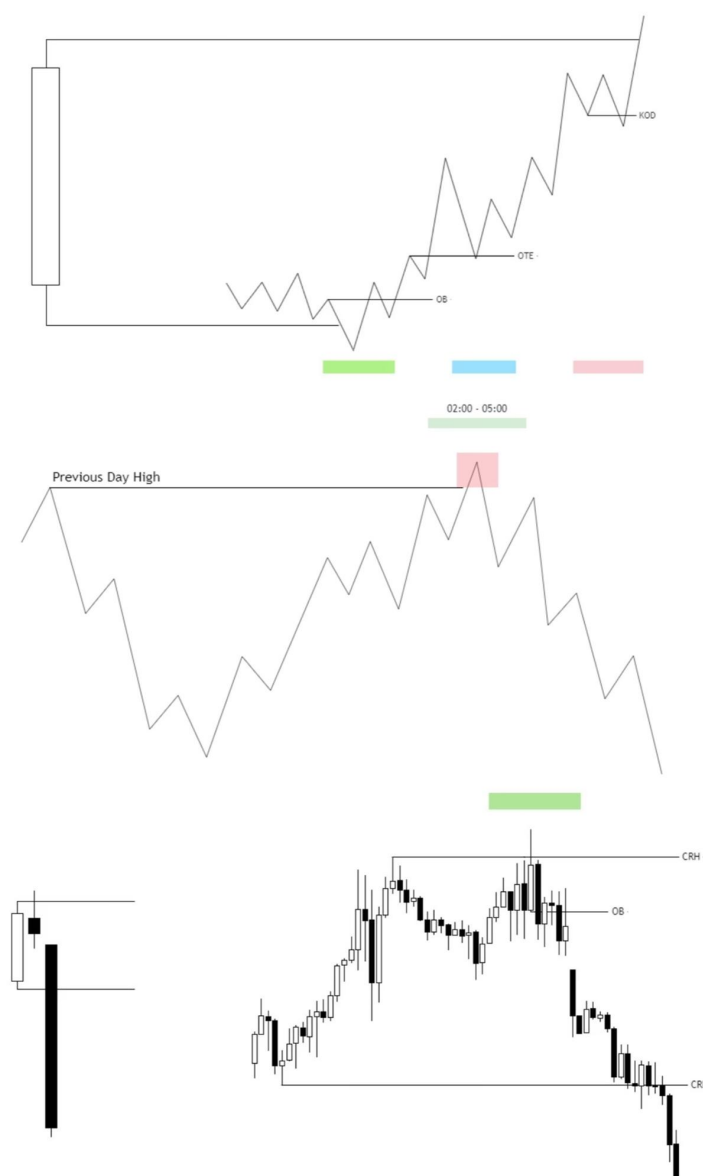
Time is the most critical aspect in both CRT and ICT analysis. Every concept discussed, and all setups mentioned, must align with with key times for them to be considered valid or worth trading.

Time in the context of the charts includes the following aspects:

- **Quarterly Shifts**
- **Seasonal Tendencies**
- **Week of the Month**
- **Day of the week**
- **Time of Day (Killzones)**

These time factors are essential to filter high-probability trades and ensure that CRT and ICT concepts are applied effectively within the right temporal framework.

Time:



There are two crucial aspects when it comes to CRT and time:

- CRT are **formed** at key times.
- CRT are **purged** at key times.

Timing of CRT

- The highest probability CRT are formed at specific days of the week and specific times of the day.
- Time > Price, Priority will always be time and then price.
- If you use this filter, it will weed out all of the lower probability CRT from your trading.
- Combine this with the first protocol.



Timing of Purge of CRT

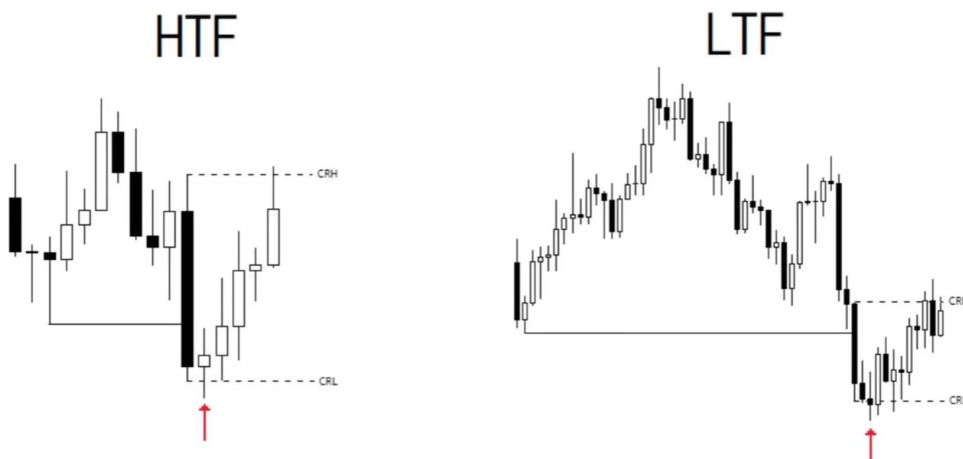
- Not only you wait for the CRT to form at specific time but also the purge of that CRT has to happen at a specific time.
- This is what we call time alignment.

- Key times for purges:

- 1 AM
- 3 AM
- 6 AM
- 8 AM
- 9 AM
- 11 AM



LFT CRT within HTF CRT = Important One



CRT + ICT

This is the most logical and objective framework for using CRT and ICT together:

Draw on Liquidity:

- CRT
- Market Profiling
- Orderflow
- Higher Timeframe Key Levels
- Swing Points

Building Narrative:

- CRT
- OHLC
- Weekly and Intraday Profiles
- SMT Divergence
- Power of Three (3)

Framing Entries:

- CRT Orderblock Entries
- CRT Kiss of Death Entries

Time:

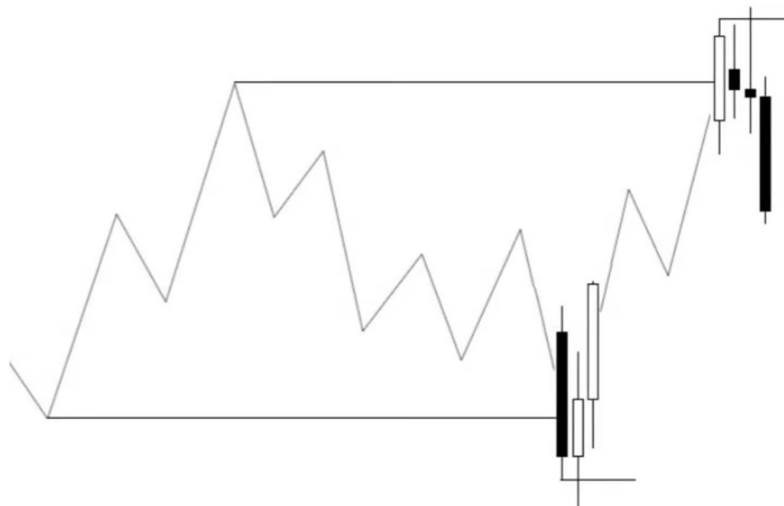
- Seasonal Tendencies
- Weekly AMD
- Killzones
- Silver Bullets

Combine all these elements with **TIME** and integrate them accurately to validate your setups and analysis, ensuring alignment with key timings for the highest margin of accuracy and precision possible.

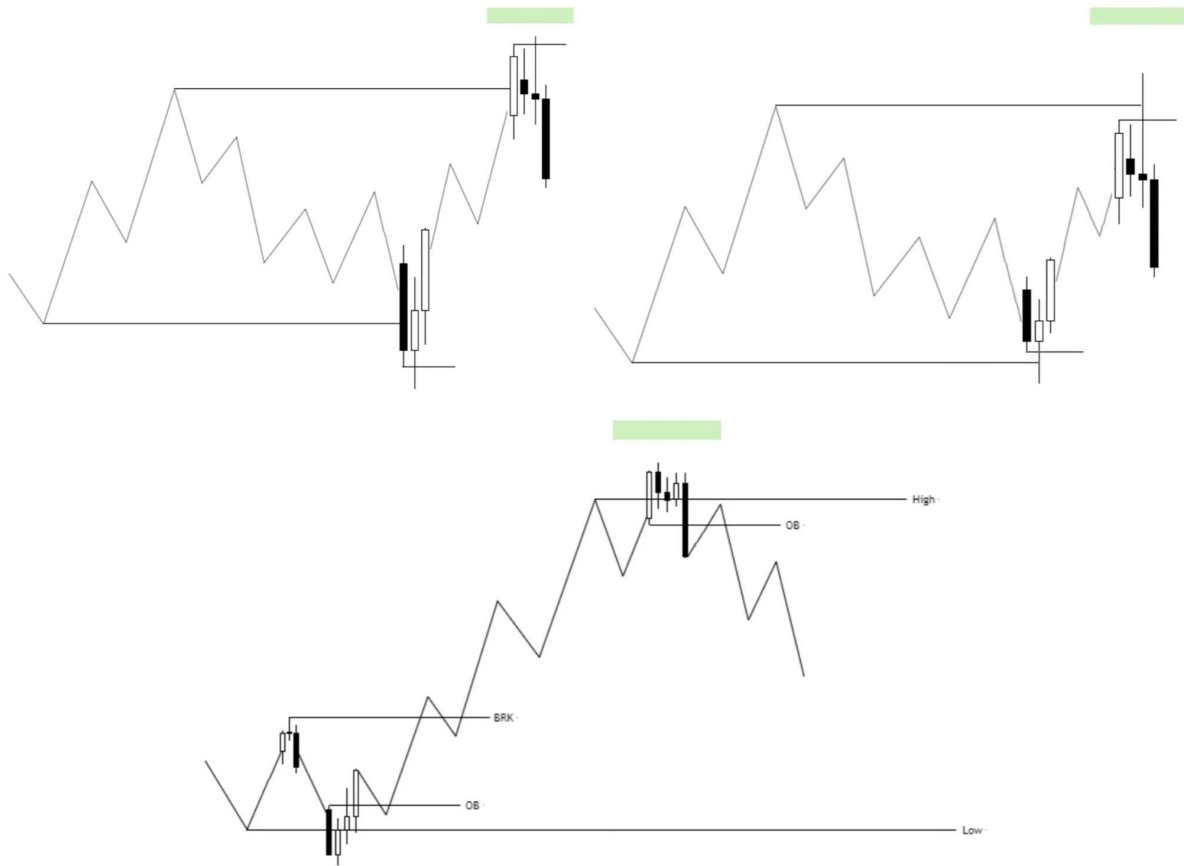
Where to find CRT?

- At **range** high and lows.
- At **rejection** of highs and lows.
- At higher timeframe **key levels**.
- At major **turtle soup** or **purges**.
- At **manipulation phase**.
- + Key time and macros. (**Important**)

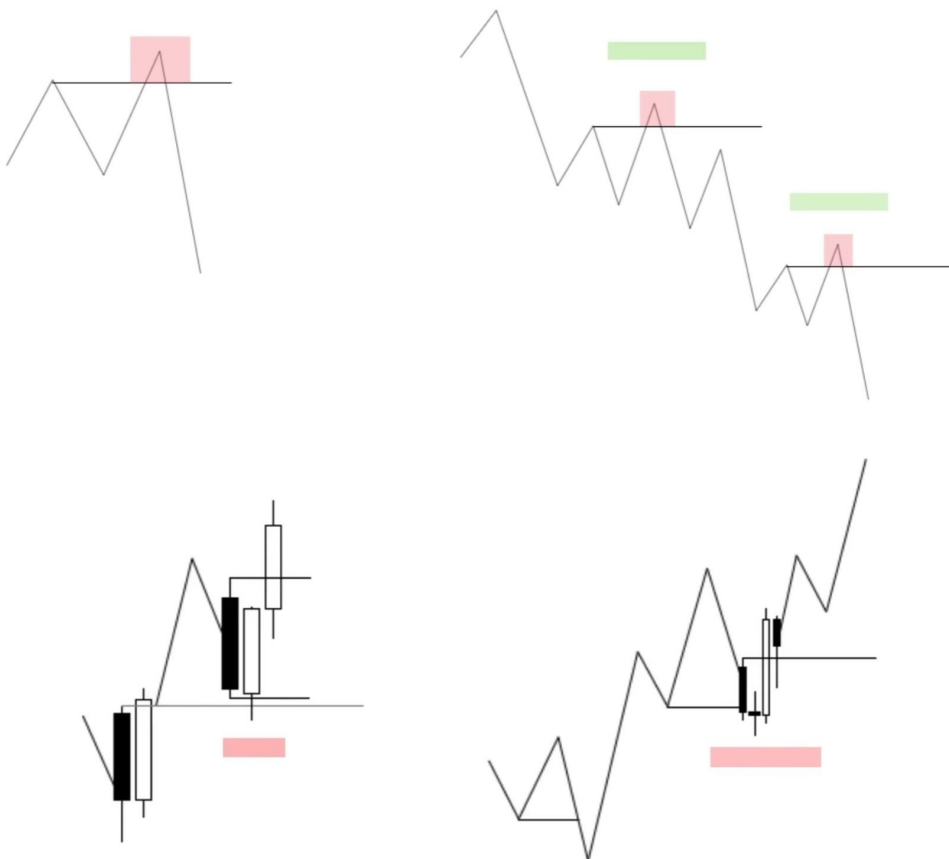
Go over your charts and you'll always find CRT at these levels



Range Highs and Lows:

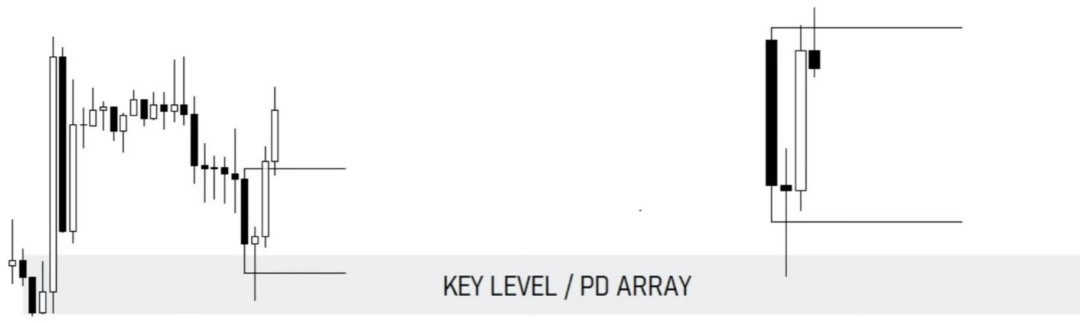


Rejection of Highs and Lows:

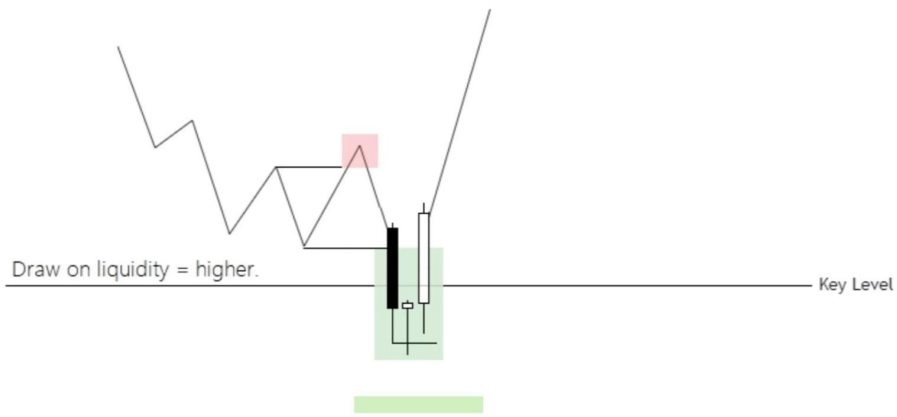


Inside Key Levels

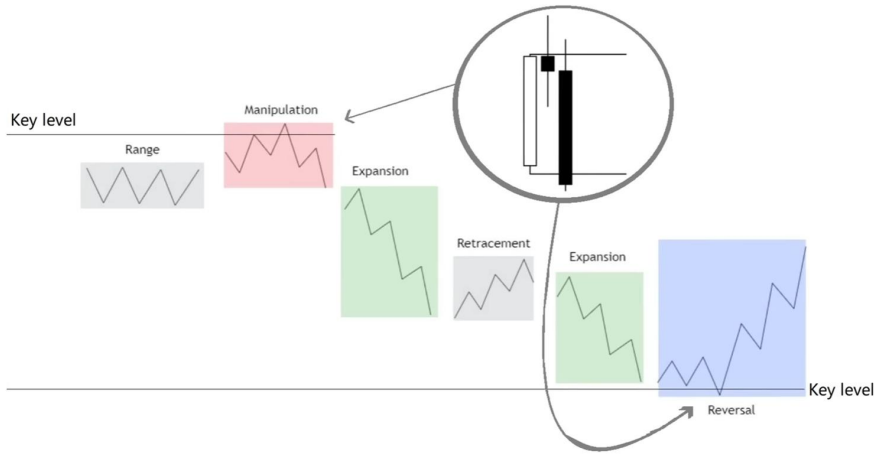
Outside Key Levels



Higher Timeframe Key Levels:



Manipulation Phase

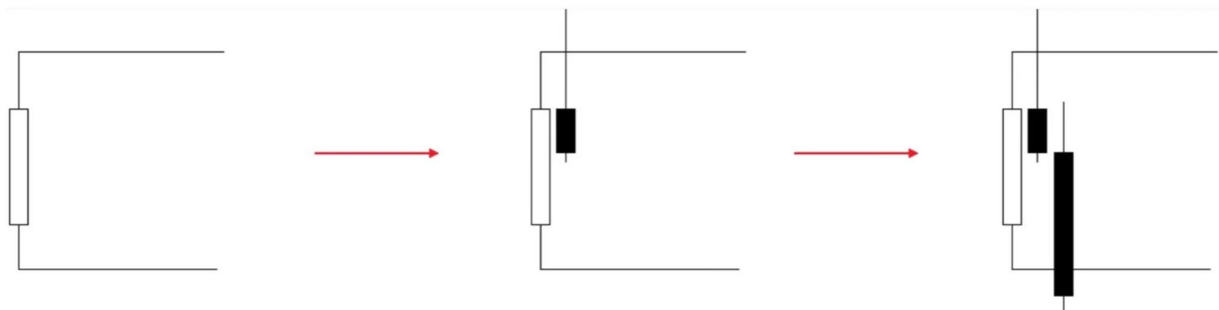


Selecting CRT Correctly

Most of your focus should be on conformational CRTs

1. Conformational CRT

2. Advanced CRT



Conformational CRT

Most of your focus should be on conformational CRTs

Key Aspects:

- Only trade the 3rd candle.
- Its a simpler version of CRT.
- Trade the CRT only after confirmation.
- Completely forget about dealing with the 1st or 2nd candle.
- If you focus ONLY on this sort of CRT alone, your accuracy will skyrocket.

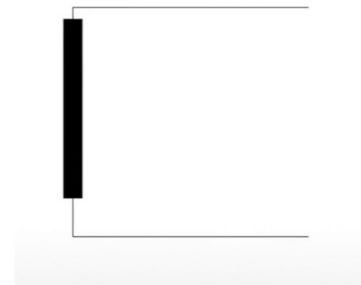


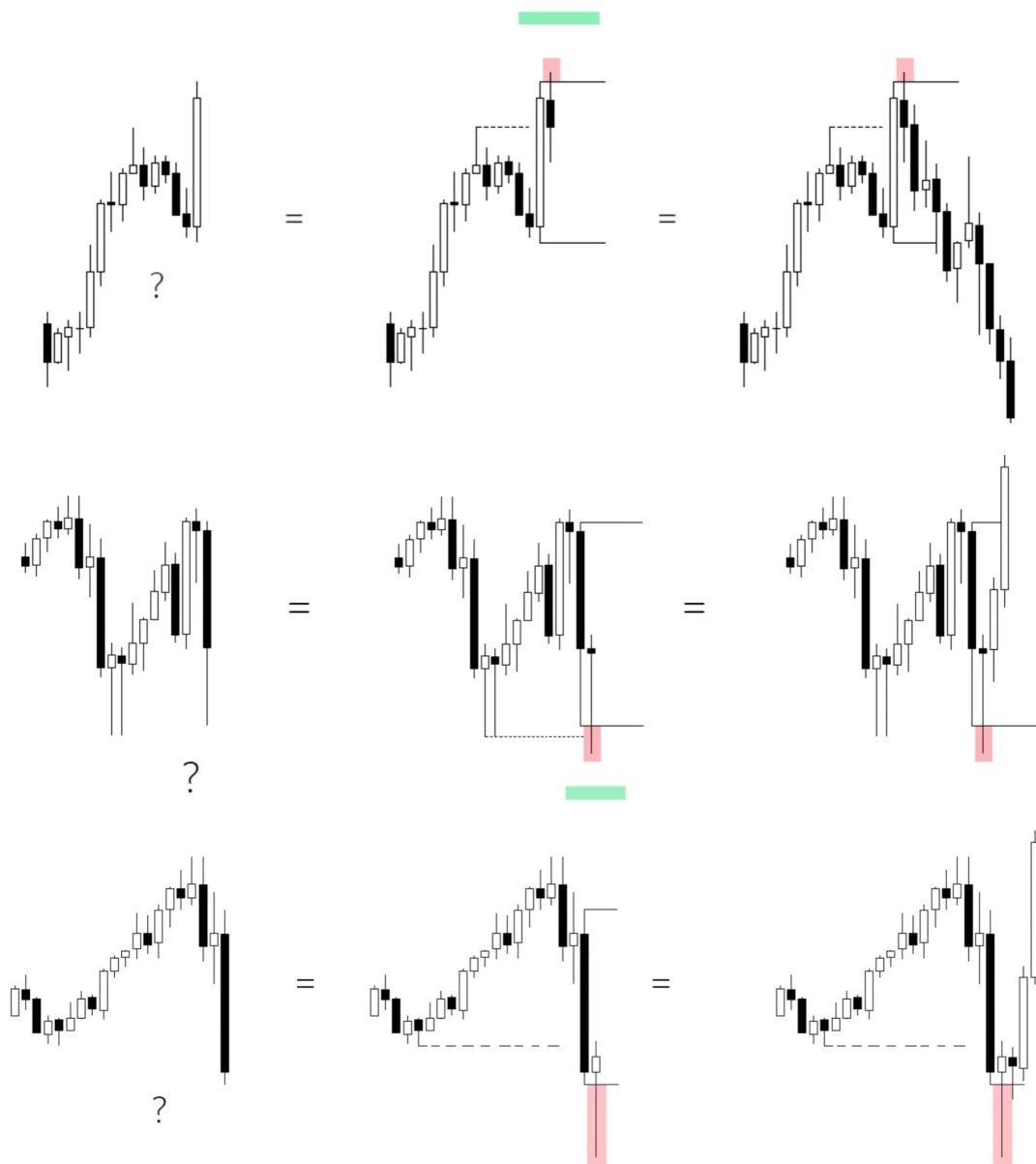
Advanced CRT

Most of your focus should be on conformational CRTs

Key Aspects:

- Its an advanced version of CRT.
- Trade the CRT before confirmation.
- You can trade both the 2nd and 3rd candle.
- This sort of CRT requires more skill and intuition.
- If you're a beginner and intermediate student then forget about this one for now.





Simple ICT + CRT Trading Plan

Start with the Higher Timeframe (Daily):

- Determine the draw on liquidity using market profiles, orderflow, key levels, and CRT.

Move to the 4h Timeframe:

- Build a narrative using OHLC, Weekly Profiles, and power of three (3).
- Select a key level and CRT formed at key times.

Go to the 15m Timeframe:

- Identify the intraday profile and frame your entry.
- Position yourself using an orderblock entry aligned with the CRT.

Risk Management:

- Use 0.5% risk per trade.

Emotional Control:

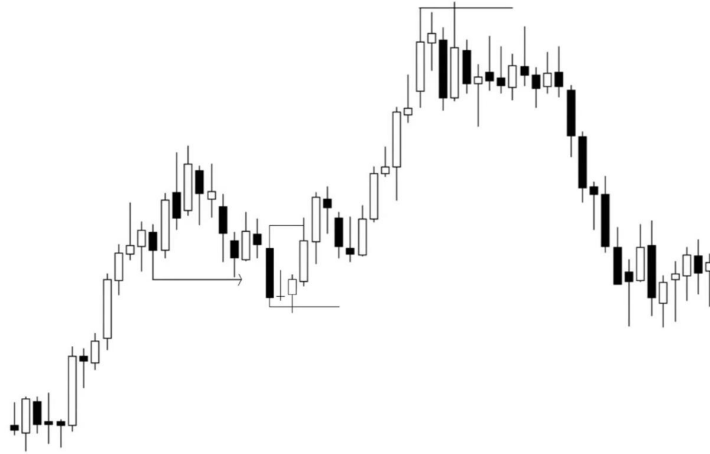
- Stay disciplined and control your emotions throughout the process.

Examples of CRT



Examples of CRT

Weekly Timeframe



Examples of CRT



Most Important Part = Enigma

Learning CRT is great, and mastering ICT is important too, but there's one crucial thing you need to remember: You must be fully equipped with a deep understanding of the following concepts and know how to integrate them effectively:

- **Market Profiles**
- **Timeframe Alignment and Selection**
- **Weekly Profiles**
- **Intraday Profiles**
- **Key Levels**
- **Dealing Ranges**
- **Power of Three (3)**
- **CRT and its Intricacies**
- **OHLC**
- **Quarterly Shifts**
- **IPDA Data Ranges**
- **Seasonal Tendencies**
- **Killzones**
- **The time aspects of the charts**

More importantly, mastering how to integrate all of these together is what will truly elevate your trading.

CHAPTER 21

Nuances of Intraday Trading

Introduction to Intraday Trading

What is Intraday Trading?

- Intraday trading, or day trading, means opening and closing trades within the same day. The goal is to profit from the price movement within a single day's candle, aiming to catch and capitalize on the daily range expansion.

Key Differences Between Intraday and Swing Trading:

- Intraday traders enter and exit positions within the same day, while swing traders hold positions for days or even weeks.
- Intraday trading focuses on capturing the daily range expansion, whereas swing trading targets the weekly range expansion.
- Intraday trading is better for quick, decisive traders who prefer not to hold positions for too long, while swing trading suits traders who can hold positions for longer without letting it affect their mental state.

Paradoxes of Intraday Trading:

Quick Results:

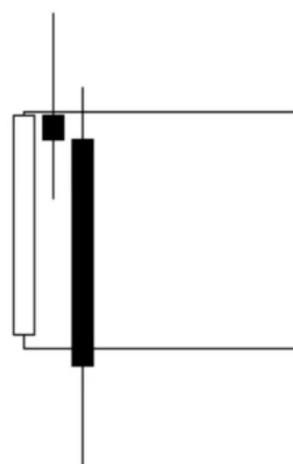
- Many believe that intraday trading leads to quicker success because the trades are fast. However, that's a myth and a complete lie. You'll still go through the same learning curve and failure stages as swing traders. No matter how fast your trades are, there's no shortcut to success - you're still going to put in the same time and effort.

Overtrading:

- Many traders think that the more they trade, the more profits they'll make. In reality, overtrading often leads to higher costs, mistakes, and losses. Trading less but with more precision is a better approach.

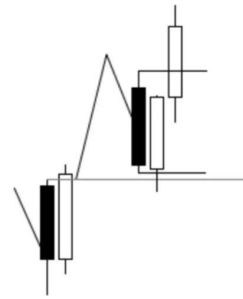
Key Points Regarding Intraday Trading:

- The goal of intraday trading is to capitalize on the daily range expansion and price movement within a single trading day.
- Intraday trading doesn't mean trading every day: not all days are ideal for intraday setups.
- Generally, there are about two setups per day based on CRT-
- The more higher-timeframe ideas you can find to support your intraday entry, the better,
- Key levels, higher timeframe draw on liquidity, and 4-hour candle ranges form the foundation of intraday trading.
- FOMC, NFP, and CPI days are risk-off days.



Framing Intraday Setups

- Higher timeframe draw on liquidity.
- Higher timeframe orderflow.
- Weekly candle's direction,
- 4h candle ranges.
- 4h key levels.
- Day of the week.
- Time of the day.
- Range expansions.



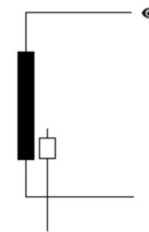
Time of Day

- Asian Session Open.
- London Sesion Open.
- London Lunch.
- New York Session Open.
- London Close.



Day of Week

- Monday - Can create a candle range.
- Tuesday - Good for intraday trading,
- Wednesday - Ideal day for trading.
- Thursday - Ideal day for trading.
- Friday - Reset / Range cap.



Retail Trading Day

- The retail daily candle starts at 17:00 and ends at 17:00 EST.
- Always analyze the daily candle range with this perspective in mind.
- This approach provides the most dynamic view of price movement and market behavior,



Defining the Asian Range

- The Asian Range begins at 8 pm / 20:00 EST (New York)
- The Asian Range ends at Midnight / 00:00 EST (NY).



London Killzone

- The London Killzone begins at 2am / 02:00 EST [New York]
- The London Killzone ends at 5am / 05:00 EST [NY].



New York Killzone

- The NY Killzone begins at 7am / 07:00 EST [New York]
- The NY Killzone ends at 10am / 10:00 EST [NY]-

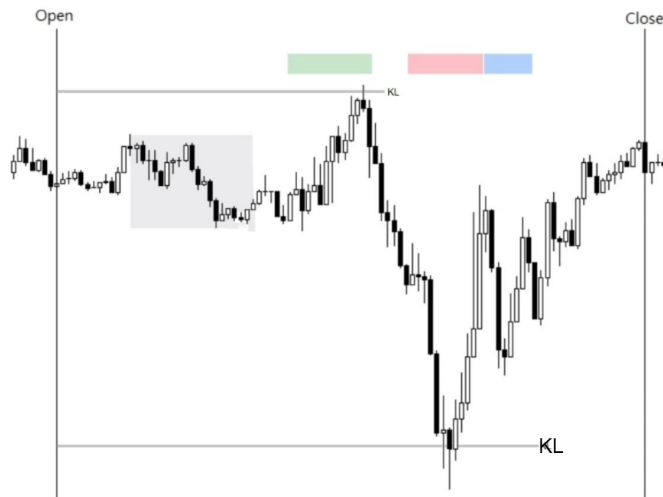


London Close Killzone

- The London Close begins at 10am / 10:00 EST [New York]
- The London Close ends at 12pm / 12:00 EST [NY].



Daily Range Defined



CHAPTER 22

Intraday Market Conditions

Probabilities in Trading

Introduction:

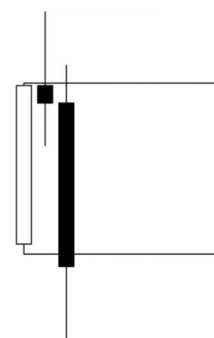
- High-probability trading days and setups mean the chances of success (or the trade going in your favor) are statistically higher based on your trading edge. whereas low-probability trades have fewer favorable conditions, making the outcome more unpredictable.
- By understanding the different probabilistic scenarios we can start focusing on quality over quantity by avoiding lower probability conditions.
- The aim is to improve our decision making process by knowing when its better to trade or when to sit out.
- Market conditions and consistency in price action defines probability of a trading day.

Low Probability London Session Conditions

- After a series of 3 consecutive bullish daily candles - Avoid Longs.
- After a series of 3 consecutive bearish daily candles - Avoid Shorts.
- After FOMC event that produces an extreme range.
- Ahead of NFP.
- Multiple high and medium impact news events.
- The Asian Range is an expansion profile and larger than 40 pips. [Delayed protraction]
- If the Asian Range is not visually consolidating.
- Absence of a candle range or CRT.

High Probability London Session Conditions

- The market has recently responded off of a higher timeframe key level and not meet an opposing key level yet.
- The Asian Range is visually a consolidation profile and smaller than 40 pips.
- Presence of a clean candle range or CRT.
- Presence of a higher timeframe key level.
- Clean higher timeframe draw on liquidity.



High Probability Intraday Setups

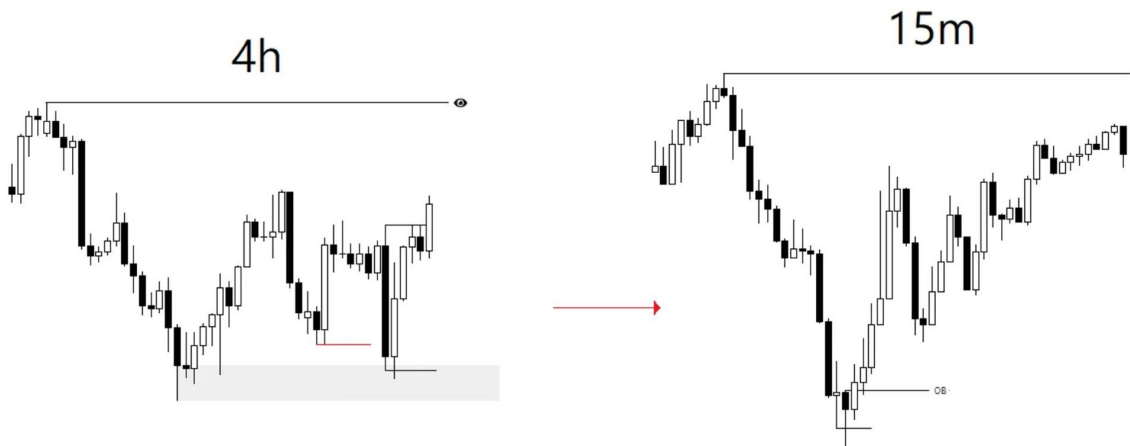
The highest importance is placed on the H TF Daily or 4h direction:

- Clean orderflow. [Rejecting highs, breaking lows or Rejecting lows, breaking highs]
- Clean higher timeframe draw on liquidity and directional bias.
- SMT Divergence [Optional, Not required]
- Strong price based narrative.
- Strong time based narrative.
- 4h candle range / CRT.
- 4h Key level.
- Key time.

When to Look for Buy Setups?

- Ideally in seasonally bullish periods of the year. [Not required]
- When the current or next quarter expected to be bullish.
- When price has reacted to a Daily/4h key level.
- When price has a clear path towards the draw on liquidity.
- Ideal days are Monday, Tuesday and Wednesday.
- When the Asian Range is smaller than 40 pips.
- When a 4h candle range is purged.
- At key times Of the day.
- Execute on 15m.

Intraday Setups



CHAPTER 23

Standard Deviations

Standard Deviations

The Mean:

- The mean represents the "fair value" or equilibrium price level where price naturally accumulates orders or forms consolidation profiles. It is the market's perceived balance point where buy and sell orders neutralize each other.
- Asian Range, Original Consolidation, CBDR, etc.

Standard Deviations:

- Standard deviations measure how far the price moves from its mean, measuring the degree of market volatility, these levels highlight zones where price is overstretched, offering potential areas for reversals or expansions.

Importance of STDv

- It can be used to identify high-probability areas for reversals and expansions.
- It helps in setting stop-loss levels for turtle soup entries.
- It is useful for measuring the protractionary or manipulation phases of the market.
- It aids in predicting the high or low of the day.
- It can be used to set precise targets.

Important STDv

- 1 - Standard Deviation
- 2 - Standard Deviation
- 2.5 - Standard Deviation
- 4 - Standard Deviation

Integration with ICT

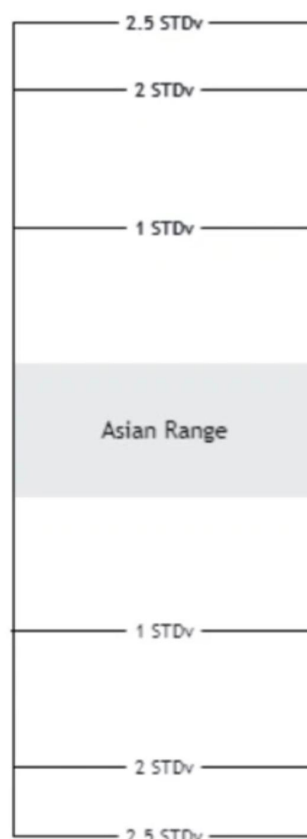
- It must be integrated with key levels.
- It must align correctly with key times and kill zones.
- It should always be used in the correct direction of the draw on liquidity.

Using STDv Correctly

- Identify "the mean," such as the Asian range, CBDR, or a protractionary move, and select the correct range.
- Plot the different key standard deviations of "the mean."
- pay attention to higher-timeframe key levels and match them with the key STDv.
- Wait for the aligned key level and key ST DV to be tested at a key time.

Stop-Loss for Turtle Soup Entries

- It is the best tool for precise stop-loss placement in turtle soup entries.
- It must be correctly integrated within the appropriate temporal frameworks.
- Use the key ST DV levels for optimal placement.



Examples



STDv for Stop-Loss



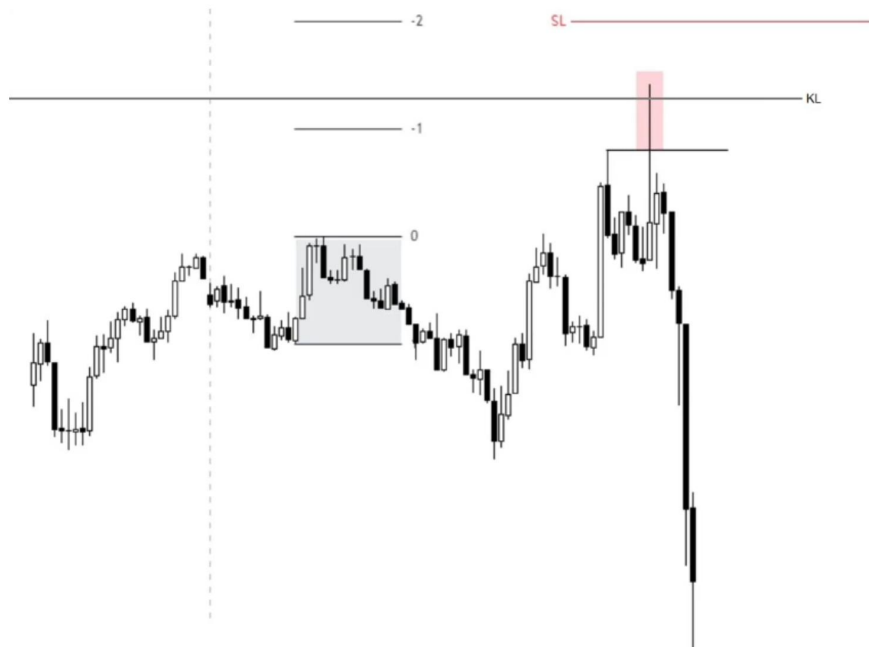
Anticipating the High/Low of the Day

- Standard deviations can be used to determine the high/low of the day with accuracy.
- Ideally, the high/low of the day forms at 1-2 standard deviations of the Asian range.
- Sometimes, it could form at 2.5 standard deviations as well.
- Match it with a key level and key time or kill zone for increased precision.

Anticipation



Examples



CHAPTER 24

Mastering Turtle Soups

Introduction:

What is a Turtle Soup?

- Turtle soup. false breakout or liquidity purge focuses on the concept of liquidity hunts, where the market triggers stop-losses of retail traders before reversing.
- It the most advanced entry method or approach.
- Coined by trading veteran Linda Raschke.

Why is Turtle Soup Effective?

- Capitalizes on retail mistakes.
- Leverages institutional moves,
- Clear risk-reward structure,

Characteristics of Turtle Soup

Content:

- Price moves beyond a significant level briefly.
- Sudden reversal into the prior range,

Market Context: (Important)

- Occurs in the direction Of the higher timeframe draw on liquidity.
- Occurs around higher timeframe key levels,
- Occurs during liquidity hunts,
- Occurs at key times.

Risk-Reward Profile:

- Low risk, high reward.

High Probability Turtle Soup

Clear & Defined Draw on Liquidity:

- You can only catch high-probability turtle soups if you have accurately determined the higher timeframe draw on liquidity, clearly and definitively

Sharp Narrative:

- You also need to build a sharp narrative around it using weekly and intraday profiles. OHLC, P03, dealing ranges and so on.

Market Context: (Important)

- You must also align it with the correct 'market context.' such as key times, key levels. standard deviations. Fibonacci levels, and so on.

Market Context

Key levels:

- You must use the correct higher timeframe key levels based on your timeframe alignment and timeframe selection. You also need to align them correctly with other levels and refine them.

Key times:

- Based on your trading style and trading instrument. you must also look for turtle soups and liquidity hunts at key times, and align them logically with the key levels you've chosen.

Standard Deviations: (Sauce)

- The best turtle soup occurs at key standard deviations. such as 2, 2.5. and 4, of mean ranges like the Asian range. a manipulation leg. CBDR. or original consolidation.

Refined Entries

Use Logic:

- Don't just randomly take an entry after a liquidity hunt or when a high or low is taken; wait for the move to end. (This is where most of you fuck up)
- Use key levels, standard deviations, Fibonacci levels, and key times together logically, integrating them with each other to refine your turtle soup even further. Only then will you be able to catch sniper entries,
- You must know how to integrate these elements logically. Every day, you might encounter a new scenario, so you must be open to adapting.

Stoploss?

Use Logic, Again:

- There are multiple ways to set a stop loss for turtle soup entries. You can do it using:
 - a. Higher timeframe key levels
 - b. Lower timeframe refined key levels
 - c. Standard deviations
 - d. Orderblock stop-loss
 - e. Swing points at key times
 - f. Set number of pips, SUCH as 10 pips, 15 pips, etc.
 - g. A combination of these. logically integrated with each other (advanced)
- The best approach is to take 2 to 3 confluences from the above list, learn to integrate them properly. gather data to see which combination works best, and determine what suits you psychologically. Once you've done that, trust it with your life.

Heads Up:

- You don't need sniper-accurate entries to be profitable.
- You don't need to catch the extreme top or bottom to succeed. All you need is an edge over the markets and a clear awareness of all the variables so you can stay vigilant.
- Ask yourself: Do you want to become profitable, or are you chasing sniper entries to impress others or feed your ego? If your goal is profitability. remember that all you truly need is an edge.

Step-by-Step Approach

Start with the Higher Timeframe:

- Identify your draw on liquidity using the daily and 4-hour timeframes.

Build a Narrative:

- Determine how price is likely to move toward the draw on liquidity.
- Identify which key levels it might test before expanding toward the target.
- Consider when liquidity might be taken (key times) and when reversals could occur.

Select Key Levels and Candle Ranges:

- Choose key levels and a relevant candle range.
- Draw out the standard deviations of potential mean ranges. preferably the Asian range, CBDR, and counter- manipulation legs.

Wait for Liquidity Hunts or Manipulation:

- Look for these to occur at a killzone or a key macro time,

Refine Levels Using Standard Deviations:

- Match the standard deviations with key levels to refine them further for a more accurate turtle soup setup.

Set Your Stop Loss:

- Follow your stop-loss protocols. incorporating the confluences outlined earlier.

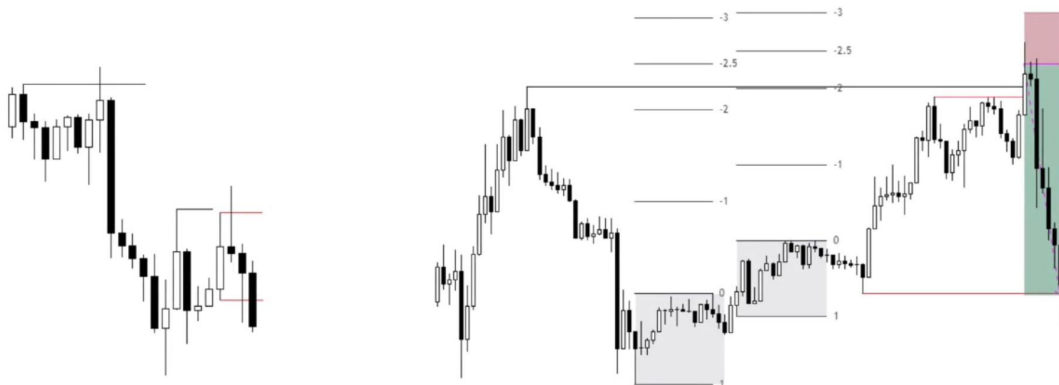
Cased Study = Naked



Cased Study = Technicals



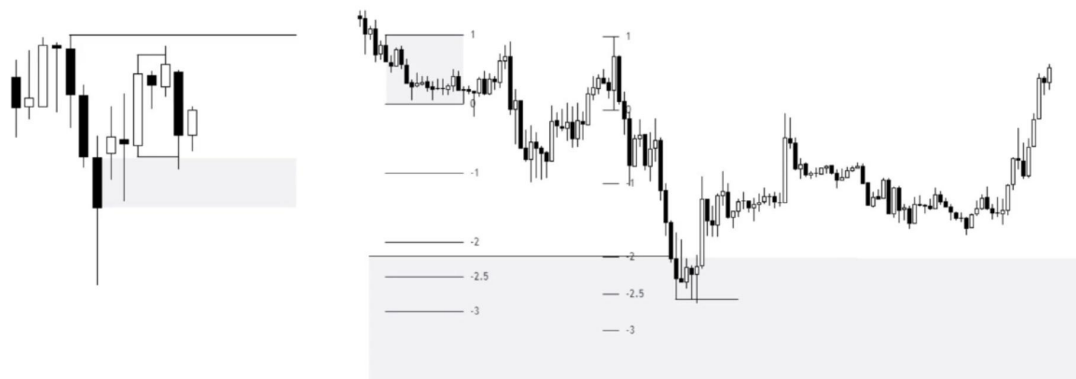
Cased Study = Entry, Stoploss & Target



Cased Study 2 = Naked



Cased Study = Technicals



Cased Study = Entry, Stoploss & Target



CHAPTER 25

Narrative

What is Narrative?

Definition

- Narrative is the "story" price tells over time, helping us understand market intentions. It's about piecing together price action to form a structured bias about how price is gonna reach the draw on liquidity.
- Narrative provides clarity and direction.

Why Narratives Matter

- Narratives explain the how, when, and why of market behavior and price movement.
 - a. **How:** How will price reach the draw on liquidity.
 - b. **When:** When is price expected to reach the draw on liquidity.
 - c. **Why:** Why is price likely to move toward the draw on liquidity.

Power of Narrative

Narratives answer most of your questions related to making accurate analysis:

- Which key level to choose and why that particular key level is significant.
- Which CRT to choose and why it fits the current market structure.
- When to wait for a liquidity purge and why patience is necessary in that scenario.
- Whether to interact with the markets or avoid participating altogether.
- How to integrate all these questions to form a structured bias and craft a coherent market story.

Time-Based Narrative

Introduction:

- A time-based narrative. as the name suggests. uses time concepts such as weekly profiles. intraday profiles. and Asian range orientation to form a structured bias. These are based on how price behaves during specific times of the day or week. This approach helps answer the Why, how, and when questions in analysis.

Weekly Profiles:

- Weekly price movements as cycles: accumulation. manipulation. distribution.
- How narratives shift within these phases throughout the week.

Intraday Profiles:

- Importance Of daily OHLC in defining intraday bias.
- Session-specific narratives: London open expansion. New York continuation, and reversal scenarios.

Asian Range Orientation:

- Asian session as a consolidation phase and using it's highs & lows as reference point to form bias for London & NY.

Price-Based Narrative

Introduction

- A price-based narrative utilizes price concepts such as OHLC (Open, High, Low, Close), highs and lows, and P03 to form a structured bias and answer key market questions.

OHLC (Open, High, Low, Close)

- Importance of daily and weekly OHLC.
- Daily open as the anchor point for intraday trading.
- Using highs and lows to define liquidity zones and target levels.

Highs & Lows as Liquidity Pools

- How liquidity forms above relative highs and below relative lows.

Power Of Three

- Using market profiles and AMD to dissect market behavior based on accumulation, manipulation and distribution.

Combining Time and Price Narratives

Merging Time & Price for a Clearer Picture

- Time-based and price-based narratives are separate, but complementary methods of understanding the market. Time-based narratives (such as weekly profiles, intraday profiles, or sessions like the London Open) focus on when certain price levels are reached. They offer insights into market phases and liquidity dynamics of different times of the day or week.
- On the other hand, price-based narratives (such as OHLC, and liquidity pools) focus on where price is relative to key levels.

Why Combine Time and Price Narratives?

- Combining both gives traders a broader and more accurate perspective of the market.
- Time narratives help understand the overall market rhythm, while price narratives provide the specific levels that matter.
- Together, they form a powerful narrative for identifying high-probability setups by determining not just what price is doing but when it is most likely to reach certain levels.

Practical Application

How to Combine Time-Based and Price-Based Narratives

- **Step 1: Assess the Weekly Profile**

Start by understanding the weekly market context: Is the market above or below the weekly open? What are the weekly high and low? Where has the market made significant movements in the past few days (accumulation, manipulation, or distribution phases)?

- **Step 2: Identify Key Price Levels on the Daily Chart**

Once you have your weekly context, zoom into the daily OHLC. Are there any significant key levels, or liquidity pools that align with the weekly context?

- **Step 3: Look for Confluence Between Time and Price Narratives**

Once you have the broader weekly context and the key levels from the daily chart, check for confluence:

Does a key level on the daily chart coincide with a high/low from the weekly profile? Is price approaching a liquidity zone where the market is likely to reverse or continue?

Realistic & Pragmatic Approach:

- You'll need to create a separate narrative and detailed story for every single trade. Each day, you'll face multiple questions and puzzles that you'll need to solve. There are countless scenarios and combinations of concepts, and the best way to integrate them correctly is by first learning each concept separately from the best sources. Then, one by one, confront the different possible situations and combinations in live markets.
- The practical application of combining time-based and price-based narratives isn't something you learn by just watching a video. It's earned by going through hundreds and hundreds of trades and charts over months and years, facing all the possible scenarios.

For Examples (Watch all Shams Trade Breakdown - Those are the best examples)

CHAPTER 26

Intricacies of Swing Trading

Swing Trading

Introduction

- Swing trading focuses on capturing price movements over a period ranging from a few days to several weeks. The focus is on capitalizing on the "swings- within a larger orderflow or range, aiming to profit from price fluctuations during these periods.

Key Characteristics

- **Timeframe:** Typically trades last 2-5 days but can extend to a week or two.
- **Goal:** Exploit "swings" in price to capture larger pips compared to intraday trading.
- **Flexibility:** Balances between short-term (intraday trading) and long-term (position trading).

Benefits of Swing Trading:

- Less screen time compared to day trading.
- Suitable for those with other commitments (e.g., jobs, studies).
- Potentially higher returns due to larger price movements.

Key Points

Goal

- The goal of swing trading is to capitalize on the weekly range expansion and price movements within a trading week.

Key Points

- Generally, there will be about two setups per week.
- The more higher timeframe ideas you can find as confluences, the better.
- Unlike intraday trading, swing trading allows you to trade during news events and leverage them to your advantage exploiting weekly range expansions.
- There are two classic models for swing trading: the Classic Swing Model and OSOK (One Shot, One Kill).

Why Choose Swing Trading?

- Swing trading provides a balance between the intensity Of day trading and the long-term patience Of investing. It appeals to traders who:
 - a. Want to participate in the market without being glued to screens,
 - b. Prefer a methodical, planned approach to trading.
 - c. Aim to grow their account steadily by compounding profits over time.

Types of Swing Trading

Classic Swing Model (CSM)

- The Classic Swing Model is designed to capture monthly range expansions.
- **Trade Duration:** 5 days to several weeks.
- **Trade Frequency:** 1 trade per week.
- **Higher Timeframe:** Monthly and Weekly.
- **Lower Timeframe:** 4H.

One Shot, One Kill (OSOK)

- The OSOK (One Shot, One Kill) model is a short-term swing model focused on capturing **weekly range expansions**.
- **Trade Duration:** 2 to 5 days.
- **Trade Frequency:** 2 trades per week.
- **Higher Timeframe:** Weekly and Daily.
- **Lower Timeframe:** 1H.

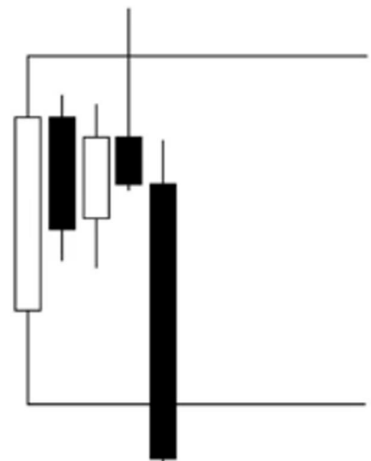
How it Works

Higher Timeframe

- Analyze the markets on the higher timeframe to:
 - Determine draw on liquidity (Short term and Long term),
 - Build time and price based narratives.
 - Identify and select key levels and candle ranges.

Lower Timeframe

- Analyze the markets on the lower timeframe to:
 - Build lower timeframe time based narrative.
 - Frame entries based on your entry model.
 - Manage trades and executions.



Main Premise

Weekly Range Expansion

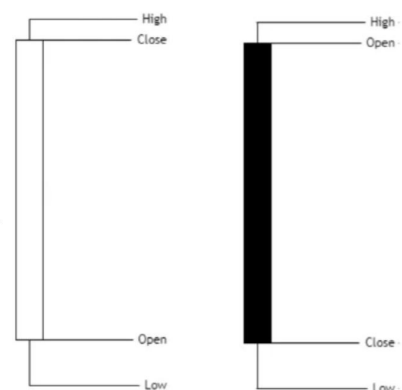
- Identify the most probable or likely direction the next weekly candle will expand in a directional sense.

Day of Week

- Expect an anchor point to form on a Monday, Tuesday or Wednesday in order to frame a setup.

Turtle Soup & Orderblock

- Wait for an orderblock to be formed after a turtle soup to frame an entry based on your entry model.



Mechanics

Routine:

- Preparation.
- Opportunity discovery.
- Trade planning,
- Trade execution.
- Trade management.



Preparation:

- Note down all the high impact news event for the asset or instrument you're following,
- Study the events throughout the week & consider the current market structure & news events may suggest a specific weekly profile for the weekly range expansion.
- Inside the dealing range, 100k for the next draw on liquidity, where is price likely to trade next,
- Look for a key level that supports that directional bias and narrative.

Opportunity Discovery:

- We 100k for higher timeframe candle ranges or CRT in the direction Of the higher timeframe draw on liquidity which would act as our anchor point to frame a trade idea.

Trade Planning:

- We wait for a liquidity purge, manipulation or a turtle soup to occur around the CRT,

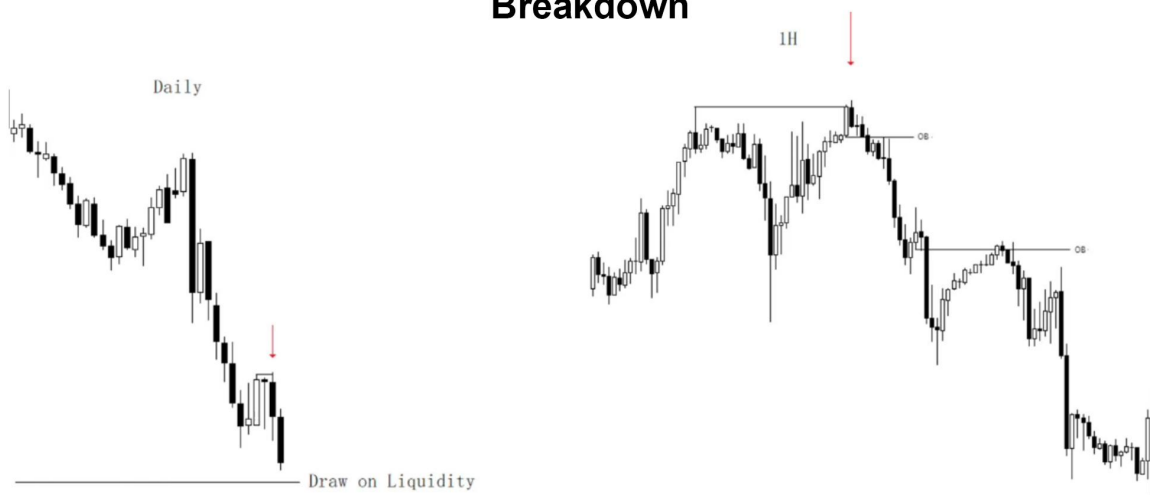
Trade Execution:

- After the turtle soup, we wait for an orderblock to form and we take the entry at that orderblock.

Trade Management:

- (Based on your risk model and preference)

Breakdown



Breakdown



CHAPTER 27

Entry Models

Definition

- An entry model provides a framework for:
 - a. **When to Enter:** Timing the entry based on key times and macros.
 - b. **Where to Enter:** Identifying the key levels and candle ranges to trade off of.
 - c. **Why to Enter:** Understanding the rationale behind the setup, such as higher timeframe draw on liquidity, time and price based narrative, and other confluences.

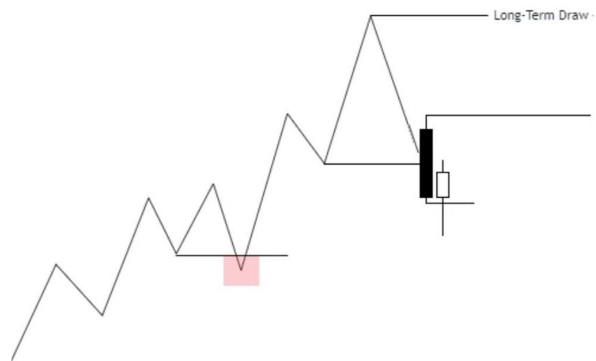
Components

- **Market Context:** Understanding the market's direction and behavior.
- **Trigger Signal:** The event or condition that confirms the entry (e.g., price reaching a key level, or purging a CRT)
- **Confirmation:** Additional orderblock or fair value gap formation.
- **Risk Management:** Predefined stop-loss and position

Entry Models

Prerequisites for Using an Entry Model:

- **Draw on liquidity.**
 - Liquidity pools
 - Fair value gaps.
- **Narrative.**
 - Time based narrative.
 - Price based narrative.
- **Confluences.**
 - Key levels.
 - Candle ranges.
 - SMT divergences.
- **Timing.**
 - Day of week.
 - Time of day,
- **Management.**
 - Risk management framework.
 - Psychological preparedness.



Top Entry Model

Turtle Soup Model

- The most advanced entry model, it doesn't require any conformational aspect.

Orderblock Model

- Conformational entry type-1

Fair Value Gap Model

- Conformational entry type-2

Turtle Soup Model

Mark Candle Ranges:

- Select a candle range in the direction of the higher timeframe draw on liquidity,

Wait for a Purge:

- Wait for the candle range or CRT to be purged at a key time. (Refer to the 'time' Chapter)

Entry:

- Enter logically based on the framework I taught you in chapter 24- (Must refer to that chapter)

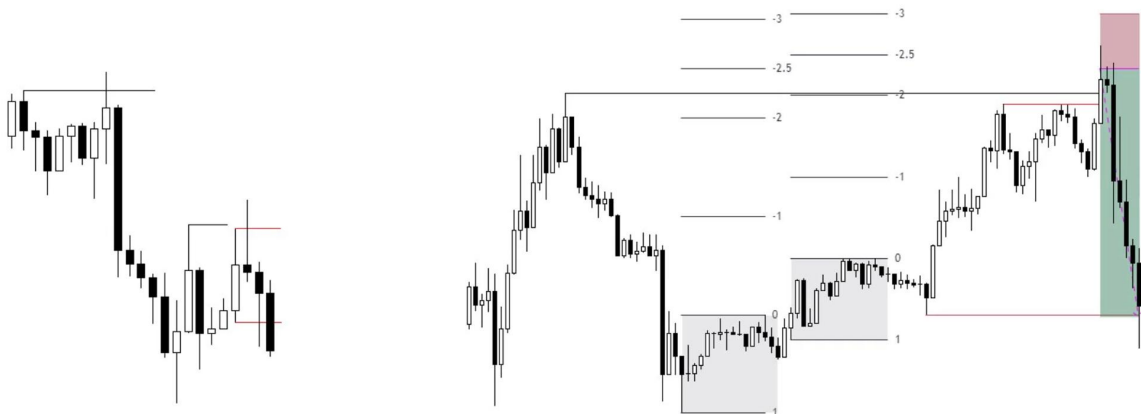
Setting Stop Loss:

- Again. place Stop loss based on the framework I taught you in chapter 24.

Target:

- 50% the candle range.
- Opposing end Of the range-

Example



Orderblock Model

Mark Candle Ranges:

- Select a candle range in the direction of the higher timeframe draw on liquidity,

Wait for a Purge:

- Wait for the candle range or CRT to be purged at a key time. (Refer to the 'time' Chapter)

Conformational Entry:

- Wait for an orderblock to form and then enter.

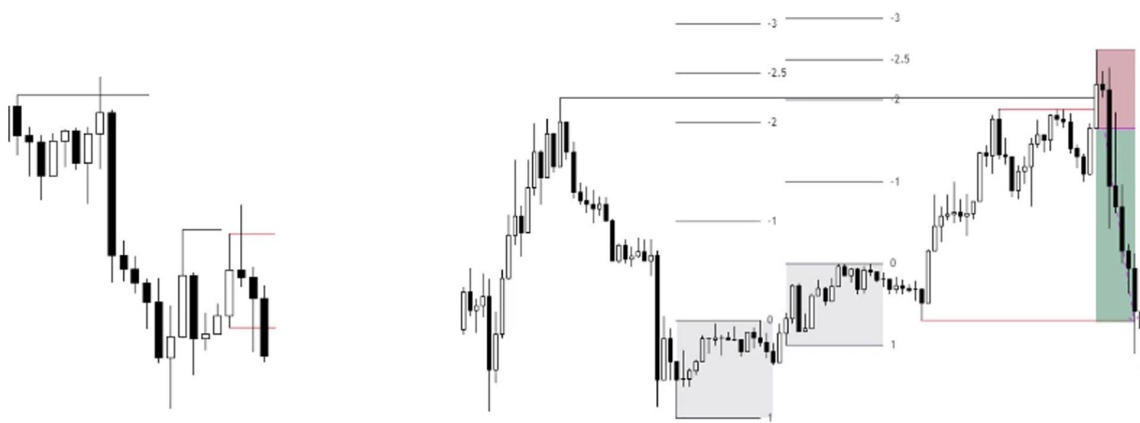
Setting Stop Loss:

- Set stop loss above or below the orderblock.

Target:

- 50% the candle range.
- Opposing end Of the range-

Example



Fair Value Gap Model

Mark Candle Ranges:

- Select a candle range in the direction of the higher timeframe draw on liquidity,

Wait for a Purge:

- Wait for the candle range or CRT to be purged at a key time. (Refer to the 'time' Chapter)

Conformational Entry:

- Wait for an fair value gap to form and then enter.

Setting Stop Loss:

- Set stop loss above or below the orderblock or at the high or low of the fair value gap.

Target:

- 50% the candle range.
- Opposing end Of the range-

Which Model to Choose?

Turtle soup model:

- High risk, high reward.
- Requires significant experience, intuition, and chart time.
- Setting the entry and stop-loss involves intricate steps, making it challenging,
- Does not require confirmation, leaving it vulnerable to manipulations and Judas swings.
- Offers a chance to capture the "winning move" at the earliest stage.
- Best for advanced traders with strong technical knowledge and trading intuition.
- Highly susceptible to false signals and requires precise execution.

Orderblock model:

- Moderate risk, moderate reward.
 - A relatively simple and mechanical approach.
 - Easier to execute. with clear rules for entry and stop-loss placement.
- A confirmational entry model that protects against most Judas swings and manipulations.
- Vulnerable to missing moves if the market doesn't retrace to the orderblock.
 - Suitable for intermediate to advanced traders.
 - Can miss potential trades if price moves impulsively without retracing.

Fair value gap model:

- Moderate risk, moderate reward. with added confluence.
- Simple to execute with clear steps for identifying FVG zones, entries, and stop-losses.
- Provides additional confluence over the order block for greater precision.
- A confirmational entry model, offering high protection against manipulations and false moves.
- Can miss trades if price doesn't retrace to the FVG.
- Suitable for beginner-level traders due to its simplicity and structured approach.
- prone to missing moves in trending markets,

CHAPTER 28

Intermediate Timeframe Analysis

(Sham's Personal Approach)

Main Focus

- Determine the impact of higher timeframe perspective on an asset.
- Identify the directional bias for the weekly higher timeframe.
- Refine the higher timeframe weekly draw on liquidity.
- Select the correct key levels and candle ranges within a dealing range.
- Conduct a detailed technical analysis on a weekly basis.

Step by Step Approach

- OHLC.
- Market profile,
- Intermarket SMT analysis.
- Orderflow & Range dynamics.
- Dealing ranges.
- Key level & CRT.
- Weekly directional bias and draw on liquidity defined.

OHLC Analysis

- Dissect the current monthly and weekly candles based on OHLC to determine where we are in the sequence.
- Build a price-based narrative to anticipate and predict how and when price will move toward the draw on liquidity.
- Support your narrative with higher timeframe analysis from the monthly chart, incorporating key levels and candle ranges.

Market Profiles

- Determine the current market profile: Are we in an expansion or consolidation phase?
- Refine further into advanced profiles: consolidation, expansion, reversal, or retracement.
- Look for supporting ideas to validate your premise and analysis—ask logical, critical questions.
- Combine these insights with the higher timeframe and OHLC analysis for a better view.

Orderflow & Range Dynamics

- Measure the orderflow or advanced market structure of the market.
- Assess whether price is rejecting IOWS and breaking highs, or rejecting highs and breaking lows.
- Look at the short-term, intermediate-term, and long-term highs and lows to analyze how price is being influenced by them.
- If price is ranging or consolidating, apply the range dynamics principle to predict where price might head next and establish the directional bias.
- Determine the overall orderflow-

Dealing Ranges & Key Levels

- After determining the higher timeframe directional bias, draw on liquidity and orderflow - Break down the selected price range (dealing range) into premium and discount zones.
- Identify all the key levels within the premium and discount zones to align yourself with the draw on liquidity.
- Use the dealing range, candle ranges and key levels to build potential trade ideas.

Conclusion

- Determined the current market profiles.
- Measured the orderflow.
- Confirmed my analysis with correlated assets.
- Selected a portion of price to trade within (dealing range).
- Defined the key levels and CRT within that range.
- This process leads to a directional bias on the weekly timeframe. which will then be refined further into the daily timeframe using the same method.

Monthly



Weekly





You finally reached the end!

A big clap for you!

Now, give your self a chart time.

**Struggling on your psychology?
- Read "Trading in the Zone" by Mark Douglas**

**DONT FORGET TO FOLLOW ME ON MY
SOCMEDS! ❤️**