# REKTPROOF EDUCATION

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# LESSON 01: Supply and Demand, Orderblocks

## Supply and Demand

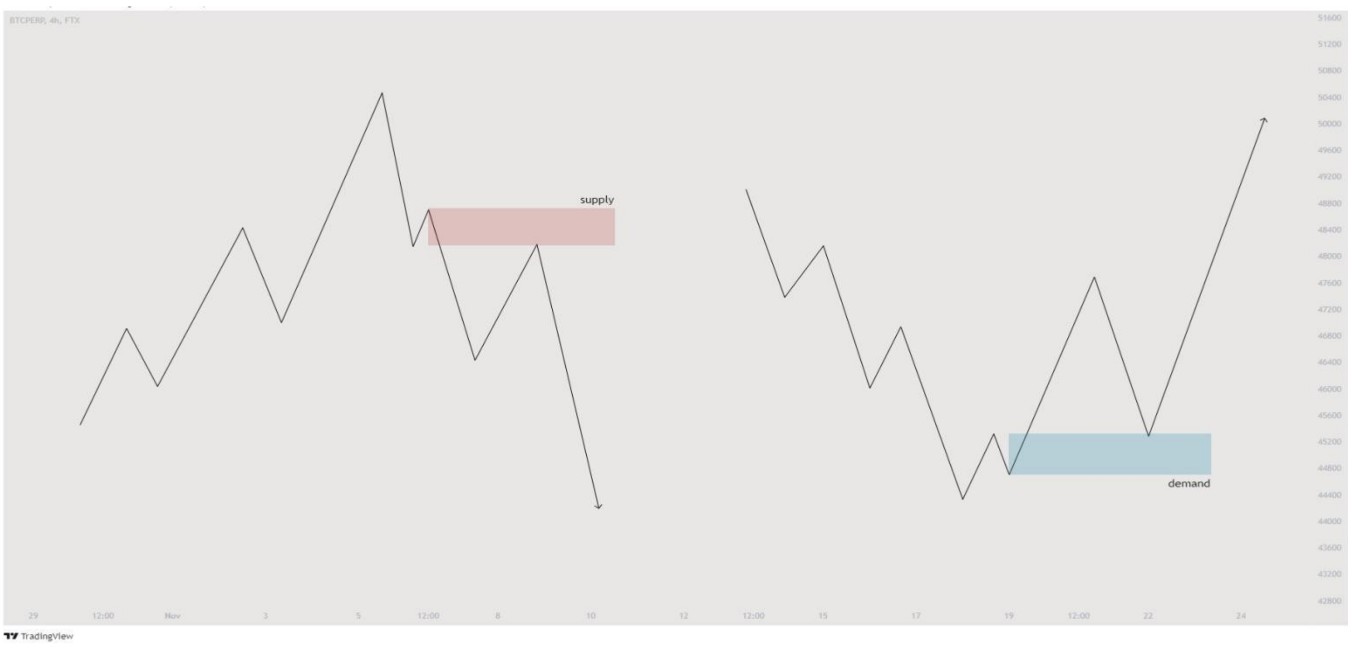
An area were “smart money” entered the market as buyers or as sellers. Price determination is decided by Institutional context in which retail traders (us) can employ proper concepts to track the footprints of bigger market role players. The difference between resistance/support and supply/demand is that supply and demand tend to be fresh untouched areas of interest that can potentially provide short term liquidity (price power) to temporarily give the market a reversal as for resistance/support they represent historical pivot price lines that have played a crucial point in previous price outlining.

## Orderblocks: (Supply and Demand)

Orderblocks are zones in which price marks as a level of interest in where liquidity was injected to be used at a later time. When role players move the market away they tend to leave footprints for us retail traders to pick up on. These market zones can aid in ensuring that when proper metrics are used you're able to capitalize off areas that leave behind untapped liquidity. Orderblocks are areas that either give support or resistance depending on the market bias that you impose. Using orderblocks tend to give precision entries. I will show 3 diff examples on each One that is commonly used, one that is effective and how I personally use these zones Will also be showing examples on 3 different methods to mark out S/D Levels.

***Common Practice, Using the OTE, Personal Practice***

**Simply Put:**
In order for a proper orderblock to be labeled you need a market structure break (MSB) A market structure break confirms a trend shift. Once you have the trend shift thats when you start looking for any formed supply/demand areas. The way you mark out MSB is all personal preference Chart Diagram (Simply put)



# Bearish Orderblock (Supply):

**3 Methods:**

A. Up candle ( bullish candle ) prior to the move down that broke market structure. (Common)

B. Up candle ( bullish candle ) prior to the move down that broke market structure (OTE)

C. Up candle ( bullish candle ) prior to the move down that broke market structure. (Personal)

## Example A:

***A. Up candle ( bullish candle ) prior to the move down that broke market structure.***

1. (MSB) Market Structure Break: Market structure is broken indicating orderflow wants to trend price lower.
2. Up move before the down candle that led to break in market structure. Following the break in market structure the price comes back to its identified supply and origin of the move now identified as a bearish orderblock and supply level. institutional footprint now identified.
3. Entry would be at the start of the Orderblock which price tagged to the exact dollar and some and target would be swing lows after identifying orderflow wanted lower levels when market structure was broken and shifted. Result: 5.97R setup with invalidation above the orderblock

## Example B:

***B. Up candle ( bullish candle ) prior to the move down that broke market structure. (OTE)***

1. (MSB) Market Structure Break: Market structure is broken indicating orderflow wants to trend price lower.
2. Up move before the down candle that led to break in market structure. Following the break in market structure the price comes back to its identified supply and origin of the move now identified as a bearish orderblock and supply level. institutional footprint now identified
3. Using your Fibonacci extension tool mark the swing high to the swing low in which .705 as per ict is known as the optimal trade entry in any market and within the bearish orderblock which when used correctly gives you precise entries. Result 4.04R


## Example C:

***C. Up candle ( bullish candle ) prior to the move down that broke market structure. (Personal) This method is my personal method to playing supply and demand zones.***

1. Price Runs Liquidity: Before institutional money is injected personally I like to see a swing point get ran. Why? Swing points are often areas where traders like to leave their stops and are known as liquidity pockets in the market. Before smart money can engineer liquidity there needs to be liquidity to be collected. Liquidity is ran and collected shortly after the up candle before the break in Market structure is made.
2. (MSB) Market structure broken following a run of a high ( see step 1)

3. Up move before the down candle that led to break in market structure. Following the break in market structure the price comes back to its identified supply and origin of the move now identified as a bearish orderblock and supply level. institutional footprint now identified
4. Using your Fibonacci extension tool mark the swing high to the swing low in which .705 as per ict is known as the optimal trade entry in any market and within the bearish orderblock which when used correctly gives you precise entries
5. Target: Target untapped low and result 4.3R


## Bullish Orderblock ( Demand):

***Note***: Wording the same as bearish orderblock just reversed bearish wording with bullish wording and examples are different to define bullish bias.

A. Down candle ( bearish candle ) prior to the move up that broke market structure. (Common)

B. Down candle ( bearish candle ) prior to the move up that broke market structure.. ( OTE)

C. Down candle ( bearish candle ) prior to the move up that broke market structure. (Personal)

### Example A:

***A. Down candle ( bearish candle ) prior to the move up that broke market structure.***

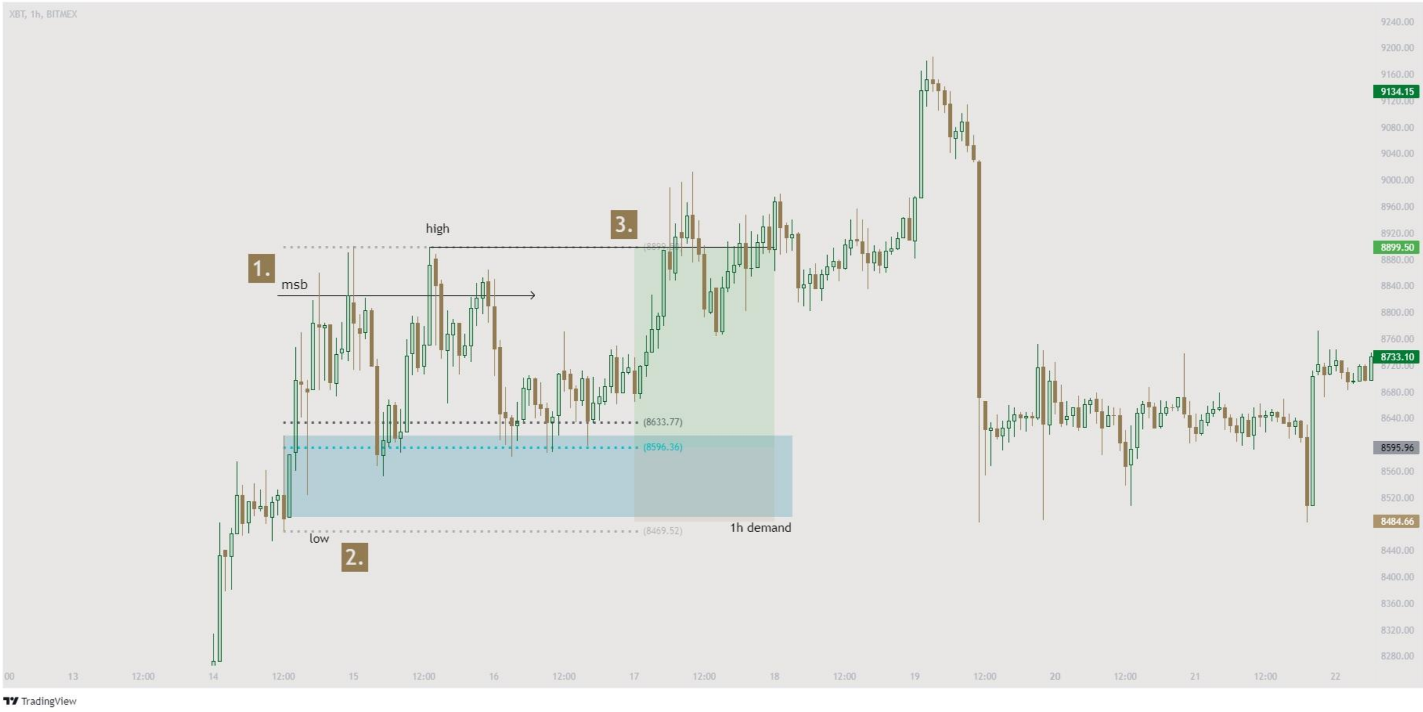
1. Market Structure Break : Market structure is broken indicating orderflow wants to trend price higher.

2. Down move before the up candle that led to break in market structure. Following the break in market structure the price comes back to its identified demand and origin of the move now identified as a bullish orderblock and demand level. institutional footprint now identified.
3. Entry would be at the start of the Orderblock which price tagged to the exact dollar and some and target would be swing highs after identifying orderflow wanted higher levels when market structure was broken and shifted. Result: 3.41R setup with invalidation above the orderblock


## Example B:

***B. Down candle ( bearish candle ) prior to the move up that broke market structure. (OTE)***

1. Down candle ( bearish candle ) prior to the move up that broke market structure.
2. Down move before the up candle that led to break in market structure. Following the break in market structure the price comes back to its identified demand and origin of the move now identified as a bullish orderblock and supply level. institutional footprint now identified
3. Using your Fibonacci extension tool mark the swing low to the swing high in which .705 as per ict is known as the optimal trade entry in any market and within the bullish orderblock which when used correctly gives you precise entries. Result: 2.78R setup with invalidation below the orderblock




**Example C:**

***C. Down candle ( bearish candle ) prior to the move up that broke market structure. (Personal) This method is my personal method to playing supply and demand zones.***

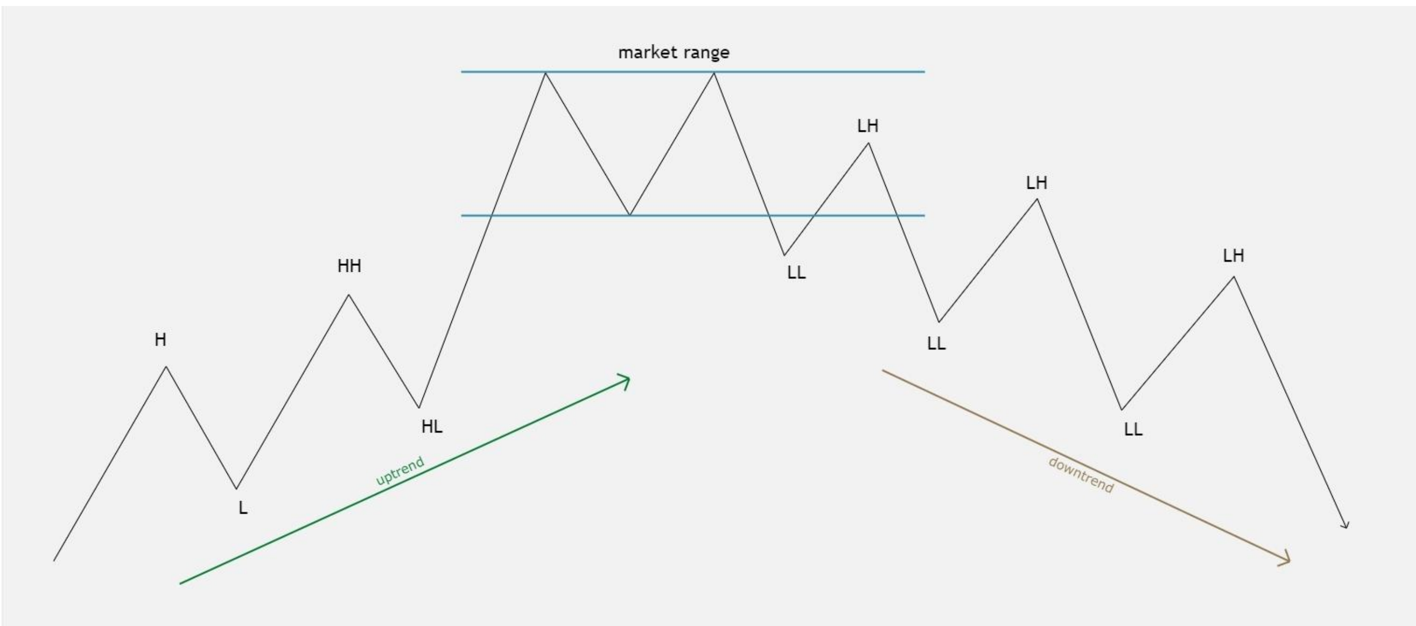
1. Price Runs Liquidity: Before institutional money is injected personally I like to see a swing point get ran. Why? Swing points are often areas where traders like to leave their stops and are known as liquidity pockets in the market. Before smart money can engineer liquidity there needs to be liquidity to be collected. Liquidity is ran and collected shortly after the down candle before the break in Market structure is created.
2. Market structure broken following a run of a low ( see step 1)
3. Down move before the up candle that led to break in market structure. Following the break in market structure the price comes back to its identified demand and origin of the move now identified as a bullish orderblock and demand level. institutional footprint now identified
4. Using your Fibonacci extension tool mark the swing low to the swing high in which .705 as per ict is known as the optimal trade entry in any market and within the bullish orderblock which when used correctly gives you precise entries
5. Target: Target untapped low and result 5R(edited)


# LESSON 2: Market Structure

## What is Market Structure and the Importance

Market structure gives you a dialogue when reading the market. When you follow market structure you can easily determine the flow of the market and place trades based on the trend direction. Market structure forms and gives you an idea when the market comes to a stop and starts a directional
trend.

Reading market structure gives you an idea of which way price will flow and you can "trade the trend"



## Market Range

A market ranges prior to starting a directional trend.

A market will range and the directional trend is based off order flow conditions (will cover in a later lesson) When a market comes off an accumulation phase it’s always followed by an uptrend, when a market comes off a distribution phase it's always followed by a downward trend.

In the example below the market is in a well defined range with a swing high and swing low on each side on a high time frame (weekly)

The market goes from a trending to a ranging environment and from ranging to a trending environment. When a market ranges its either accumulating before it starts a trend up or distributing before it starts a trend down.

## A) Market Structure Range with Shift

1. In order for price to continue an upward trend it needs to make a higher high meaning it would need to break and close outside the high to the left. Price fails to make a higher high and instead proceeds lower.
2. Price comes into the low of the range and failed to make a higher low but rather closed outside the low on the left. At this point market structure has been broken and a possible market structure shift is in play.
3. Price comes back to the mid level of the range and struggles to trade above and instead makes a lower high. More indication that a shift in market structure will occur.

A. Series of lower highs and lower lows start to form. The market is in a clear downtrend and every time a swing low is made is when you should look for short opportunities and zoom into well defined levels. You can use levels such as weekly opens-monthly opens- daily opens to give you an ideal entry in regards to the directional trend.

B. Good example of an ideal entry revolved around directional market structure. Price raids a previous swing high prior to continuing downward trend.

C. Downtrend continuation- market continues after presenting a trading environment.

## B) Use case Scenario

Using the example from above in greater detail:

1. Swing high forms (Lower High). Using our lower high as our swing high we mark out the level and we take note that price has come into it.
2. Swing High Swept Zooming into a time frame that gives us more information we can see that price has swept/deviated the lower high in an attempt to break market structure to the upside. After engineering liquidity by running the previous swing high (lower high) we can assume based off the directional trend that the market will continue downward after failing to shift market structure to the upside.
3. After price previously swept the swing high we get a third drive in which the risk reward supports shorts since the trend is downward and price has swept a previous high.
4. Setup: Entry: After price sweeps you would enter on the third tap. If bearish there would be no need to run the same high twice. I'll elaborate more when i go over ranges. Stop loss would be placed above last recent high. Target would be the last lower low prior to make a lower high. Easy 23R setup +

# LESSON 3: Breakers

***Note:*** Before starting Lesson 3 make sure you're familiar with lesson 1 Supply and Demand

***Important Note*** Breakers are an extremely dynamic area of trading. They are often misinterpreted in only being used one way. Personally I use them in several different ways with swing points, market structure breaks and market structure shifts. I'll include the basic understanding of what is known and include some personal ways that I use them. It's best to message me if you have any questions since I expect this write up to be heavy when it comes to how I use them and the common way of using them.

A breaker is a failed OrderBlock. Similar to OrderBlocks they are demand/supply levels that indicate larger players are entering the market or mitigating their losses. Price breakers make for excellent entries in a given market. Breakers are usually formed after they have taken a short term high, low or in some cases market structure shifts.

In order for a breaker to be considered it needs to be formed as an orderblock first. (Lesson 1)

## Bearish Breaker Chart (Common Use)

1. (MSB) Market Structure Break : Market structure is broken indicating orderflow wants to trend price lower.
2. Down move before the up candle that led to break in market structure. Following the break in market structure the price comes back to its identified demand and origin of the move now identified as a bullish orderblock and supply level. institutional footprint now identified
3. Bullish Orderblock Fails thus flipping bearish breaker.
4. Price tests the breaker
5. Entry at the start of breaker, stop loss above it and target swing lows

## Bullish Breaker Chart (Common Use)

1. (MSB) Market Structure Break : Market structure is broken indicating orderflow wants to trend price lower.
2. Up move before the down candle that led to break in market structure. Following the break in market structure the price comes back to its identified supply and origin of the move now identified as a bearish orderblock and supply level. institutionalfootprint now identified
3. Bearish Orderblock Fails thus flipping a bullish breaker.
4. Entry at the start of breaker, stop loss below it and target swing highs.


## Personal Practice:

Keep in mind this is my way of marking breakers. It's tweaked to my trading style and what I've found works along the way. Marked up several examples not in any order.

### Bearish Breaker Example

1. Price engineers liquidity: Engineer liquidity prior to the opposing move
2. Market Structure Break : Price Shift indicating change in orderflow
3. Orderblock that led to break fails to hold as a bullish OB and flips bearish Breaker
4. Market Structure Shift and looking for return to breaker

5. Price returns to breaker, entry below, stop above and target swing lows.


**Bullish Breaker Example**

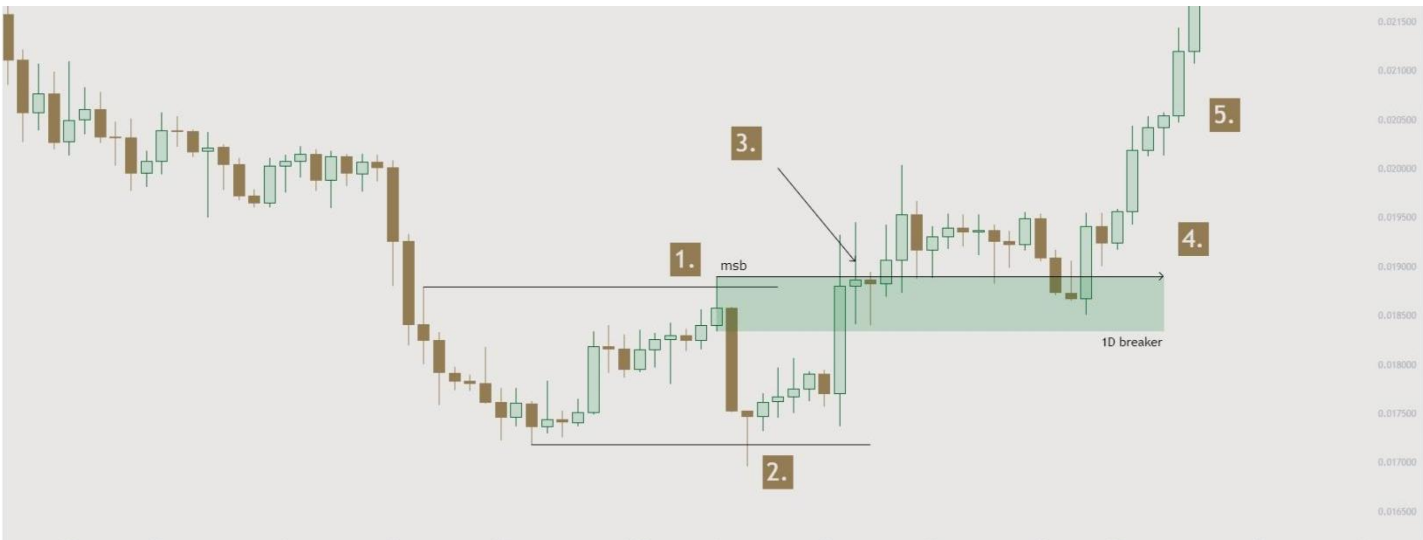
1. Price engineers liquidity: Engineer liquidity prior to the opposing move
2. Price Sweep engineering more liquidity (upside likely)
3. Price fails to hold as bearish OB (OB that led to sweep) and flips Bullish Breaker
4. H4 Breaker forms, and H1 Market structure shift with test of H4 Bullish Formed Breaker

## Bullish Breaker Example

1. Price engineers liquidity: Engineer liquidity prior to the opposing move
2. Market Structure Break : Price Shift indicating change in orderflow
3. Orderblock that led to break fails to hold as a bearish OB and flips bullish Breaker
4. Bullish breaker forms and price moves away to next area of liquidity


## Bullish breaker Example

1. Price engineers liquidity: Engineer liquidity prior to the opposing move
2. Price Sweep engineering more liquidity (upside likely)
3. Price fails to hold as bearish OB (OB that led to sweep) and flips Bullish Breaker
4. Market Structure Shift, price comes into breaker after shift
5. Price Takes off after shift and breaker retest



# LESSON 4: Ranges

***Note:*** Before starting Lesson 4 make sure you're familiar with previous lessons since i use terminology from those.

## What is a ranging market

Market structure is key as I have described in lesson 2. When you have a trending market in one direction you consistently have a series of higher lows/higher highs and or lower lows/lower highs.

Ranging markets proceeds a trending market. Rather than making a new high and a new low, the basis of the market is that it finds support at a common low and resistance at a common high.

The market trends then it ranges. The orderflow of this can be consolidation before continuation, reversal, accumulation, distribution etc. It all falls under the same trading conditions and that is that the market is ranging before directional trend.

In a trending market its common to trade the trend in terms of waiting for pull backs anticipating a similar direction. In a ranging market you will have a top and a bottom, bouncing back and forth.

## Ranges, Deviations and MSB+ Ranges + Setups

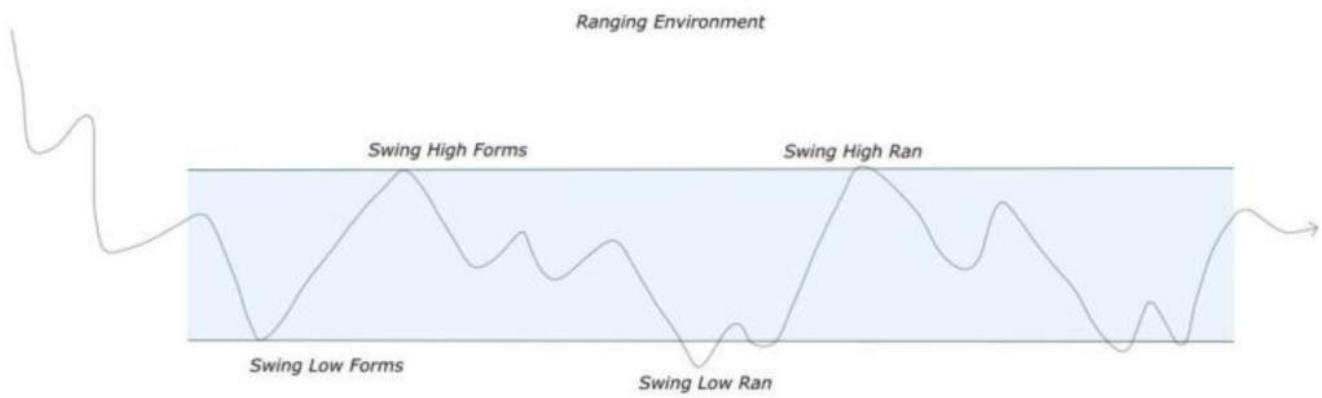
***Ranges*** : Period in the market of consolidation, accumulation, distribution etc. (Orderflow)

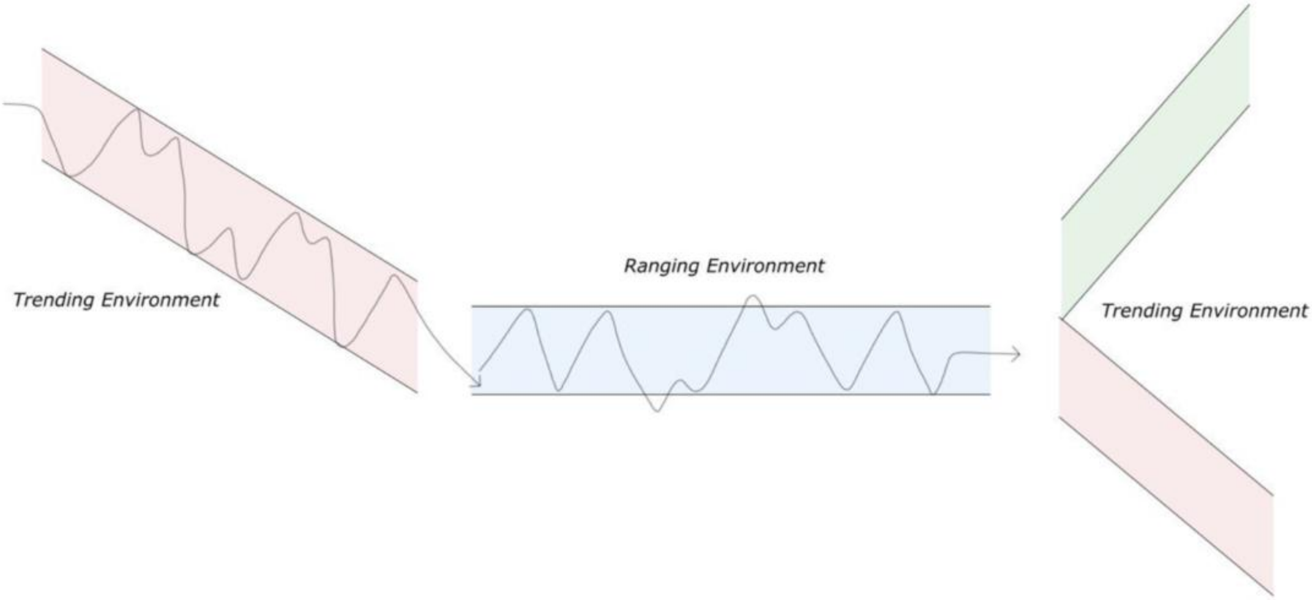
***Ranges + EQ***: identifying range direction using mid range

***Deviations***: Trades below/above set range (false break) before ultimately trading back in mean range.

***Ranges using Market structure break/deviations and how to set up***: My personal way of playing ranges with supply/demand levels.

***Ranges, Chart Diagram(s)***






As mentioned above the market will come off a trend and "relax". At this point you'll have key swing points that form. There is no right way how you personally identify a key range and as the range goes on you must keep looking for swing points that are confluent with set range. Ideally you can take the first low that forms off a down trending market followed by the high and the first high that forms from an up trending market followed by the first low.

After the market comes to a period of consolidation following a downtrend/uptrend it will usually be followed by an immediate swing low/high. These swing points will be your range high and range low. The market ideally will trend between these key points using them as support and resistance and as forms of liquidity in the market.

The .5 Is the EQ short for equilibrium and the mid part of a set range. Trading above the EQ usually signals a bullish trend and is attracted to the range high. Trading below EQ is usually considered bearish and is attracted to the range low. It is the fair value price of mean range.

The EQ (equilibrium) is the mid range of a set range. It is considered the fair value in the mean range. Above EQ we are "bullish" and more likely to tag range high and below EQ we are "bearish" and more likely to tag range low. The EQ is a strong pivot in price and often gives good support/resistance.

## Range EQ

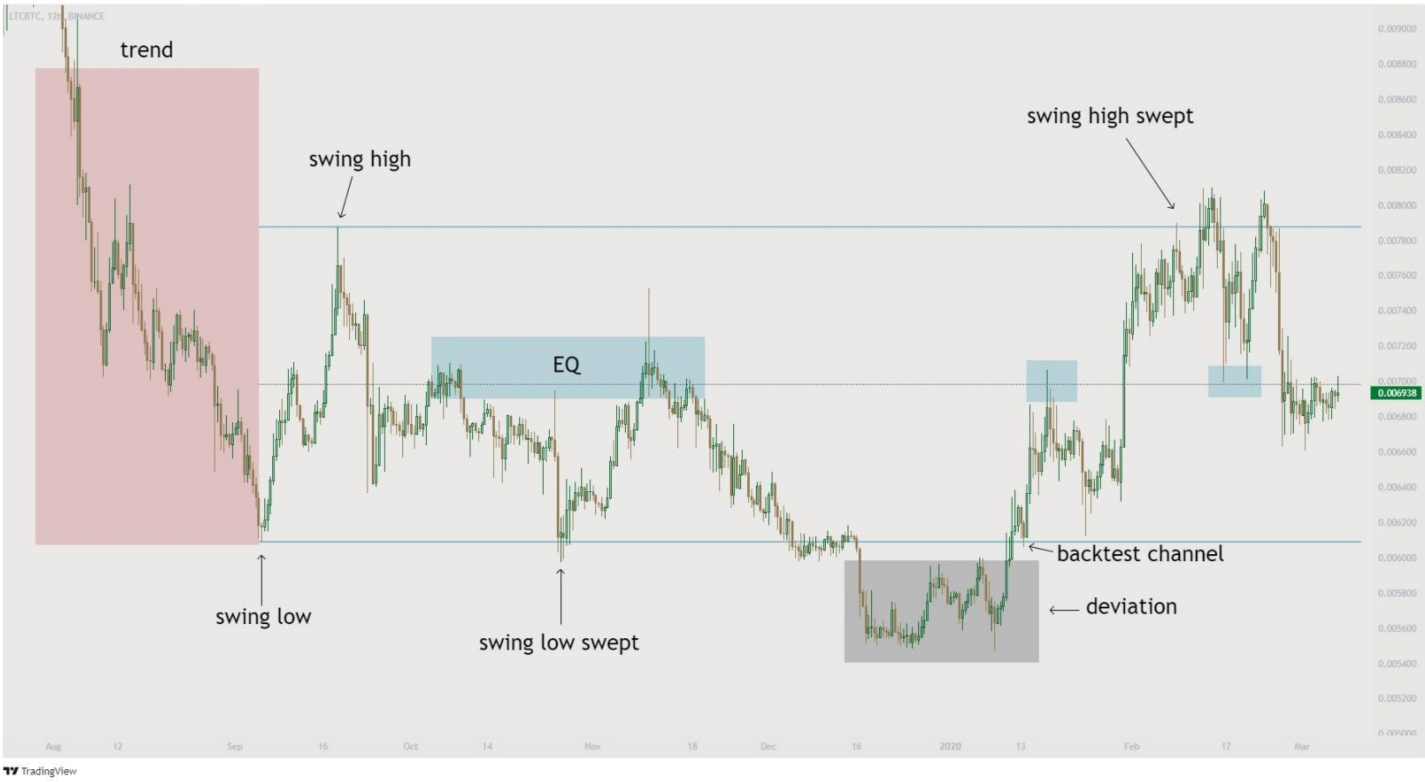
1. Swing High is formed following the downtrend
2. Swing Low is formed following the swing low mark.
3. Swing Low Ran following range identification
4. 4 Price unable to break EQ and ultimately suppressed below it
5. EQ Break which shifts price to the upper part of the range which indicates range high next

6. Swing high swept following range low sweep and EQ break

## Range Deviations

Range deviations “false breakout” is when price directs away from mean range before ultimately breaking back into it. In most cases range deviations are an extremely good sign that price will revisit the opposing side of the range upon breaking back in. 2 different examples below

1. Swing Low is formed following the downtrend
2. Swing High is formed following the swing low mark.
3. Swing Low Ran following range identification
4. Price deviates below key swing low/range low before breaking back into range
5. Swing high is ran following range deviation reclaim




## Ranges using MSB/deviations and how to set up:

This is how I personally trade set ranges using market structure breaks and formed demand/supply levels.

**EXAMPLE 1:**

1. Following the price deviation and break back into the set range we identify any formed demand/supply levels following market structure break. H12 Breaker (demand) formed following MSB.
2. Price comes into it before ultimately going for range high. Entry would be at top of breaker (demand) with a stop slightly below range low.


**EXAMPLE 2:**

1. Following the price deviation and break back into the set range we identify any formed demand/supply levels following market structure break.Daily OB (demand) formed following MSB. Price comes into it before ultimately going for range high.

1. Entry would be at top of OB (demand) with a stop slightly below range low.

**Example 3:**

1. Deviation confirmed once we break back inside range.
2. Supply forms following the market structure break and shift.
3. Price sweep into M30 Supply following MS Shift and MSB
4. 4 Entry identified following the sweep and price unable to shift in a new high. Stop loss placement above the swept high. If price is trending we should not revisit the same high twice in this scenario. Target would be range low.
5. 0 drawdown for the most part. Deviations + MSB + formed supply/demand levels are usually a nice setup.


# LESSON 5: Fair Value Gap

***Note*** Before starting this lesson make sure you're familiar with supply and demand levels in Lesson

## What is a FVG?

A fair value gap is a liquidity void in the market that has price efficiency. Areas in the market that only offer one participant that tend to fill the remaining participants at a later time. More sellers than buyers; more buyers than sellers.

## Criteria

1. ***Consolidation:*** Price consolidates and forms a supply/demand prior to break.

2. ***Manipulated Expansion:*** Price trends one direction in a sudden movement disregarding formed levels in between.

3. ***Price Retracement:*** Price slowly retraces to previously formed supply/demand filling the price inefficiencies.

# Examples 1: Bearish Case

## 1. Consolidation

Price consolidations for a period of time. Between consolidation we have bracketing orders. Orders are being traded between a set range constantly exchanging hands. At the same during this consolidation we have bigger market players filling their positions.

In this example we have a consolidation that led to bigger role players filling their longs in a long period of time. Prior to the up move we form a demand level. (Heavy selling to lure retail to short to quickly offset a break to the upside.)

## 2. Manipulated Expansion:

Rather than creating a series of HH/HL price instead quickly expands disregarding resistance on the way up.

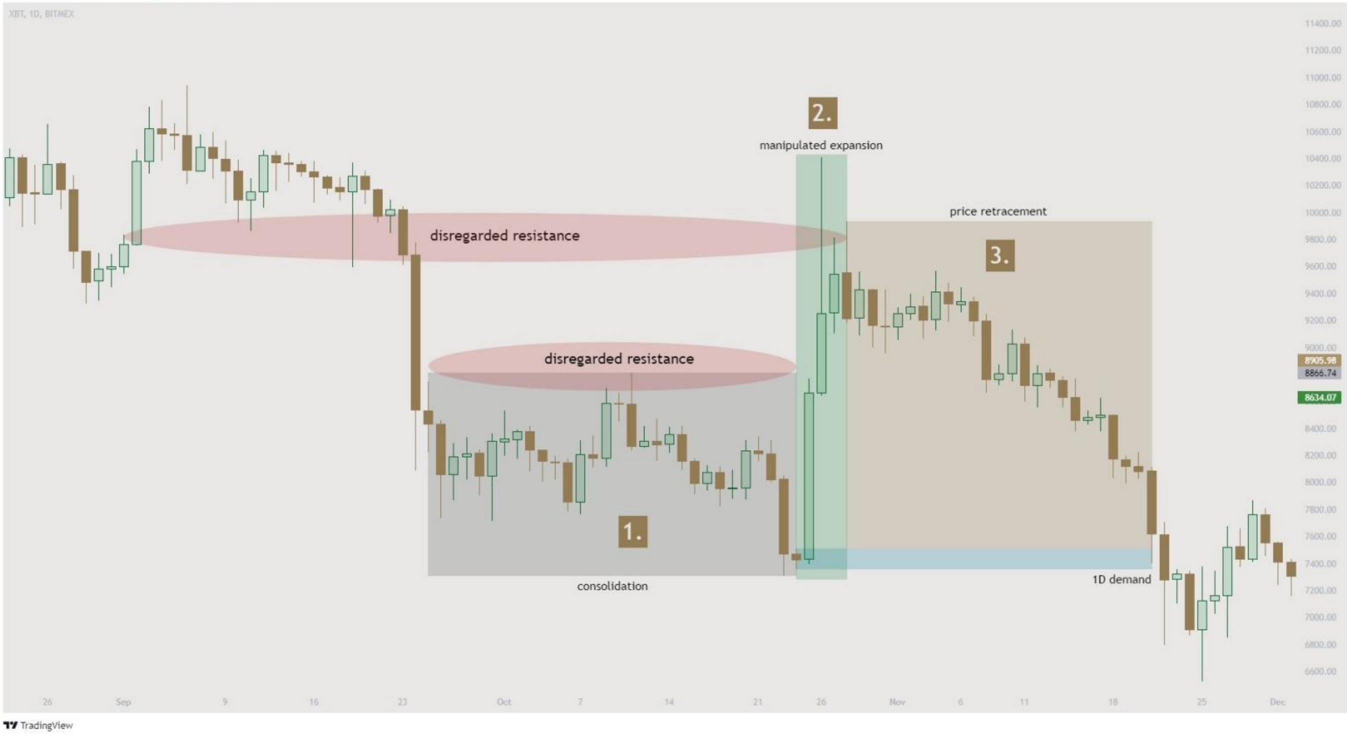
The market's goal is to lure traders. During this break in the market we can clearly foretell that it was a manipulated move in the fashion that it broke straight up instead of a more organic move up. This price pole is heavily favored towards long sides and didn't give any period of time for short positions to fill.

Participants get lured into thinking that we are breaking outand start longing this period of price action at the top while those who filled long positions below start unloading their positions on retail while filling their short positions.

## 3. Price Retracement

Price slowly retraces the breakout move to the origin of the move which in this case would be formed daily demand.

Considering the nature of the breakout and how quickly it happened we can assume that this was only a long driven move in the market. Longs being filled out weighting the market and the sentiment as price retraces market role players start filling shorts to fill the price inefficiency.




## Examples 2: Bullish Case

### 1. Consolidation

Price consolidations for a period of time. Between consolidation we have bracketing orders. Orders are being traded between a set range constantly exchanging hands. At the same during this consolidation we have bigger market players filling their positions.

In this example we have a consolidation that led to bigger role players filling their shorts in a long period of time. Prior to the down move we form a supply level. (Heavy buying to lure retail to long to quickly offset a break to the downside.)

### 2. Manipulated Expansion:

Rather than creating a series of LH/LL price instead quickly expands disregarding support on the way down.

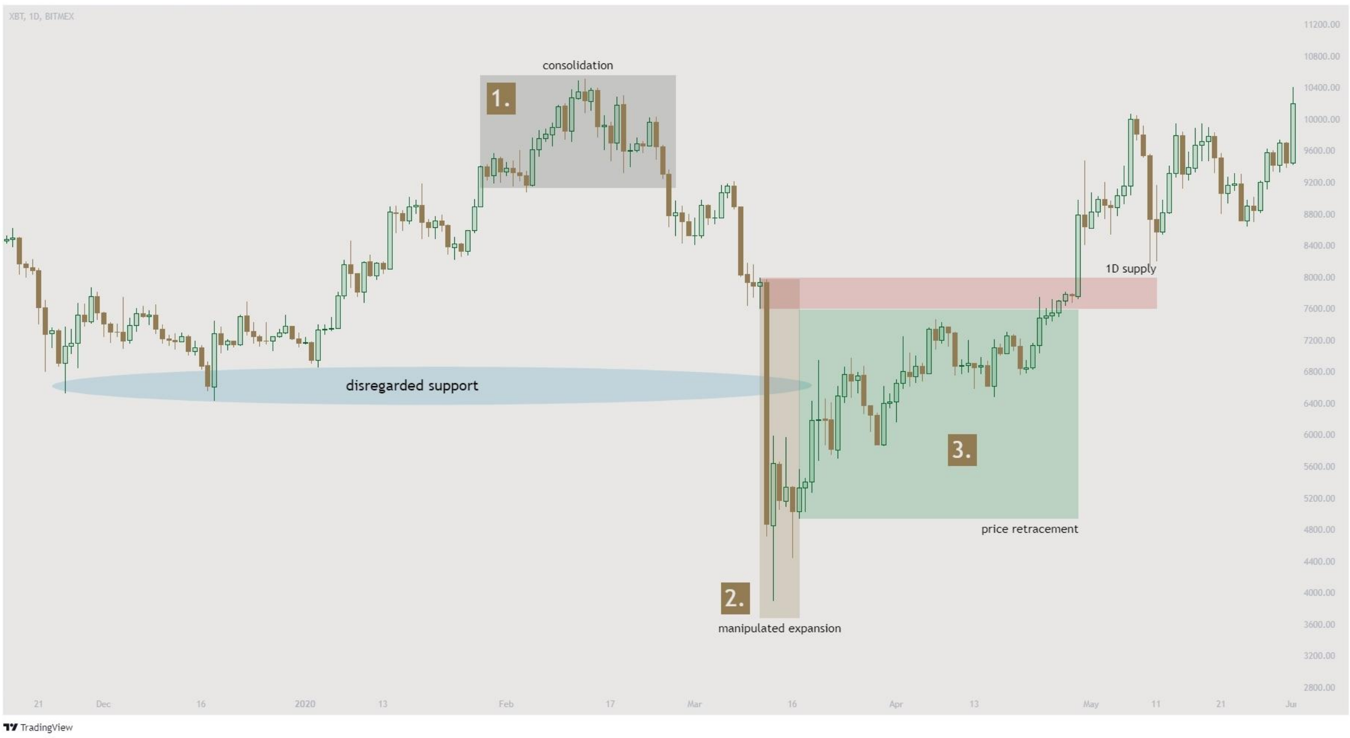
The market's goal is to lure traders. During this break in the market we can clearly foretell that it was a manipulated move in the fashion that it broke straight down instead of a more organic move down. This price pole is heavily favored towards the short side and didn't give any period of time for long positions to fill.

Participants get lured into thinking that we are breaking down and start shorting this period of price action at the bottom while those who filled short positions above start unloading their positions on retail while filling their long positions.

### 3. Price Retracement

Price slowly retraces the breakdown move to the origin of the move which in this case would be formed daily supply.

Considering the nature of the breakdown and how quickly it happened we can assume that this was only a long driven move in the market. Shorts being filled out weighting the market and the sentiment as price retraces market role players start filling longs to fill the price inefficiency.




## LESSON 6: Rektproof Breaker Strategy

Before you jump into this lesson I suggest you check out lessons 1-4 as they will be discussed briefly.

This is one of my bread and butter/go to setups when it presents itself. In this lesson i wanted to tackle the psychology behind the setup to my understanding and why it tends to work. This type of setup is all about trapping traders as well as shifting a reversal structure.

Will be using Line charts as well as candle stick to discuss this strategy. Line charts often offer a clear structure overlay and confirmed with body candles

# Bullish Case - Breaker Strategy

## Step 1: The Low Forms

***Identifying the first liquidity pocket + Range:*** As the market trends it reaches a point of "exhaustion" this is the first sign that the dominant market participants have begun distributing their positions.

Market breaks structure before temporally reversing from the formed swing low. Using the fib retracement we mark our swing low followed by the first swing high created. We have our range Buyers have stepped into the market and we shift temporarily from a short term ranging market into a short term ranging market. Areas of interest for longs: at the value area low; simply put at the area where buyers initially stepped in.

## Step 2: Deviation below/sweep of Key swing point.

As the market ranges it temporally shifts to the downside and runs the low.

Lets pretend for a second i am the market maker and i want to fill 100m worth of longs. What needs to happen? in order for me to fill a size that big people need to short in order for my position to fill. But; what if no one is shorting? well, you have to start the move in the opposite direction of what you intend to fill to attract those shorting to fill your larger position size.

By returning to the previous low; this is a sign of weakness for breakout traders. Market participants expecting lower prices jump in at any formed supply/injection point/foot print for the down move.

Now using what we know about supply and demand, we take the first up move before the break in MS/Sweep and that is your supply.

Below is your supply this is were sellers will start stepping in more into the market and laddering sells as this was the first foot print in the market that led to the down move that took out the low.

## Step 3: Market Structure Shift

Alright this one is a major one and of importance.

In order for you to confirm a breaker you need to confirm a structure shift with a higher high printing above previous swing points. Do not enter a break unless you shift a new high first, the flipped supply is now the area you want to look for a higher low before trending to the next liquidity pocket.

***Why is this break of importance?***

Those looking for a footprint in the market failed to read the market and ended up shorting a valid supply but one with no supply at all considering we broke though and created a new high. This level needs to hold since it is the level that initiated the first trap of market participants entering short. Anything below would invalid the shifted trend.

### Step 4: Retest of Formed Breaker

Following the market structure break and shift of a new high (Higher High) you then look for the origin of where the initial footprint was for a higher low which would be flipped supply now turned demand.

Considering you have market participants trapped below you have have to ask yourself; are we going to allow them to exit at breakeven or run their stops above. This demand is a pivot in the market in the sense that anything below gives those trapped an exit out of their trades which it becomes an institutional defended level.


## Bearish Case

Most of the logic was explained in the Bullish case so wont be going over it extensively here.

Breaker Strategy

### Step 1: The High Forms

***Identifying the first liquidity pocket + Range:***

As the market trends it reaches a point of "exhaustion" this is the first sign that the dominant market participants has begun distributing their positions.

**Step 2: Deviation above/sweep of Key swing point**

**Step 3: Market Structure Shift**

**Step 4: Retest of Formed Breaker**


# LESSON 7: Rektproof Range.MSB + S/D Strategy 2

Before you jump into this lesson I suggest you check out lessons 1-2-4 as they will be discussed briefly.

This lesson will cover a set strategy when playing a ranging market.

Price flow follows two directional trends. Simply put; you either have a ranging market or a trending market.

Orderflow: Price Trends - Price ranges - Price Trends

Price can either distribute/re accumulate during a range period. When the market is trending its suggested you have a directional bias When the market exhausts and starts ranging your directional bias needs to be filtered and adoption of an equal bias is better put in this type of market environment. You never fully know for how long a market will pause before reestablishing a new trend so its best to adjust to what is in front of you. Don't expect an immediate break out of every small exhaustion but rather adjust and wait for the break itself.

## Criteria:

***1. Range Forms***
The market will exhaust and you'll come across two swing points which will be the layout for your range. Playing ranges is all subjective but in most cases i take the first two swing points that form.

***2. Price Sweep/Deviation***
Once range is identified look for price sweeps (sfps)/deviations on either end, Price sweeps tend to be liquidity runs in a set range before moving into the next liquidity pool which in a range bound would be the opposing side. Range deviations tend to be areas that market participants are being trapped in which those expecting a directional trend to appear will enter breakout positions which in tune breaks back into a ranging environment and they become trapped participants in the market.

***3. Market Structure Break (MSB)***
Following a price sweep/deviation we now have a hint that price wants the opposing side of a range. Looking for market structure break you can confirm SD levels that form for an entry aimed at the opposed side of a range. Trading is about having multiple confluences aimed at a trade setup; using a price sweep/deviation isn't enough when the actual structure itself is still intact. Using a market structure break + sweep/deviation lets you put perspective as to how strong a formed Supply/Demand level will be as well high confidence on a formed level.

***4. Formed Supply/Demand***
Once you have an area of liquidity tapped in the form of a price sweep/deviation and given confluence with a market structure break you then identify your entry points. In this case it would be any formed S/D level that led to the break in MS.

***5. Take Profit***
Take profit at the untapped area of the range. (untapped liquidity)

## Example

***1. Range Forms***
Following the exhaustion of a trend; we identify our swing points. Range low/High forms.

***2. Price Sweep/Deviation***
Once the range is identified; we have a sweep of the high. Those with stops above the previous swing high (range high) had their stops engineered into short liquidity. When a stop triggers on ashort setup, you open a long on market to offset the opposing bid side on the books. These orders that are opened when a stop is triggered are then used to fill the orders of other market participants.

***3. MSB (Market Structure Break)***
Using a price sweep/deviation to determine market direction is not enough, you need market structure to follow. Once you have your price sweep you start looking for valid swing lows that led into the price sweep swing high. You want to see these lows broken on a closing basis. The market low is a swing low that stands out in which price breaks the low.

Price sweep of range high followed by a market structure break = high confidence short

***4. Formed Supply/Demand***
Following a price sweep/deviation + market structure break we then look for our formed Supply.

Last up move before the series of candles leading in the break. This level gives you a hint that there was buying to lure retail traders to buy while "institutional" or key market role players were filling shorts using retail traders long liquidity that was being provided. Using this footprint in the market, it is now a must hold area if the shift is valid.

Valid form of supply.

***5. Take Profit***
Easy enough, target the opposite side of liquidity that is untapped. When the market ranges, we move from liquidity pocket into the next area of liquidity pocket. Swing high is tapped, the next area of interest is the swing low.


# LESSON 8: Rektproof S/D Strategy

Before you jump into this lesson i suggest you check out lessons 1-2-4 as they will be discussed briefly. (S/D)= Supply/Demand

This lesson will cover a set strategy for gaining confirmation for taking a setup within a SD level or simply looking to scalp a HTF level with tight stops. It is very common for market participants to short/long the first tap of a formed level once we have a MSB which is an aggressive entry. When looking for confirmation for a SD level you at times want to be able to zoom in and look for price sweep inside these levels.

As price forms a SD level you have a set of defined orders within that level ready to fill at the same time you stop engineering liquidity at the SD.

Instead of getting in on the first taps you await LTF Sweeps as they are short term fuel which help indicate that price is gearing up for a directional move.

## Criteria

***1. Market Structure Break:***
Indication that the trend has shifted to the opposite end.

***2. SD level forms following MSB:***
Supply/Demand forms following MSB

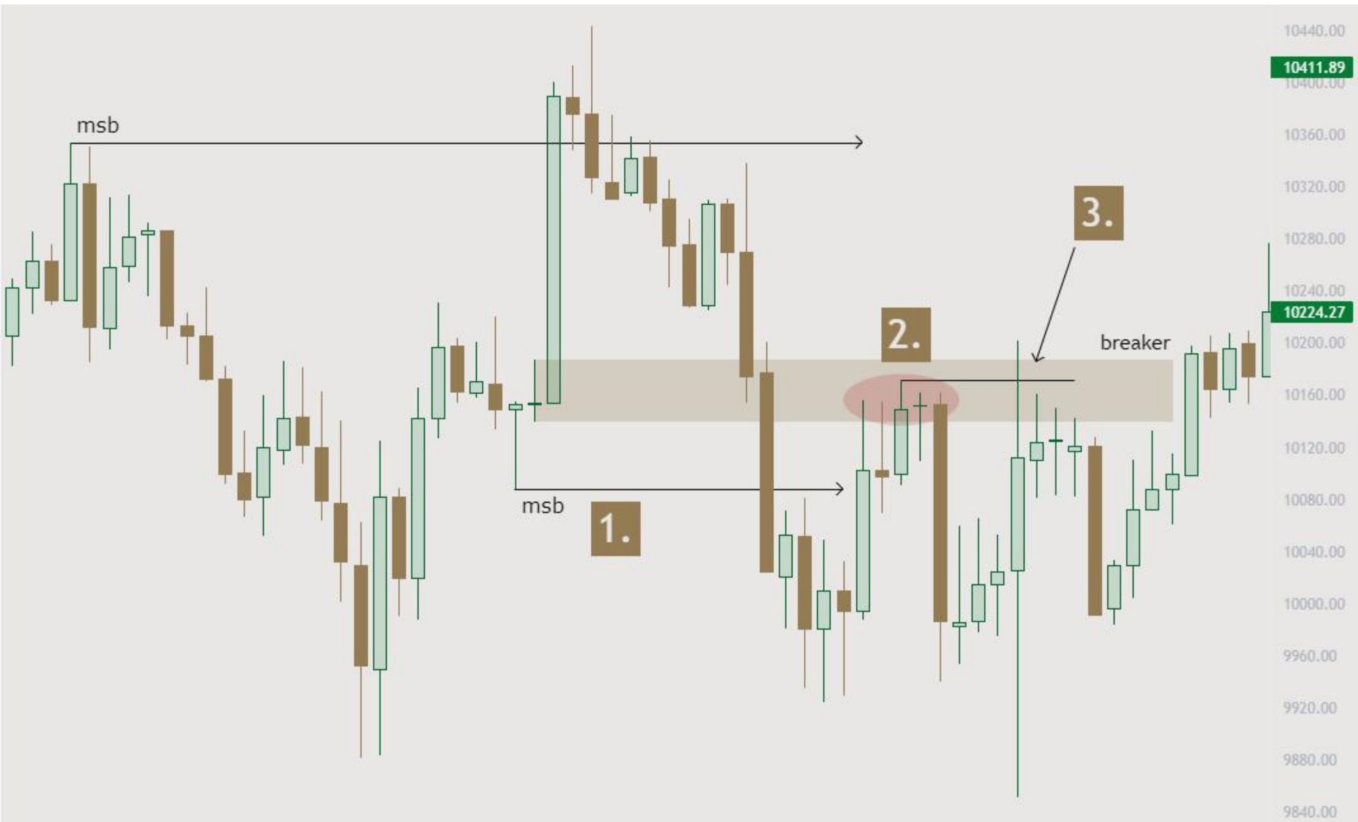
***3. Confirmation of a trade following a sweep:***
Price sweep into a key SD level is your trade confirmation with price at the swept high/low. If trend is true price shouldn't sweep the same level twice.

## Example 1

***1. Market Structure break***
MSB indication that the trend has shifted

***2 SD (H1 Breaker forms following MSB)***
H1 Breaker forms following MSB. You have your first set of taps into this level

***3. Short confirmation following a sweep into H1 Breaker***
Confirmation to enter a short with stops above the swept high.

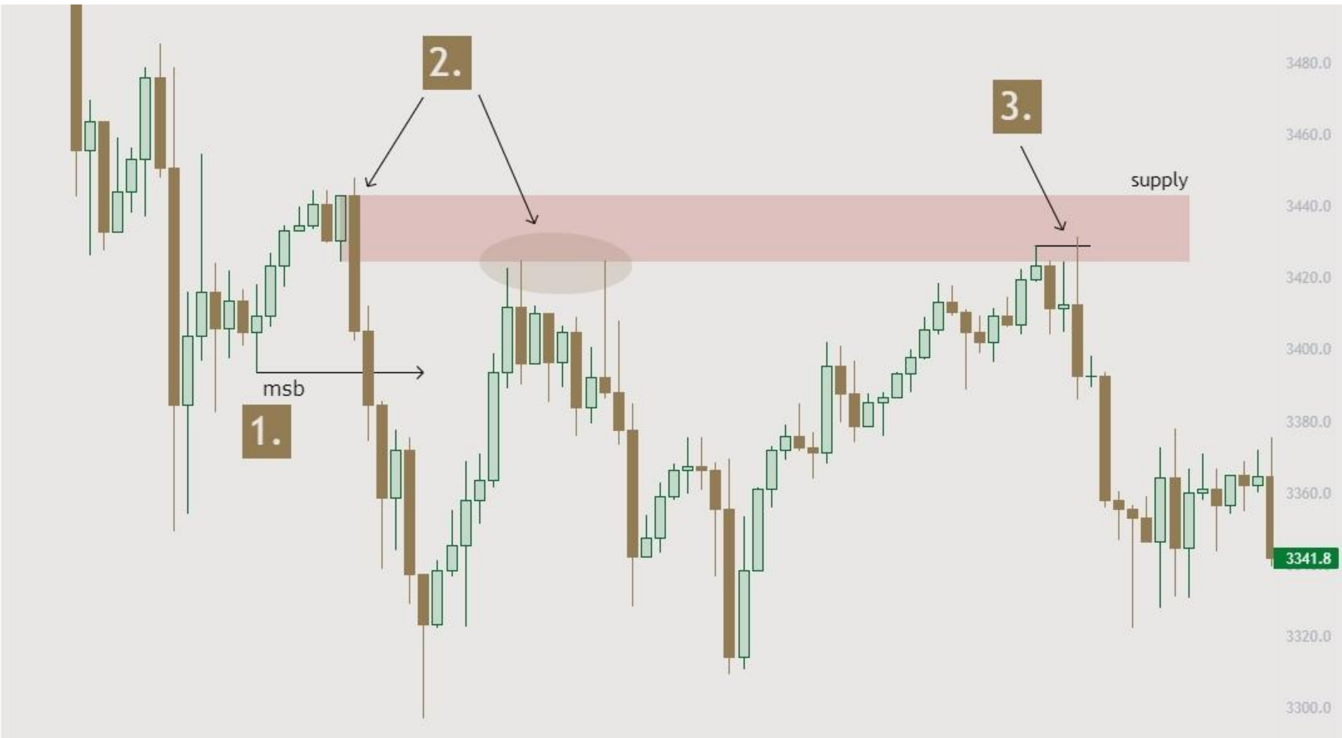


## Example 2

***1. Market Structure break***
MSB indication that the trend has shifted

***2. SD Forms following MSB***
Supply forms following MSB. You have your first set of taps into this level

***3. Short confirmation following a sweep into H1 Breaker***
Confirmation to enter a short with stops above the swept high.




# LESSON 9: Monday’s Range Importance

Before you jump into this lesson I suggest you check out lesson 4 to get an idea on ranges as Mondays Range covers certain elements.

***Note:*** This lesson does not provide a trading method but rather an idea how the market will be moving via orderflow. This lesson was extremely difficult since everything covered in here is to my own knowledge and take away points I've come across throughout my trading career. I can't point you to a resource to validate some of the key points covered so feel free to ask any questions you might have. Had to do this lesson over and over and the best way to illustrate directional bias with Mondays range is just to show you different examples and break them down. I'll try to include some setup ideas.

***Mondays Range Importance*** Traditional markets are 24/5 with Monday being the first day of the week. Following Mondays close we have our first sell stops and buys stops that are visible in the form of swing points (highs and lows) Mondays range is liquidity rather than price levels. Finding an entry is all dynamic to your trading system. Mondays Range is designed to give you an idea how the market is moving intraweek. These swing points are what opposing market participants have deemed to be protected and as well as the starting liquidity into the week. Trading on a Monday whether it be traditional markets or crypto is never a good idea. At the start of the week our understanding whether we are starting a new trend or ranging is unclear. The best you can do is wait for price to close on Monday and form a Gameplan off of that. Personally I only note Mondays High/Lows intra week and if we left any untapped the previous week ill look for a power of 3 into those left untapped. I don't go back further then the intraweek or the previous week.

***Mondays Range Key Points*** - Price forms a High and a Low following the first close of the week. (Sell Stops-Buy Stops) - Price in a ranging environment has a higher chance of raiding both ends. - Price raid early in the week has a higher chance of a price raid on the opposing end with a strong momentum + trend start. (Especially in crypto) - Power of 3 are designed to take out old buy/sell stops (I only look at previous week)

***Note*** I've included some bonus content on entering these setups. Again its all dynamic

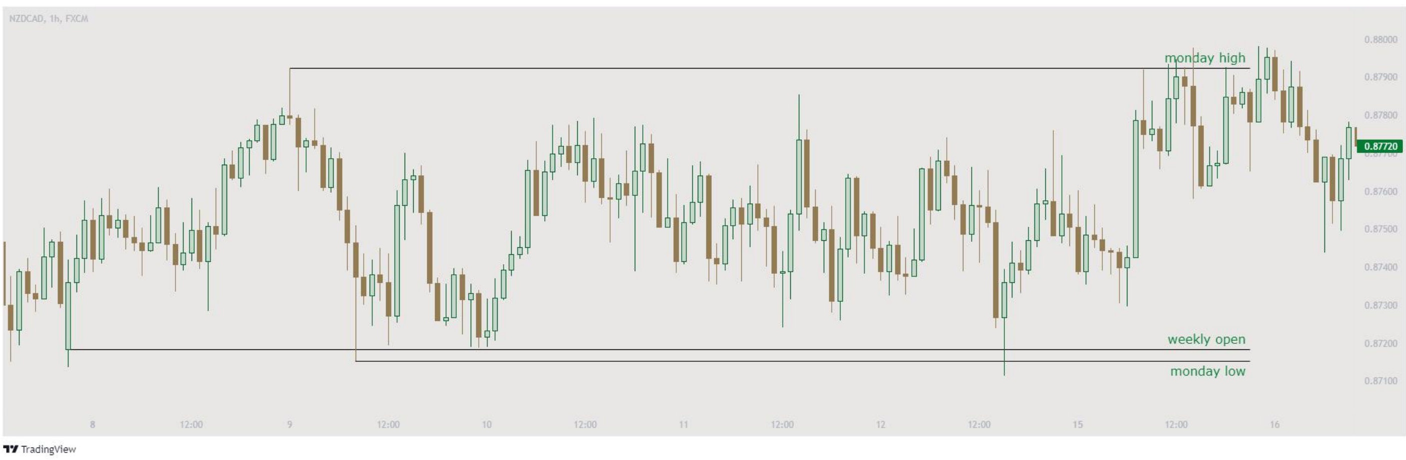
## Example 1 Basic Mondays Range:

Weekly open marked out and we have our first high and lows into the start of the week.

***What do you see?***
I see a sweep of Mondays Low into weekly open. The buy stops formed early on in the week have been engineered and swept. (Bullish SFP)

The next likely scenario given price is ranging is we run the sell stops at the opposing end, Mondays High.

Following Mondays Low sweep we then start trending towards the end of the week into Mondays High



## Example 2: -

Price raid early in the week has a higher chance of a price raid on the opposing end with a strong momentum + trend start. (Especially in crypto)

Weekly open marked out and we have our first high and lows into the start of the week.

Mondays High (Sell Stops) taken on the second day of trading.

***What do you see? How do you translate this?***

Mondays High broken on the second day of trading. Any price weakness moving into the week should be faded/shorted. Looking for shorts early in the week are higher rewarded given the sell stops have been taken.

Take profit reference would be Mondays Low but given we took out the stops early in the week price can be indicating a bigger downtrend is coming

Given price raided Mondays High early on in the week. The raid into Mondays Low (buy stops) was more aggressive and traded below weekly open the rest of the week.


## Example 3:

Power of 3 and using previous week Mondays High/Low (Old Stops)

Here is 2 weeks worth of data and 2 Mondays range.

***Week 1:*** One run Mondays high within the intraweek trading period but fail to run Mondays Low leading into the weekly close.

***What does this tell us?***

Sell stops above were engineered mid week while leaving the buy stops in place. If price wishes to uptrend we cant give a free ride to those long without tapping their stops for fuel.

Power of 3 setup into Week 2.

Entering the new week of trading we know that we have old buy stops at previous Mondays Low. So lets run it down. Price consolidates within a set price range mid range of Mondays H/L

Entering Week 2 price finally breaks down and not only takes out intraweek 2 stops it also takes out the old stops from the previous week 1.

Price consolidation followed by a stop run of the previous lows. ***Liquidity engineering.***

***What do we see?***
Now we have week 2 sell stops above (Mondays High) untapped. The likely scenario is to take those stops next. Expansion.


# LESSON 10: TPO Market Profiling

***Note:*** Market profiling is a very dynamic way of reading the markets. The way I personally use TPO Charts is to aid my price action charts and at the same time I am a novice with TPO. I know the basics and I have a decent understanding. If you wish to dive deeper feel free to send me a message and I will direct you where to begin. I will very briefly cover this lesson and you guys are welcome to ask questions.

Teaching Market profiling is like teaching Price Action all over again so expect me to brush over a lot of concepts and just target the ones you might need to know to start with.

***Note:*** I only use daily profiles but you can break down a daily profile and view different time increments. Given I am a price action trader I only need as much as a daily time frame to reinforce a prediction in the market.

## TPO: Time Price Opportunity

A TPO Chart measures the time price spends at a given price level. TPO Charts allow you to view areas where the market is being traded at and give significance to those areas.

With market profiling you are able to see an auction in the market. Bids vs asks to give you a broad perspective of the market. TPO charts allow you to see what area price is accepted at a 50/50 between buyers and sellers and what area buyersoverpower sellers; sellers overpower buyers.

In this lesson I will cover what the levels mean with the appropriate terms aswell as some easy to play concepts.

***PLATFORMS***
The 2 platforms that I know of that allow you to see use TPO charts are SierraCharts and ExoCharts. There are a lot of setup videos on YouTube including one in our discord resources section.

## Open/Close + POC + Fair Value Areas+ High and Low

Each one of these units is a day in the market, daily profile.

***DAILY OPEN AND DAILY CLOSE***
The Green block is the open for the day while the red block is the closing for the daily profile.

***POC (Point of Control)***
- The POC is the orange line.

- The POC is the area where price traded the most for a given day.

- This is the level that both buyers and sellers accepted price at a 50/50.

- Not one group took over the other but equal balance between both buyers/sellers

***FAIR VALUE AREA***
- The grey blocks are the standard distribution

- The standard distribution for any given day is 69%

- This simply means that price trades within the 69% range of a daily profile, 69% of price was traded in the grey while the most accepted distribution was the POC

***Value Area High: (VaH)***
- The Value Area High (VaH) is the top of the daily profile marked out in the blue shaded area with the value area high blue line. This is the area were price was outside the standard distribution; outside the fair value area 69%

- Sellers dominated over buyers. This is the area where the bracketing process between buyers/sellers was mostly in favor of sellers

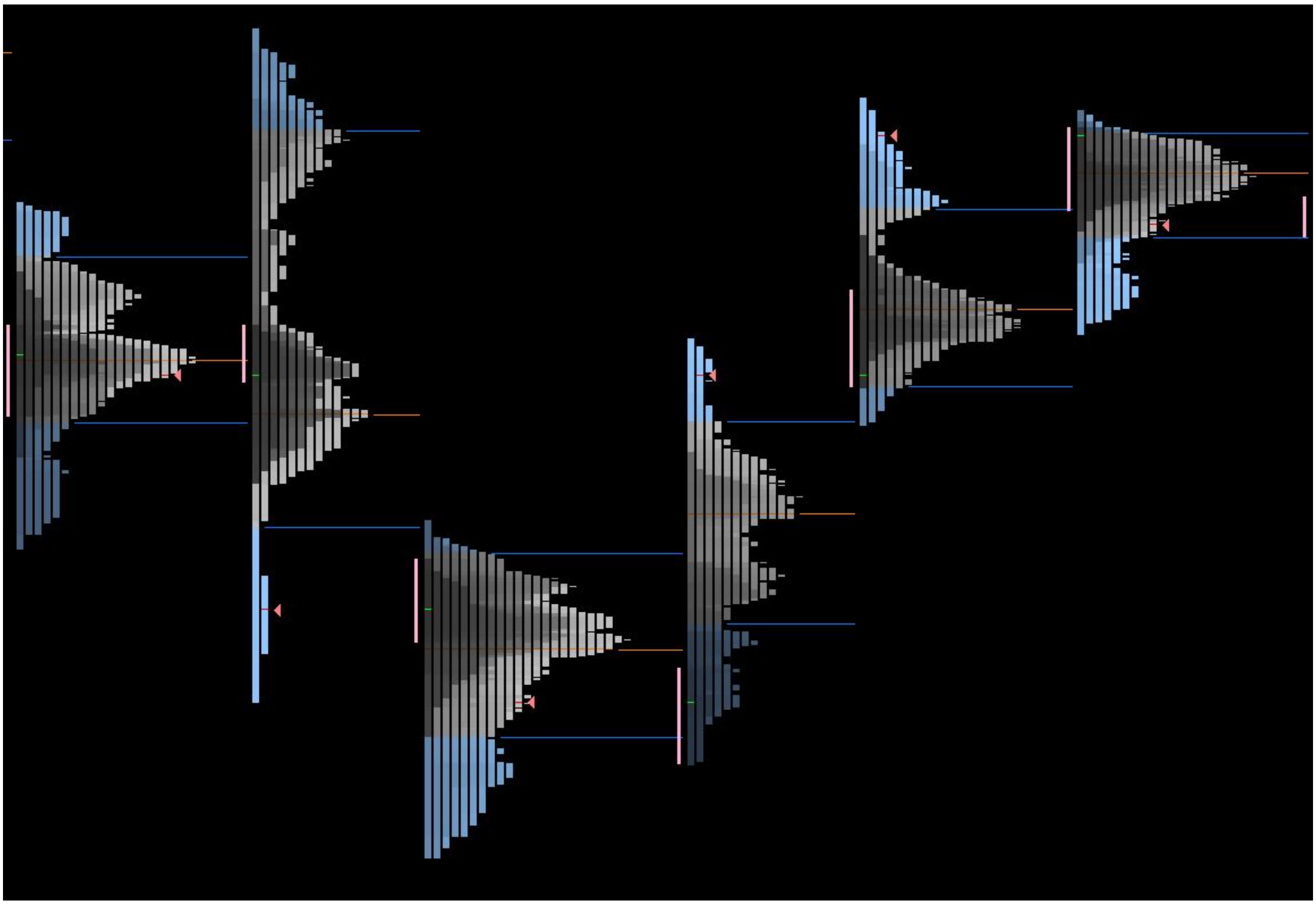
- Buyers did not show up here/did not wish to buy above here while this was the level that sellers found most attractive to sell for a given daily profile..

***Value Area Low: (VaL)***
- Opposite of VaH

- The Value Area Low (VaL) is the bottom of the daily profile marked out in the blue shaded area with the value area low blue line.

- This is the area were price was outside the standard distribution; outside of the fair value area 69%

- Buyers dominated over sellers. This is the area where the bracketing process between buyers/sellers was mostly in favor of buyers.



## POC + NAKED POC

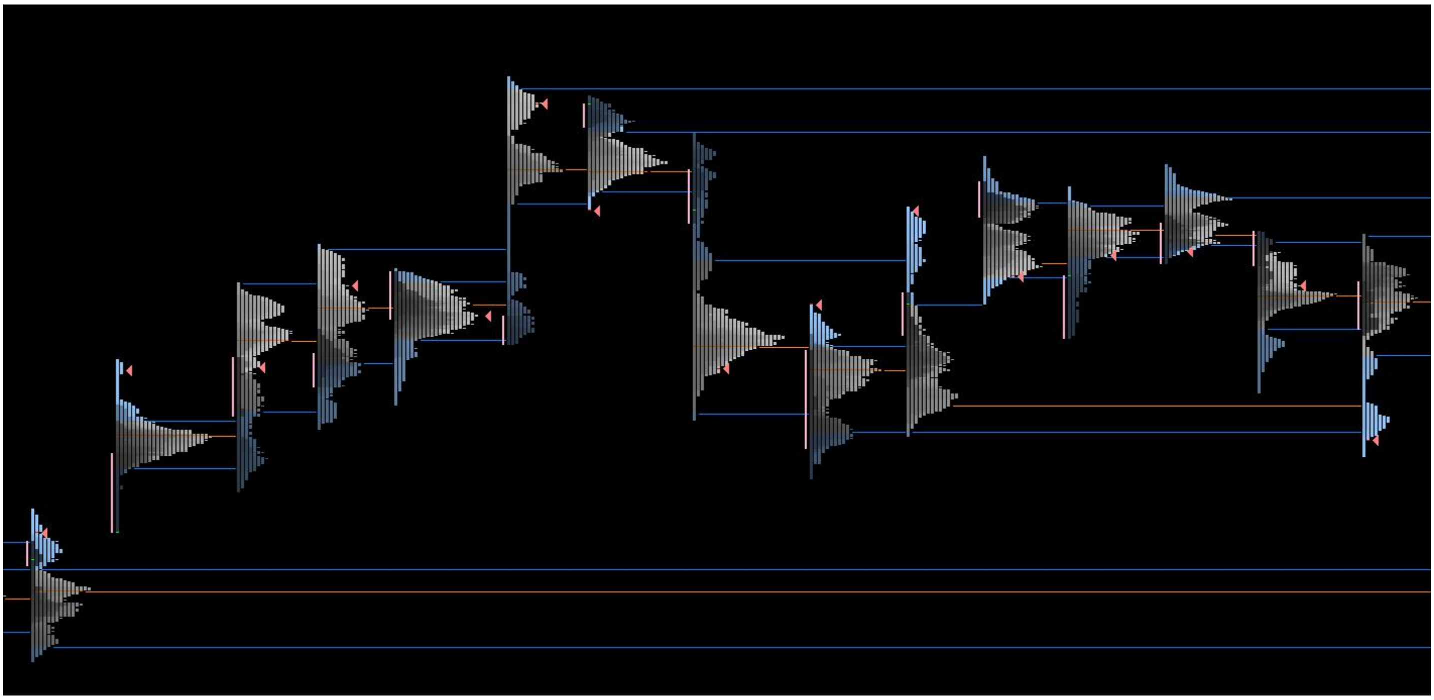
***Point of Control:***
As mentioned above, the point of control is the level where price was bracketed/traded the most in a given day. As price ranges the likelihood for us to test the previous day POC is high.

You have your daily profiles, when you composite 7 days that's a week. In a weekly profile its common for price to trade back and forth between the POC and the value areas.

From the chart below 17/18 days we kept trading between the previous day poc taking it out day after day. This is a ranging environment in which price returns to the mean the 50/50 of a given range.

***Naked POC:***
Extended orange line at the bottom.

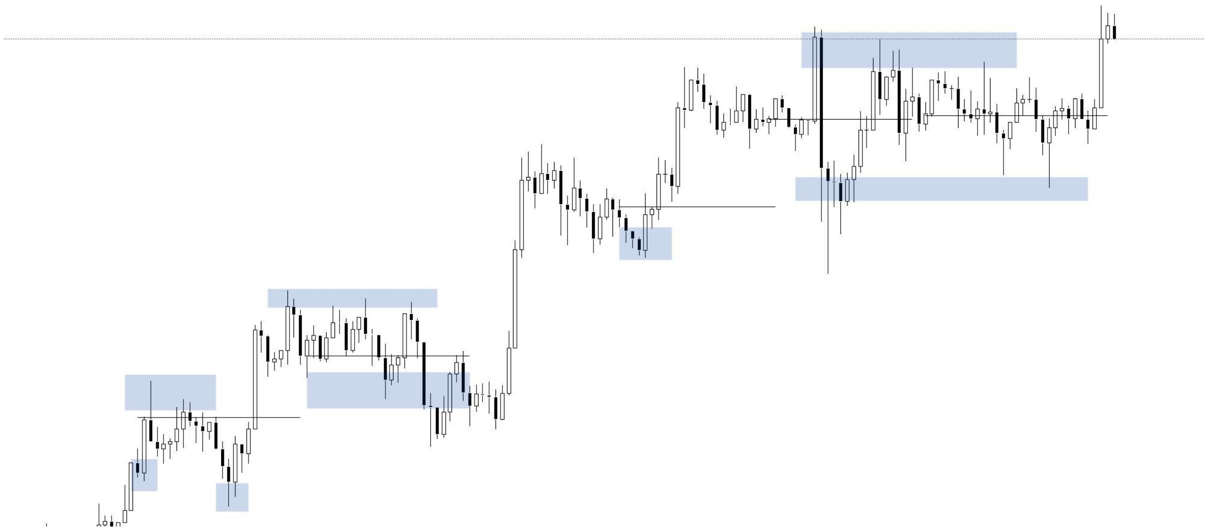
As price breaks out of a range its common for us to leave a fewPOC's untapped these are your naked poc levels more often than not when price breaks back into the same range that it broke out of it will come back for the missed POCs.

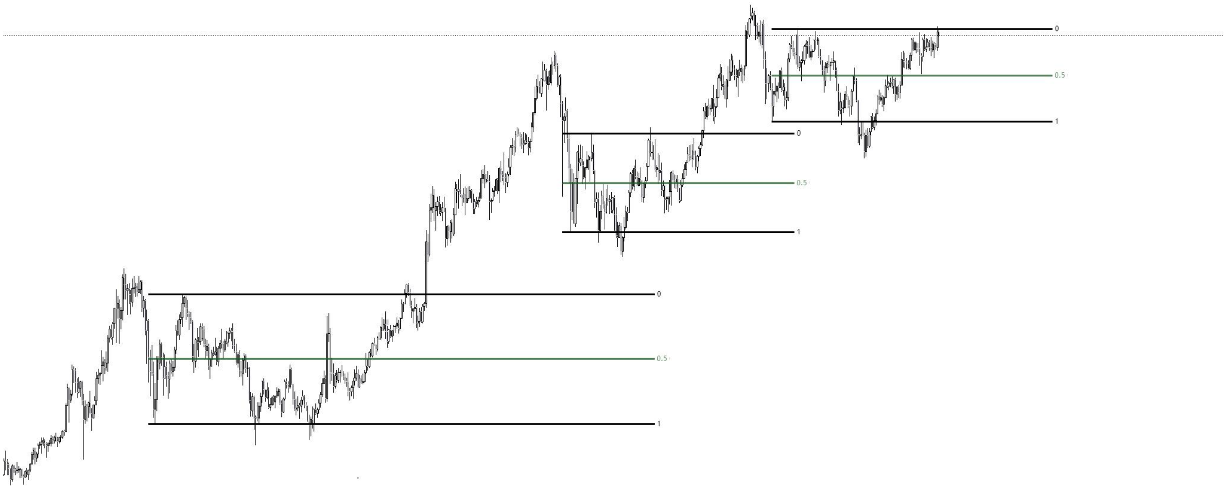


***How do we translate this into a Price Action Chart?***
Each line represents one full day

Each day we tend to trade 69% in a given value area with excessive highs and lows.

When you start adding ranges and composing multiple days together then we can find a good price action range. In any given range you want to buy the lows/sell the highs. Using market profile we can give confluence to these lows and step in when buyers showed up and sell when sellers showed up.





The EQ of a range can be seen as the fair value area, the area you dont want to trade as its the most accepted price level.

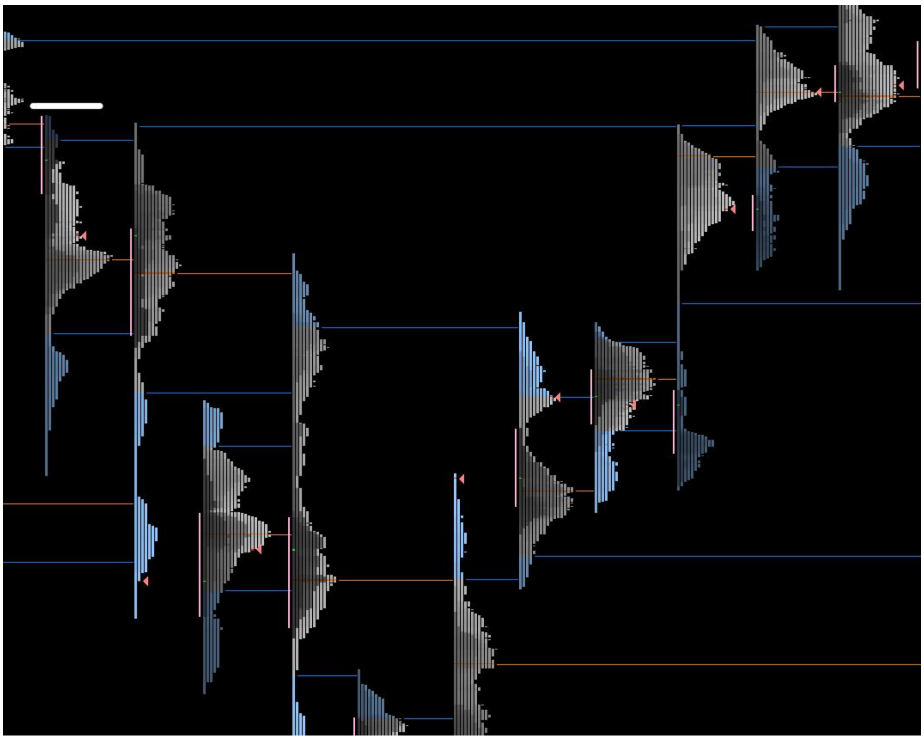
## Poor Lows/Poor Highs

Every daily profile reflects one daily candle.

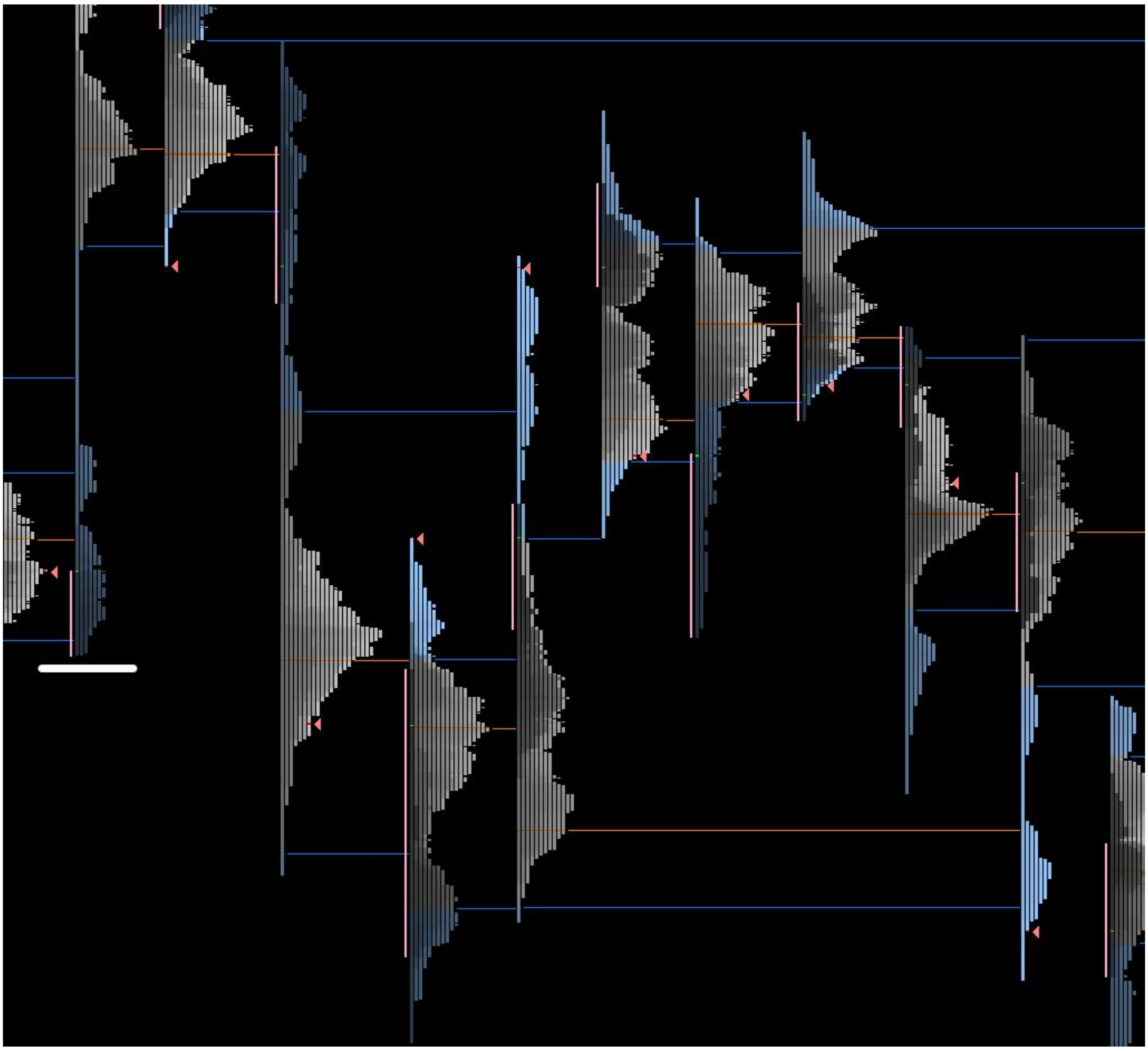
On every daily candle you have an open/close aswell as a top and bottom wick. When you look at the daily market profiles you can tell that some are without a wick these are considered anomalies in the market (Areas that later come to get filled)

***Poor High***

Marked out the poor high in white, anomalies in the profile were price didn't form a proper high/sellers didn't get a proper bracketing period to sell. The market later comes to it to fill it out.



***Poor Low***
Marked out on the poor low in white same detail as the poor high above. Buyers didn't get a proper bracket period as we came back to fill it.

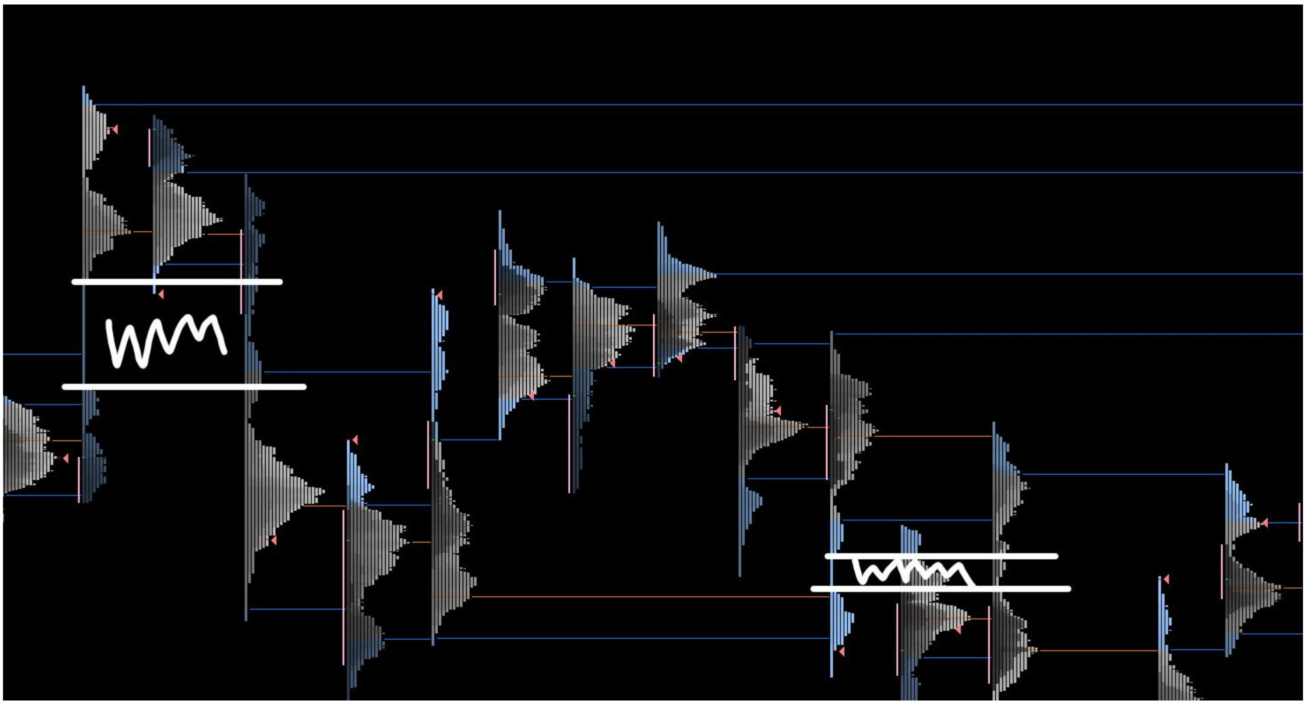


## Imbalanced Profiles

This is similar to lesson 5 (Fair value gaps) just using market profiles instead.

Given that price finds a fair value area per daily profile in which we trade 69% of the day within there will be times were price has price gaps in these profiles. Sellers dominated buyers or buyers dominated sellers.

When price cuts through in an aggressive matter it means one group dominated the other. Its only logical that when we return to that area we fill the imbalance of orders so if sellers dominated the first time on the return buyers will dominate to fill the imbalance which is why FVG-Price gaps in daily profiles get filled and at times rather quickly or aggressively.



# LESSON 11: Power of 3 Concept

The main purpose for the PO3 is for smart money to build positions and engineer liquidity.

Smart money unlike us needs a more complex method of entering positions in the market while retail (us) are able to enter positions as long as the orderbook allows it.

Trading is a 0 sum game, in order to accumulate a long position there needs to be a seller to provide it and vice versa.

When price chops around during a period of time this is often traders flipping back and forth/bracketing amongst one another. This long period of ***"accumulation"*** can also be position building for others. Now; what if I want to acquire a much larger long position if the ones in the accumulation are not providing? I need to bring seller interest into the market to be able to sell me more long positions. What better way to cause a magnitude of seller interest than breaking price below certain key lows/structures.

Its common when price trades below a broken low/sweeps you have breakout traders that rush into the market/panic traders that short sell/close their positions and or retail looking to start building a short position. In a way this is all seller interest/. When price looks bad, it brings seller interest which in hand allows smart money to take advantage of the added sells intotheir build up of longs.

Which is why this is referred to as ***"manipulation"***. Its not price manipulation but rather manipulation in liquidity engineering.

The fun part; ***" Expansion "*** and or distribution. Once smart money has accumulate their positions its not fairly difficult to move price.

All the seller interest has dispersed into their long build up and position building has occurred during accumulation. During the expansion phase you will se a harsh trend to the upside with 0 resistance. Smart money isn't shorting but rather looking to NOW drive buyer interest to exit their long positions into those willing to buy it off them.

When looking for a PO3 setup its also good to ensure they give confluence to other contribution position factors. Don't just enter something because it reflects a PO3 sentiment; line it up and see if the PO3 is into demand/supply or if its at a given range etc.

***NOTE***
This is why in any given trending market you will always find a accumulation-re accumulation period simply because you need time for position building to take place over and over.

***PERSONAL RULES FOR A PO3***
You'll see a lot of PO3 potential structures but I have a set of things I need to see:

-Price needs to trade below an old low/sweep an old low or trade above an old high/sweep an old high. For old low/highs I like to do old Monday Highs/Lows refer to lesson 9 for details

- There needs to be an old low/high in the expansion phase to be able to exit the positions that were build up.

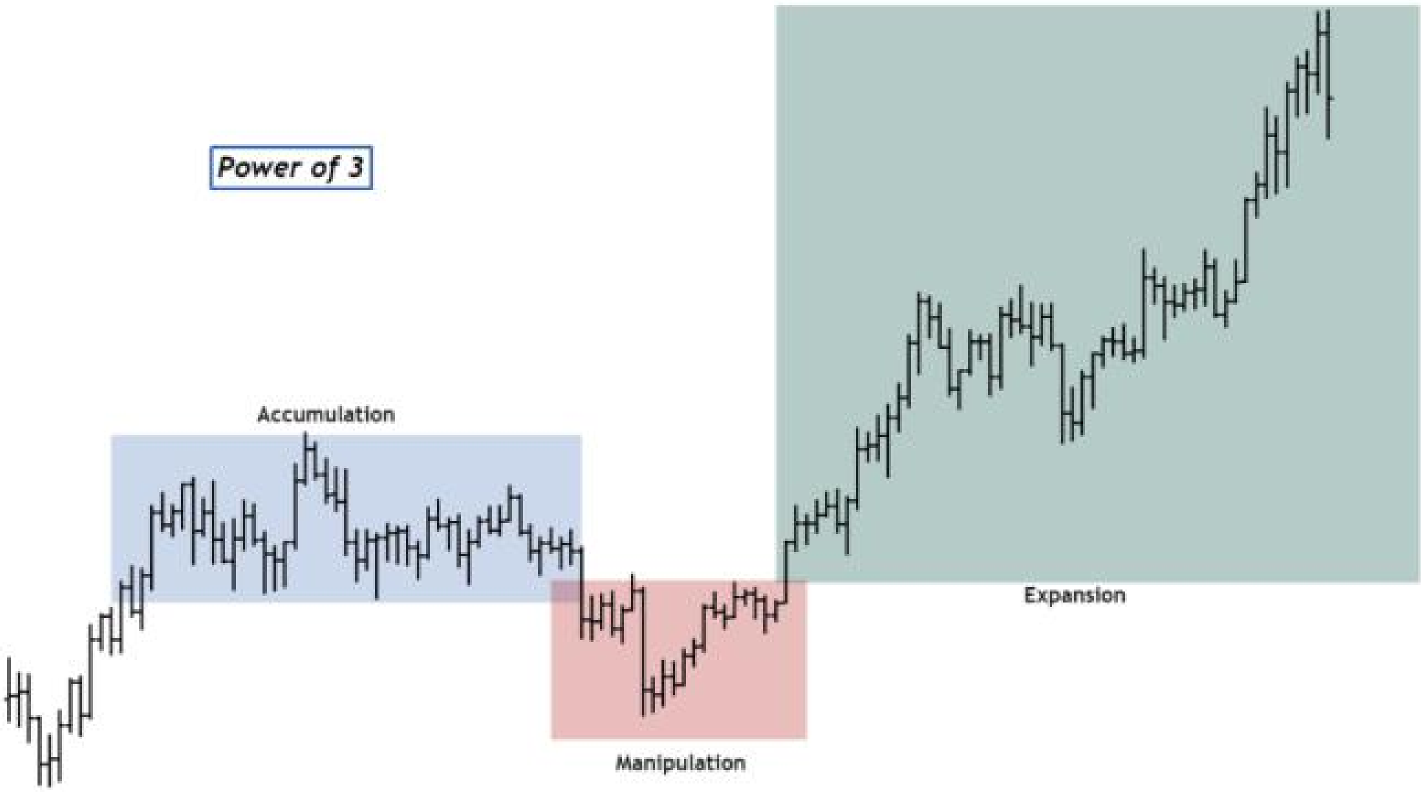
Lets recap;

***Accumulation:***
Positions build up usually around a set open whether it be multiple daily opens/weekly open or M.O. The reason for this is key opens are usually a point of control in a way as its a level marked out intra day-week and the level traders look to reclaim before getting into longs or shorts.

***Manipulation:***
Drive seller/buyer interest by breaking below/above key lows/highs. In order to be able to successfully engineer liquidity you need traders willing to shift a one sided bias into your favored direction.

***Example:*** If price breaks a key low/ sellers are now wiling to look for shorts while you fill your longs. If you sweep a key low you run their longs stops which open market longs to close out and are able to use those market exits as your long liquidity.

***Expansion:***
Position building is no longer present and one sided has been exhausted so it terms of trending the market the pressure isn't their against it. The trend is usually strong/harsh. Price will usually trend into the next pocket of accumulation whether it be position building for shorts or longs the cycle repeats.




Examples: Will post some past examples from PO3 setups and just break them down. This concept isn't all to difficult to conceptualize but as always feel free to send me a message if you need further clarification. Using the replay function to break it down one step at a time.

## ETH Bullish PO3

Lets take a look at one of our most recent examples; ETH Power of 3

Price shifts a new high and we now have a 2D Demand following the shift formed along with a old low/ Mondays Low.

Normally I would set bids and long this 2D Demand regardless but its good to have multiple confluence leading factors.

***ACCUMULATION -*** Price accumulates following the break with failure to shift a new high which can be a case that positions are building up inside this accumulation period via smart money.

***MANIPULATION -*** Price breaks below the old low into 2D Demand

There is now seller interest in the market. The fact price broke an old low means the breakout traders/short sellers are interested in short positions given the slight structure shift. Seller interest provides liquidity to enter longs

Confluence factors: Manipulation into 2D Demand

***EXPANSION -*** Following the build of positions and the slight price manipulation price is now able to trend without the smart money pressure and exhausted short seller interest in the market.

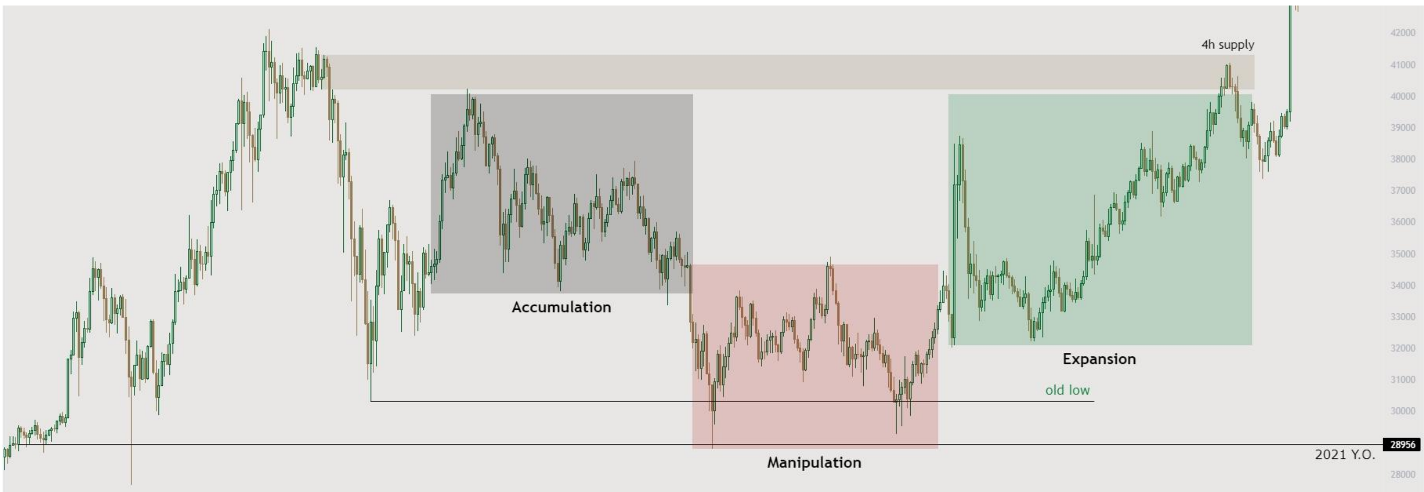

## Noted/Previous Examples

Asset: Bitcoin

***Accumulation:*** Price accumulates below formed supply with old lows below/Position building occurring

***Manipulation:*** Price trends into an old low to engineer more seller interest/smart money long position building

***Expansion:*** Price trends into the supply level above following a relieve of short pressure



Asset: FIL-PERP

***Accumulation:*** Price forms a set range with accumulation done towards/above the EQ middle of the range.

***Manipulation:*** Price trends into the range low taking out the low with liquidity being swept/run and a slight pause at the low to allow shorts to develop into smart money longs.

***Expansion:*** Price trends into the range high and higher above given the short pressure/interest is gone from the market.