

# THE MANIPULATION MASTERKEY



MR.CASINO

## ***The manipulation masterkey***

We have discussed previously the fundamental concepts of the markets and the understanding of how the market always revolves around them. These concepts are all you need to trade with - literally none other is needed and in this book we will go deeper into them and understanding the “science” behind them.

**Phycology** - the most important skill you MUST master if you ever wish to consistently win and one that only you can resolve.

**Liquidity** - The “king” of the market... everything is based around this concept and we will go much deeper into it because you must truly understand this and watch how your success rate goes up as you will trade with the banks rather than against them.

**Institutional and retail zones** - this will further give you the understanding how the market moves and how price has limits as to how it must move (not just moving in one direction forever).

**Fu candles** - this is a trail of market manipulation and comes in many forms. Using it you can find your entries and understand true price action. I'm sure you have seen it in “action” after reading the previous book and studying the market. And finally....

**Imbalances** - something that can not be ignored even by banks. They will always be filled eventually however this we shall go deeper into in this book. By the end... you will be a force the banks fear - and im not just joking by the end you will see the market completely differently.

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## Mastering liquidity

Let us first start with the most important skill you must learn in order to truly dominate the markets... liquidity. In the previous book we discussed how to identify liquidity (double tops / doji etc) but maybe you have not understood this yet. We have established that banks manipulate price but you must also understand that these institutions are “professional” traders. And by “professional” i mean masters at calculating liquidity and know exactly how to move price in a way that very few normal traders will win.

Therefore if you ever wish to win in the markets you MUST NOT trade against banks - no matter how tempting it may be. There is a reason behind every move, yes. Price is either taking out sell side or buy side liquidity or “consolidating” (taking out all possible buyers/sellers) before making its true move. So every move of the market is based on liquidity and now we must master it and think just like banks.

An important change you must make in your trading before we continue. First and foremost, you must start thinking like the banks. Imagine you had the power to move the markets as you wished - the ultimate goal is to make an infinite amount of money but you can only do so by making sure a lot of people are losing first. If you think like institutions - naturally you will trade like them and all these concepts will fall into place. So first make this transition into thinking like banks and stop believing retail concepts even though you may see them “work” at times. You CANNOT have two contrasting beliefs in your mind.

### Identifying the final area of liquidity

Now let us move into the practical side of things. Essentially whenever looking at liquidity you want to identify the “last” area of liquidity - not just any area but the last. Because when banks decide to take liquidity they won't just stop at one area of liquidity but rather push price to the final area where major liquidity remains and then react from there. This is a common mistake that you can have while expecting liquidity grabs. If you are wrong about the final area of liquidity then you will just be fighting a strong trend. So how do we avoid this and find the true area? Look at all timeframes - do a top down analysis and find the last major area where retailers were still obviously winning. If a big move is to occur it will be taken out. And if you correctly identify this last area of

liquidity? You have the secret of the market and will find very precise trades. But keep it in mind and you won't lose as much. Only enter at crucial areas when price takes all the liquidity of one direction.

**Lets go through some examples:**



Here we see price do this many times. We did not just mark out liquidity areas but rather notice each time the area of liquidity is at the start of a previous move (where price originally “pivoted” from) thus on all timeframes these were the last area of liquidity - price didn't need to go further so a perfect rejection was given each time its liquidity was taken.

In this particular example on the last occasion after taking that 4hr doji price had a decision to make... would the price continue further up or was there too much liquidity below. The answer here was yes - we had too much liquidity below so after taking the last area of liquidity price dropped for a swing position targeting lower liquidity.



Here we see another example. Price intended to go up (we had a 1hr fu candle previously showing institutional pressure to buy and price rose from it) then in this example we have a 1hr doji form - and price rose from it (in this example 150 pips - a considerable amount of liquidity for a picture perfect 1hr doji that would have attracted a lot of retail traders) but what did price do? In one swift motion it dropped all the way in 1hr cancelling out a days worth of price action just to take this doji. A perfect liquidity grab from the last major area of liquidity and another swing trade - all liquidity previous had been taken.

Looking deeper into this example we see an example of where you may have been tricked. Yes that was an area of liquidity but ultimately we had liquidity below (and not far but close) so that should have been where you were looking for a trade not before as it just doesn't make sense. Why? Would the price react from there? liquidity lies below. A good idea is to wait for the reaction if you are unsure but you should also trust



your abilities.

## Calculating liquidity

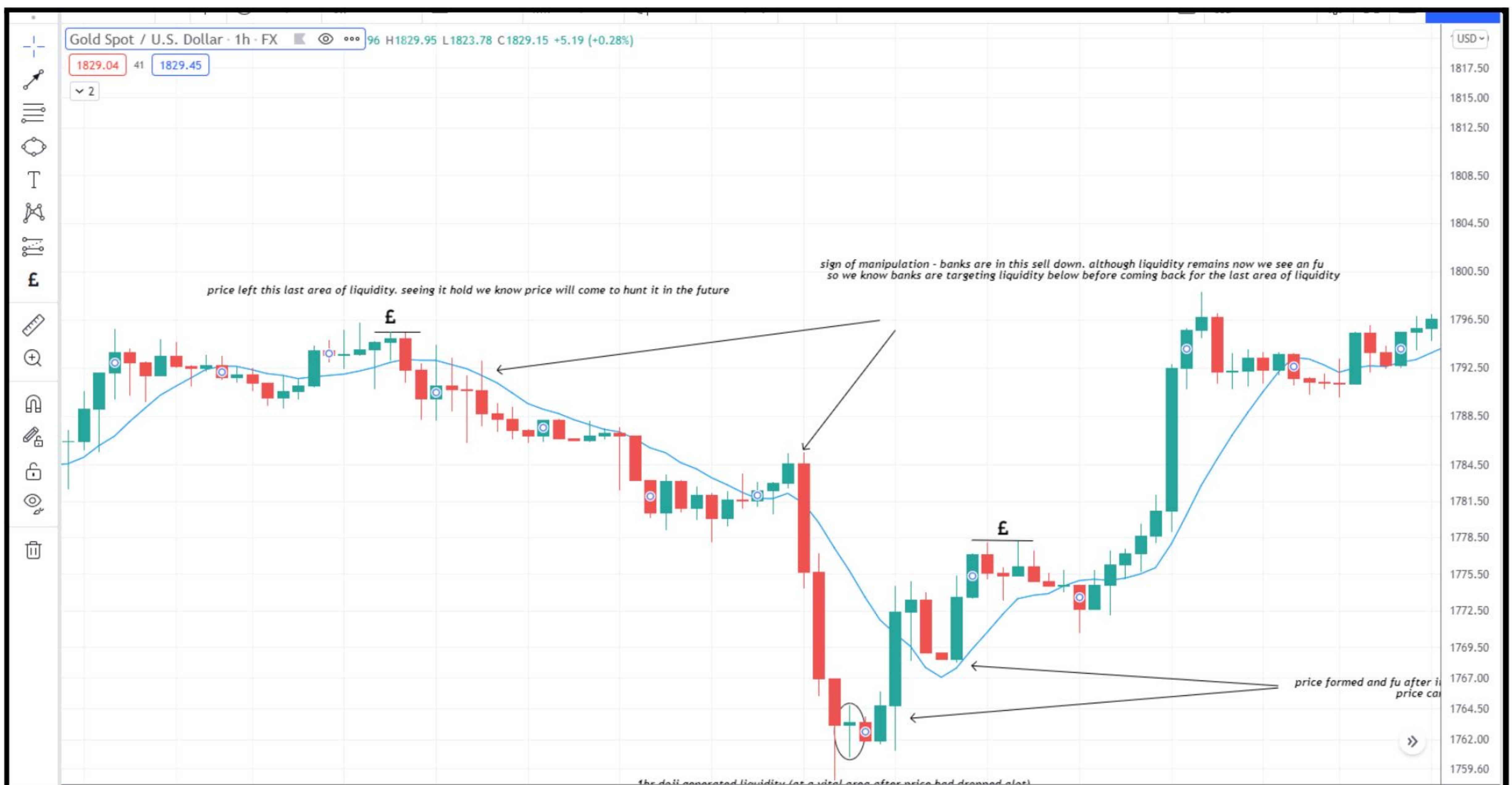
So now we know how to identify liquidity correctly. However... one important aspect that must be covered is how to understand which side of liquidity banks will go for first and what liquidity they will leave behind. As it is near impossible for banks to take every single part of liquidity therefore we shouldnt get confused when liquidity is left behind. Whenever liquidity is left behind we can assume price will come back in the future to take it out - but it may hold for a brief move. So how do we "calculate" what does that truly mean? It means to understand the levels to liquidity - sometimes banks will leave a lot of liquidity behind (in which case we can expect it to be hunted) however other times only one indication that liquidity has been left behind (or less liquidity) so we can assume that while price may come eventually to hunt it - it will still hold for a move presumably to target further liquidity before coming back to hunt the remaining liquidity. It may seem confusing but its really not. Simple terms? Based on the amount of liquidity left behind (on all timeframes) you can judge whether banks will try to hunt liquidity or leave it for the future.

Example:



This is an example that will clear things up for you. It plays an essential role in understanding liquidity and not getting confused when liquidity remains behind. Remember banks cant take every area of liquidity - they will leave some to be hunted in the future and a good indication as to true market direction. Our aim is to be in the lowest liquidity move of the markets and that can only be done by calculating liquidity and determining when liquidity will be left behind.

### Another example (just before the last)



Again here see how the move was manipulated to the downside (we had multiple fu) showing that banks were comfortable with previous liquidity and would leave it behind for the future. Look how price manipulated everyone and took the liquidity of both sides. See now the power of calculating liquidity

Combining all these factors with what you have previously learnt about liquidity will truly enable you to get market direction right (as liquidity is always targeted) i mean it... you literally just need to keep these deeper concepts in mind as you think about liquidity and watch how easy it becomes. As mentioned before... you must know start thinking like the banks and institutions and that is done by using liquidity. By “thinking” i mean in terms of liquidity (what would you do if you had the power to manipulate the markets?)

## Institutional zones

### The science behind “orderblocks”

Before we can actually apply this concept into our trading we must first understand why these areas hold such high significance. We have already established that the markets are manipulated - and that banks move price as they wish (with a few limitations) but how? And the answer is simple. It is all linked to this concept of an “order block”. When banks decide to move price - they first open up a lot of positions (opposite to the true direction) so that they can manipulate price and get in with a better price. Maybe that wasn't clear enough, let me elaborate... Here is where you truly understand how flawed the markets are and how banks exploit these “loopholes” to move price as they wish.

Say for example banks want to move price up. How will they do it? They want to get in from the best level possible for the best profits (just like us naturally). So in order to get this “best level” they open up sell orders (a calculated amount) to first move price down to a “cheaper” price and then they will get in for the true move - in this example buys. **THEY SOLD TO BUY** quite literally. All the sell orders they have open (to first manipulate price) are negative but banks don't care of course. They made far more in the manipulated move up. However these orders must be closed at some point - hence why when price comes back to this level in the future we can expect price to react. When this “order block” is closed (meaning the negative positions are closed at break even here) price will react and go in the other direction - as a lot of sell orders were just closed (lack of sellers so naturally price moves up). Vice versa if it was a **SELL TO BUY** orderblock.

The purpose of these few paragraphs is to give you the understanding as to just how manipulated the markets are - just how smart banks and institutions are. They move the price how they wish due to the amount of money they have. They have the ability to move price simply by buying or selling and it is this concept that they exploit and it occurs on **ALL** timeframes. When you understand this truly... your trading will change forever

## An example:



So we start by marking out our order block zone. Here was an obvious buy to sell candle followed by an fu setup and price made a very big drop in one candle (further signs of a manipulated move). Price came back to this area(naturally as before moving price further down the buy orders had to be closed. Look how perfectly price reacted from our zone. It is really quite a powerful confirmation but you must keep in mind the science behind it - it will help you to think like banks and understand true price action. This occurs on all timeframes (the smaller the timeframe the less relevant) and if you are watching price live you will constantly see order blocks being created and closed which you can utilize.

### Marking out zones and far back to go

It can get messy if you just keep adding zones to your chart and you will be confused as to true zones as you simply have too many areas of reaction. However this is easily avoided by following a few steps.

- 1) Dont go lower than 30 min (at max!) for your zones unless you are scalping (but not good for longterm zones)
- 2) The higher the timeframe the more powerful it is. Therefore these can be held for a longtime and you wont have to worry about deleting them. If your zones overlap just choose the most recent one

## Lets do an example of how you should find your zones:



We start by marking out our 4hr zones. These will be the most powerful and even if price revisits the area in the future it will hold relevance. See how few you will find compared to smaller time frames? Hence why we stick to high timeframes.



Now we go to the 1hr time frame. Here we will find our intraday zones that will have sharp rejections on smaller time frames which will greatly benefit us as we day trade. It is my personal favourite for finding zones - it is reliable and you can find some great trades using it as an confirmation



And here is the end product - your charts are now ready and you can focus on price action / following liquidity. I must say though to avoid confusion. Liquidity is first - institutional zones are after. Why? Because liquidity is specific whilst zones are good for a general idea.

If you look at the above example you will see how many times price gave us perfect rejections from our areas. It is really quite powerful and when combined with all the other factors of our trading... you will be an unstoppable force.

(I mark out the bodies of the order block only, not the full candle as it is where orders are concentrated. It keeps the zones more precise however if I see manipulation after the order block I mark it out also)

## Strong institutional zones

I like to mark these zones out in a different colour. How do we define them? Simple - it is the most powerful orderblocks, something that was followed with major movement. We know that these orderblocks will have the most “orders” from the banks in them. They are also the areas the banks felt comfortable moving price from (for a BIG move) hence the most powerful. You wont find alot of these but when you do it will aid with your understanding of market structure alot. It can be the “base” for your analysis as these zones generally will remain unchanged and are good for the future.

### Example of a “strong” zone on 4hr



### Example of a “strong” zone on 1hr



We have covered previously the basics of this concept. It will be the primary form of you finding your entries - however it is not a "cheat" to the markets just like with everything in the markets there is always a likelihood that your setup will fail - "each moment in the market is unique" as quoted in trading in the zone which i'm sure you're familiar with by now. Therefore keep this in your mind as you trade and know that you can never be right. Do not doubt the whole strategy if you're on a losing streak for example. Just something to keep in mind as we proceed - nothing is guaranteed but this truly changes your trading game as it constantly repeats in the markets on a daily basis - lets move on.

### What does an Fu candle truly represent?

You know how to identify Fu candles by now I'm sure. This can not be truly understood until you have understood liquidity as they go hand in hand. In simple terms what does an fu candle represent? It is the biggest sign as to the direction banks are trading and when it forms it means that banks are comfortable with the liquidity left behind and are ready to move price. Even if you don't use them for entries you can still learn a lot when they have formed as they tell a "story" about the markets. Remember we follow manipulation. Doing so we can trade on the side of the banks and the two main signs will be liquidity grabs and fu candles.

An example would be best to explain this:



I'm not going over the simplified version of fu candles here - that has already been covered. This is to go into the finer details and for the practical side of things so that you can apply it in the markets. Lets take a look at this example. Price dropped heavily first (about 300 pips), came to our institutional zone and formed a doji. We know that liquidity has been generated due to it. Generally we would expect it to be taken out before looking for a buy. However, the price didn't instantly "fly" away. After the doji was created the next few hours didn't move much (making an order block). Then we had price come back 1 )for the retest of the zone 2) creating an fu / taking out all the buyers who had broken even. After this fu closes we now know that banks were comfortable with leaving some liquidity behind and have decided to move prices up and hunt this doji sometime in the future.

Remember you need to think like banks. It is impossible for banks to take all the liquidity in the market - otherwise retailers would never win and stop falling for their tricks. But when liquidity is left behind - it is calculated. In this example price was in an important area / after such a big drop where retailers were already selling from so leaving this behind was liquidity yes - however it was calculated (the last area of liquidity). And when the fu formed we now know that banks are targeting sellside liquidity.

This may seem "contradicting" to you but we have already established that retailers will be allowed to win at times- its how the cycle continues. So when you see liquidity left behind, understand that it does not mean you are wrong for not trading with retailers - rather that you will win ultimately while they may find a successful retail setup here and there. It all comes to calculating liquidity and knowing when banks will decide to leave or hunt liquidity. And that is done by following price action and learning the true intention from FU candles when they form.

## Types of FU

### Followed by a doji:



## Doji Fu attempt:

This is when price attempts to make an fu (after the first doji). Price pushes down but ultimately the hourly / whatever timeframe you see it on closes as a doji. This is still a good setup that also tells us a story. Price is leaving behind slight liquidity as it closed as a doji but if it holds you should know price is coming back to that point in the future and you can trade alongside it



This fu also has a limit order strategy a bit different to our ordinary fu. It isn't a liquidity grab but rather banks coming to finish the FU. Set a limit order above/below it with a few pip sl. Or wait for the price to react. Just an additional concept to keep in mind



## Orderblock FU

An fu essentially is derived from an orderblock. The manipulation didn't just occur by itself - banks had to place orders to do it. Hence why in a sense you could call fu the purest form of an fu. And that's the science behind it- banks will have to close their orders at some point and when they do we can expect a reaction from it - the limit order strategy. Here are some examples of an order block followed by an fu. The fu of the next candle is basically part of the order block hence why when you draw your zones you should include the manipulation .



## Aggressive entry/ how to take fu as they form

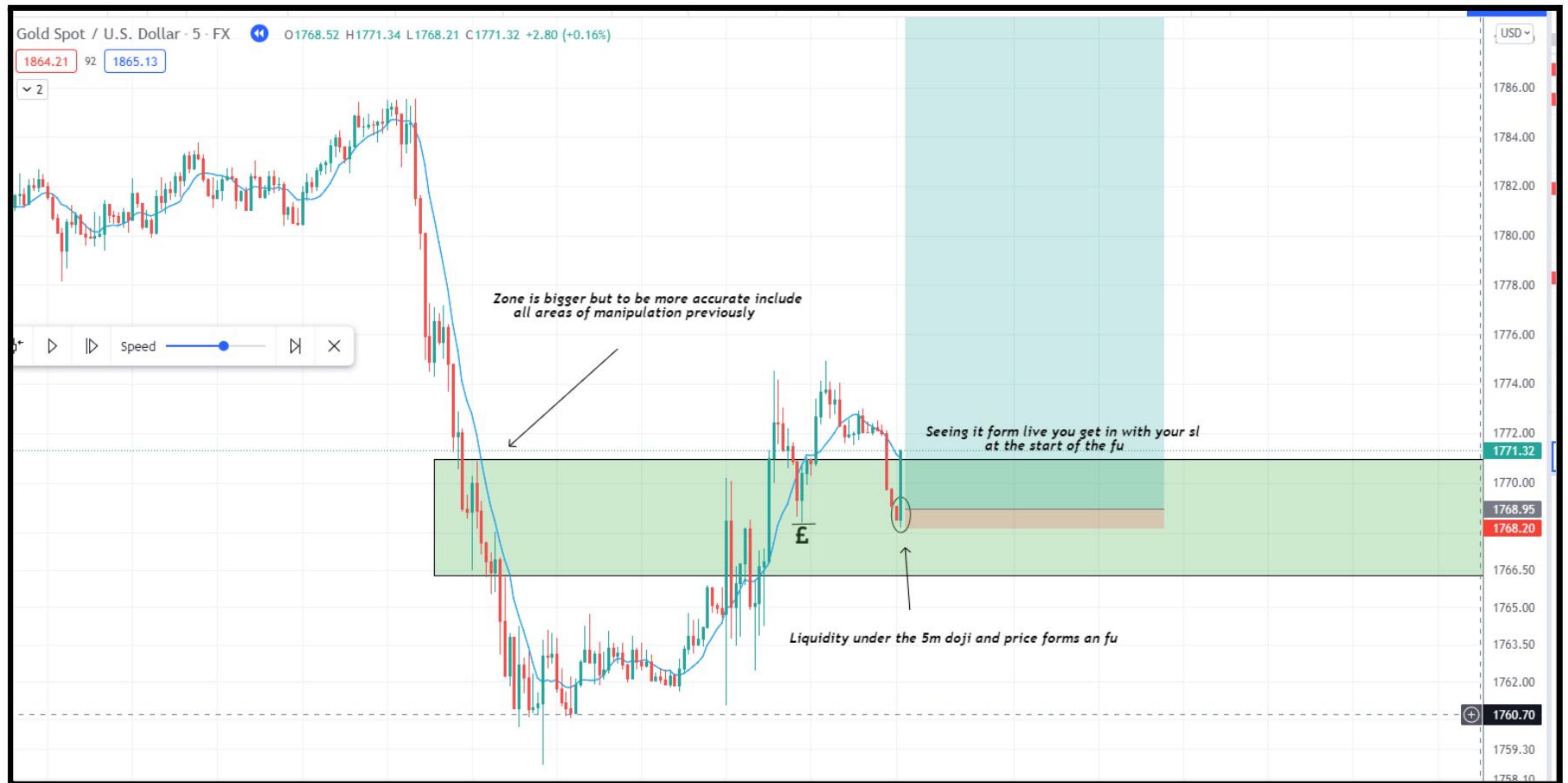
Now I assume you see a lot of big moves that start with fu but the retest has not occurred. And we don't want to miss out on these moves so we can market execute as we see them form.

However a problem occurs if you try to take every fu you see. Price must have other reasons to react, not just a FU. It typically forms after liquidity has been taken in which case you have an additional confirmation.

It is important to keep in mind what was discussed previously about FU and what they represent i.e banks are comfortable with the amount of liquidity taken. So if a move starts with a doji and then you see a fu forming it is wise to avoid taking the trade but if it occurs after the fu you should ignore it and keep holding your trade. Especially whilst dealing with smaller timeframes

you will see a lot of these - so only use smaller time frames (1m /5m) when price is at an area of interest.

# Lets go through some examples



## Another example:



Again see how having multiple confirmations play out - you can find the true move of the markets with ease especially while getting in from the start of a move. This following example was from a news event - look how price tricked retailers and perfectly took their liquidity before forming an fu and “flying” to the upside. And now is when smaller time frames come into play. Price is at an area of interest - liquidity has been taken and now you want to see a low liquidity move on 1m /5m. And this following example did just that. A 1m fu formed at the start of this move and as we had so many confirmations it would have been a great trade



## The most important factor regarding imbalances

As we trade on smaller time frames for our entries this is a concept that can not be ignored. If mastered you will really start to understand the true direction of the market. However we come across an issue that must be talked about first. What if an imbalance holds? And sometimes it will- however it will always give you a sense of direction as you know the price will definitely come back to that price in the future especially on bigger timeframes (30 min +). But in the instance it holds (which it mostly only does during swing positions) you should ignore it if price moves a lot further from it and focus on other confirmations.

For example a 1hr candle opens and instantly flies up with an imbalance. You can expect that price is just tricking retailers and will come back to fill it. But on the rare occasion it will hold and you need to make that distinction otherwise ignore this concept so as to not confuse yourself. But more times than holding this will play out and imbalances will be filled so if you have the insight to incorporate it into your trading it will truly be a gamechanger.



In this example see how we determine true market direction? we see these imbalances and know to expect price to target it which it does. Remember this is linked to liquidity. And imbalance is essentially a “pure” bullish/bearish candle and any trader placing buy or sell orders would win there. So they must be taken out and the imbalance filled.

This concept works best when expecting an fu. If price starts with an imbalance that's good as we can expect to see price come back to fill it. Another rule to note is that if you are previously in a trade you should ignore imbalances you see. This is only to refine and perfect your entries.

## The perfect entry

The truth is there is no such thing as a “perfect” entry in the markets. However of course having more confirmations and reasons to take a trade increase its likelihood of succeeding. That and it will also add to your confidence and enable you to trust your instincts in placing the trade. Remember the ultimate goal is to have the smallest sl as possible and biggest reward. However the potential is greatly diminished when you have a low winning rate hence why you must combine all factors to give you the best possible entry

Lets go through a few examples:



In this particular example we had 5 reasons to take the trade. We already know that our style of trading is the most powerful - we have seen it in action in the markets so now when we combine it... finding trades will be like second nature. Here we had price in a previous zone, liquidity grab expected , liquidity below, possible 1hr fu and a break and retest of the zone. However remember how all factors must be considered? Everything looks fine on the 1hr but we find our entries on 1m/5m so they play a vital part. Let's see how the smaller time frames were on that occasion

5 min :



1 min:



As you can see alongside the multiple confirmations we already had we went down to lower time frames - refined our stoploss and let our odds play out. An fu started these moves but it is important to note that it does not always have to be an fu. But yes you look for your moves to have some type of fu as you are trading with the institutions and it is their sign. This trade could have been refined more if you had got in as you saw the fu forming. Now do you understand the potential? If you get in from the start the risk to reward will be incredible.

### See this trade play out:

Remember what was discussed about an attempted fu? That is what we see here. That gives an indication that price will come back, but price may move first to target lower liquidity first. Either way a successful trade - zone to zone.

Not a “perfect” trade but just an insight on how you should find Your entries combining all factors



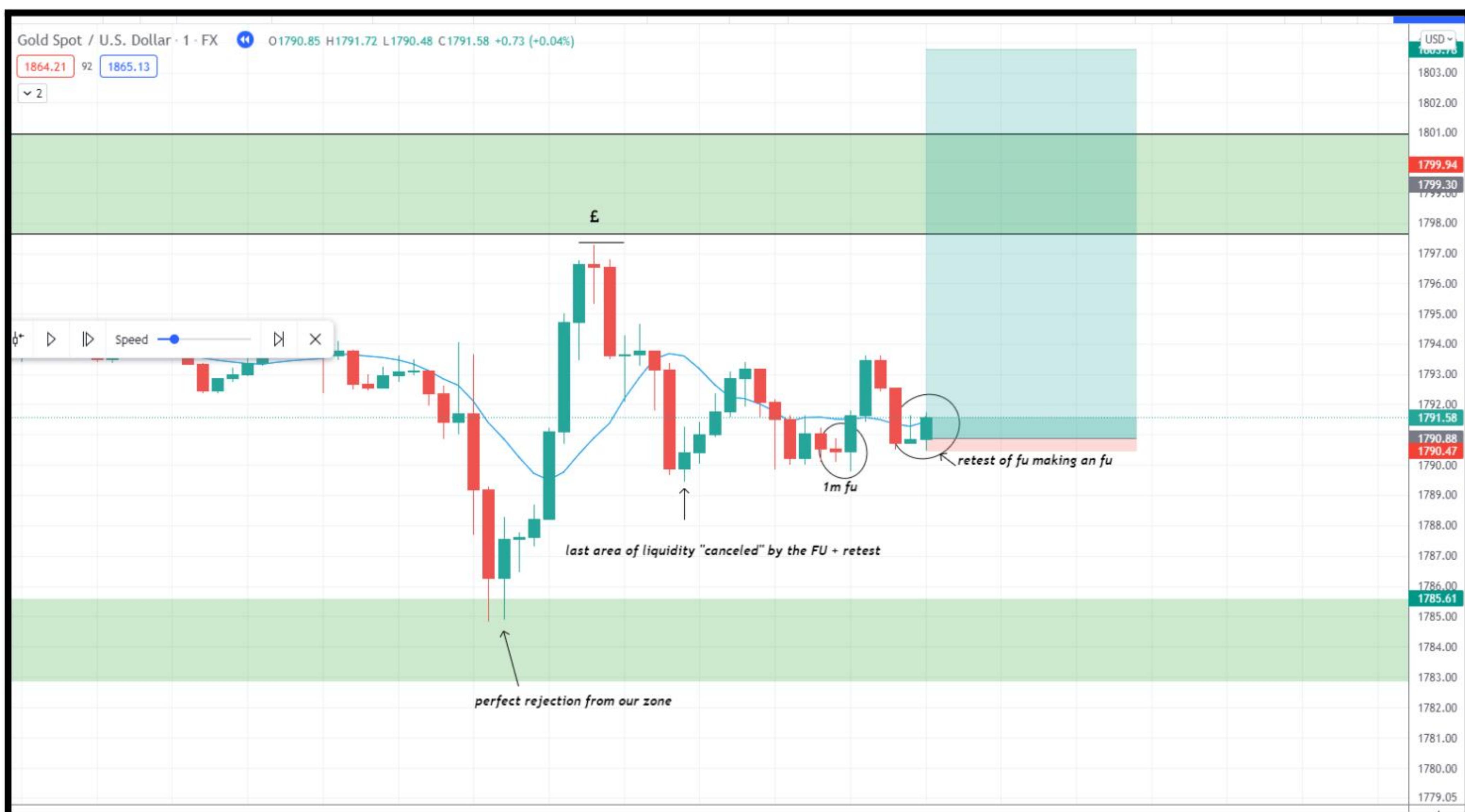
## Another example

Right after the previous move we had nfp. We love these events as we trade with the banks and find the fastest moves with them - manipulation always occurs. After buy side liquidity had been taken price could continue up especially after the failed fu. That means an attempt at a major drop had been made and failed. Alongside some other confirmations we were looking for buys but lower time frames also had to be analyzed.



## 1m timeframe

Now we know price makes sense on the larger timeframes and we have more confirmations it is our job to find the smallest stop loss. On the 1m timeframe we saw that price left an obvious doji before the drop so we had liquidity to target. After seeing the 1m fu we knew banks were getting ready to move price and then when the retest occurred (doesn't always have to be perfectly off the wick but rather the area) we get in with an aggressive entry backed by our other confirmations.

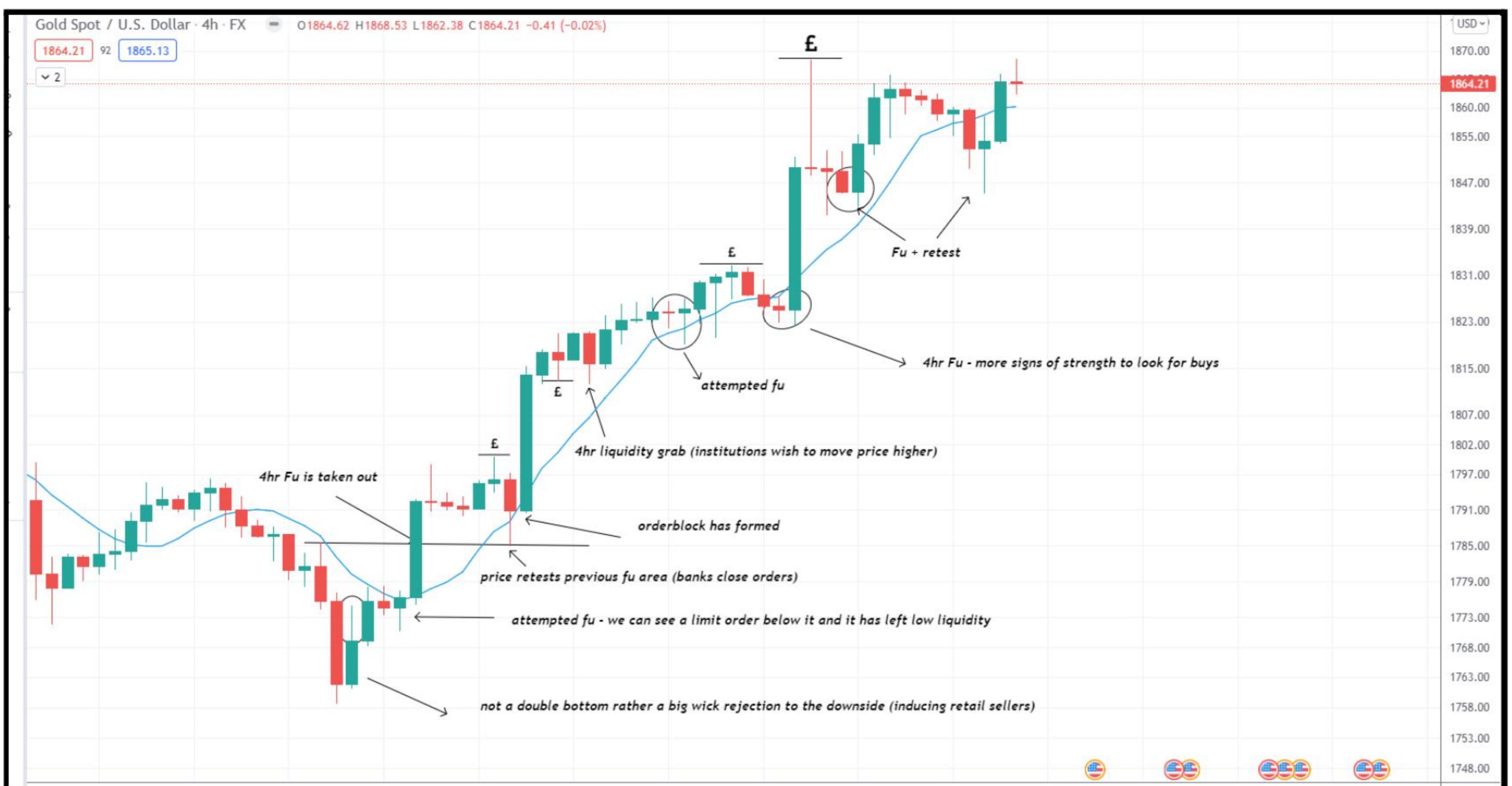


In total we have about 7 confirmations for this trade. And what a trade it was! Correctly using smaller timeframe FU for our entries and being confident in our entry. And even if we do lose a trade? we dont mind. Because just look at the risk to reward - you have nothing to fear.



## Understanding price action

All of this leads us to this point. Understanding price action is our key aim and will enable you to successfully predict the true move of the market and how is that done? By following manipulation and doing what was mentioned before: “think like the banks”. If you master liquidity and understand when the institutions are ready to move price nothing can stop you but it requires great perception to understand the motive behind each move. Let us look at an example where I will walk through my view of the markets - understanding price action.



It is important to keep these factors regarding liquidity in your mind whilst trying to understand price action on lower timeframes especially. Long wicks = liquidity and will either be hunted or filled (see previous book) and dojis and perfect double tops/bottoms indicate liquidity. This will help you determine what is a low liquidity move - and how much liquidity each candle brings into the market. Combining all the factors discussed in this book you can really successfully predict price action and understand it as it forms - we just follow the manipulation.

I have left this topic brief as it is one where “practise will make perfect” and to explain a lot of examples wouldn’t be practical but rather show it to you alongside my daily analysis so that you may understand how I personally understand live price action.

## Managing positions

A profit taking system is a must for each trader but it totally differs according to the person - what do you feel comfortable with. However one thing is for certain... positions must be managed and paritals always taken. The idea behind it is simple. Especially as traders who rely on risk to reward we must let our trades run. However one will not simply leave profits floating and either close too early or let your winning positions become losers. And that's something no one wants. So in order to avoid this as a general rule follow the following:

- 1) Break even your trade as soon as possible - especially traders looking to get funded. Your losses matter more hence why you wish to minimize it and let your risk free positions run to meet your target without stress
- 2) Always pay yourself. The market is unpredictable and you must make full use of the opportunities given. No one likes closing paritals as your original position will earn you less but trust me- keep paying yourself and watch how your account compounds.
- 3) Understand that each position has swing potential. No matter where your position is, the possibility always lies that the price may never come back in the future - meaning you will find a big move. If you accept this you will be open to letting positions run for a "home run" after taking partials

## Swing positions

Simply put, a swing position is the strongest of all entries. It means you have got in from such a place that banks have taken all major previous liquidity (on high and lower timeframes) and are ready to move for a further liquidity target. The best and most profitable trades will be like this - and they always start with some type of institutional manipulation - the biggest sign of a swing position. When found (generally a sniper entry from the start of a full move) paritals should be taken and then let run at break even. You may hold for days , weeks or months and let price play out or close it at a risk to reward you are happy with.

There is no "trick" to finding these positions - you must only perfect your analysis and if you successfully identify the "final area of liquidity" you will always be in the swing of the market. So keep an eye out for trades like this! You may be a "day trader" but you should always be alert and open for more opportunities.

## Conclusion

I hope that by now you have understood the main respect of the market - that we can never be right 100%. Losses are part of the game and can not be affecting you at this point otherwise you will never be able to stick to a fixed set of variables and will always doubt whatever strategy you use. A quote from trading in the zone that really helps me personally is “each loss puts you closer to a win”. Knowing this we accept that no matter how good we are and losses are unavoidable. I stress on this because I know the importance of mindset.... The law of attraction is a real thing and you will manifest whatever you think into your trading. So if your mindset is impeccable and positive so will your trading.

You have learnt without doubt the most powerful tool trading - the most powerful tool financially, not just trading. Nothing else has the potential to make you money like trading this way. The possibilities are endless. Never before in the history of trading was such risk to reward even imagined - let alone to do it on a daily basis and on the most volatile of pairs - gold. Master this way of trading and watch the fruits of your labor... This is the revolution of trading!....

-END-