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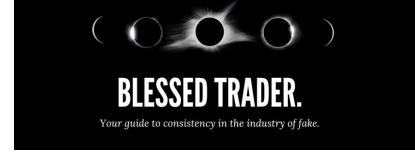


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DISCLAIMER

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LESSON - 12



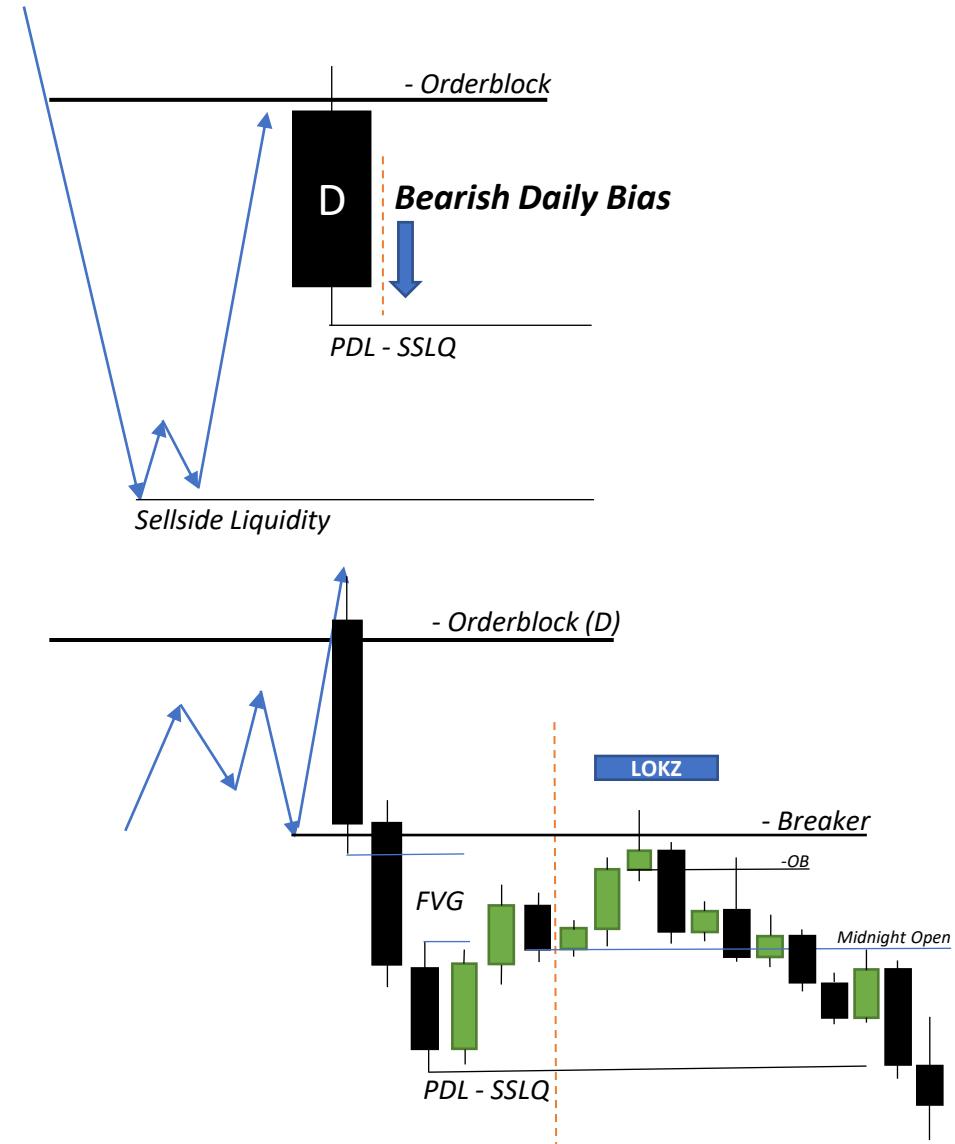
Going deeper into the Daily -> 60min -> 15min NY morning
Market Protraction (Juda Swing) Process.

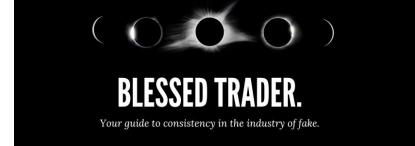


Process.

We already talked a lot about the Daily TF in the Lesson – 10, what we look for, what we wait for, the whole thinking process behind it was explained there. This time we will combine Lesson 10 with Lesson 11 and add some important information on top of it that will help you spot the LOKZ highs / lows more easily, also know when it's a high probability Buy-Day/Sell-day.

There's so much information out there that it's very easy to get lost and that's why you have no idea where to start from, what is the flow of the top-down analysis, so this time our focus is to go deeper into the framework of it and focus on the important foundational parts that lead us closer to trade execution.

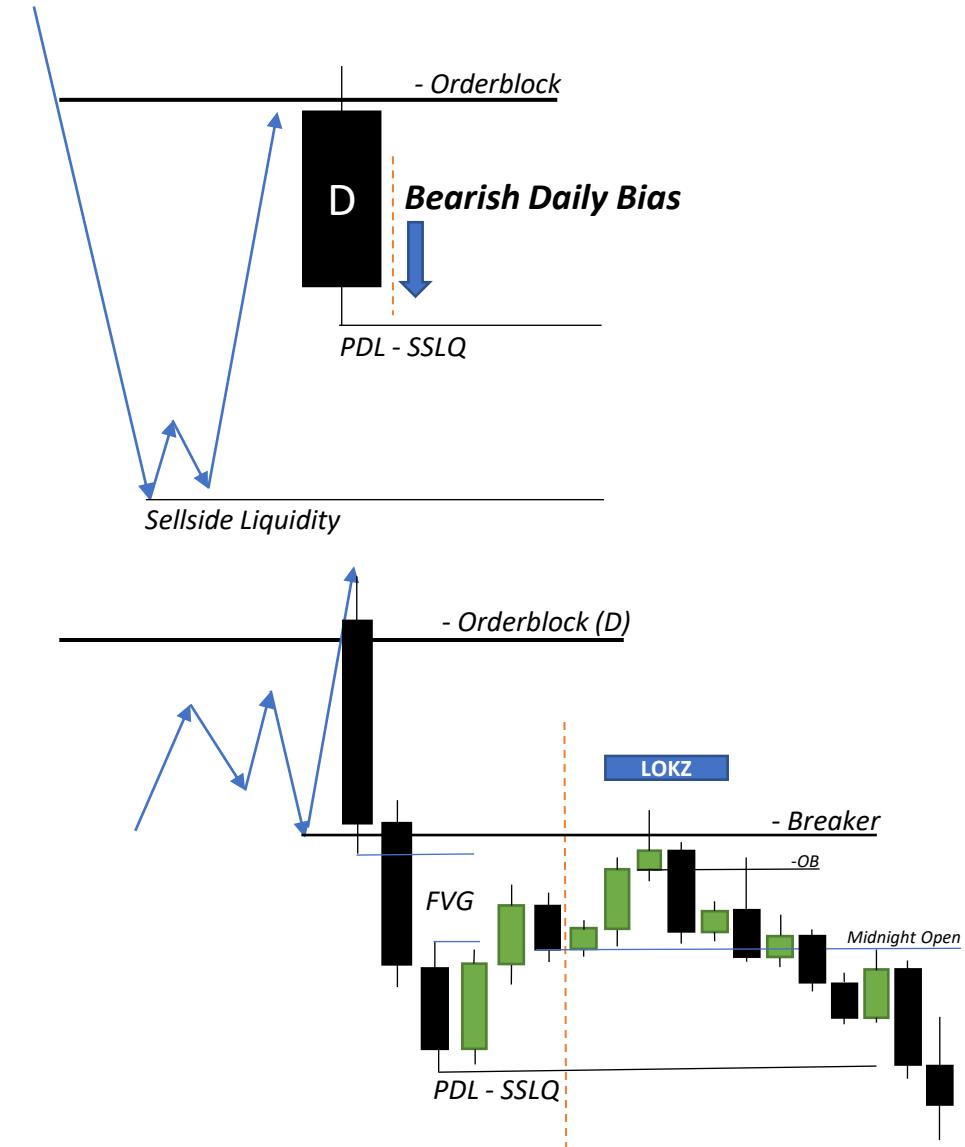




Process.

Even though I always start showing my analysis from Weekly down to 15min/5min, a lot of traders still focus only on the 15min & the 5min – that's the most dangerous thing that you could do.

By now you should know that Weekly/Daily direction + draw on Liquidity lined up with 60min framework is what will give you explosive intraday moves – this is the easiest high probability environment to trade in as if it's aligned correctly, it will give you those quick immediate responses right after your entry (some of the time-lapse videos that I share with you). These types of trades will set the stage for you to lock from 50 to 70 pips – basically take a juicy bite out of the markets and step aside for others to wrestle in the mud (1/2/5min TF's).

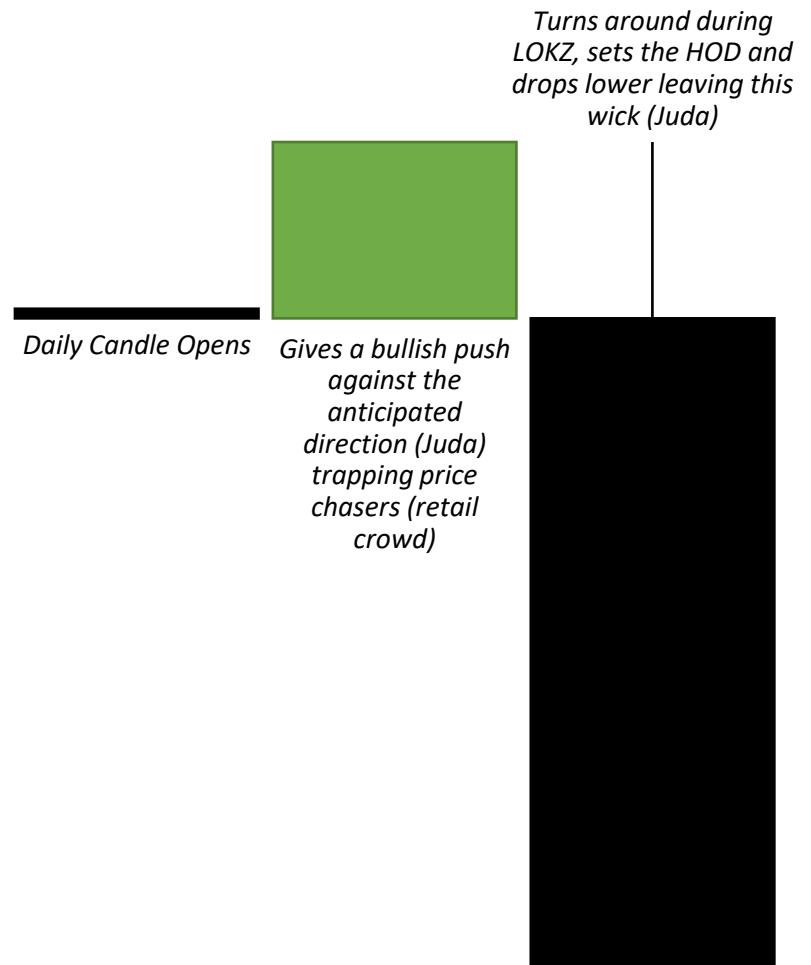


Daily TF

Usually the Daily TF candle's expansion varies from 100 to 200 pips (depends on the market conditions). Lower TF Juda Swing / Market Protraction that happens shortly after the Midnight Open during the London Killzone (small piece of the Daily candle) that in a bearish scenario forms the wick against the anticipated direction (forms the high of the day) which is ideally not more than 30-40 pips, runs Lower TF Buyside Liquidity into some bearish PDA, turns around and expands into the anticipated Higher TF direction, towards the draw on Liquidity.

Scenario on the left, this is one Daily candle divided into phases that happen during the first half of the day ->

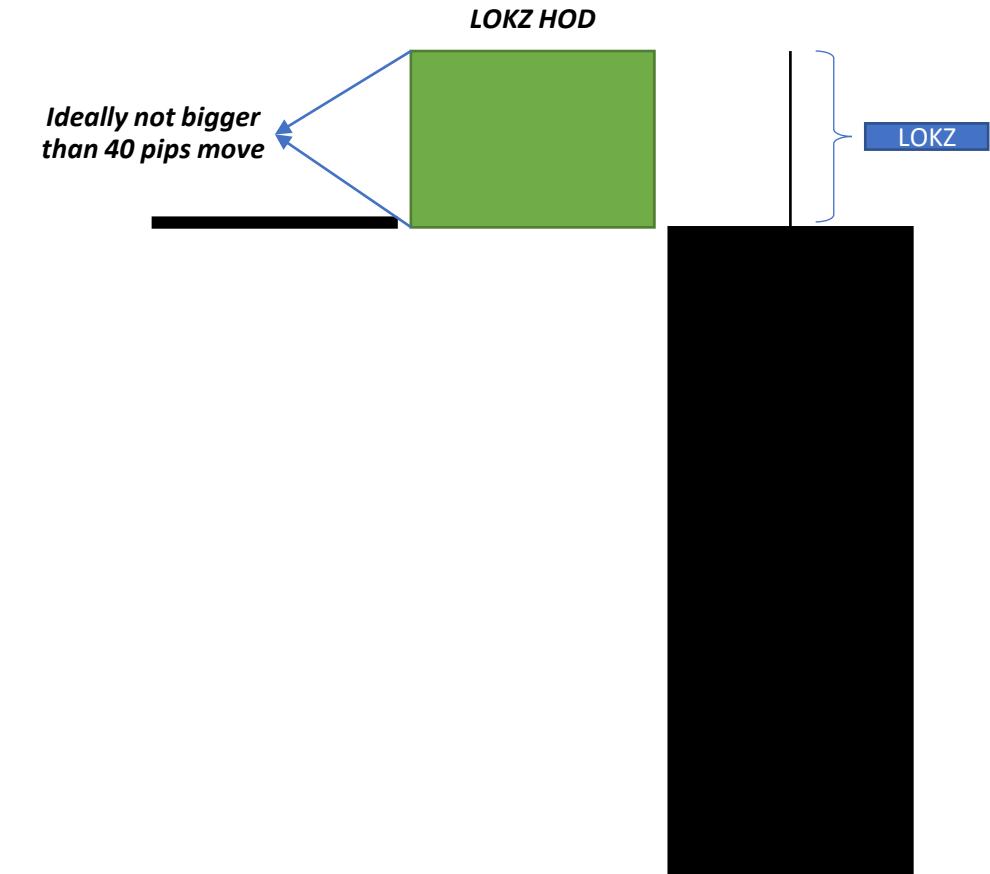
All the opportunities happen when the Phase 3 kicks in (LOKZ forms the HOD). You already know that, however, this example will help you better understand what's exactly happening inside the Daily candle during the London Killzone.



Daily TF

We don't want the Phase 2 movement (Juda Swing / Market Protraction) to be greater than ideally 30 – 40 pips. Why? – We will come to that later in the lesson but for simple explanations if we take let's say a pretty normal 150 pip Daily expansion move, 30 pip Market Protraction (Juda) would be 1/5 of the whole move – that's a normal, healthy Daily candle.

Doesn't mean that the Juda can't be 55 – 60 pips, however, that's a big red flag that it's larger than it should be, and it's a sign that something's off that trading day and you got to careful as that's not a casual sell-day, there will be no high probability day trades that day unless something magical happens during NYOKZ but for the most part the day after large CBDR you want to just observe the markets or look for some scalp trades. So, again the Ideal number of pips is up to 40 pips (40-50 is on the edge but still acceptable).



CBDR – Central Bank Dealers Range.

Central Bank Dealers Range is an important topic, however, not as important as ICT makes it if you do this. Anticipate the Market Protraction (Juda Swing) to be inside 40 (max 50) pip range.

The same way we pay attention to the Asian Range which happens between 07:00 pm to NY Midnight, the other range that we have to pay attention to is the CBDR which happens from 02:00 pm to 08:00 pm. This is the reason why I always mention that everything after the end of the True day range (NY Midnight to 03:00 pm) ideally needs to be as we call it “dead time”, it’s called that way for a reason, because it has to be a slow, low volume period, if it’s not “dead” there’s something else going on there meaning that the next day market conditions won’t be as high probability as we would want/expect them to be.





CBDR – Central Bank Dealers Range.

So, ICT makes this whole concept a bit complex and hard to understand/implement but it doesn't have to be like that. If we sum up these two ranges CBDR + Asian Range, we want it to be a calm, low volume period (02:00 pm to NY Midnight) – those are the ideal conditions when the price is setting up for a healthy expansion the following day.

Again, we want our CBDR to be ideally between 30 – 40 pips, 40 – 45 is still acceptable and 45 – 50 purely depends on structure + other factors but price is on the edge of a red zone. Then the Asian Range not bigger than 30 pips. If both CBDR & Asian Range are quiet and we have all the other aspects in place like clear Daily bias, draw on liquidity and Lower TF framework, that's when we can expect a potential expansion (Sell-day/Buy-day) to occur, LOKZ setting HOD/LOD and NYOKZ being the continuation of that. It's a simple & clear filter.





CBDR – Central Bank Dealers Range.

Another rule (again not as important as ICT makes it if you just pay attention to the CBDR range pip wise and LOKZ Market Protraction size) is anticipating price to reverse inside ideally 2 Standard Deviations (2-SD) of CBDR – anticipating Juda Swing to not pass the 2-SD (with candle body closes) before reversing.

What this simply means is that in most cases, when the CBDR is around 20/30 pips price when in the Market Protraction phase won't close above or below the 2-SD level, and when the CBDR is on the limit edge of 40-50 pips, that's when price will usually stay inside 1-SD (that's why drawing all the Standard Deviation boxes is not that important). Also, the same thing goes to the ICT way of finding sensitive target areas. I will show you how to do that in a better, more precise way using the Asian Range without having to draw all the SD boxes in the next lesson, where we will talk more about targets.





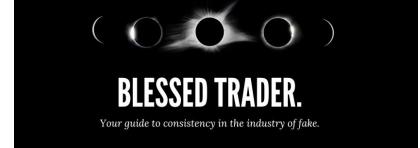
CBDR – Central Bank Dealers Range.

So, we measure the CBDR range, using the “rectangle” tool in TradingView, make the exact range of the CBDR and attach it to the top of the CBDR range when expecting a bullish Juda before the bearish move (Daily Phase - 2 before Phase - 3).

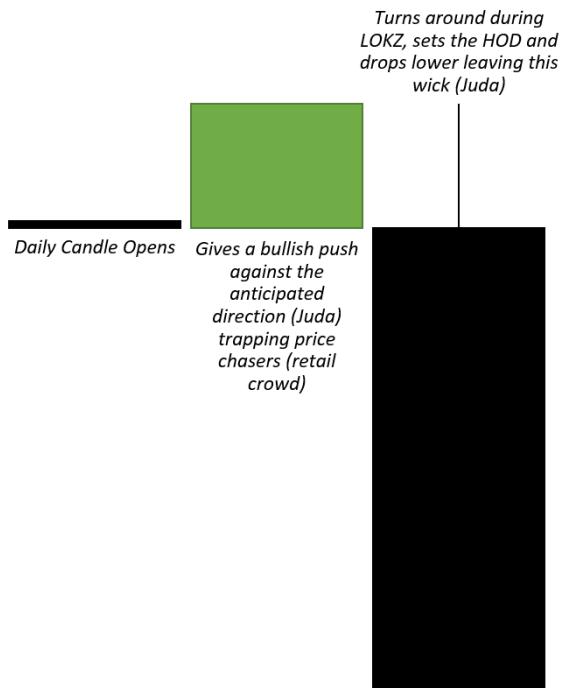
So, as I already mentioned If you see that the CBDR is inside the 40-50 range in most cases, expect price to reverse inside 1-SD range align it with bearish PDA's like in this case, it's this SIBI, so CBDR was 45 pips, we make an identical zone, attach it to the top, it's our 1-SD, we want the Juda to happen inside this range, then we look left to see if we have any bearish PDA's, and we do have this SIBI there.

So, in the example on the right, after the NY Midnight Open, price expanded higher above the Asian Range High, grabbed all the Buyside Liquidity (Juda Swing), into the bearish PDA (SIBI), and reversed inside our 1 – Standard Deviation of CBDR.

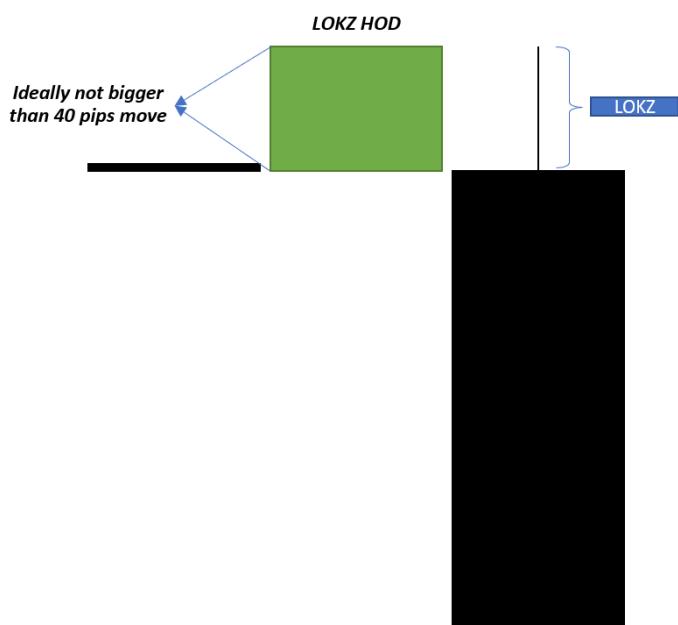




Phase - 1 Phase - 2 Phase - 3



Phase - 1 Phase - 2 Phase - 3





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150+ pip CBDR,
next day - unpredictable,
high-risk market conditions.

0.01590 (1.66%) 159.0

CBDR



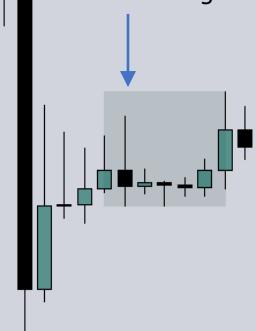
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BEARISH SCENARIO

Here we already have bearish Higher TF bias & draw on Liquidity in place.

Mark and
measure the
CBDR range.





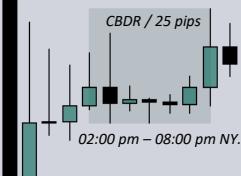
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BEARISH SCENARIO

Here we already have bearish Higher TF bias & draw on Liquidity in place.

The CBDR in this case, is 25 pips (very good).



Sellside Liquidity



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BEARISH SCENARIO

Here we already have bearish Higher TF bias & draw on Liquidity in place.

We attach 2 equal CBDR size boxes higher. We will expect the Juda that happens the following day to reverse inside this 1-SD / 2-SD range.

Sellside Liquidity



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BEARISH SCENARIO

Here we already have bearish Higher TF bias & draw on Liquidity in place.



Then we look left to see if we have any clear & strong bearish PDA's inside the 1-SD/2-SD range.



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BEARISH SCENARIO

Here we already have bearish Higher TF bias & draw on Liquidity in place.



We do have this nice bearish breaker & FVG.

BEARISH SCENARIO

Here we already have bearish Higher TF bias & draw on Liquidity in place.



Right after the NY Midnight Open price goes
higher into 1-SD, FVG & -breaker, and drops
towards the draw on Sellside liquidity.



BULLISH SCENARIO

Here we already have bullish Higher TF bias & draw on Liquidity in place.











LOKZ

ICT has a heavy bag of all kinds of different rules of when it's okay to trade the LOKZ and when you need to avoid trading it, however, all that comes down to just one main point of when we don't want to get involved into the London Killzone:

- When the CBDR and or Asian Range is larger than 50 pips, and it's not visually a slow period in the markets. If the volume/momentum is high, price is expanding during the "dead time" after the true day hours, avoid trading LOKZ the next day.



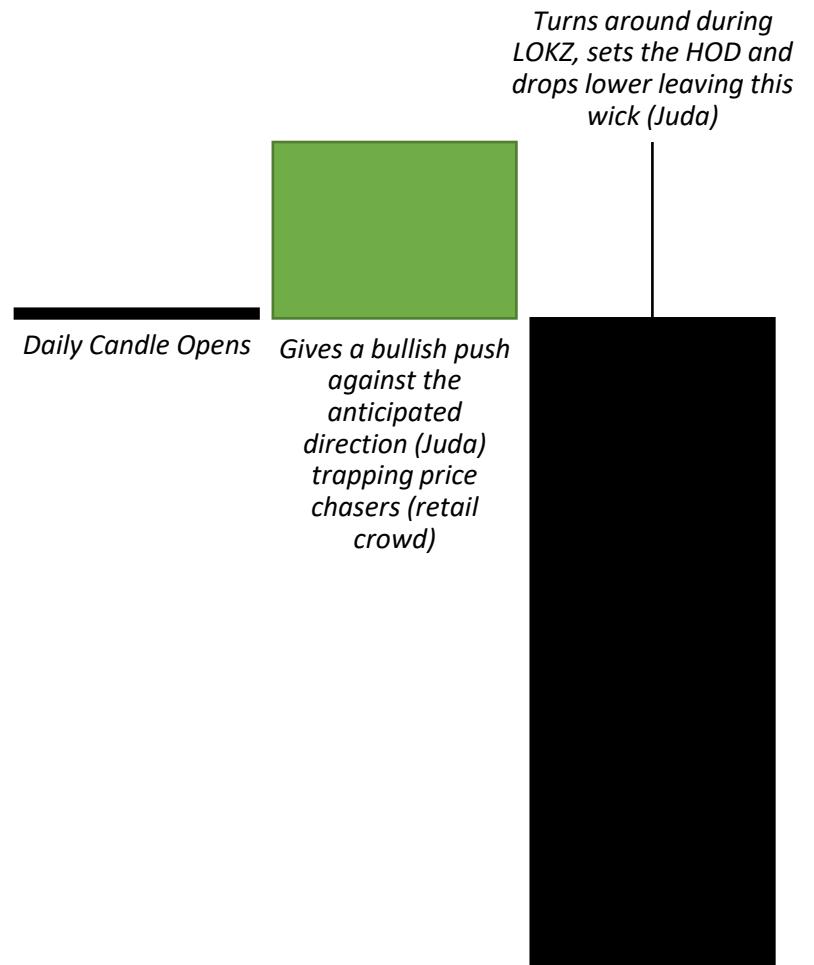
Daily TF

Lastly, we come back to one of the first examples.

We want to have a clear Higher TF delivery (meaning that price is respecting PDA's) and clear drawn on Liquidity. From there we drop to the 60min TF, and firstly, we want to see how price was acting the previous day during the "dead time" after the true day ended, was the price aggressively accelerating or was it just a low volume / indecision period. Then we look at the CBDR & Asian Range to confirm that.

If everything's going according to the plan, from there we mark all the opposing PDA's, and wait for price after the NY Midnight Open to trade into the 1-SD/2-SD range and all the PDA's that are inside that price range during LOKZ to set the HOD/LOD.

Once that happens, it's time to drop to the 15/5min and start looking for potential entries to catch the Daily expansion.





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