Lesson 14: MMSM (re-distribution)

If you haven't read the market maker model PDF, it is recommended you read it for this lesson to make more sense. You can find that PDF here: https://drive.google.com/file/d/19I43U9_db0vpNRWzWCCVek900BpoaNT9/view?usp=drive_link

From the market maker models PDF, a MMSM begins once it has swept a HTF POI of liquidity, fails to displace higher, and has an energetic move in the DOWN direction. Price is starting a reversal, and beginning to EXPAND DOWN, developing the sellside of the curve. You would proceed to look for you market structure shift, FVG, and OB to define your trade, targeting sellside liquidity.

But what if you already knew where these areas would form, before they formed?

How you may ask?

By using the left side of the curve to guide you of where re-distribution may possible occur.

General Template - MMSM Re-Distribution Projections

HTF Pol
(Premium Array > D)
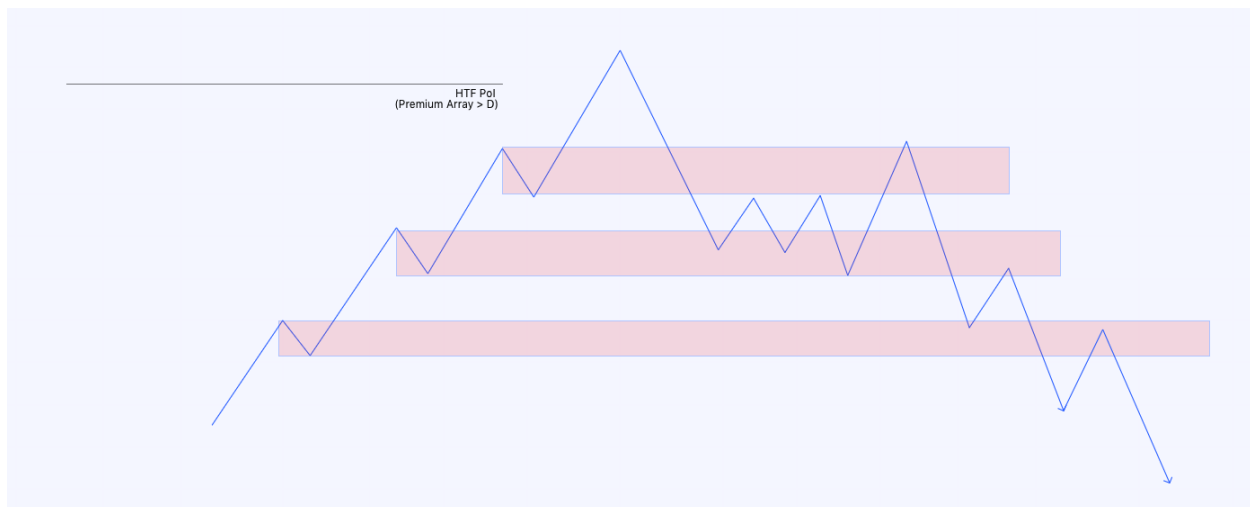
Red Zones are projections of where bearish PD Arrays should form

What do you notice? Bearish PD Array's are formed between the bullish PD Arrays on the left. Specifically, price will break one swing low on the left and stop just before the next swing low on the left. This in turn creates a bearish PD Array on the right!

Here is that idea highlighted with the RED path below. The yellow circles show where the first swing low on the left is broken, but the second low remains intact (this area represents a bullish PD Array on the left). It is between this area where you expect a bearish PD Array to form on the right side of the curve.

[fun fact: this is usually the breaker setup and here is the PDF for breaker blocks → https://drive.google.com/file/d/1xRORHPI7fMkTg3YPo3vg2l4Cst6yMKWv/view?usp=drive_link]

Price then sweeps the internal sellside liquidity, enters the breaker + FVG + OB, where price will re-distribute, and then EXPAND DOWN. This forms a new bearish PD Array.

Price will the continue this path of taking out old swing lows (on the left), and forming new bearish PD Arrays (on the right). These old bullish PD Arrays begin to act as resistance - which is what ICT refers to as inversion (fancy way of saying, old support is now resistance). This is where you will expect to see re-distribution to occur for further EXPANSION of price in the DOWN direction.

Here is that trend illustrated by the RED path.

Where there was once support, you now should see resistance. Re-distribution is also where you will find your optimal trade entry points to join the trend DOWN.

MMBM Re-Distribution (Example)

The following chart uses $NQ. You can use this idea on any timeframe. Let's build out your sell-model projections utilizing what you just reviewed above.


Here is a reversal after sweeping a HTF PoI, an old monthly high shown (below). There is also a divergence at the highs in comparison to $ES, which did not sweep the highs. Price EXPANDS DOWN and creates a market structure shift (mss). From here, you can being to draw out your projections of where your bearish PD Arrays should form.

This is how your assumption of where bearish PD Arrays may form should look like. These areas are previous areas of support, which should turn into new areas of resistance as we break through each low (on the left). Not lets see how price reacts to each area as it moves its way down (note: it doesn't have to be perfect, you want to create areas of interest of where you may engage price).
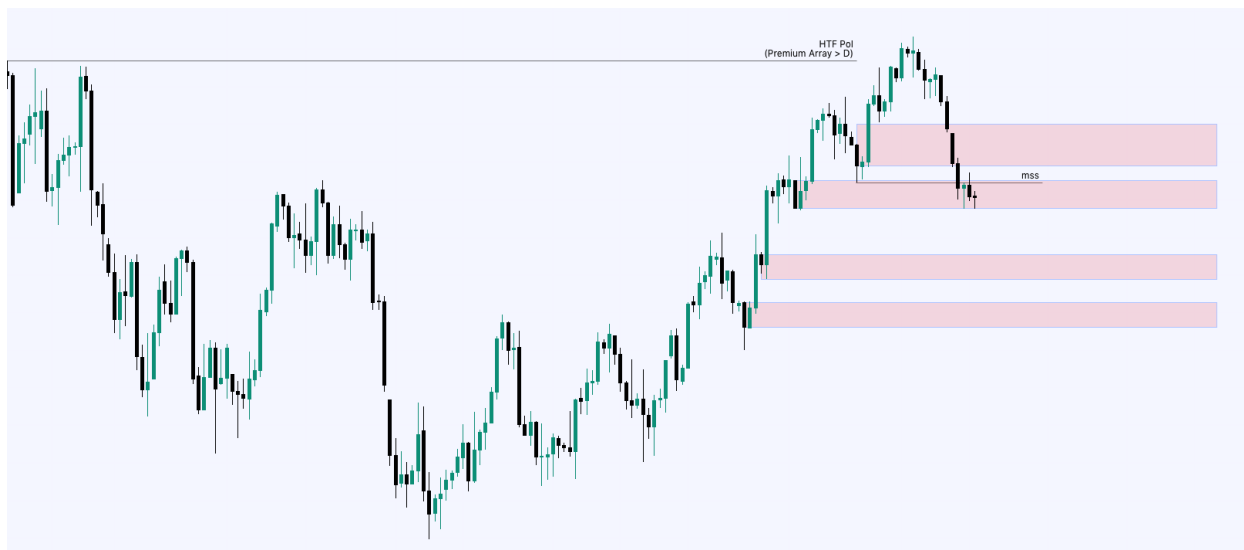
First move:

After displacing down with energy, price retraces into and respects our bearish OB-. This area is also where you will find the breaker block/YT 2022 model! There is also an FVG- to support shorts to join the trend down. Pretty neat eh? This is where you should expect the first leg of re-distribution to occur for the sellside of the curve. You will look for price to continue to redistribute inside the newly forming bearish market structure that you are using to join the trend down.
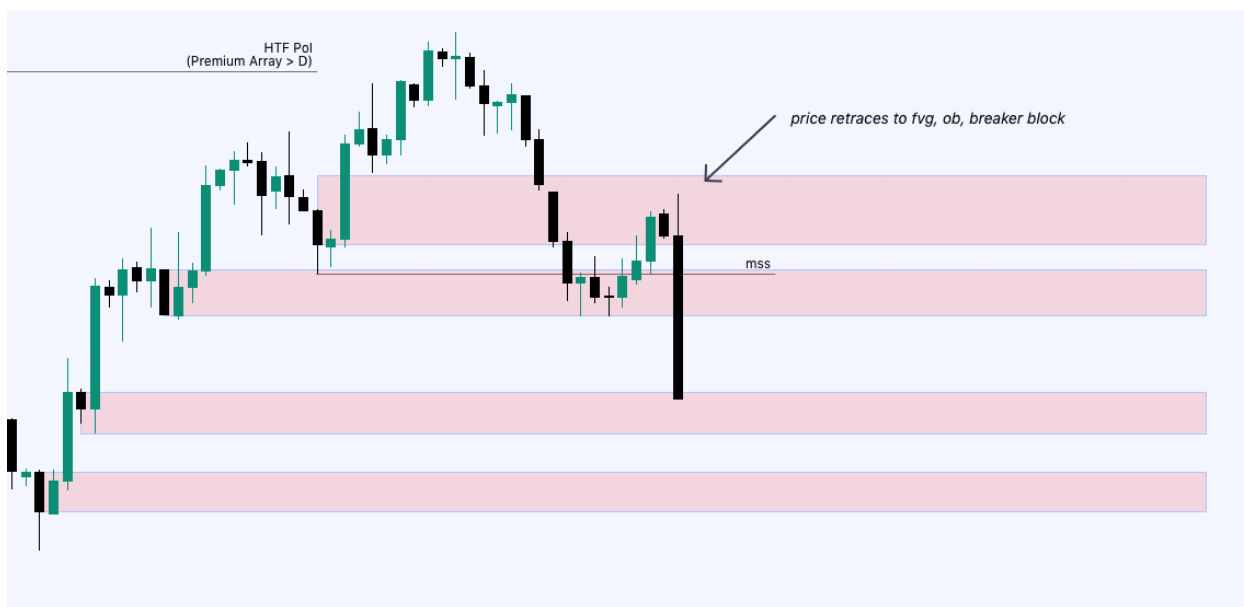
Here is that bearish market structure, YT 2022 model setup. Where is price likely to target next for the rejection?
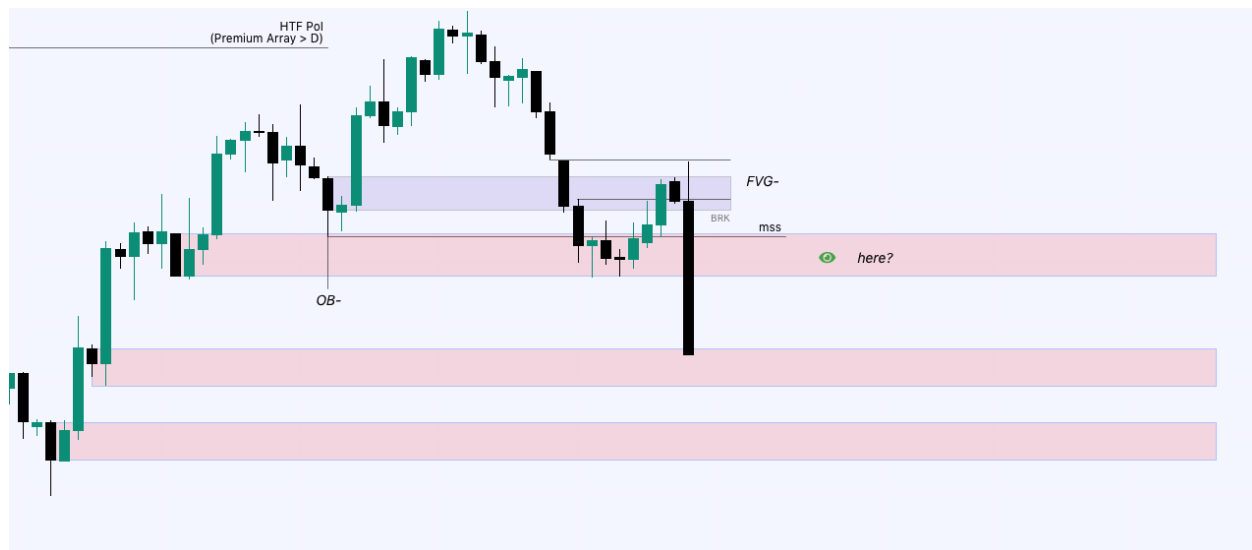

[The next couple pictures are going to show you how support is turning into resistance. Blue shows former support, and red shows how it turns into resistance].

In this instance, notice how price is failing to retrace back higher (it should have moved towards the marked area with the eye). This indicates that price is in a hurry to towards the sellside liquidity objective. Take a look at how previous support is now turning into resistance (inversion). In this case, price renters a FVG- and continues to EXPAND DOWN.
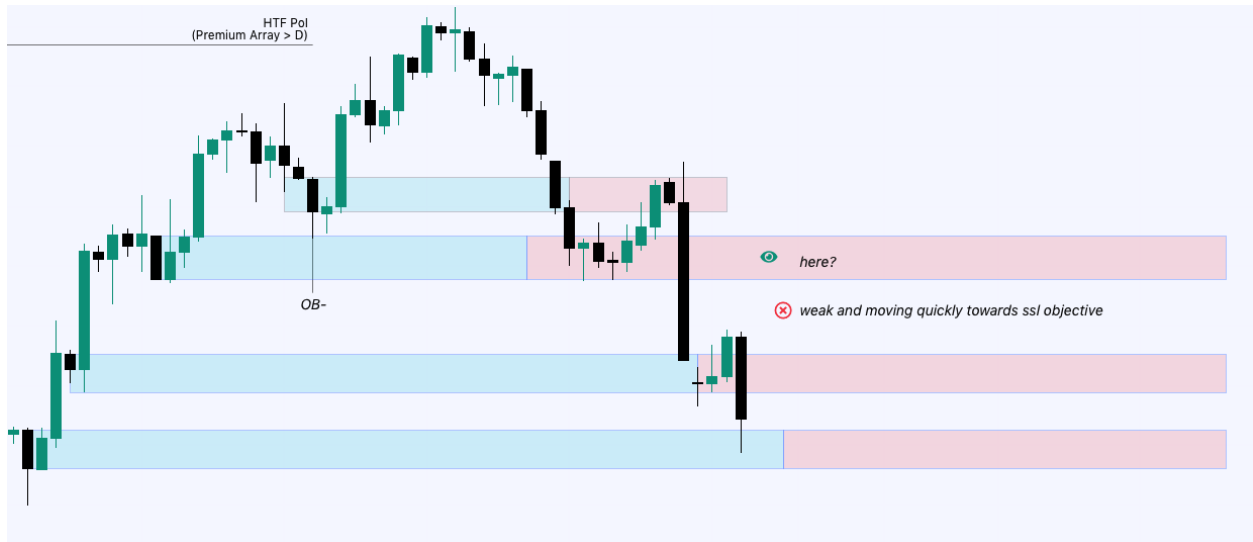
Here is that trend of inversion continued.
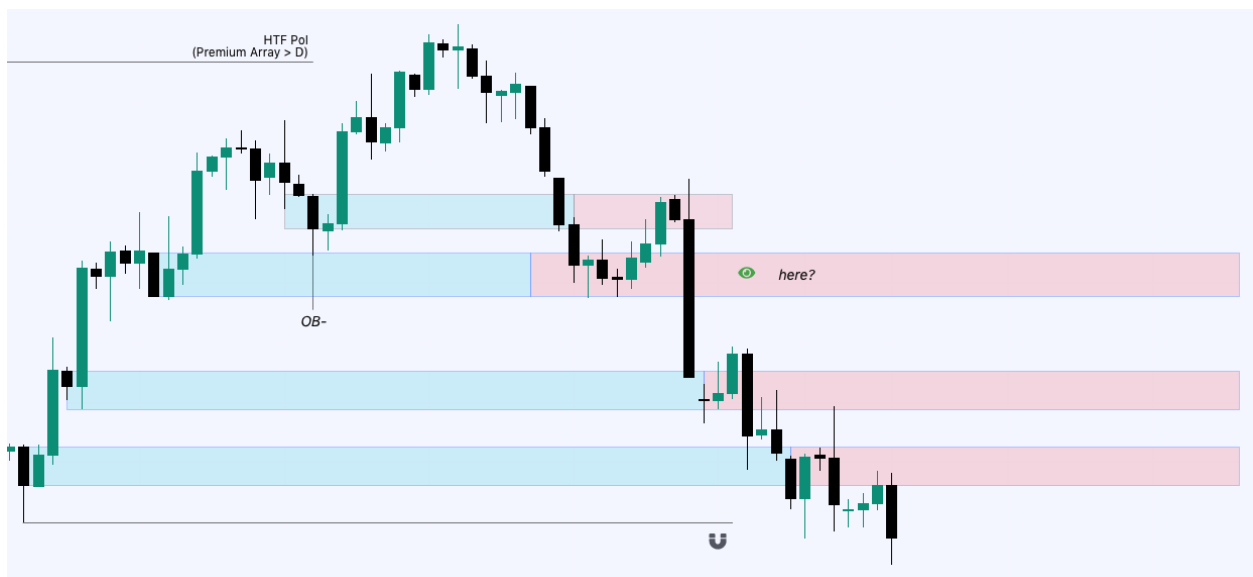
You should notice that price is now slowing down and there is a lack of energy to the downside. Although it is respecting the new bearish structure well, there is no significant move to the downside. This should raise some caution as price has taken ssl at a daily discount. Remember the red zone above that wasn't tested? Lets see what happens next.

[Recall, price likes to move from an area of discount, back into a premium, then back towards a discount, when the the overall trend is down. Big money will wait for price to retrace back into a premium where they will be waiting to enter once again.]

Well, well, well, price has finally come back to that area of interest where you should expect re-distribution. Why is that? The HTF narrative for price is that of a bear market. And as you know, price likes to move from discount → to premium → to discount. This move up allows the big players to re-distribute (short) at their desired prices. If you are really paying attention, you'll notice price has taken out internal buyside liquidity while moving back into a a premium bearish PD Array. Let's see what happens next. This area is where you should have an OB-, FVG-, and anticipate inversion.
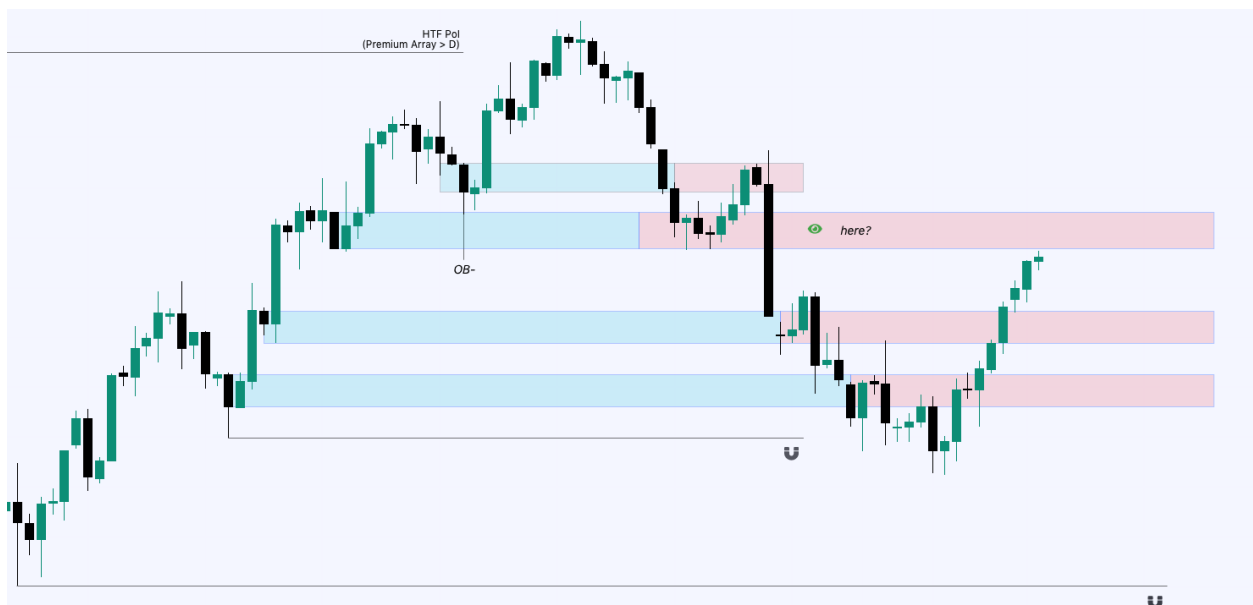
An immediate reaction occurs with a HUGE expansion down!! Price continues to trend down towards the final ssl objective in a discount array.
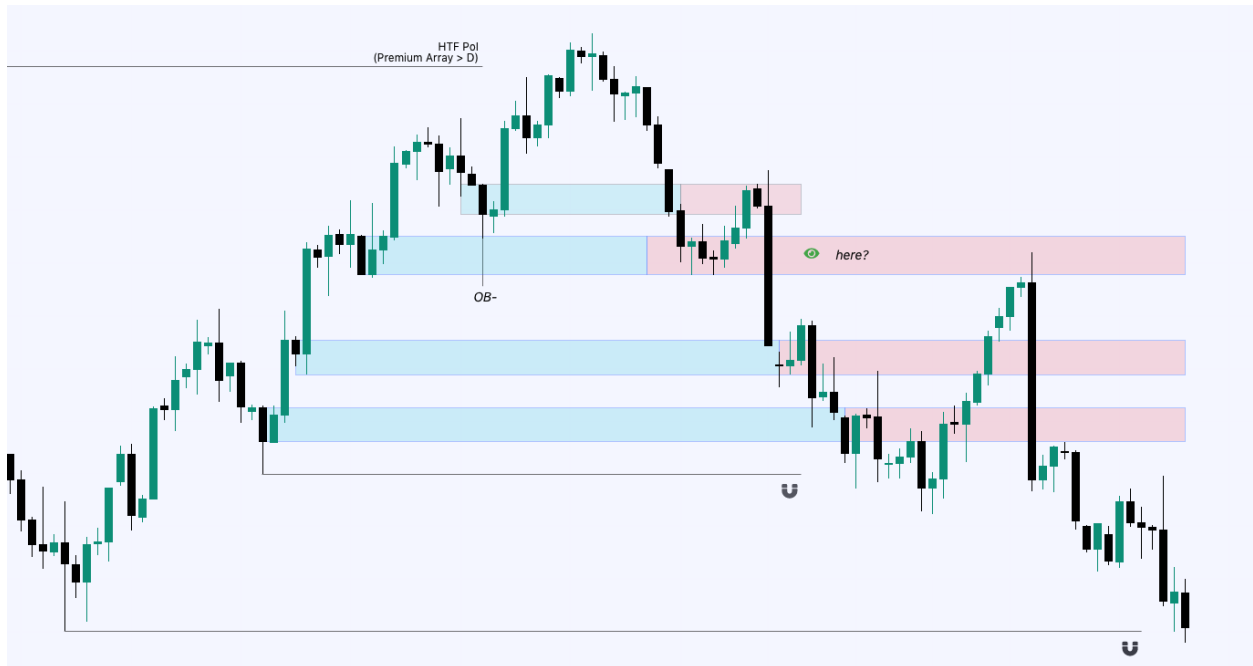
Price does respect the bullish structure at first, but eventually, it becomes an area where price finds resistance (inversion), allowing smart money to re-distribute at a premium. Between each bullish PD Array, there will be an opportunity for a bearish PD Array to form. These are the areas where you want to look for potential adds to join the trend or sellside of the curve - price EXPANSION DOWN.

There will be times where price will seek a discount first prior to the retracement (as shown in our example). Recognizing these nuances will come to you with time and experience.

Your eyes will begin to see how old bullish OB's and FVG's showcase where bearish PD Arrays will form, and how the structure will form. This is how you can anticipate what price 'should do' with the mentality of "if this then that". Now the best way to learn how to do this is to go practice looking at past charts AND doing it live! Project and watch how price behaves. All of the A+ setups come from this logic (fvg, breakers, silver bullet, turtle soup, etc.)