ICT POWER OF 3 / ACCUMULATION>MANIPULATION>(RANGE EXPANSION) DISTRIBUTION
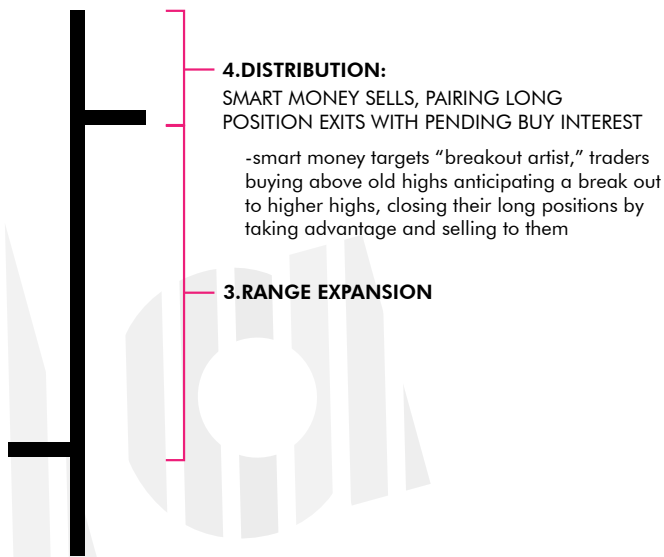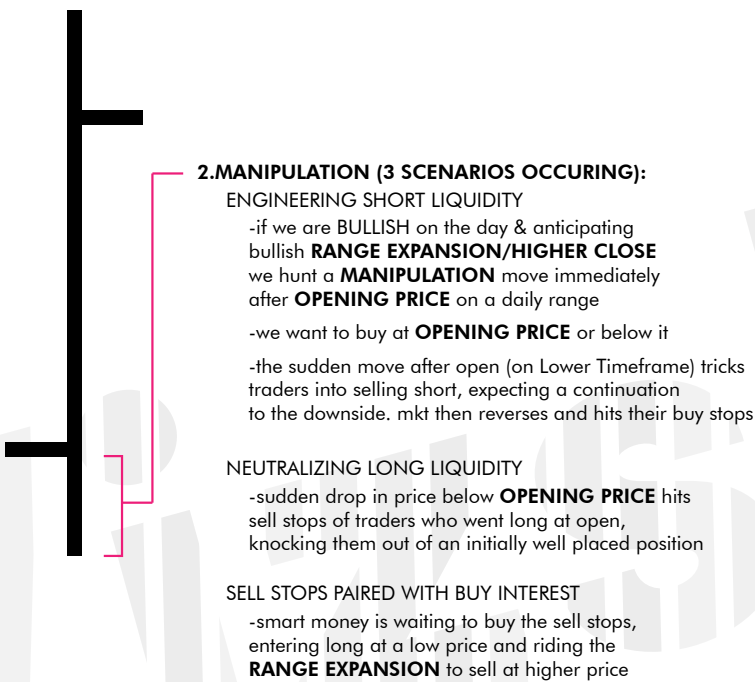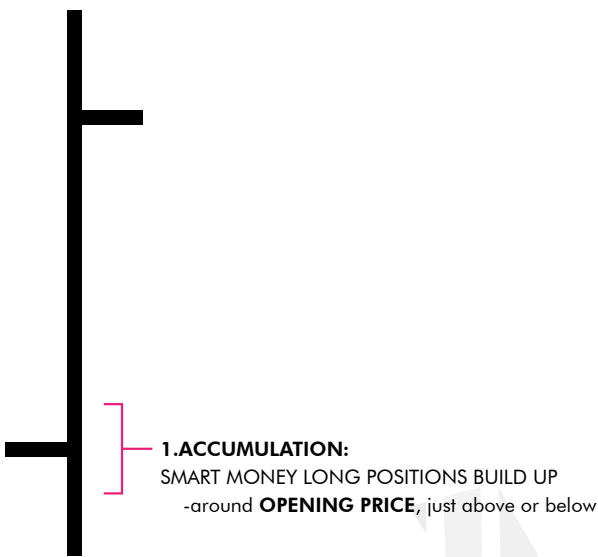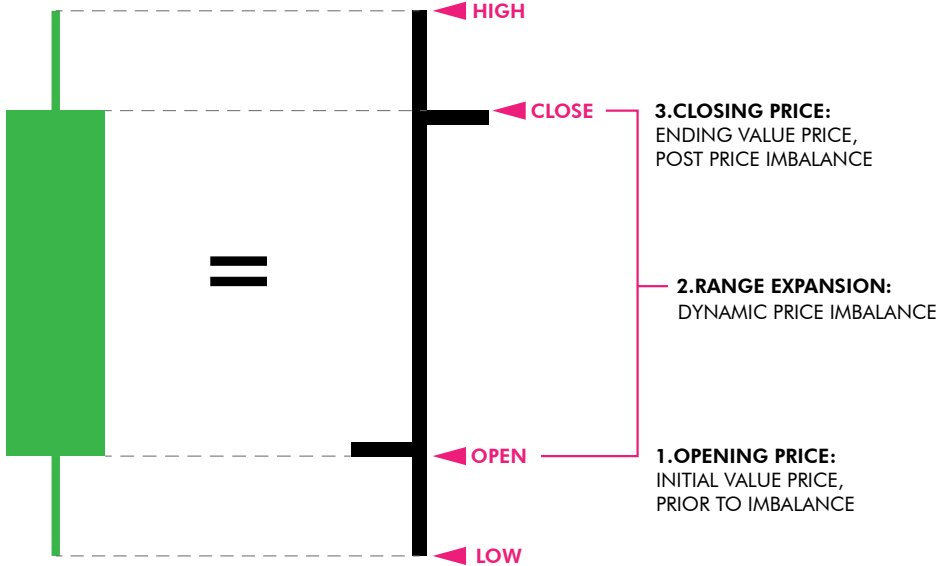
NOTE: Power of 3 concept applies to all candles across all time frames

Weekly/Daily/Hourly Bullish Candle = Weekly/Daily/Hourly Bullish Bar

HIGH

CLOSE

3.CLOSING PRICE:
ENDING VALUE PRICE, POST PRICE IMBALANCE

2.RANGE EXPANSION:
DYNAMIC PRICE IMBALANCE

OPEN

1.OPENING PRICE:
INITIAL VALUE PRICE, PRIOR TO IMBALANCE

LOW

1.ACCUMULATION:
SMART MONEY LONG POSITIONS BUILD UP
-around **OPENING PRICE**, just above or below

2.MANIPULATION (3 SCENARIOS OCCURING):
ENGINEERING SHORT LIQUIDITY
-if we are BULLISH on the day & anticipating bullish **RANGE EXPANSION/HIGHER CLOSE** we hunt a **MANIPULATION** move immediately after **OPENING PRICE** on a daily range
-we want to buy at **OPENING PRICE** or below it
-the sudden move after open (on Lower Timeframe) tricks traders into selling short, expecting a continuation to the downside. mkt then reverses and hits their buy stops

NEUTRALIZING LONG LIQUIDITY
-sudden drop in price below **OPENING PRICE** hits sell stops of traders who went long at open, knocking them out of an initially well placed position

SELL STOPS PAIRED WITH BUY INTEREST
-smart money is waiting to buy the sell stops, entering long at a low price and riding the **RANGE EXPANSION** to sell at higher price

4.DISTRIBUTION:
SMART MONEY SELLS, PAIRING LONG POSITION EXITS WITH PENDING BUY INTEREST
-smart money targets "breakout artist," traders buying above old highs anticipating a break out to higher highs, closing their long positions by taking advantage and selling to them

3.RANGE EXPANSION

Weekly/Daily/Hourly Bearish Candle = Weekly/Daily/Hourly Bearish Bar

HIGH

OPEN

1.OPENING PRICE:
INITIAL VALUE PRICE, PRIOR TO IMBALANCE

2.RANGE EXPANSION:
DYNAMIC PRICE IMBALANCE

CLOSE

3.CLOSING PRICE:
ENDING VALUE PRICE, POST PRICE IMBALANCE

LOW

1.ACCUMULATION:
SMART MONEY SHORT POSITIONS BUILD UP
-around **OPENING PRICE**, just above or below

2.MANIPULATION (3 SCENARIOS OCCURING):
ENGINEERING LONG LIQUIDITY
-enticing "breakout artist" to go long, placing them on the wrong side of the mkt, hitting their sell stops when mkt reverses

NEUTRALIZING SHORT LIQUIDITY
-sudden rally in price above **OPENING PRICE** hits buy stops of traders who went short at open, knocking them out of an initially well placed position

BUY STOPS PAIRED WITH SHORT INTEREST
-smart money is waiting to sell short at the buy stops, riding the **RANGE EXPANSION** to buy back & close their short positions at a lower price

3.RANGE EXPANSION

4.DISTRIBUTION:
SMART MONEY BUYS, PAIRING SHORT POSITION EXITS WITH PENDING SELL INTEREST
-smart money targets old lows, hitting sell stops of previous long positions so they can buy and close their short positions