Spennyfx 5min Trading System - 3m

3m Trading

Here I will show you my system which can and will print you unlimited money. Shout me out when u get ur lambo.

*PSA : Several concepts and terms used in this system are inspired by mentfx, you can check out his channel here: mentfx - YouTube

*Also shoutout to Abdi who also played a big part in the development of this system.

*If the pictures are hard to see hold CTRL and scroll mouse to zoom in

*Only indicators that I use are the mentfx structure indicator and the mentfx triple m indicator

Main Timeframes:

-First and foremost the concept of timeframes is highly misunderstood by most people, all timeframes are the same and price works fractally throughout every TF.

-However the main TFs I look at are the **Daily, 4h, 1h and 5min**.

1)

First step is to always start on the daily TF to make sure that it is valid. What determines that the daily is valid is that it needs to print a 3m candle or an engulfing candle. The daily protected low will be updated to each new 3m candle that prints. It invalidates once a candle body closes below the most recent 3m candle. If the daily validates by an engulfing candle, the protected low would be at the bottom of the demand zone that was created.

2)

      Next step is to go to the 4h, the only validation we are looking for here is just that it is moving in a bullish fashion. This means it should be in a bullish model - **Accumulation or Reaccumulation**. The 4h being in a **Distribution or Redistribution** model makes it **invalid.**

In depth explanations on models can be found in my videos channel in the server.

3)

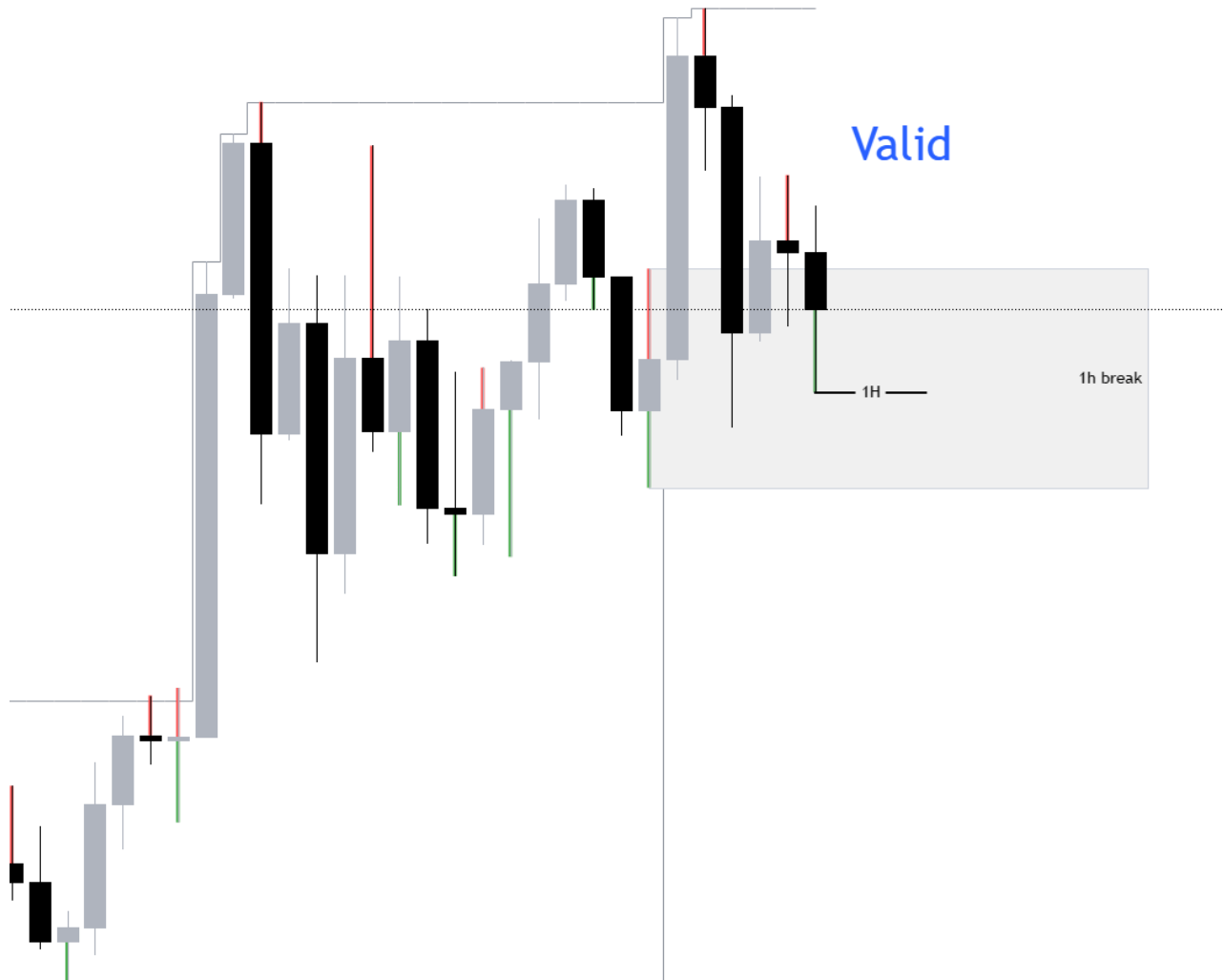   The third step is to go to the 1h. We are looking for 3 validations on the 1h:

1 - Has to be in a bullish model, just like the 4h
2 - Has to be tapping any 1h zone (structural or fractal zone), or a 4h structural zone
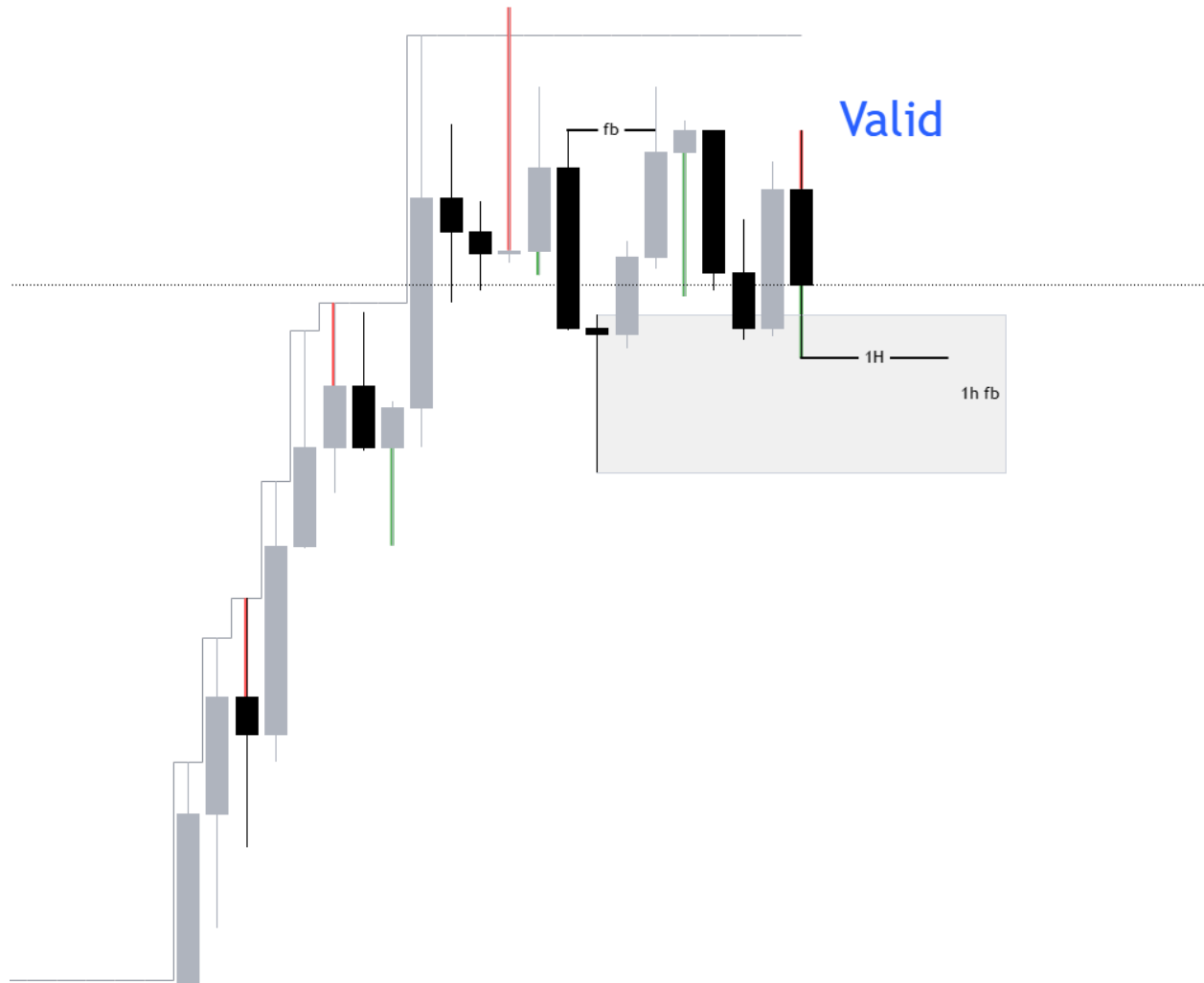**2 - Needs to have a 3m validation**

      So the 1h needs to be in **Accumulation or Reaccumulation**, and it has the same rule as the daily validation excluding the engulfing candle validation. So the 1h can only become valid from printing a 3m candle anywhere. The invalidation for the 1h is the same as the daily.

Here the 1h taps into a 1h structural zone and validates:

Valid

1h break

1H

Here the 1h taps into a 1h fractal zone and validates:

Here the 1h taps into a 4h structural zone and validates:

Valid

4h b3

1H

*If the 1h is very far away from the last 3m candle, I see this as overextension on the 5min and a suboptimal area to enter. So I will wait for another 3m candle to get printed on the 1h before I take any trades.

wait for a pullback and formation of new 3m

1H

4)

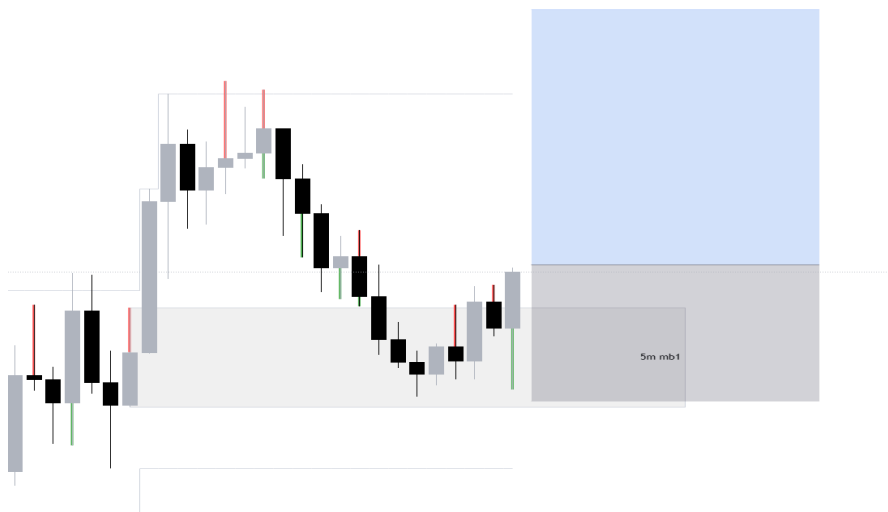Lastly we drop down to the 5min, this is where it gets more complex.

Firstly, the only time we can take entries on the 5min are when we are in one of 4 stages.

- **Stage 1**
- **Stage 1 Reaccumulation**
- **Stage 2**
- **Stage 2 Reaccumulation**

This is very important as all price action outside of these stages should be avoided. This rule is the bread and butter of this system. There are specific things price has to do to enter into each stage.

Entry Method:

The method of entry for this system is buy-stopping or sell-stopping 5min 3m candles once 5min zones get tapped. For longs, the order should be placed slightly above the top of the 3m candle and the SL should be placed slightly below it, as shown below. Vice versa for shorts.

Stage 1:

We officially consider a chart to be in stage 1 when we get an MB cluster in the direction of the given bias, while the 5min is in a bullish model. So if we are in Accumulation or Reaccumulation and we get a 5min MB cluster to the upside, we enter Stage 1.
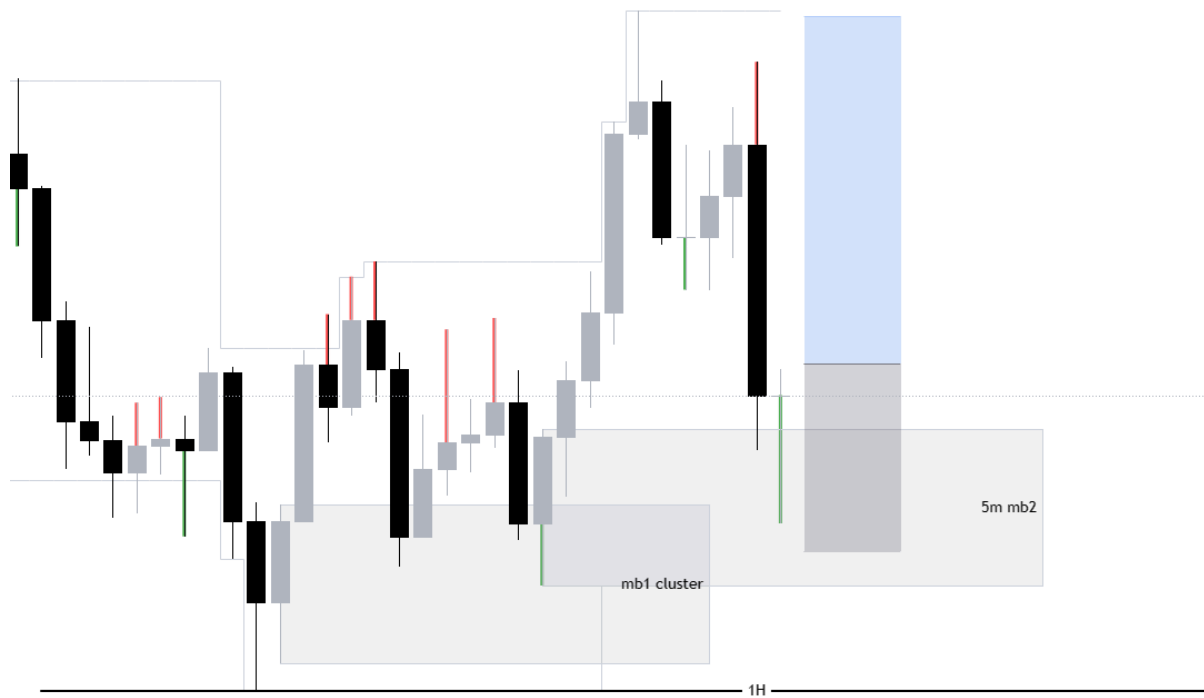

In this pic, the 5min enters accumulation with the first break up, then prices comes and taps the deepest zone in mb1 and delivers a second mb, creating a cluster. Once the cluster has delivered, we have officially entered Stage 1.

Here, although the 5min is in a bullish model and delivering to the upside, there are no MB clusters happening, so we are not in any stage yet and should avoid trading.

Stage 1 entries are valid up to MB4, meaning if MB2 clusters MB1, entries can be taken from the MB2 zone, if MB3 clusters MB2, entries can be taken from the MB3 zone, and if MB4 clusters MB3, entries can be taken from the MB4 zone. If we have more than 4 MBs up, we have to wait for a break down, entering us into Stage 1 Reaccumulation.
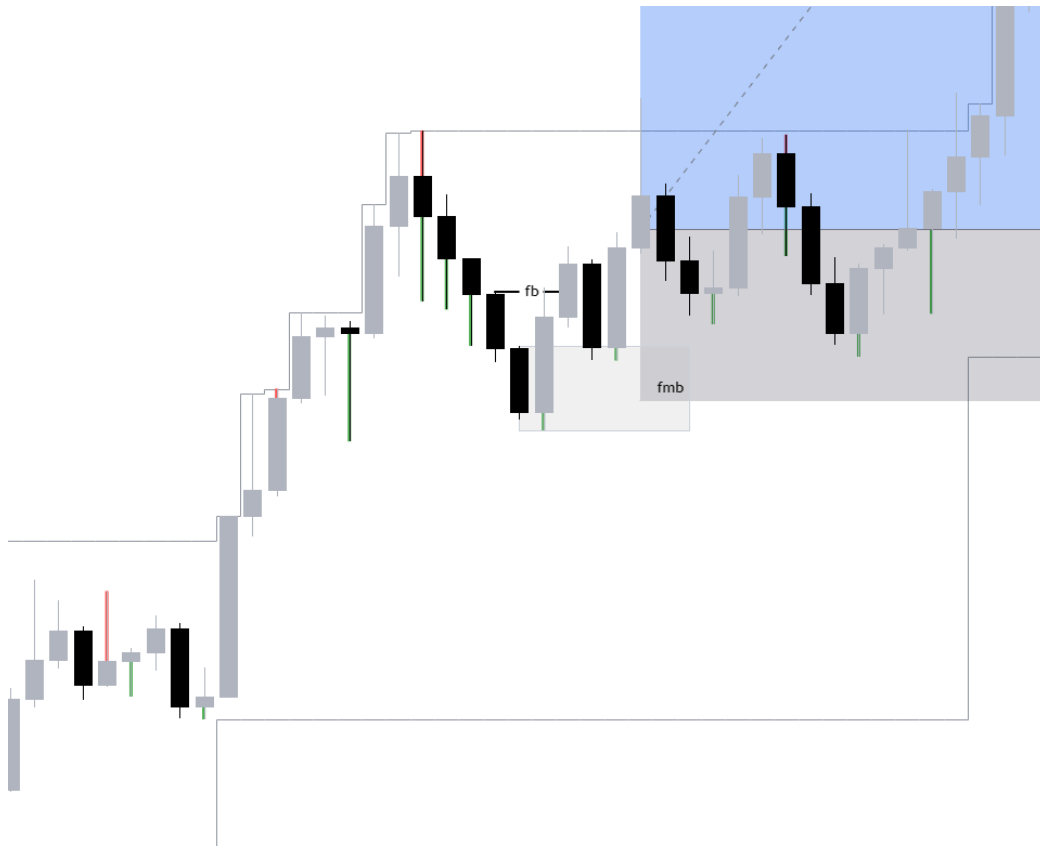
Here we enter Stage 1 when MB2 clusters MB1, then we get an entry off of the mb2 zone:

Here, MB3 clusters MB2 so we get an entry in the MB3 zone, we take a loss, then we re-enter on the next printed 3m candle and take a win:

*Note: Entries can also be taken from fmb zones that are created in any range up to MB4 as well. So if the deepest zone of the MB doesn't get tapped then we can wait for an fmb to get created and take a 3m candle from the fmb zone. Example shown below:

Stage 1 Reaccumulation:

Once we are in Stage 1, a **break down** in structure will put us into **Stage 1 Reaccumulation**. This stage is most often where you will get good entries. The criteria for entering in this stage is that you just need an FMB to be created, then price comes and taps the demand zone of that FMB and prints a 3m candle in it.

Price can break downwards up to 3 times and it is still valid to take an FMB entry, because a reaccumulation will stay a reaccumulation up to 3 breaks down. Once you have 4 breaks down you have entered distribution and the setup is invalid.

Always make sure to be double checking that the 1h is valid in this stage because this stage involves downward movement and sometimes the 1h may invalidate during this time. Another note is that if you see the 1h forming a 3m while the 5min is in Stage 1 Reaccumulation this is a very good sign that price will deliver to the given direction of your bias after your entry.

Stage 2:

We officially enter stage 2 when we deliver to new highs after being in Stage 1 Reaccumulation, this is essentially completing the reaccumulation model.

Stage 2 is usually when you get very explosive and parabolic moves, once we are in Stage 2, price has a very high chance of delivery so we still take entries once we are in Stage 2. Similarly to Stage 1, we can take entries up to MB4 in Stage 2, however the main difference is that the MBs **DO NOT** have to cluster. This is because Stage 2 is where the parabolic price movement happens, so price is less likely to make clusters and more likely to just run.

Example 1:

Example 2:

*Note: Fmb entries are also valid in Stage 2 up to MB4 the same as previously shown for Stage 1 on *Page 12*.

Stage 2 Reaccumulation:

The last stage we can be in is Stage 2 Reaccumulation. Entries in this stage are rare but when they do setup they are very powerful.

There are 2 scenarios in which you can get a Stage 2 Reaccumulation entry:

1.   Stage 2 has a double MB and price comes back to the zone of MB1

2.   Stage 2 has more than 2 MBs and price comes back to an unmitigated MB cluster within Stage 2.

Note: In both of these scenarios if price breaks down more than one time to get to these zones, you wait for an FMB to be created from the zone and take an FMB entry.

Scenario 1:

Scenario 2:

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PATIENCE | DISCIPLINE | EXECUTION

Stage 2 starts here

5m mb1

Stage 2 mb2 cluster

7/4/2024
ETHUSDT.P | 5M

ATR: 8.13

Reaccumulation

What to do after Stage 2 is over:

After Stage 2 is over and there were no Stage 2 Reac entries, you have to wait for a new Stage 1 to develop again before you take any more trades.
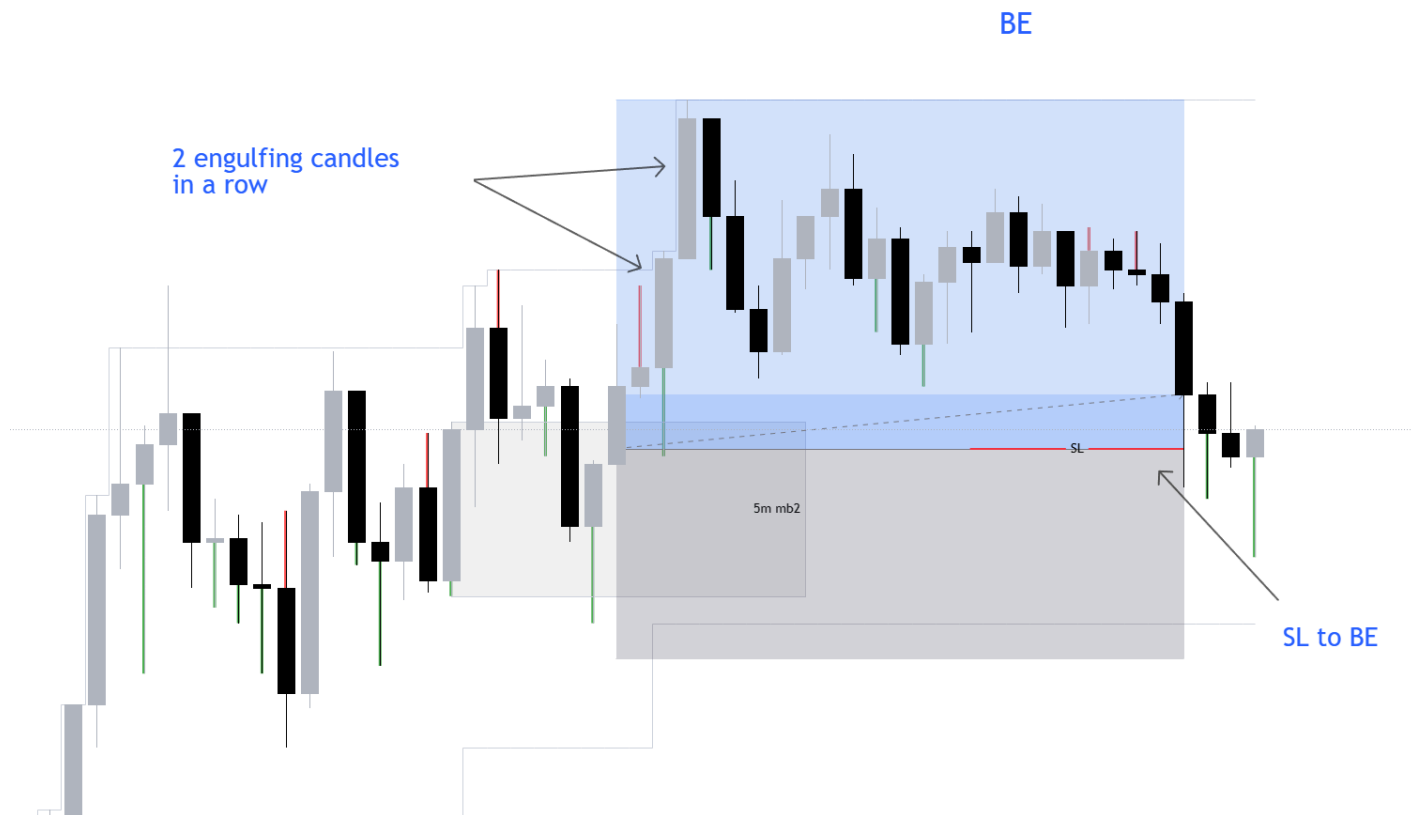
This is how it works:

-       If the MBs in Stage 2 did not cluster, all you need is a break down, then the next cluster that happens will be a new Stage 1 and you can look for new trades again

-       If the MBs in Stage 2 did have a cluster, then you need to wait for a full reset of the 5min models, meaning the 5min model has to turn bearish (distribution/redistribution) and then back into bullish (accumulation, reaccumulation). Once it does that and then creates a new cluster, you have entered a new Stage 1 and can look for new trades again

*This is an important concept so make sure you remember this

Break-Even Rule:

The BE rule for this system is that after you get 2 engulfing candles in a row, you move your SL to BE.

The second candle has to be fully outside of your entry, the first one is allowed to be partly inside your entry.
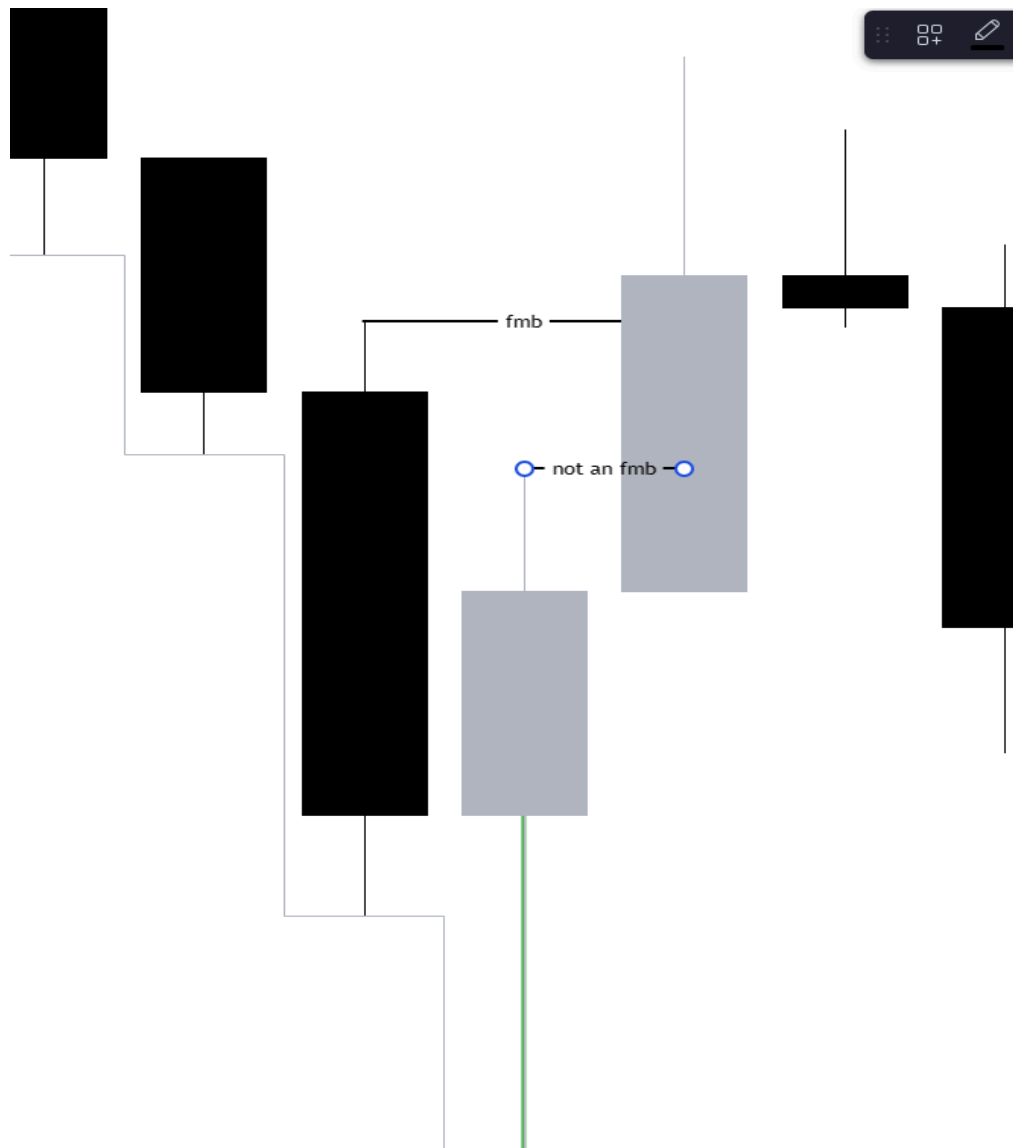

Trade Management:

The method of trade management I use is trailing my SL behind structural lows. Every time a pullback and break is made (a new MB is made), I will trail my SL to under the low that caused the break.

I usually wont trail the SL exactly right to the low of the break, as i find that a lot of the time a candle will come down, wick just under the low and absorb it then continue up, so I will place my SL a bit lower wherever it makes sense, this is something that just comes with experience and testing.
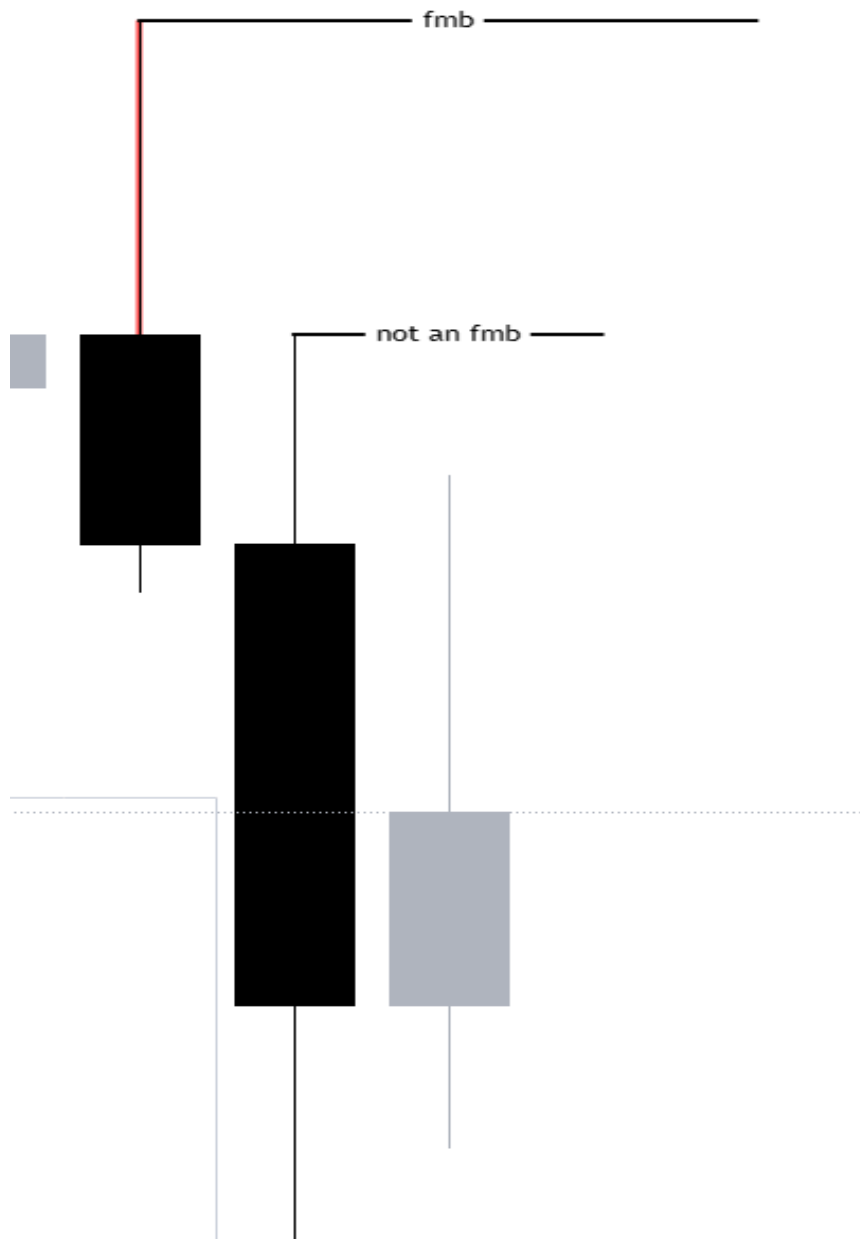

Fractal Rules:

The way you determine whether an FMB has been made or not, is whether price traded above the candle behind whichever candle is in question, for example: when price trades above the bottom grey candle, an FMB has not been made yet, an FMB is made once price trades above the candle behind it.

Looking at one more example, the black candle has made the lowest low here, so even if the candle after this grey candle trades above that black
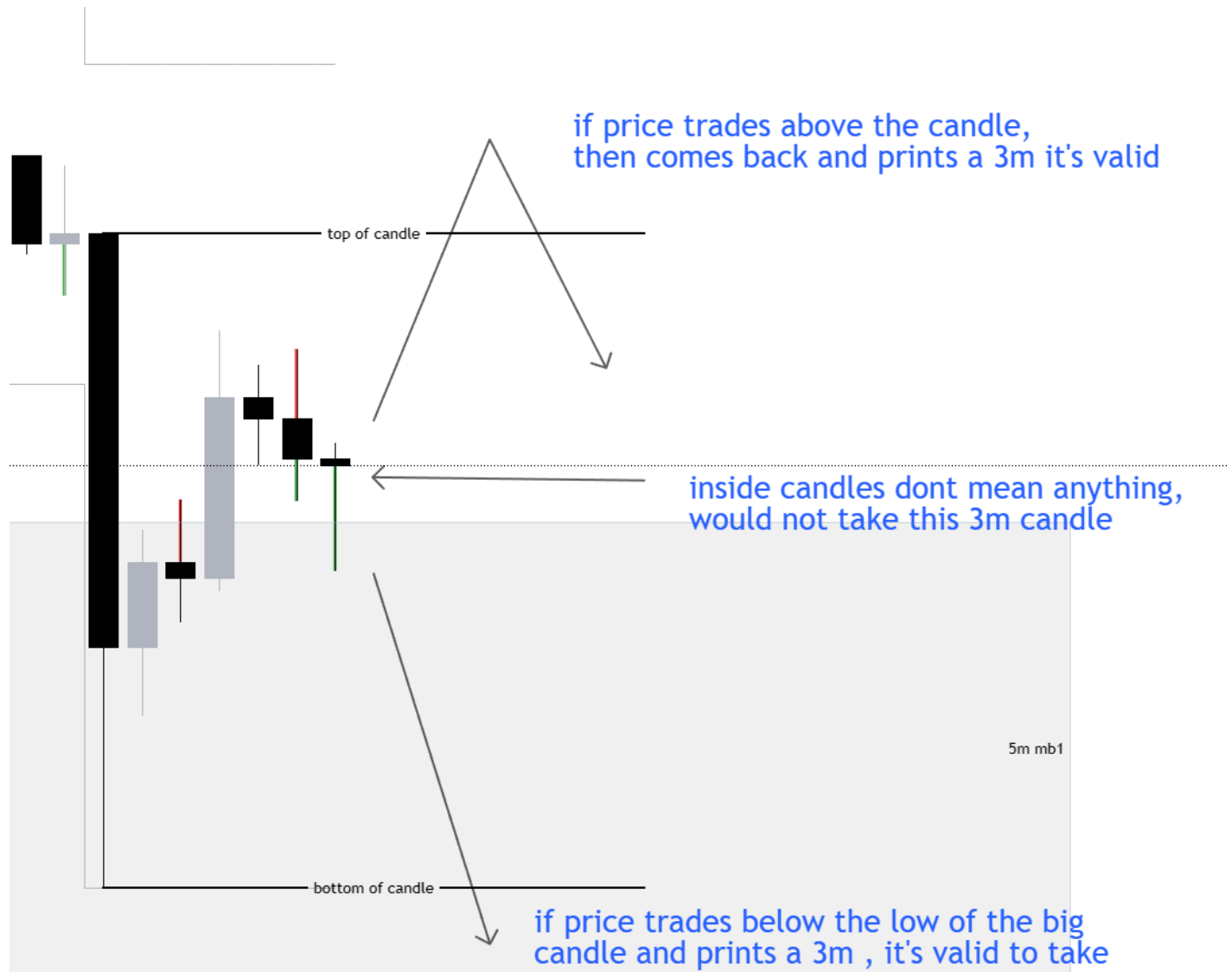
candle, it's not an FMB, it's an FMB once price trades above the candle previous to the candle that made the low.
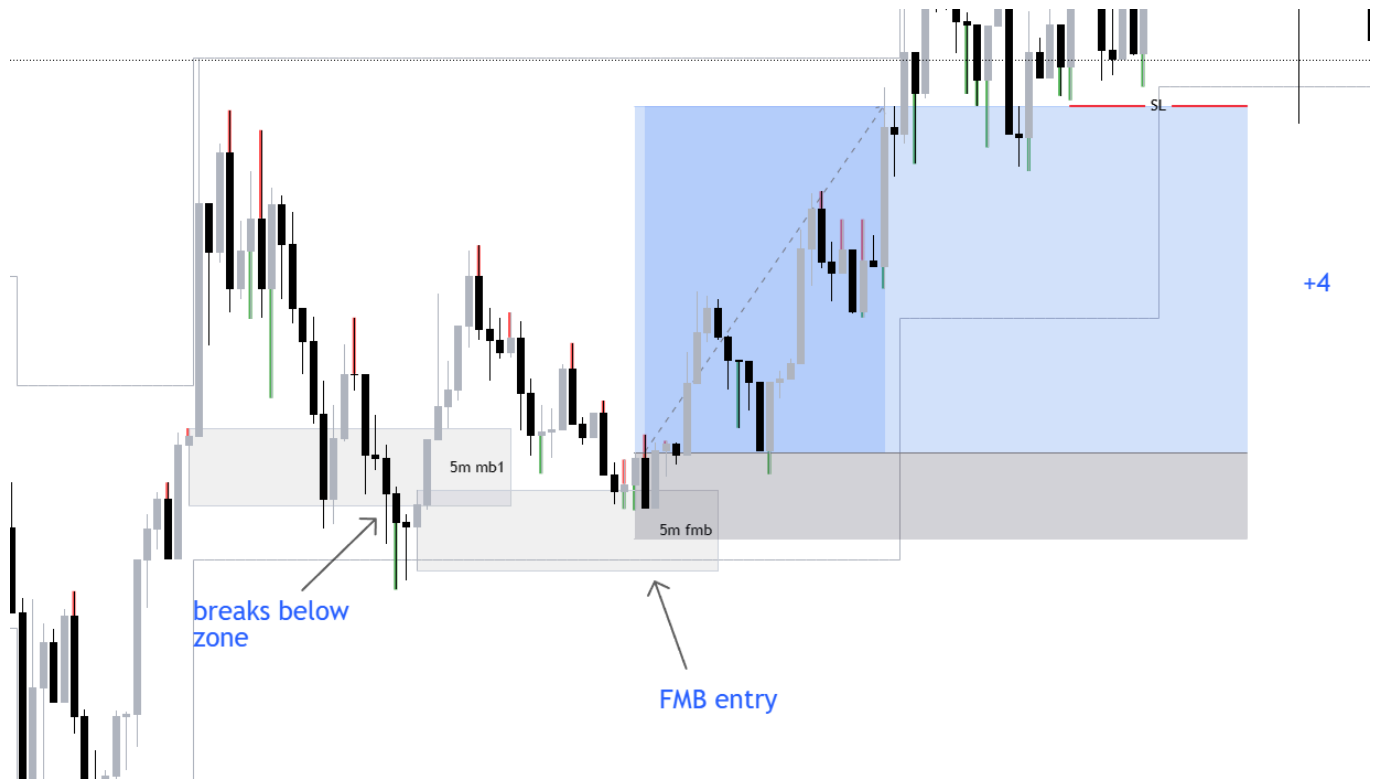

Inside Candles:

If a 5min zone gets tapped by a big bearish candle, the inside candles of that bearish candles are not valid to take entries off of.

Here, this 3m candle is an inside candle of the bigger bearish candle so I would not take an entry from it. I would wait until price trades above or below the big candle and prints a new 3m candle to take an entry.

if price trades above the candle, then comes back and prints a 3m it's valid

top of candle

inside candles dont mean anything, would not take this 3m candle

5m mb1

bottom of candle

if price trades below the low of the big candle and prints a 3m , it's valid to take
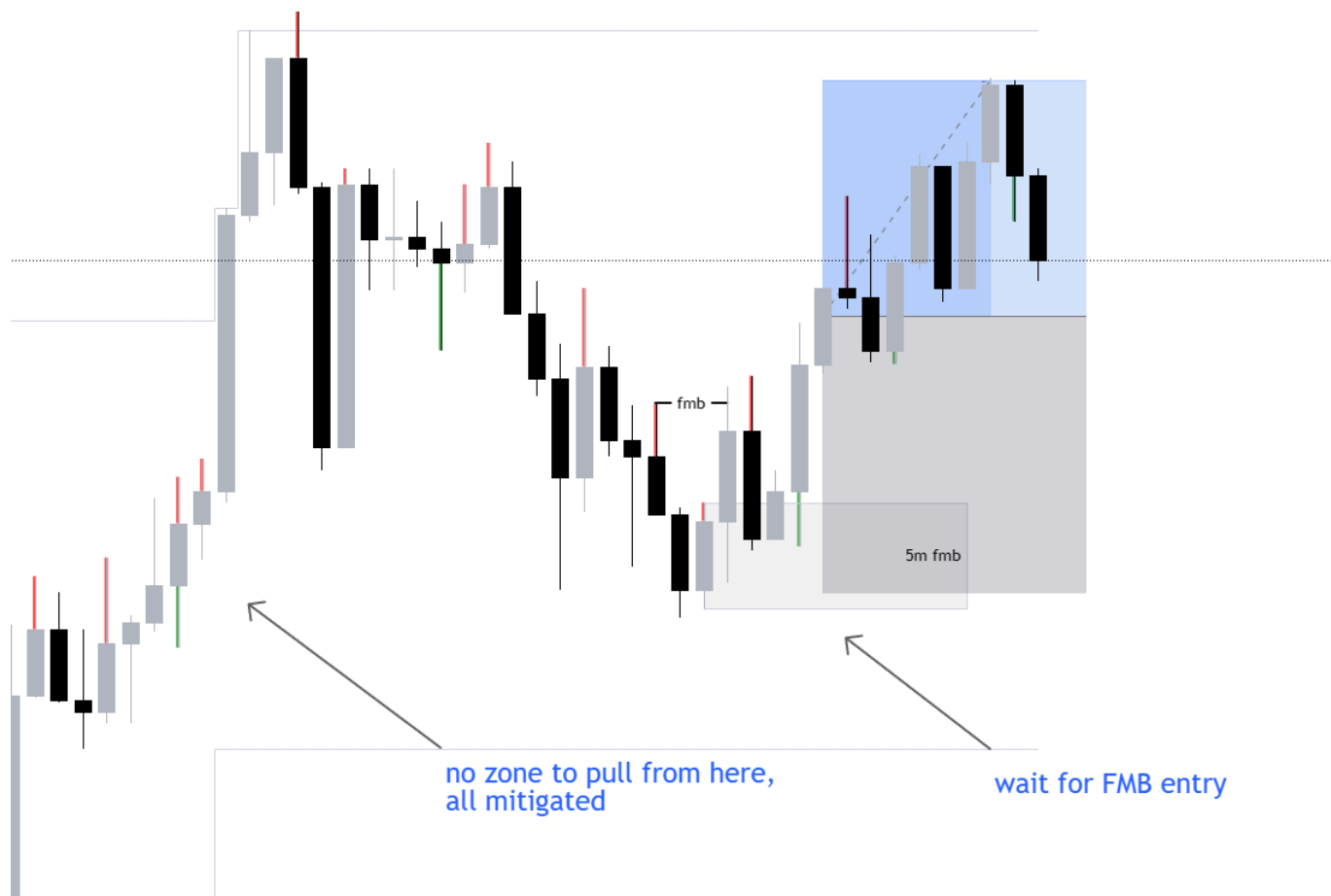
Note for FMB entries:

If price breaks below an MB zone that you're targeting, just wait for an FMB to be made which creates a new zone that you can enter off of.

5m mb1

5m fmb

+4

SL

breaks below zone

FMB entry

This also goes for when there isn't a good zone to pull from the MB that you're in, you can just wait for an FMB to be made that creates a new demand zone which you can enter off of.

fmb

5m fmb

no zone to pull from here,
all mitigated

wait for FMB entry

Double Entries:

If a trade has been taken and the SL has been set to BE, you are allowed to take a second entry in the next stage. For example, if you take a trade in Stage 1, you can take another entry if it sets up in Stage 1 Reac, Stage 2, or Stage 2 Reac. Sometimes this allows you to be in 2 trades at once during a big move so this is very powerful.

Double Entry

5m fmb

5m fmb

1H

Stage 2 Entry

Stage 1 Reaccumulation Entry