

Spennyfx 5min Trading System - Buy Stop

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.**

5min Strategy Checklist Overview (example for longs):

1. **Daily/2Day** Timeframe check: at least **one** of these two have to be in a bullish model
2. **4h**: Has to be in a **bullish model**
3. **1h**: 3 Validations
 - Has to be in a **bullish model**
 - Has to **tap a demand zone** (1h structural or fractal zone, or 4h zone)
 - Has to give a **Type 1** or **Type 2** validation after tapping the zone
 - **Moving averages are valid**
4. **5min**: 3 Validations
 - Has to be in a **bullish model**
 - Has to be in a **valid stage**
 - **Moving averages are valid**

Now you can place your entry.

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 **SWING** candle that prints. It invalidates once a candle body closes below the most recent 3m **SWING** 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.

Also I do not trade anything past MB6 for the 1h, 4h and daily for crypto and nothing past mb5 for forex.

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**
- 3 - Needs to have a TYPE 1 or TYPE 2 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, it is the **3M SWING INVALIDATION RULE**.

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



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



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



*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.



4)

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

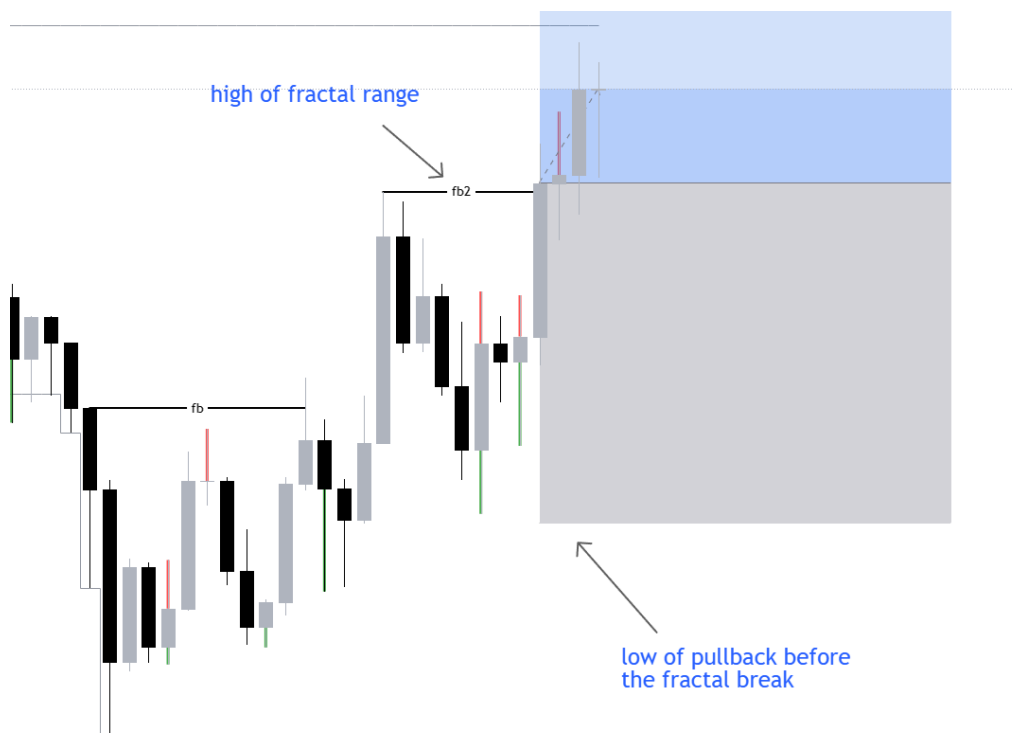
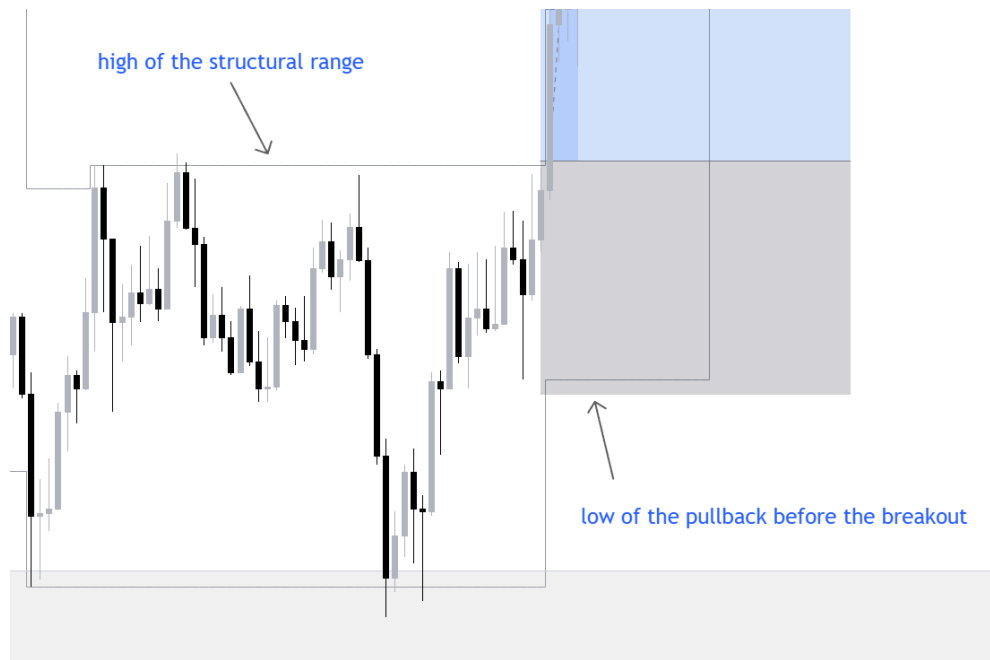
Firstly, the only time we can take entries on the 5min are when we are in one of 4 stages.

- **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:

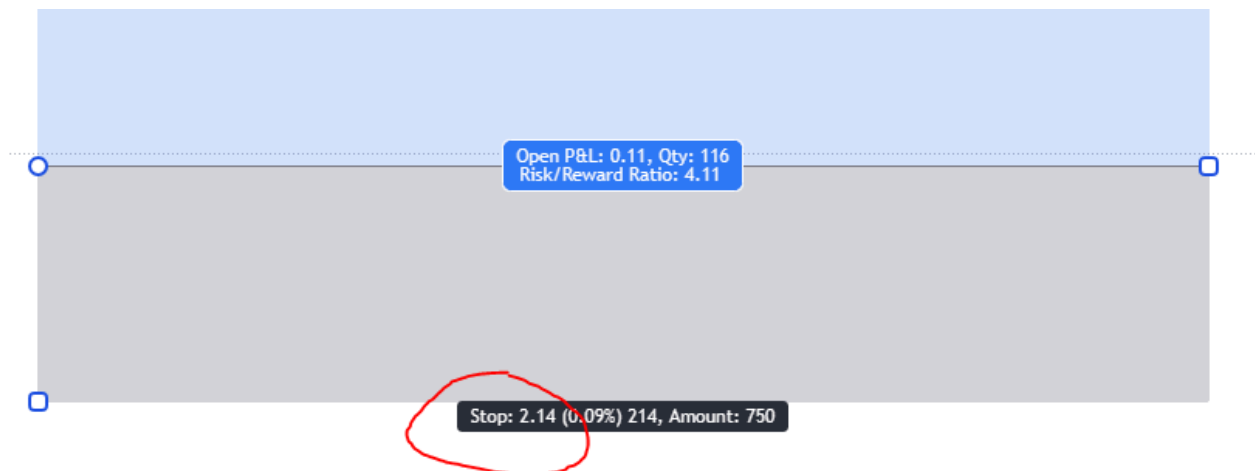
The method of entry for this system is buy-stopping structural breaks or fractal structural breaks on the 5min once we enter into a valid stage. For longs, the order should be placed slightly above the high of the current range with the SL slightly below the low of the most recent pullback, as shown below. Vice versa for shorts.



*****Note:** You can add this indicator to your chart - “ATR Value on Chart” and I use this value to determine when my SL is too big and I don’t enter a trade. ATR means average true range and it’s a value based on how volatile a chart is at that current time. If the SL is 8x the value of the ATR or higher, I won’t enter the trade because at that point the risk to reward ratio is not worth it.



The number shown here on your stop loss is what you should be comparing to the ATR value from the indicator.



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, the deepest zone for MB1 gets tapped, then I buy stop the break of MB2, so I'm buy stopping the **creation of the cluster** and the **start of stage 1**.



Here, the deepest zone for MB2 gets tapped, then I buy stop the break of MB3, so I'm buy stopping the **creation of the cluster** and the **start of stage 1**.

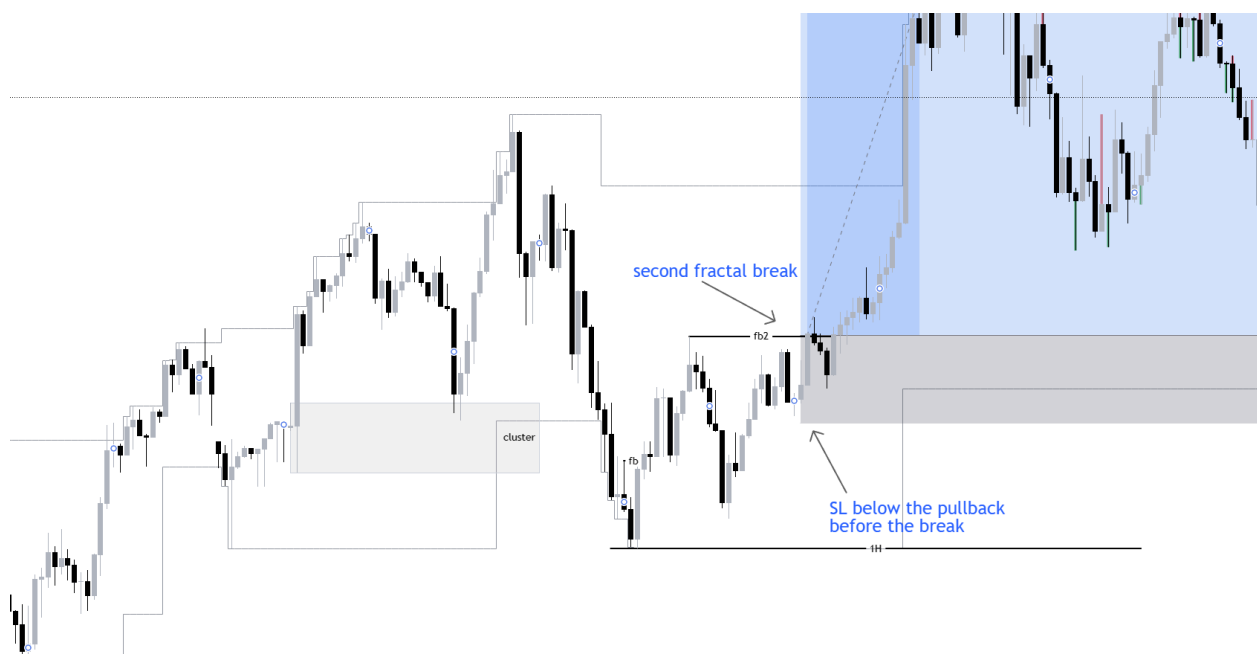


Stage 1 Reaccumulation:

Once we are in Stage 1, a **break down** in structure will put us into **Stage 1 Reaccumulation**. Price can break downwards up to **3 times** and it is still valid to take an 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.

There are 2 types of entries that you can take in this stage. The first type is waiting for an **FMB** to be created, then buy stopping the breakout of **FMB2**, only if the demand zone from the first FMB gets tapped. The second type is just buy stopping the breakout of the high of the current bearish range - aka buy stopping the **completion of the reaccumulation** - aka buy stopping the start of **Stage 2**:



The second type is just buy stopping the breakout of the high of the current bearish range - aka buy stopping the **completion of the reaccumulation** - aka buy stopping the start of **Stage 2**. You would do this when you don't get a fractal entry and price just delivers to the next high:



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. 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:

Here we enter Stage 2 by breaking up out of the reaccumulation, then I wait for a pullback and buy stop the next break:

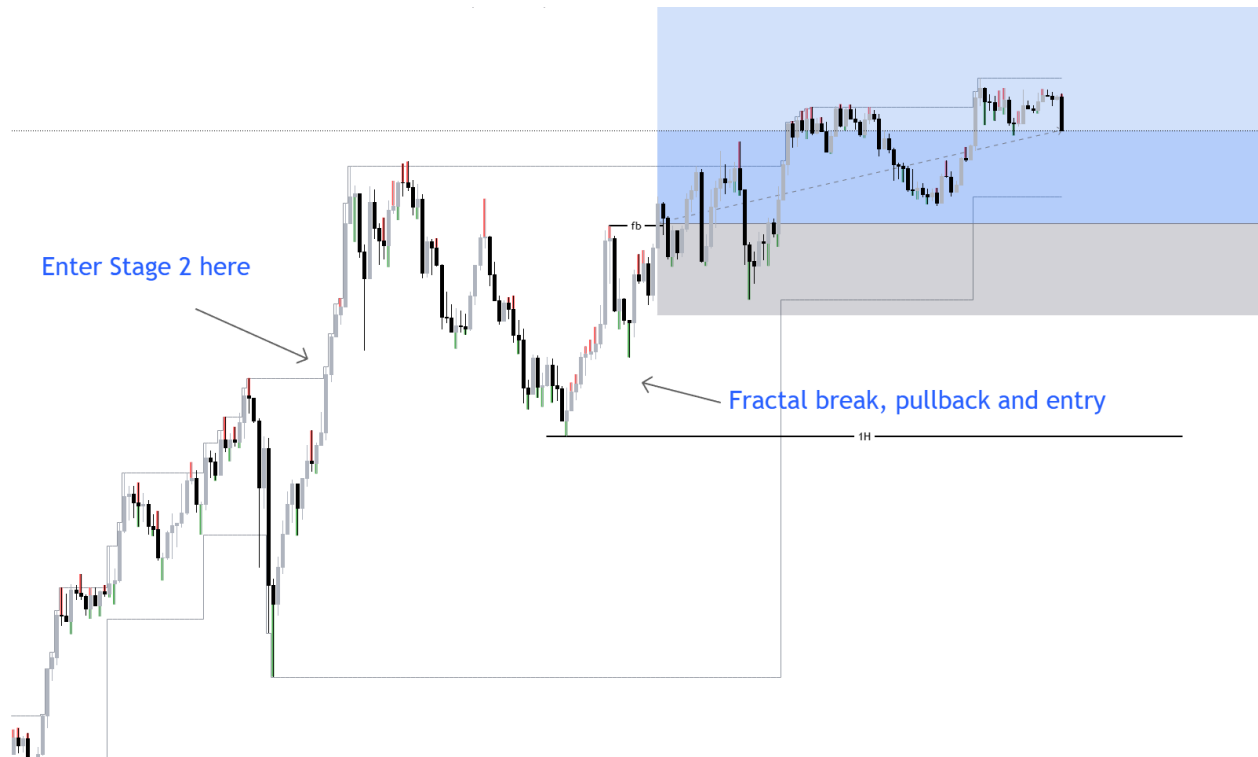


Example 2:

Here we enter Stage 1, but the first pullback is too large for my liking (my SL would be too big), so we get a second break up then I buy stop the third break:



***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, wait for the fractal demand zone to get tapped and then buy stop the breakout of the second FMB. Example shown below:



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.

In this case we enter Stage 2, get 2 breaks to the upside then price comes back and taps the zone of the first break, making a Stage 2 Reaccumulation entry valid:



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

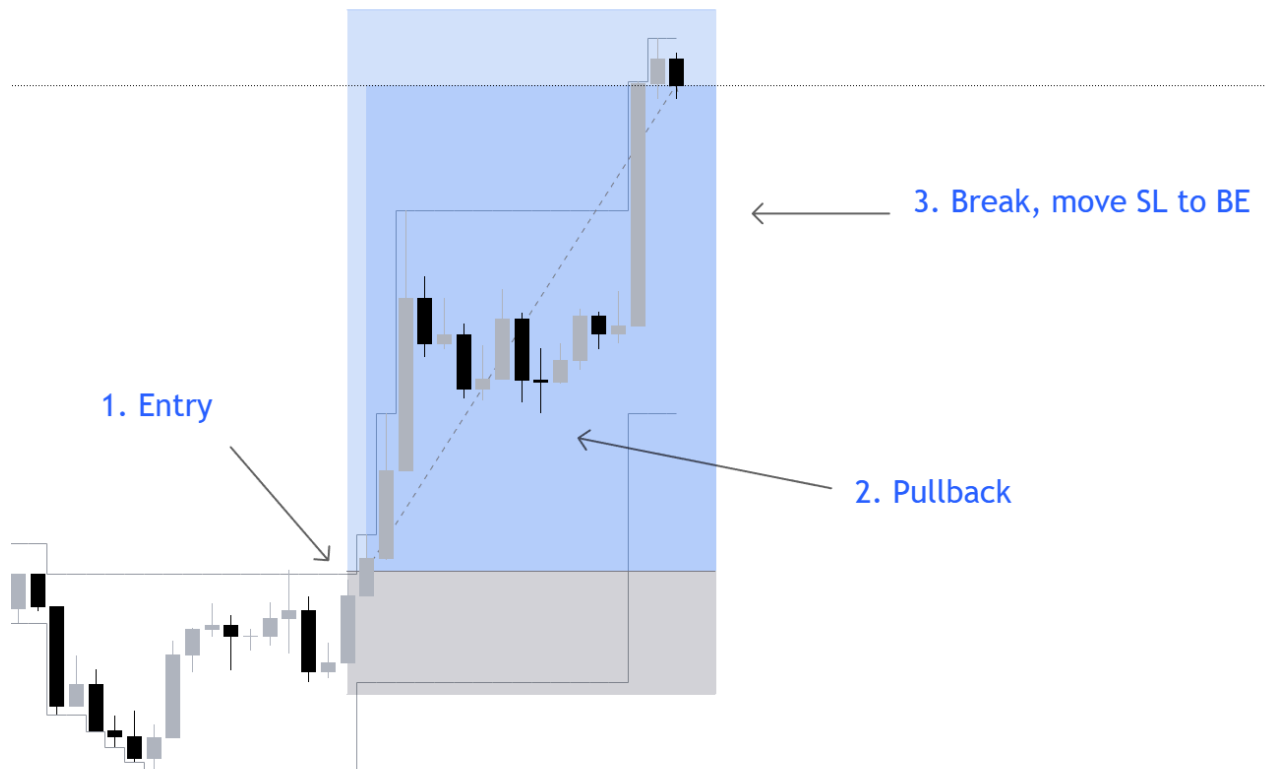
***This is an important concept so make sure you remember this**

Break-Even Rule:

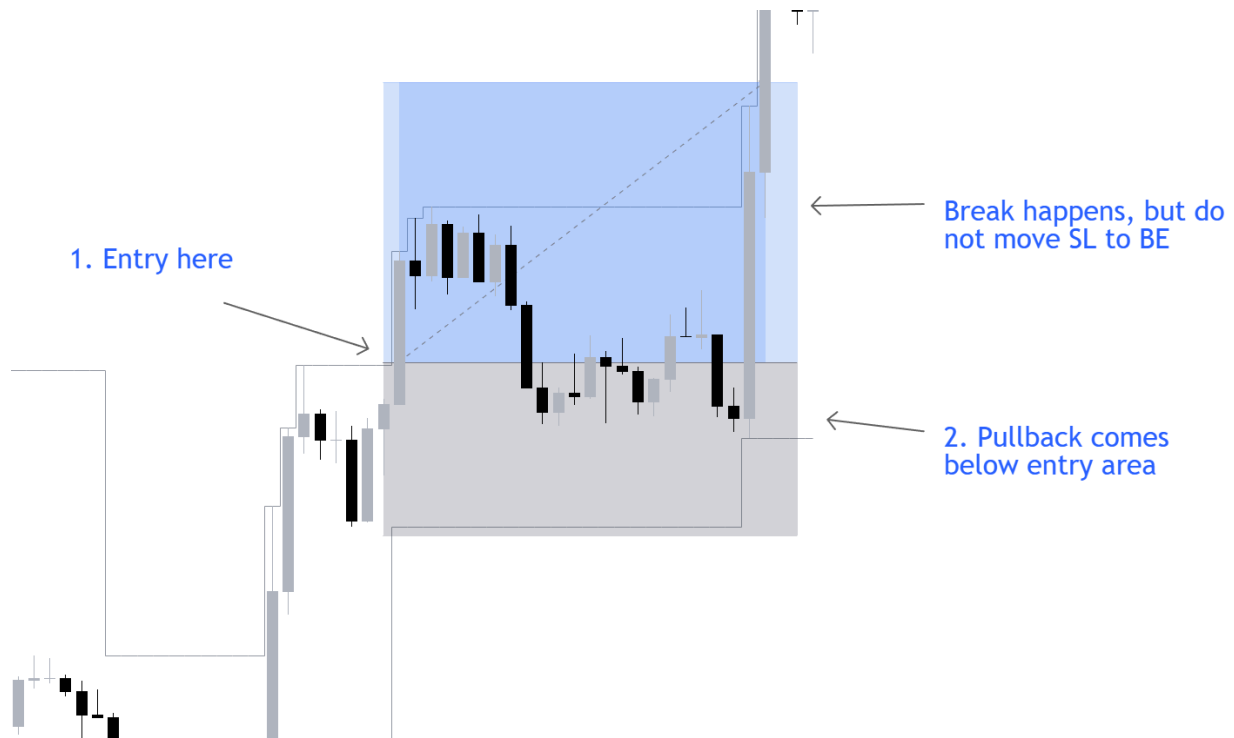
The BE rule for this system is that after you get entered, once price makes a pullback and then breaks through the high, you move your SL to break-even and the trade is risk free.

The low of the pullback that is made has to be above your entry.

Here is a valid BE rule:



Here we do not move the SL to BE because the pullback dipped back below our entry:

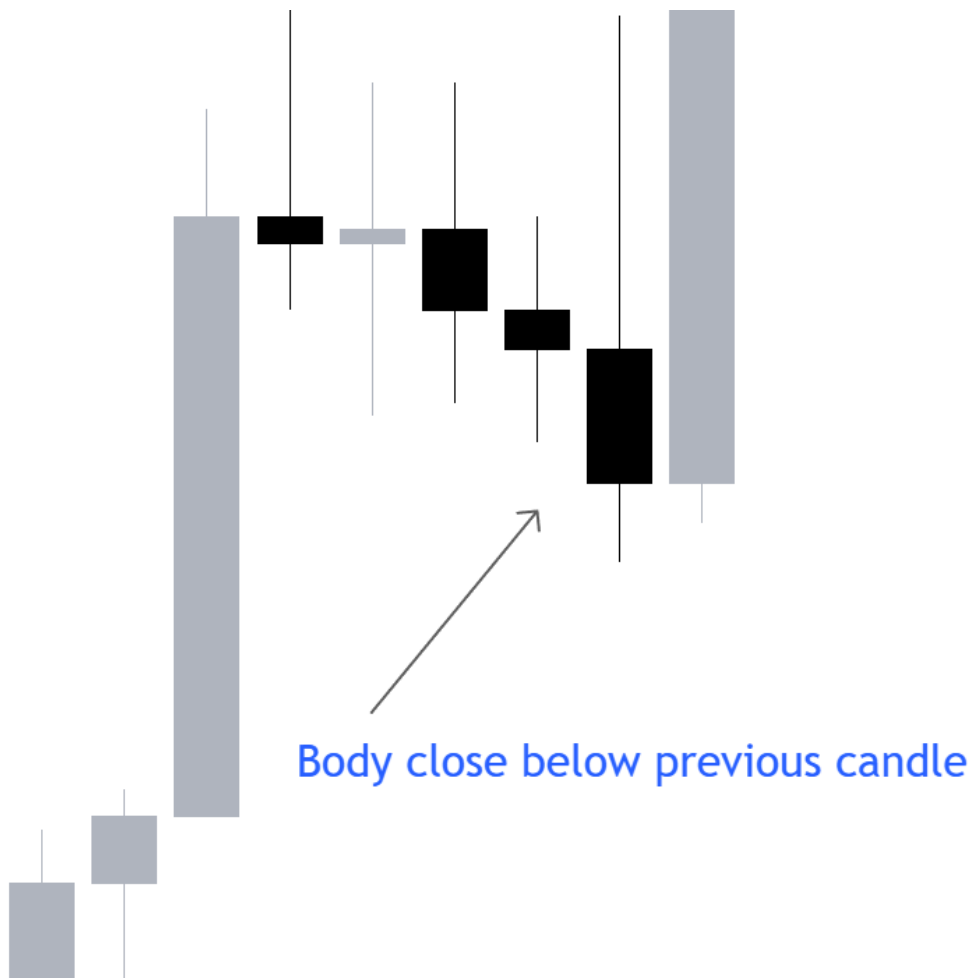


Pullback Rule:

I have a specific definition of what a “pullback” is. This is important because this is what determines the lows/highs of ranges. It also determines how I set my SL to BE and how I trail my profits as well.

What we define as a pullback candle is a candle that body closes above or below the candle previous to it.

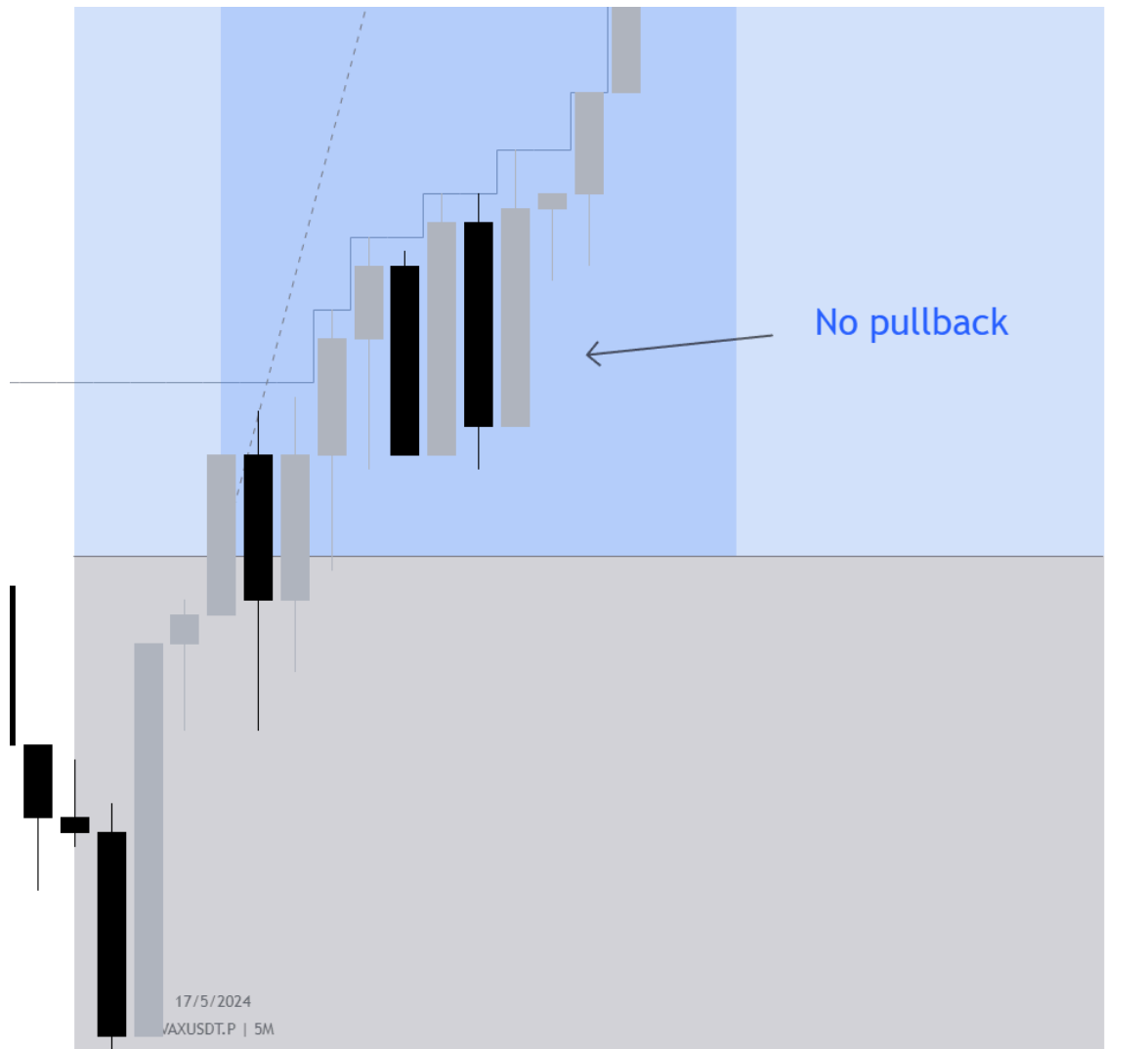
This is a bearish pullback:



This is a bullish pullback:



Here, there is no pullback even though it may look like it, because there was no candle that body closed below the previous candle, so in this case I would not set my SL to BE yet:



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.

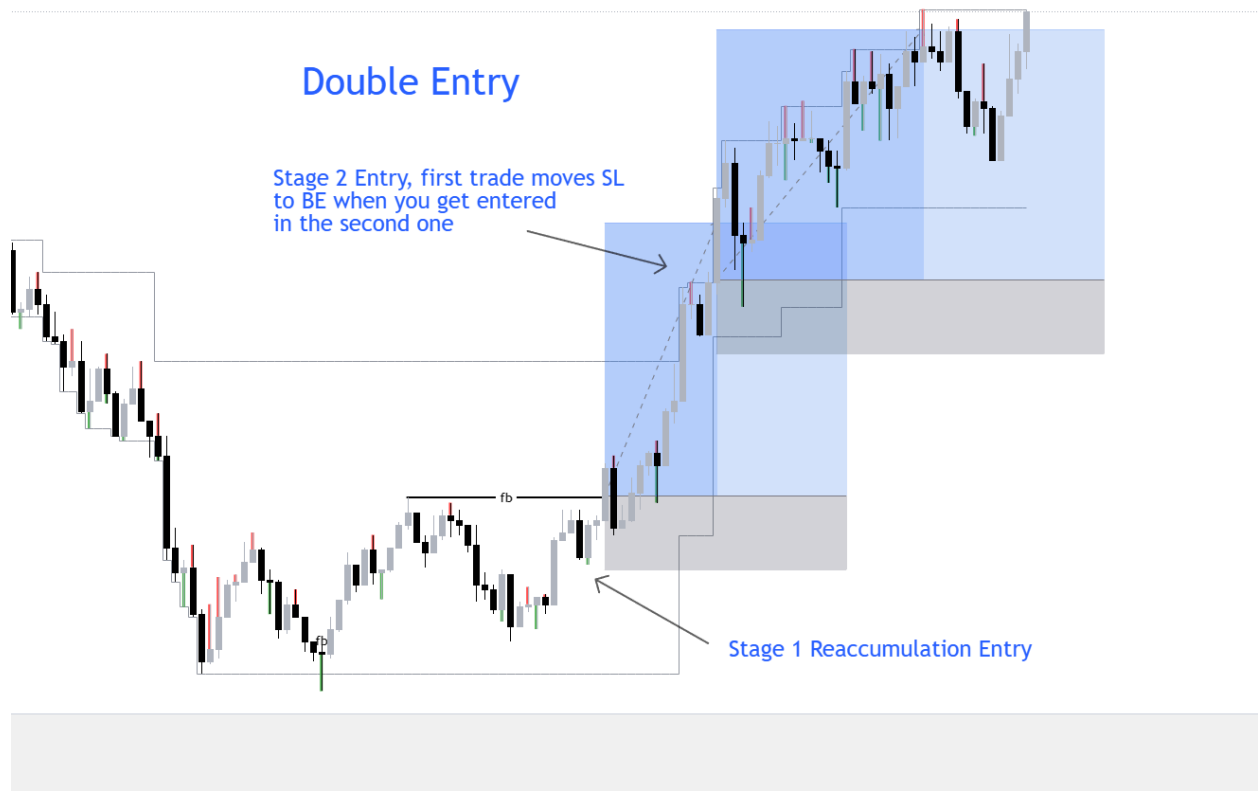
I usually won't trail the SL exactly right to the low of the break, as I find that a lot of the time a candle will come down, wick just under the low and absorb it then continue up, so I will place my SL a bit lower wherever it makes sense, this is something that just comes with experience and testing.

Another thing is that if price shoots up to **4RR** without giving me anywhere to trail my SL, I will take a **25% partial**, securing 1RR and hold the remaining 75%



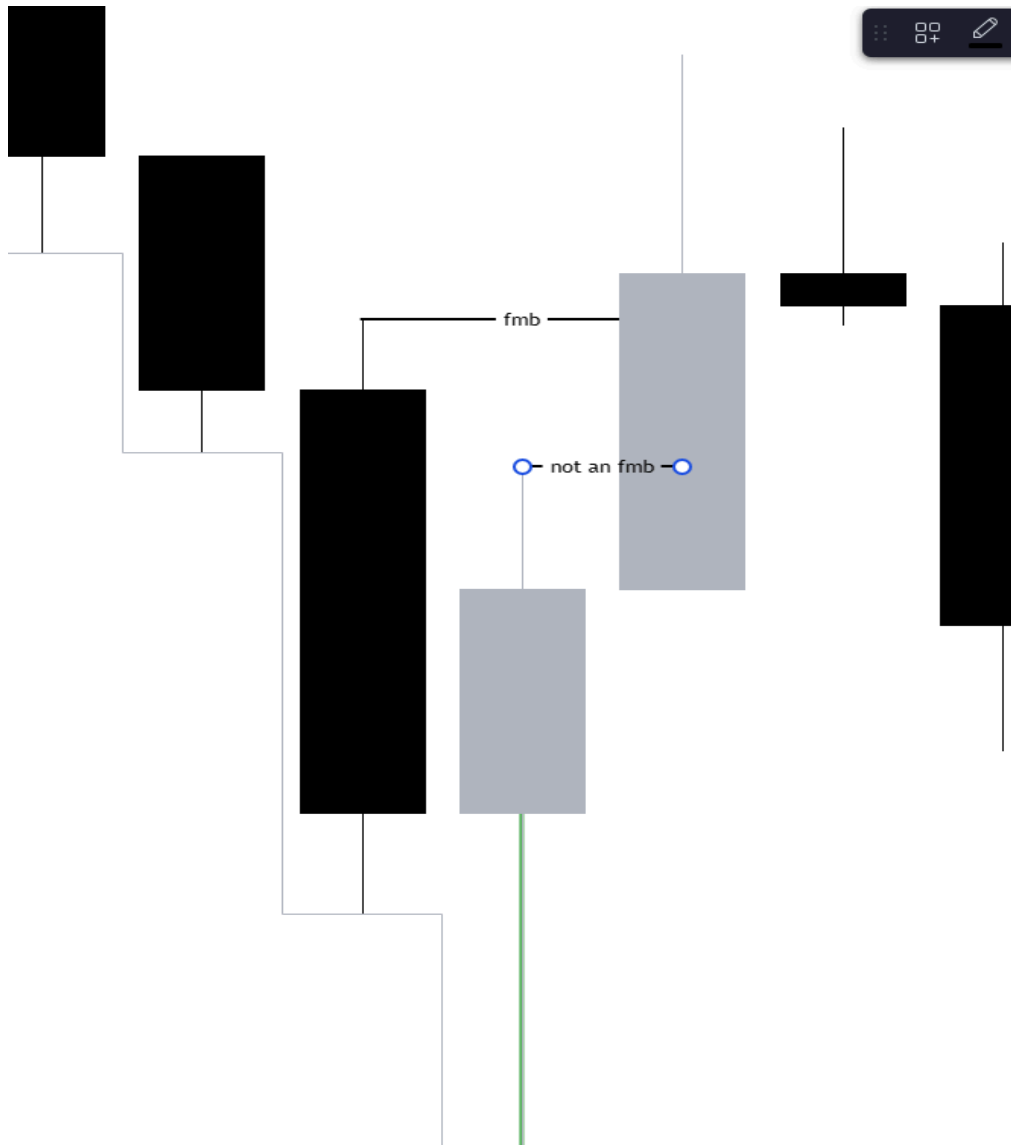
Double Entries:

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.



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.



_____ fmb _____

