

BO Test in Bull Trend
(PB to BO point)

Breakout Test: Test of Entry Price



Early in trend, there is often a test of the entry price

Will bulls buy again where they originally bought?

In a bull trend, it is a bear trap

It traps weak bears in and weak bulls out

If successful, like today, it is a Higher Low and often HL MTR

If unsuccessful, it is resumption of bear trend

Breakout Test: Possible Measuring Gap

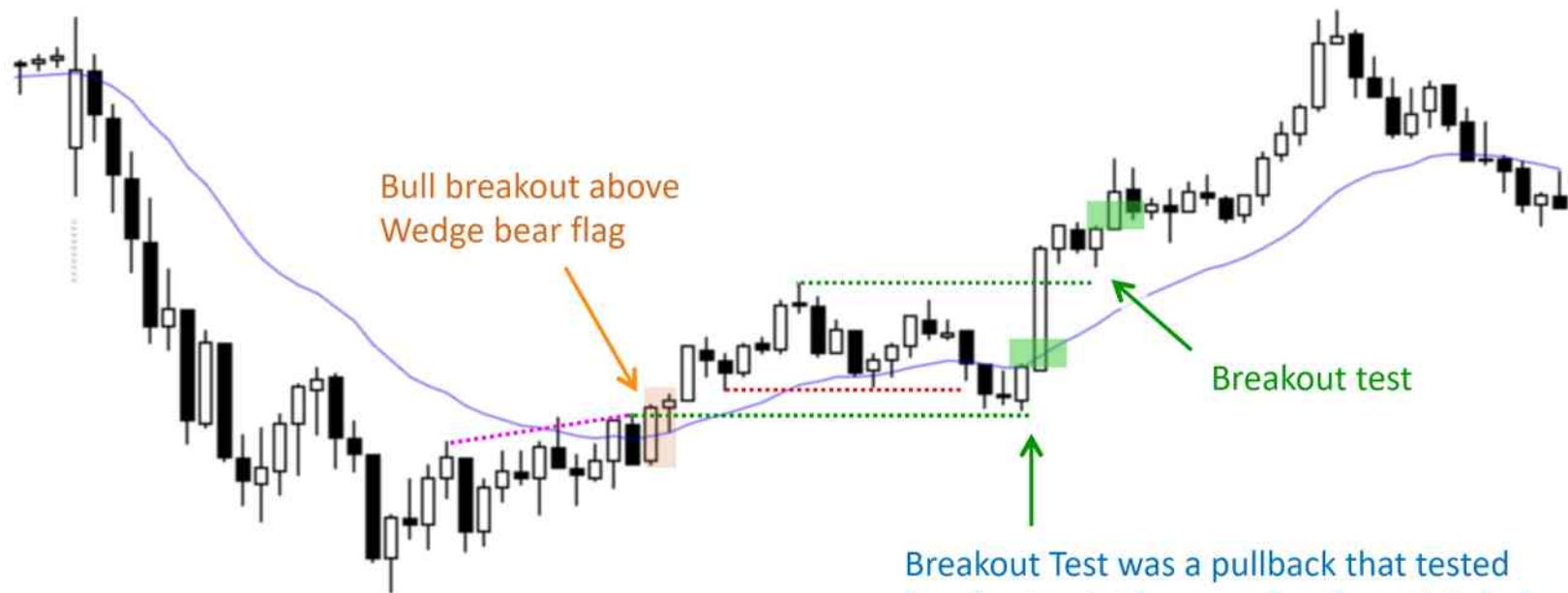
Breakout above Wedge top so
possible Measuring Gap



BO Test: Measured Move Up



Breakout Test: Rally Reached Much More than Measured Move Up



Breakout Test was a pullback that tested
breakout point (reversed up from 1 tick above)
Outside Up bar closing near its high
Micro DB, High 2, failed breakout below DB
Rally reached much more than MM up

BO Test: Possible Measured Move



BO Test: Measured Move Up



Gap up and pullback so High 1 B signal
B above bull bar closing near its H

BO PB is BO Test of BO Point

BO Test often leads to Measured Move up

Bodies of PB bars do not overlap bodies of BO point

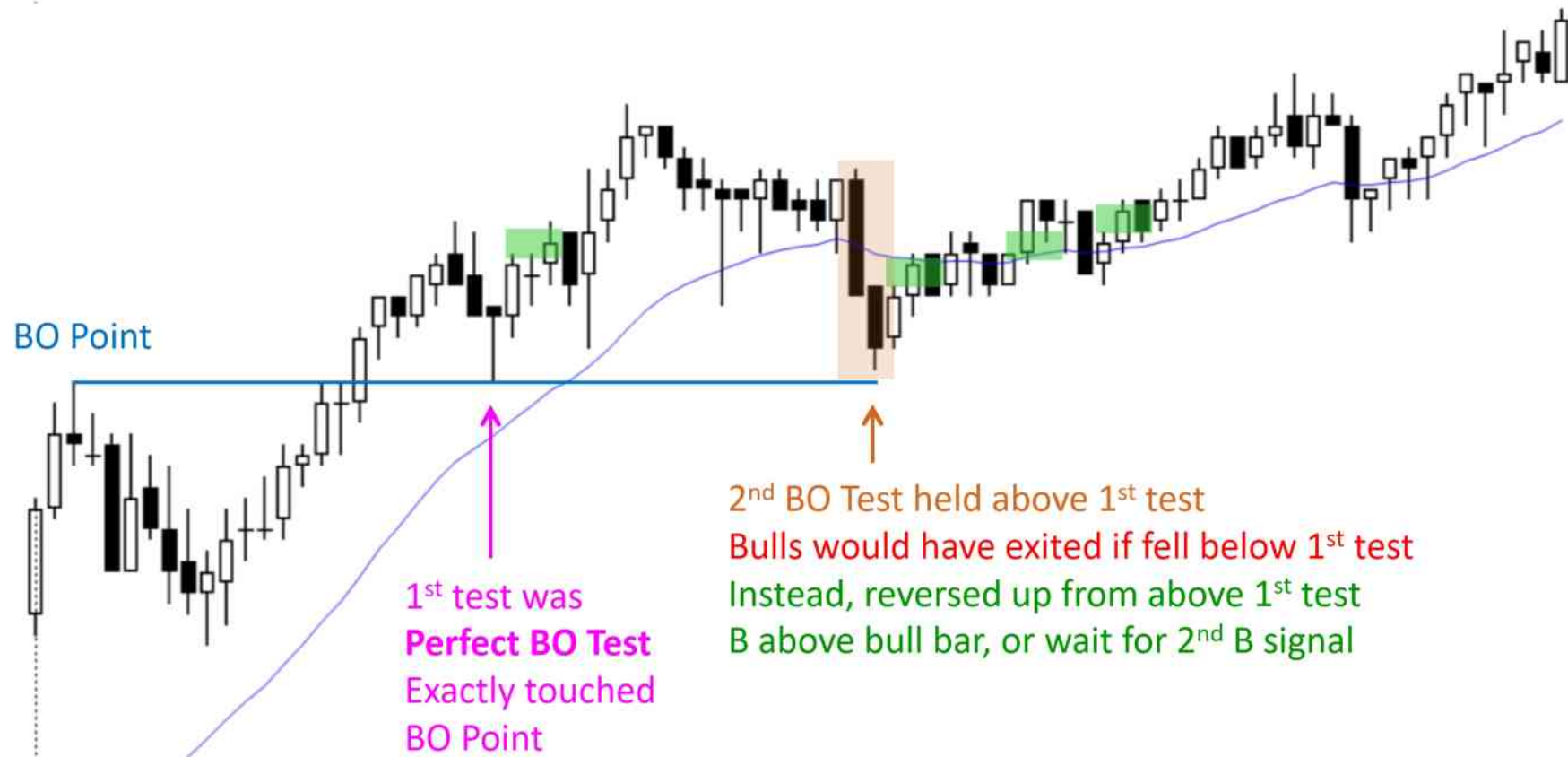
Bears tried 3 times to close body gap and failed

Bears gave up and bull trend resumed

Gap Up: BO Test



BO Test: Buy above Bull Bar Closing near Its H



BO Test: Could Not Hit Breakeven Stop

Bulls allow only one PB below top of B signal bar

After trend resumption up, bulls do not want a breakeven stop hit a 2nd time

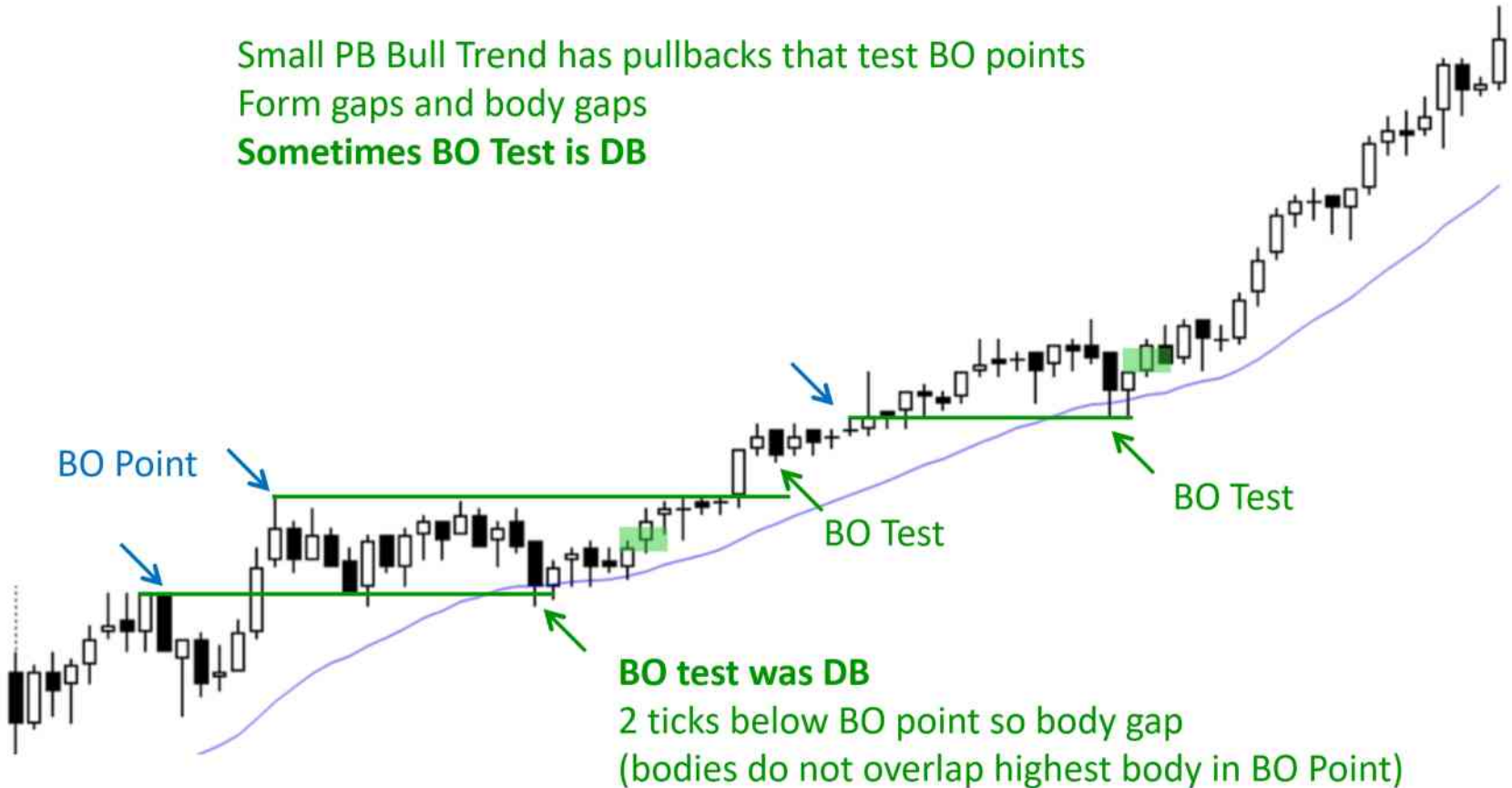
Perfect Test of Breakeven Stop is 2 ticks above B signal bar

since breakeven stop the entry price, which is 1 tick above B signal bar



BO Test: Double Bottom

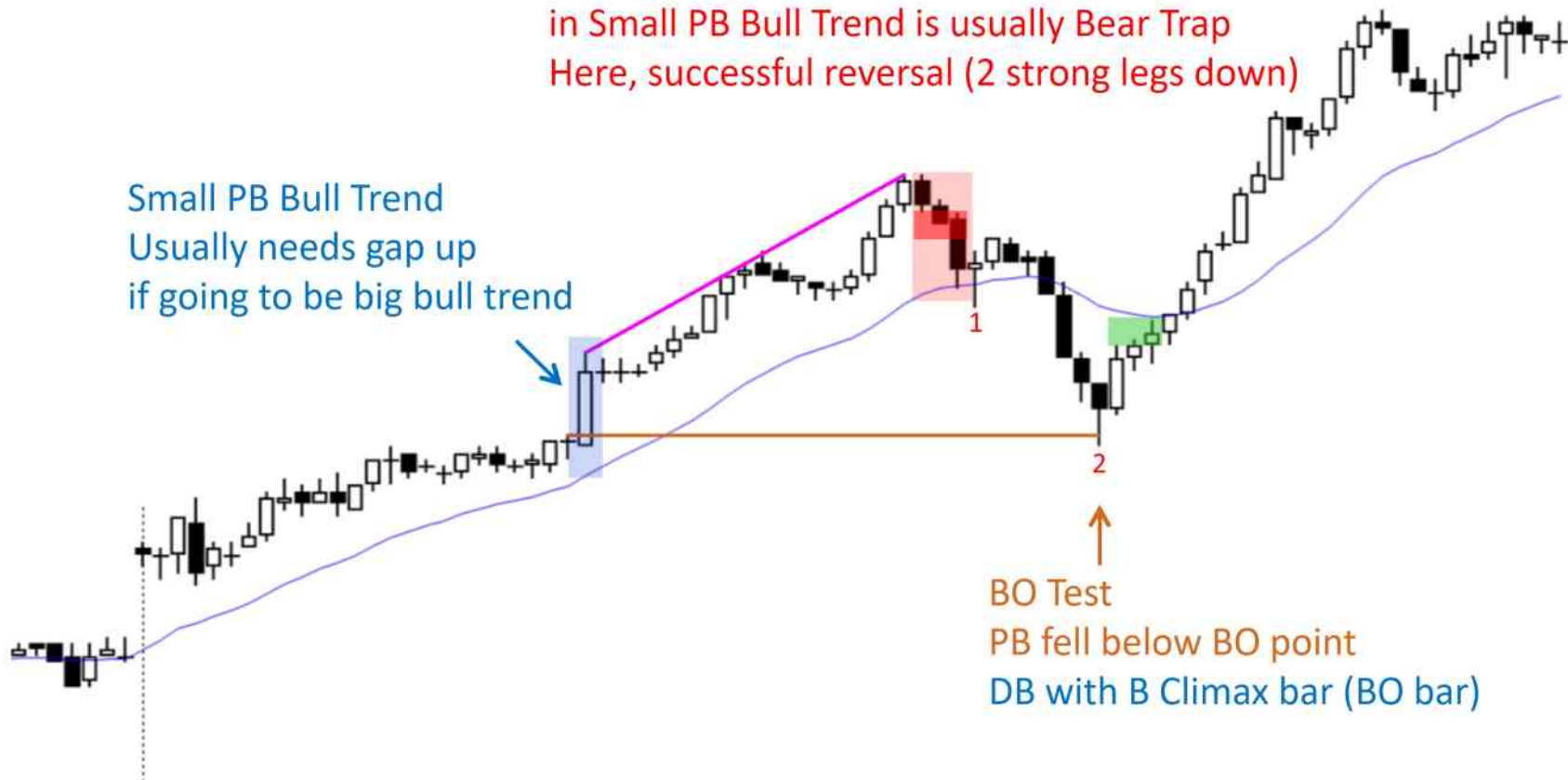
Small PB Bull Trend has pullbacks that test BO points
Form gaps and body gaps
Sometimes BO Test is DB



BO Test: 2nd Leg Trap in Small PB Bull Trend

Strong reversal after 11 am PT
in Small PB Bull Trend is usually Bear Trap
Here, successful reversal (2 strong legs down)

Small PB Bull Trend
Usually needs gap up
if going to be big bull trend



BO Test: PB to Top of Buy Signal Bar



BO Test: Missed Breakeven Stop by 1 Tick so Perfect Test



BO Test: L on Daily Chart L, and 5 Min H

