



THE ULTIMATE

TRADING EXECUTION

GUIDE

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This guide is meant to serve as your number one companion when it comes to trade executions using ICT concepts. Many traders understand the theory of liquidity raids, fair value gaps, order blocks, and breakers, but when it comes time to execute, they freeze or make poor decisions.

Low quality executions can be attributed to a multitude of issues but I find that most often it is just a lack of experience.

So this guide was created to shorten your learning curve by sharing MY experience trading all of these concepts.

We will cover tips, tricks, and setup characteristics that you NEED to be aware of if you want to take your trading to the next level.

Liquidity Raids (Turtle Soup)

When trading liquidity raids or “turtle soups”, the timing of your entry can be the difference maker between a trade that gets stopped out vs. one that runs for 3R+.

I had to learn the hard way that trading the “initial purge” was the cause of many losses. When you trade the first sweep, you don’t know where to put your stop loss and you don’t know how far the market is going to “sweep” past the liquidity pool.

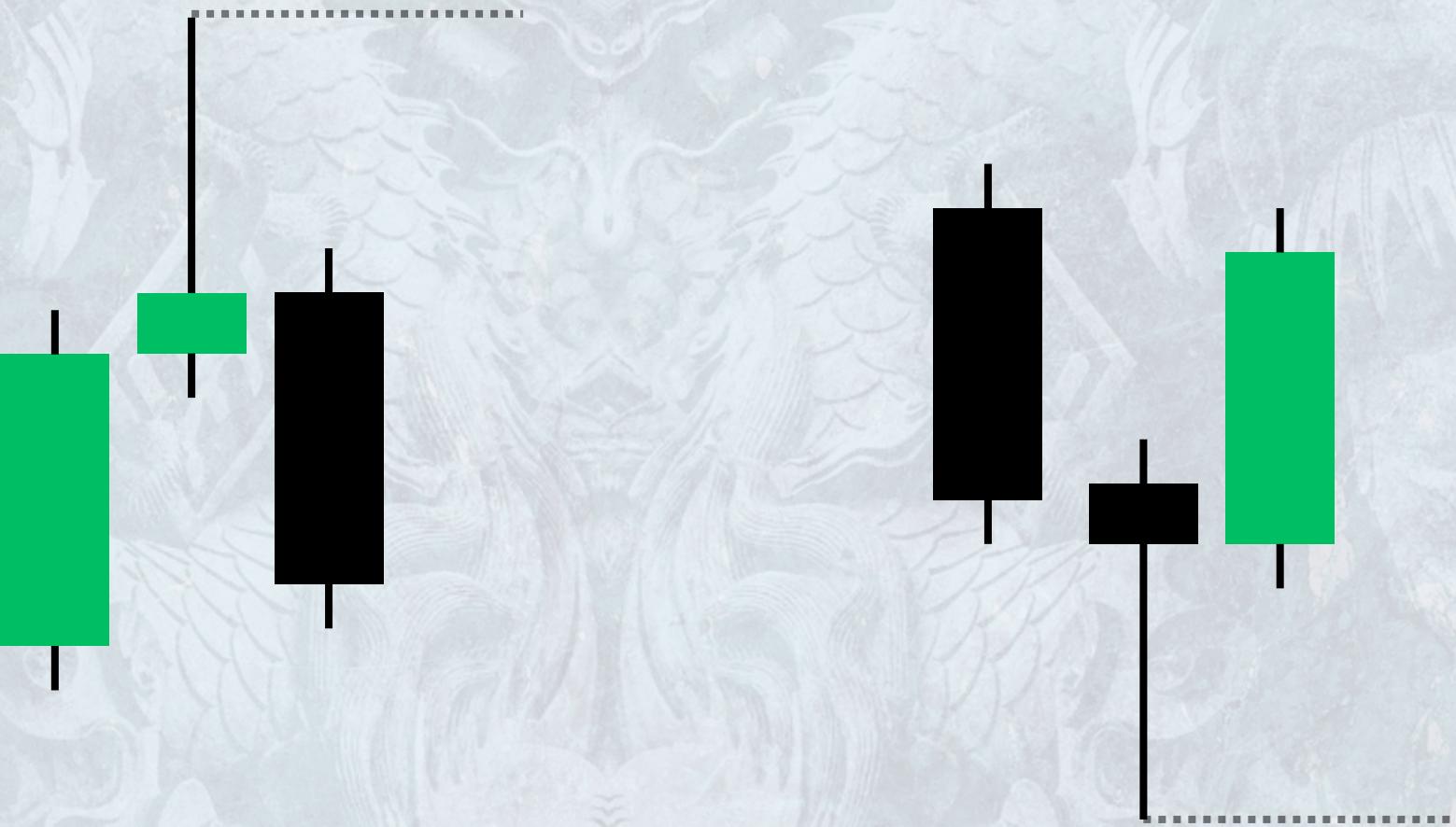
Instead, we want to wait for a swing failure pattern (SFP) to confirm that order flow is indeed shifting AFTER taking out liquidity. An SFP is created once price CLOSES back above/below the swing point.

Characteristics to consider:

- Speed when taking out liquidity.
- Equal highs/lows as an area to anticipate pairing of orders.

Liquidity Raids (Turtle Soup) - Execution Example

Firstly, determine the liquidity pool we expect to be raided. PWH/PWL,
PDH/PDL, PSH/PSL.



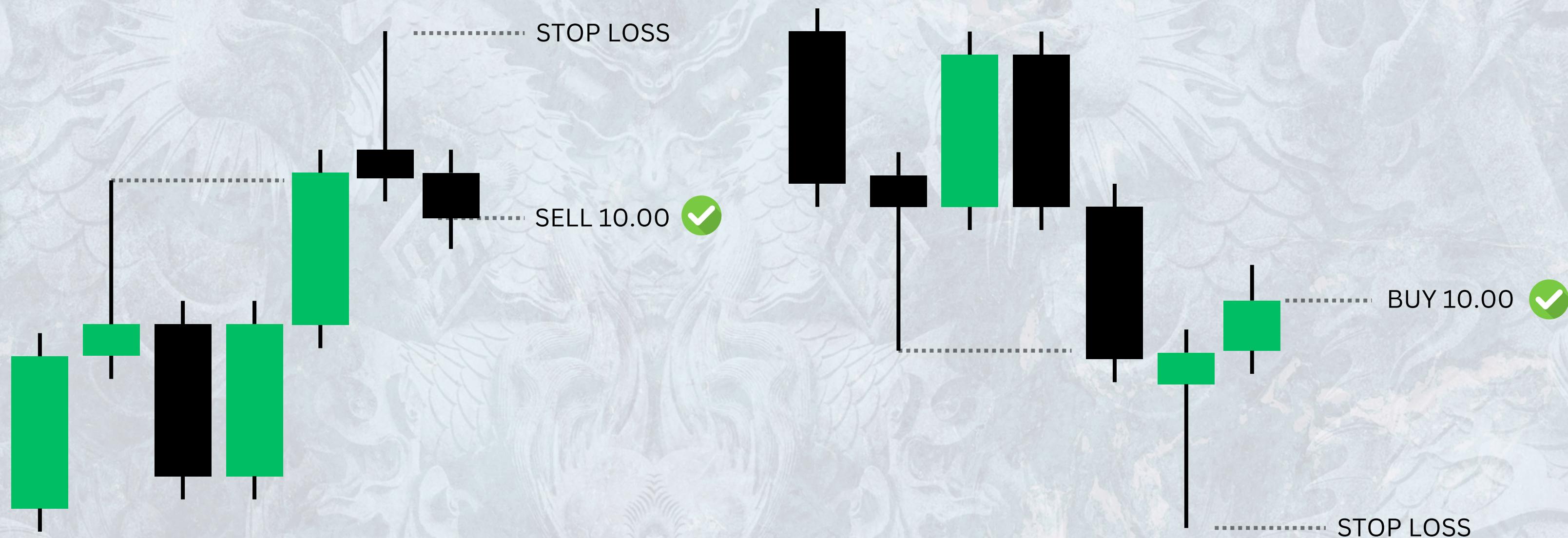
Liquidity Raids (Turtle Soup) - Execution Example

Once raided, do NOT enter a position on the initial sweep. The issue with trading this initial sweep is there is no logical point of stop loss placement or a distinct change in order flow.



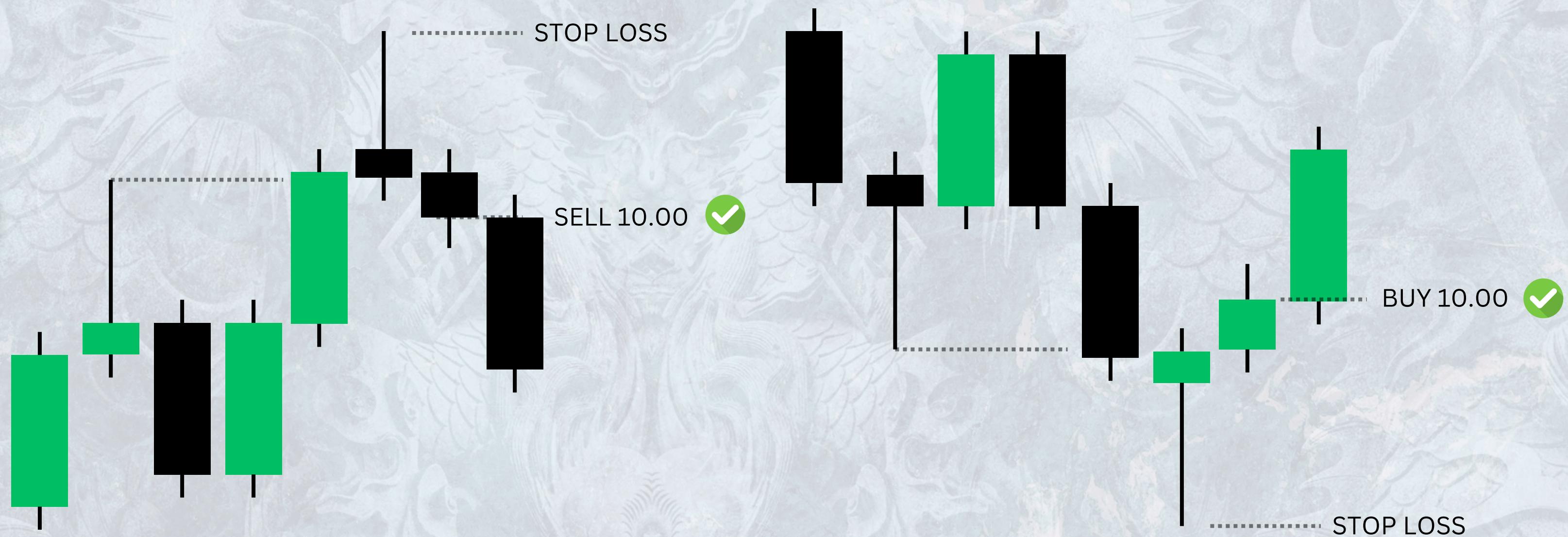
Liquidity Raids (Turtle Soup) - Execution Example

We need to see a STRONG rejection and close below/above the previous swing point. We can then enter a position with our stop above/below the newly created swing. Additionally, we want to see long wicks to indicate rejection.



Liquidity Raids (Turtle Soup) - Execution Example

If the trade is valid, the following candles should continue in our direction.



Fair Value Gaps

When trading fair value gaps, patience is required to anticipate the re-balance into the inefficiency prior to taking a position. It is essential to practice executions as the markets are going “against” the overall order flow. It is possible to enter positions after a rejection from the fair value gap, but it is not the ideal scenario as the most efficient price will be “inside” of the inefficiency.

Characteristics to consider:

- Fair value gaps that reside in premium/discount are much higher probability.
- Fair value gaps or displacement that occurs at a HTF POI are more likely to be respected once re-balanced.

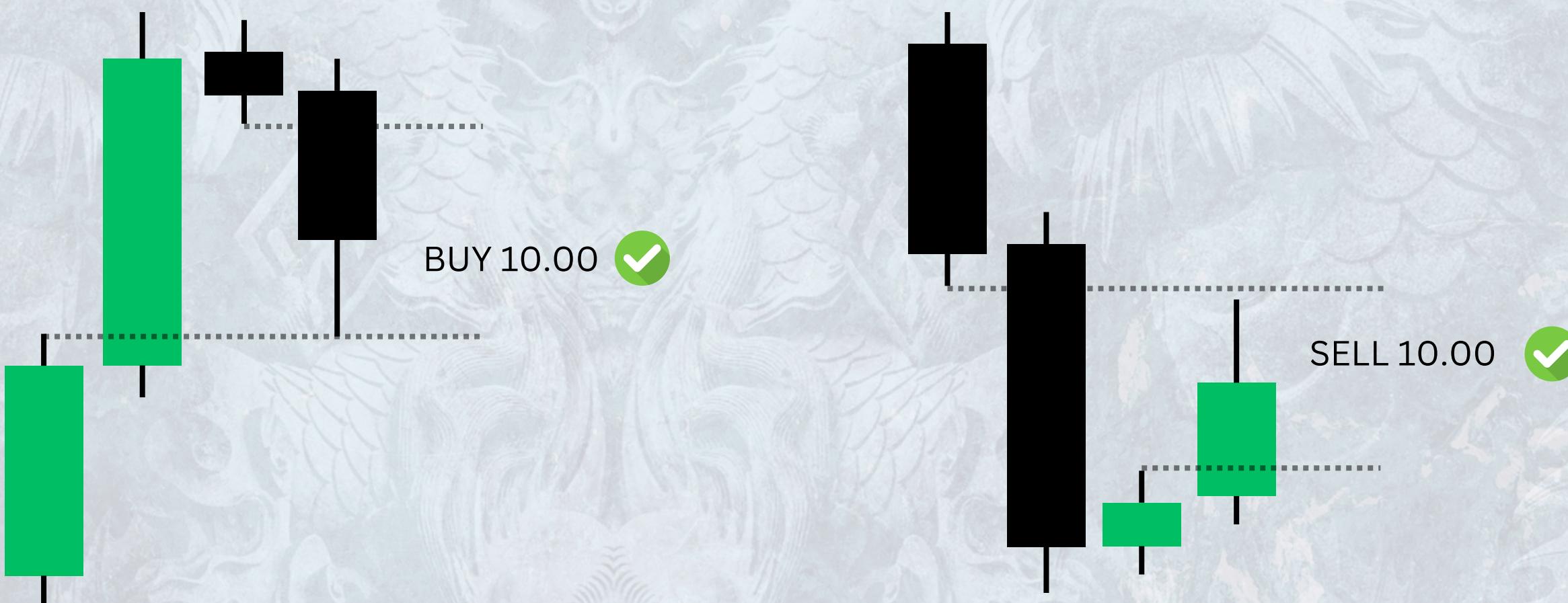
Fair Value Gaps - Execution Example

Firstly, identify the fair value gap/inefficiency that is likely to be rebalanced.



Fair Value Gaps - Execution Example

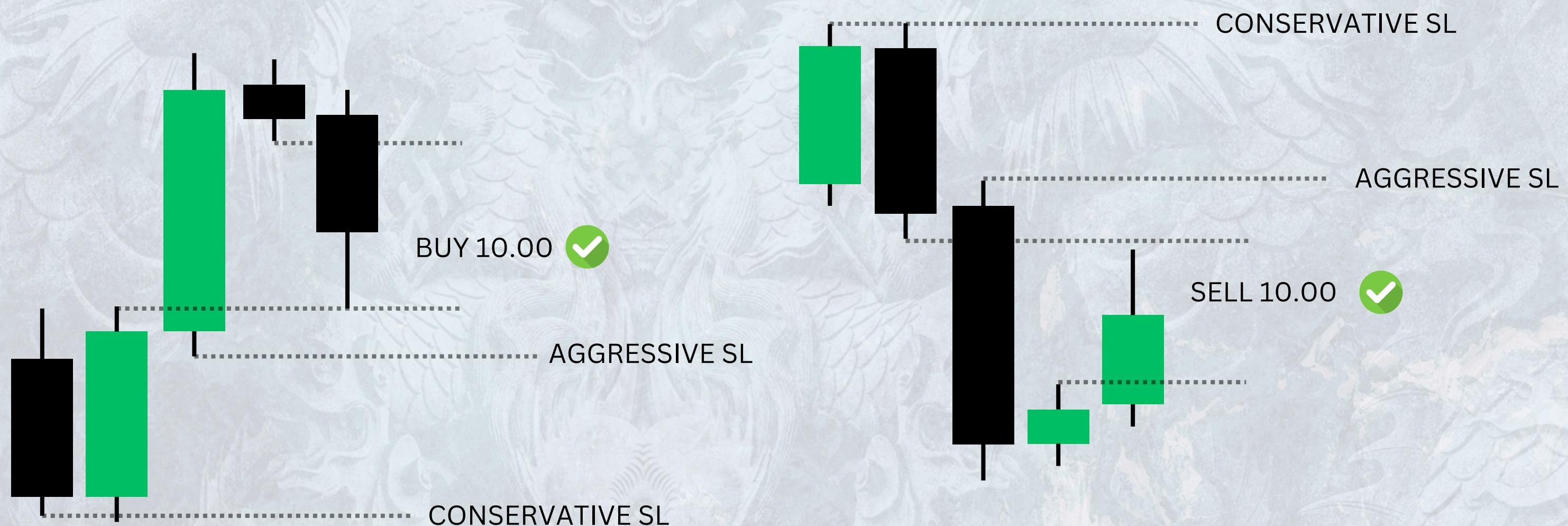
Second, we wait patiently for the market to re-balance into the fair value gap. Our entry should be placed as the market is trading “against” our order flow direction.



Fair Value Gaps - Execution Example

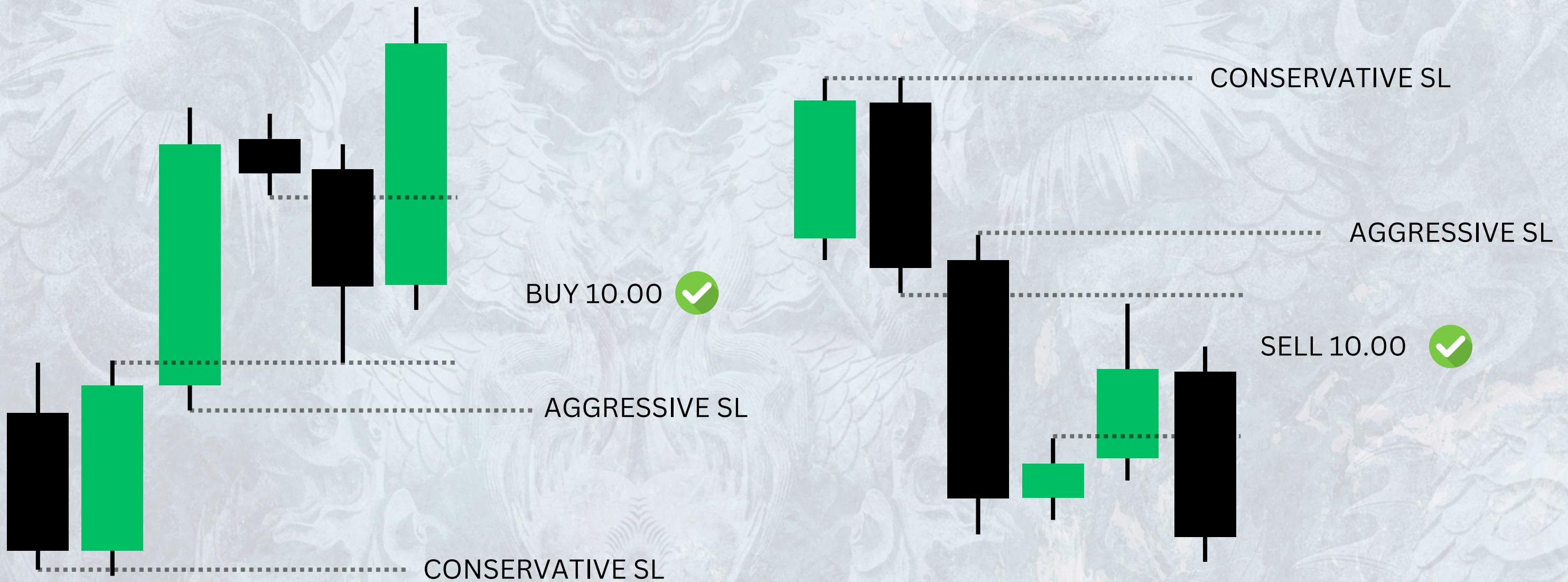
An aggressive stop loss placement will be placed at the FVG candle low or high.

A conservative stop loss placement will be placed at the Order Block formed prior to the FVG formation.



Fair Value Gaps - Execution Example

If the trade is valid, the market should reverse and continue in the direction of HTF order flow.



Order Blocks

When trading order blocks, we need to understand the context of where it is forming first. Not every up candle is a bearish order block, and not every down candle is a bullish order block. A valid order block forms at an area of support/resistance or after running out liquidity.

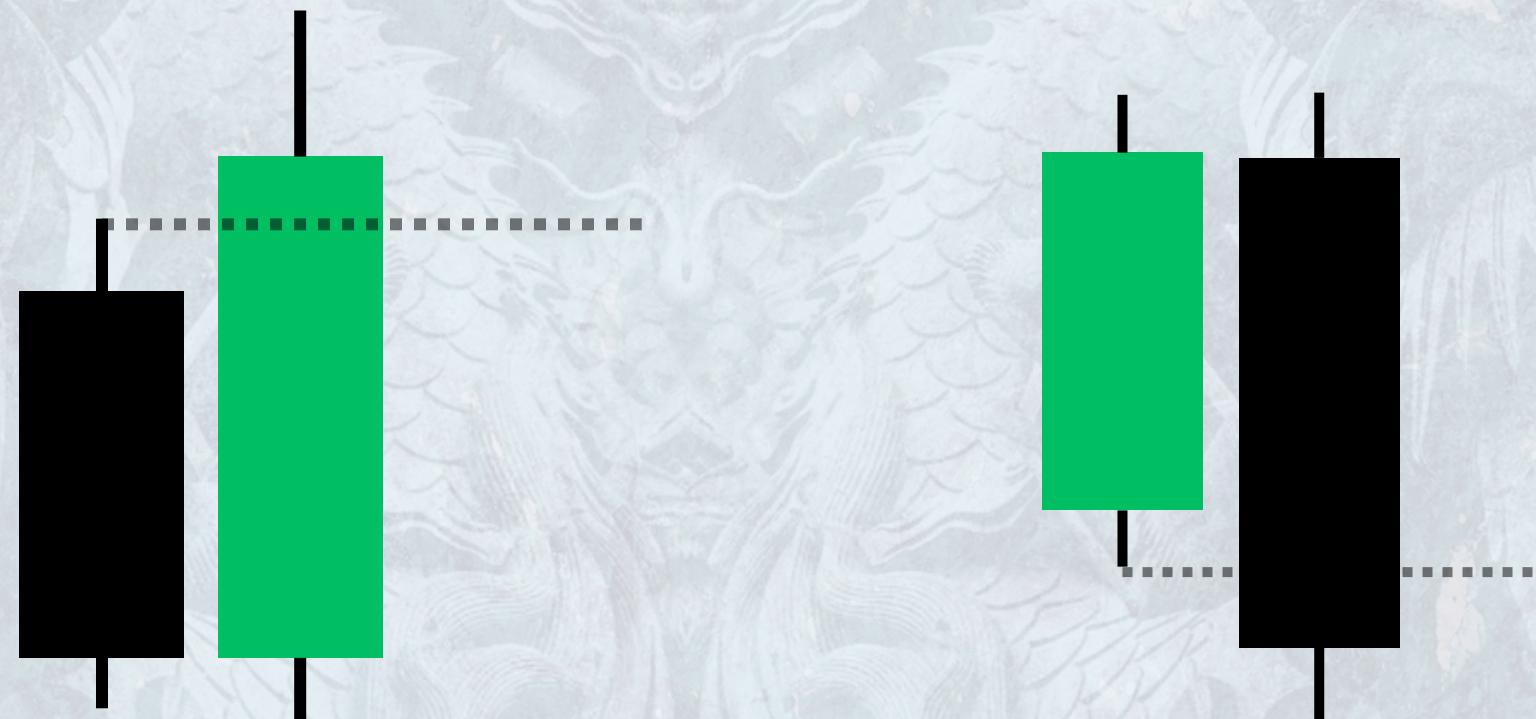
Once the order block is formed, we wait for a retracement into the level before taking an entry.

Characteristics to consider:

- High probability order blocks will form with an FVG.
- Wait for candle closure to confirm valid order block confirmation.

Order Blocks - Execution Example

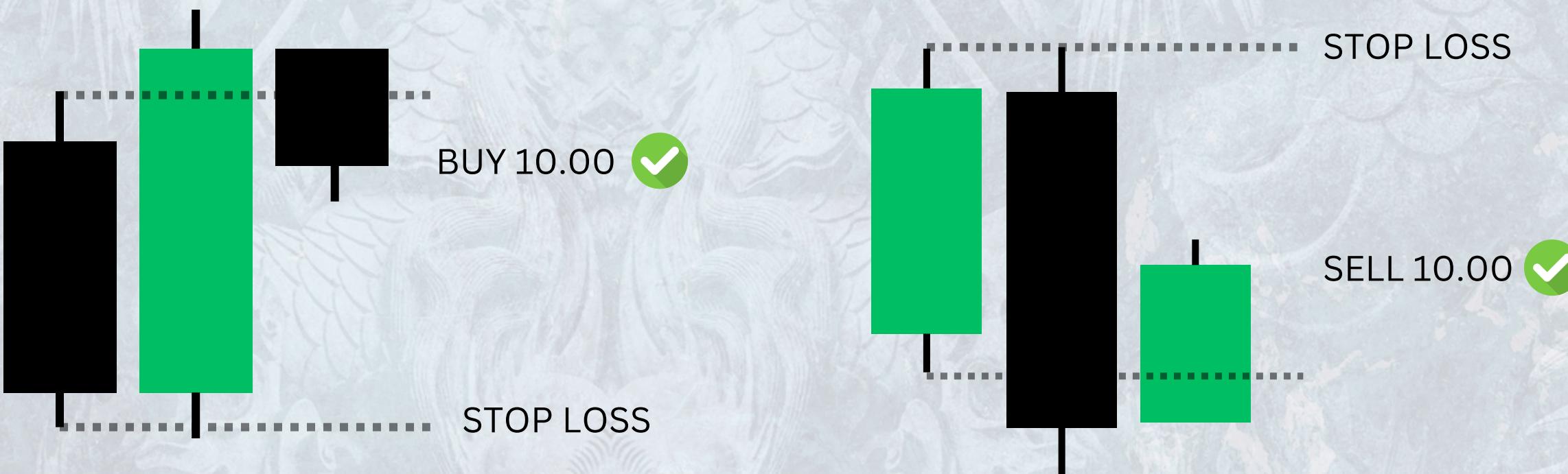
Firstly, we need to wait for a closure above/below the candle before we can confirm a valid order block formation.



Order Blocks - Execution Example

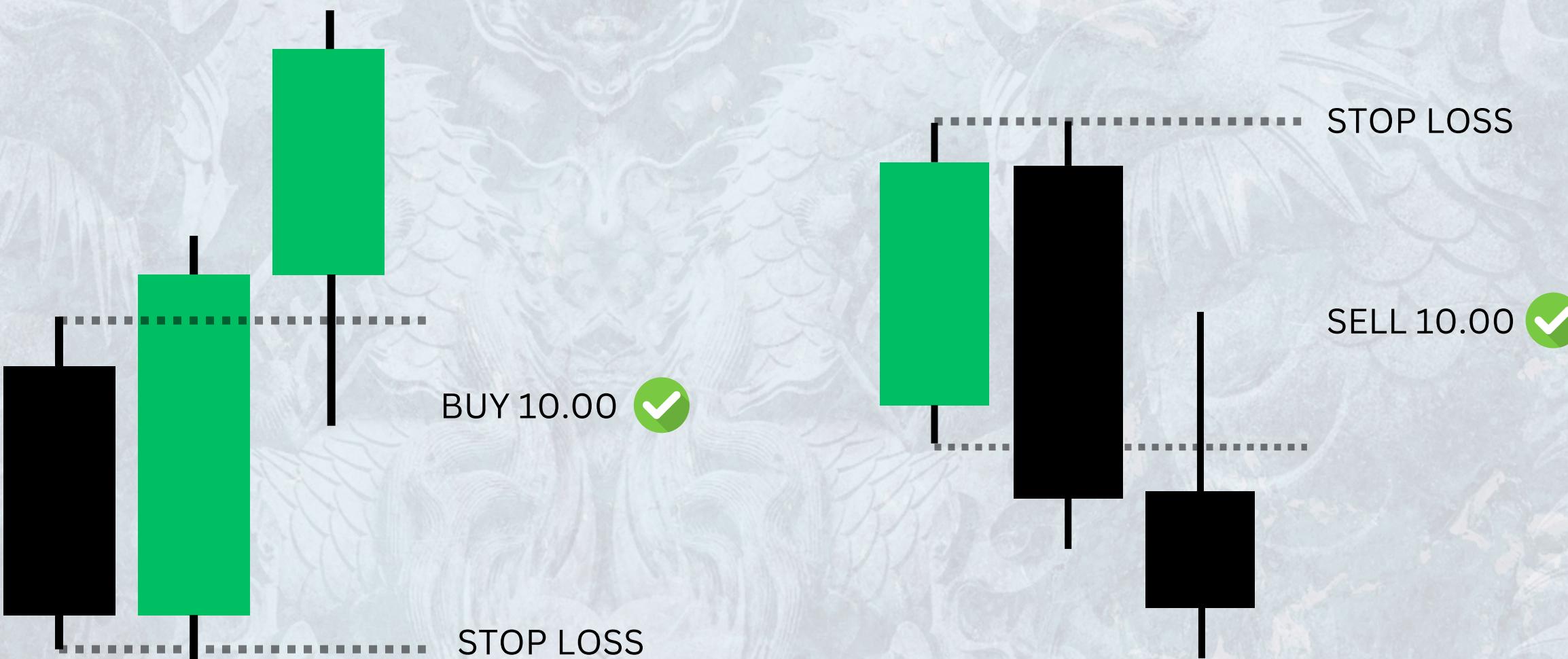
When the market retraces into the order block, ideally, we would prefer to see the next candle form without a wick in the direction of our HTF order flow. This will represent a PO3 formation anticipating that the market will continue in our direction.

We will enter as the market is trading against our intended direction and use the order block high/low as our stop loss placement.



Order Blocks - Execution Example

If the trade is valid, the current candle will flip and close in the direction of our HTF order flow.



Breaker Blocks

When trading breaker blocks, we need to see a liquidity raid (turtle soup) and a “break” below/above the order block prior to the run on stops.

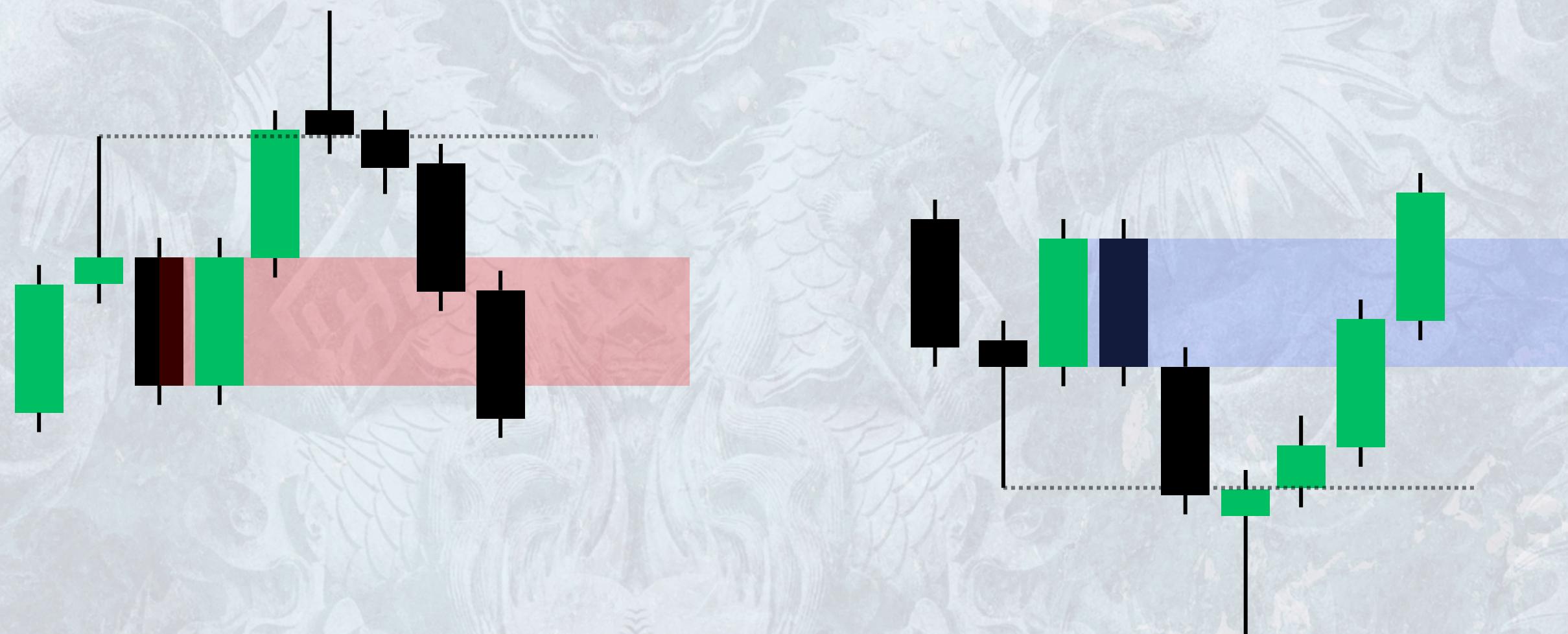
Once the breaker block is formed, we await patiently for a retracement into the breaker and place our entry. We can use various PD Arrays for stop loss placement as using the breaker itself can be quite aggressive.

Characteristics to consider:

- Breakers will often indicate a change in the state of delivery.
- Breakers will often overlap with other PD Arrays (inverted fair value gaps, OTE, etc.)

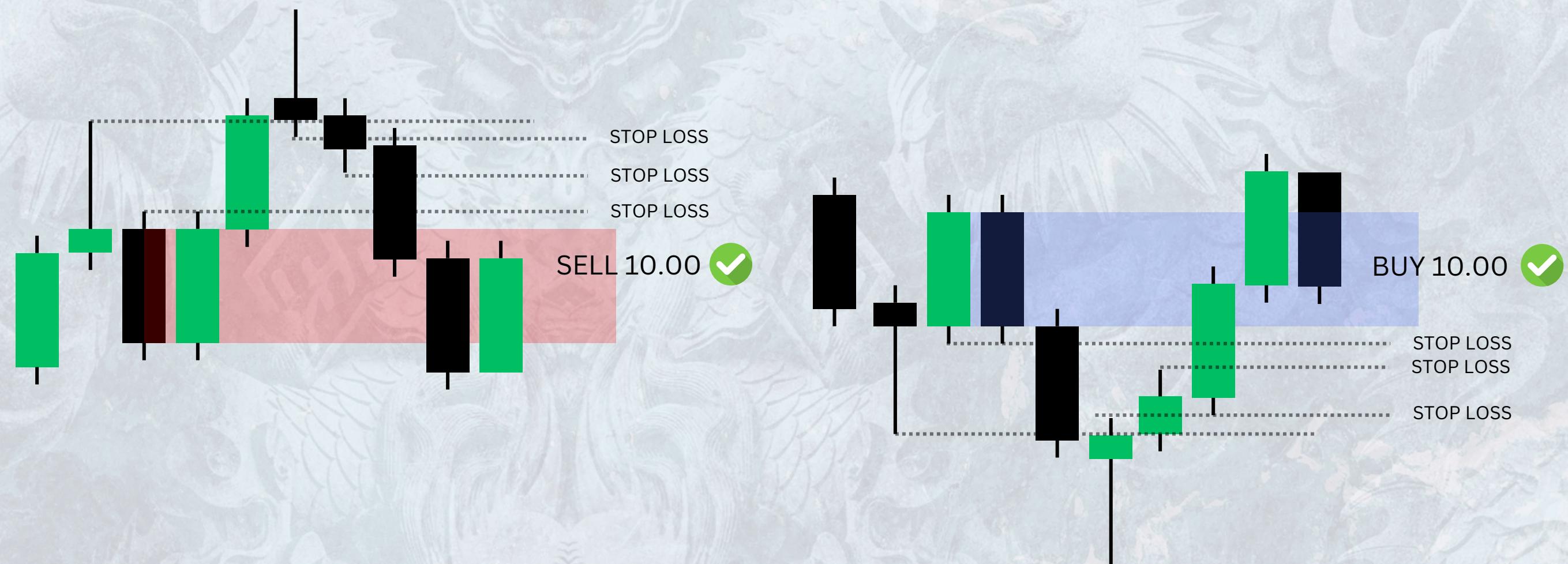
Breaker Blocks - Execution Example

Firstly, we need a raid on liquidity and a break below/above the order block that formed prior to the run on stops.



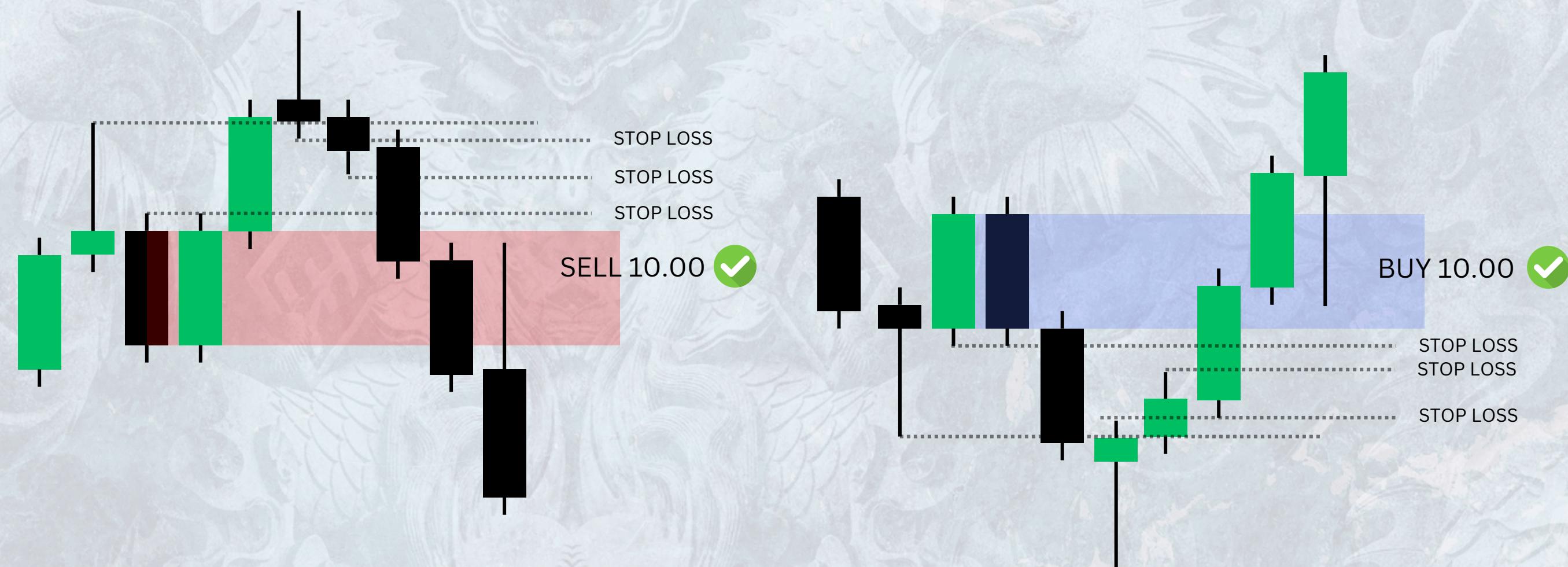
Breaker Blocks - Execution Example

We can sell short on the retracement into the breaker **BUT** we have a few different options for stop loss placement. As you can see, we can use the breaker block high/low, a FVG, or Inverted FVG. Your choice will depend upon sound logic behind **WHY** the market shouldn't trade to a specific level.



Breaker Blocks - Execution Example

If the breaker is valid, the current candle should flip and close in the direction of our HTF order flow.



I hope that you found this guide useful in understanding how to properly execute your trade ideas in a LIVE market environment.

Make sure you sign up to my newsletter and follow on all socials for future guides and tutorials.

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Best Regards,
JadeCap