

Strat -primo

this guide will cover the clear path to simplifying your trading in 2026.
i'm going to lay out a repeatable framework built around **price, structure, and patience**.
we'll focus exclusively on **two high-impact setups that are actually consistent**, so every candle starts to make sense and execution becomes automatic.

most traders who aren't profitable aren't failing because they lack information.

they're failing because they're **overanalyzing**.

too many indicators.

too many setups.

too many opinions.

in 2026, simplicity is the edge.

i'm going show you exactly **how to simplify your trading using The Strat** by limiting your focus to **only two setups**

and you'll see why that alone is enough to build consistency.

> **simplify your trading by limiting your focus**

the biggest mistake traders make is trying to trade *everything*.

every breakout.

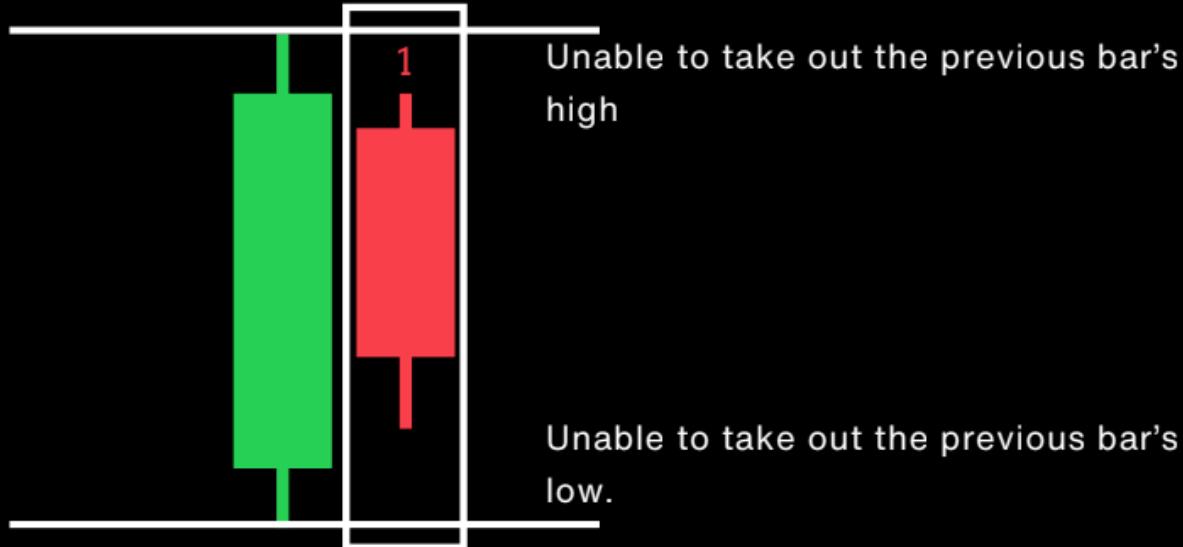
every pullback.

every candle that moves.

The Strat works best when you **limit your focus**, not expand it.

> **there are two setups you need to focus on**

let start with the first one - inside bars.



1. inside bar setups (2-1 / 3-1 reversals and continuations)

an inside bar is a candle that closes **inside the range of the previous candle**.

it represents:

- compression
- indecision
- a period of consolidation

this indecision comes from both the buyers and sellers.

- buyers aren't willing to pay higher yet
- sellers aren't willing to sell lower yet
- neither side is in control **at that moment**

in [#TheStrat](#), this inside bar is an actionable signal.

> here's how we trade inside bars.

- wait for the inside bar to form
- enter on the break of its high or low

risk is defined by the candle itself.

- if price breaks above the high of the inside bar, that would be your entry to go long.

the opposite side of that range, which is the low of the inside bar, would be your stop loss.

- if it breaks the low of the inside bar, that would be your entry to short.
the opposite side of that range, which is the high of the inside bar, would be your stop loss.

here's an example of a trade we took this week:

the entry we took here was the breakout of the inside bar that we saw on the 1HR time frame.

[\\$IWM](#) was still green on the quarter, month and week so all we did here was take the inside break to the upside as it was still aligned with the trend.





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> Failed 2s

a Failed 2 is one of the most powerful setups in The Strat.

it happens when:

- price attempts to break a level
- fails to continue
- and reverses back inside

this failure tells you **traders are trapped**.

and trapped traders create fuel.

when you see a failed 2 that is aligned with the trend, keep these on high alert.

a breakout of a failed 2 that follows that trend can give us some nice moves.

here's a detailed explanation of what a Failed 2U looks like:

FAILED 2-UP

1. Initially triggered as a 2U (2-Up); the candle in the middle broke above the high of the previous meaning it was originally bullish.

That same candle started to reverse and closed as a bearish candle.

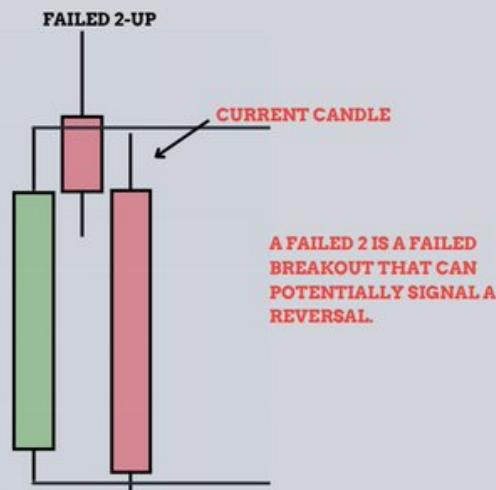
In short,

A Failed 2-Up starts as 2U and closes bearish.

WE LET THE FAILED CANDLE CLOSE FIRST, AND THEN WE USE IT TO ENTER OUR TRADE!!

2. Looking at the picture to the right, the first candle which is bullish is already closed. The second candle is a Failed 2 UP which we are aware of and we let close, now the current candle (which is the 3rd candle) is the candlestick that we will use to enter the trade.

In this case, we wait for the current candle to break below the low of the Failed 2UP, as soon as it breaks below, this is our trigger and we enter the trade with no hesitation, BUT always entering with a stop loss in place



now you know what a failed 2U looks like.

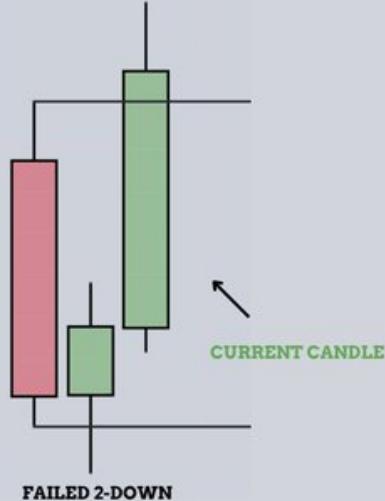
here's a detailed explanation of a Failed 2D:

FAILED 2-DOWN

1. Initially triggered as a 2D (2-Down); it broke below the low of the previous meaning it was originally bearish. That same candle started to reverse and closed as a bullish candle. In short, A Failed 2 Down starts as 2DOWN and closes bullish (but does not break above the high of the previous candle).

WE LET THIS CANDLE CLOSE FIRST, AND THEN WE USE IT TO ENTER OUR TRADE!!

2. Now looking at the picture to the right, the first candle which is bearish is already closed. The second candle is a Failed 2 Down which we are aware of and we let close, now the current candle is the candle that we will use to enter the trade. In this case, we wait for the current candle to break the high of the Failed 2, as soon as it breaks above the high, this is our trigger and we enter the trade with no hesitation, BUT always entering with a stop loss in place



**price
action**

> if the setups aren't there, you wait.

this part is where most traders struggle.

no setup = no trade.

this is discipline.

when you only trade:

- inside bars
- failed 2s

you naturally trade less, but better.

waiting is part of the strategy.

> The importance of the weekly trend + continuity

these setups alone aren't enough.

context matters.

before taking a trade, you have to ask yourself:

what is the **weekly trend**?

do we have **continuity** in that direction?

When your setup aligns with:

the higher-timeframe trend and current momentum

it becomes an **A+ trade**.

> once you understand this - every candle starts to make sense.

when you limit your focus:

- candles stop looking random
- structure becomes obvious
- reactions make sense

you're no longer asking:

"should I buy or sell?"

you're asking:

"did price confirm one of my setups?"

that mindset shift changes everything.

> so here's your 2026 trading blueprint:

if you take nothing else from this article, take this:

- focus on **inside bars**
- focus on **failed 2s**
- make sure align with **weekly trend and continuity**
- if they don't show up, **you wait**

thats it.