

# How to find Daily Context

The Inception Model 1.0

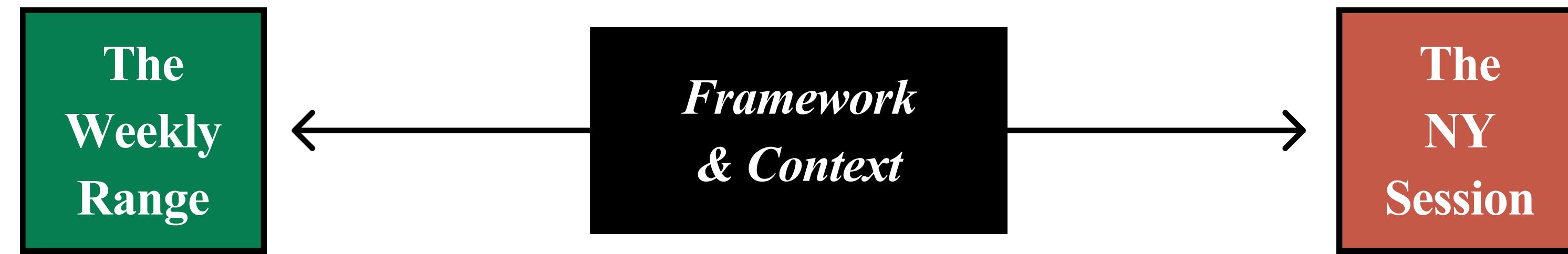
## **In this video we will cover the following:**

- **Narrative to Framework**
- **Context & Framework**
- **Daily Bias**

# Narrative to Framework

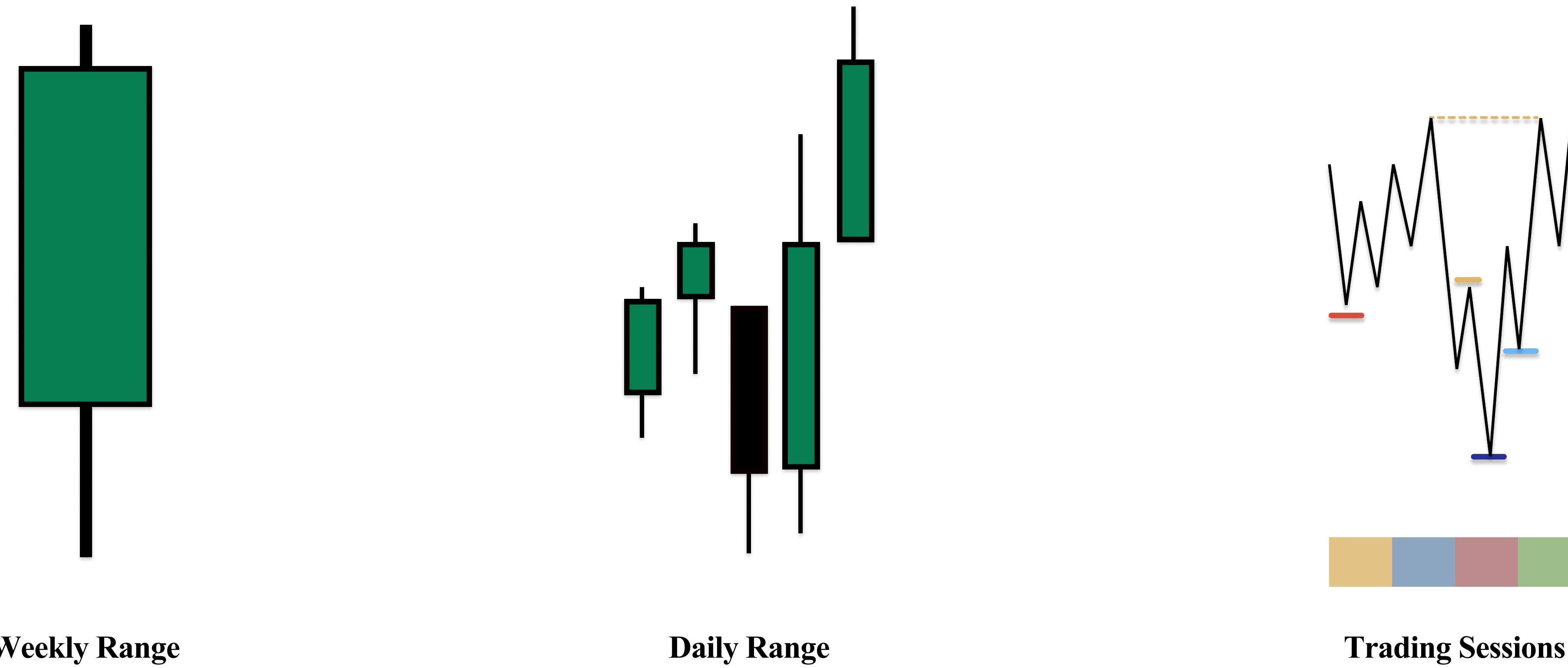
# What is Narrative to Framework?

The process of connecting an *HTF Range* to a *LTF Range*.



# Why do we need to build Context?

Price Ranges are interconnected and depend on other Price Ranges



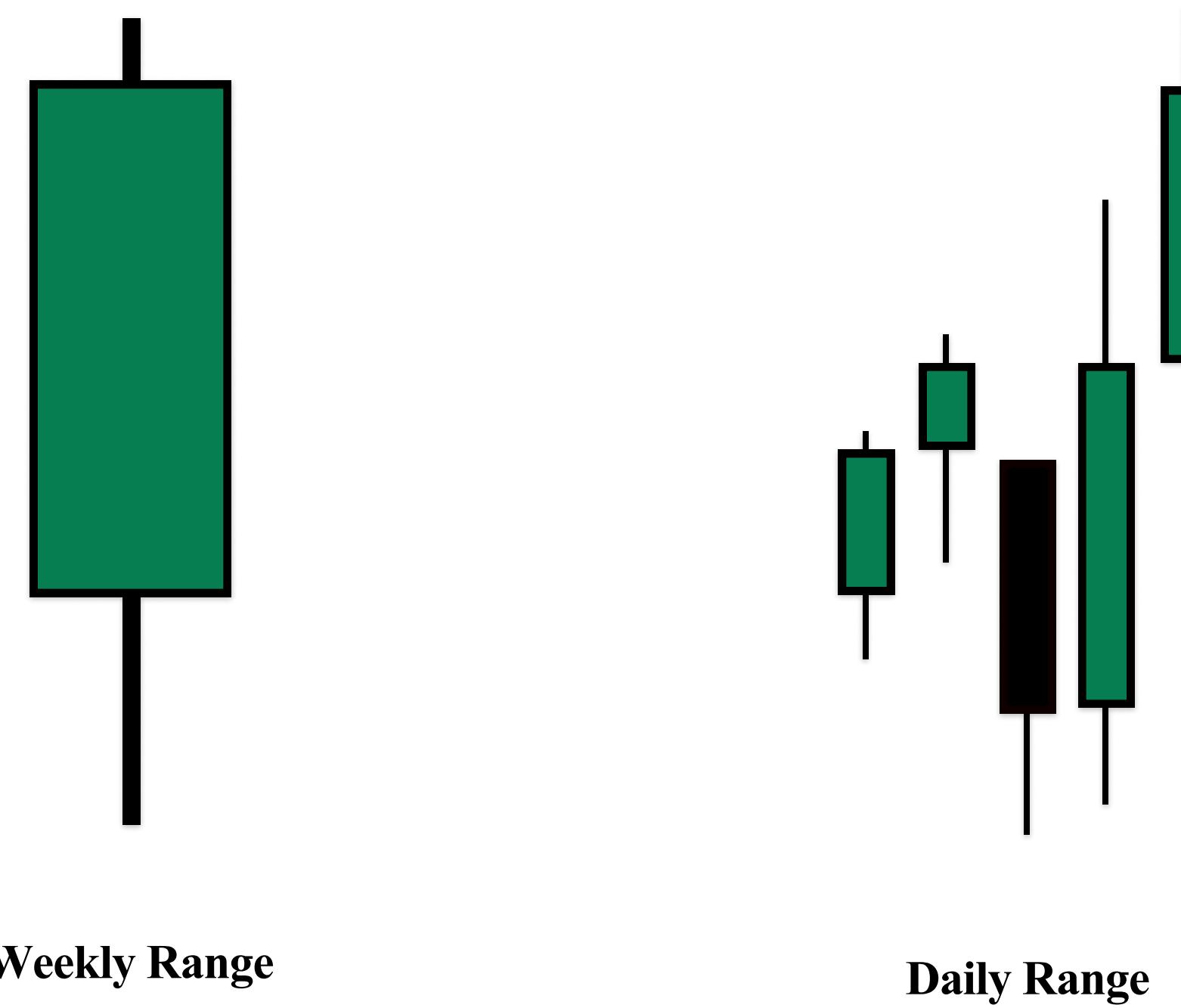
Weekly Range

Daily Range

Trading Sessions

**Therefore *everyday*...**

Build a context for how the O/H/L/C will interchange dynamically for the Weekly Range



## To sum Narrative to Framework

- If **NARRATIVE** is *what SM is going to do* for the Week.
- Then **FRAMEWORK** is *how SM will do it* for the Week.
- Therefore **CONTEXT** is the *process & relationship* in-between.

*This is why we study Narrative first...*

**Top Down Analysis:** Provides the **Narrative** for **Frameworks**

**Down Up Analysis:** Provides the **Context** for the **Inception Model** (Trade Execution)

# How the Inception Model finds Framework & Context

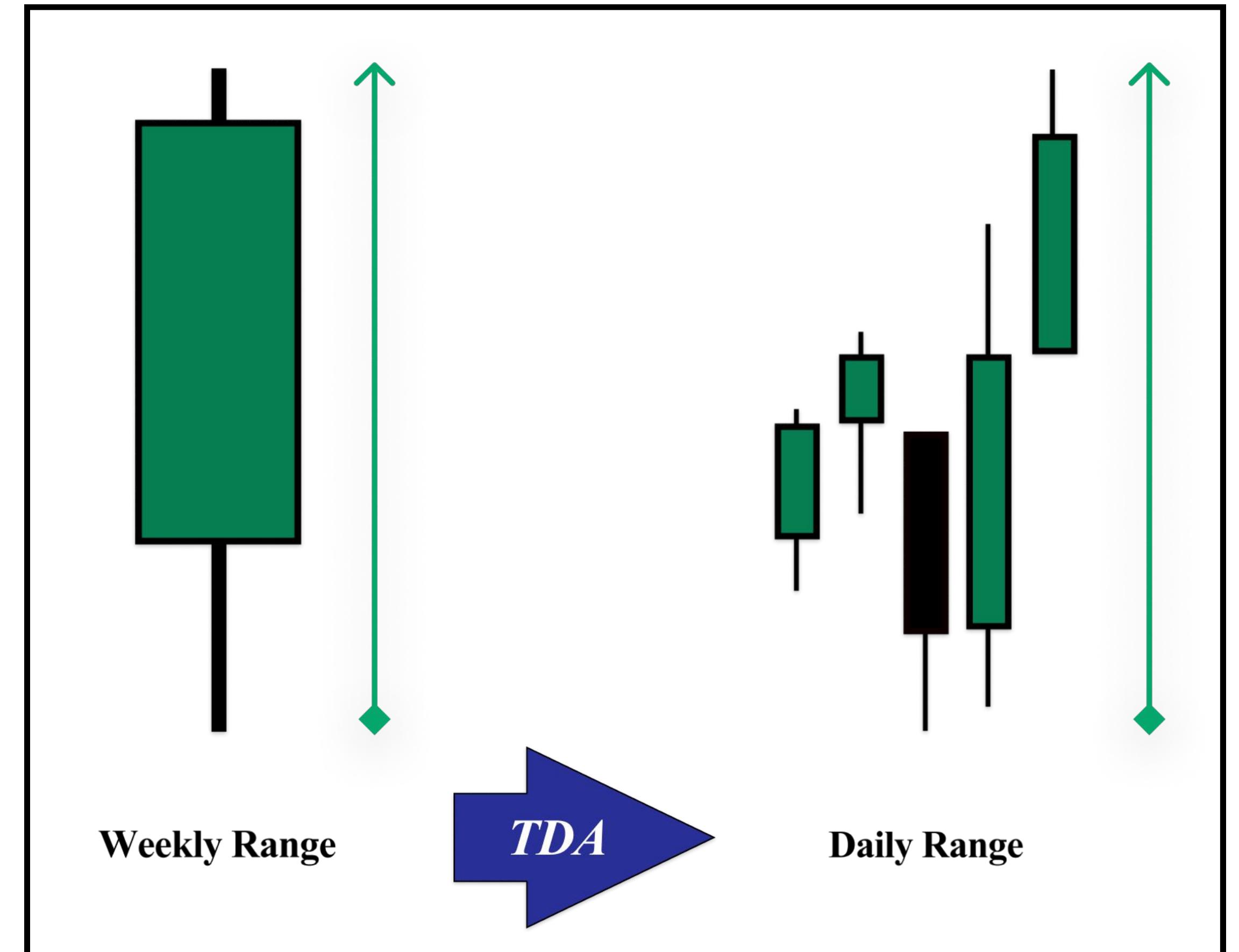
1. The **Weekly Range** for *Narrative*
2. The **Daily Range** for *Framework*
3. Match both for *Context*

**The Weekly Range *holds* a Top Down Importance**

# The Weekly Range *holds* a Top Down Importance

## TDA Principle:

- Large Fund Liquidity is *primed* with HTF Biases  
(which causes LTF displacements.) \*for the Inception Model



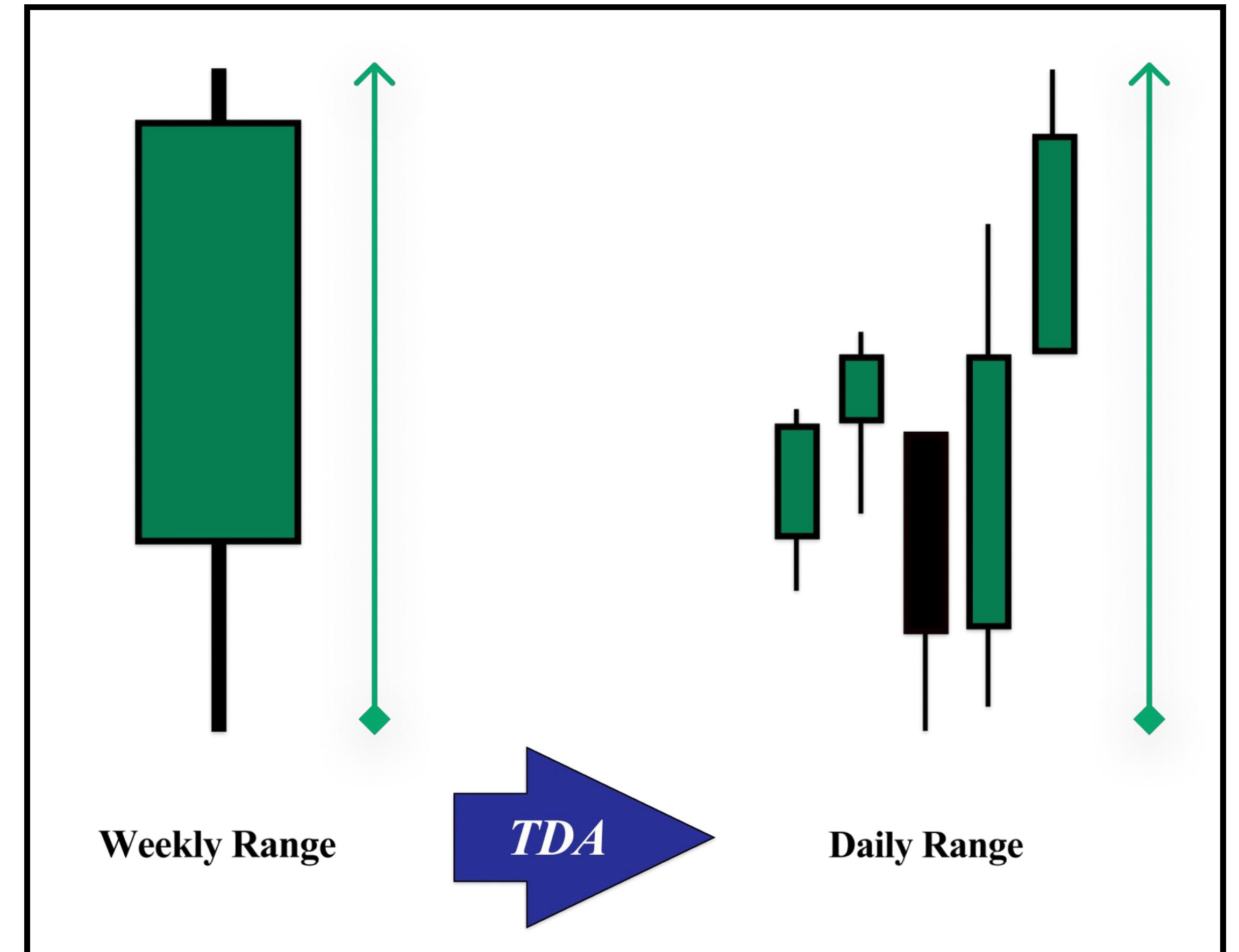
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## [Narrative] Inception Model TDA

- The **Weekly Range** is the *Parent* to the **Daily Range**  
(and primes the Daily Range what to do x5).



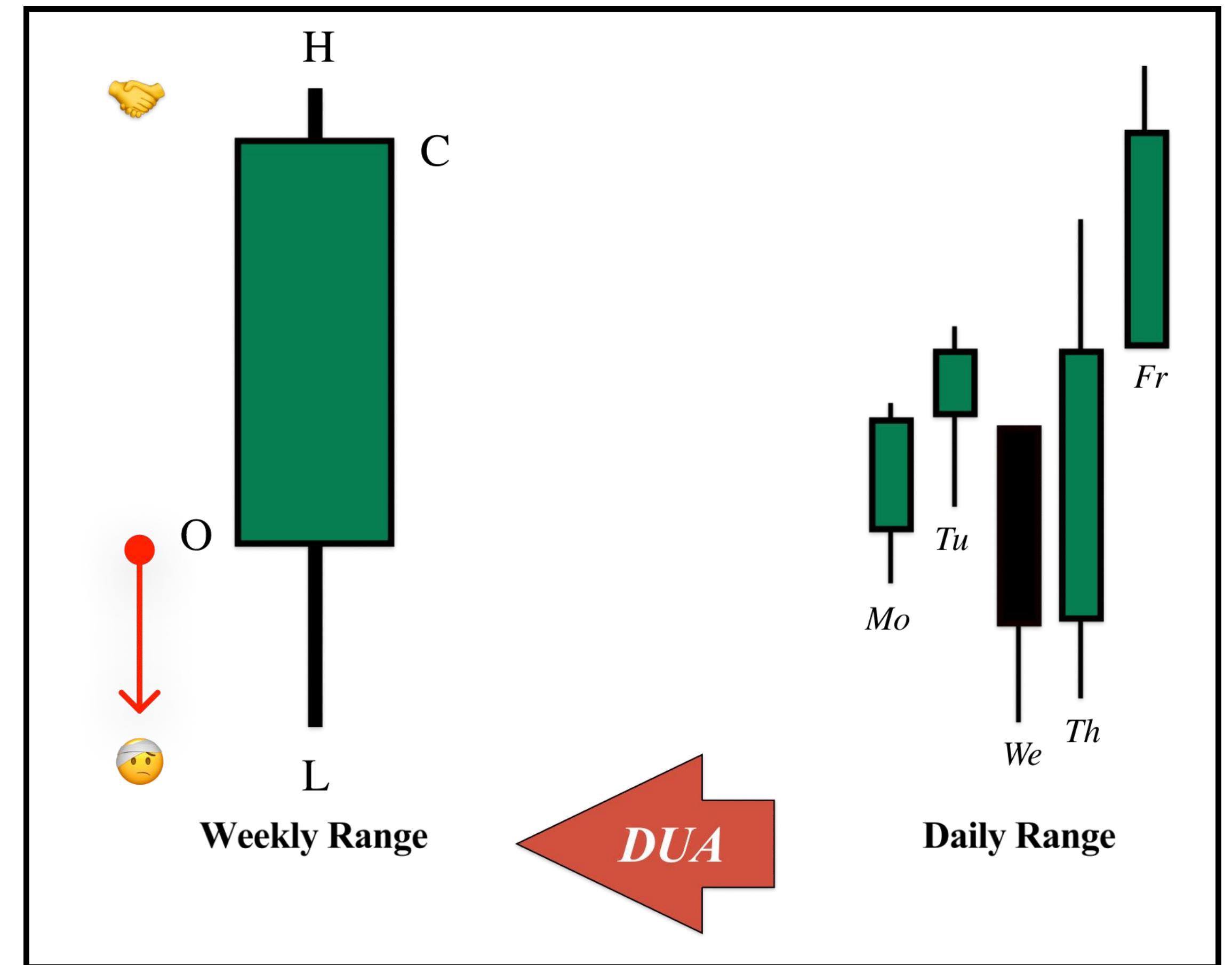
**However...**

**The Daily Range *critically* holds a Down Up importance (for day-traders)**

# The Daily Range *critically* holds a Down Up importance (for traders)

## DUA Principle:

- The Week provides **NARRATIVE** for the DAYS. (x1 Weekly Candle)
- The Days delivers the **FRAMEWORK** for the WEEK. (x5 Daily Candle)



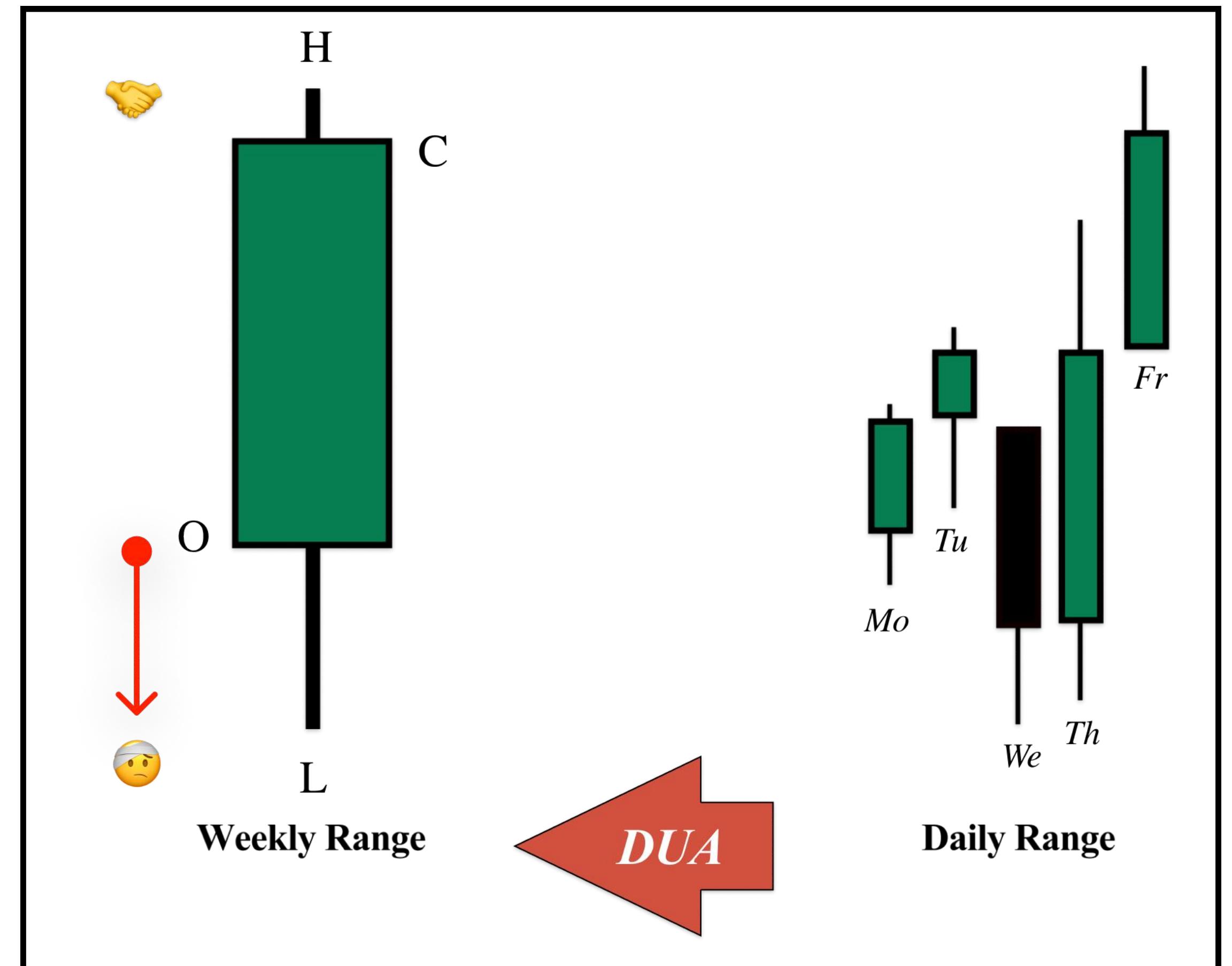
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## [Narrative] Inception Model TDA

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# The Daily Range *critically* holds a Down Up importance (for traders)

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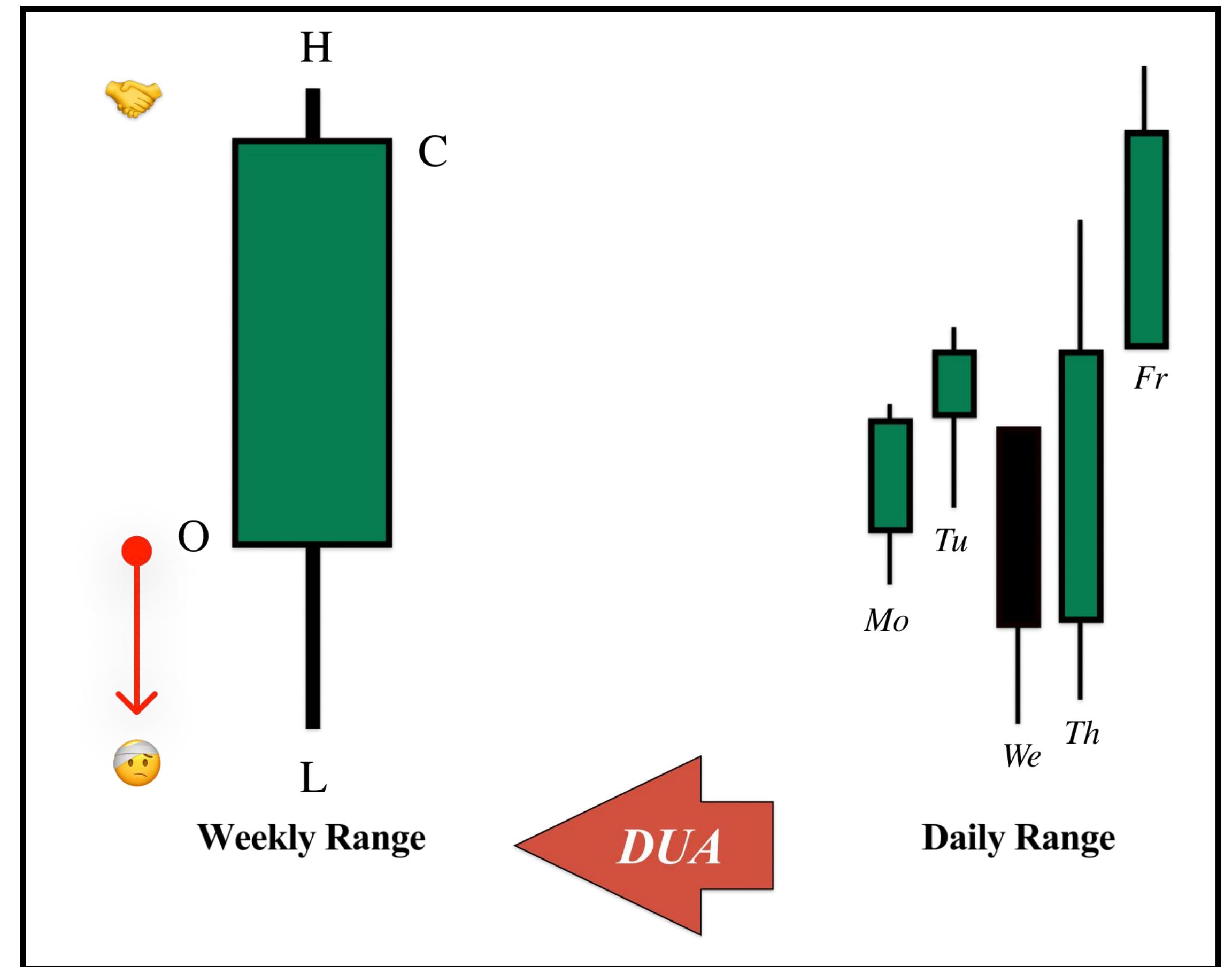
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## [Narrative] Inception Model (TDA)

- The **Weekly Range** is the **Parent** to the **Daily Range** (and primes the Daily Range what to do x5).

## [Framework] The Inception Model (DUA)

- The **Daily Range** is the **Child** to the **Weekly Range** (and follows the process outlined by its Parent).



To sum...

## Inception Model Framework & Context

1. Build Narrative to Framework from a *TDA* of the *Weekly Range*.
2. THEN study Framework & Context with a *DUA* with *Daily Ranges*.

To emphasize the point...

The Week and its Daily Ranges are **interconnected** and *depend* on each other.

**Thats why its a must for traders to...**

Build Context & Framework that follows the Weekly Bias, *every day*. Then trade.

# Context & Framework...

Provides logic and reasoning behind :

- **WHAT IS** your Trade Setup?
- **WHY SHOULD** your Trade Setup come to fruition?
- **WHEN SHOULD** you engage, sit on the sidelines, or hold no bias?



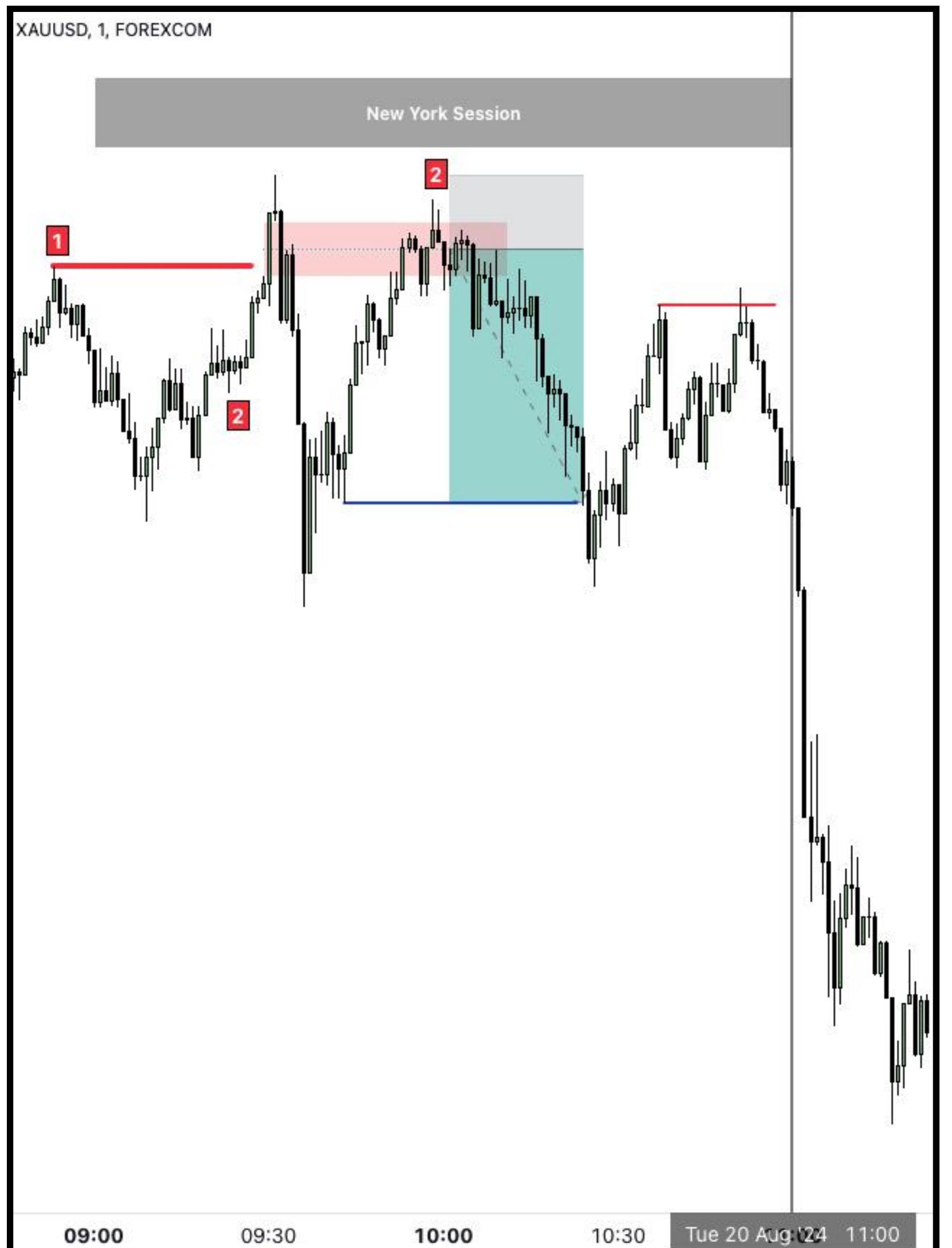
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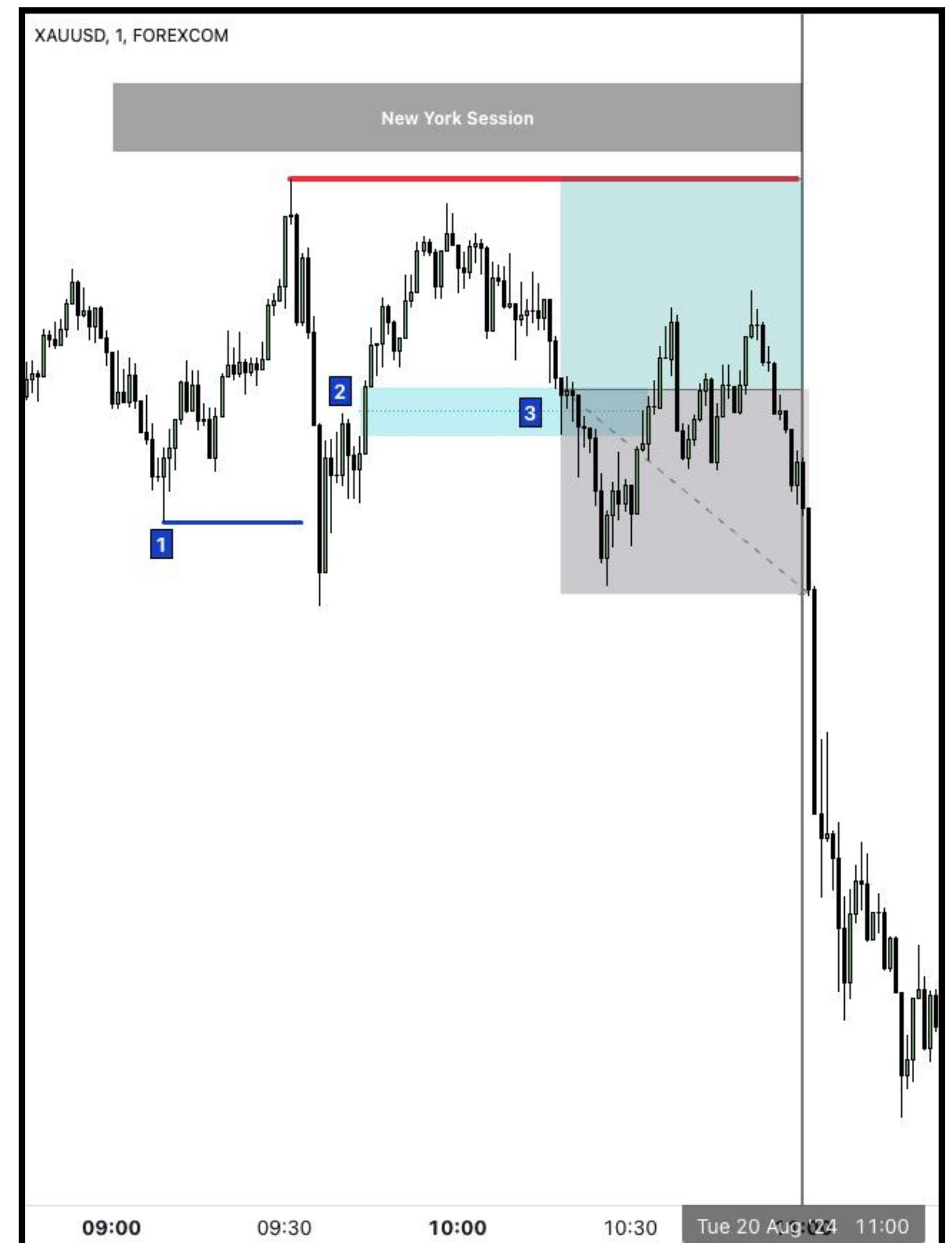
# Context & Framework...



# No Daily Context & Framework...

You lack logic and reasoning behind :

- **WHAT IS** your Trade Setup? - *Which Liquidity/FVGs do you pick?*
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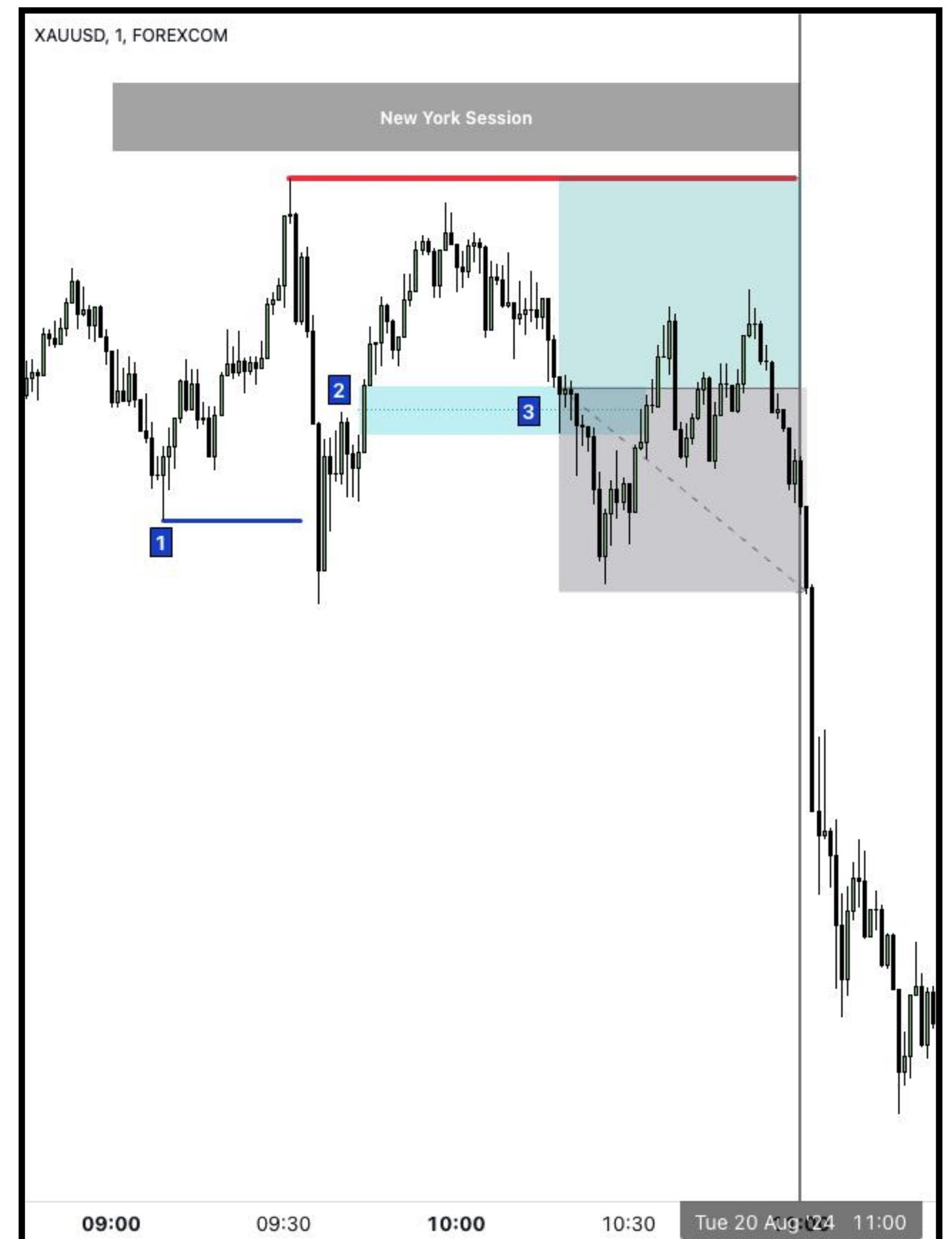
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AKA

- *Trading with uttermost uncertainty (prone to mistakes)*
- *Gambling on a potential home-run trades*
- *Hoping to chase the next win with every trade setup.*



If this is you...

Start building CONTEXT AND FRAMEWORK behind your trades... *immediately.*

# Daily Bias

## Daily Bias

- A **problem** aspiring traders tend to make is
- *Suggesting* that Daily Bias = Every Day Trading.

# Daily Bias = *How to trade EVERY Day.*



*After Narrative...*

- They **force** their “step-by-step” *trading strategy* onto the market **from the get-go**.

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## *After Narrative...*

- They **force** their “step-by-step” *trading strategy* onto the market **from the get-go**.
- They are too **fixated** on *finding entries*, they forget to build **logic and reasoning behind it**.

# Daily Bias = *How to trade EVERY Day.*



## *After Narrative...*

- They **force** their “step-by-step” *trading strategy* onto the market **from the get-go**.
- They are too **fixated** on *finding entries*, they forget to build *logic and reasoning behind it*.
- They **only know** how to *play offense*, they don't consider how to *protect themselves with defense*.

## Daily Bias

- The **solution** to this fallacy and avoiding easy-pitfalls is...
- ***Understanding*** that Daily Bias = How to approach the Present Day.

**Daily Bias = *How to approach the PRESENT Day.***



*After Narrative...*

- Consider the **probabilities** *first* and, the **trading strategy** *second*. (think MEP)

# Daily Bias = *How to approach the PRESENT Day.*



*After Narrative...*

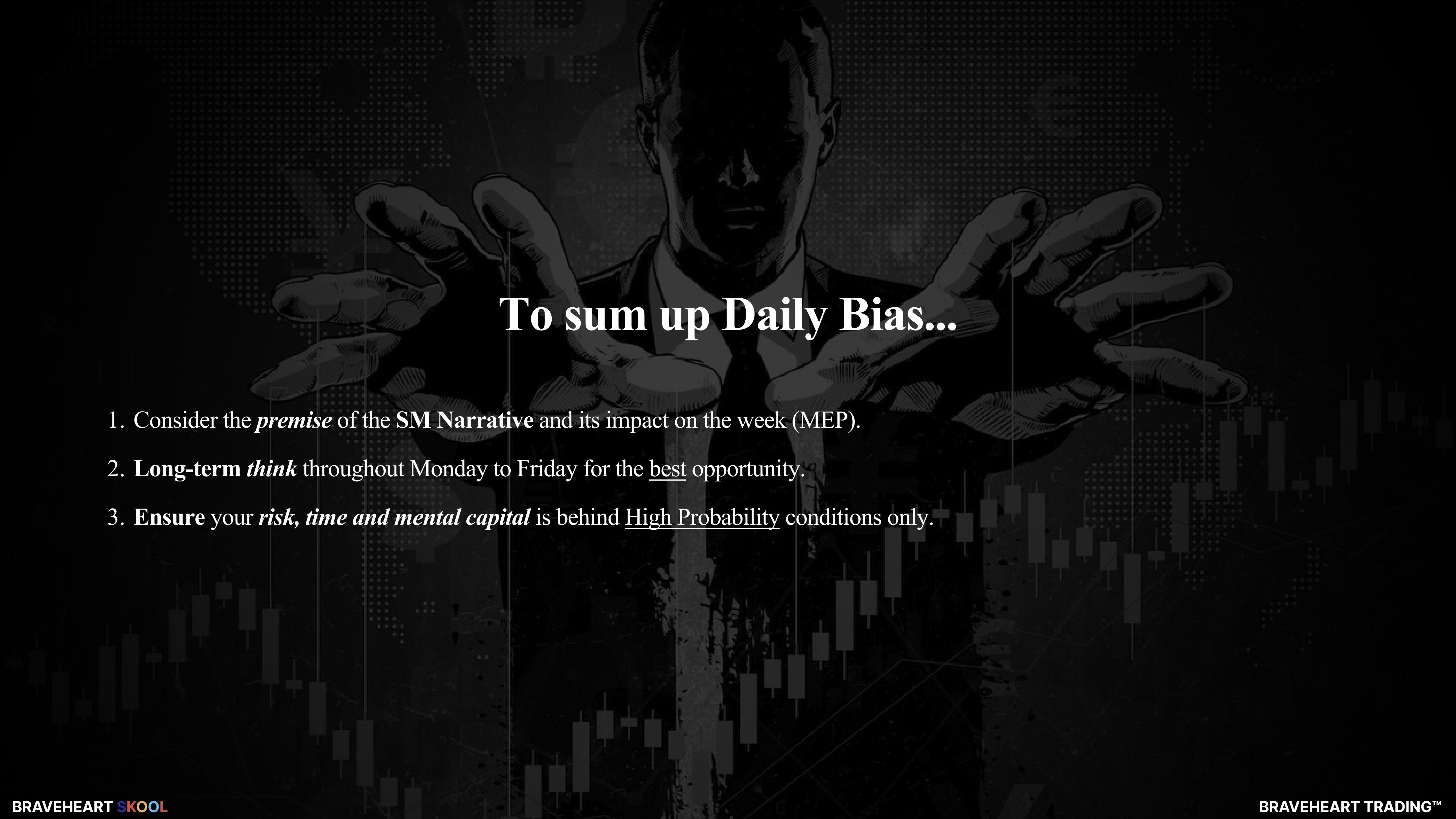
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- ***Build*** a **Context & Framework** for *logic and reasoning*, ***then*** **find** entries to execute on it.

# Daily Bias = *How to approach the PRESENT Day.*



*After Narrative...*

- Consider the **probabilities** *first* and, the **trading strategy** *second*. (think MEP)
- ***Build*** a **Context & Framework** for *logic and reasoning*, ***then*** **find** entries to execute on it.
- Know how to *play* **Offense AND Defense** (to stay in the game long-term).



## To sum up Daily Bias...

1. Consider the *premise* of the SM Narrative and its impact on the week (MEP).
2. **Long-term** *think* throughout Monday to Friday for the best opportunity.
3. Ensure your *risk, time and mental capital* is behind High Probability conditions only.

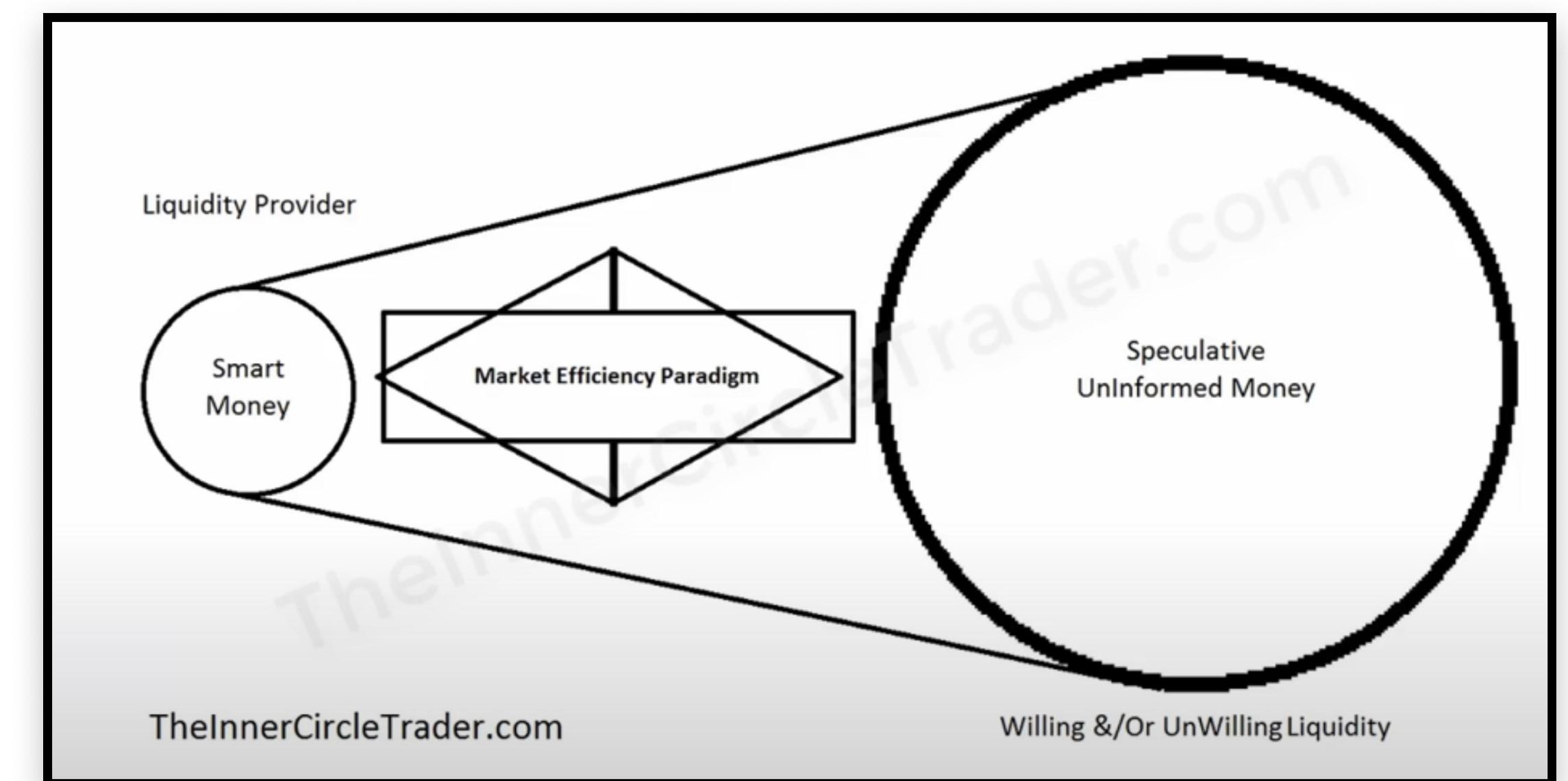


Daily Bias is how you *will play* the trading game TODAY.

# How to Play the Day-trading Game:

**Rule 1:** Remember the **MEP** always (from the Weekly Open).

- SM needs to generate *counter-party liquidity* before reaching a terminus
- This follows an *AMD Sequence* before the Weekly AP formation



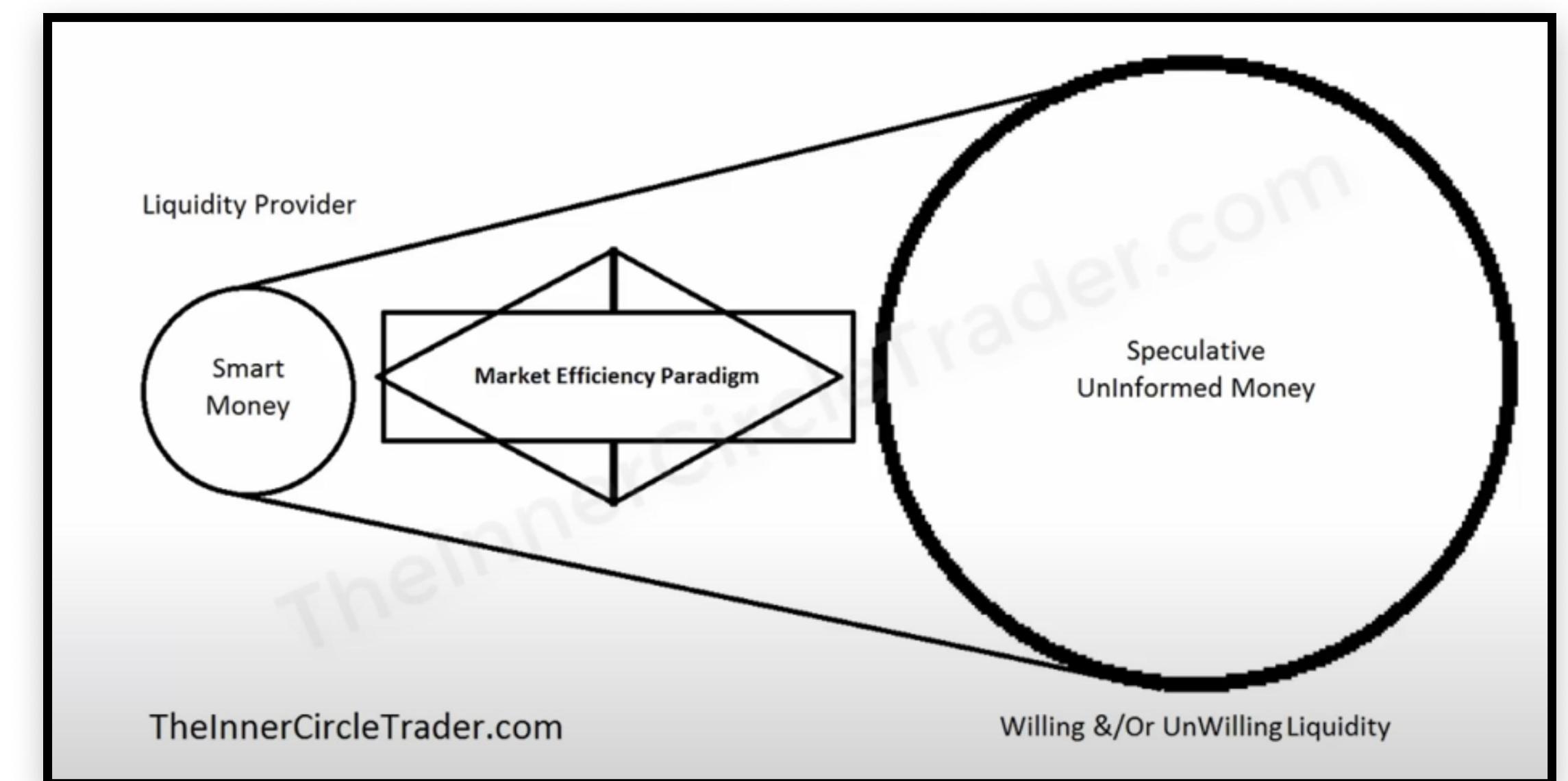
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- Therefore you will have a different STANCE for you to approach it.



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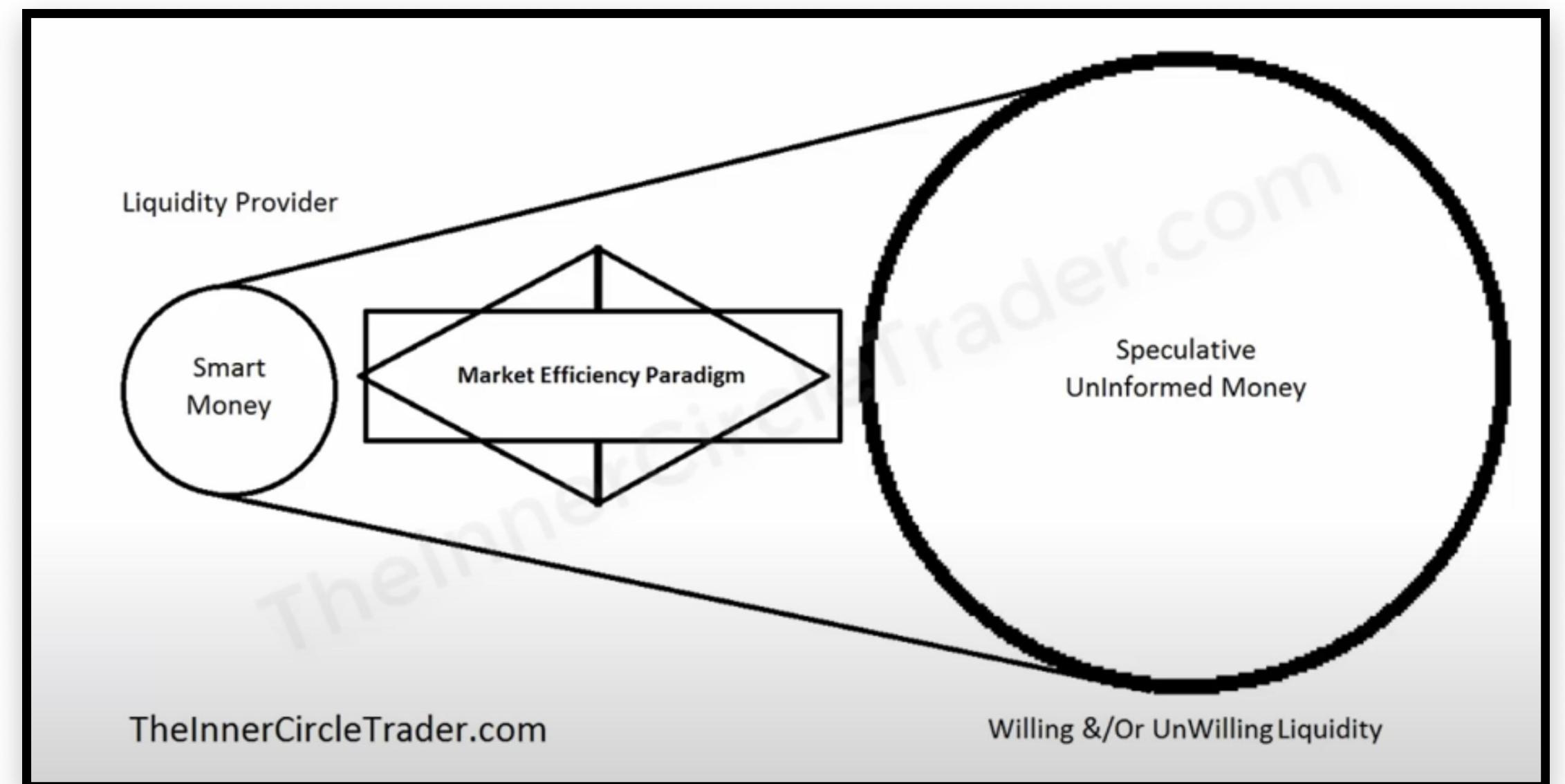
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## Rule 3: After *rules 1 and 2*, select your **DAILY STANCE**

- Engagement (Offense)
- Sidelines (Defences)
- No Bias (Patience)



# Daily Stance

## Daily Stance



- The attitude/position of the Day-trader preparatory to action.
- A position or point of view for the Day-trader.

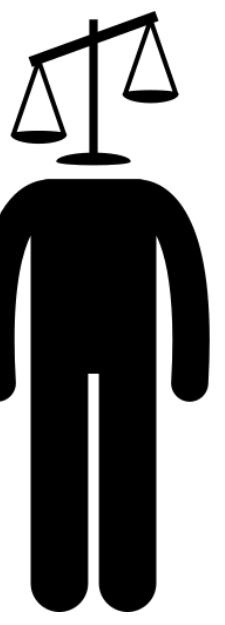
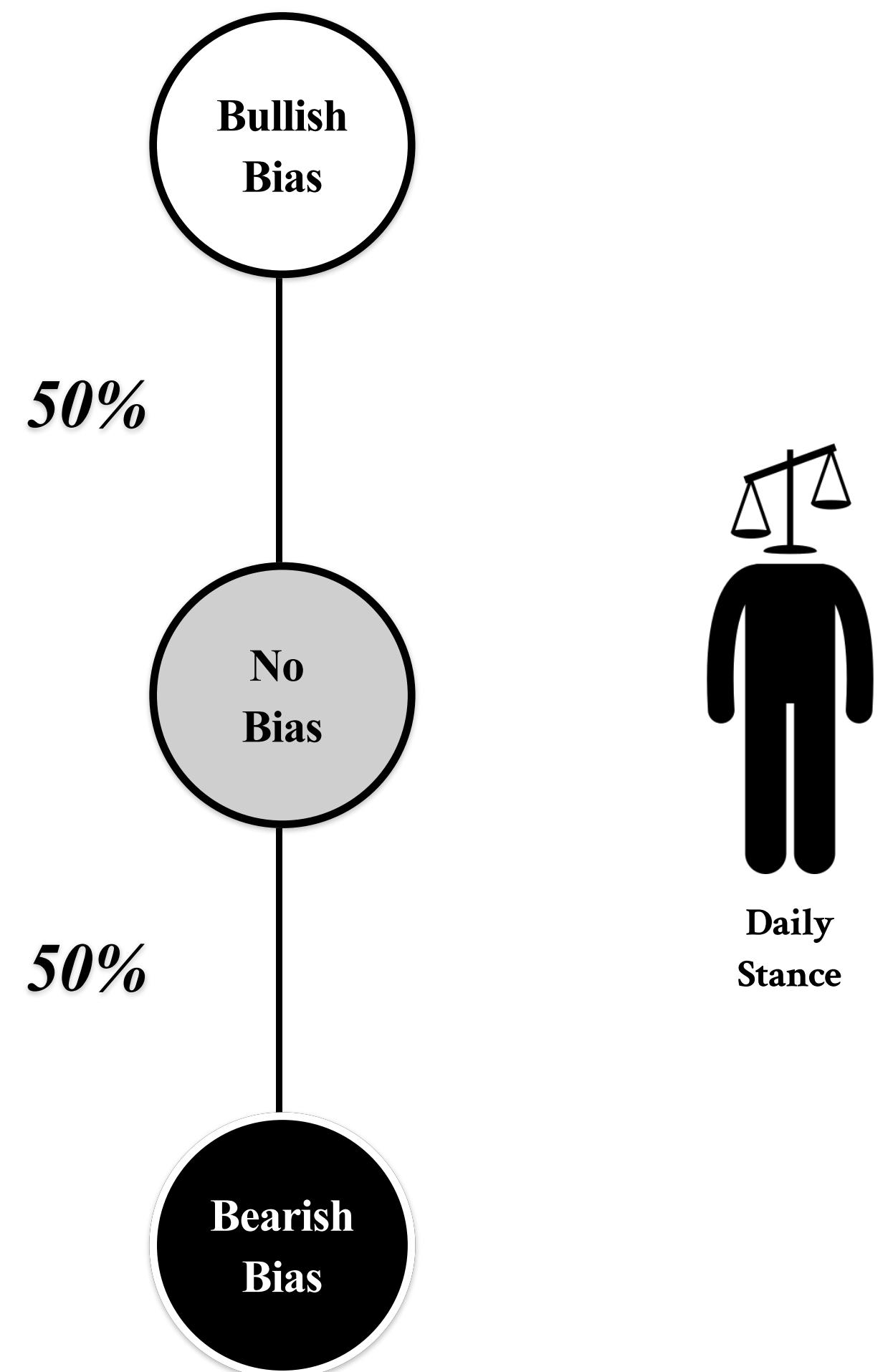
# Daily Stance: *Sidelines*

**Situation:** The Weekly Range suggests justification for **both sides**

i.e

- Low Volatility & Consolidating
- Creating Relatively Equal Liquidity (above and below)

**Bias Scale**



Daily  
Stance

# Daily Stance: *Sidelines*

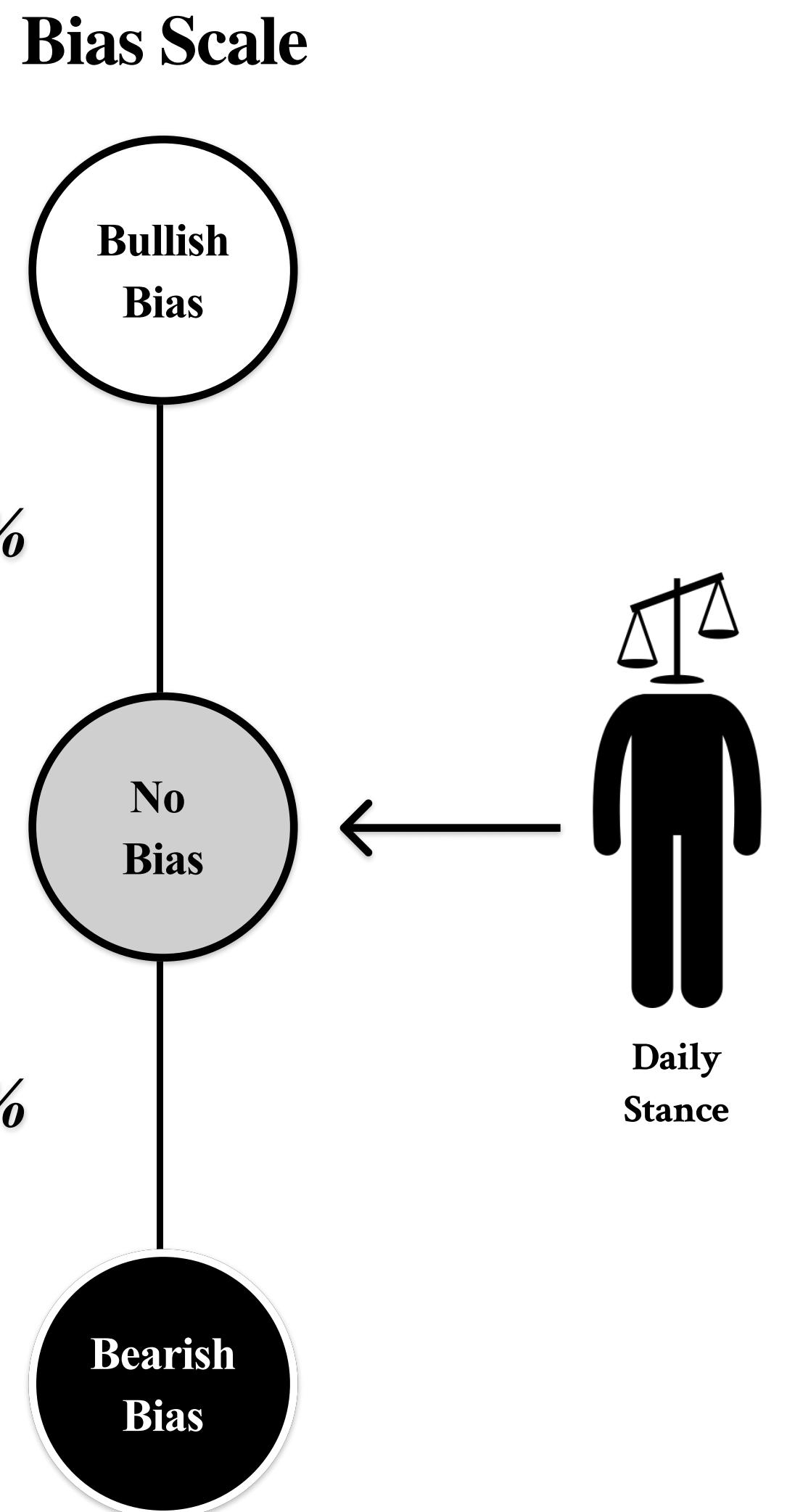
**Situation:** The Weekly Range suggests justification for **both sides**

i.e

- Low Volatility & Consolidating
- Creating Relatively Equal Liquidity (above and below)

**Action:** Be on the sidelines & wait for more info

- The Weekly Range is *most likely* engineering liquidity for the week.
- Wait until IPDA *tips its hand* to you with a Purge or 3 Drives.
- Anticipate the *manipulation* of engineered liquidity.



# Daily Stance: Sidelines



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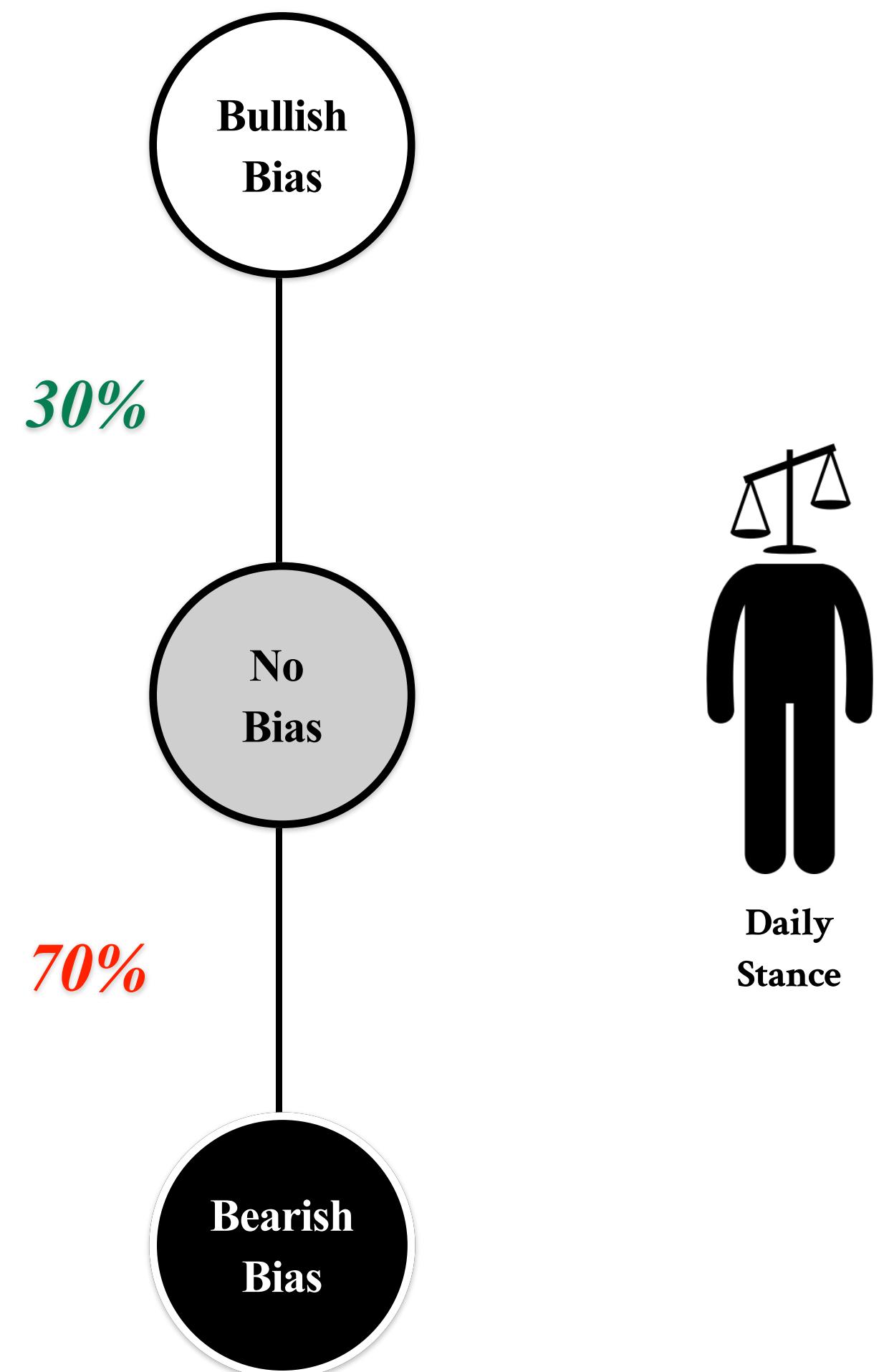
# Daily Stance: *Engagement*

**Situation:** The Weekly Range suggests justification for **1 side over the other**

i.e

- **Purge** of Monday's Liquidity + Weekly AP
- **Drawing** to Short-term & Long-term DOL + Clean Lows

Bias Scale



# Daily Stance: *Engagement*

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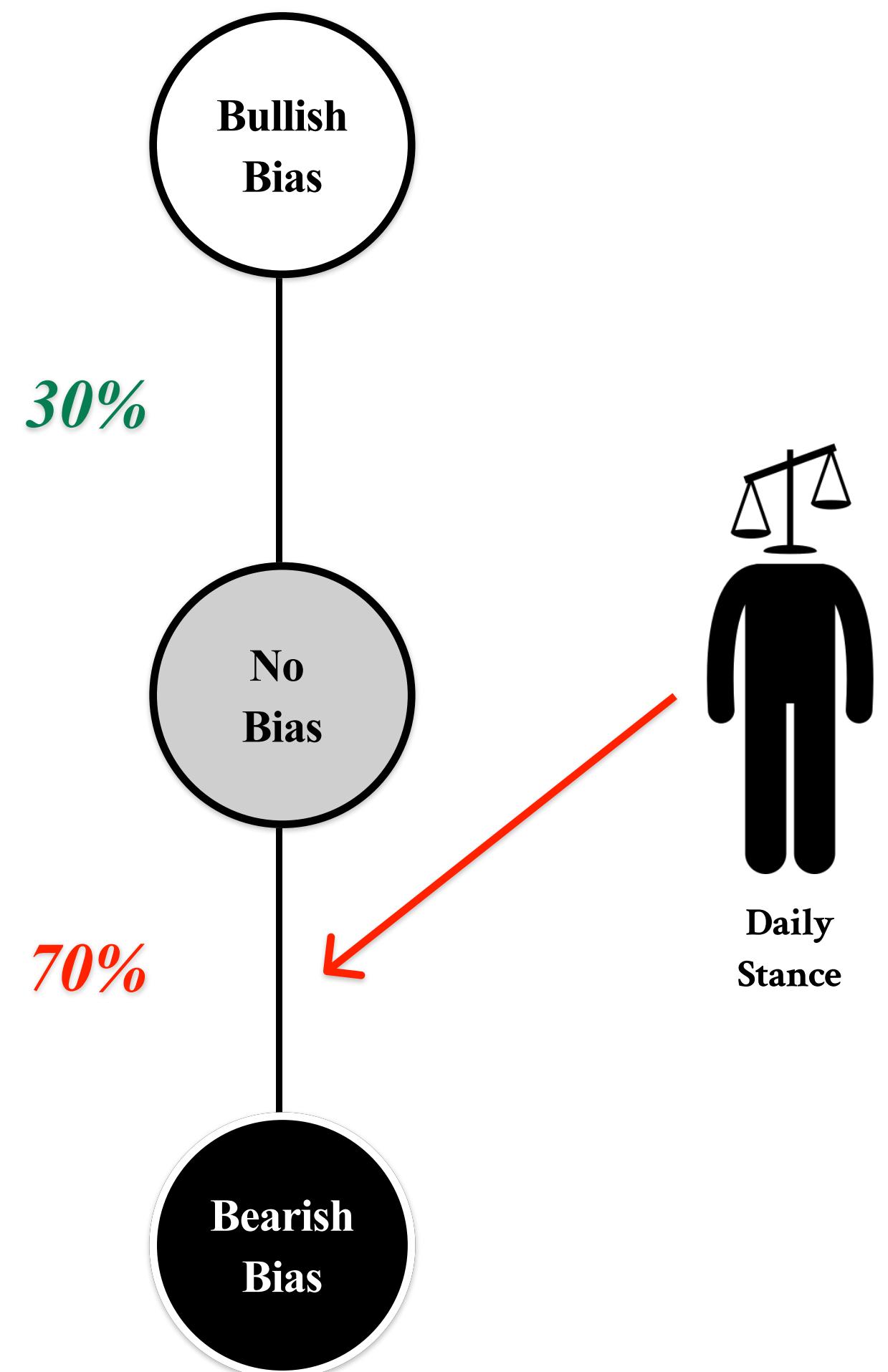
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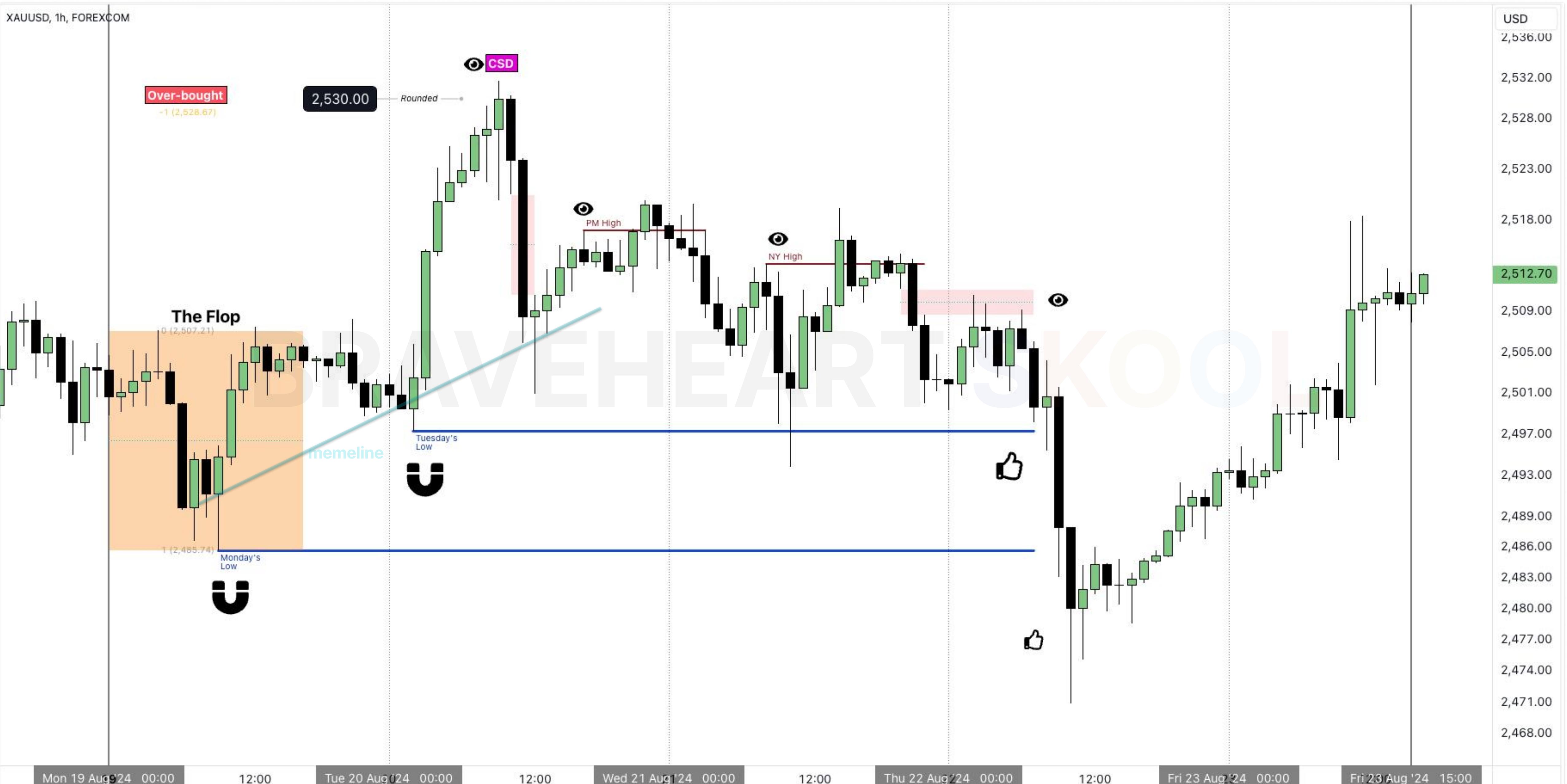
**Action:** Build a Framework & Context for the *NY trading session*

- IPDA tipped its hand to you with the **Purge** and **Anchor Point**
- Anticipate the **Range Expansion** to produce **High Probability** setups.

**Bias Scale**



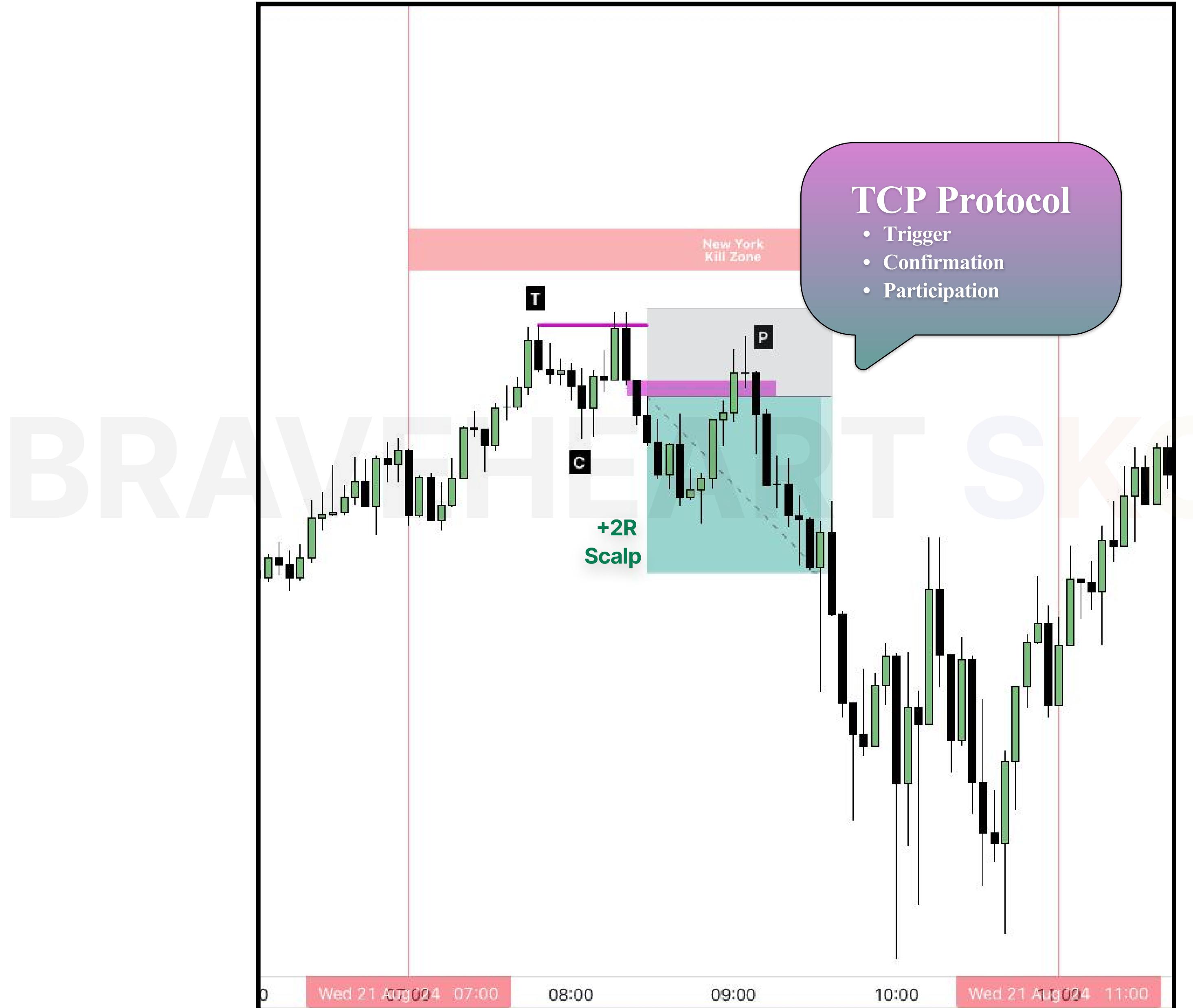
# Daily Stance: Engagement



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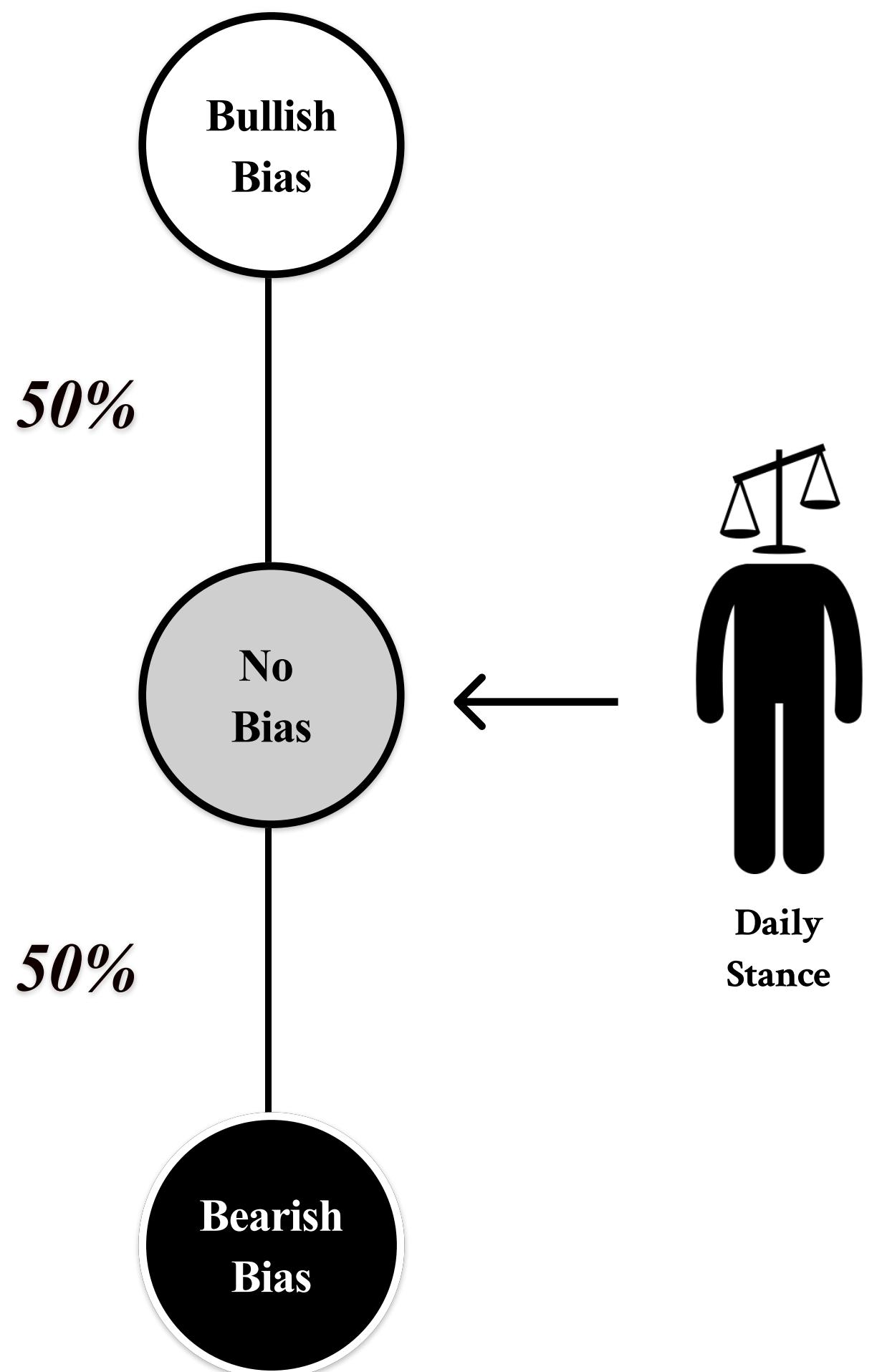
# Daily Stance: *No Bias*

**Situation:** The Economic Calendar suggests heavy **CB Manipulation**

i.e

- NFP or FOMC
- The source will create a Manual Intervention

**Bias Scale**



# Economic Calendar:

## Week 34

This Week: Aug 18 - Aug 24				
Date	Time	Currency	Impact	
Sun Aug 18				
Mon Aug 19	9:15am	USD	🟠	FOMC Member Waller Speaks
Tue Aug 20				
Wed Aug 21	10:30am	USD	🟠	Crude Oil Inventories
	2:00pm	USD	🔴	FOMC Meeting Minutes
Thu Aug 22	8:30am	USD	🔴	Unemployment Claims
	9:45am	USD	🔴	Flash Manufacturing PMI
		USD	🔴	Flash Services PMI
	10:00am	USD	🟠	Existing Home Sales
	Day 1	All	🟠	Jackson Hole Symposium
Fri Aug 23	8:00am	USD	🟠	FOMC Member Bostic Speaks
	10:00am	USD	🔴	Fed Chair Powell Speaks
		USD	🟠	New Home Sales
	11:00am	USD	🟠	FOMC Member Harker Speaks
	Day 2	All	🔴	Jackson Hole Symposium
	12:30pm	USD	🟠	FOMC Member Goolsbee Speaks
Sat Aug 24	Day 3	All	🟠	Jackson Hole Symposium
<a href="#">More</a>				



# Daily Stance: *No Bias*

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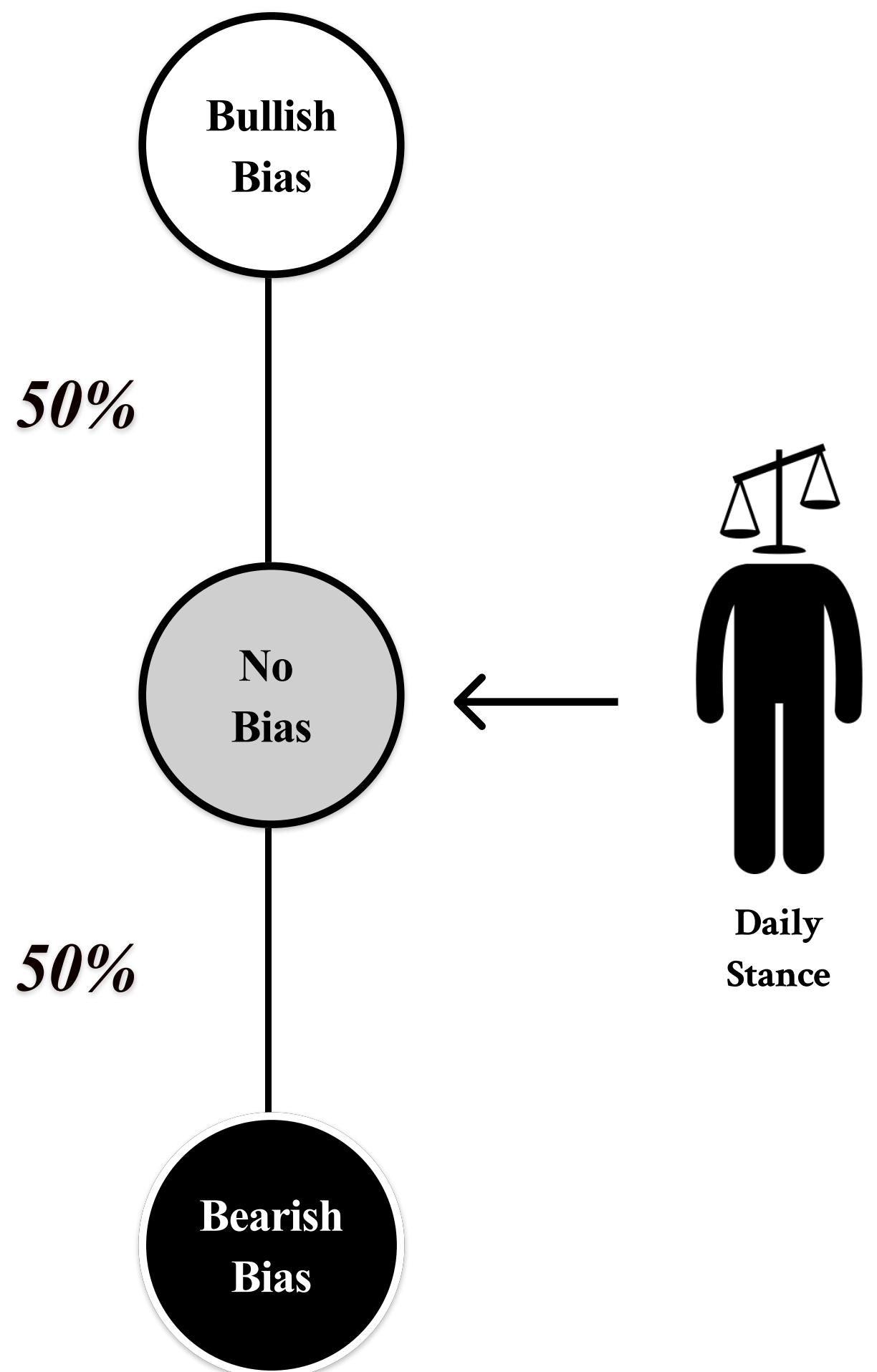
i.e

- NFP or FOMC
- The source will create a Manual Intervention

**Action:** Hold no bias for the Present Day (*& Day Before*)

- Have a soft-bias for the Week (*only before the News Release*)

**Bias Scale**



# Daily Stance: No Bias (FOMC)



# Daily Stance: Engagement



# Daily Stance: No Bias (FOMC)



# Daily Stance: *No Bias*

**Situation:** The Economic Calendar suggests heavy **CB Manipulation**

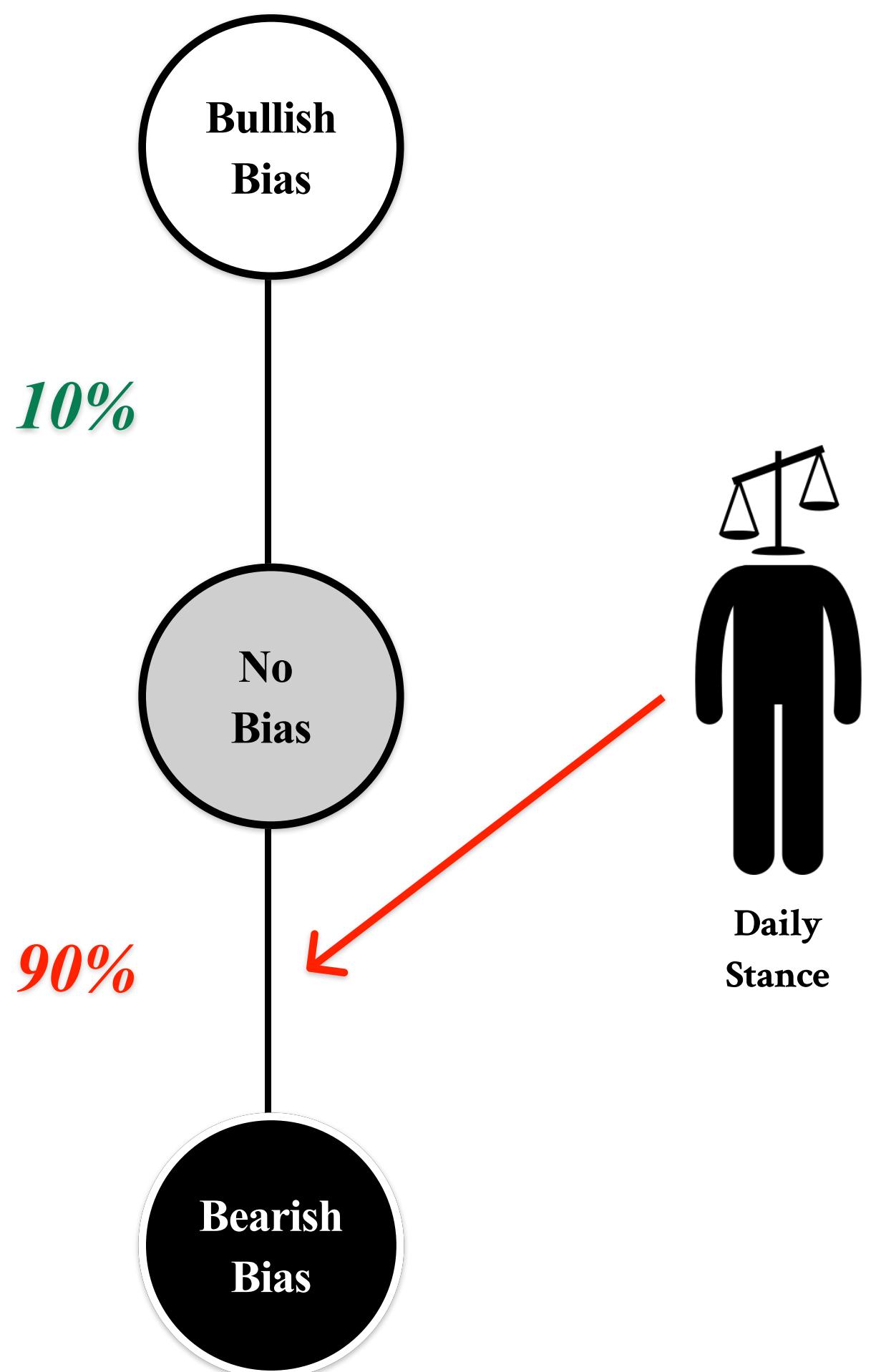
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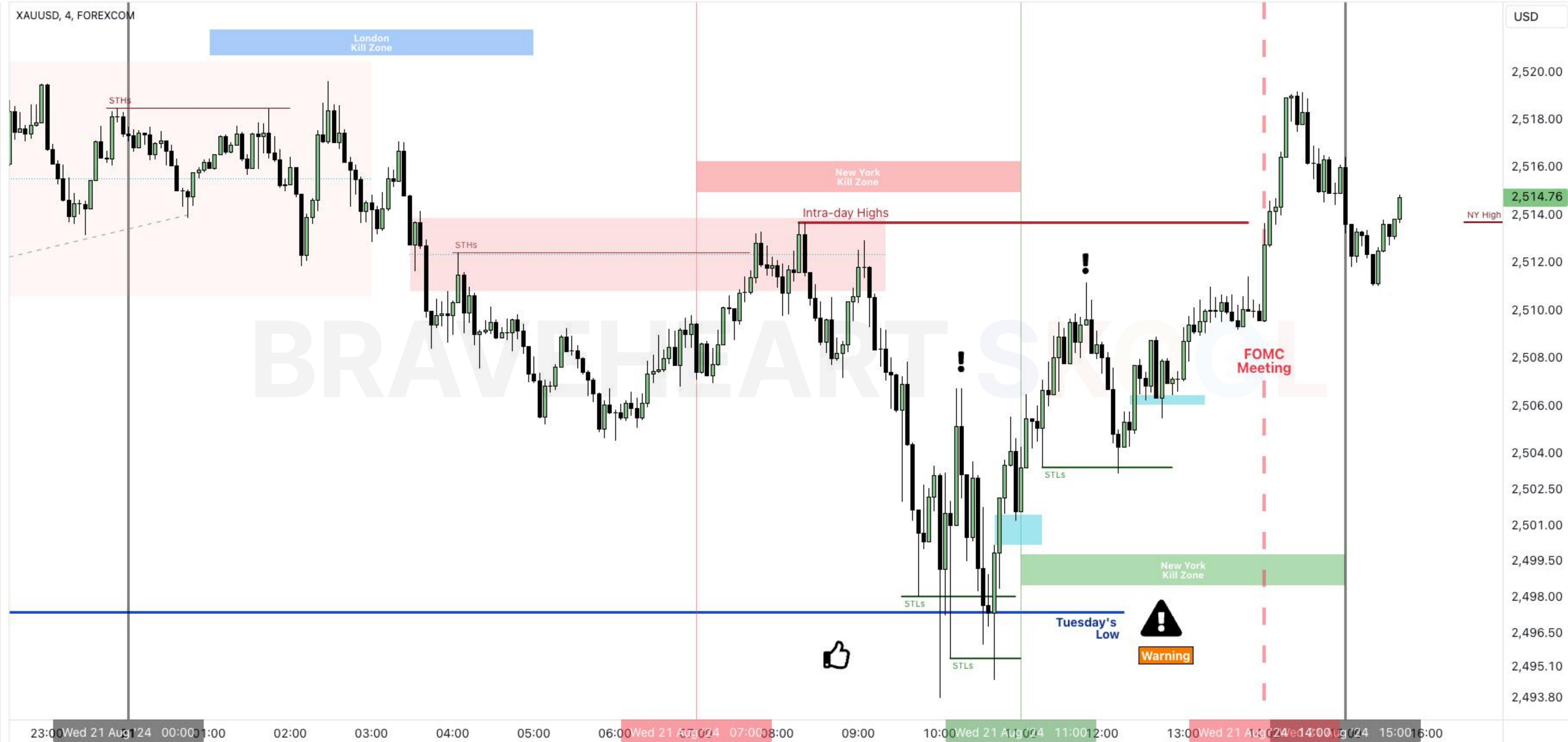
**Action:** Hold no bias for the Present Day (*& Day Before*)

- Have a soft-bias for the Week (*only before the News Release*)
- Hold no bias until the News Release (*and then engagement*).

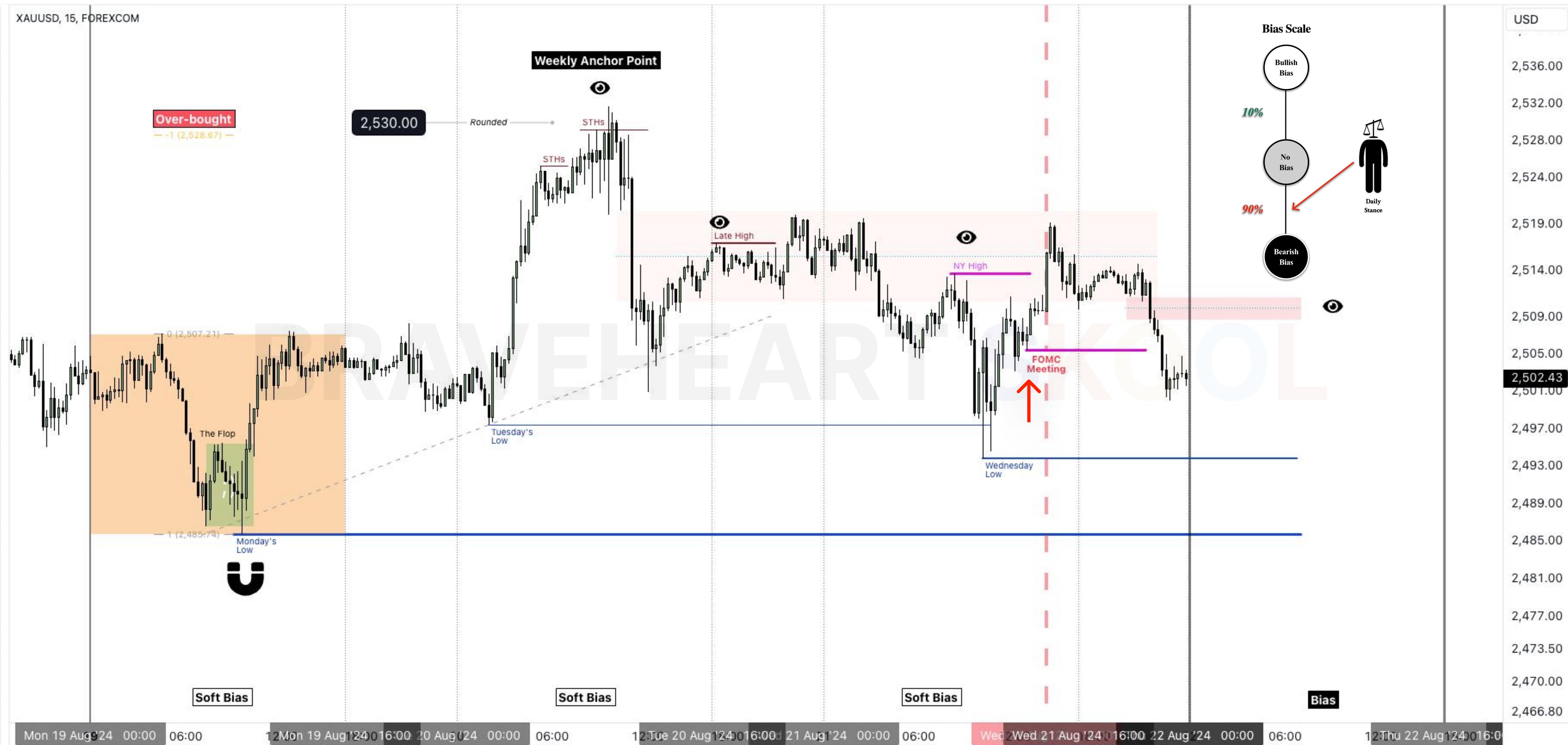
**Bias Scale**



# Daily Stance: FOMC



# Daily Stance: FOMC



# Daily Stance: Bearish Bias (*after FOMC*)



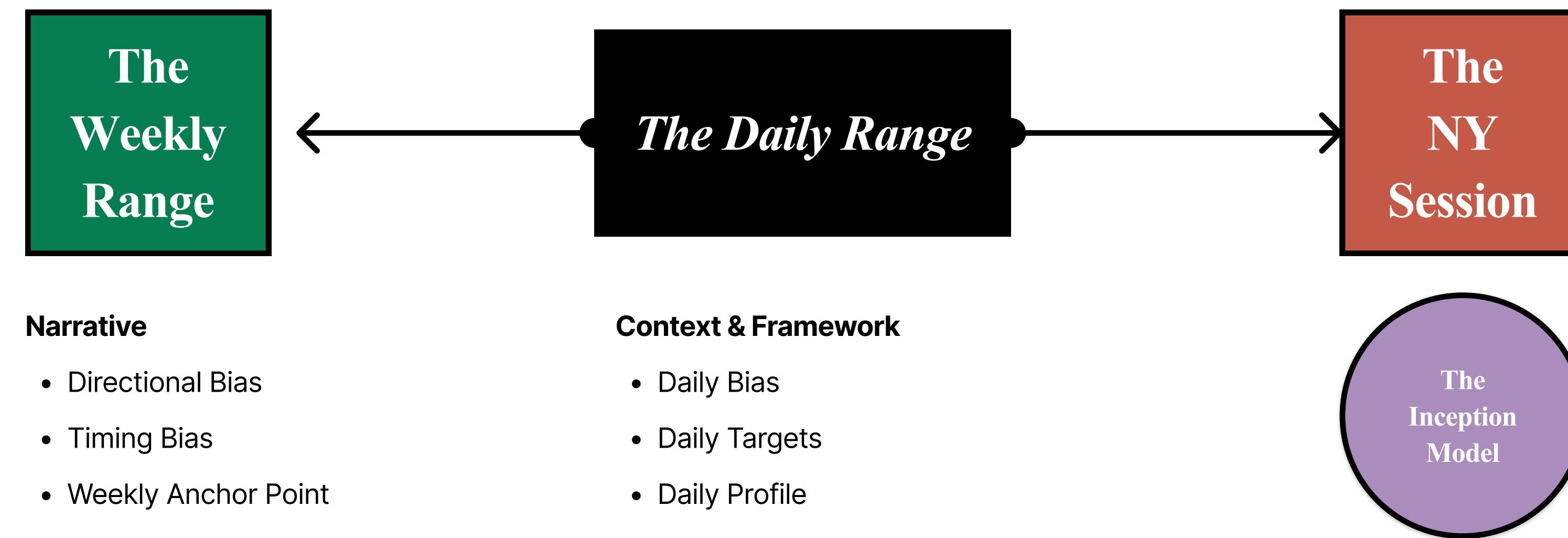
*Now that we understand how to play the Day-trading Game...*

**Lets get to building Framework.**

# The Inception Model *Process*



# Inception Model *Framework*



# **Daily Range Framework:**

**Step 1:** Daily Bias (Stance)

**Step 2:** Daily Targets (ST & LT)

**Step 3:** Daily Profile (London Anchor Point)

**Step 4:** The Inception Model

*Next Module we are going to start building Daily FRAMEWORK*

# Summary

## Summary of Daily Context

1. **Narrative to Framework** is how you *connect* HTF Ranges to LTF Ranges
2. **Context & Framework** is why your *Trade Setup* should come to fruition.
3. **Daily Bias** is how you approach the *present day* of trading ([following Narrative](#))
4. **Start** by creating a **stance** for the present day, considering the **rules** of the Day-trading Game.

Cya. Bye.

