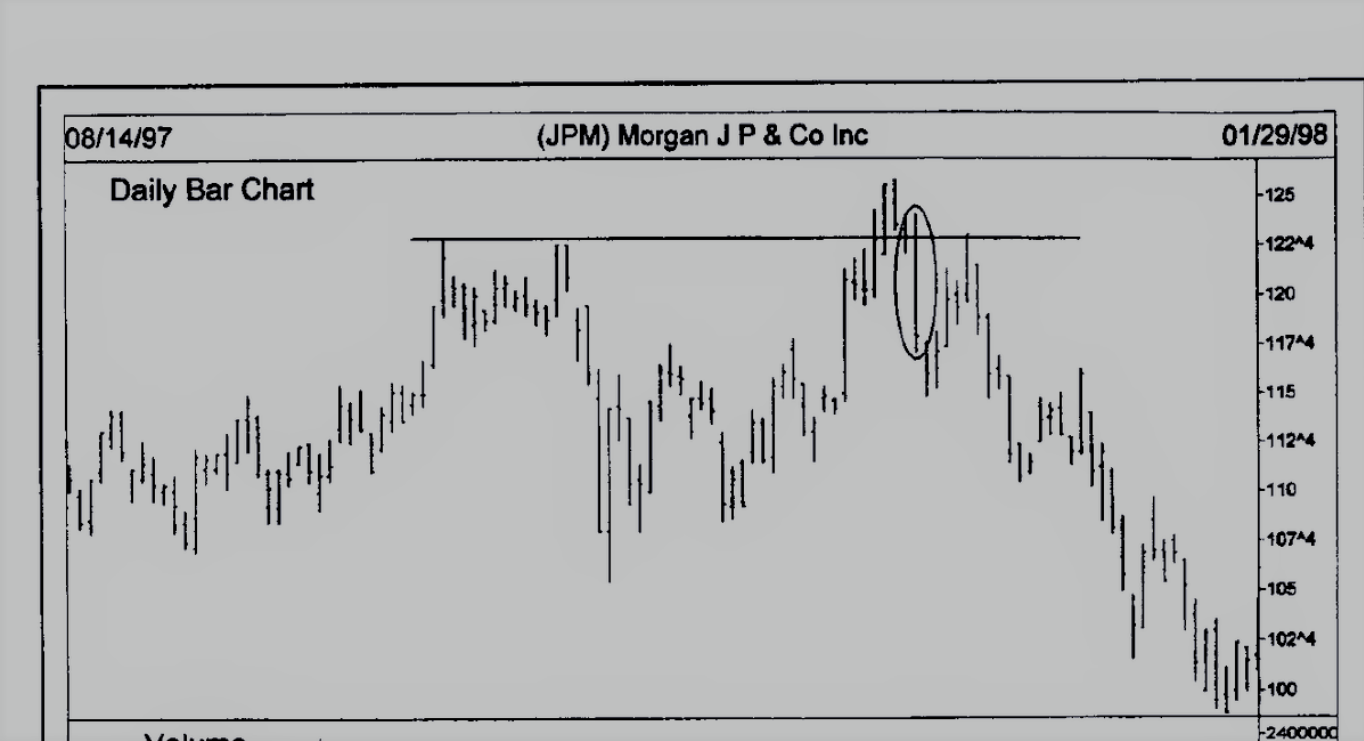


MEGA-THREAD on identifying high probability buy and sell zones in trading.

Although many books try to explain it (like in the pic), I have taken real world examples from the past 5 years to explain it better.

If you like it, please do share.



Entering a trade near the order bloc gives the highest probability of trend identification.

An order bloc is formed by accumulation of buy/sell orders in a price range.

If in a price range, the buys are more than the sells, a demand order bloc is formed and vice versa.

The most important things to remember.

1. Identify the initial trend.
2. Look for formation of accumulation.
3. Wait for re-test and identify the kind of order block (demand or supply block)
4. Wait for breakdown or breakout.
5. Enter the trade.

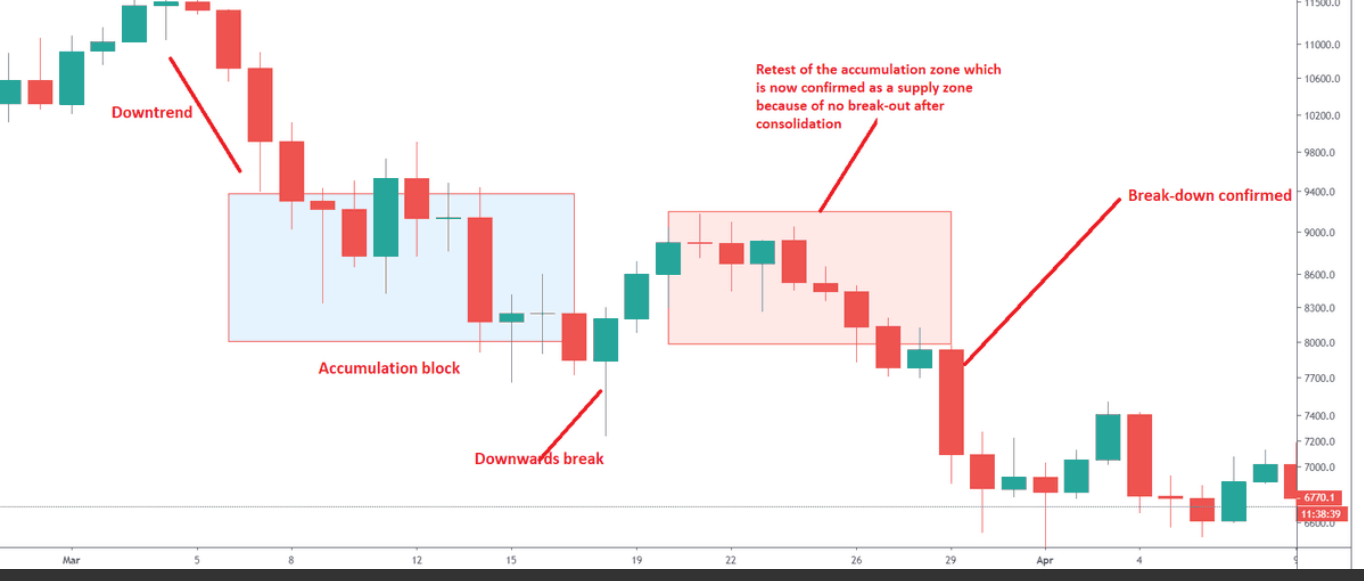
There are total 4 types of trends which help us decide the buy or sell zones.

- A. Downward continuous
- B. Upwards continuous
- C. Upwards reversal
- D. Downwards reversal

A. Downwards Continuous

The trend is downwards. An accumulation zone is formed. Few bullish candles try to breakout for reversal but fail. On retest, the accumulation zone is confirmed as a supply zone.

A safe entry is made after the breakdown.



It's a safe entry because we have waited for the confirmation of

The accumulation zone being confirmed of a supply zone.

Retest of the supply zone which didn't lead to any breakout.

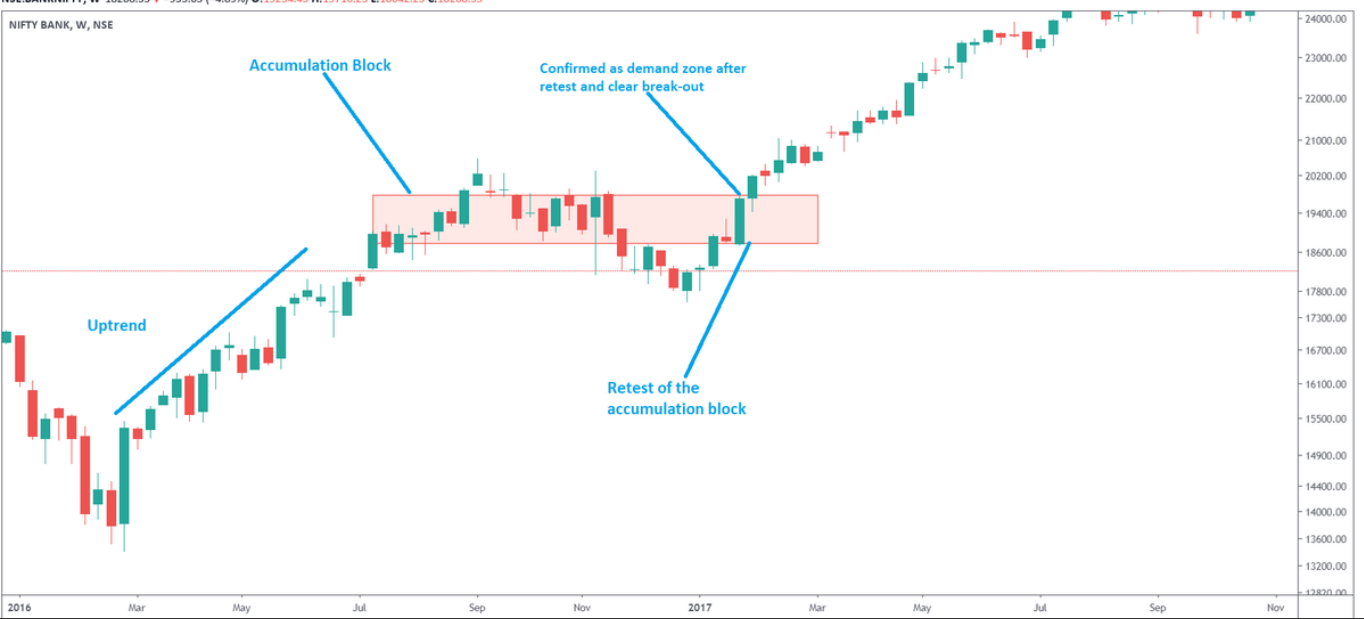
Entering a trade only after a confirmed breakdown.

B. Upwards continuous

Here we see a clear uptrend. Then we see an uncertainty which leads to an accumulation zone. This accumulation zone is then retested and confirmed as a demand order bloc.

We enter the trade after a breakout.

I hope you guys noticed the fake breakdown here



C. Upwards reversal

Here we see a clear downtrend. After a consolidation, a demand zone is formed (accumulation). This demand zone is then retested and a clear upwards breakout is noticed, leading to an upwards reversal.



D. Downwards reversal

Same Explanation as above, just the opposite scenario.



I hope this has helped. I tried to explain all the possible scenarios. I wait for these levels during day trading. It's a comprehensive guide, please go through it several times.

You might not understand it initially, but after a few readings, you will definitely understand.