

# ICT Monthly Mentorship

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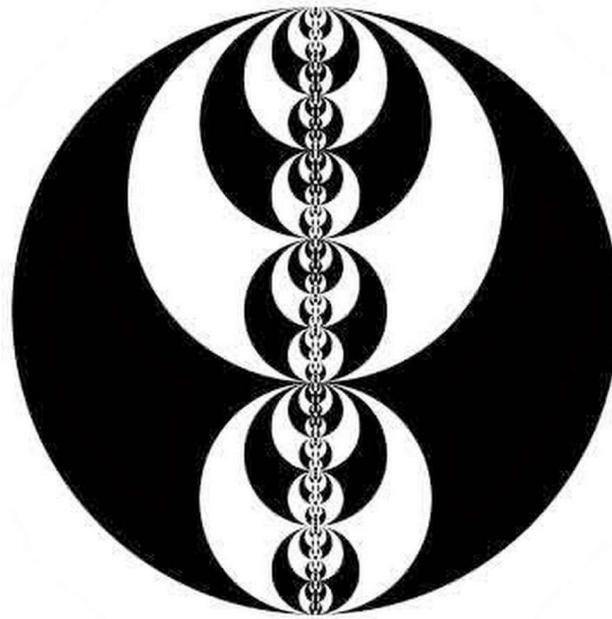
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June 2017

# ICT Mentorship

## Study Notes

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# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Commitment Of Traders – How I Use The Data]

### Commitment Of Traders Report

JAPANESE YEN - CHICAGO MERCANTILE EXCHANGE FUTURES ONLY POSITIONS AS OF 05/30/17										Code-097741
NON-COMMERCIAL		COMMERCIAL		TOTAL		NONREPORTABLE POSITIONS				
LONG	SHORT	SPREADS	LONG	SHORT	LONG	SHORT	LONG	SHORT		
(CONTRACTS OF JPY 12,500,000)										OPEN INTEREST: 213,727
COMMITMENTS										
43,404	95,679	4,941	143,450	76,426	191,795	177,046	21,932	36,681		
CHANGES FROM 05/23/17 (CHANGE IN OPEN INTEREST: 2,429)										
1,484	2,103	596	146	1,959	2,226	4,658	203	-2,229		
PERCENT OF OPEN INTEREST FOR EACH CATEGORY OF TRADERS										
20.3	44.8	2.3	67.1	35.8	89.7	82.8	10.3	17.2		
NUMBER OF TRADERS IN EACH CATEGORY (TOTAL TRADERS: 120)										
37	36	20	28	37	76	82				

### The Raw Data

Found on [www.CFTC.gov](http://www.CFTC.gov)

Futures Contract Only Short Format

CME – Chicago Mercantile Exchange

Japanese Yen Futures Contract

Commercial Long Positions = 143450 contracts

Commercial Short Positions = 76426 contracts

Commercial Net Position = 67024 contracts Long

This tells us **nothing** about their current hedging program... let's look deeper!

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## ICT Commodity Trading Concepts

[Commitment Of Traders – How I Use The Data]

### Net Traders Position Line Chart



### Tracking The Three Main Class Of Traders

Found on [www.barchart.com](http://www.barchart.com)

Plot Daily Chart With Net Traders Position Line Chart

Duration Displayed = One Year Of Price Action

Commercial Traders are shown in RED

Large Traders are shown in GREEN

Small Speculators are shown in BLUE

I want you to visually see the hedging programs by the Commercial Traders.

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## ICT Commodity Trading Concepts

[Commitment Of Traders – How I Use The Data]

### The Commercial Hedging



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[Commitment Of Traders – How I Use The Data]

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## ICT Commodity Trading Concepts

[Commitment Of Traders – How I Use The Data]

### Net Traders Position Line Chart



### The Commercial Hedging Programs

- ◊ If Commercials are above or below the Net Zero Line both sides of the market can be used to Trade.
- ◊ The current “range” of the Commercials Net Position is referred to.
- ◊ If Institutional Order Flow is Bullish – blend Discount PD Arrays and 12/6 month Net Long Commercial readings for Long Trades.
- ◊ If Institutional Order Flow is Bearish – blend Premium PD Arrays and 12/6 month Net Short Commercial readings for Short Trades.
- ◊ The best conditions are seen when both Net Zero basis agree with Institutional Order Flow and PD Array Matrix confluences.

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## ICT Commodity Trading Concepts

[Commitment Of Traders – How I Use The Data]

### Net Traders Position Line Chart



### The Long Term Commercial Activity

- ❖ The Net Zero Line delineates the Net Buying and or Net Selling.
- ❖ Retail Traders that know about the Net Traders Position Chart only look at whether Commercials are Net Long for Bullishness or Net Short for Bearishness on a market.
- ❖ The Smart Money can be tracked by focusing on the 12 month and 6 month range of the Commercial Net Position.
- ❖ If Commercials are above Net Zero Line = focus on 12/6 month net long.
- ❖ If Commercials are below Net Zero Line = focus on 12/6 month net short.
- ❖ Blend these conditions with PD Array Matrix and Institutional Order Flow for optimal results in directional analysis.

# **ICT Monthly Mentorship**

## **ICT Commodity Trading Concepts**

[Relative Strength Analysis – Professional Accumulation & Distribution]

### **Agricultural**

**Grains** – Corn, Wheat, Soybeans

**Livestock** – Feeder Cattle, Lean Hogs, Live Cattle

**Foods** – Cocoa, Orange Juice, Coffee, Sugar

**Fibers** – Cotton

### **Financial**

**Debt** – T Bonds, 10 Yr. Note, 5 Yr. Note

**Currencies** – Aus \$, Can \$, Yen, Pound, Franc, Euro, NZ \$

**Metals** – Gold, Silver, Copper

**Energies** – Crude Oil

# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Relative Strength Analysis – Professional Accumulation & Distribution]

### Institutionally Sponsored Rally

The Market tends to trade higher energetically as a Leader Market and establishes the underlying direction opposite to DX.

These markets are extremely profitable – our aim is to focus on these markets as they'll be the strongest upside movers.

Short Term Highs are seen broken and declines are shallow in nature. The upswings and up closing candles are typically much larger than those that close lower or move lower.

\* Key Focal Point Is A Failure To Trade Lower – Divergence.

### Underlying Price Strength



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Relative Strength Analysis – Professional Accumulation & Distribution]

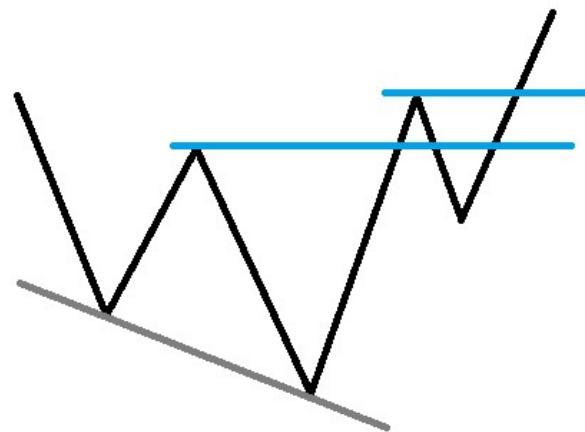
### Sympathetic Rally

The Market tends to trade higher in sympathy to the Leader Market that establishes the underlying direction.

While these markets are potentially profitable – our aim is to focus on the Leadership Markets for the strongest rallies.

Short Term Highs are seen broken and declines are shallow in nature. The upswings and up closing candles are typically much larger than those that close lower or move lower.

### Sympathetic Price Strength



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## ICT Commodity Trading Concepts

[Relative Strength Analysis – Professional Accumulation & Distribution]

### Institutionally Sponsored Decline

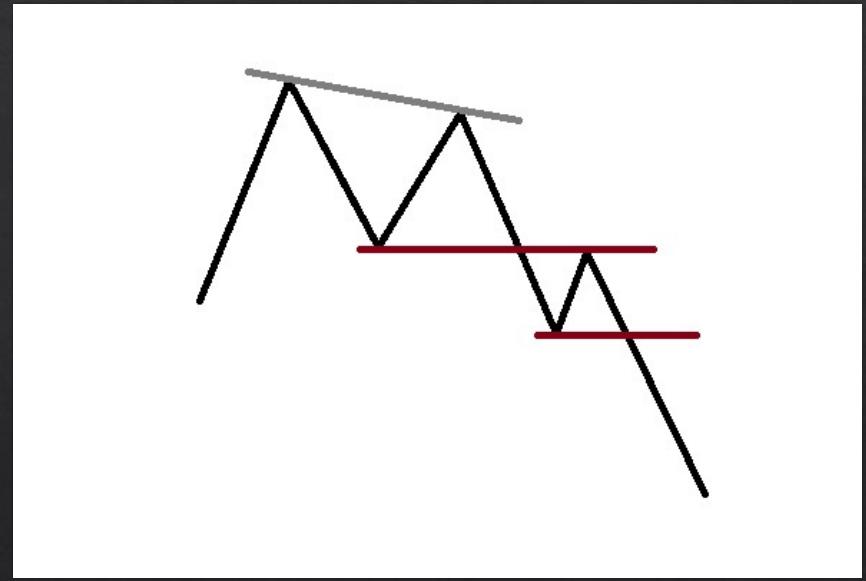
The Market tends to trade lower energetically as a Leader Market and establishes the underlying direction opposite to DX.

These markets are extremely profitable – our aim is to focus on these markets as they'll be the strongest downside movers.

Short Term Lows are seen broken and rallies are shallow in nature. The downswings and down closing candles are typically much larger than those that close higher or move higher.

\* Key Focal Point Is A Failure To Trade Higher – Divergence.

### Underlying Price Weakness



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## ICT Commodity Trading Concepts

[Relative Strength Analysis – Professional Accumulation & Distribution]

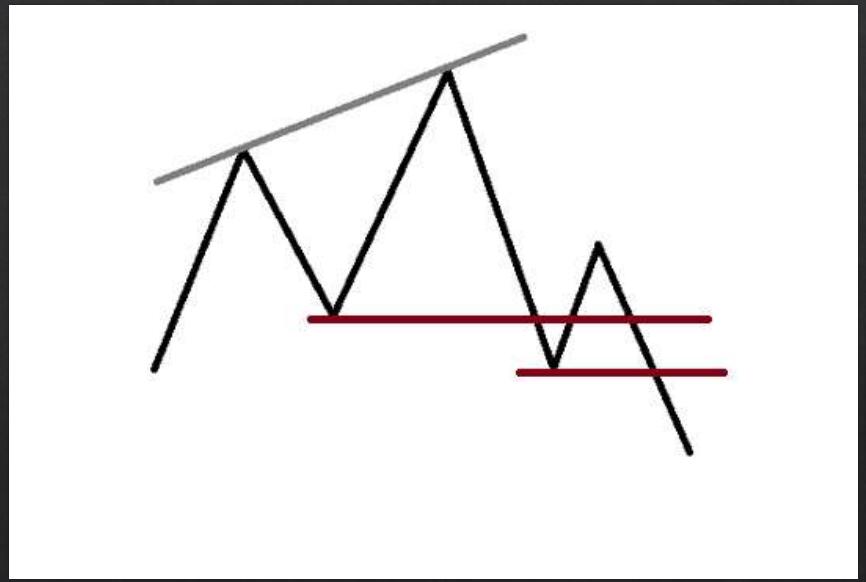
### Sympathetic Decline

The Market tends to trade lower in sympathy to the Leader Market that establishes the underlying downside direction.

While these markets are potentially profitable – our aim is to focus on a Leadership Market for the weakest declines.

Short Term Lows are seen broken and rallies are shallow in nature. The downswings and down closing candles are typically much larger than those that close higher or move higher.

### Sympathetic Price Weakness



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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Corn



**Corn Was Very Weak**

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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Wheat



**Wheat Was Very Weak**

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### US Dollar Index



### Soybeans



Soybeans Were Strong

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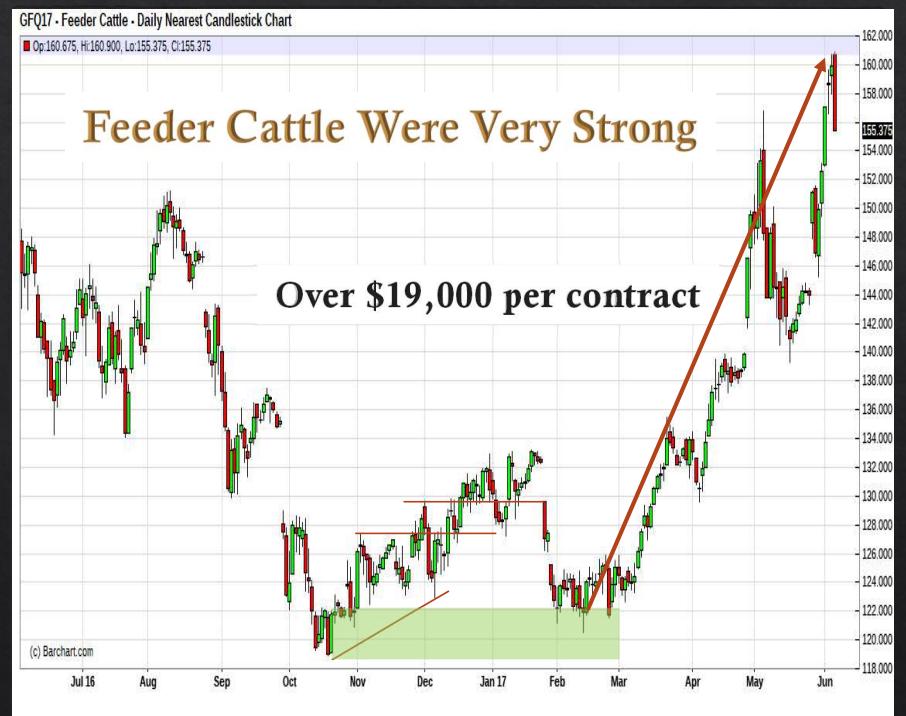
## ICT Commodity Trading Concepts

[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Feeder Cattle



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## ICT Commodity Trading Concepts

[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Lean Hogs



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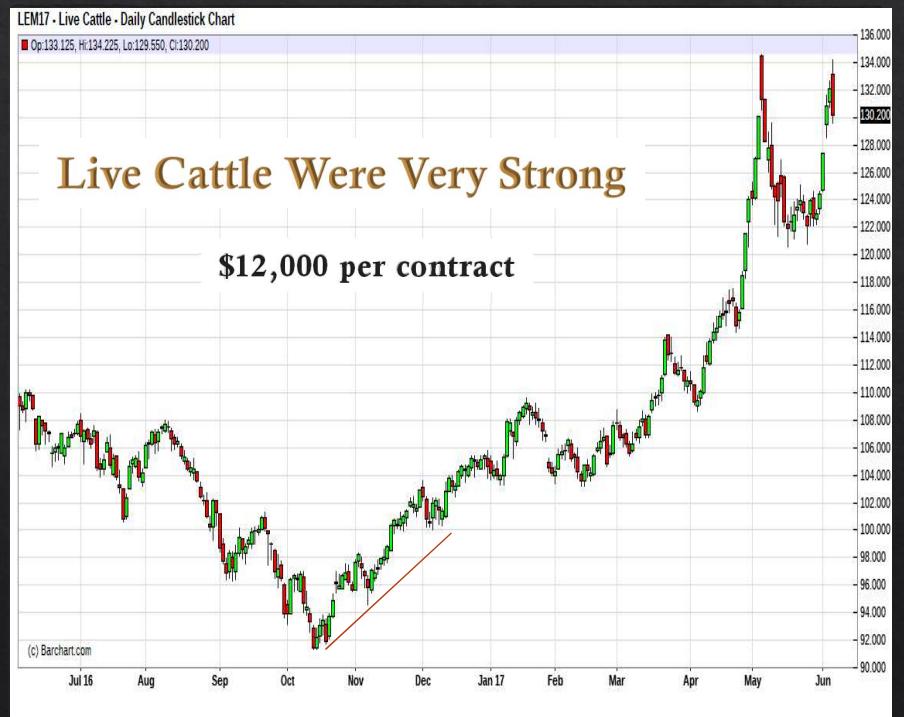
## ICT Commodity Trading Concepts

[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Live Cattle



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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Cocoa



**Cocoa Was Very Weak**

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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Coffee



Coffee Was Weak

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### US Dollar Index



### Sugar



**Sugar Was Weak**

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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Cotton



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### US Dollar Index



### T Bonds



**T Bonds Were Weak**

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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### 10 Year Notes



**10 Year Notes Were Weak**

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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### 5 Year Notes



**5 Year Notes Were Weak**

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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Australian Dollar



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### US Dollar Index



### Canadian Dollar



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### US Dollar Index



### Japanese Yen



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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### British Pound



Pound Was Weak

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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Swiss Franc



Francs Were Strong

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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Euro Dollar



Euro Was Strong

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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### New Zealand Dollar



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### US Dollar Index



### Gold



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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Silver



**Silver Was Modestly Strong**

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[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### High Grade Copper



Copper Was Very Strong

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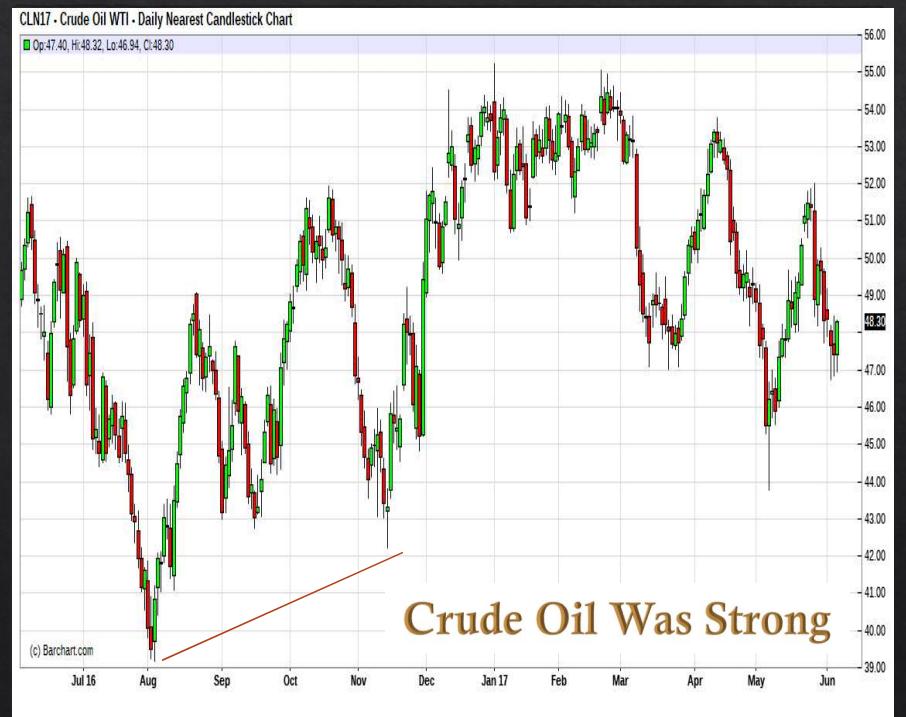
## ICT Commodity Trading Concepts

[Relative Strength Analysis – Professional Accumulation & Distribution]

### US Dollar Index



### Crude Oil



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## ICT Commodity Trading Concepts

[Relative Strength Analysis – Professional Accumulation & Distribution]

### Agricultural

**Grains** – Corn, Wheat, Soybeans

**Livestock** – Feeder Cattle, Lean Hogs, Live Cattle

**Foods** – Cocoa, Orange Juice, Coffee, Sugar

**Fibers** – Cotton

### Financial

**Debt** – T Bonds, 10 Yr. Note, 5 Yr. Note

**Currencies** – Aussie, Can \$, Yen, Pound, Franc, Euro, Kiwi

**Metals** – Gold, Silver, Copper

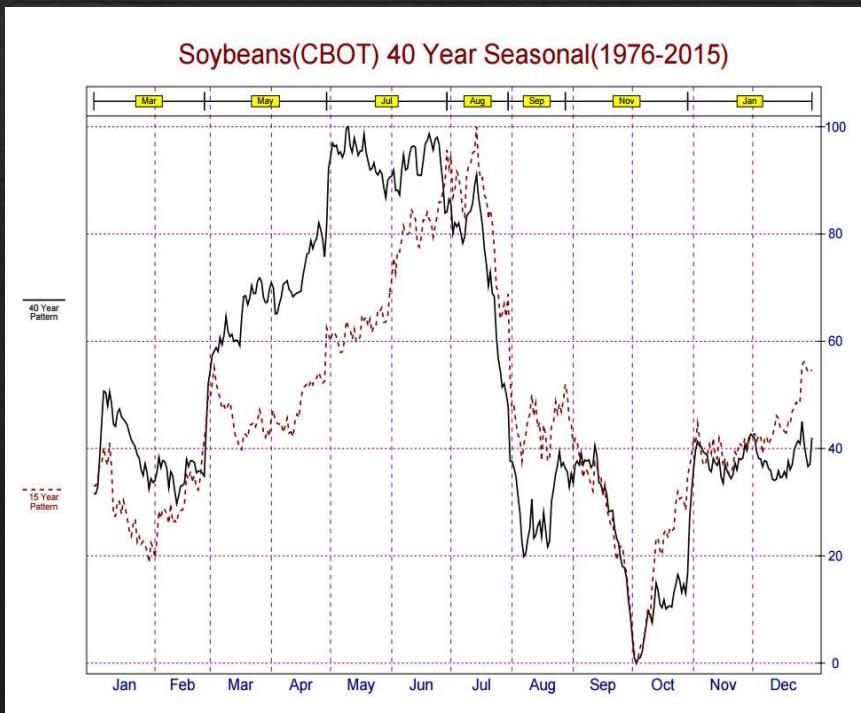
**Energies** – Crude Oil

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## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Soybeans

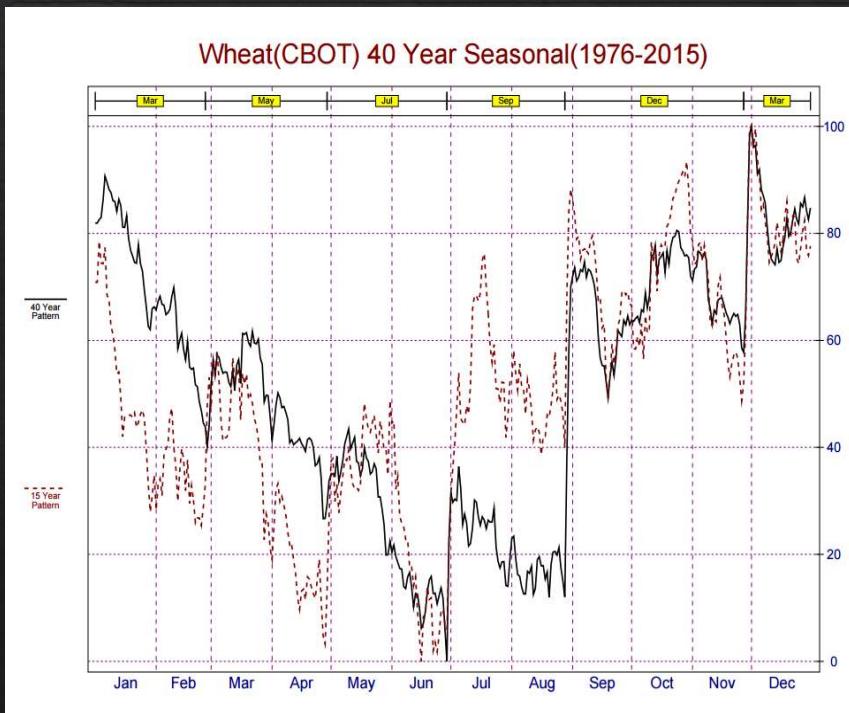


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Wheat

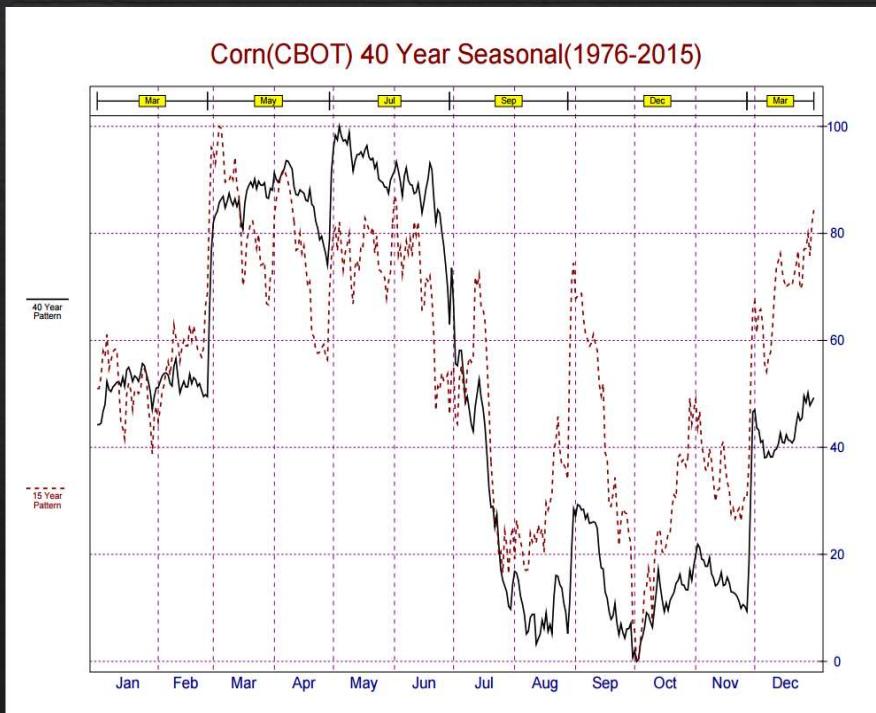


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Corn

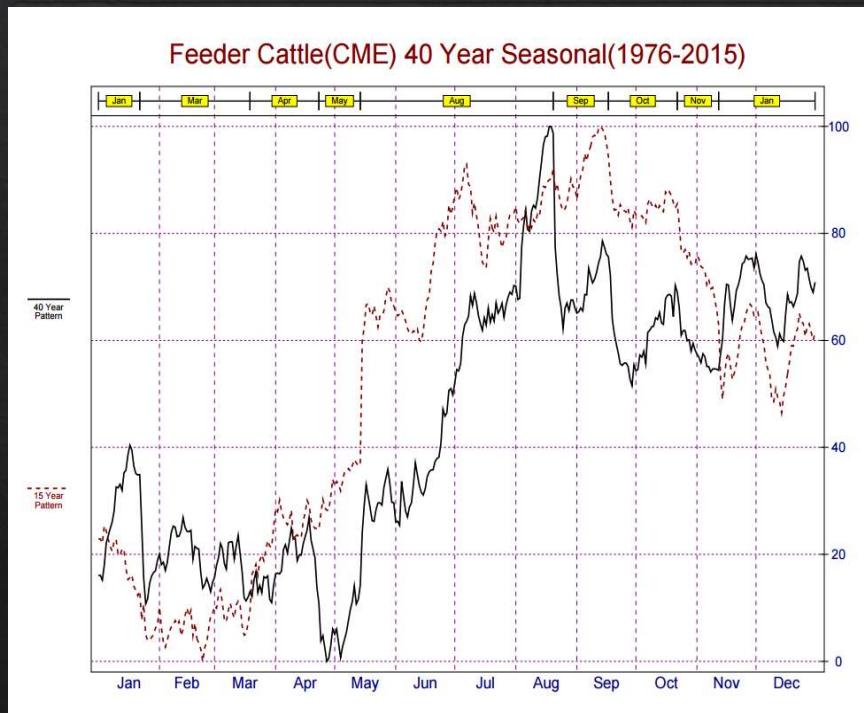


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Feeder Cattle

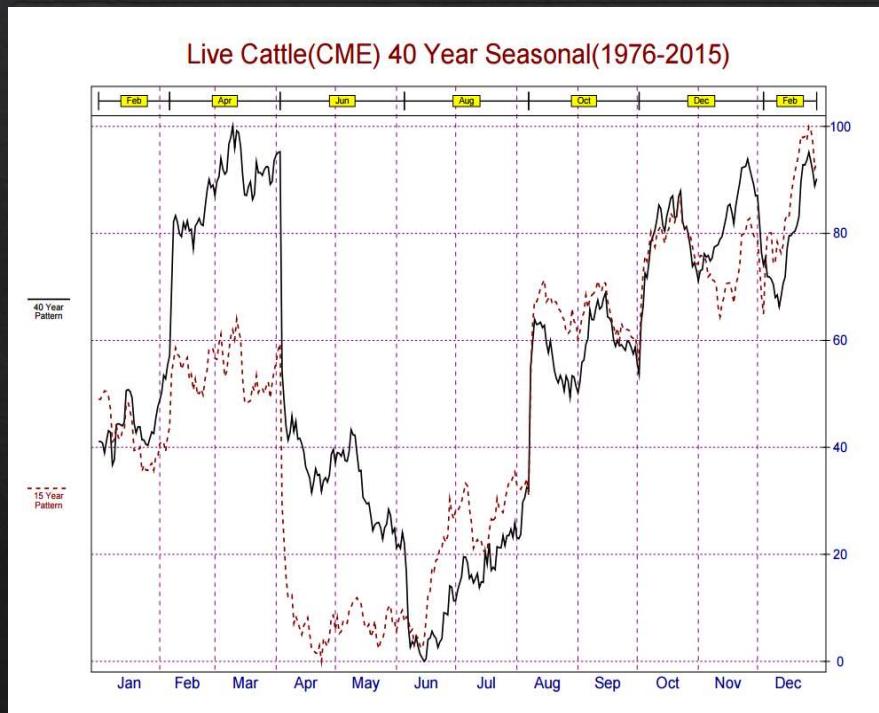


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Live Cattle

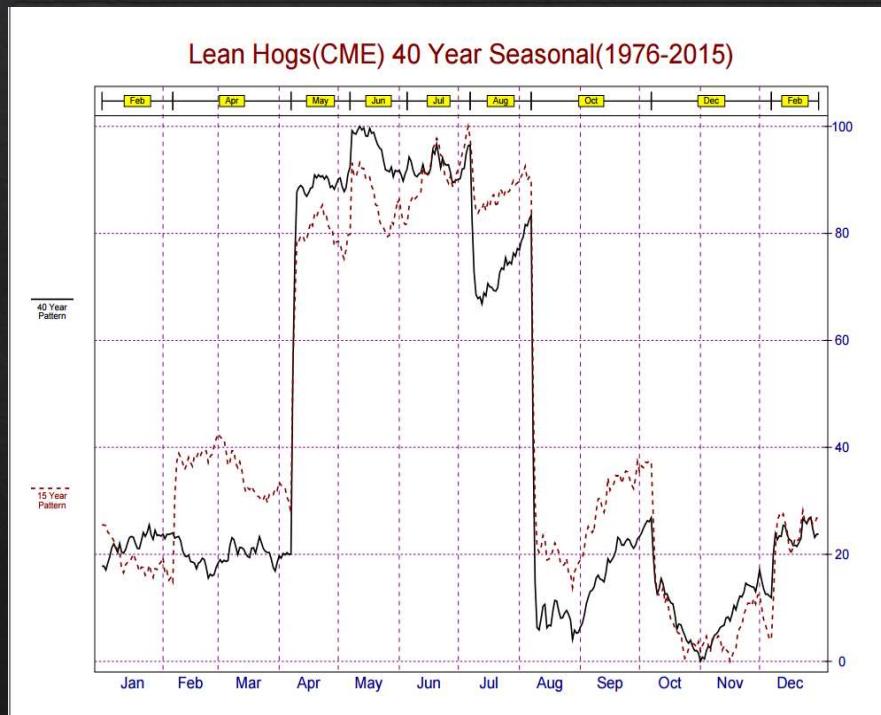


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## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Lean Hogs

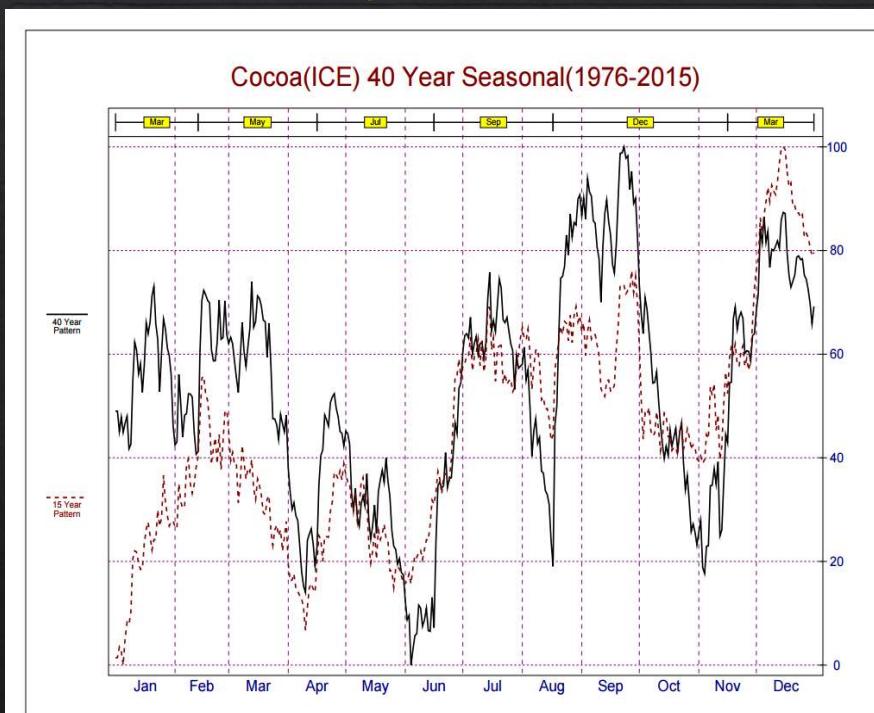


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Cocoa

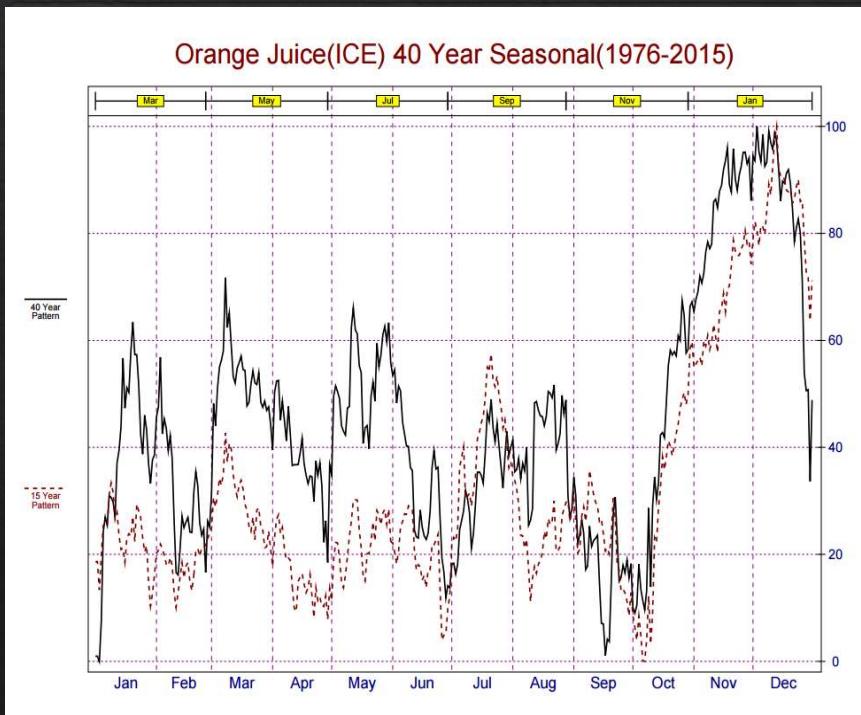


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Orange Juice



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Coffee

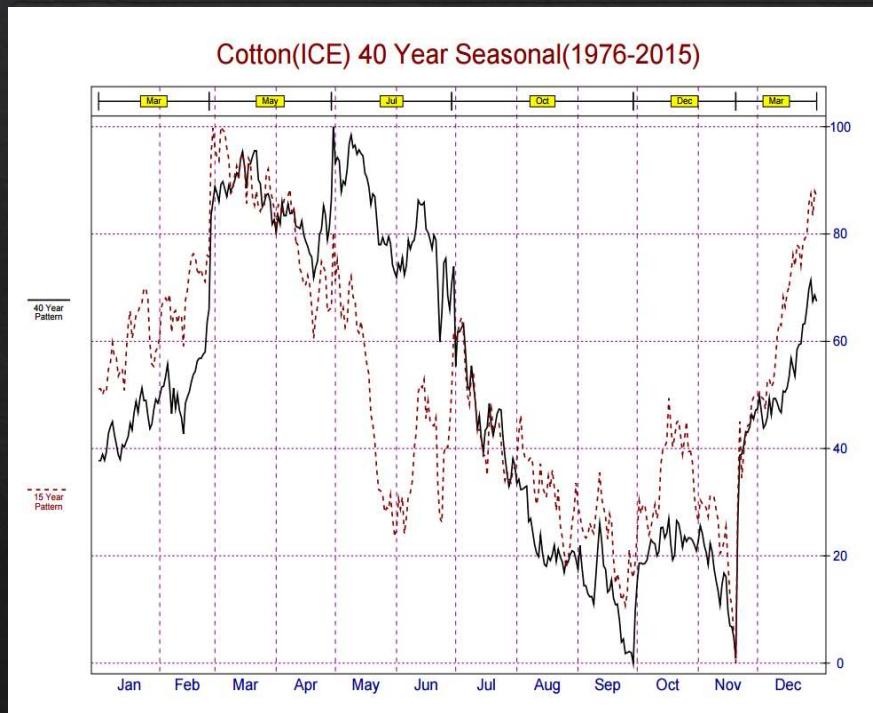


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Cotton

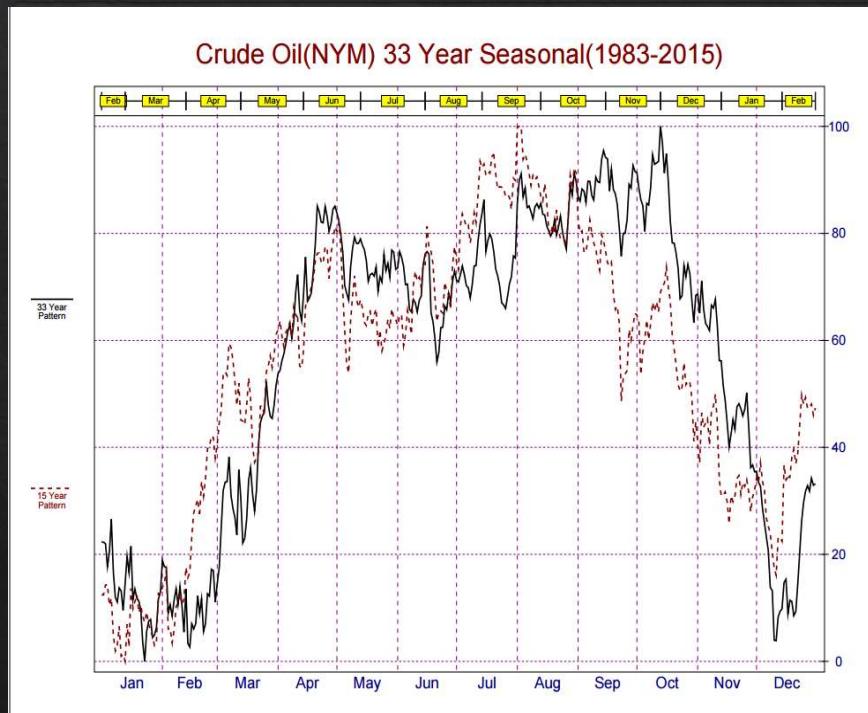


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## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Crude Oil

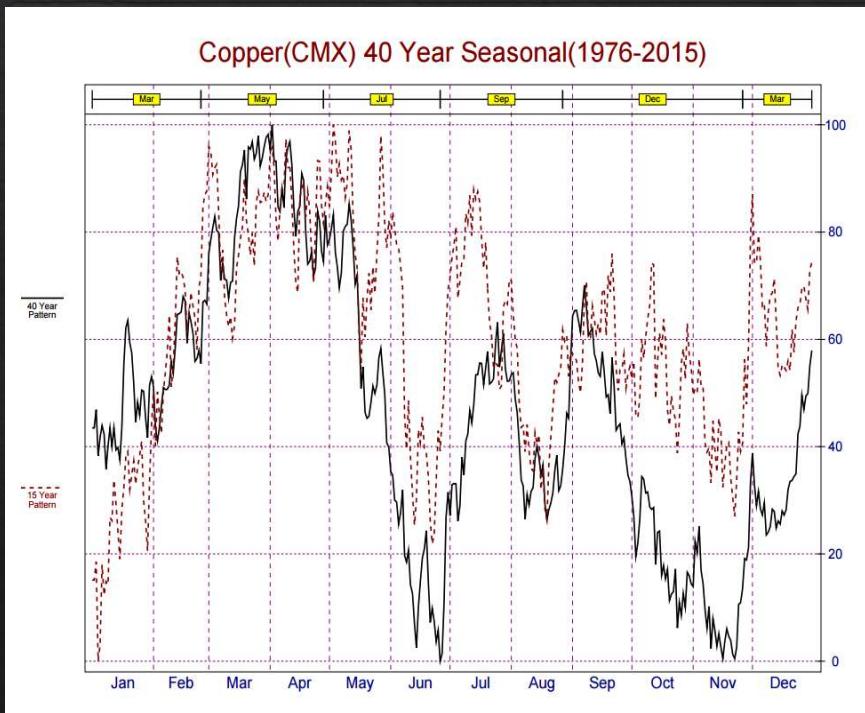


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Copper

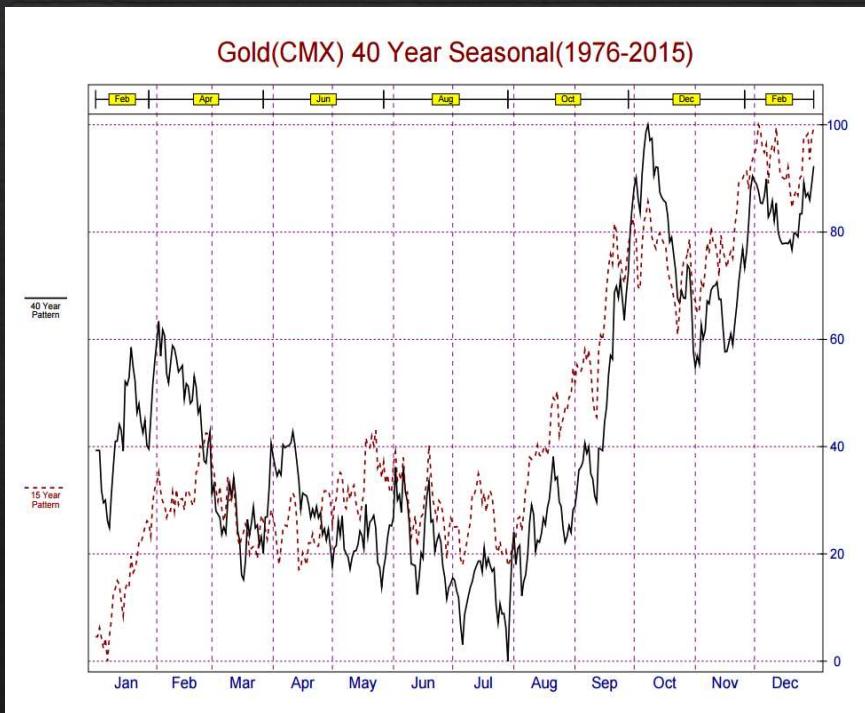


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Gold

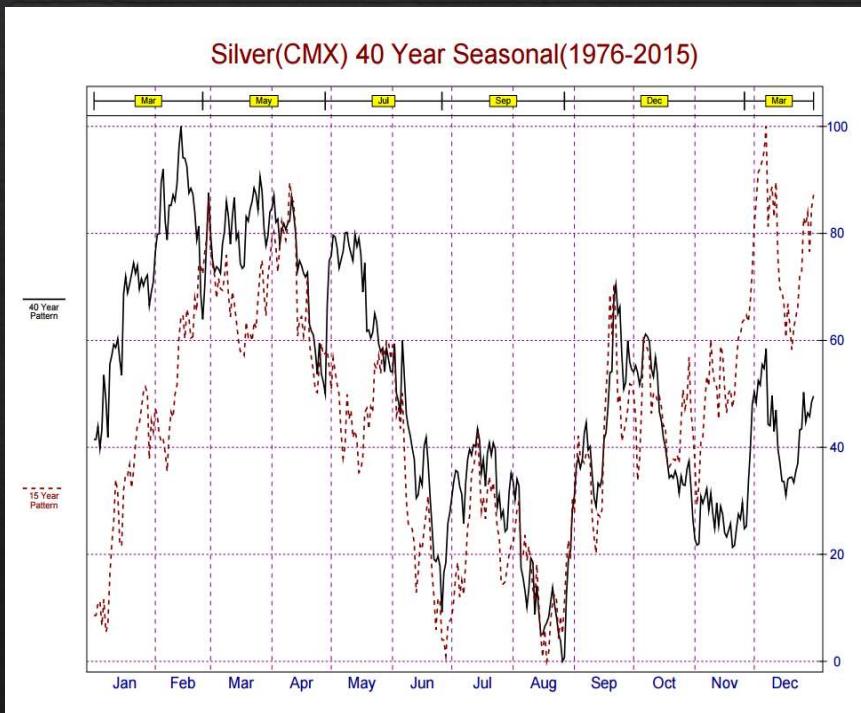


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Seasonal Tendencies]

### Seasonal Tendency



### Silver



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## ICT Commodity Trading Concepts

[Premium Vs. Carrying Charge Markets ]

The screenshot shows the Barchart website interface. At the top, there's a navigation bar with links for Stocks, Futures, Forex, Options, ETFs & Funds, News, My Barchart, Premium Services, Report a Bug, Give Feedback, Market: USA, Log In or Sign Up, and social media links for Facebook, Twitter, and LinkedIn.

The main content area displays a quote for "Cotton #2 Dec '17 (CTZ17)" with the price at \$72.96, up +0.28 (+0.39%) at 06:28 CT [CEUS]. It also shows the previous day's price at \$72.93 and a low of \$72.97.

A sidebar on the left provides links to various sections: QUOTES Overview, Performance Report; CHARTS Interactive Chart, Technical Chart; TECHNICALS Technical Analysis, Trader's Cheat Sheet, Barchart Opinion, Trading Strategies, Price History, Comparison; OPTIONS Options Quotes, Volatility & Greeks; SPREADS Futures Spreads, Option Spreads, Synthetic Spreads; and COMMODITY INFO News, Profile, All Futures.

The central part of the page shows a table of all futures contracts for Cotton, sorted by Last price. The table includes columns for Contract, Last, Change, Open, High, Low, Previous, Volume, Open Interest, Time, and Links. Contracts listed include CTY00 (Cash), CTN17 (Jul '17), CTV17 (Oct '17), CTZ17 (Dec '17), CTH18 (Mar '18), CTK18 (May '18), CTN18 (Jul '18), CTV18 (Oct '18), CTZ18 (Dec '18), CTH19 (Mar '19), CTK19 (May '19), CTN19 (Jul '19), CTV19 (Oct '19), CTZ19 (Dec '19), CTH20 (Mar '20), and CTK20 (May '20).

At the bottom of the page, there's a Brugler Report section with a link to "Get the Newsletter". A blue callout box in the bottom right corner says "Add Data Columns to this Table" and "Learn about our Custom Views".

# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Premium Vs. Carrying Charge Markets ]

### Commodity Selection

The screenshot shows the Barchart website interface. At the top, there's a search bar with placeholder text "Search for a Symbol...". Below it, a dropdown menu titled "Select a Commodity" is open, showing categories like "Grains and Oilseeds", "Wheat", "Corn", etc. The main content area displays a table of futures contracts for Cotton, with columns for Contract, Last, Change, Low, Previous, Volume, Open Interest, Time, and Links. A blue box highlights the "Cotton #2 Dec '17 (CTZ17)" row. On the left sidebar, there are sections for Quotes, Charts, Technicals, Options, Spreads, and Commodity Info. At the bottom, there's a "Brugler Report" section with a link to "Get the Newsletter". A blue callout box at the bottom right says "Add Data Columns to this Table" and "Learn about our Custom Views".

Contract	Last	Change	Low	Previous	Volume	Open Interest	Time	Links
CTY00 (Cash)	74.29%	+0.26 (+0.36%)	74.29%	74.52	N/A	N/A	06/07/17	
CTN17 (Jul '17)	76.24	+0.22 (+0.28%)	75.80	75.79	1,394	N/A	06/07/17	
CTV17 (Oct '17)	74.51	+0.22 (+0.30%)	74.37	74.51	4	96	06/07/17	
CTZ17 (Dec '17)	72.94	+0.22 (+0.30%)	72.58	72.68	1,861	0	06/07/17	
CTH18 (Mar '18)	72.75	+0.22 (+0.30%)	72.40	72.49	91	0	05/25 CT	
CTK18 (May '18)	72.81	+0.11 (+0.13%)	72.81	72.81	72.70	1	05/25 CT	
CTN18 (Jul '18)	73.19	+0.22 (+0.30%)	73.03	73.19	11	N/A	05/16 CT	
CTV18 (Oct '18)	70.94	+0.27 (+0.38%)	70.94	70.94	70.67	0	06/07/17	
CTZ18 (Dec '18)	70.58	+0.22 (+0.35%)	70.58	70.58	70.58	11	N/A	05/16 CT
CTH19 (Mar '19)	70.33	+0.33 (+0.51%)	70.33	70.33	70.33	0	06/07/17	
CTK19 (May '19)	70.37	+0.33 (+0.51%)	70.37	70.37	70.04	0	06/07/17	
CTN19 (Jul '19)	70.41	+0.33 (+0.51%)	70.41	70.41	70.08	0	06/07/17	
CTV19 (Oct '19)	70.45	+0.33 (+0.51%)	70.45	70.45	70.12	0	06/07/17	
CTZ19 (Dec '19)	70.49	+0.33 (+0.51%)	70.49	70.49	70.16	0	06/07/17	
CTH20 (Mar '20)	70.55	+0.33 (+0.51%)	70.55	70.55	70.22	0	06/07/17	
CTK20 (May '20)	70.55	+0.33 (+0.51%)	70.55	70.55	70.22	0	06/07/17	

# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Premium Vs. Carrying Charge Markets ]

### Carrying Charge Market



### Soybeans

#### Soybeans Jul '17 (ZSN17)

940-0 +9-2 (+0.99%) 06:14 CT [CBOT]

939-6 x 109 940-0 x 130

ALL FUTURES CONTRACTS for Thu, Jun 8th, 2017

Set Alerts Watchlist

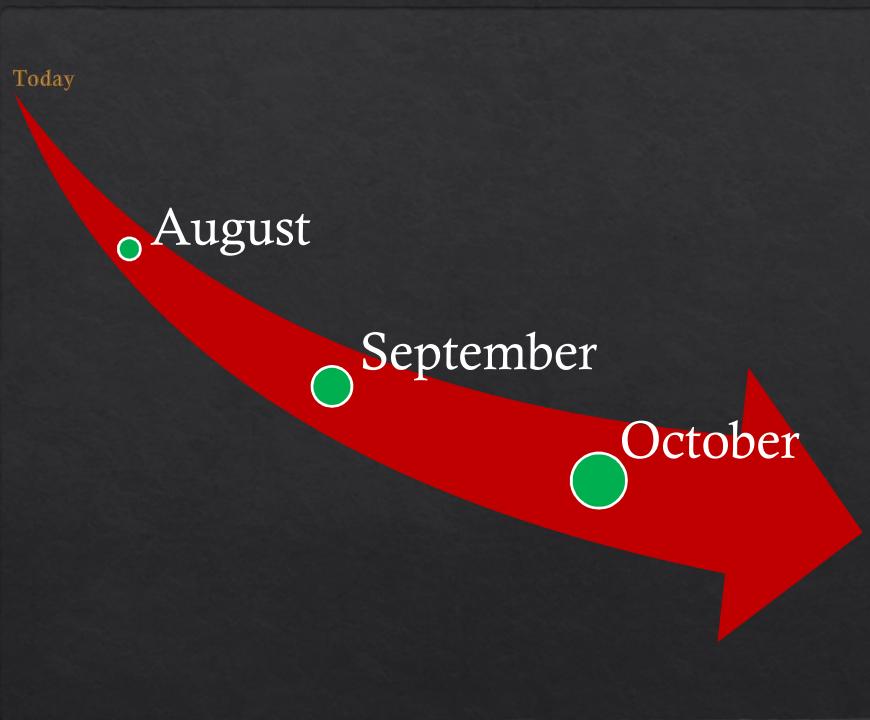
Contract	Last	Change	Open	High	Low
+ ZSY00 (Cash)	905-0s	+7-4	N/A	905-0	905-0
+ ZSN17 (Jul '17)	940-0	+9-2	931-0	940-2	930-6
+ ZSQ17 (Aug '17)	943-4	+9-2	934-0	943-6	934-0
+ ZSU17 (Sep '17)	943-4	+9-6	933-2	943-4	933-2
+ ZSX17 (Nov '17)	945-2	+9-4	935-6	946-0	935-6
+ ZSF18 (Jan '18)	952-6	+9-2	942-4	952-6	942-4
+ ZSH18 (Mar '18)	955-6	+7-6	948-0	956-0	948-0
+ ZSK18 (May '18)	961-0	+7-0	957-2	961-0	957-2
+ ZSN18 (Jul '18)	967-0	+7-0	964-2	967-0	962-6
+ ZSQ18 (Aug '18)	958-0s	+2-0	959-6	965-6	958-0
+ ZSU18 (Sep '18)	948-2s	+2-2	952-6	958-0	948-0
+ ZSX18 (Nov '18)	946-0	+5-2	944-0	947-0	942-4
+ ZSF19 (Jan '19)	945-4s	-0-2	0-0	945-4	945-4
+ ZSH19 (Mar '19)	945-0s	-0-2	0-0	945-0	945-0
+ ZSK19 (May '19)	946-2s	-0-2	0-0	946-2	946-2

# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Premium Vs. Carrying Charge Markets ]

### Premium Market



### Feeder Cattle

#### Feeder Cattle Aug '17 (GFQ17)

154.800s **-0.575 (-0.37%)** 06/07/17 [CME]

155.350 x 3 155.350 x 4

ALL FUTURES CONTRACTS for Thu, Jun 8th, 2017

Set Alerts Watchlist

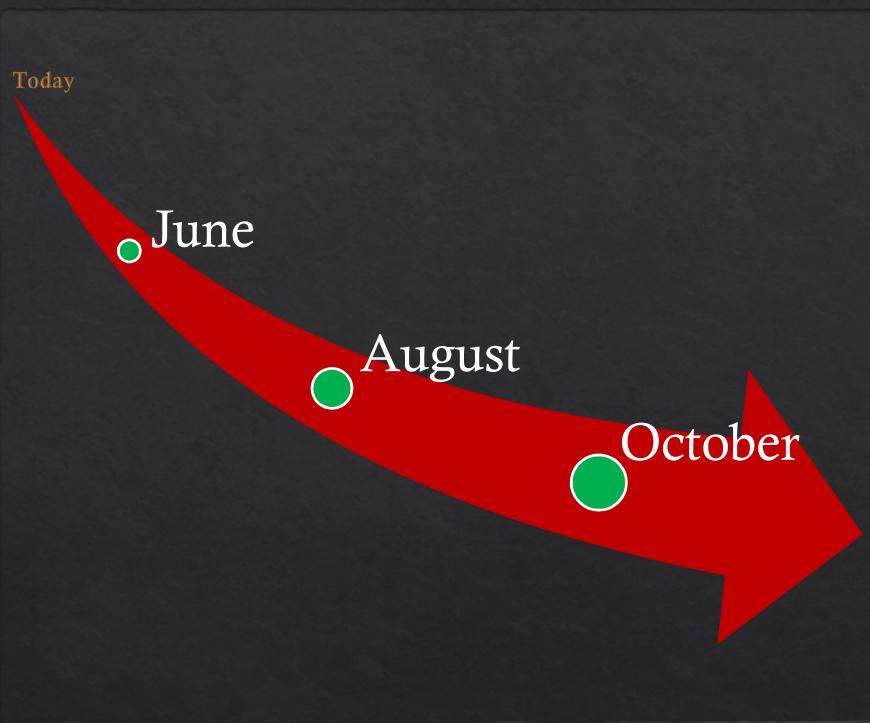
Contract	Last	Change	Open	High	Low
+ GFY00 (Cash)	152.810s	+0.220	0.000	152.810	152.810
+ GFQ17 (Aug '17)	154.800s	-0.575	154.725	156.250	151.700
+ GFU17 (Sep '17)	154.125s	-0.725	153.750	155.575	151.350
+ GFV17 (Oct '17)	152.775s	-0.225	152.300	154.000	150.050
+ GFX17 (Nov '17)	151.275s	+0.900	149.375	151.825	147.975
+ GFF18 (Jan '18)	145.300s	+1.025	142.800	145.750	142.000
+ GFH18 (Mar '18)	142.475s	+0.975	140.350	142.800	139.175
+ GFJ18 (Apr '18)	141.675s	+1.400	141.150	141.800	140.250
+ GFK18 (May '18)	140.775s	+1.400	0.000	140.775	140.775

# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Premium Vs. Carrying Charge Markets ]

### Premium Market



### Live Cattle

#### Live Cattle Aug '17 (LEQ17)

124.175s unch (unch) 06/07/17 [CME]

123.950 x 5 123.950 x 6

ALL FUTURES CONTRACTS for Thu, Jun 8th, 2017

Set Alerts Watchlist

Contract	Last	Change	Open	High	Low
+ LEY00 (Cash)	136.310s	unch	N/A	136.310	136.310
+ LEM17 (Jun '17)	131.200s	+1.000	130.325	132.325	129.750
+ LEQ17 (Aug '17)	124.175s	+0.575	123.350	124.925	122.800
+ LEV17 (Oct '17)	120.400s	+1.175	119.100	120.900	118.550
+ LEZ17 (Dec '17)	120.525s	+1.000	119.400	121.075	118.800
+ LEG18 (Feb '18)	120.850s	+1.075	119.475	121.250	119.150
+ LEJ18 (Apr '18)	119.200s	+1.225	117.675	119.500	117.450
+ LEM18 (Jun '18)	111.875s	+1.050	110.500	112.075	110.200
+ LEQ18 (Aug '18)	109.200s	+0.800	107.700	109.375	107.575

# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Premium Vs. Carrying Charge Markets ]

**Premium Market!**

**Nearby Vs. Next Month**

Contract	Last	Change	Time	Links					
+ CTY00 (Cash)	74.29s	-0.23	N/A	06/07/17					
+ CTN17 (Jul '17)	76.18	+0.39	N/A	06/32 CT					
+ CTV17 (Oct '17)	74.51s	+0.09	96	06/07/17					
+ CTZ17 (Dec '17)	72.96	+0.28	72.70	73.03	72.58	72.68	1,860	N/A	06/28 CT
+ CTH18 (Mar '18)	72.75	+0.26	72.40	72.78	72.40	72.49	91	N/A	05/55 CT
+ CTK18 (May '18)	72.81	+0.11	72.81	72.81	72.81	72.70	1	0	21:59 CT
+ CTN18 (Jul '18)	73.19	+0.22	73.03	73.19	73.03	72.97	11	N/A	05/16 CT
+ CTV18 (Oct '18)	70.94s	+0.27	0.00	70.94	70.94	70.67	0	1	06/07/17
+ CTZ18 (Dec '18)	70.58	unch	70.58	70.58	70.58	70.58	11	N/A	05/16 CT
+ CTH19 (Mar '19)	70.33s	+0.33	0.00	70.33	70.33	70.33	0	0	06/07/17
+ CTK19 (May '19)	70.37s	+0.33	0.00	70.37	70.37	70.04	0	0	06/07/17
+ CTN19 (Jul '19)	70.41s	+0.33	0.00	70.41	70.41	70.08	0	0	06/07/17
+ CTV19 (Oct '19)	70.45s	+0.33	0.00	70.45	70.45	70.12	0	0	06/07/17
+ CTZ19 (Dec '19)	70.49s	+0.33	0.00	70.49	70.49	70.16	0	0	06/07/17
+ CTH20 (Mar '20)	70.55s	+0.33	0.00	70.55	70.55	70.22	0	0	06/07/17
+ CTK20 (May '20)	70.55s	+0.33	0.00	70.55	70.55	70.22	0	0	06/07/17

**Brugler Report**

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# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Premium Vs. Carrying Charge Markets ]



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

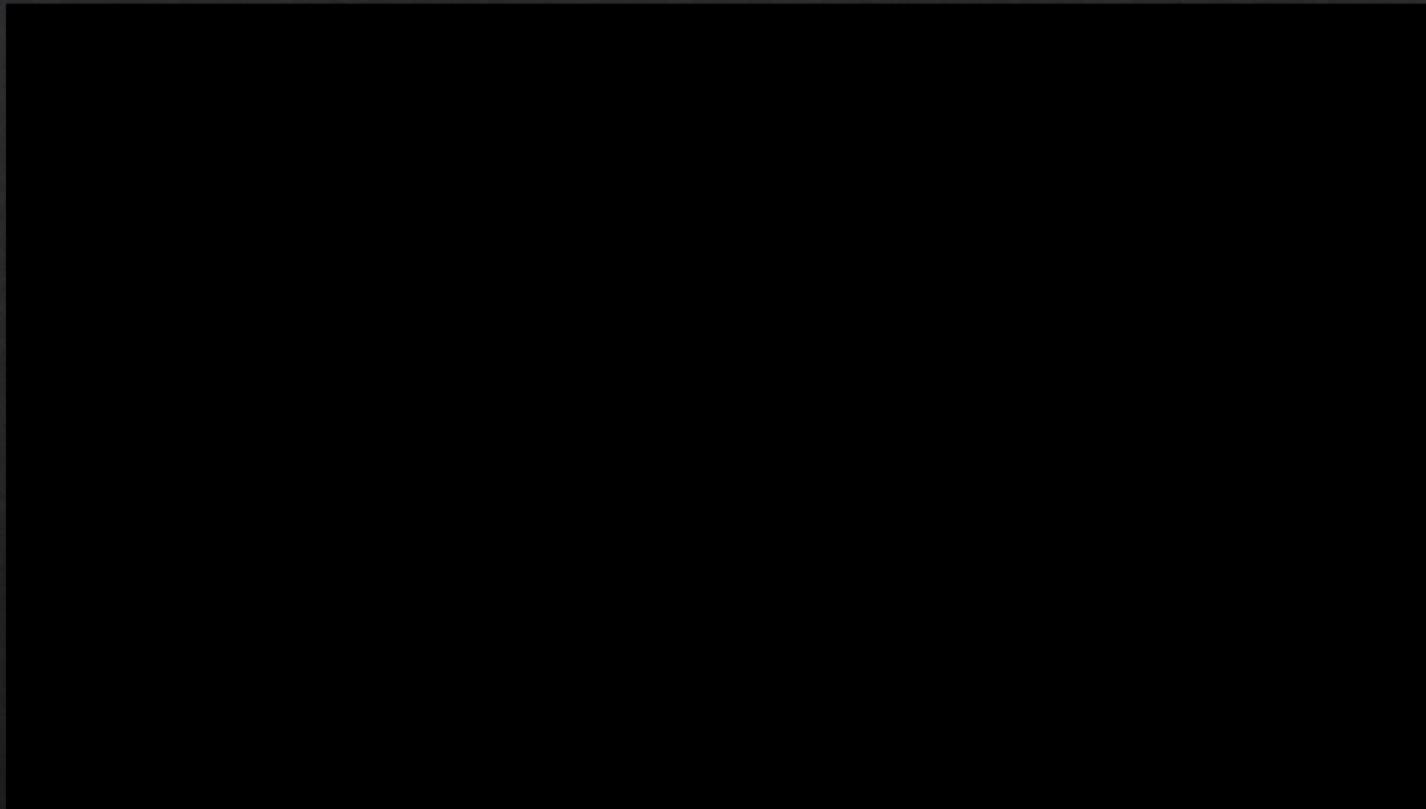
[Premium Vs. Carrying Charge Markets ]



# **ICT Monthly Mentorship**

## **ICT Commodity Trading Concepts**

[Premium Vs. Carrying Charge Markets ]

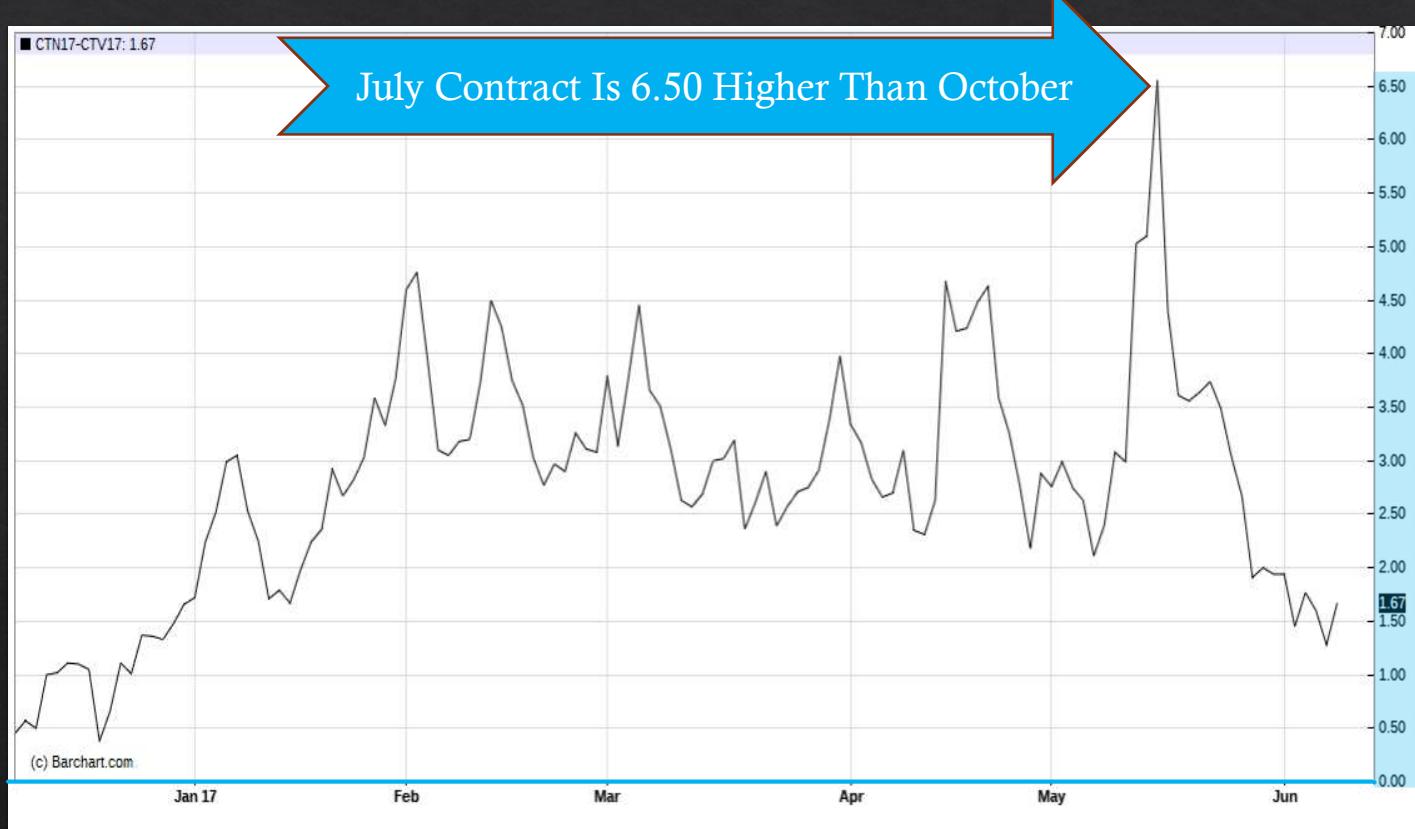


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# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Premium Vs. Carrying Charge Markets ]



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

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# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Premium Vs. Carrying Charge Markets ]



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Open Interest & Smart Money Footprints]

### Open Interest In Commodity Markets

Open Interest is the total number of outstanding contracts that are held by market participants at the end of each trading day. Where volume measures the pressure or intensity behind a price trend, open interest measures the flow of money into the futures market.

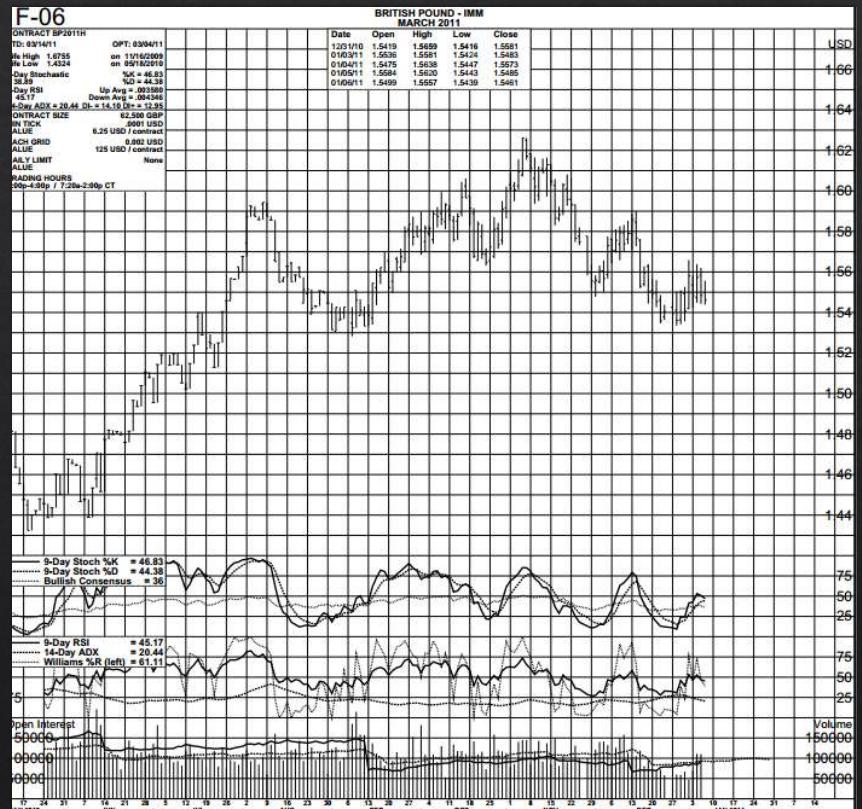
For each seller of a futures contract there must be a buyer of that contract. Thus a seller and a buyer combine to create only one contract. Therefore, to determine the total Open Interest for any given market we need only to know the totals from one side or the other, buyers or sellers, not the sum of both.

The Commodity markets have a built in advantage or “additional insight” shared by way of Open Interest. The study of Open Interest can provide a Trader a very important perspective in a Commodity.

There are two ways to view Open Interest as a Trading tool:

1. Measuring the strength of a trend or Price move.
2. Tracking the footprints of the Large Commercial Hedgers.

Let's first look at measuring trends and Price moves...



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Open Interest & Smart Money Footprints]

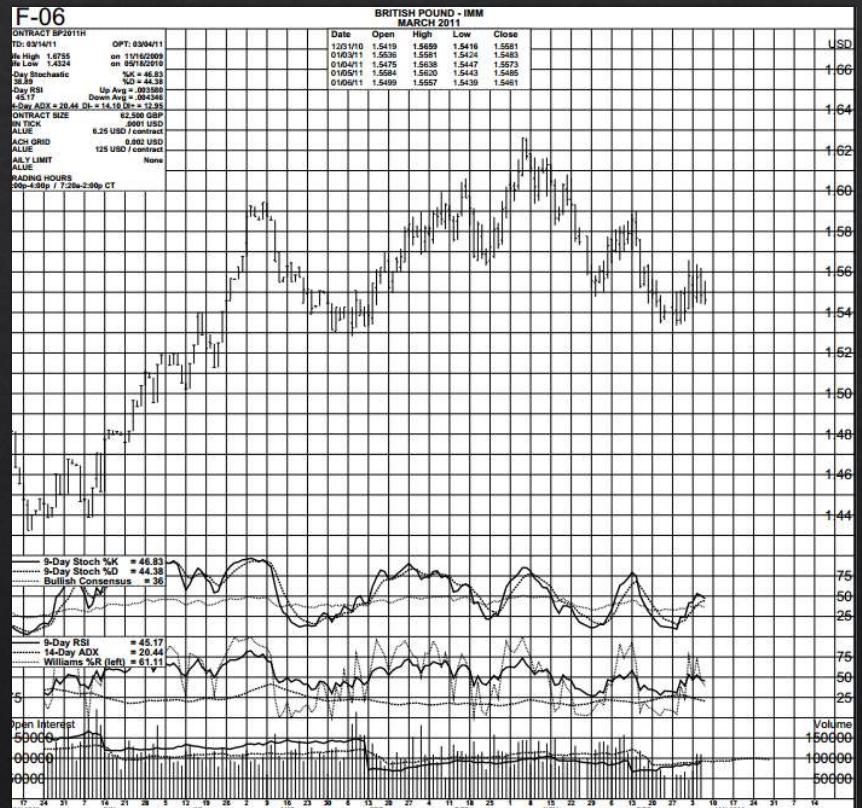
### Using Open Interest In Trends & Swings

If prices are in an uptrend, and Open Interest is rising, this is a bullish sign. There are shorts who are being stopped out, but new sellers are taking their place. As the market continues to rise, the longs get stronger and the shorts get weaker.

If prices are in a downtrend, and Open Interest is rising, this is a bearish sign. Weak longs are being stopped out, but new buyers are taking their place. As the market continues to fall, the shorts get stronger and the longs get weaker. Put another way - as long as the Open Interest is increasing in a major trend, it will have the necessary sponsorship to continue.

If prices are in an uptrend and Open Interest is falling, this is a bearish sign. The old longs, the "smart money" are banking gains as they're liquidating. They are replaced by new buyers, who will not be as strong on balance, but the declining open interest is an indication the weak shorts are also exiting. They will be replaced by new shorts who are stronger than the old shorts were.

If prices are in a downtrend and Open Interest is falling, this is a bullish sign. Smart Money, the shorts, are covering or liquidating profitable shorts. They will be replaced by new shorts not as strong as they were, but the declining Open Interest indicates the squeezed longs are bailing. They will be replaced by new longs who were not as weakened by the lower prices as the old longs were. Put another way - when the supply of losers is exhausted, the downtrend ends.



# ICT Monthly Mentorship

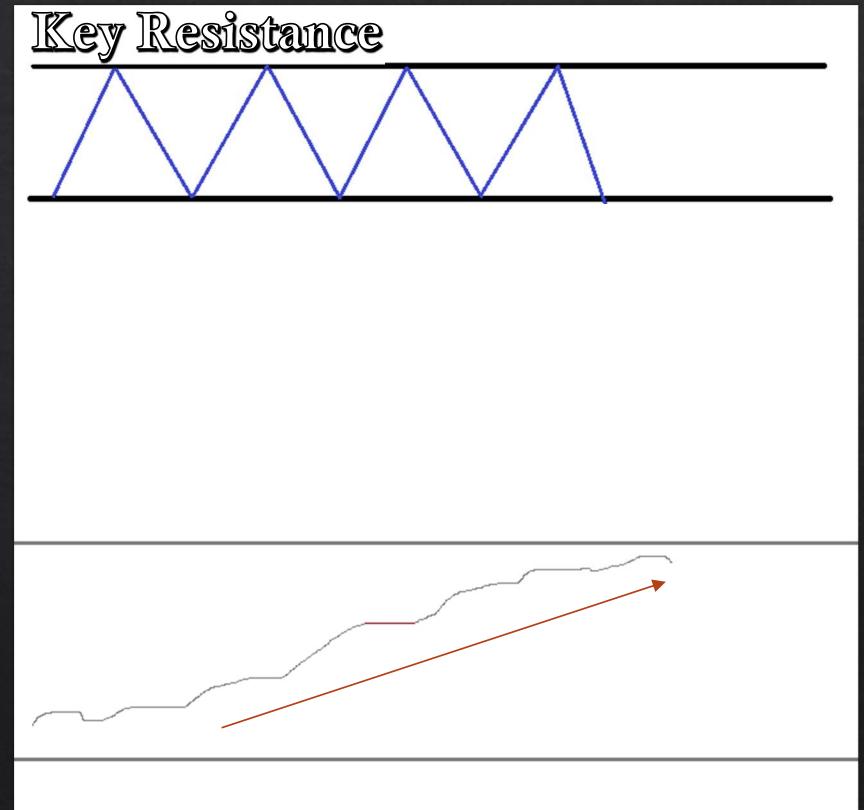
## ICT Commodity Trading Concepts

[Open Interest & Smart Money Footprints]

### Using Open Interest In Consolidations

If prices are in a consolidation, and Open Interest is rising, this is a bearish sign. The reason is the “street money” plays the long side. Rising Open Interest in a trading range suggests the Commercial Hedgers and Professionals are taking the short side, and the uniformed speculators will likely fail victim to the downside break in price.

If prices are in a consolidation and Open Interest is falling, this is a bullish sign. The reason is the Commercials Hedgers who are most likely shorting - are covering. The “street money” will be shorting and or expecting a breakout lower in price.



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Open Interest & Smart Money Footprints]

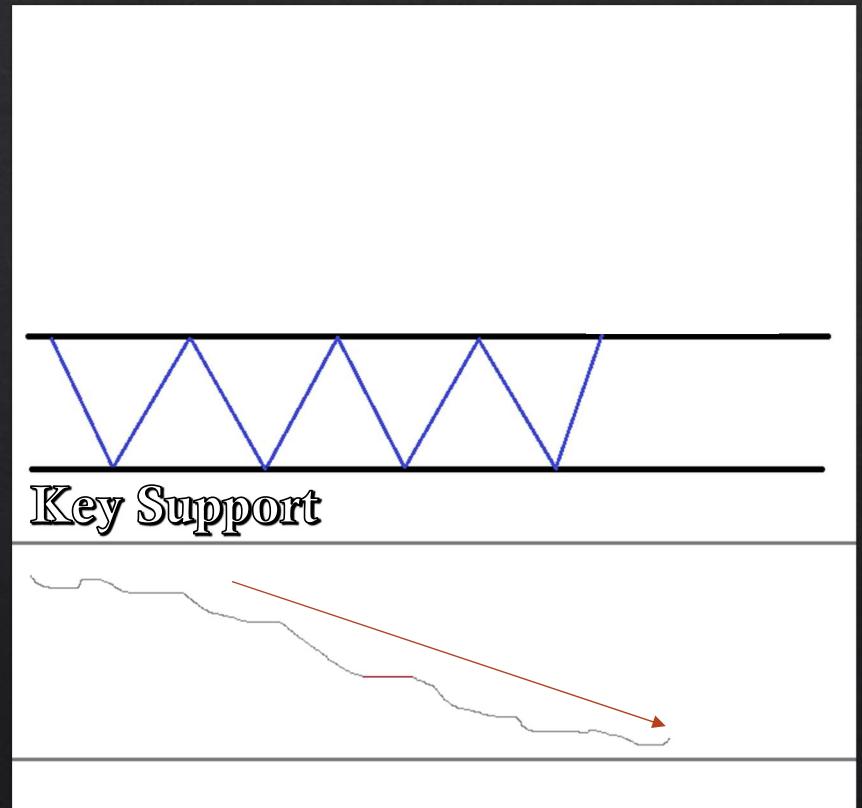
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If prices are in a consolidation and Open Interest is falling, this is a bullish sign. The reason is the Commercials Hedgers who are most likely shorting - are covering. The “street money” will be shorting and or expecting a breakout lower in price.

Ideally, we want to look for Long Term or Higher Time Frame levels in Price to anticipate this Open Interest concept. In times where Price is trading at a Key Support level on a HTF basis – Open Interest will drop while Price is consolidating at or near the HTF “Support” or Discount Array as we outline Institutional Reference Points. This will be Bullish and anticipate an up swing in Price.

Conversely, we want to look for Long Term or Higher Time Frame Resistance levels in Price to anticipate this Open Interest concept. In times where Price is trading at a Key Resistance level on a HTF basis – Open Interest will rise while Price is consolidating at or near the HTF “Resistance” or Premium Array as we outline Institutional Reference Points. This will be Bearish and anticipate a down swing in Price.

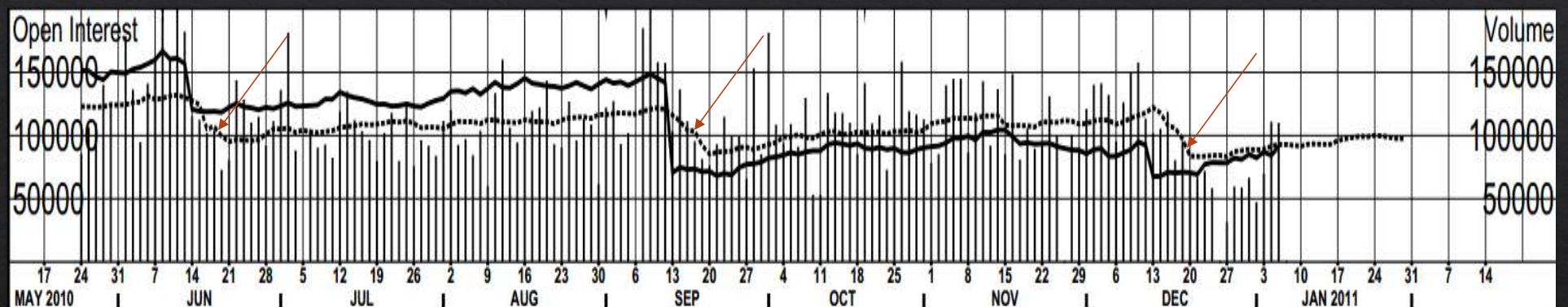


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Open Interest & Smart Money Footprints]

### Open Interest Seasonal Average



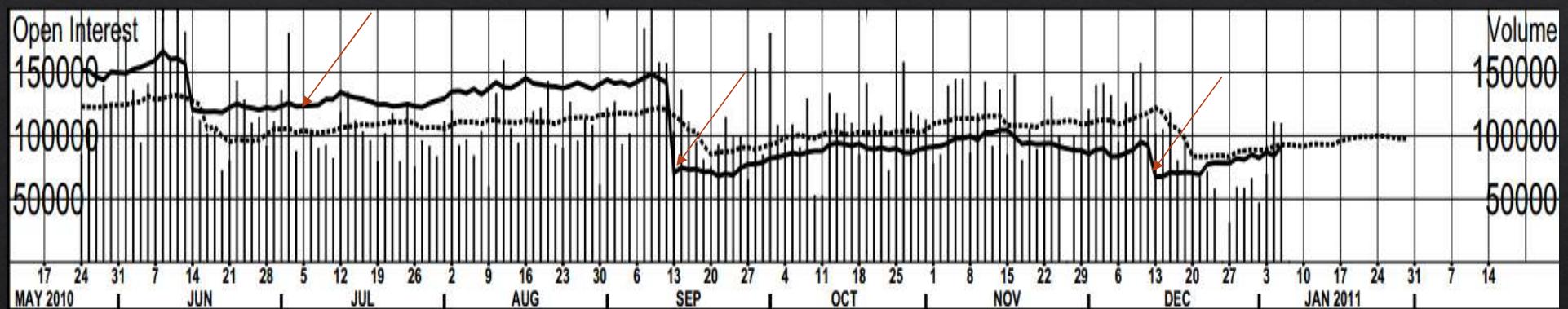
### Open Interest Vs. Seasonal Average

# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Open Interest & Smart Money Footprints]

### Open Interest Seasonal Average



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Open Interest & Smart Money Footprints]

### Case Study



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Open Interest & Smart Money Footprints]

### Case Study

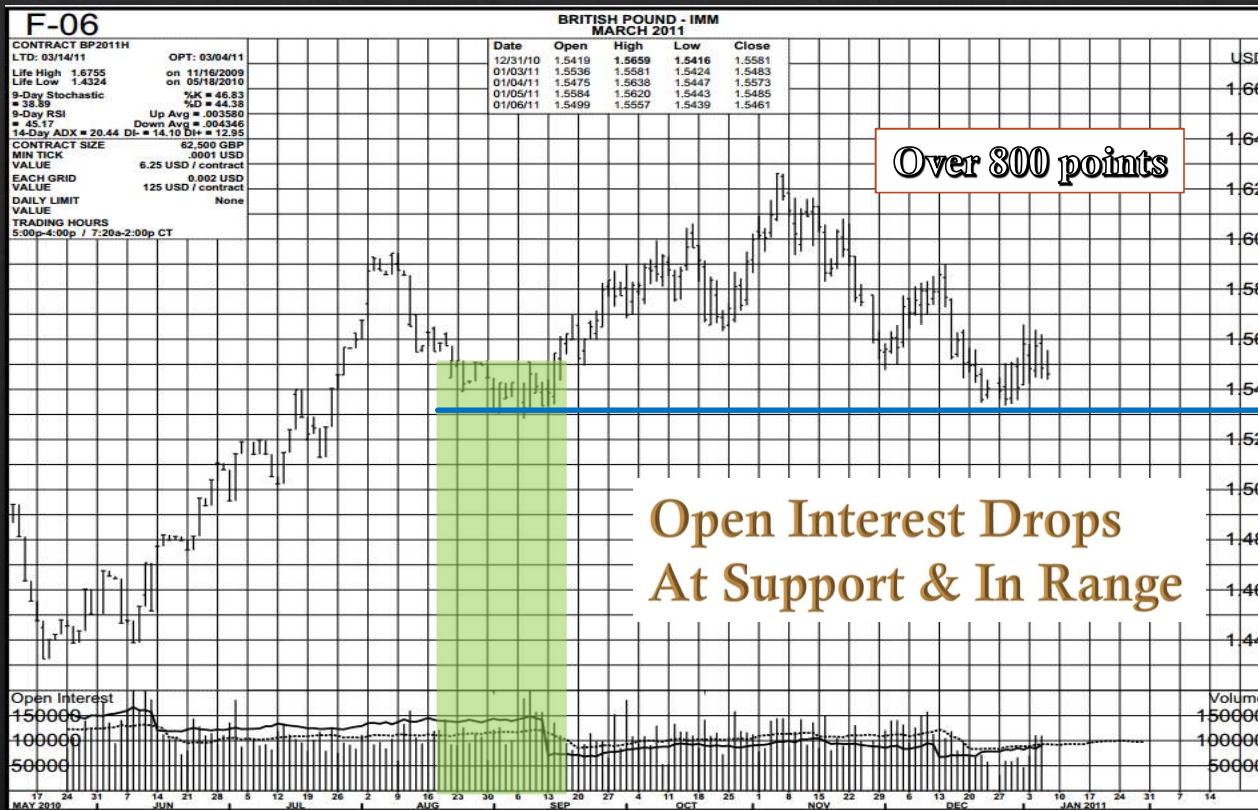


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

### Case Study

[Open Interest & Smart Money Footprints]



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Open Interest & Smart Money Footprints]

### Case Study



# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

[Open Interest & Smart Money Footprints]

### Case Study

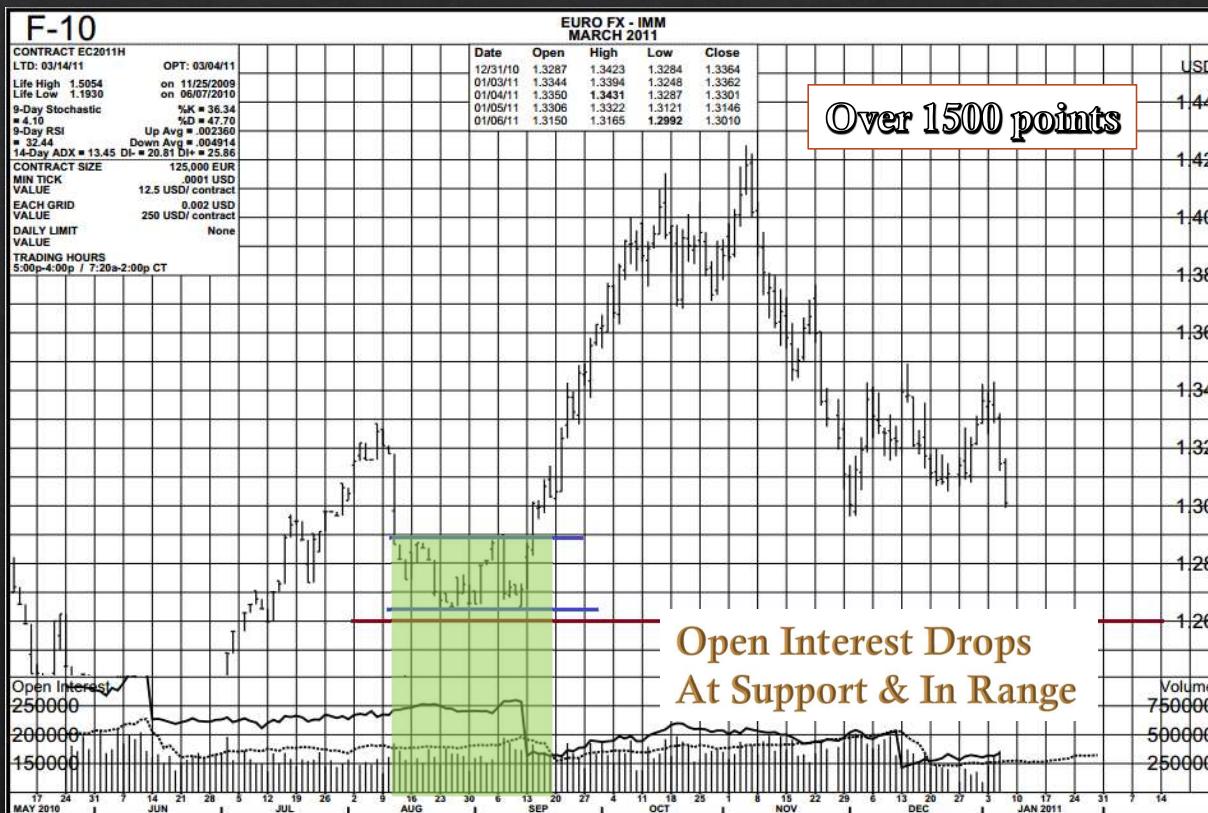


# ICT Monthly Mentorship

## ICT Commodity Trading Concepts

### Case Study

[Open Interest & Smart Money Footprints]



# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Basics & Opening Range Concept]

### T Bond Trading Basics

Trade Symbol: [ZB] 30 year Treasury Bond

Trading Session: New York Session 8:20 am to 3:00 pm

Contract Delivery Months:

- March – Code [H]
- June – Code [M]
- September – Code [U]
- December – Code [Z]
- Format: ZB\Code\Year or i.e. ZBU17 [Sept 2017 contract]

Amount Per Tick: \$31.25

Full Handle or Figure Move = 32 ticks [32nds]

32 Ticks Movement = \$1000.00 per contract

T-Bond Sep '17 (ZBU17)						
154-01 +0-02 (+0.04%) 14:58 CT [CBOT]						
154-00 x 182 154-01 x 867						
ALL FUTURES CONTRACTS for Tue, Jun 13rd, 2017						
<a href="#"> Set Alerts</a>	<a href="#"> Watchlist</a>					
Intraday	Main View					
Contract	Last	Change	Open	High	Low	
+ ZBM17 (Jun '17)	155-07	-0-02	155-11	155-11	154-29	
+ ZBU17 (Sep '17)	154-01	+0-02	153-30	154-06	153-18	
+ ZBZ17 (Dec '17)	153-10	+0-02	0-00	153-10	153-10	

# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Basics & Opening Range Concept]

### Bond Opening Range Concept

Highest Volume: Between 8:00 am & 9:30 am NY Time

True Day: 8:00 am to 3:00 pm NY Time

#### Opening Range:

Begins 8:00 am NY Time

Ends 9:00 am NY Time

#### Narrow Your Focus:

The Opening Range between 8:00 am to 9:00 am tends to create the Bond Market High or Low of the Day. It can be a run on Stops or a Fair Value setup. It is the location Liquidity Pools build around for Stock Market Open raids.



# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Basics & Opening Range Concept]

### Bond Opening Range Concept

Highest Volume: Between 8:00 am & 9:30 am NY Time

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[Basics & Opening Range Concept]

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# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Split Session Rules]

### T Bond Split Session Rules

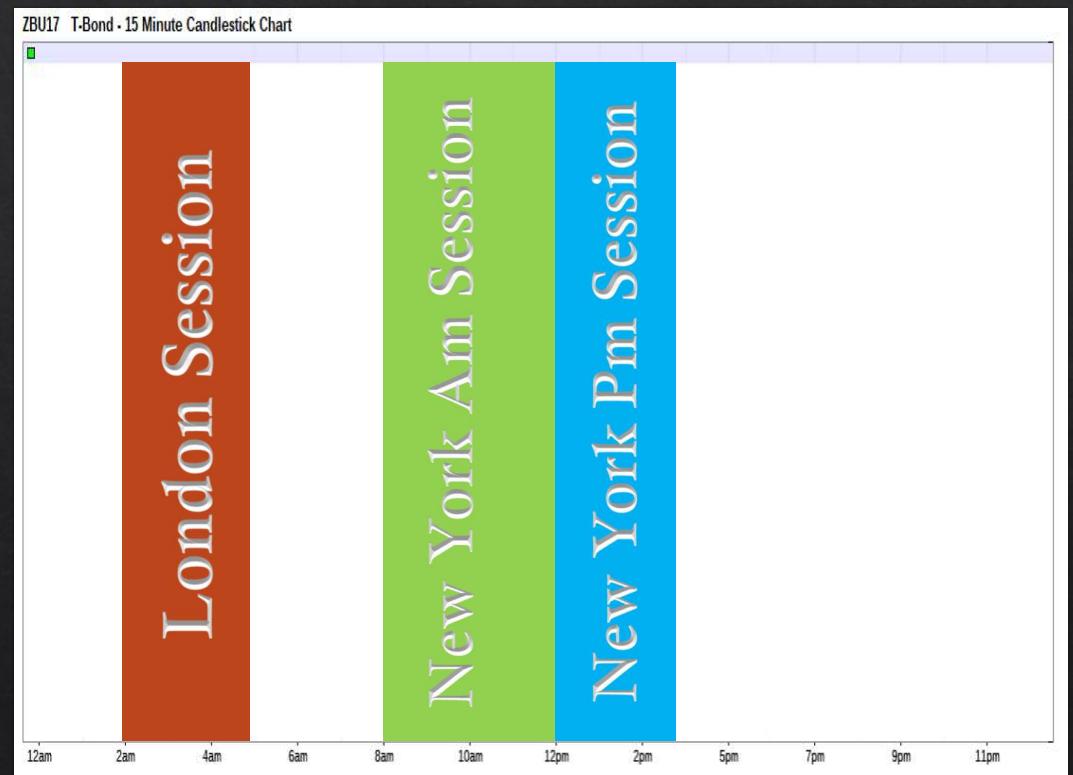
\* Traditional Overnight Session: London

New York Am Session: 8:00 am to Noon

New York Pm Session: Noon to 3:00 pm

Trending Days can see the complete trading day be one-sided in both Am & Pm Sessions.

Consolidation Days can see opposing directions in the Am & Pm Sessions. Or it can see one Session produce a swing and the other be quiet or consolidate.



# ICT Monthly Mentorship

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[Split Session Rules]

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# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Consolidation Days]

### Consolidation Days

**Overnight Price Action:** Can be trending or Rangebound.

**New York Session News:** Lack of Noteworthy Reports Due.

**Economic Calendar:** High To Medium Impact US Reports Due To Release On Another Trading Day Later In The Week.

#### Formation Characteristics:

- After a HTF Premium or Discount Array is met.
- At Equilibrium of a HTF Price Swing – Mid-Point Pause.
- Bank Holidays in the United States.
- Ahead of holidays in the United States.
- Bond Auction day before and Am Session Day Of.



# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Consolidation Days]

### Consolidation Days

**Scalping Am Sessions: 5-10 Ticks** – If Opening Range small.

**Scalping Pm Sessions: 5-10 Ticks** – If Am has not ran stops.

**Avoid Trading Am Session:** On Bond Auction Days.

**Avoid Trading Pm Session:** On Interest Rate Drivers.

**Focus On Trading When:** HTF PD Arrays are met.

**Recall Small Ranges Precede Large Ranges on the Daily.**

**Always allow limit exits that exceed your targets - \*Bonus.**

**Keep overnight short term highs and lows in mind for LRLR.**

**Unless Pm Session News Drivers Due Out** – Consolidation Days Typically Offer Setups In Am Sessions Most Of The Time. Avoid “Forcing” Pm Session Trades Routinely.



# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Consolidation Days]

### Consolidation Brings Expansion

When we identify the market is likely to trade in a small range or “consolidation day” – we should immediately note the next trading day or a day not long after it – will produce a “long range day” or Trending Day.

While the Bond is held in a narrow range – this will create a stranglehold on volatility for the other asset classes – on average.

The use of this observation serves us well as Forex Traders – in that we can reduce or limit our expectations on the Fx Pairs movement and operate in more reserved fashion. Sticking to low hanging fruit and small gains.



# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Trending Days]

### Trending Days

**Overnight Price Action:** Can be trending or Rangebound.

**New York Session News:** Volatility Injection.

**Economic Calendar:** High To Medium Impact US Reports Due To Release at 8:30 am NY time.

#### Formation Characteristics:

- After small range day or a series of small range days.
- Directionally driven by Daily PD Array Matrix.
- Liquidity Seeking Movement PD Array & Order Flow.



June 14, 2017

# ICT Monthly Mentorship ICT Bond Trading Concepts

[Trending Days]



## Treasury Bonds



## EurUsd



June 14, 2017

## ICT Monthly Mentorship ICT Bond Trading Concepts

[Trending Days]



FOMC

10 Year T Notes



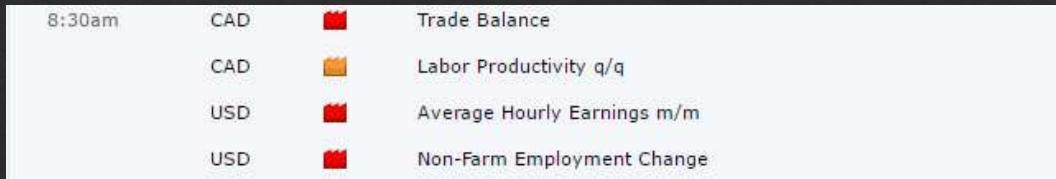
EurUsd



June 02, 2017

## ICT Monthly Mentorship ICT Bond Trading Concepts

[Trending Days]



### Treasury Bonds



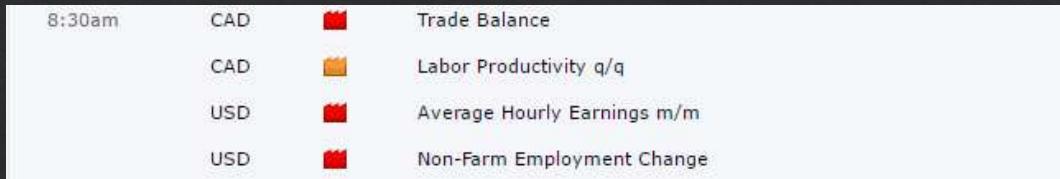
### EurUsd



June 02, 2017

## ICT Monthly Mentorship ICT Bond Trading Concepts

[Trending Days]



### Treasury Bonds



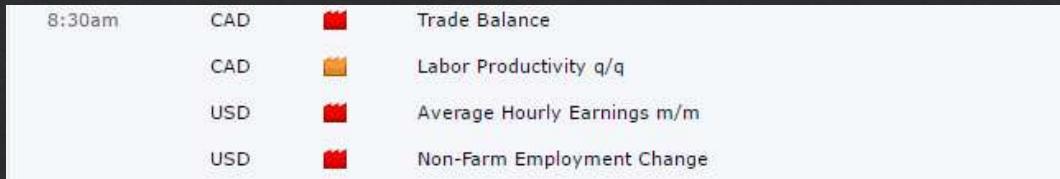
### AusUsd



June 02, 2017

# ICT Monthly Mentorship ICT Bond Trading Concepts

[Trending Days]



## Treasury Bonds



## UsdJpy



April 18, 2017

# ICT Monthly Mentorship ICT Bond Trading Concepts

[Trending Days]



## Treasury Bonds



## GbpUsd



April 18, 2017

## ICT Monthly Mentorship ICT Bond Trading Concepts

[Trending Days]



### Treasury Bonds



### UsdJpy



April 18, 2017

## ICT Monthly Mentorship ICT Bond Trading Concepts

[Trending Days]



### Treasury Bonds



### EurUsd



March 15, 2017

# ICT Monthly Mentorship ICT Bond Trading Concepts

[Trending Days]



## Treasury Bonds



## GbpUsd



March 15, 2017

# ICT Monthly Mentorship ICT Bond Trading Concepts

[Trending Days]



## Treasury Bonds



## EurUsd



# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Bond Trading Setups]

### Bond Trading Setups Simplified

Daily Institutional Order Flow [Bullish or Bearish]

Higher Timeframe PD Array Matrix [Premium or Discount]

Note current PD Array Relative To Matrix

Drop To 2 Hour or 120 minute Chart For Precision PD Array

Once 2 Hour PD Array Is Selected – Drop To 15 minute Chart

Monitor Price Action from London Session Into New York

The Interest Rate Triad Will Confirm Smart Money Action

\* If The Triad Fails To Signal Smart Money Sponsorship Of  
The Selected PD Array – Avoid The Trade – Stay Sidelined.

# Premium

# Discount

# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Bond Trading Setups]

### The Keys To The Kingdom



# 5 Year Treasury Notes

# 10 Year Treasury Notes

# 30 Year Treasury Bonds

# ICT Monthly Mentorship ICT Bond Trading Concepts

[Bond Trading Setups]

## The Interest Rate Triad



# 5 Year Treasury Notes

# 10 Year Treasury Notes

# 30 Year Treasury Bonds

# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Bond Trading Setups]

### The Interest Rate Triad



# The Millionaire Maker

# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Bond Trading Setups]

### The Interest Rate Triad



# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Bond Trading Setups]

### The Interest Rate Triad



ZBU17 - T-Bond - 120 Minute Candlestick Chart



This Divergence Confirms  
Smart Money Accumulation  
Of Longs Pouring Into The  
Discount PD Array

# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Bond Trading Setups]

### The Interest Rate Triad



# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Bond Trading Setups]

### The Interest Rate Triad



# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Bond Trading Setups]

### The Interest Rate Triad



# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Bond Trading Setups]

### The Interest Rate Triad

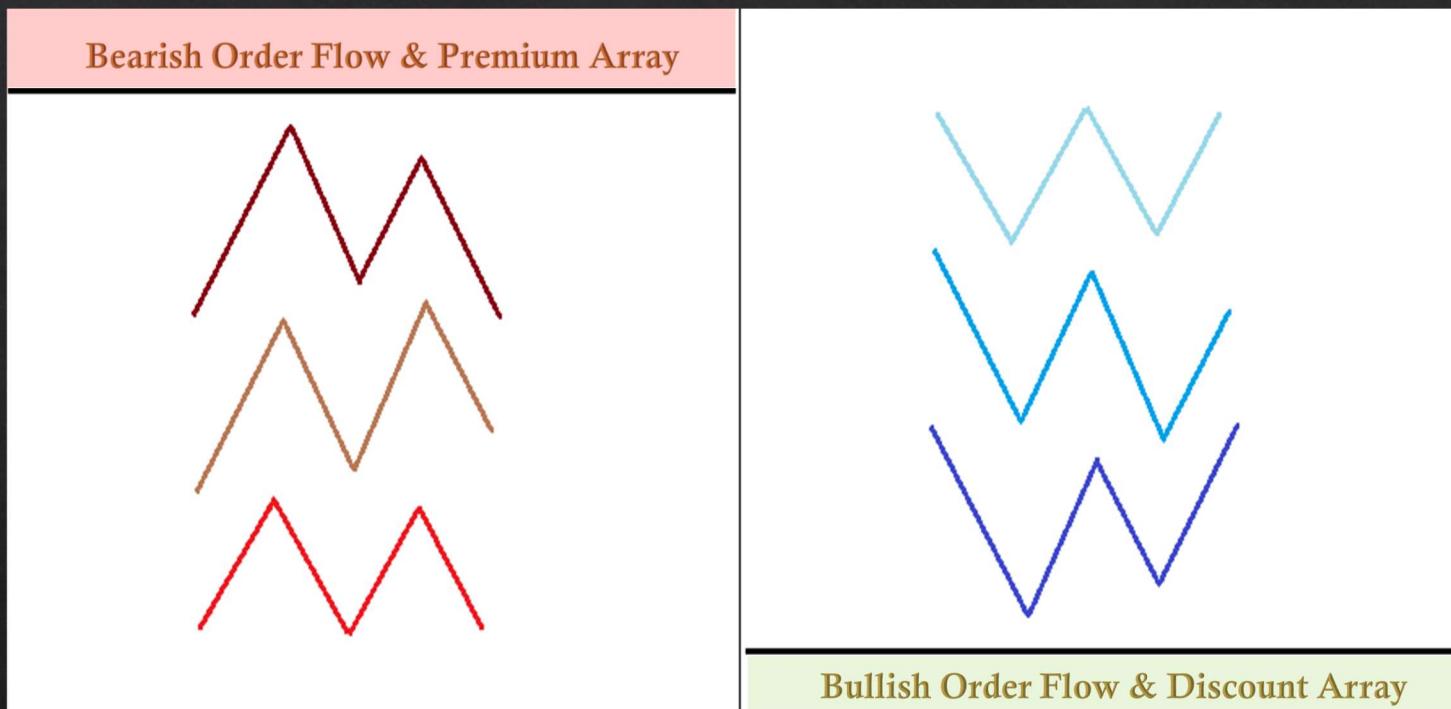


# ICT Monthly Mentorship

## ICT Bond Trading Concepts

[Bond Trading Setups]

### The Interest Rate Triad



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Basics & Opening Range Concept]

### Index Trading Basics

Trade Symbol: [ES] E-mini S&P 500

Trading Session: New York Session 9:30 am to 4:00 pm

Contract Delivery Months:

- March – Code [H]
- June – Code [M]
- September – Code [U]
- December – Code [Z]
- Format: ES\Code\Year or i.e. ESU17 [Sept 2017 contract]

Amount Per Tick: \$12.50 [0.25] or \$50.00 per one point.

\$50.00 x S&P 500 Index

**S&P 500 E-Mini Sep '17 (ESU17)**  
2,448.75 +1.25 (+0.05%) 17:45 CT [GBLX]  
2,448.50 x 84 2,448.75 x 73  
ALL FUTURES CONTRACTS for Tue, Jun 20th, 2017

Set Alerts Watchlist

Intraday	Main View				
Contract	Last	Change	Open	High	Low
+ ESY00 (Cash)	2,453.46	+20.31	2,442.55	2,453.82	2,441.79
+ ESU17 (Sep '17)	2,448.75	+1.25	2,447.75	2,449.00	2,447.50
+ ESZ17 (Dec '17)	2,446.50	+1.50	2,445.25	2,446.50	2,445.25
+ ESH18 (Mar '18)	2,443.25s	+16.45	2,432.75	2,446.25	2,432.75

# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Basics & Opening Range Concept]

### Spooz Opening Range Concept

Highest Volume: Between 9:30 am & 10:00 am NY Time

True Day: 9:30 am to 4:00 pm NY Time

**Opening Range:**

Begins 9:30 am NY Time

Ends 10:30 am NY Time

**Narrow Your Focus:**

The Opening Range between 9:30 am to 10:30 am tends to create the Spooz Market High or Low of the Day. It can be a run on Stops or a Fair Value setup.



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Basics & Opening Range Concept]

### Spooz Opening Range Concept

Highest Volume: Between 9:30 am & 10:00 am NY Time

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# ICT Monthly Mentorship

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[Basics & Opening Range Concept]

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# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Basics & Opening Range Concept]

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The Opening Range between 9:30 am to 10:30 am tends to create the Spooz Market High or Low of the Day. It can be a run on Stops or a Fair Value setup.



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Basics & Opening Range Concept]

### Nasdaq Opening Range Concept

Highest Volume: Between 9:30 am & 10:00 am NY Time

True Day: 9:30 am to 4:00 pm NY Time

Opening Range:

Begins 9:30 am NY Time

Ends 10:30 am NY Time

Narrow Your Focus:

The Opening Range between 9:30 am to 10:30 am tends to create the Nasdaq Market High or Low of the Day. It can be a run on Stops or a Fair Value setup.



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Basics & Opening Range Concept]

### Dow Opening Range Concept

Highest Volume: Between 9:30 am & 10:00 am NY Time

True Day: 9:30 am to 4:00 pm NY Time

Opening Range:

Begins 9:30 am NY Time

Ends 10:30 am NY Time

Narrow Your Focus:

The Opening Range between 9:30 am to 10:30 am tends to create the Dow Market High or Low of the Day. It can be a run on Stops or a Fair Value setup.



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[The Am Trend]

### The Am Trend

\* Traditional Overnight Session: London

New York Am Session: 9:30 am to Noon

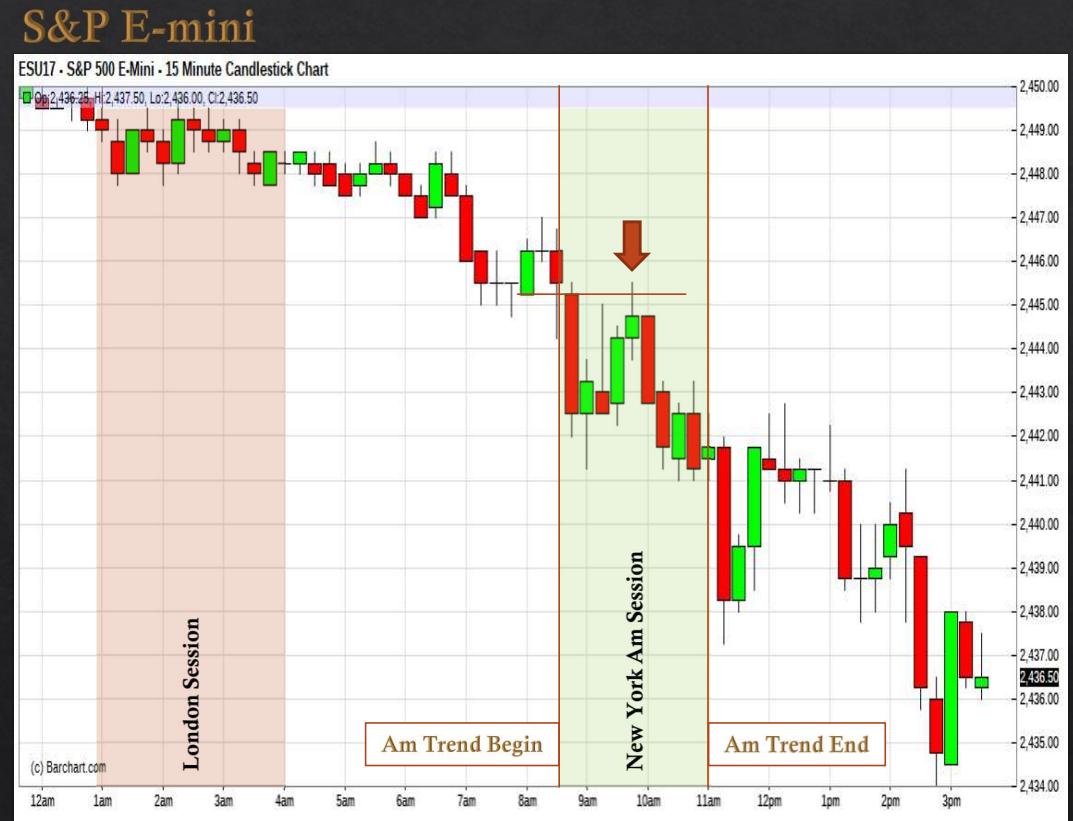
The True Day High Or Low will tend to form in between the hours of 9:30 am and 10:30 am New York time.

Between the Open at 9:30 am and Noon New York time – there is typically a trend or price swing daily. [Am Trend]

The Am Trend can be a continuation of overnight direction or an outright reversal of direction right from the Open.

You want to study many days of intraday Price Action to learn how consistent this morning price swing is.

The Am Trend can end at 10:30 am to 11:00 am but anticipate it continuing up to Noon or “New York Lunch Hour”.



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[The Am Trend]

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# ICT Monthly Mentorship

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### Dow E-mini



# ICT Monthly Mentorship

## ICT Index Trading Concepts

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### Nasdaq E-mini



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[The Am Trend]

### The Index SMT

Between 5:00 am and 9:30 am New York time relative Highs and Lows should be compared.

When Institutional Order Flow is Bullish = Compare Lows.

One Index will fail to confirm Lower Lows in all three.

When Institutional Order Flow is Bearish = Compare Highs.

One Index will fail to confirm Higher Highs in all three.

\* Typically there will be an Index SMT divergence to qualify the Am Trend setups a few times per week. When it is not obvious – assume it's not there.

### Index SMT



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[The Pm Trend]

### The Pm Trend

\* After the Noon New York Lunch Hour

New York pm Session: 1:00 pm to 4:00 pm

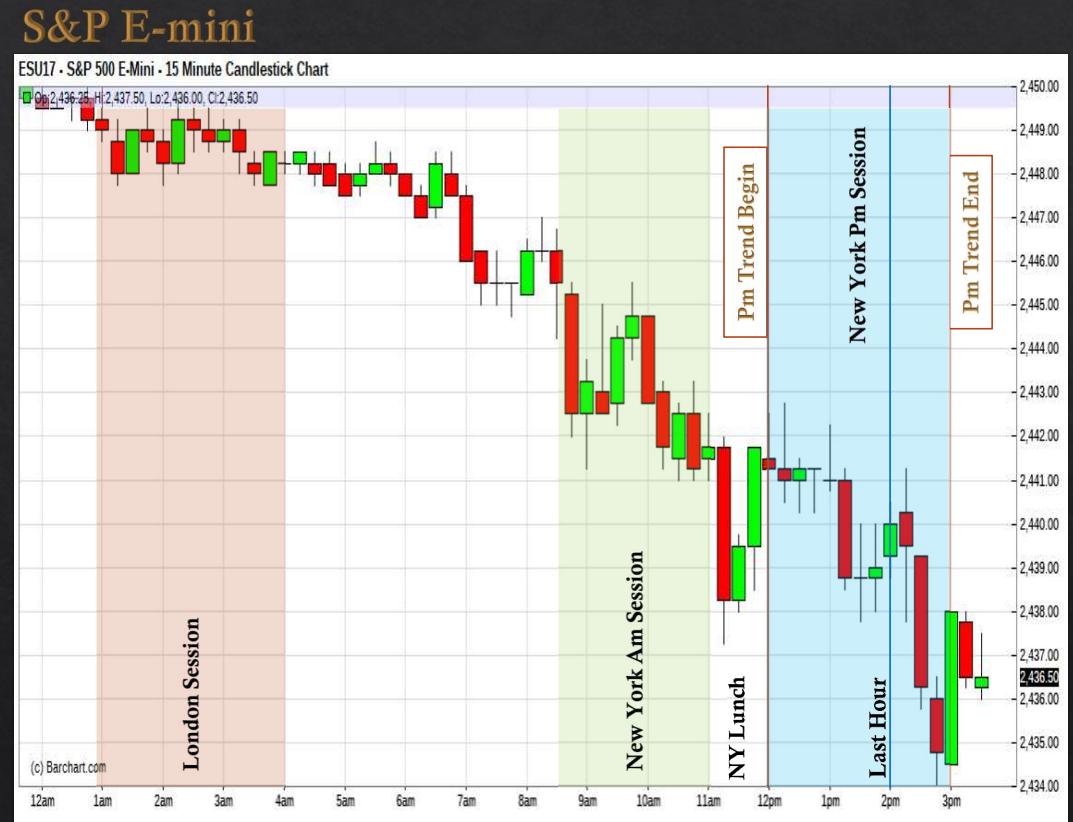
The True Day High Or Low will tend to form in between the hours of 3:00 pm and 4:00 pm New York time.

Between 1:00 pm and 4:00 pm New York time – there is typically a trend or price swing daily. [Pm Trend]

The Pm Trend can be a continuation of the Am Trend direction or an intraday reversal into the Close.

Measured Moves in the Afternoon tend to be faster than Am.

Typically 2:00 pm New York time sees the move begin.



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[The Pm Trend]

### The Pm Trend

\* After the Noon New York Lunch Hour

New York pm Session: 1:00 pm to 4:00 pm

The True Day High Or Low will tend to form in between the hours of 3:00 pm and 4:00 pm New York time.

Between 1:00 pm and 4:00 pm New York time – there is typically a trend or price swing daily. [Pm Trend]

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# ICT Monthly Mentorship

## ICT Index Trading Concepts

[The Pm Trend]

### The Pm Trend

\* After the Noon New York Lunch Hour

New York pm Session: 1:00 pm to 4:00 pm

The True Day High Or Low will tend to form in between the hours of 3:00 pm and 4:00 pm New York time.

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Measured Moves in the Afternoon tend to be faster than Am.

Typically 2:00 pm New York time sees the move begin.



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[The Pm Trend]

### The Pm Trend

\* After the Noon New York Lunch Hour

New York pm Session: 1:00 pm to 4:00 pm

The True Day High Or Low will tend to form in between the hours of 3:00 pm and 4:00 pm New York time.

Between 1:00 pm and 4:00 pm New York time – there is typically a trend or price swing daily. [Pm Trend]

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Measured Moves in the Afternoon tend to be faster than Am.

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# ICT Monthly Mentorship

## ICT Index Trading Concepts

[The Pm Trend]

### The Pm Trend

\* After the Noon New York Lunch Hour

New York pm Session: 1:00 pm to 4:00 pm

The True Day High Or Low will tend to form in between the hours of 3:00 pm and 4:00 pm New York time.

Between 1:00 pm and 4:00 pm New York time – there is typically a trend or price swing daily. [Pm Trend]

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Typically 2:00 pm New York time sees the move begin.

### Dow E-mini



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[The Pm Trend]

### The Pm Trend

\* After the Noon New York Lunch Hour

New York pm Session: 1:00 pm to 4:00 pm

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Measured Moves in the Afternoon tend to be faster than Am.

Typically 2:00 pm New York time sees the move begin.

### Nasdaq E-mini



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[The Pm Trend]

### Index SMT



### The Index SMT

Between Noon and 3:00 pm New York time relative Highs and Lows should be compared.

When Institutional Order Flow is Bullish = Compare Lows.

One Index will fail to confirm Lower Lows in all three.

When Institutional Order Flow is Bearish = Compare Highs.

One Index will fail to confirm Higher Highs in all three.

# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Projected Range & Objectives]

### Two Session Up Close

Institutional Order Flow: Bullish

Am Trend:

Returns to a Discount Array then rallies.

Lunch Hour:

Consolidates with shallow retracements.

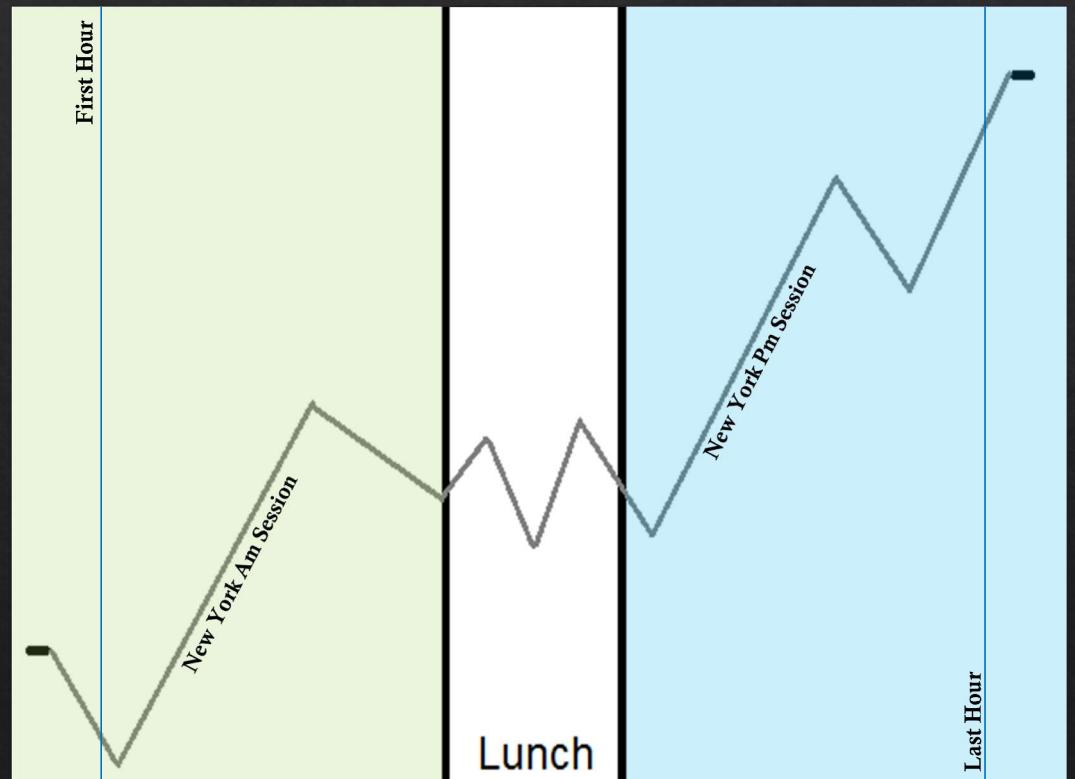
Pm Trend:

Runs the Lunch Hour Lows [Sell Stops]

Or

Drops into a FV Discount Array then Rallies into Close.

### S&P E-mini



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Projected Range & Objectives]

### Two Session Down Close

Institutional Order Flow: Bearish

Am Trend:

Returns to a Premium Array then declines.

Lunch Hour:

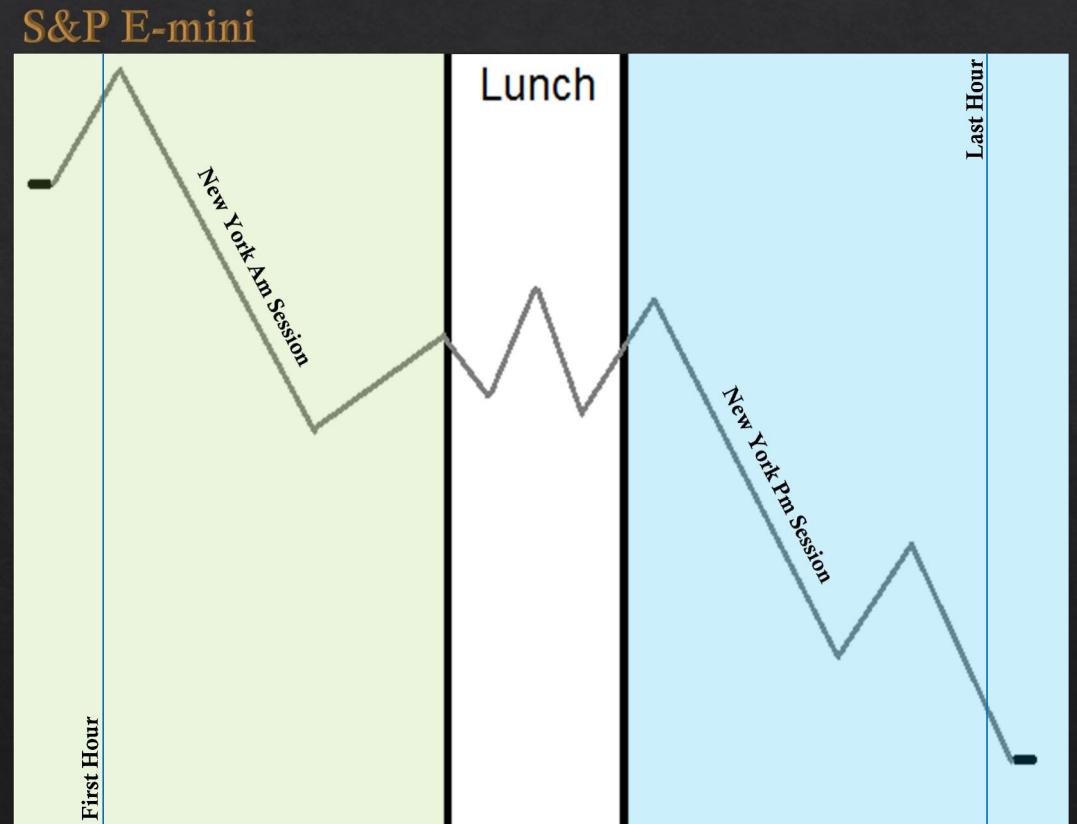
Consolidates with shallow retracements.

Pm Trend:

Runs the Lunch Hour Highs [Buys Stops]

Or

Rises into a FV Premium Array then Declines into Close.

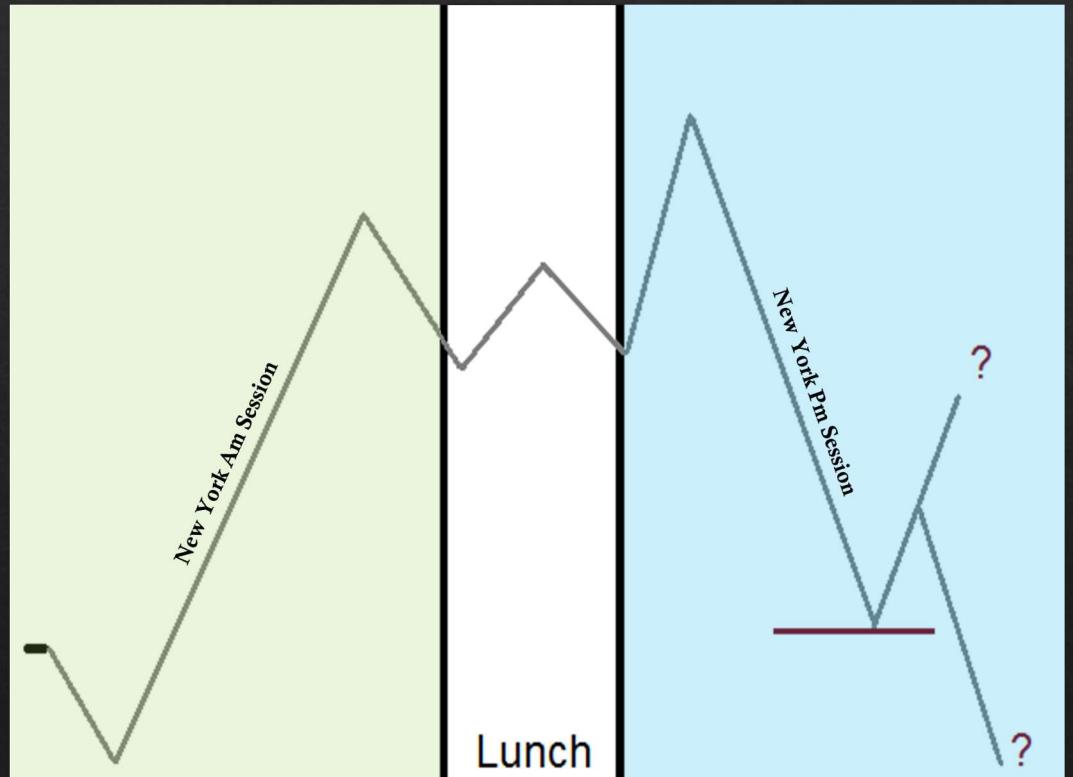


# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Projected Range & Objectives]

### S&P E-mini



### Am Rally Pm Reversal

Institutional Order Flow: Bull – Under HTF Prem PDA

**Am Trend:**

Returns to a Discount Array then rallies.

**Lunch Hour:**

Consolidates with shallow retracements.

**Pm Trend:**

Runs the Lunch Hour Highs – Then Reverses into Close.

Or

Runs the Intraday High – Then Reverses into Close.

Pm Trend can resume higher if Am Session Discount = HTF

# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Projected Range & Objectives]

### Am Decline Pm Reversal

Institutional Order Flow: Bear – Above HTF Disc PDA

#### Am Trend:

Returns to a Premium Array then declines.

#### Lunch Hour:

Consolidates with shallow retracements.

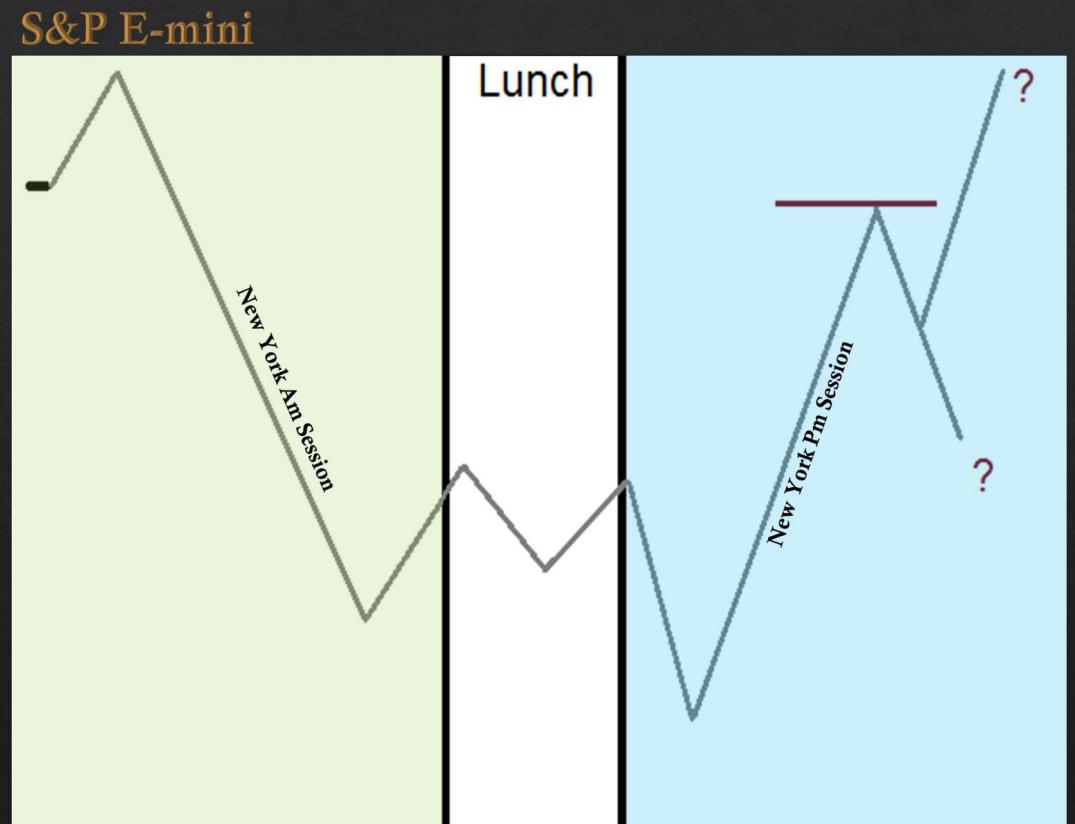
#### Pm Trend:

Runs the Lunch Hour Lows – Then Reverses into Close.

Or

Runs the Intraday Lows – Then Reverses into Close.

Pm Trend can resume lower if Am Session Premium = HTF



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Projected Range & Objectives]

### Consolidation Am Rally Pm Decline

Institutional Order Flow: Neutral

#### Am Trend:

Returns to a Discount Array then rallies.

Or

Expands Higher From Equilibrium to Run London Buy Stops.

#### Lunch Hour:

Consolidates with shallow retracements.

#### Pm Trend:

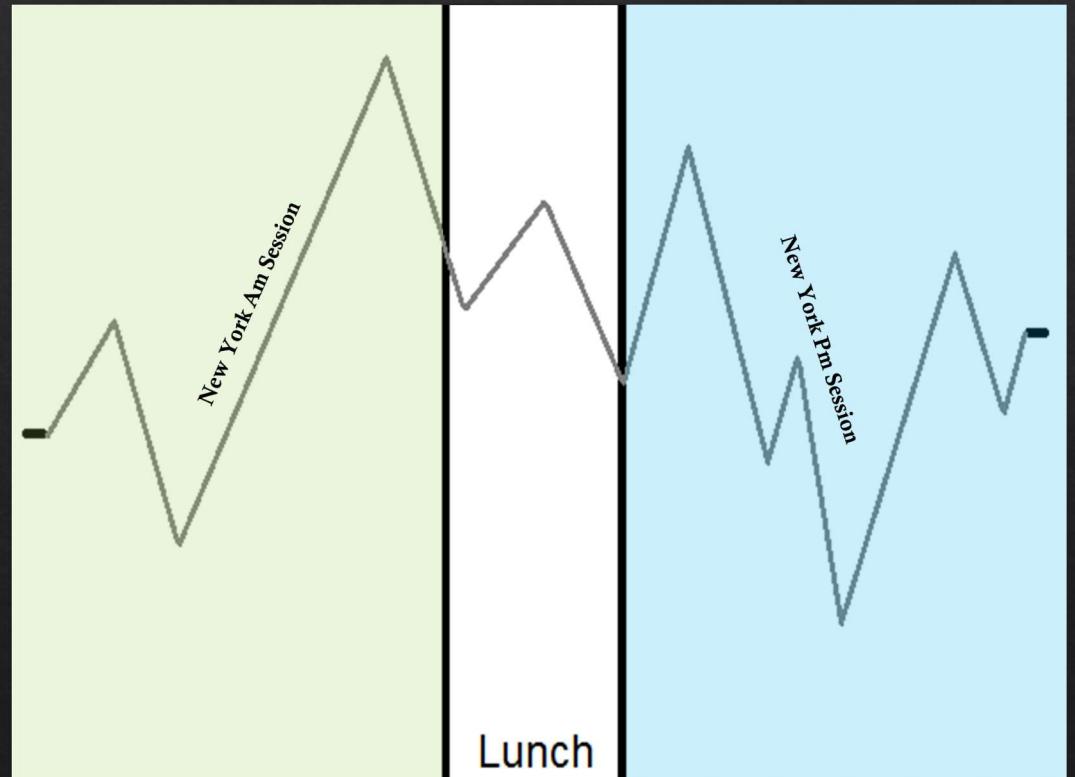
Runs the Lunch Hour Highs – Then reaches for Day's Sell Stops.

Or

Runs the Intraday High – Then reaches for ID\London Sell Stops.

Pm Trend can simply consolidate into close after Lunch Hour.

### S&P E-mini



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Projected Range & Objectives]

### Consolidation Am Decline Pm Rally

Institutional Order Flow: Neutral

#### Am Trend:

Returns to a Premium Array then declines.

Or

Expands Lower From Equilibrium to Run London Sell Stops.

#### Lunch Hour:

Consolidates with shallow retracements.

#### Pm Trend:

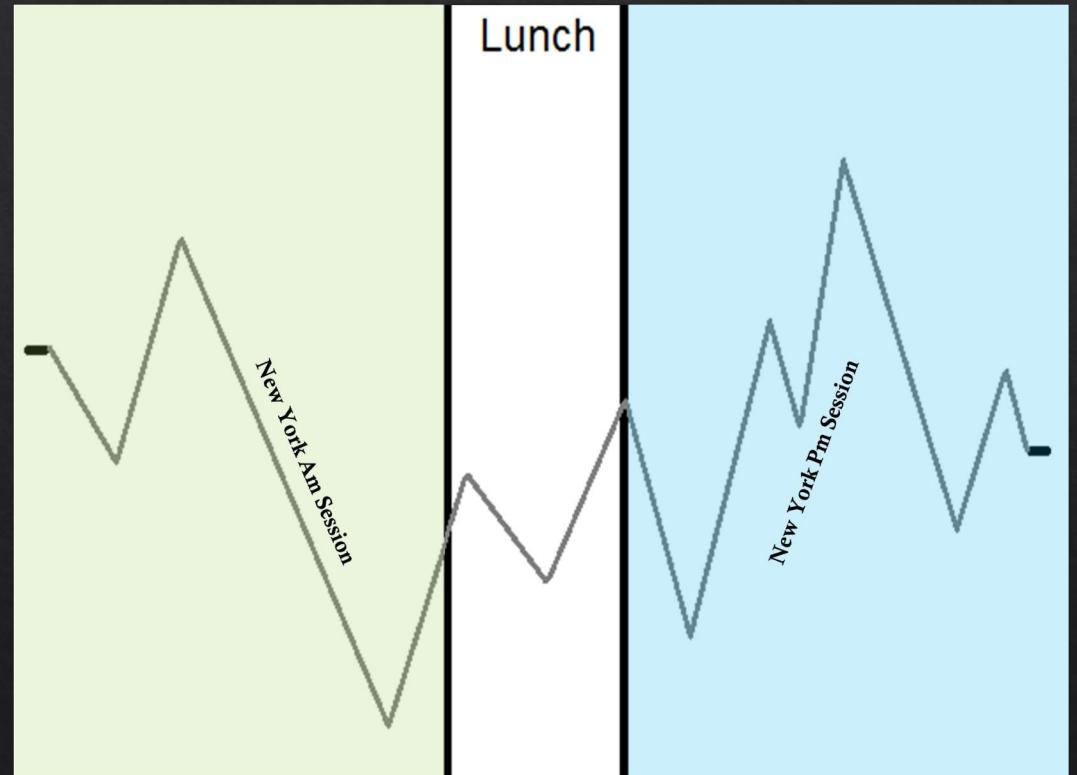
Runs the Lunch Hour Lows – Then reaches for Day's Buy Stops.

Or

Runs the Intraday Low – Then reaches for ID\London Buy Stops.

Pm Trend can simply consolidate into close after Lunch Hour.

### S&P E-mini

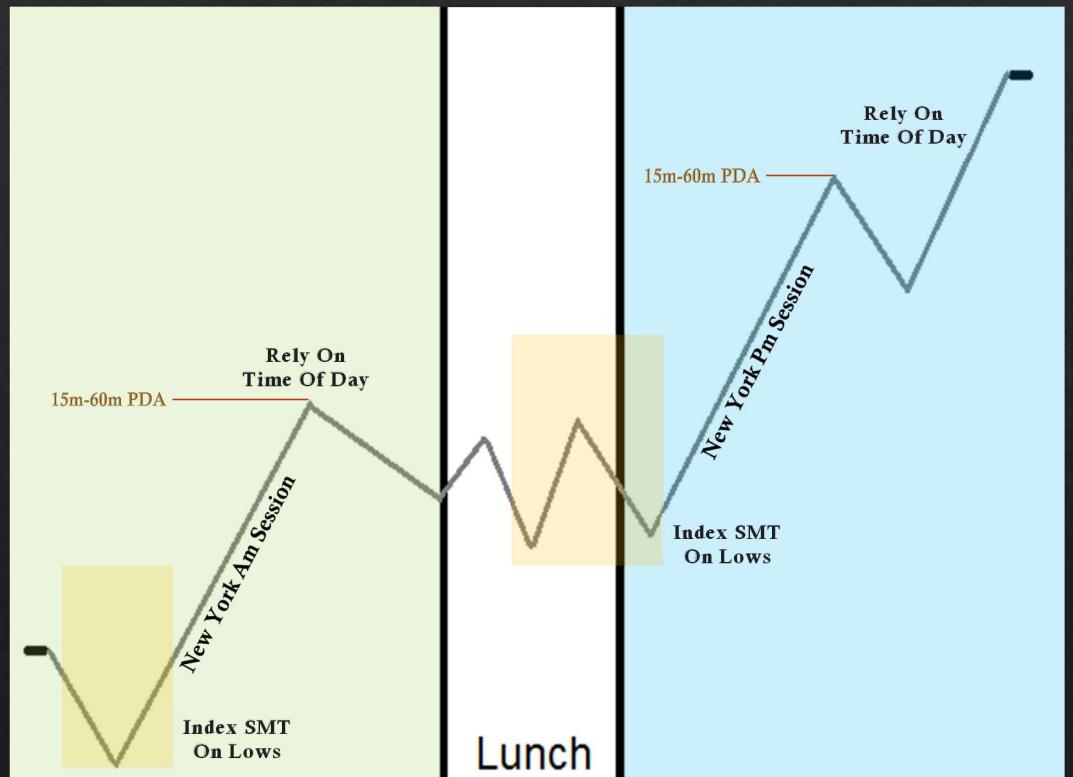


# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Index Trade Setups]

### S&P E-mini



### Two Session Up Close

Institutional Order Flow: Bullish

Am Trend:

Returns to a Discount Array then rallies.

Lunch Hour:

Consolidates with shallow retracements.

Pm Trend:

Runs the Lunch Hour Lows [Sell Stops]

Or

Drops into a FV Discount Array then Rallies into Close.

# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Index Trade Setups]

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Institutional Order Flow: Bearish

Am Trend:

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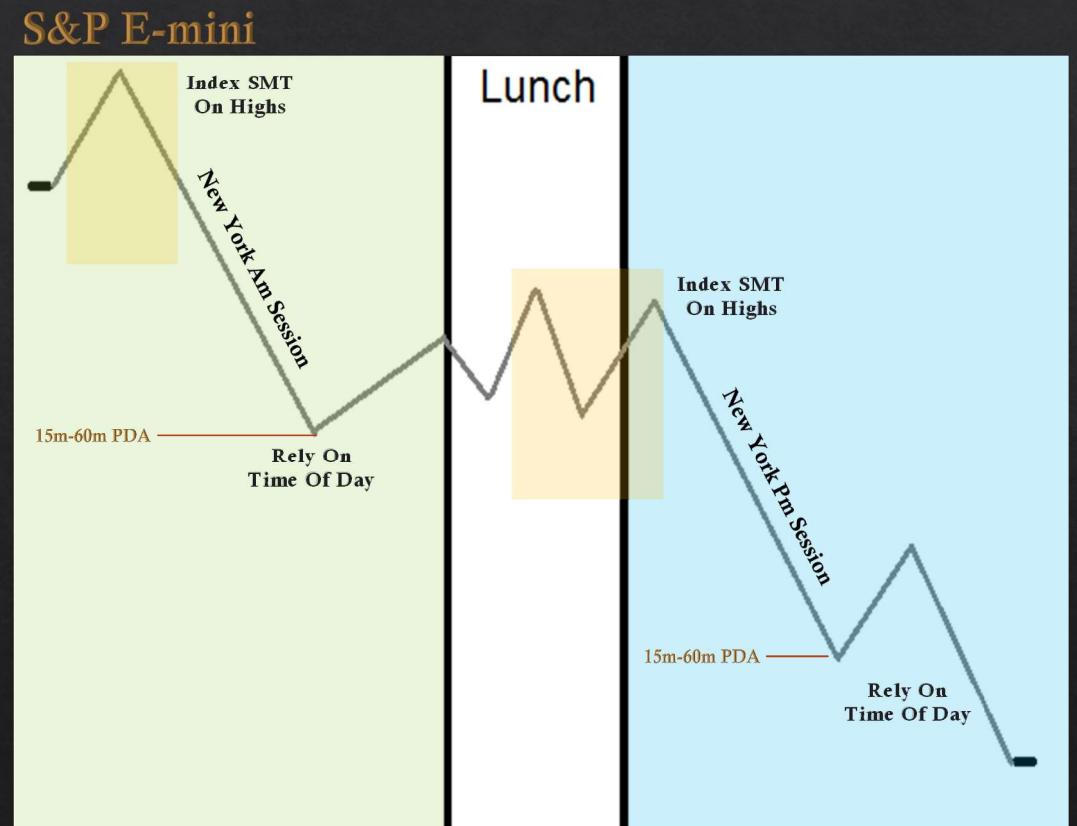
Consolidates with shallow retracements.

Pm Trend:

Runs the Lunch Hour Highs [Buys Stops]

Or

Rises into a FV Premium Array then Declines into Close.



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Index Trade Setups]

### S&P E-mini

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Institutional Order Flow: Bull – Under HTF Prem PDA

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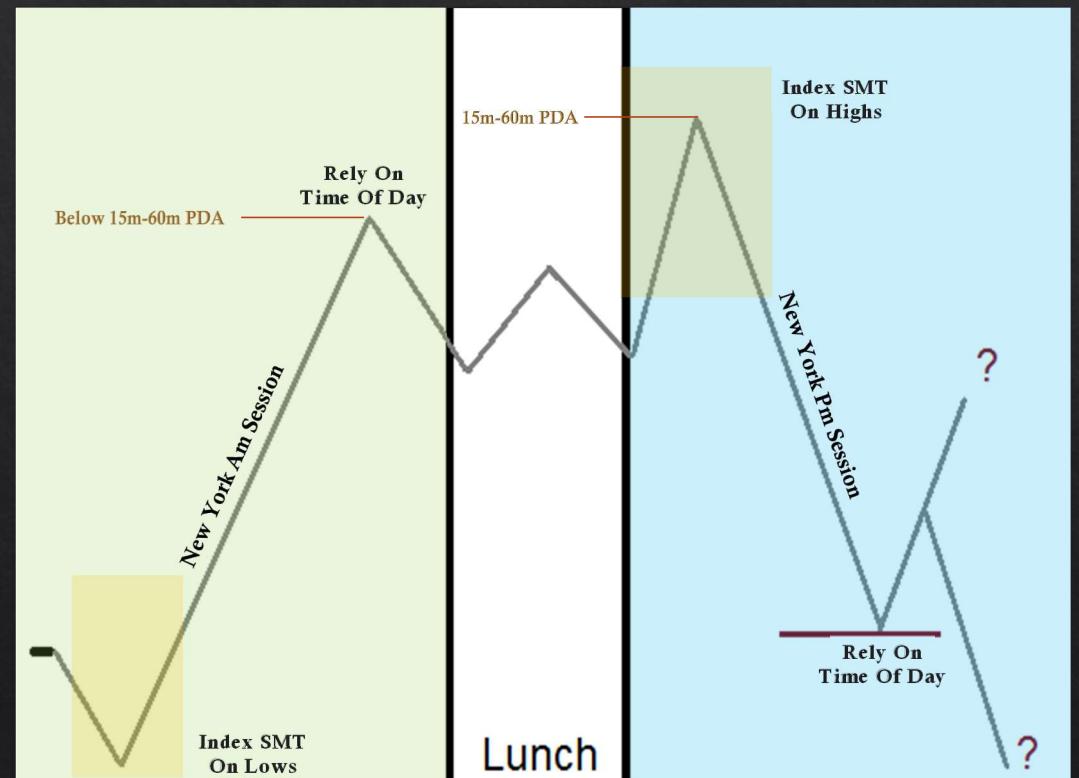
Pm Trend:

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Or

Runs the Intraday High – Then Reverses into Close.

Pm Trend can resume higher if Am Session Discount = HTF



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Index Trade Setups]

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Institutional Order Flow: Bear – Above HTF Disc PDA

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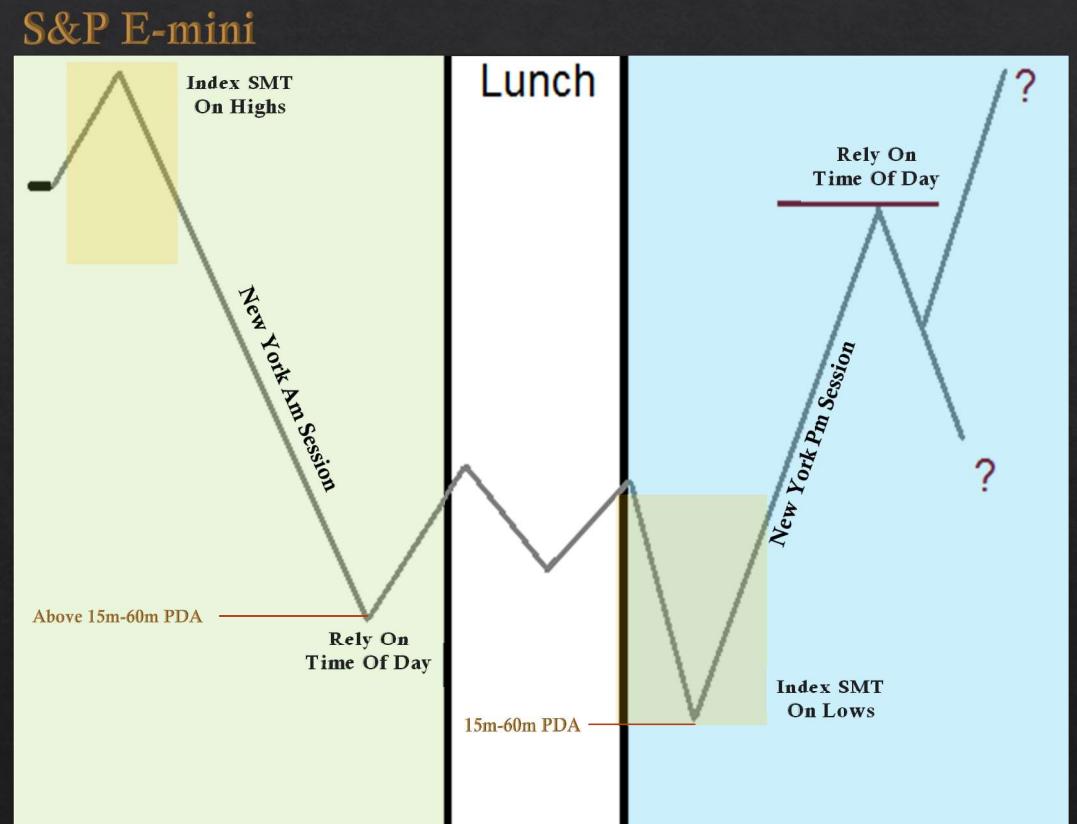
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# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Index Trade Setups]

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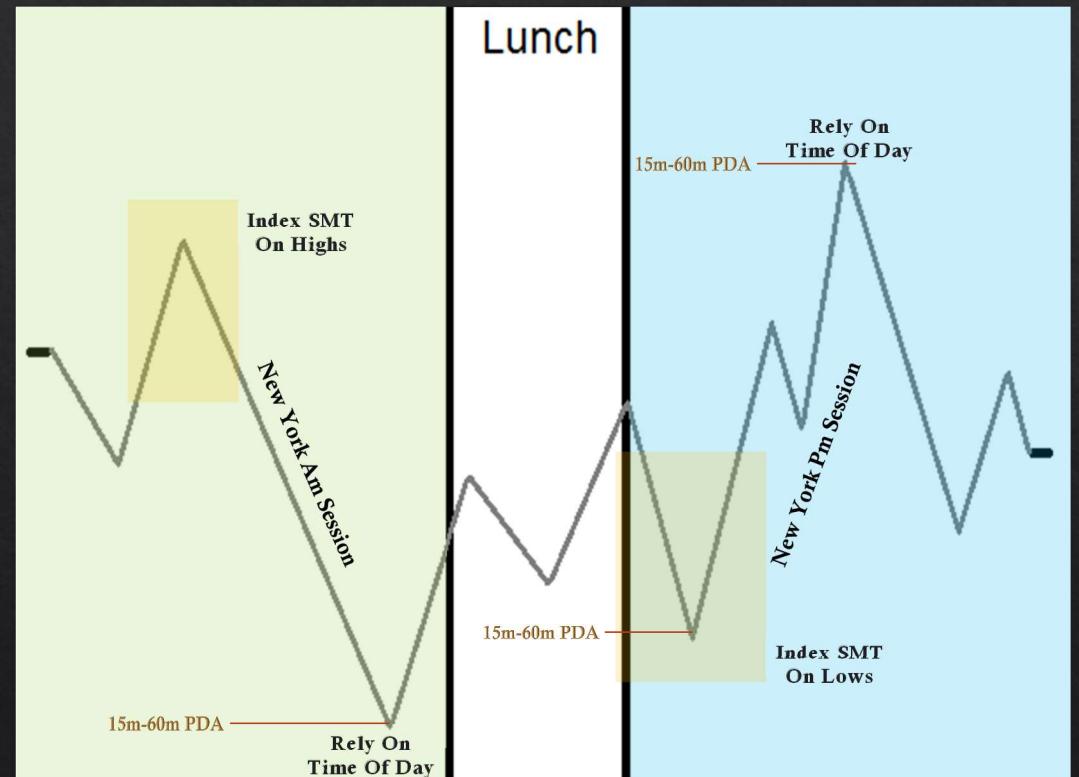
Runs the Lunch Hour Lows – Then reaches for Day's Buy Stops.

Or

Runs the Intraday Low – Then reaches for ID\London Buy Stops.

Pm Trend can simply consolidate into close after Lunch Hour.

### S&P E-mini



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Index Trade Setups]

### Consolidation Am Rally Pm Decline

Institutional Order Flow: Neutral

#### Am Trend:

Returns to a Discount Array then rallies.

Or

Expands Higher From Equilibrium to Run London Buy Stops.

#### Lunch Hour:

Consolidates with shallow retracements.

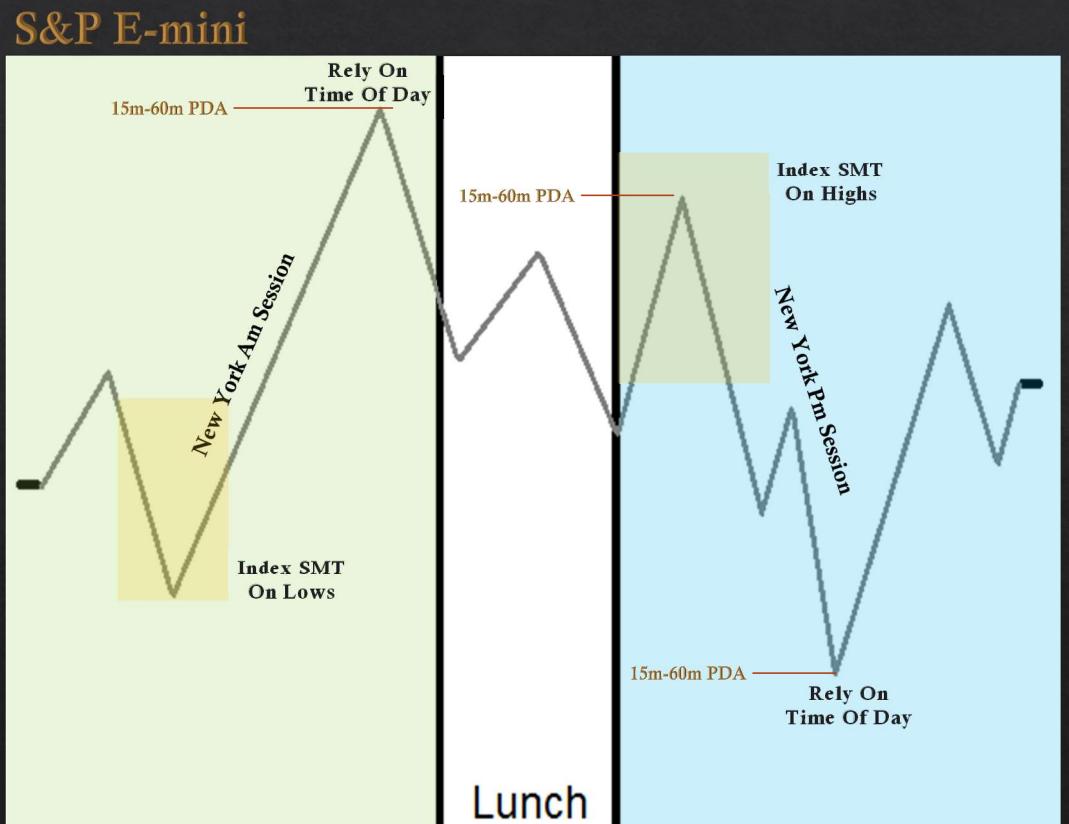
#### Pm Trend:

Runs the Lunch Hour Highs – Then reaches for Day's Sell Stops.

Or

Runs the Intraday High – Then reaches for ID\London Sell Stops.

Pm Trend can simply consolidate into close after Lunch Hour.



# ICT Monthly Mentorship

## ICT Index Trading Concepts

[Index Trade Setups]

### Consolidation Am Rally Pm Decline

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### S&P E-mini



Action?

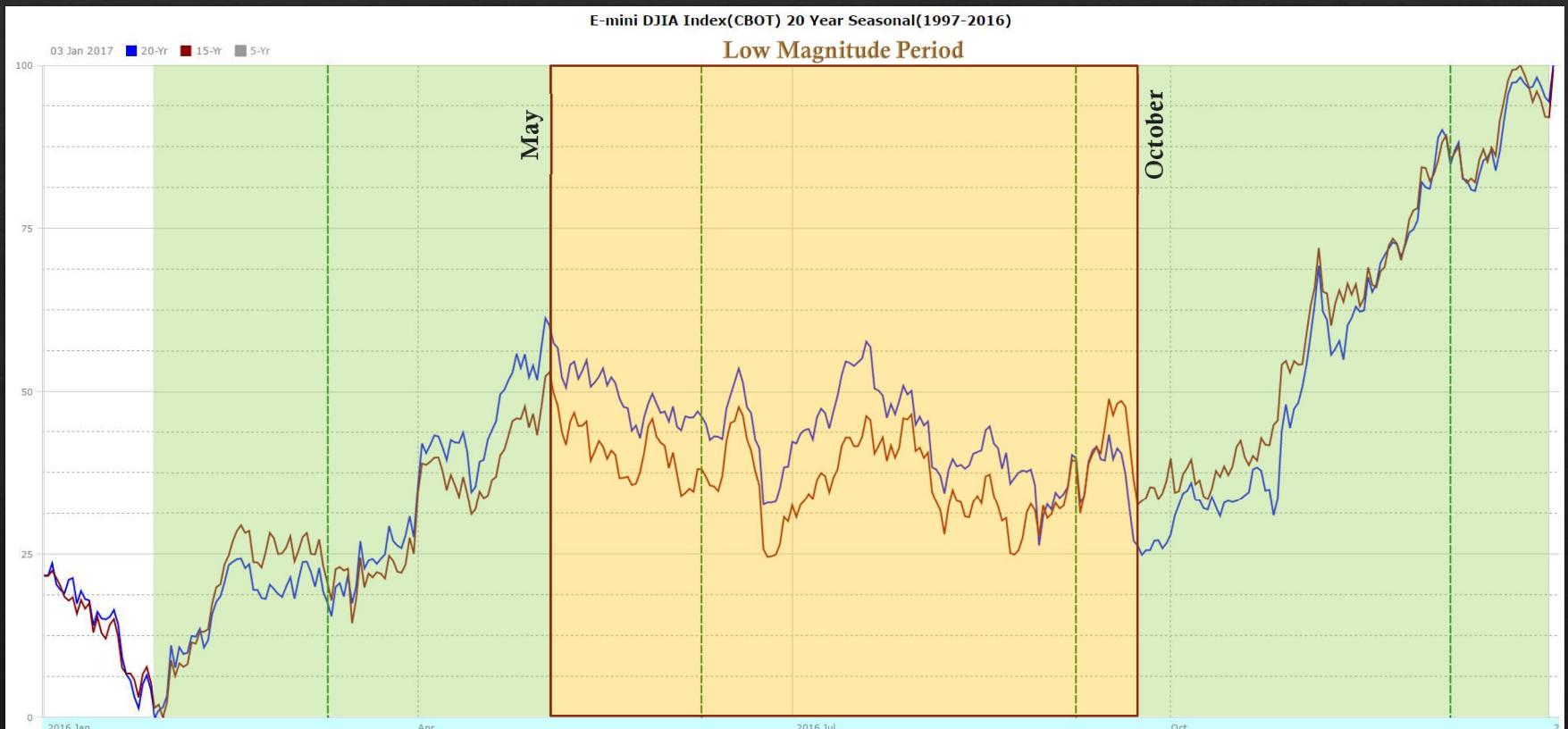
Short E-mini S&P

# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Seasonals & Monthly Swings]

### Dow Jones Industrial Seasonal Tendency

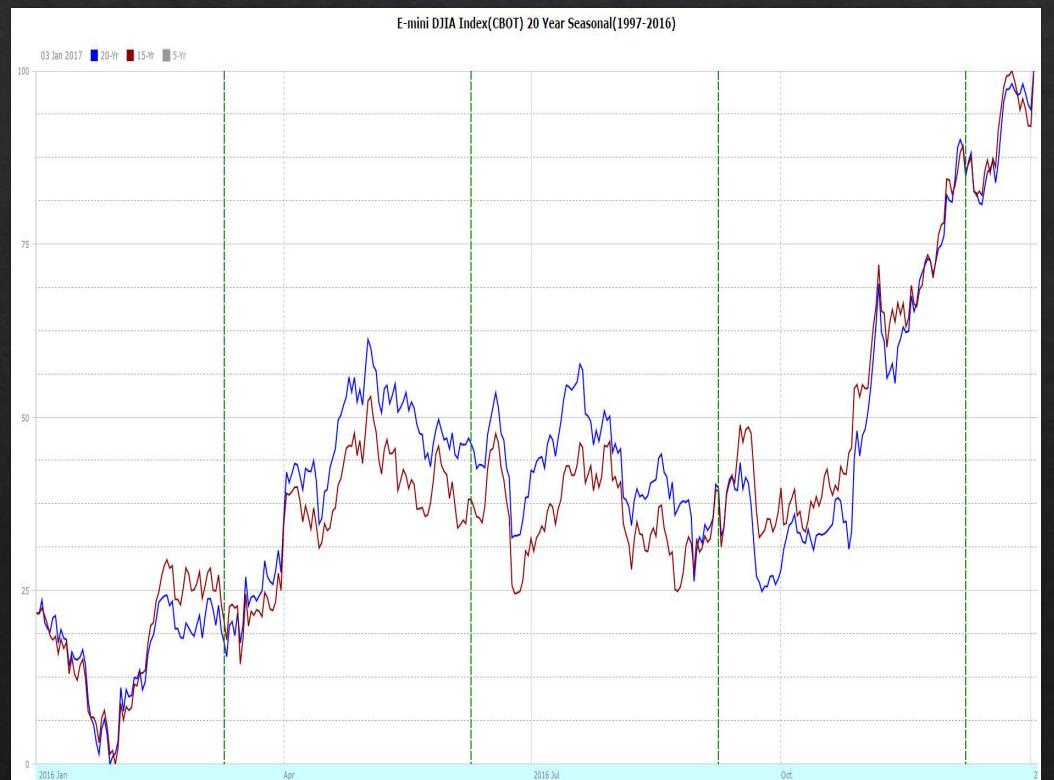


# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Seasonals & Monthly Swings]

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### Dow Jones Industrial Seasonals

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# ICT Monthly Mentorship

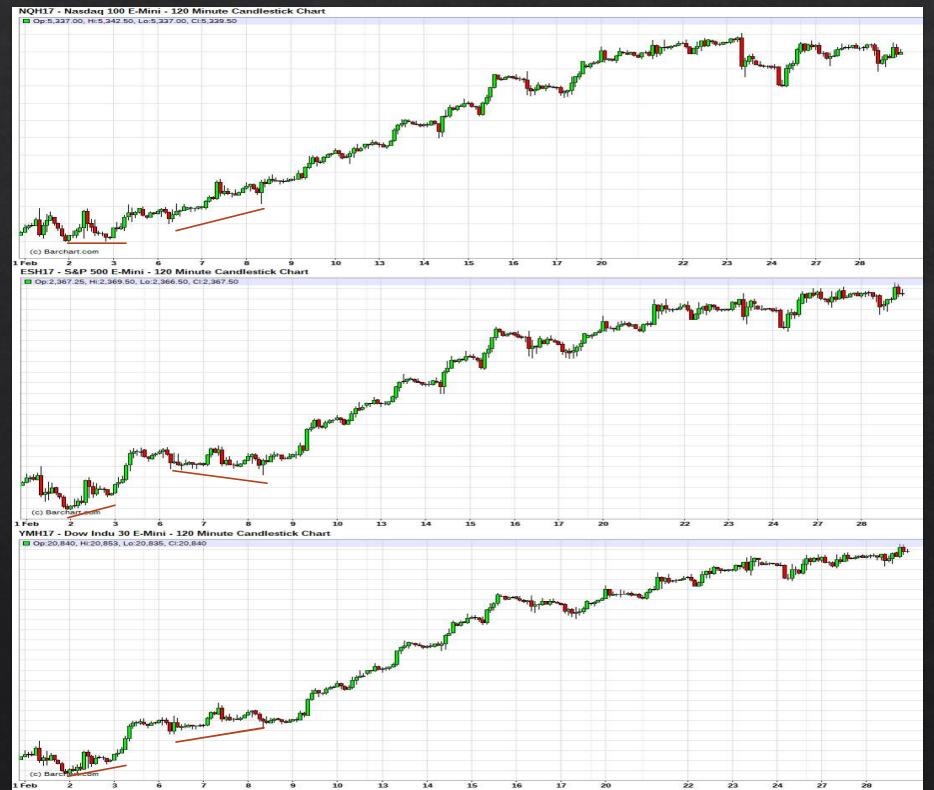
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### Major Stock Indices

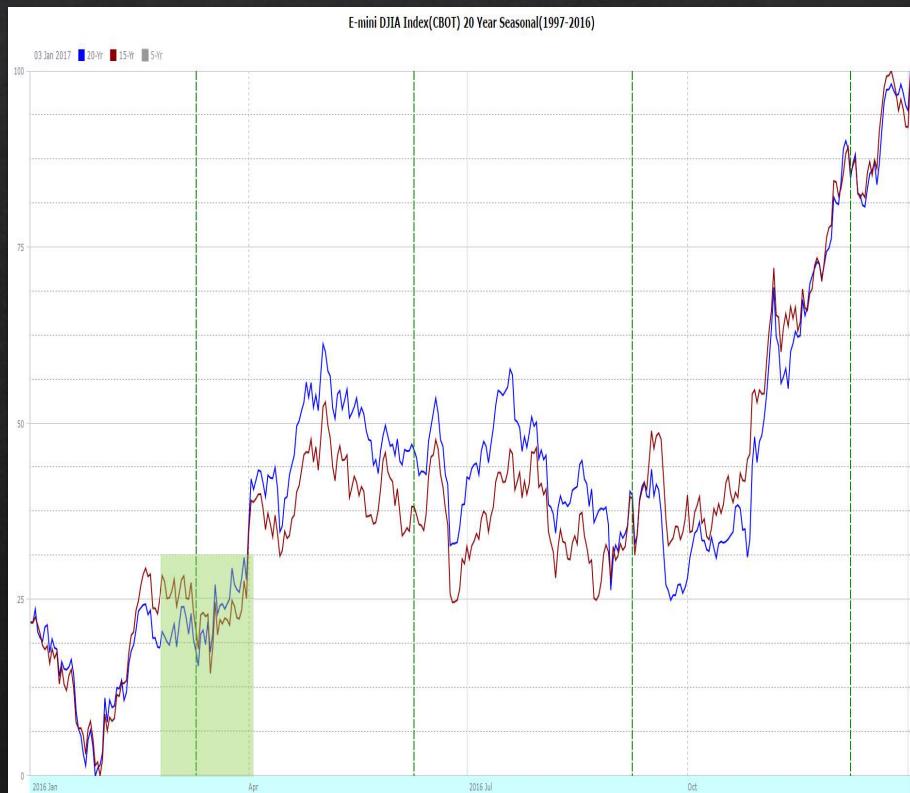


# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Seasonals & Monthly Swings]

### Dow Jones Industrial Seasonal Tendency



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# ICT Monthly Mentorship

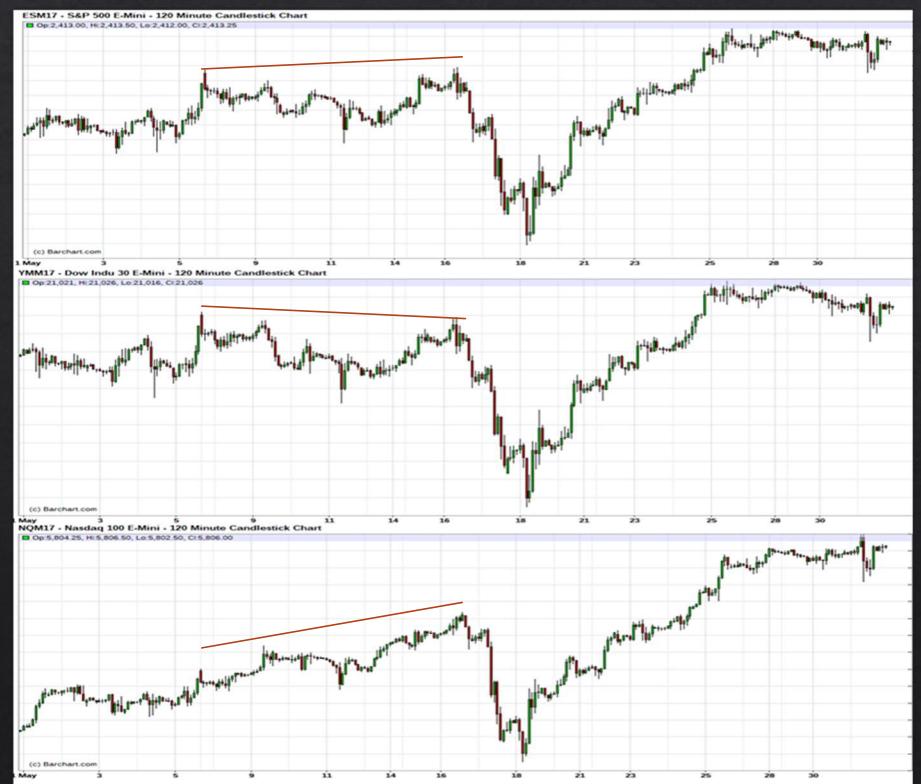
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### Major Stock Indices



# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Building Buy Watchlists]

### Dow Jones Industrial Composite Stock List

#### Companies in the Dow Jones Industrial Average

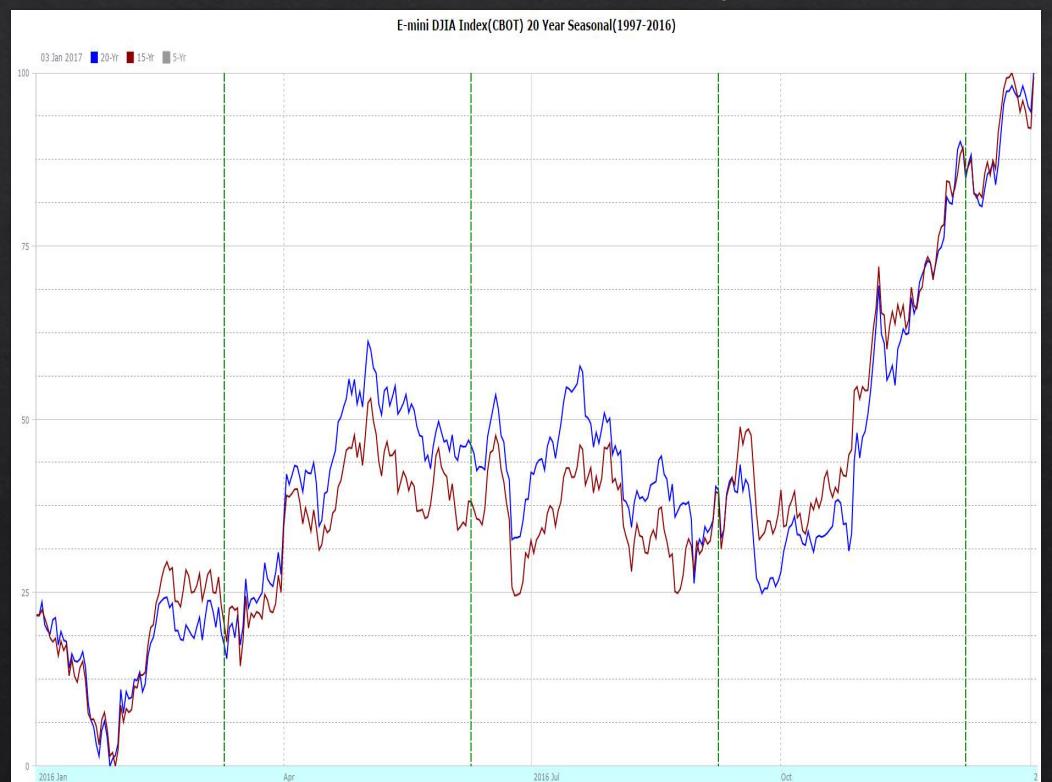
Company	Price	Change	% Change		Price	Change	% Change
MMM 3M	210.56	-2.05	-0.96%	INTC Intel	33.79	-0.28	-0.82%
AXP American Express	83.28	+0.32	+0.39%	JNJ Johnson & Johnson	135.59	-0.75	-0.55%
AAPL Apple	144.51	-1.31	-0.90%	JPM JPMorgan Chase	88.38	+1.14	+1.31%
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CVX Chevron	104.61	+0.47	+0.45%	MSFT Microsoft	69.44	-1.09	-1.55%
CSCO Cisco	31.93	-0.31	-0.96%	NKE Nike	52.91	-0.37	-0.69%
KO Coca-Cola	45.07	-0.36	-0.79%	PFE Pfizer	33.90	-0.14	-0.43%
DIS Disney	105.68	+0.11	+0.10%	PG Procter & Gamble	88.81	-0.55	-0.61%
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[Building Buy Watchlists]

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# ICT Monthly Mentorship

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[Building Buy Watchlists]

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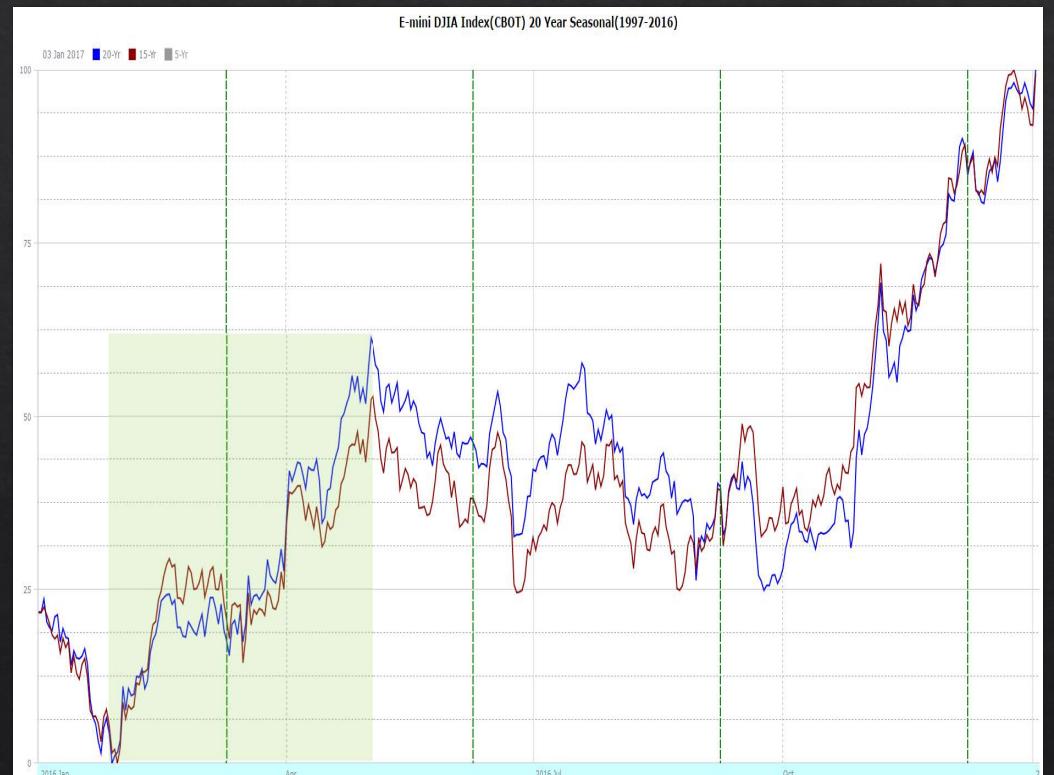
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# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Building Buy Watchlists]

### Building Buy Watchlists

Stock 1 – AAPL

Stock 2 – BA

Stock 3 – DIS

Stock 4 – HD

Stock 5 – MCD

Stock 6 – V

Selecting 2-4 from this list would be accomplished by selecting Call Options that were “affordable” as well as where each were trading in Historic Terms.

A Stock from this list that was too extended from a Weekly or Daily Structure – would eliminate it from the list.

Quarterly increases in Sales and Profits would also be strong factors in keeping a stock from this list.

Blending a Simple – Seasonal – Fundamental – and ultimately Technical trading process for selecting possible Winning Stocks.



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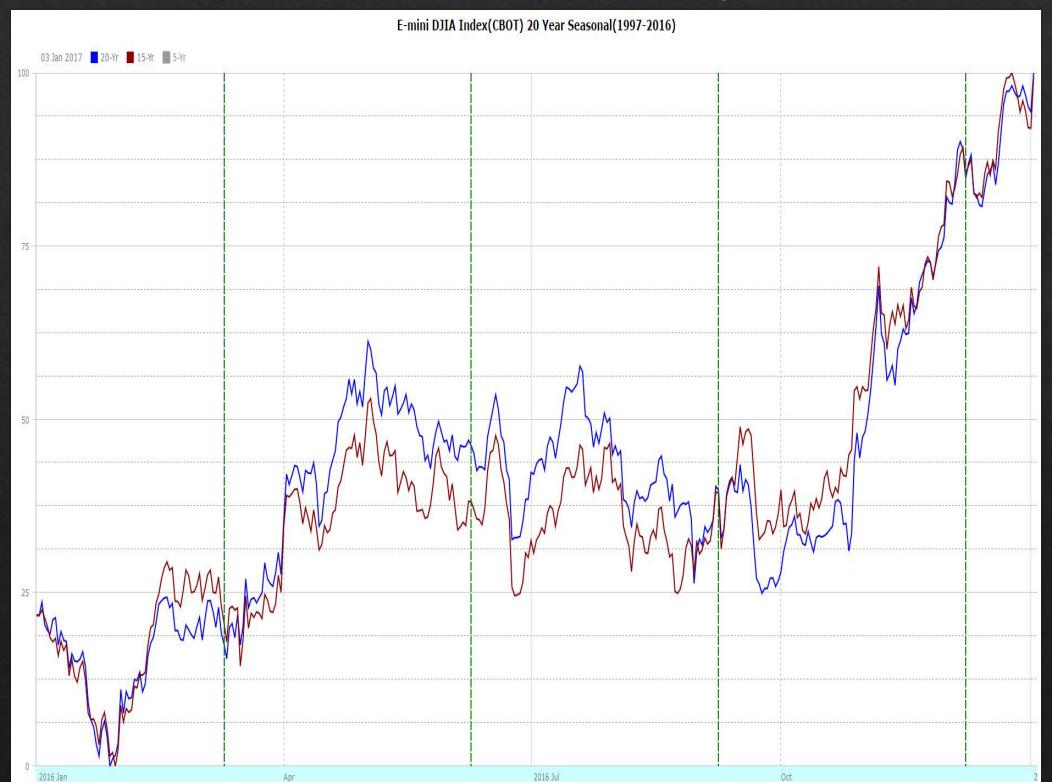
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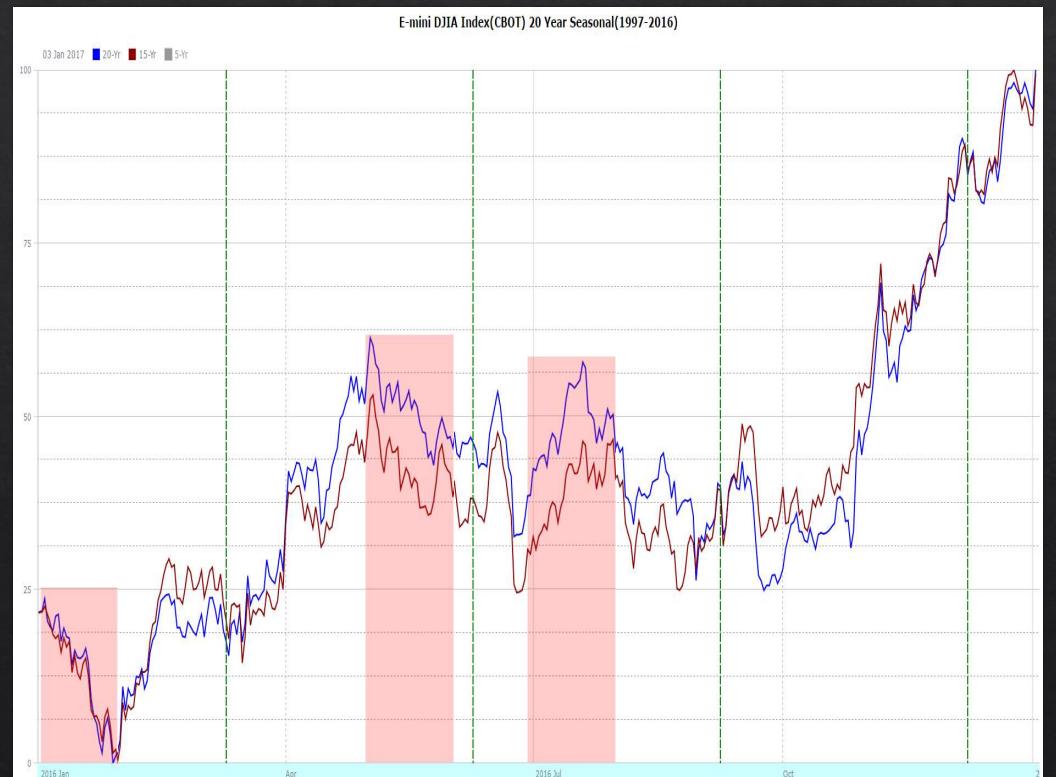
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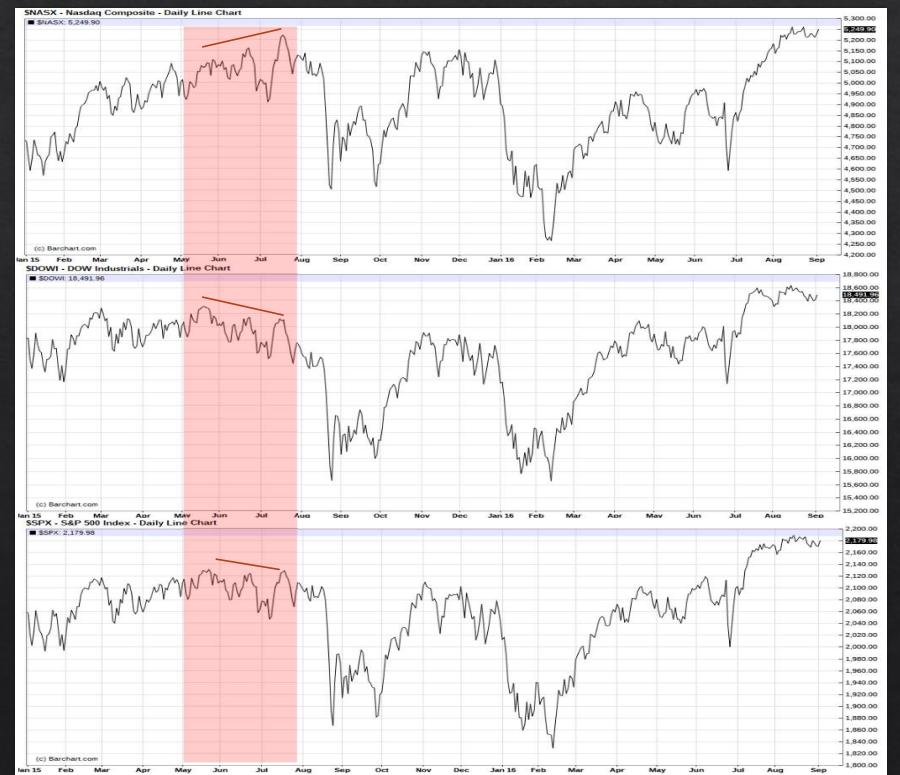
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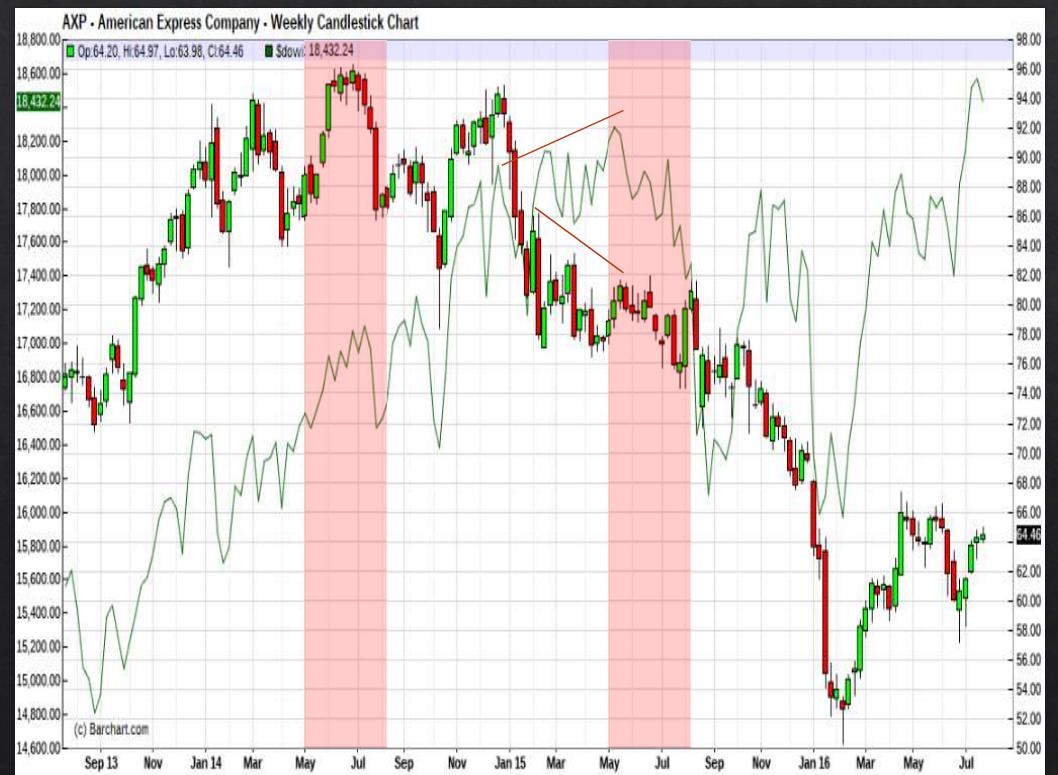
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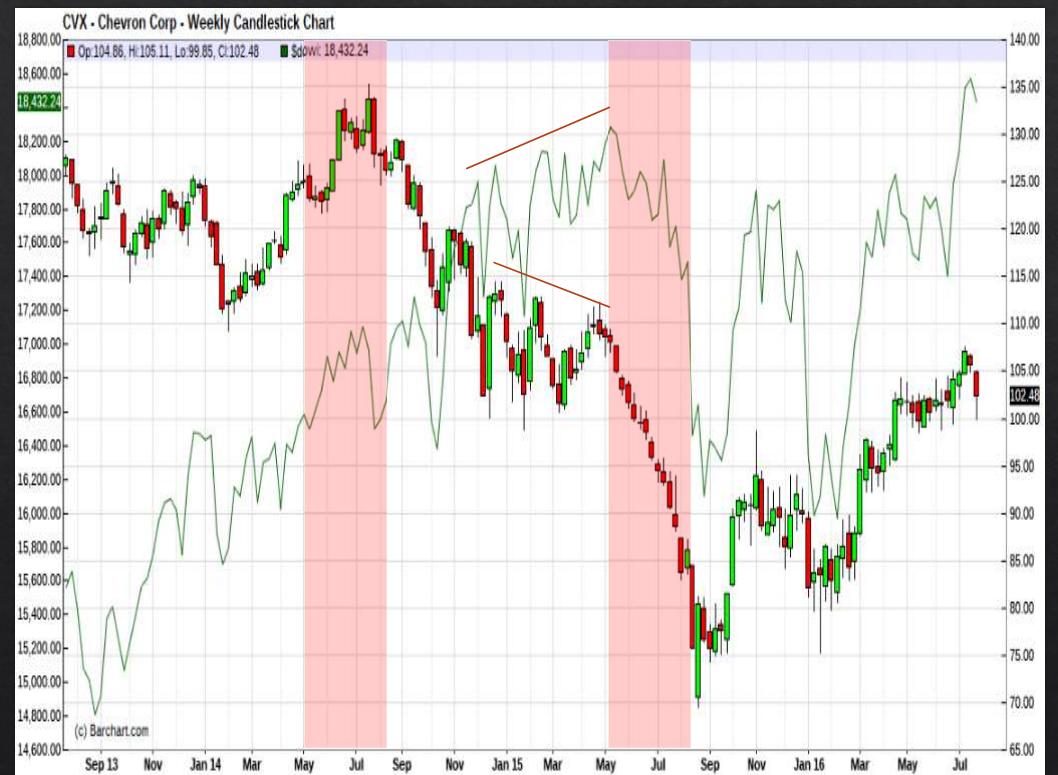
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# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Valuation Stock Selection]



**ICT Monthly Mentorship**  
**ICT Stock Trading Concepts**

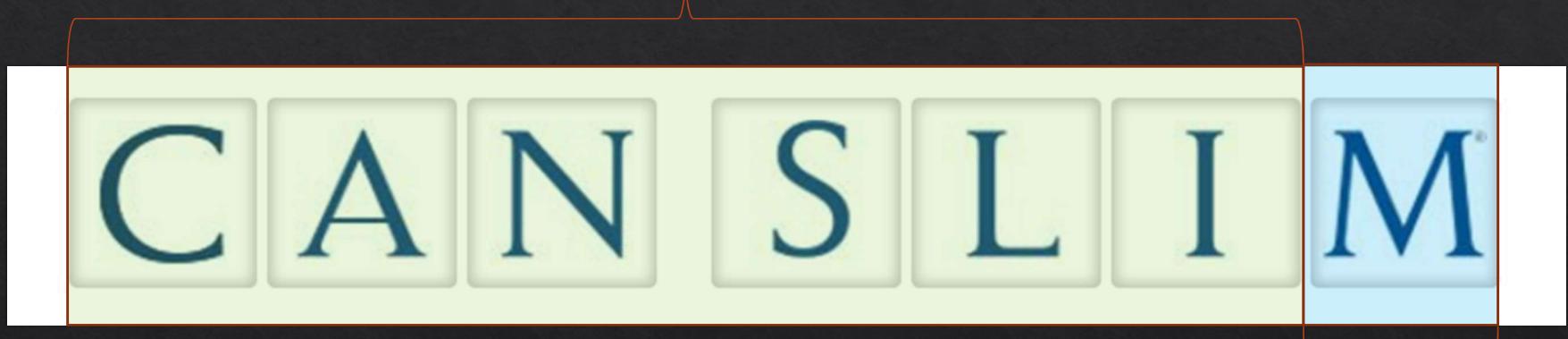
[Valuation Stock Selection]



ICT Monthly Mentorship  
ICT Stock Trading Concepts

[Valuation Stock Selection]

Fundamental Basis



Technical Basis

# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Valuation Stock Selection]

### Fundamentally Speaking...

**C**

Current Earnings

**A**

Annual Earnings

**N**

The New Factor

**S**

Supply and Demand

**L**

Leader vs. Laggard

**I**

Institutional Sponsorship

**M**

Market Direction

#### C: Current Earnings

Look for stocks with earnings growth of at least 25% in their latest reported quarter. Bigger growth is even better. You would also like to see earnings acceleration over the last three quarters. For example, one quarter earnings may be up 25%, the next quarter up 50%, and the most recent up 90%.

**C**

**Current Quarterly Earnings +25% or more in recent quarters**

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### Fundamentally Speaking...

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Market Direction

#### A: Annual Earnings

You want to see annual earnings growth of at least 25% for each of the last 3 years. We have also found that the greatest stocks of all time had the best margins in their industry group and return on equity of at least 17%.



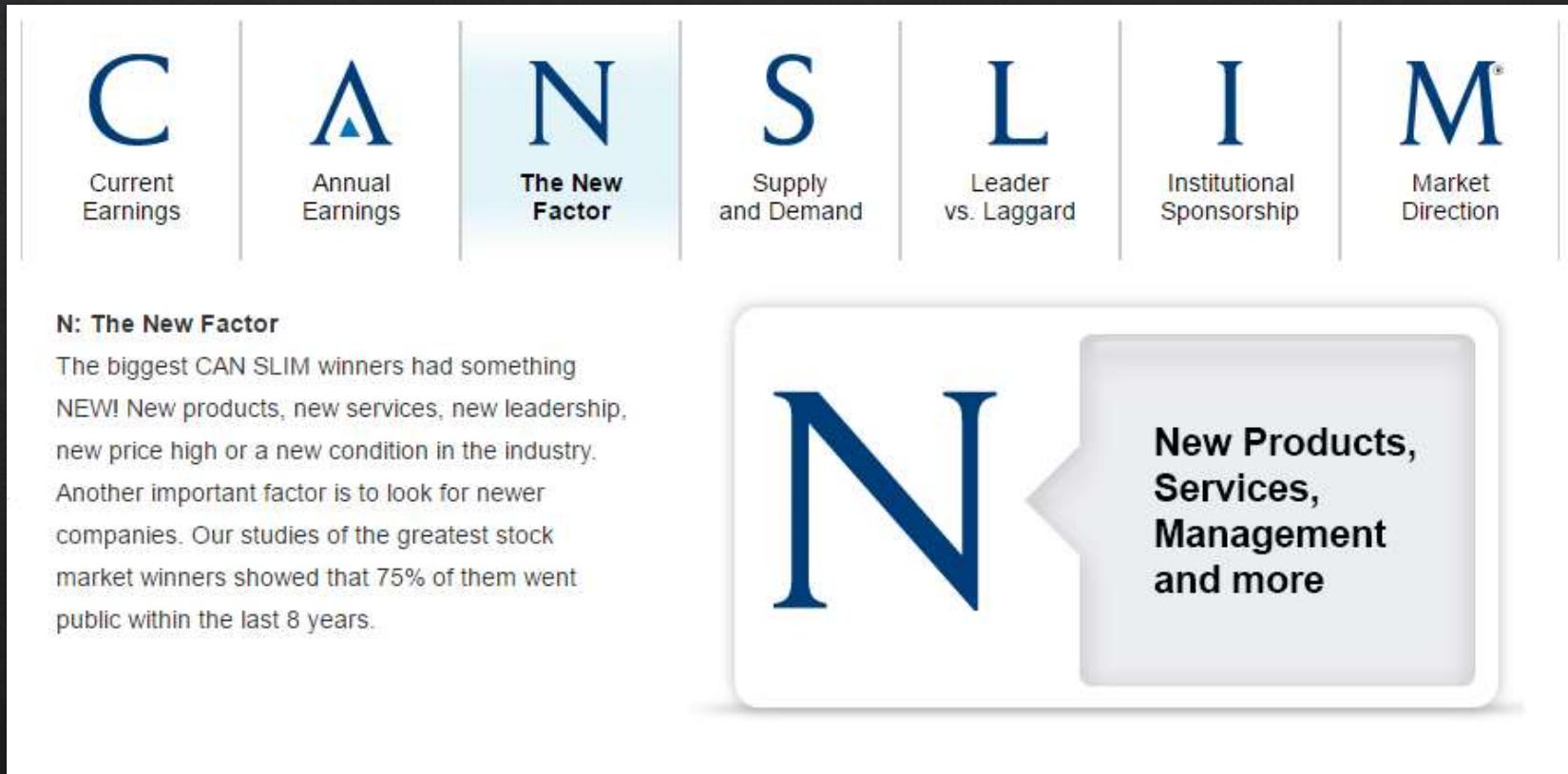
**Annual Earnings**  
up 25% in each  
of the last 3 years

# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Valuation Stock Selection]

### Fundamentally Speaking...



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Market Direction

#### M: Market Direction

Our study shows 3 out of 4 stocks follow the market's trend, so you always want to trade in sync with the market. You should only be buying stocks in a confirmed uptrend and protect your capital in a correction.

M

Market  
Direction

# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Valuation Stock Selection]

### Major Market Timing Points

#### Seasonal Influences Per Calendar Month:

- January – Bearish
- February – Bullish
- March – Consolidation
- April – Bullish
- May – Bearish
- June – Consolidation Ending Bearish
- July – Bullish Into Mid-Year High
- August – Consolidation
- September – 1<sup>st</sup> half Bullish – 2<sup>nd</sup> Half Bearish
- October – Bullish
- November – Bullish
- December – Bullish



# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Using Options In Stocks]

### Major Market Timing Points

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# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Using Options In Stocks]

### The Long Call Option

Since theoretically there can be no limit as to how high the stock price can be at expiration date, there is no limit to the maximum profit possible when using the long call option strategy.

**Maximum Profit = Unlimited until expiration**

**Profit Achieved When Price of Underlying  $\geq$  Strike Price of Long Call + Premium Paid**

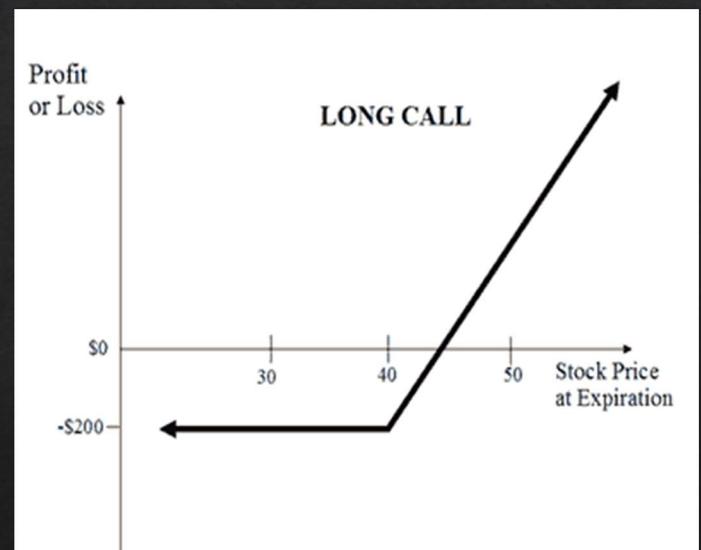
**Profit = Price of Underlying - Strike Price of Long Call - Premium Paid**

**Risk for the long call options strategy is limited to the price paid for the call option no matter how low the stock price is trading on expiration date.**

**Max Loss = Premium Paid + Commissions Paid**

**Max Loss Occurs When Price of Underlying  $\leq$  Strike Price of Long Call**

**Breakeven Point = Strike Price of Long Call + Premium Paid**



# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Using Options In Stocks]

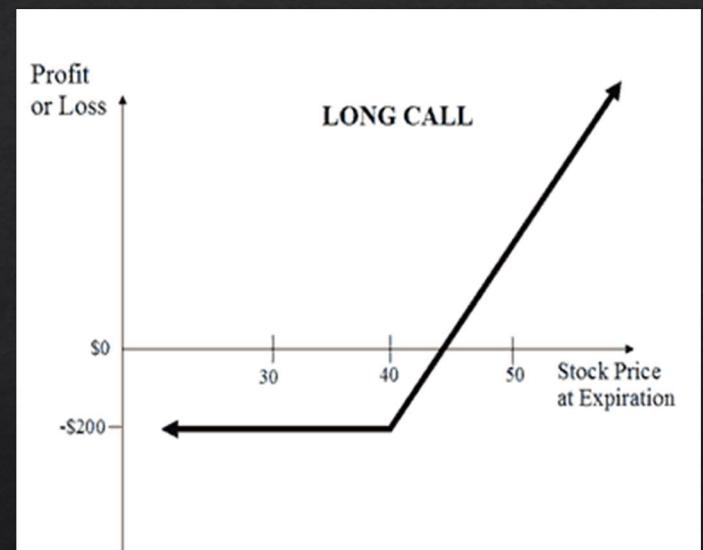
### The Long Call Option

#### Hypothetical Example

Suppose the stock of ICT company is trading at \$50. A call option contract with a strike price of \$50 expiring in a month's time is being priced at \$2. You believe that ICT stock will rise sharply in the coming weeks and so you paid \$200 to purchase a single \$50 ICT call option covering 100 shares.

Suppose the price of ICT stock rallies to \$60 on option expiration date. With underlying stock price at \$60, if you were to exercise your call option, you invoke your right to buy 100 shares of ICT stock at \$50 each and can sell them immediately in the open market for \$60 a share. This gives you a profit of \$10 per share. As each call option contract covers 100 shares, the total amount you would receive from the exercise is \$1000. Since you had paid \$200 to purchase the call option, your net profit for the entire trade is therefore \$800.

However, if you were wrong in your expectation and the stock price had instead dropped to \$40, your call option would expire worthless and your total loss will be the \$200 that you paid to purchase the option plus commission costs.



# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Using Options In Stocks]

### The Long Put Option

Since stock price in theory can reach zero at expiration date, the maximum profit possible when using the long put strategy is only limited to the striking price of the purchased put less the price paid for the option.

**Maximum Profit = Unlimited**

**Profit Achieved When Price of Underlying = 0**

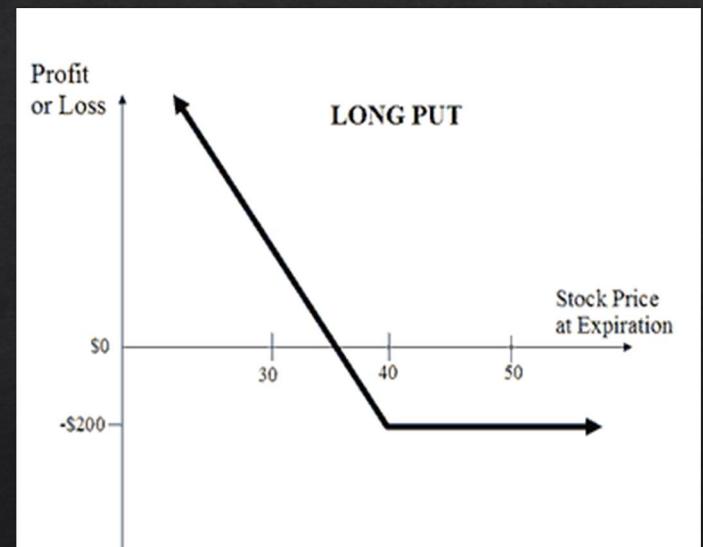
**Profit = Strike Price of Long Put - Premium Paid**

Risk for implementing the long put strategy is limited to the price paid for the put option no matter how high the stock price is trading on expiration date.

**Max Loss = Premium Paid + Commissions Paid**

**Max Loss Occurs When Price of Underlying  $\geq$  Strike Price of Long Put**

**Breakeven Point = Strike Price of Long Put - Premium Paid**



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[Using Options In Stocks]

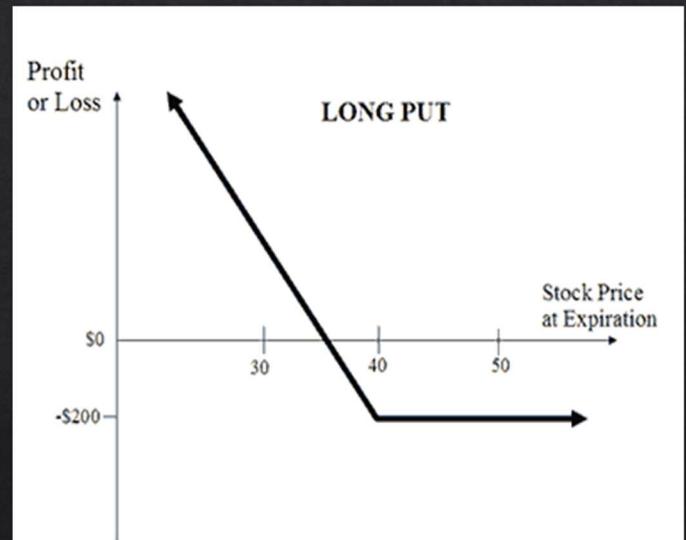
### The Long Put Option

#### Hypothetical Example

Suppose the stock of TRLZ company is trading at \$40. A put option contract with a strike price of \$40 expiring in a month's time is being priced at \$2. You believe that TRLZ stock will fall sharply in the coming weeks and so you paid \$200 to purchase a single \$40 TRLZ put option covering 100 shares.

Suppose price of TRLZ stock crashes to \$30 at option expiration date. With underlying stock price now at \$30, your put option will now be in-the-money with an intrinsic value of \$1000 and you can sell it for that much. Since you had paid \$200 to purchase the put option, your net profit for the entire trade is therefore \$800.

However, if you were wrong in your expectations and the stock price had instead rallied to \$50, your put option will expire worthless and your total loss will be the \$200 that you paid to purchase the option.



# ICT Monthly Mentorship

## ICT Stock Trading Concepts

[Using Options In Stocks]

### Which Option Strike and Expiration?

#### The Strike Price:

I like paying no more than \$350 per Option. This means the Premium is going to be 3.5 for the Strike Price I want to purchase – either Call Or Put. Ideally we can see premiums of 1 to 2 per contract or 100 to 200 dollars.

If I can buy close to the money options – 1-3 strikes away from market price – that's a Blue Light Special or "Cheap Option Purchase". Load the boat.

#### The Option Expiration:

I want more than 90 days until expiration. I know time decay will build as we get under 75 days until expiration... so I have about two weeks to see if it will grow in premium or possibly I can sell it before expiration and major premium loss due to Time Decay.

Expiration:	2017-10-20	Show All	Stacked							
112 Days to expiration on 10/20/17										
<b>Calls</b>										
Strike	Last	% From Last	Bid	Midpoint	Ask	Change	%Chg	IV	Volume	Open Interest
30.00	22.65	+0.49%	27.55	29.25	30.95	-0.20	-0.88%	55.70%	N/A	35
32.50	20.00	+0.45%	25.05	26.75	28.45	-4.50	-18.37%	48.81%	N/A	8
35.00	18.60	+0.41%	22.70	24.15	25.60	0.10	0.54%	0.00%	N/A	98
37.50	15.65	+0.37%	20.25	21.68	23.10	N/A	N/A	0.00%	N/A	5
40.00	13.60	+0.32%	18.10	19.10	20.10	2.35	20.89%	0.00%	N/A	28
42.50	15.70	+0.28%	16.15	16.80	17.45	6.60	72.53%	30.25%	5	14
45.00	12.70	+0.24%	13.55	14.33	15.10	3.90	44.32%	26.65%	10	103
47.50	10.55	+0.20%	11.15	12.05	12.95	3.65	52.90%	28.70%	10	98
50.00	10.00	+0.15%	9.55	9.60	9.65	5.31	113.22%	24.25%	377	2,662
52.50	7.40	+0.11%	7.35	7.45	7.55	4.20	131.25%	23.71%	443	8,195
55.00	5.60	+0.07%	5.40	5.45	5.50	3.60	180.00%	22.51%	781	10,346
57.50	4.00	+0.03%	3.70	3.75	3.80	2.80	233.33%	21.67%	1,163	6,664
60.00	2.46	-0.02%	2.38	2.40	2.41	1.79	267.16%	20.95%	3,458	2,957
62.50	1.44	-0.08%	1.40	1.44	1.48	1.08	300.00%	20.63%	1,830	1,791
65.00	0.78	-0.10%	0.77	0.79	0.80	0.59	310.53%	20.16%	1,119	1,190