



This is a trading setup that follows the mantra *buy low sell high*.

You buy Support and sell Resistance which offers favorable risk to reward on your trades.

The ideal time to trade this setup is when the market is in a range or a weak trend.

Because these are market conditions when Support and Resistance are the most obvious (and attract the most order flow).

Now go watch the video below and learn how to trade the False Break setup...

And here are a few practical tips when you're trading Support and Resistance...

Tip #1: Trade the major levels

Here's the thing:

Not every level on your chart is worth trading because some aren't levels to start with, some are minor levels, and only a few are major levels.

So, when you're trading Support and Resistance, focus on the best levels to trade. The ones which are the most obvious that sticks right out in your face (for example multi-year highs/lows, 52 weeks highs/lows, and etc.).

This offers you a good trade location, a favorable risk to reward, and a higher probability of your trade working out.

Tip #2: Wait for a clean move into Support/Resistance

Earlier, you've learned that the longer the price hangs around Support and Resistance, the more likely it'll break.

With this in mind, you don't want to go long at Support when there's a buildup formed (or lower highs into Support) because the price will likely breakdown.

Instead, you want to trade Support when there's a clean move into it — and nothing else.

Tip #3: Set your stop loss a distance away from Support/Resistance

Don't be one of those traders who put their stop loss just below Support or above Resistance.

Why?

Because these are levels where everyone is putting their stops and it gives the smart money incentive to "hunt" it.

Instead, give your stop loss some buffer away from Support and Resistance areas — so you don't get stopped out unnecessarily.

Next...