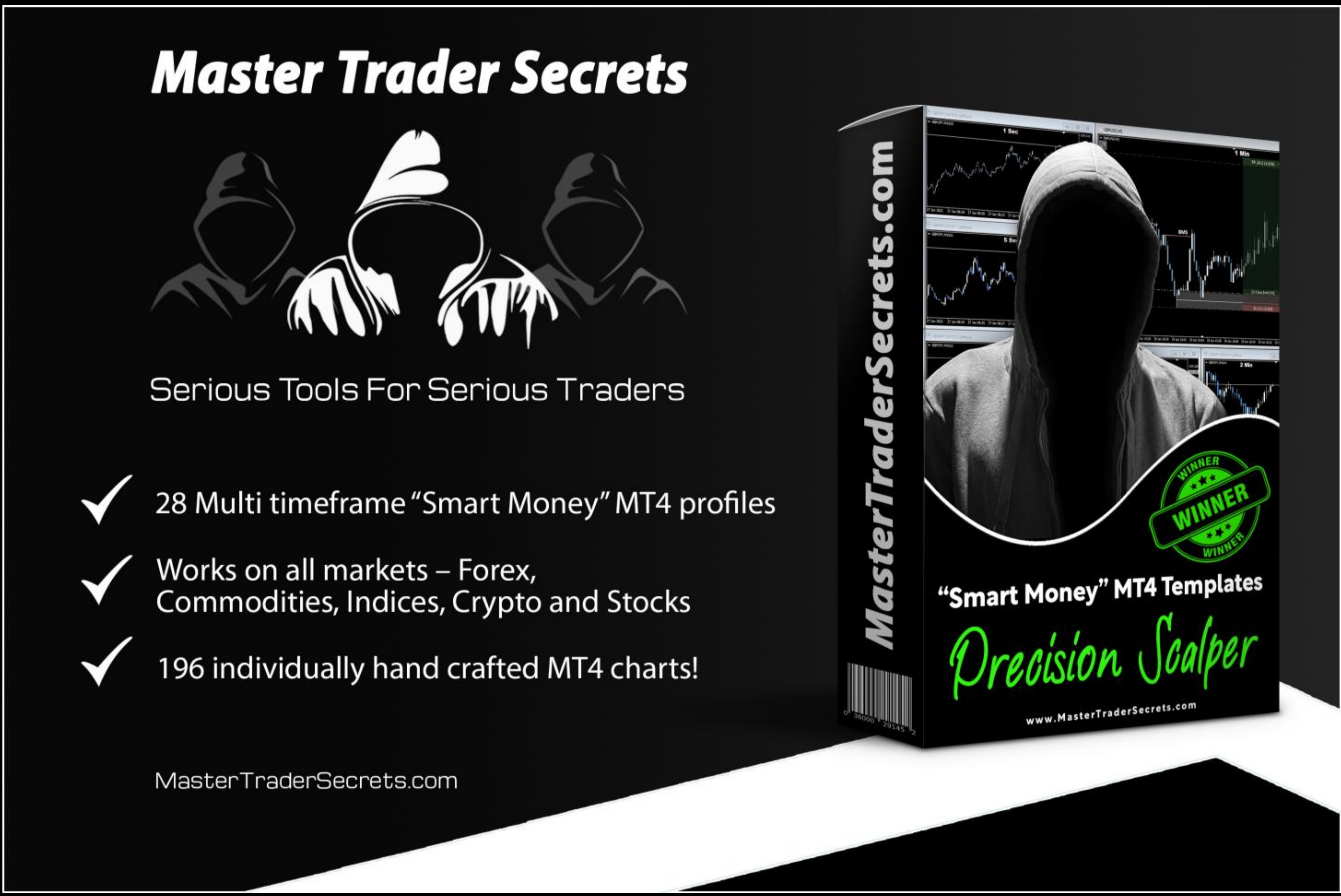
Master Trader Secrets

SERIOUS TOOLS FOR SERIOUS TRADERS

"Smart Money" MT4 Templates

Precision Scalper



MT4 "SECOND CHARTS" TRADING SYSTEM – 1, 5 ,15 and 30 Second Charts

Grabbing scalper entries off the 5 and 15 second charts for massive R:R trades!

You know all those 'random' moves you see on the charts? They are not random! Price is always heading to a specific mitigation point, but if you don't dig down into these ultra-low timeframe charts you will never understand that…

CONTENT:

Note: This trading system could be considered quite 'detailed'. It utilizes a lot of advanced 'smart money' concepts like market structure, order blocks, mitigation, market imbalances, fair value gaps and propulsion blocks to determine the trade direction and potential trade setups. Please study this instruction manual thoroughly and practice these trade setups in a demo account to become familiar with them before you ever consider moving to trading with live funds.

Also note that there is MUCH MORE valuable trading information contained in the 'smart money' video courses that have been supplied with this product. In fact this scalping system is based on concepts explained thoroughly in the 'Advanced Smart Money' video course, so please ensure that you download that video content and study it thoroughly before you even start taking practice trades in a demo account.

Intro

Precision Scalper – MT4 SECOND CHARTS scalping system

Do you trade on only one timeframe? WHY? Price is Fractal! (trade setups look the same on every timeframe)

You have purchased a very successful and powerful trading system! A system that has you monitor multiple timeframes, all at the same time, with your trade entries on the lower timeframes (5, 15, 30 second charts). You've never seen anything like this before!

HIGHLY REFINED, MINIMAL RISK:MASSIVE REWARD TRADES ARE AVAILABLE

This scalping system is a rules based system. Insane R:R trades of 1:50 and higher are possible with this system. No, I'm not kidding! Imagine seeing a potential trade POI on the M15 chart and refining it down to a trade entry on the 5 second chart, giving you a 1 pip stop loss and a potential exit at the M15 external range swing-point for a take profit of 50 pips (1:50 R:R). These huge profit margins from these types of tiny stop loss entries are available on the charts every day.

A 2 pip stop loss is the average risk on trade entry, and hitting a R:R of 1:20 happens regularly because we are entering our trades off the 5 – 15 second charts.

Features:

- Multi time frame MT4 profiles
- 1, 5 ,15 and 30 SECOND charts, plus 2 and 3 minute charts – not usually found in Metatrader 4
- Works on all markets – Forex, Commodities, Indices, Crypto and Stocks
- 5 Custom coded MT4 indicators
- 1 Custom Timeframe generator EA
- 28 Pre Built MT4 Profiles for the most popular 28 Currency pairs
- 1 'Master Builder' MT4 Profile, containing the 'MTS_Symbol Changer' indicator, allowing you to quickly and easily make your own 'Scalper template' (with all indicators automatically included and pre-set) for ANY instrument. Easy!!
- 28 MT4 Profiles and 196 individually hand crafted MT4 charts!

28 Pre-built MT4 Profiles (Currency Pairs):

AUDCAD	CHFJPY	EURUSD	NZDCAD
AUDCHF	EURAUD	GBPAUD	NZDCHF
AUDJPY	EURCAD	GBPCAD	NZDJPY
AUDNZD	EURCHF	GBPCHF	NZDUSD
AUDUSD	EURGBP	GBPJPY	USDCAD
CADCHF	EURJPY	GBPNZD	USDCHF
CADJPY	EURNZD	GBPUSD	USDJPY

This scalping system utilizes:

Multi timeframe analysis – this is essential as price will always show clearer market structure on a particular timeframe, but unless you are looking at them all you won't realise that.

5 and 15 minute timeframe 'external ranges' – we concentrate on these 5 and 15 minute chart external ranges to look for our trade setups as they are suitable for finding 'scalp' trades.

Refined order blocks – we start by highlighting the order blocks on the higher timeframes and then refine them down to a POI (Point of Interest) on the lower timeframes, giving us a much smaller area to concentrate on as well as a much smaller stop loss on trade entry.

Mitigation – we track the 'story' of price movement, following the trail of mitigated order blocks in a given range to find valid 'unmitigated' order blocks for possible trade setups.

Advantages to trading off the SECOND charts:

- These trade setup patterns occur both quickly and frequently!
- Multiple trade setups – we trade off M5 and M15 chart 'Origin' blocks, Unmitigated order blocks, Propulsion blocks and Breaker block reversals
- Rule based trading system - trade entries on the second charts are actually very easy
- I use a maximum 5 pip stop loss on any trade (usually much smaller)
- If your trade entry is wrong you are usually taken out within seconds and it's a very small loss (compared to the potential R:R) so you never have the stress of sitting through drawdown
- Very large R:R trades are available frequently, and you typically know the reward factor available on the trade before you place it, because you know that 'smart money' will probably run for the liquidity pools located at the M5 or M15 external range 'swing-points'.

All retail traders are taught that the lower timeframes are just 'noise'. It's simply not true.

Price is fractal! If you study a Monthly chart or a 5 second chart they behave exactly the same, you will see exactly the same market structure and candlestick patterns, the 5 second chart just moves a lot quicker.

Smart Money IS the reason for the delivery of price, there are NO random movements and I prove it with very small (even 1 pip) stop loss trade entries. Once you understand market structure and the way price moves on a FRACTAL basis, a new world of trading can open up to you and the pips can cascade in!

Trading with the trend or against it, it doesn't matter! You can actually trade both ways by following the changes of direction on the footprints of smart money. You can scalp the market by simply utilizing the current market structure and valid order blocks.

The Risk to Reward ratios available on these trades are phenomenal (you do get a few entries wrong, but the trades you do catch well and truly make up for the small 1 pip losses). In fact my win rate hovers around 68% which is not astonishingly high, but my average risk to reward on these trades works out to be 1:13 (and let's face it, most retail traders are lucky to see 1:3 risk vs reward trades) so the losses are minimal regardless of being fairly frequent.

Most ‘retail’ traders wouldn’t even dream of looking at the 5 or 15 second charts

I can catch trades at the very APEX of the price reversal on the second charts. I am getting in a trade WAY earlier than all retail traders. I’m in the trade before they have even THOUGHT about entering, in fact by the time the retail traders are entering the same trade, I have already made at least 1:10 to 1:15 R:R!!

This is what makes my precision scalping system totally unbeatable! You see I trade MARKET STRUCTURE. I don’t trade with all the usual indicators and order blocks are just my entry points.

Are you trading without an understanding of market structure? If so then quite frankly, you’re destined to remain on the hamster wheel, losing money month after month, but it isn’t your fault. We’ve all been there, as soon as we come in to this industry we’re given the same old information on utilizing trend-lines, bollinger bands, stochastics, etc.

Understanding market structure is the most important thing in trading! It is a very specific way to trade. I love it because I know pretty much straight away if I'm wrong, and if I'm right I move to break even very quickly and simply let the trade run.

It's fast, but that's what I like about it, and if you pull a 1:25 R:R trade on the 15 second chart you're done for the day. You can earn the same $$$ as trading a 1:25 on the daily chart, only you can do it in a FRACTION of the time.

As an example, if I caught a 10 pip winning trade off the 5 second chart with a 1 pip stop loss, that’s a 1:10 risk to reward. And if I risked 1% of my account on that trade, that’s also a 10% account gain! I take these types of trades every day, and sometimes the trade only takes a few minutes.

Compare that to taking a 1:10 risk/reward trade on say the 1 hour chart… and let’s assume a 10 pip stop loss on that H1 chart trade entry. A 10 pip stop loss means that to achieve a 1:10 risk/reward on the trade, price will have to move 100 pips in order for you to win the trade.

So to achieve the same 10% account gain as I did on my 10 pip winning trade off the 5 second chart, you would have to achieve a 100 pip winning trade off your H1 chart trade entry.

Whilst this is definitely possible, ask yourself this – Which winning trade do you think is easier to win and would occur more often? A 10 pip move, or a 100 pip move? Remember, both trades made the SAME profit on your account…

So you see, it’s all about finding lower timeframe ‘FRACTAL’ setups when price hits a higher timeframe POI (Point Of Interest). This allows you to REFINE your trade entry on a much smaller timeframe, to effect a MUCH higher RISK:REWARD.

Please Note:

There are a couple of limitations with this product that I need to draw your attention to:

1. OFFLINE CHARTS – the 'second' charts contained in the MT4 trading system are 'offline charts', this means that price will only start to draw candles on the chart when you open the MT4 profile (price movement is NOT archived on these charts when they are not open). This is because Metatrader 4 (like most other trading platforms) does not archive the price data contained under the 1 minute chart. Note that MT4 will draw these 'second' charts perfectly when your MT4 platform is running, but you should open your MT4 trading platform about 15 minutes before you intend to start trading, in order for the 'second' charts to start printing enough price information in order to be readable.
2. Because I take most of my trade entries off the 5 or 15 second charts (with an average 1 – 2 pip stop loss), I prefer to trade 'Major' currency pairs like EURUSD, GBPUSD, USDCAD, USDJPY with a very small 'spread' (under 1 pip). The spread that is available on the currency pairs that you trade will be determined by your broker and your type of account... I use a broker with very reasonable spreads, so the spread on the major forex currency pairs are minimal, ie: EURUSD 0.1 pip spread, GBPUSD 0.3 pip spread, etc.
3. I use an MT4 'trade manager' for placing 'pending' orders because the charts move so quickly – this is NOT included with my product. Whilst it is certainly possible to trade via the use of MT4's 'market order' buttons, the use of pending 'limit' or 'stop' orders is recommended in order to achieve the EXACT price at trade entry that you desire. Using a trade manager designed for this purpose will allow you to place pending orders both quickly and with precise, pre-determined trade criteria.

   I have no association with these products, but here are 2 links to popular MT4 'Trade Manager' EA's:
   https://www.mql5.com/en/market/product/37228
   https://www.mql5.com/en/market/product/30750

Indicators

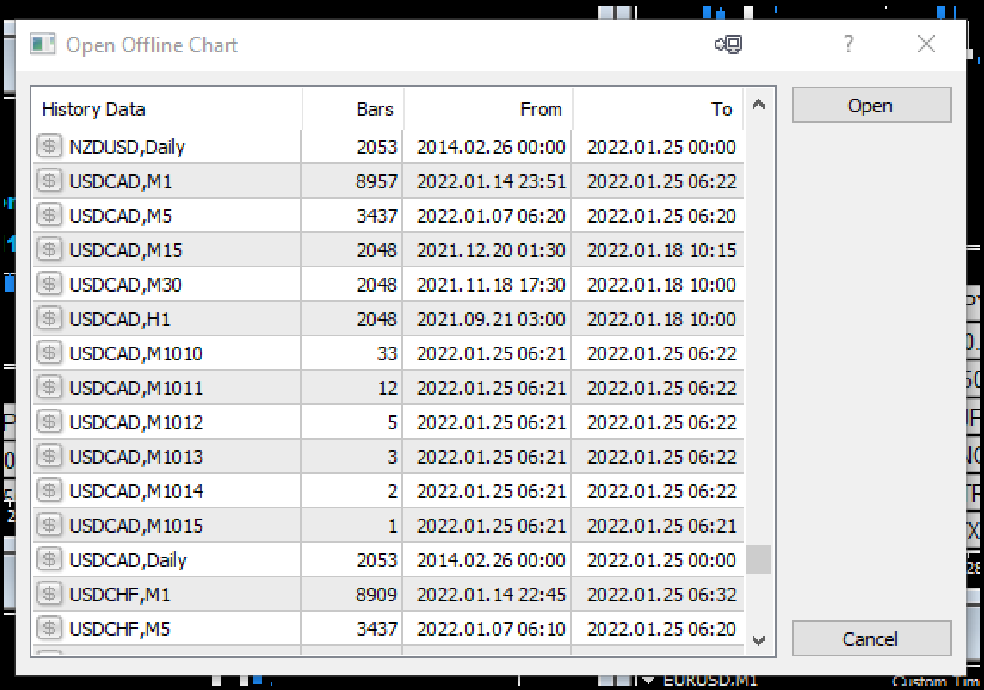
Expert Advisor:

Custom timeframe generator EA

The ‘custom timeframe generator’ EA makes the ‘offline’ second charts operate. You don’t need to adjust it, simply keep it in your MT4 ‘Experts’ folder.

Using it in the ‘MTS Seconds Builder’ master template to make a new ‘seconds’ profile:

- Open the ‘MTS Seconds Builder’ profile
- SAVE the profile under the name of the new instrument
- In all 7 charts, select the instrument that you would like to make the ‘Seconds’ profile for, and the custom timeframe generator will produce the chart for you (note that the charts must be active in order for the custom timeframe generator to receive the ‘tick data’ required to generate the new chart. Also note that the 1 minute chart is a regular MT4 chart so it does not run the custom timeframe generator)
- Go to File / Offline and open (double click) on that instrument’s offline charts in order to open them in the profile. As in this picture, say we were generating ‘second’ charts for the USDCAD, they will be numbered like this:

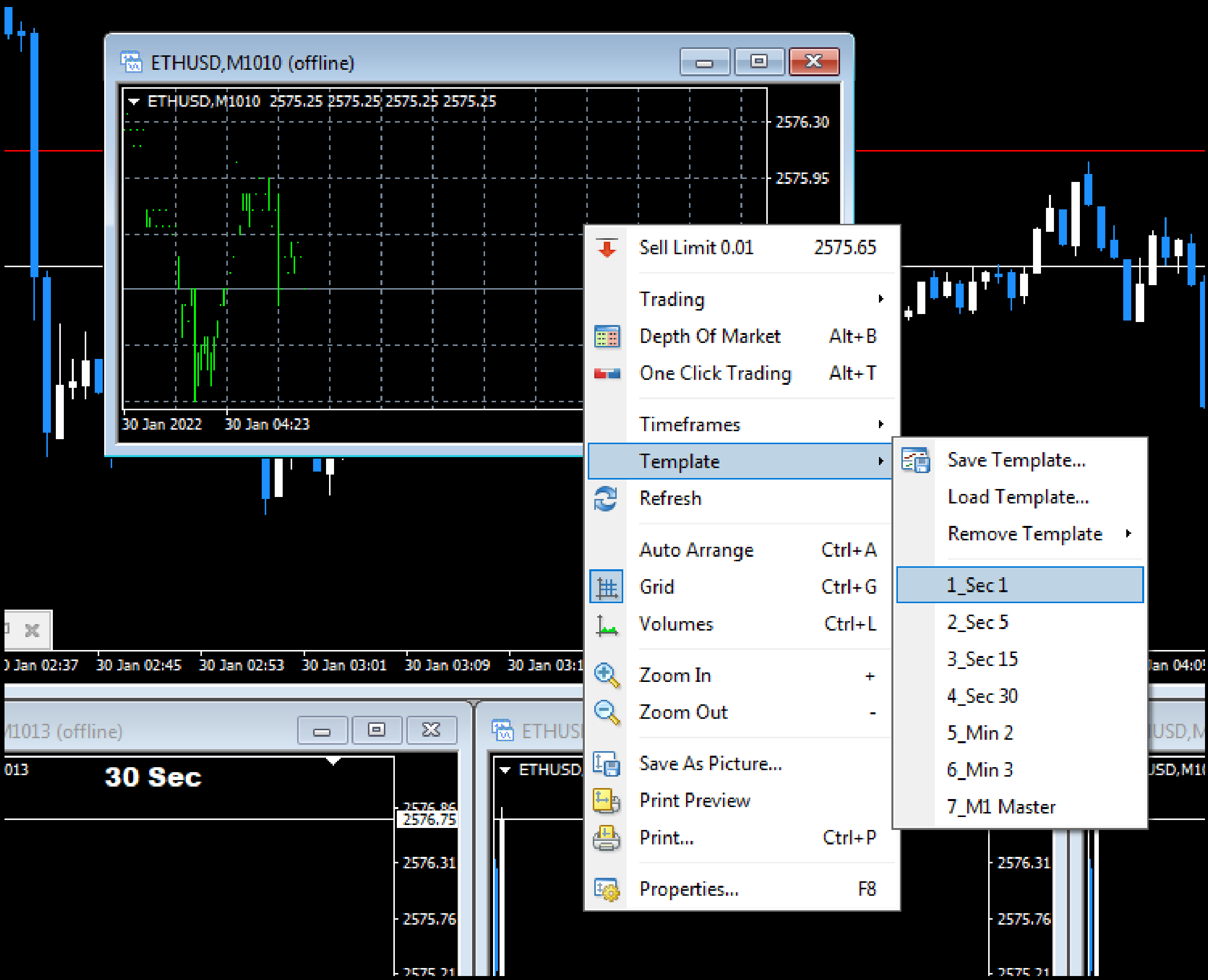


History Data	Bars	From	To
NZDUSD,Daily	2053	2014.02.26 00:00	2022.01.25 00:00
USDCAD,M1	8957	2022.01.14 23:51	2022.01.25 06:22
USDCAD,M5	3437	2022.01.07 06:20	2022.01.25 06:20
USDCAD,M15	2048	2021.12.20 01:30	2022.01.18 10:15
USDCAD,M30	2048	2021.11.18 17:30	2022.01.18 10:00
USDCAD,H1	2048	2021.09.21 03:00	2022.01.18 10:00
USDCAD,M1010	33	2022.01.25 06:21	2022.01.25 06:22
USDCAD,M1011	12	2022.01.25 06:21	2022.01.25 06:22
USDCAD,M1012	5	2022.01.25 06:21	2022.01.25 06:22
USDCAD,M1013	3	2022.01.25 06:21	2022.01.25 06:22
USDCAD,M1014	2	2022.01.25 06:21	2022.01.25 06:22
USDCAD,M1015	1	2022.01.25 06:21	2022.01.25 06:21
USDCAD,Daily	2053	2014.02.26 00:00	2022.01.25 00:00
USDCHF,M1	8909	2022.01.14 22:45	2022.01.25 06:32
USDCHF,M5	3437	2022.01.07 06:10	2022.01.25 06:20

- USDCAD, M 1010 - 1 Second chart
- USDCAD, M 1011 - 5 Second chart
- USDCAD, M 1012 - 15 Second chart
- USDCAD, M 1013 - 30 Second chart
- USDCAD, M 1014 - 2 Minute chart
- USDCAD, M 1015 - 3 Minute chart

- Start with opening the ‘M1010’ (1 Second chart). When the new chart opens it will look like this:

- You can then right click in the new chart and select the appropriate template for the chart:



- Then place the new chart over the ‘custom timeframe generator’ chart (do not delete the ‘custom timeframe generator’ chart for each new seconds chart or they will stop working)
- Next move onto the ‘M1011’ (5 second chart) and do the same. Continue till all new offline charts are complete
- You’re done!

Indicators:

MTS_Chart Scale

The chart scale indicator is assigned to all 7 charts. It simply compresses the candles on the chart a little, keeping the candles more to the middle of each chart and away from the extremities of the chart, making each chart a little easier to read.

MTS_Name and Spread

This indicator places the symbol name and its spread in the top right corner of the 1 minute chart.

MTS_No Trade Levels

This indicator is OPTIONAL. As a default it is NOT assigned to any chart, however I like to use it when I am trading because it keeps the smaller charts clean and easier to read. As shown in this picture:

When you have placed a trade, the 'trade lines' will appear in every chart. However if you assign the 'MTS no trade levels' to a chart it will remove them from that chart only…

As shown in this picture below, I have added the 'MTS no trade levels' indicator to every chart except the 1 Minute chart. The current trade levels show on the 1 minute chart but not the others.

The smaller charts now do not show the trade levels, making them easier to read. As mentioned this indicator is simply included as an option, use it if you choose ☺

MTS_POI Box and 50% Fib

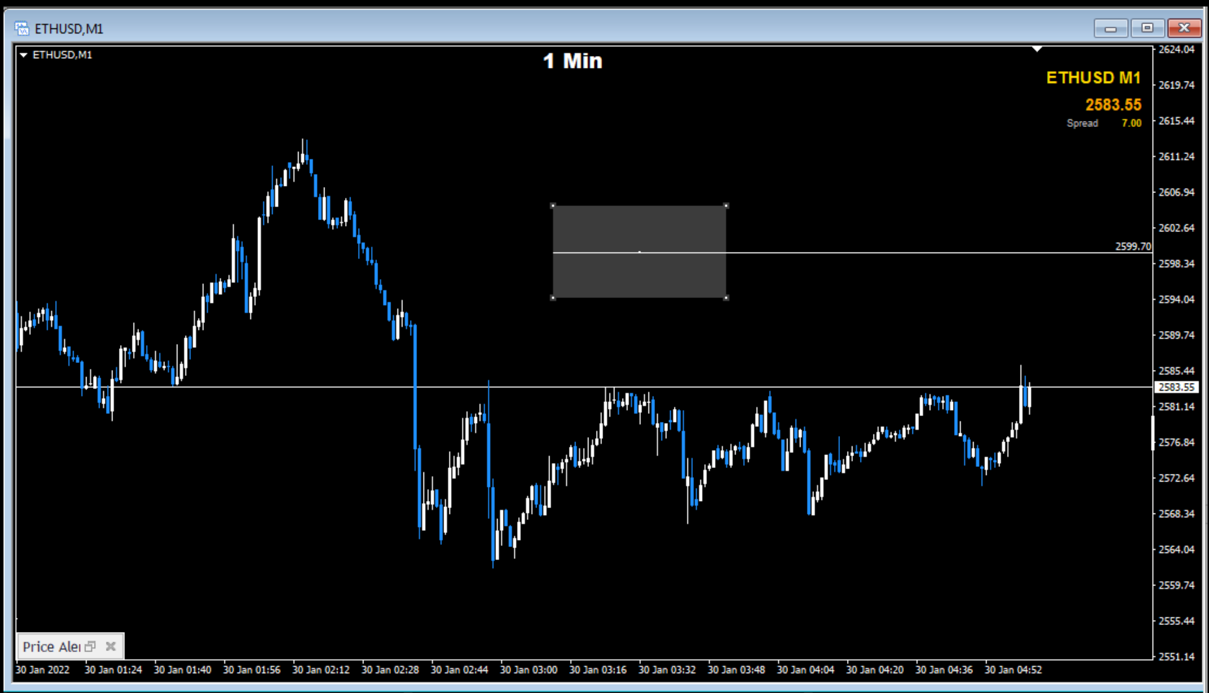
This indicator has been custom coded to place a box on the chart, and it will also automatically add a 50% level line to the box.

If you are a seasoned 'smart money' trader you are probably familiar with constantly adding a 'box' to an order block to highlight it. Then if you want to mark the 50% level of the order block you had to place the fibonacci tool over the box, then place a horizontal line at the Fibonacci 50% level and then delete the Fibonacci tool… all of this can now be done automatically by using the 'MTS POI Box and 50% Fib' indicator.

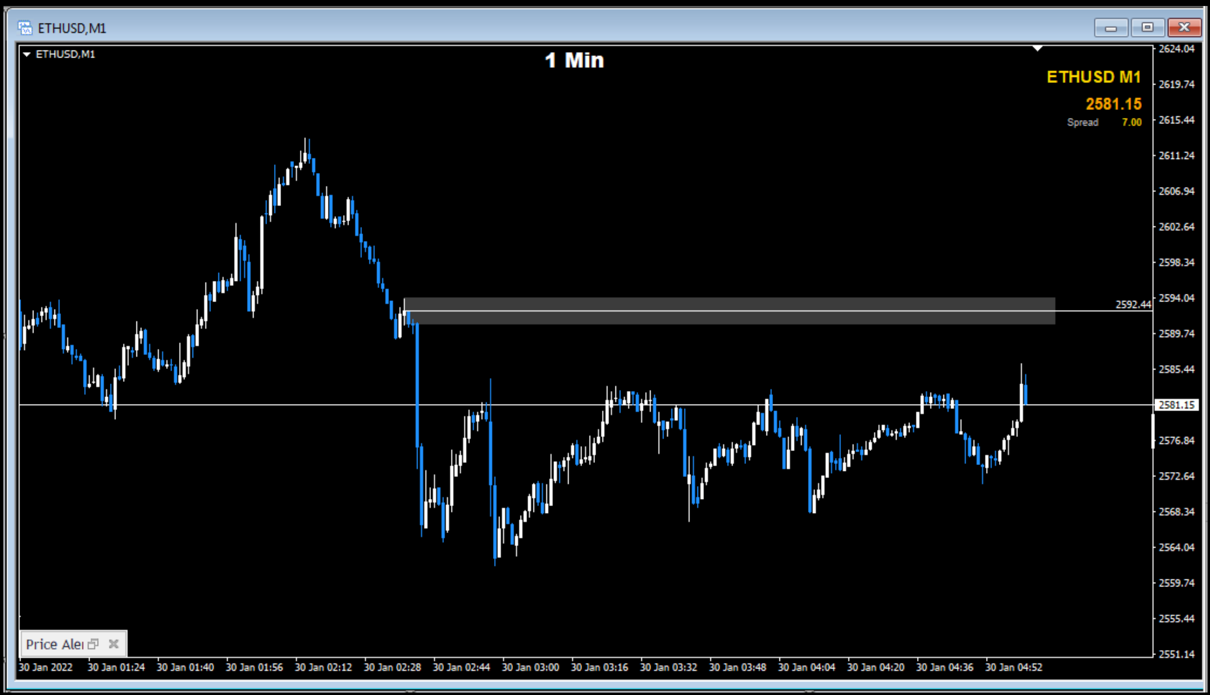
Note: this indicator has only been assigned to the M1 chart by default. I have left it off the 'seconds' charts because I found it cumbersome, the seconds charts simply move too fast for this indicator to be helpful, so if I want to mark a level or an order block on the seconds charts I simply use a standard horizontal line.

To place a new box on the M1 chart, simply click anywhere in the M1 chart, then press the ‘Backslash’ key (\ ) on your keyboard:

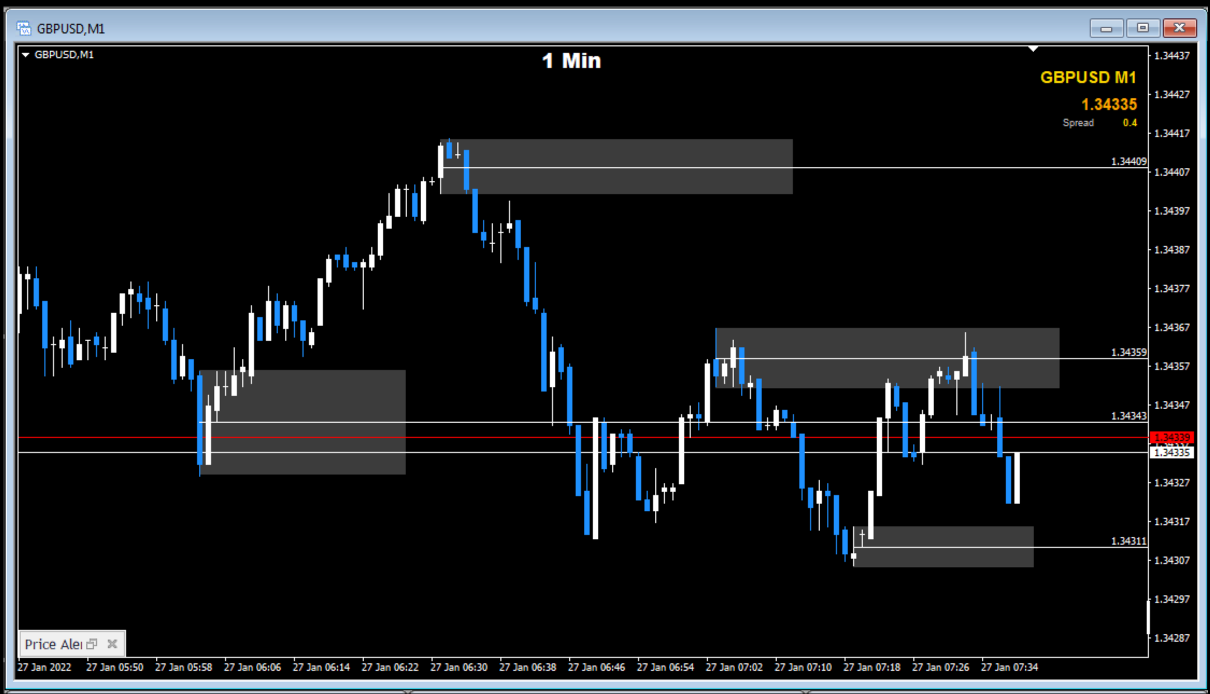
The new box will appear on the M1 chart:



You can then move the box to the order block you wish to highlight and adjust its size to fit the order block:



The 50% fib line will automatically adjust to the 50% level of the box and the order block, and also give you the price at the right hand side of chart.



As you see in this picture, you can add multiple boxes to the chart to mark multiple order blocks. (Note that you can add up to 99 boxes to the chart)

MTS_Price Alert Panel

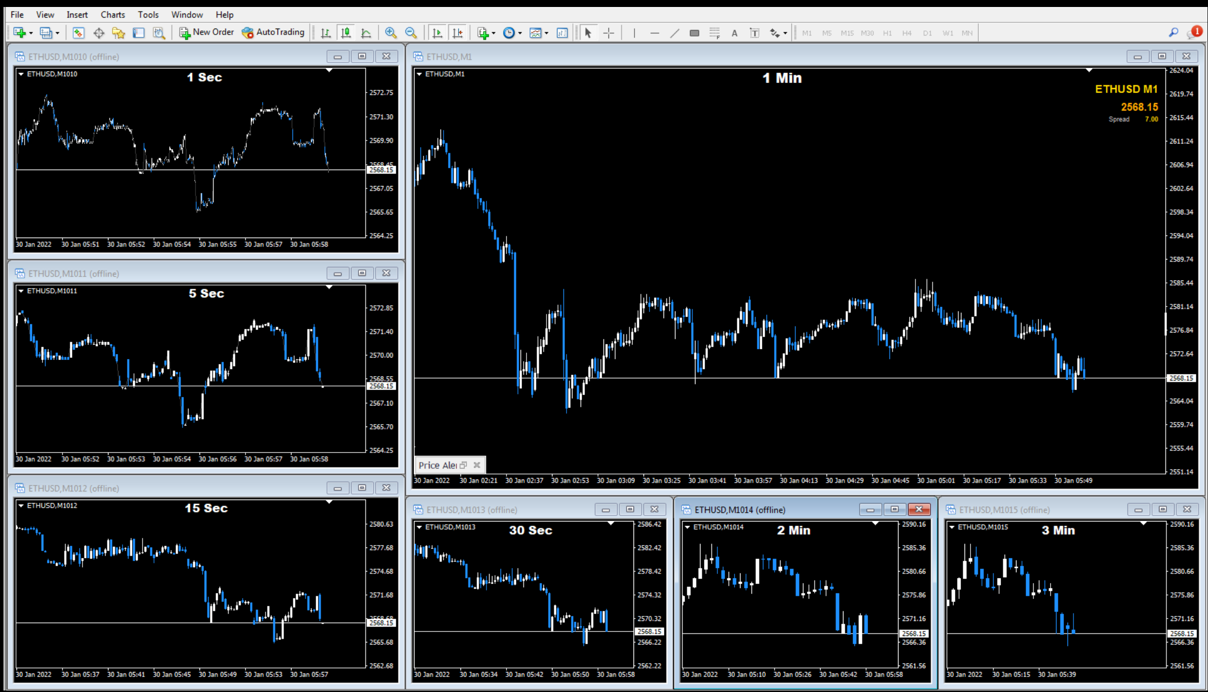
This indicator is only on the 1 minute chart. It allows you to add an ‘alert’ line to the external ranges or order blocks on the 1 minute chart (I will cover how to use it in the ‘M5 and M15 external ranges’ section).

MTS_Symbol Changer

This indicator will only appear in the ‘MTS Seconds Builder’ master profile:

It is used to change the current instrument (symbol) of a chart. Note that it will not work on the offline ‘second’ charts.

Timeframes



There are 7 charts on each MT4 profile:

- 1 Second
- 5 Second
- 15 Second
- 30 Second
- 1 Minute
- 2 Minute
- 3 Minute

The largest chart (the 1 minute) is a STANDARD MT4 chart. All other charts are OFFLINE charts produced by the 'custom timeframe generator' EA.

Each chart has a function in the overall trading system:

The 1, 2 and 3 minute charts

The 1, 2 and 3 minute charts are the best to find market imbalances and therefore potential trade entries on the order blocks just above or below them. They are best because the high frequency trading algorithms (IPDA – the Interbank Price Delivery Algorithm – an artificial intelligence bot) operate on nothing really higher than the 3 min chart, and they are specifically looking for the market imbalances so they can fill them.

So once price breaks a double top/bottom (or single previous peak) on the M5 or M15 chart, you should then drop to the 1, 2, 3 min charts to look for the market imbalances (more on how to trade them later).

In this picture I have highlighted just the 1, 2 and 3 minute charts. The yellow line marks where price came to when it came up to the fill the imbalance after price made the swing-high. The Grey boxes mark out the market imbalance on each chart.

- As you can see on the 3 minute chart, the candles did not show much of a market imbalance at all, and price returned up into the bearish order block.
- On the 2 minute chart you can see that price came up to fill the imbalance on that chart perfectly (to the pip!)
- On the 1 minute chart you can see that price did not totally fill the market imbalance and stopped at the very bottom of the 1 minute bearish order block

So in this case the 2 minute chart showed the fill of the market imbalance the best, but this will not always be the case… This is why you should always study all 3 of the minute charts when price enters your higher timeframe POI – to see which of the 3 charts will give you the clearest picture of what price is doing.

The 1 Second chart

I don't really trade off the 1 second chart, it simply moves too fast. I use it to watch the current price action and look for a reversal, as being the fastest chart it will obviously show a price direction change first.

I have added a '1 EMA' line to the 1 second chart, because it can make tracing the price action a little easier when the market volume is low and there are very few 1 second candles.

The 5, 15 and 30 Second charts

I use these 3 charts to watch for my trade entry, IE when price returns to fill a market imbalance or to mitigate the order block I wish to enter on. (Note that I do not TAKE the trade on these charts, I enter all trades on the 1 Minute chart).

As I mentioned with the 1, 2 and 3 minute charts, I use whichever of the 5, 15, or 30 second charts offers me the best ‘view’ of the current price action. This will make more sense to you as you spend more hours on the charts and notice this characteristic for yourself.

The 1 Minute chart

This is the major chart in the profile. I use it to:

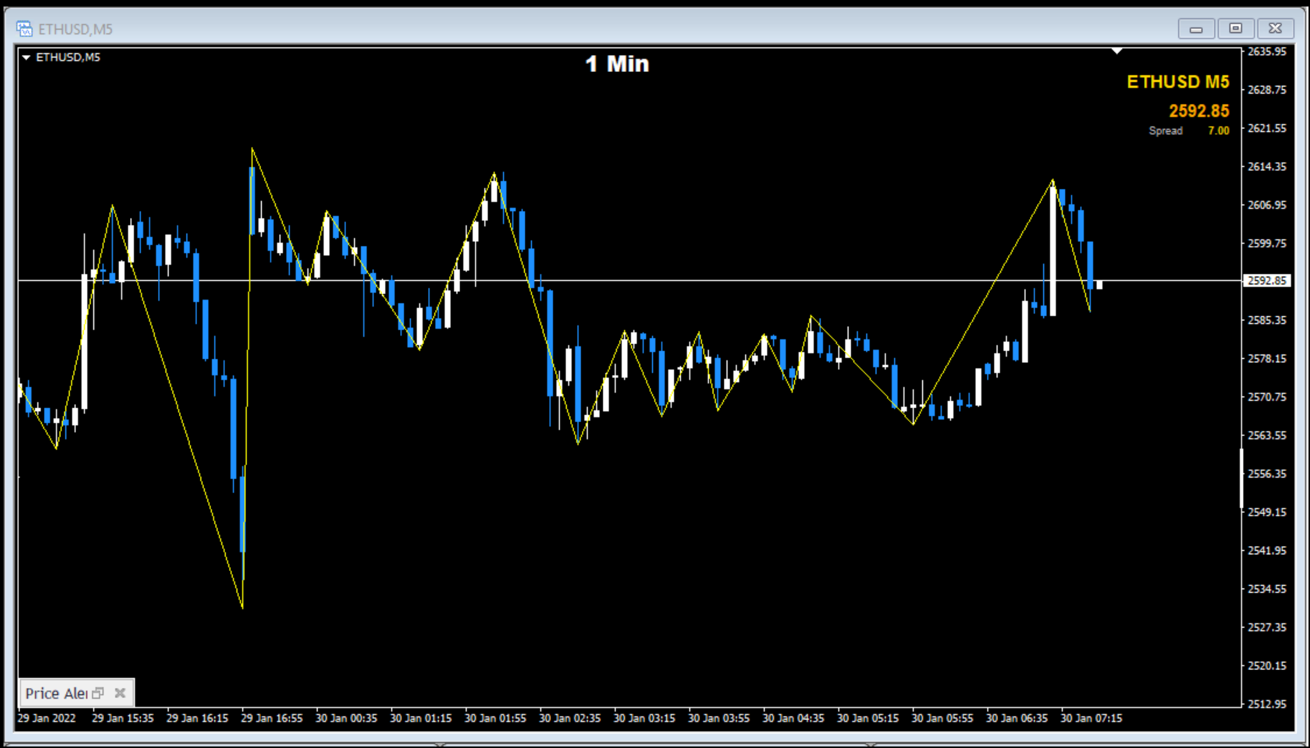
- Mark-up the M5 and M15 ‘external ranges’ on this 1 minute chart
- Highlight order blocks with the MTS_POI Box and 50% fib indicator
- Add ‘alert’ lines to an order block or swing-point of an M5 or M15 external range
- To ENTER all my trades

M5 & M15 External Ranges

The basic premise of this trading system is that we take scalp trades from within the 'external ranges' of the 5 minute and 15 minute charts. To do this we must first mark-up those external ranges on the 1 minute chart.

We would then study these higher timeframe external ranges on the 1 minute chart, looking for possible trade entry points at price breaches of the external range, 'origin' order blocks, market imbalance areas or unmitigated order blocks contained in the range (more on this later).

To do this click anywhere in the 1 minute chart, then select either the 5 or 15 minute chart button.



Here on the 5 minute chart you will see that there is a yellow 'zig zag' line added to highlight the M5 'external ranges'.

I use 2 horizontal lines of the same colour to mark-up the current M5 chart external range.

Now if we go back to the 1 minute chart you will see that the yellow zig zag line disappears and we are left with the 2 yellow lines that signify the 5 minute chart external range on the 1 minute chart.

Same for the 15 minute chart. On the M15 chart there is a green 'zig zag' line added to highlight the M15 'external ranges':

Same as on the M5 chart, I use 2 horizontal lines of the same colour to mark-up the current M15 chart external range.

Note that you can choose to mark-up both the M5 and the M15 charts, or just use the one, it's up to you (sometimes you will find that one or both the external range lines of the M5 and M15 chart will be at the same level).

Now if we go back to the 1 minute chart you will see that both the M5 chart yellow lines and the M15 chart green lines that signify their respective external ranges are marked up on the 1 minute chart.

Note that I also added coloured 'zig zag' lines on the 30 minute and 1 hour chart should you also choose to use those timeframes 'external ranges' and mark them up (I personally don't use them very often as those timeframes external ranges are usually getting a bit long to use in a scalping system).

On the 30 minute chart you will see there is a red ‘zig zag’ line added to highlight the M30 ‘external ranges’ should you choose to mark them up.

On the 1 hour chart you will see there is a magenta ‘zig zag’ line added to highlight the H1 ‘external ranges’ should you choose to mark them up.

Using the ‘Price Alert Panel’ on the M1 chart

The ‘price alert panel’ indicator allows you to set an alarm at any level on the M1 chart, IE: if you were looking for a trade entry after a breach of the M5 or M15 external range, you can simply set an alarm and this enables you to step away from your computer as the alert will give you an alarm if price touches the alert line level.

To set the alert, click on the ‘maximize’ icon of the ‘Price Alert Panel’ indicator in the M1 chart:

The ‘price alert panel’ window will open…

We can now set the top and bottom alert lines (or just one if you choose).

Click on the ‘Above Price’ button. The grey button around it will disappear and a perforated GREEN line will appear on the chart above the current price (green arrow).

Click on the ‘Below Price’ button. The grey button around it will disappear and a perforated RED line will appear on the chart below the current price (red arrow).

Move the ‘above price’ and ‘below price’ perforated lines to the point on the M1 chart where you wish to receive an alert. When price hits either of these lines the ‘price alert panel’ indicator will trigger an alert (in this case I have positioned them just inside the yellow lines of the M5 ‘external range’).

Here price has hit the ‘above price’ green line and triggered an audio alert and a popup.

IMPORTANT:

You MUST click in one of the ‘alert boxes’ (so a tick appears in the box) in order to receive an alert. If one of these boxes are NOT selected, there will be NO alert!

- **Popup** - An MT4 popup window will appear and an audio 'alert' will sound
- **Email** - An email alert will be sent to your email address (if you have setup the option in the TOOLS/OPTIONS/EMAIL settings of the MT4 software)
- **Push** - An alert signal will be sent to your cell phone (if you have setup the option in the TOOLS/OPTIONS/NOTIFICATIONS settings of the MT4 software)

IMPORTANT:

When price hits one of the 'above' or 'below' alert lines and you receive an alert, THE 'TICK' IN THE BOX WILL DISAPPEAR.

You MUST RESET the 'above' or 'below' alert line on the chart after it has triggered an alert, AND click in the appropriate 'alert box' so the 'TICK' appears again and the alert will now be ready to trigger again.

Now that we have marked up all the higher timeframe 'external range' levels and set our alert, we simply wait for an alert to happen.

Note: You MUST have your MT4 software running on your computer (and on that MT4 profile) for the alert to happen. Of course, if you are running your MT4 software on a VPS you will receive the alert (email or push notification) regardless…

Market Structure & Liquidity

Market Structure is the core foundation of everything that is smart money!

Market structure is vital to the understanding of what smart money will want to do with the future of price.

Note: This scalping system is based on concepts explained thoroughly in the ‘Advanced Smart Money’ video course, so please ensure that you download that video content and study it thoroughly before you even start taking practice trades in a demo account.

I am only covering the very basics of ‘smart money’ concepts here in this instruction manual. There is MUCH more valuable trading information contained in the hours of ‘smart money’ video courses that have been supplied with this product and I EXPECT YOU to gain most of your new trading knowledge from those videos so study them intensely.

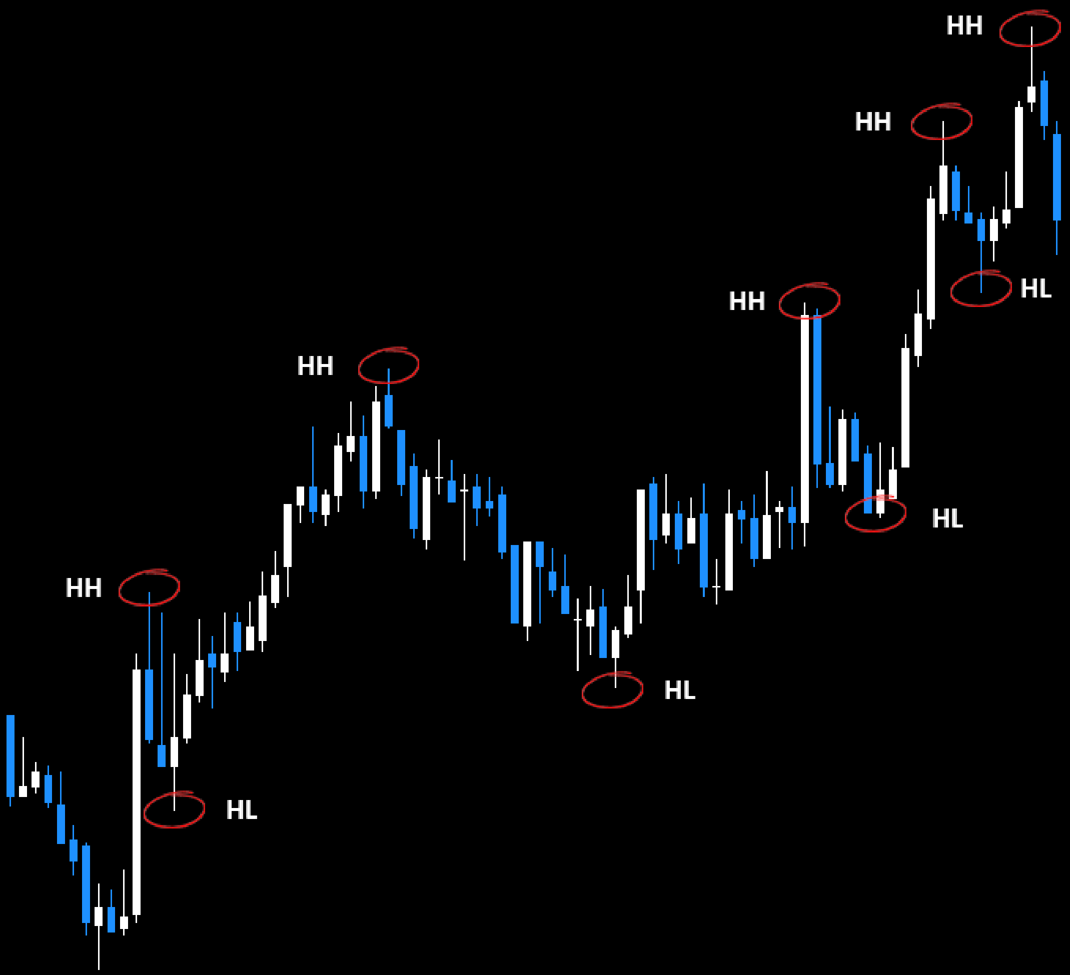
There are two types of market structure

- **External Market Structure**
  Institutional Swing-points - Overall directional structure (red circles)

- **Internal Market Structure**
  The actual candlestick structure, that changes constantly from bullish to bearish regardless of the overall (external) market structure (magenta line)

In a Bullish bias

In a bullish bias, price will be making continuous higher highs (HH) and higher lows (HL)



In a Bullish bias price should:

- Trade through the highs
- Respect the lows

In a Bullish Bias, you are looking for:

- The External Liquidity range to be respected on the downside
- Price to eventually trade through the external liquidity range on the upside

In a Bearish bias

In a bearish bias, price will be making continuous lower lows (LL) and lower highs (LH)

In a Bearish bias price should:

- Trade through the lows
- Respect the highs

In a Bearish Bias, you are looking for:

- The External Liquidity range to be respected on the upside
- Price to eventually trade through the external liquidity range on the downside

Price Reversal Clues

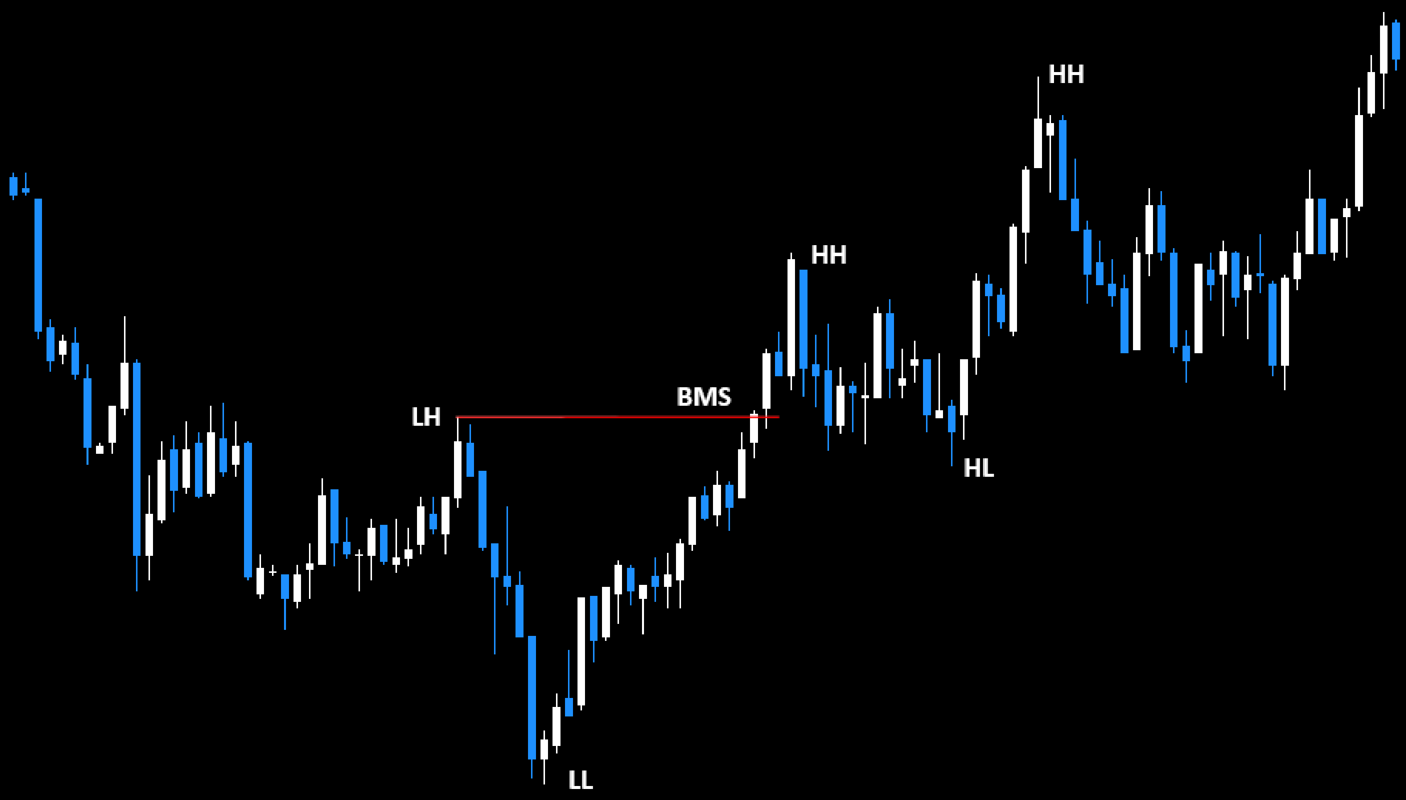
In an uptrend - when price breaks below a higher low to make a lower low, and THEN FAILS to make a HIGHER HIGH afterwards, that's a very good sign that price is about to make a trend reversal

In a downtrend - when price breaks above a lower high to make a higher high, and THEN FAILS to make a LOWER LOW afterwards, that's a very good sign that price is about to make a trend reversal

Break in Market Structure (BMS)

If you are already a "Smart Money" trader you will know that a 'break in market structure' (BMS) is a pattern made when price is reversing.

In an uptrend, a break of market structure occurs when price breaks a higher low and then makes a lower low



In a downtrend, a break of market structure occurs when price breaks a lower high and then makes a higher high

A break in market structure (BMS) is one of the major things we look for when finding a trade entry, so study the BMS well, ensure you understand it and can recognise it in a chart!

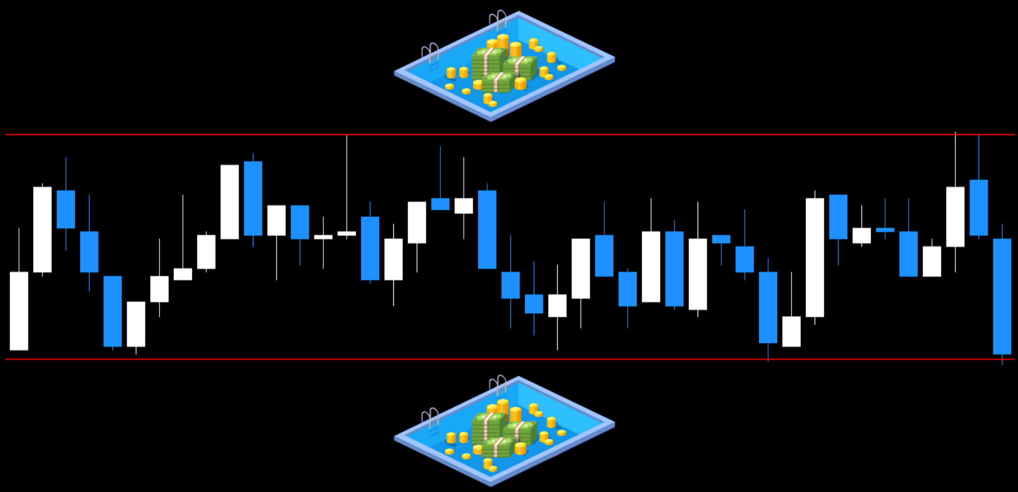
The best trades are always made when the lower timeframes you are taking trade entries on line up with the overall trend direction on the higher timeframes.

Therefore, if all your timeframes are moving in the same direction (not retracing at that moment) this is the optimal setup to trade with the current trend.

So remember to always follow the higher timeframe market structure, and that when trading with the trend, price should not break the previous swing high/low (if it does, refer to the market structure on the next higher timeframe).

Liquidity

Only LIQUIDITY drives the markets - Price is attracted to Liquidity Pools!



Pay no mind to all those 'retail' trading lessons stating that price moves because of a fight between the 'bulls' and the 'bears' that's simply not true.

Smart Money move the markets in the direction of the most liquidity, period.

If the Smart Money has taken 'buy' liquidity above a previous peak high, they ABSOLUTELY NEED the pool of 'sell' liquidity at the opposite end (peak low) of the current range in order TO TAKE THEIR PROFITS from the buy side liquidity they just activated (sold into). This is REALLY how price moves!

External and Internal Range Liquidity

Liquidity is essentially orders in the market that are waiting to be paired to complete a trade

- Stop losses – protective buy stops or sell stops at specific price levels
- Pending buy or sell orders at specific price levels – EG: breakout trades

On each previous peak there is liquidity in the form of:

- Stops
- Breakout orders
- buy/sell Limit orders

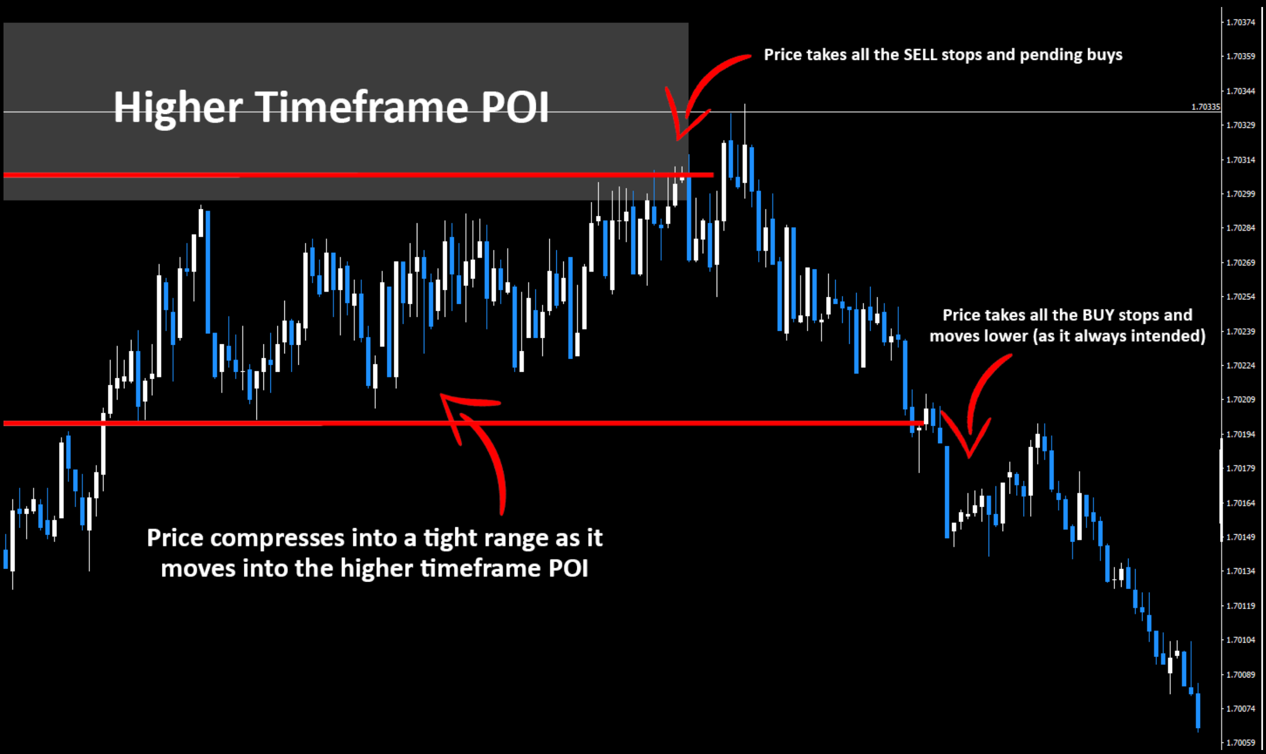
When studying every timeframe you should be asking yourself **"Where is the next liquidity pool?"**

ALWAYS be looking for the spot where liquidity has already been taken by Smart Money and where it SHOULD go to next for them to cash in!

Consolidation Liquidity

Every time price stops to consolidate (commonly just shy of a higher timeframe point of interest - POI) it creates liquidity on both TOP AND BOTTOM OF THE CONSOLIDATION RANGE. The smart money intention is to build orders on **both top and bottom of the range and to then wipe BOTH out for their benefit**.

This allows them to break high (in the pic below) into the HTF POI (taking all the SELL stops and pending buys at the top). After taking all that, price will turn and head in the short direction, taking all the buy stops and short pending orders at the BOTTOM of the consolidation (engineered liquidity) and then moving down further.



- The grey box is the higher timeframe point of interest (POI) marked up on this lower timeframe
- Price slows as it moves up into the HTF POI and then settles into a tight range (marked by the 2 red horizontal lines) to allow orders to build up on BOTH sides of the range
- Price breaks above the tight range and moves to the 50% level of the higher timeframe POI we marked up, taking all the liquidity above the range
- Price then moves quickly to the downside and bursts through the bottom of the range, taking all the liquidity below the range and then keeps heading short (what Smart Money intended to do all along)

So when you see price consolidating into a smaller range, just shy of a higher timeframe point of interest (POI) you **should know what is going to happen**, and EXPECT price to bust out of the range in the direction of the POI (usually AGAINST the current higher timeframe trend), and then to head back into the trend direction, thus taking out the liquidity they engineered on both top and bottom of the consolidation range.

So as a Smart Money trader, always be asking yourself **"Where is the next liquidity pool?"**

Order Blocks, Imbalances and Mitigation

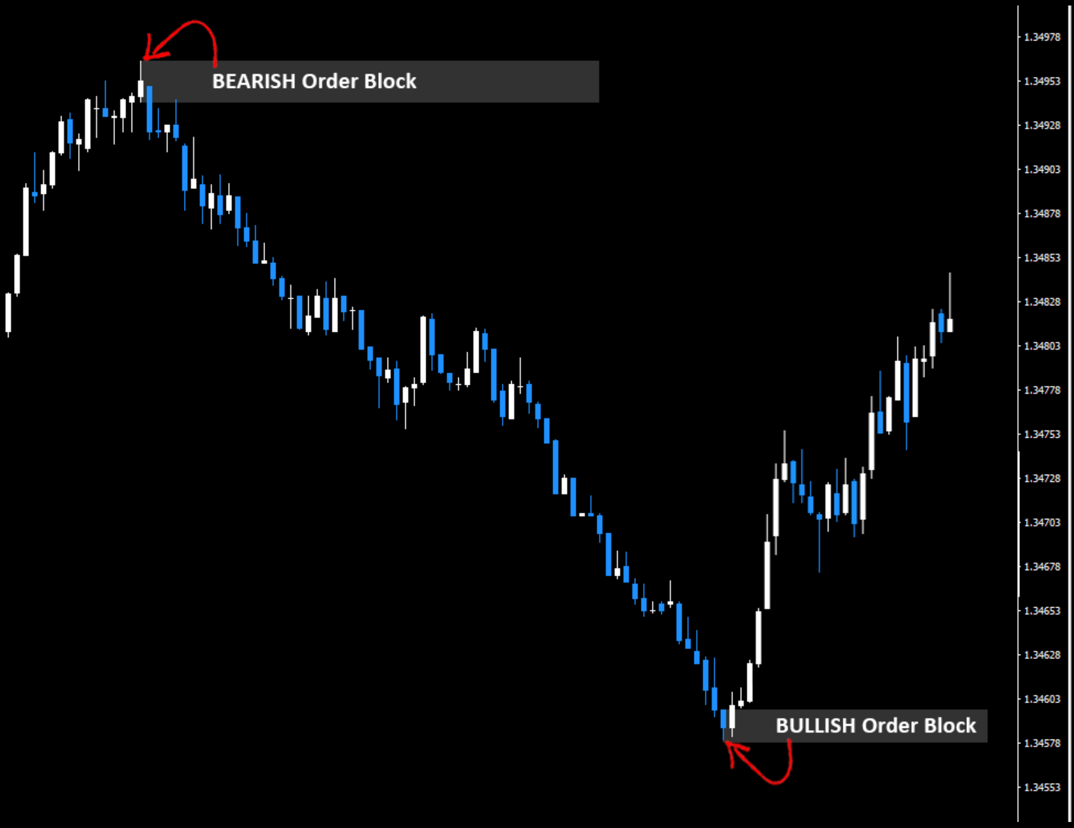
Note: This scalping system is based on concepts explained thoroughly in the 'Advanced Smart Money' video course, so please ensure that you download that video content and study it thoroughly before you even start taking practice trades in a demo account.

I am only covering the very basics of 'smart money' concepts here in this instruction manual. There is MUCH more valuable trading information contained in the hours of 'smart money' video courses that have been supplied with this product and I EXPECT YOU to gain most of your new trading knowledge from those videos so study them intensely.

Order Blocks

When Smart Money have a large position to enter they don't want to upset price too much, as the large new order could trigger a big move and execute their trades at worse prices, resulting in lower profits for them. To avoid this they use 'block orders' to split their positions up and get them placed in smaller, more manageable blocks.

Defining an order block:



Bearish Order Block - the last up candle before a strong down move

Bullish Order Block - the last down candle before a strong up move

These strong moves are only made possible by the larger institutions (Smart Money). Order blocks are the Smart Money 'footprint' in the charts. Order blocks that align with the current long term trend will be much stronger than order blocks that oppose the long term trend.

Not all order blocks will hold. You will encounter order blocks that do not hold, especially on the lower timeframes. If the order block does not hold that usually means that Smart Money is aiming for a deeper liquidity level (on a higher timeframe) that you didn't consider.

An order block only becomes valid when:

- Bullish Order Block - price moves above it
- Bearish Order Block - price moves below it

Which order blocks should you pay attention to?

The strongest order blocks:

- Take liquidity first (stop hunt)
- Price moves away aggressively from them
- Leave a market imbalance (due to the large volume contained in the move)

If you marry these strong order block characteristics up with your higher confluences (Market Structure) then these order blocks become even more powerful.

When price returns to an Order block:

• It should react to the open or 50% level of the candle

MOST of the orders in an Order Block are placed around the 50% level, this is why price usually only retraces to the 50% level of an order block (to mitigate the opposite direction orders contained there).

Price Imbalances

Price Imbalances (also called 'price inefficiency' or a 'liquidity void')

Price imbalances occur when price moves away quickly from an order block. They signify that Smart Money have their hand in the current movement of the currency pair.

How do you define a price imbalance?

When you have a price imbalance, you can mark it up by noting the candles (including wicks) on either side of the price imbalance candles.

This is a SELL side price imbalance, there were only sell orders placed in the market here. This portion of the sell candles contain no BUY orders whatsoever. Vice versa for 'BUY' side price imbalance.

Eventually, Smart Money will want to return to these price imbalance areas and fill them. So as in the pic above when there was only selling, the market will eventually come back to this area and fill it with buy orders. Why do Smart Money do this? Because they have SO MUCH MONEY to invest that they literally have to fill EVERY pip with their orders, in order to make as much $$$ as possible, a nice problem to have huh…

Note: This does not always happen immediately. Smart Money will always return to a price imbalance, but they may not return straight away! They have very deep pockets and sometimes it can be days, weeks or even months before they return to fill those price imbalance areas (but on the intraday and scalping timeframes it is usually done much quicker).

When price is trending and you have price retracing to an order block, if you ALSO have a market imbalance just before the order block you have a HIGHER CHANCE of expecting price to continue with its current trend, after it fills the imbalance or hits the order block. This is why we incorporate both price imbalances and order blocks in our trading strategy!

Mitigation

What is price mitigation?

It's essentially price RETRACING in a trend, towards internal or external range liquidity, to mitigate (exit) buy/sell orders that were AGAINST the trend, and then continue in the direction of the institutional order flow (the trend).

Here I have placed the 'MTS_POI Box and 50% Fib' indicator on the labelled Bullish order block. Price moved up and then returned to the order block to mitigate (you will notice that price gets very close to the 50% level of the POI indicator very frequently).

When price returns to an Order block:

• It should react to the open or 50% level of the candle

MOST of the orders in an Order Block are placed around the 50% level, this is why price usually only retraces to the 50% level of an order block (to mitigate the opposite direction orders contained there).

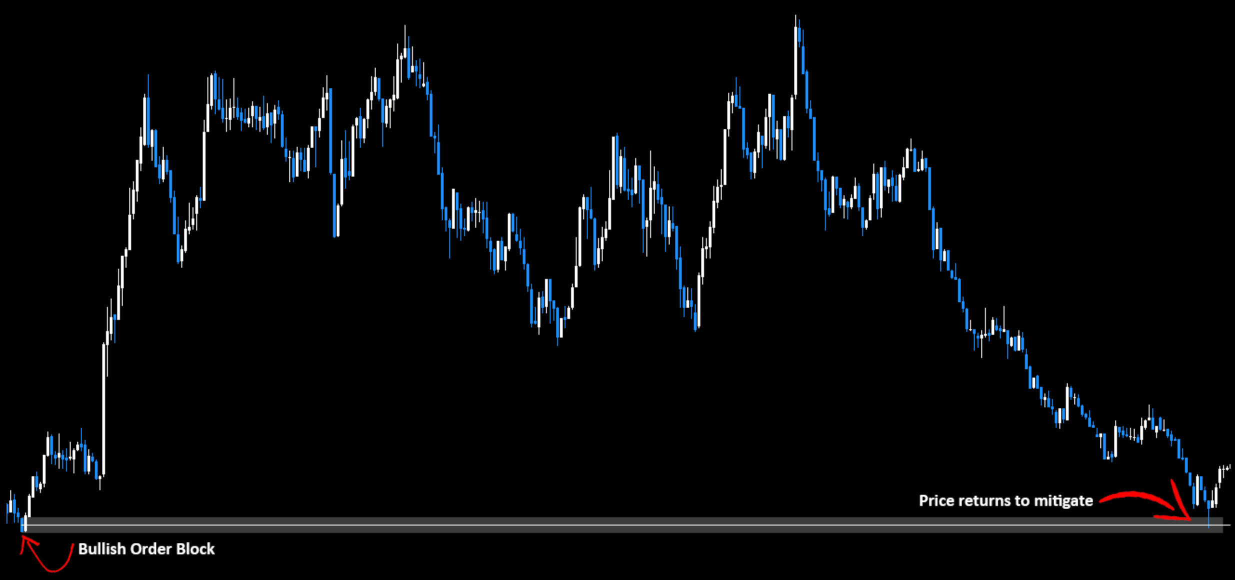
Technically you can place your trade entry at the open of the order block OR at the 50% level. I have a couple of thoughts on this choice:

- If you place your trade entry at the open of the order block, your stop loss will be larger, as you should place your stop loss just under the order block
- I tend to place my trade order just above the 50% level (allowing for spread). I do this because I have noticed that on these very small timeframes, price tends to hit the 50% level of the order block more often than it just hits the open of the order block before turning. This also allows me to have a smaller stop loss. Note that this does also mean that I MISS more trades if price does not return all the way to the 50% level of the order block.

This is the same picture as above, but I have added another trade setup. Price moved up from our initial trade entry at the bottom and made a Break in Market Structure (BMS) to the top side (labelled). Price then came back to the next bullish order block, but this time it only (just) touched the open of the order block before heading up further.

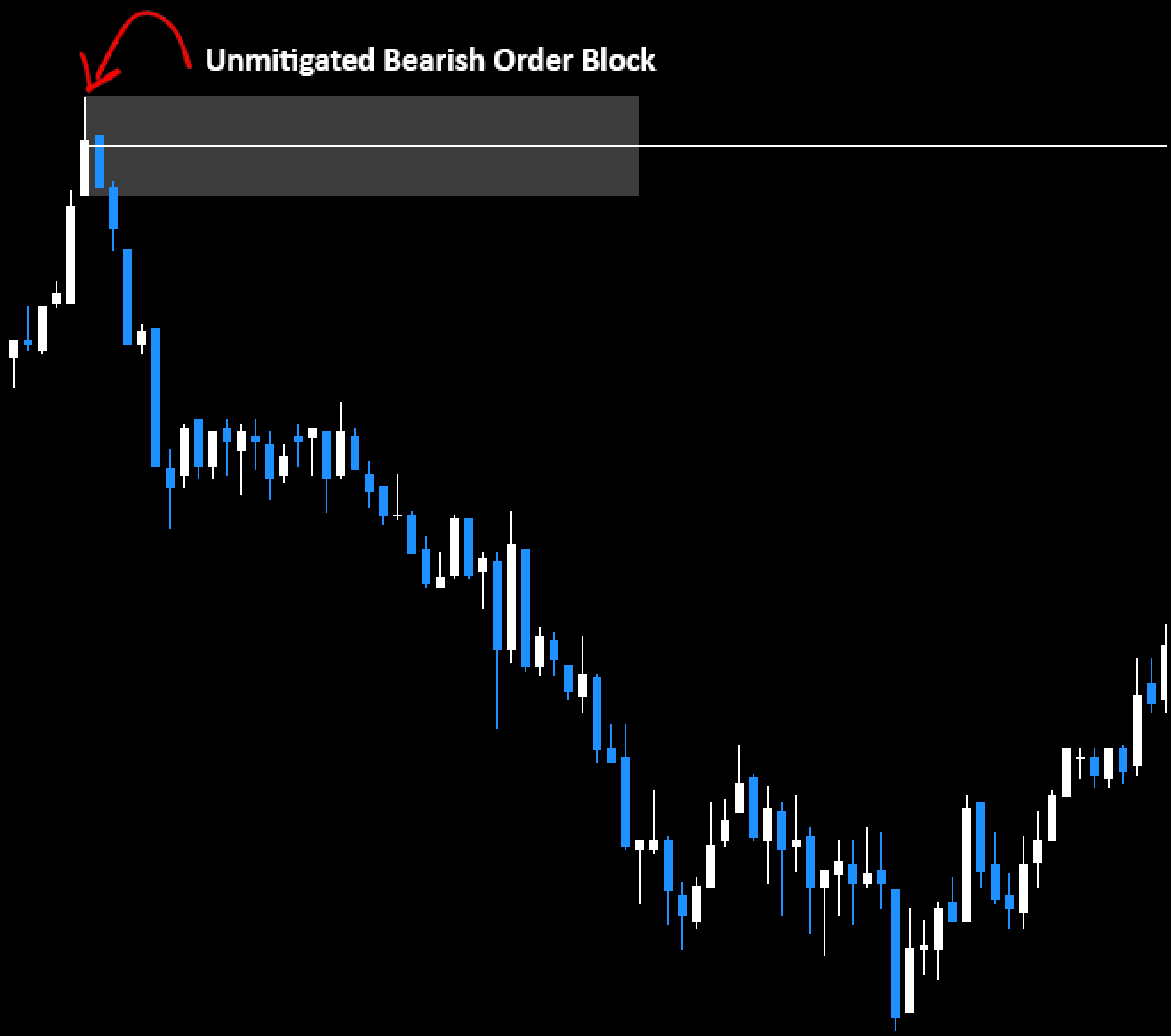
Here you can see that price returned to the (open) of the bullish order block very quickly (3rd candle after the order block) but later it decided to return to near the 50% level to mitigate again. This is quite common, in fact you can feel quite safe to take these 'second return to the order block' trades (especially if price moves deeper into the order block than it did the first time, as it did in this case).

Note that if price has returned to an order block twice, you should then disregard this order block as a potential trade setup, as if price returns to it again it is very likely that it will blow straight through it.



Here you can see that price took an awfully long time to return to the bullish order block and mitigate. But it did, and then price started to move up again.

This is why we highlight UNMITIGATED order blocks with the 'MTS_POI Box and 50% Fib' indicator, ESPECIALLY at the extremes of a range. Placing the 'MTS_POI Box and 50% Fib' indicator on these unmitigated order blocks ensures that we don't miss the trade opportunity.



Here we see an UMITIGATED order block. Price NEVER returned to this order block.

Price may return to it at some stage, or it may never return. **You will get order blocks that are never mitigated.**

You see we can never be sure how many orders 'Smart Money' had placed in these order blocks, so we can never be sure if they will need to return to them.

Also note that because we are trading on such small timeframes, there may be very few orders placed by smart money in these small order blocks. As you move up into higher timeframes (like H4, Daily, etc) you will notice that order blocks become MUCH stronger and price will react to them very heavily, this is because the order blocks on those timeframes are very large and they may contain thousands (or tens of thousands) of orders placed into them by smart money.

Also remember, the strongest order blocks:

- Take liquidity first (stop hunt)
- Price moves away aggressively from them
- Leave a market imbalance (due to the large volume contained in the move)

Here is a Bearish order block (they behave exactly the same as all the Bullish examples I had listed above). Price took quite a while to return and mitigate this order block (it even came close but then moved away, before returning). Point is that price can do anything and these mitigations will never look the same, but if you have highlighted these order blocks with the 'MTS_POI Box and 50% Fib' indicator you will notice and be ready for a possible trade entry should price return.

Also note that the order blocks (like this one) at the very start / end of a range (an 'origin' order block) are usually the best trade setups and if successful they will deliver the largest reward in pips.

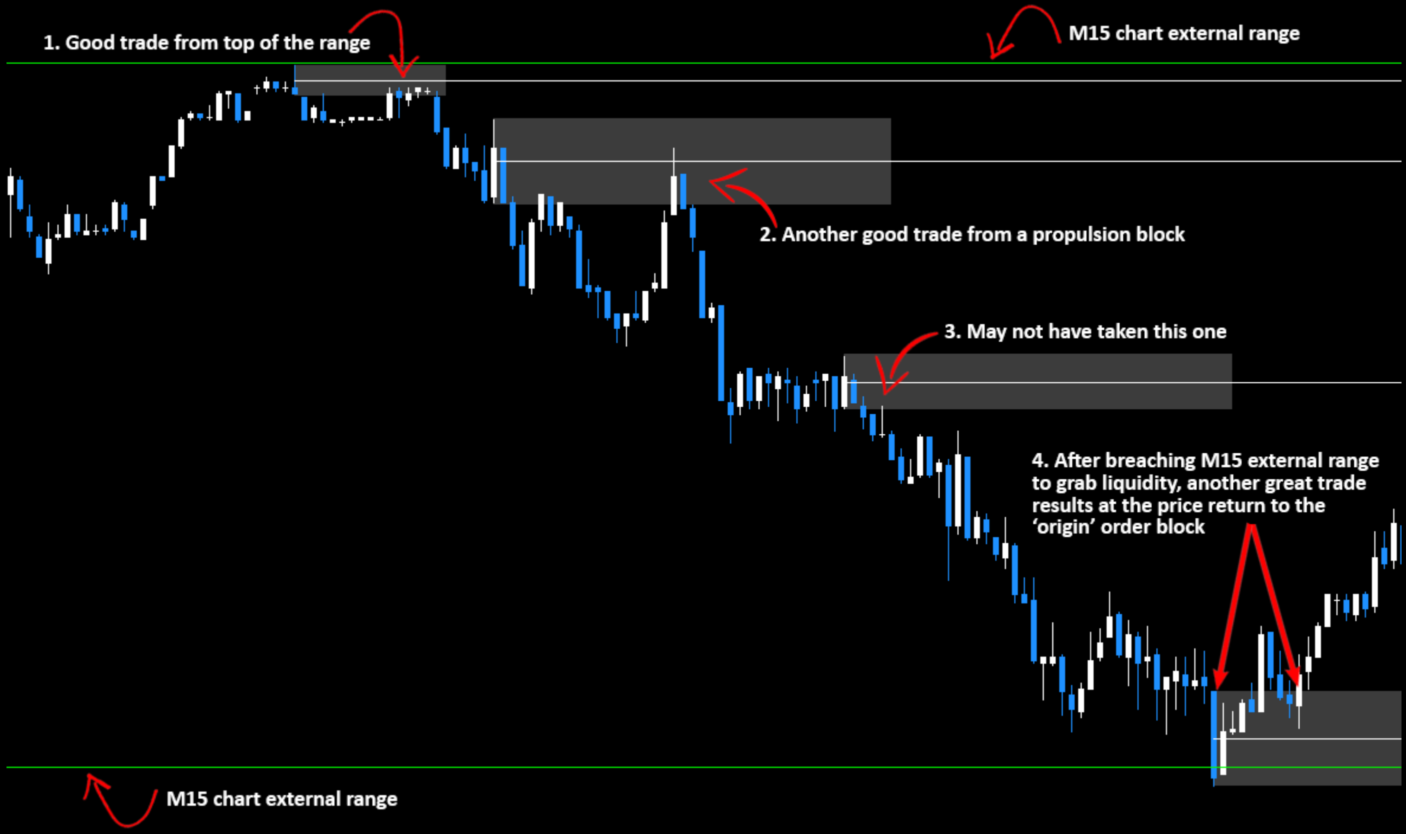
Here we see that price broke the bottom of the Bearish order block and then returned quickly to mitigate it before price ran short, made a BMS and kept moving down.

Point is, price MUST breach the order block BEFORE returning to mitigate it. **This is the ONLY requirement to validate an order block mitigation.** An order block candle cannot be mitigated if price has not breached its top or bottom first.

Also, price does NOT have to make a BMS first, and then return to mitigate the order block.

Sometimes you will find that the mitigation may not look too clear, and you have to study the price action very closely to see exactly how price moved.

This time we can see that price made a BMS to the downside before it returned to the order block to mitigate. This is fine too. Remember that the ONLY requirement to validate an order block mitigation is that price breaches the order block candles' top or bottom first, and then returns to mitigate.



Here I have listed a few potential trades:

- Note that the GREEN horizontal lines signify the external range of the 15 minute chart (this is the 1 minute chart)
- 1. Top left – price hit the M15 range (Green line) exactly, moved down and then returned to mitigate the 'origin' bearish order block. This was a great trade and offers a huge pip reward
- 2. Another good trade from a 'propulsion block'. A propulsion block is any order block that is AFTER the 'origin' order block of a range. Price did breach the 50% level of this bearish propulsion block, but it did not take your stop loss so the trade was also successful
- 3. I would have missed this trade, as price did not return to the 50% level of the order block. Note that you can choose to place your trade order at the open of the order block (and if so you would have entered this trade), I simply choose not to trade from the open of the order block.
- 4. This was also a great trade! As you can see price breached the M15 chart external range (Green line) with the big blue candle to grab the liquidity sitting there. Price then quickly moved up and away from that level (trapping all the short 'breakout' traders). When price returned to the 50% level of the 'origin' order block of this range, THAT WAS YOUR TRADE ENTRY. Price then moved away nicely for another successful trade.

Note: remember that the very best trade setups occur on totally UNMITIGATED ORDER BLOCKS.

Trade Setups and Entries

Following all we have learnt so far, we will now bring all that information together into a complete trading system.

MARKET STRUCTURE > POI > TRADE CONFIRMATION

Each of the components mentioned above are critical to finding successful trades, but trading with any of them by themselves make for low probability trades. Its only when these 3 critical components are combined together that we have a really strong trading system.

We start by defining our overall market structure, then we merge that information with the POI's (order blocks) that are contained in that market structure to construct our trade setup 'story'. We then wait for price to hit our POI and see if price gives us our all-important trade confirmation (a BMS and return to order block) to enter the trade. If price does not show us the trade confirmation we simply don't enter a trade, period.

This is what makes this scalping technique so successful! It is a rules based trading system.

Just to recap:

- We define the M5 and/or M15 'external ranges' by placing horizontal lines at their swing high/lows on the M1 chart
- We study the M1 chart for points of interest (POI's) in the form of order blocks (preferably unmitigated). IE: we track the 'story' of price movement, following the trail of mitigated order blocks in a given range to find valid 'unmitigated' order blocks for possible trade setups
- We mark-up the POI's with the 'MTS_POI Box and 50% Fib' indicator
- We then sit on our hands and wait for price to hit our POI
- When price hits our POI we then look for our trade confirmation (a BMS and price return to the last order block) to enter a trade

Price behaviour at POI's

When price hits your POI there will be one of four outcomes:

1. Price will stop short of your POI and move away again (no trade opportunity)
2. Price will hit your POI but power straight through it (your POI did not hold)
3. Price will hit your POI, give you a positive trade entry confirmation, but only move a short way in your direction and then come back and take you out (price reacted at your POI, but it did not hold)
    - You will see this quite often, a lot of my trades end up this way (as 'break even' trades) because I move my stop loss to break even very quickly when price moves in my direction. I would rather take a 'break even' trade and then look for another trader entry than take a loss (of course this is personal preference, so you decide for yourself)

4. Price will hit your POI, give you a positive trade entry confirmation and then move away strongly (winning trade)
    - When a trade entry at a POI is successful and price moves off in your intended direction, you should EXPECT price to move until it hits the NEXT SWING HIGH/LOW (Liquidity point) in order for 'Smart Money' to take their profits there…
    - I take a partial of my profit (70%) off the trade when price reaches the first structural swing high/low. I then allow the 2nd portion (30%) of the trade to run and see what happens. Sometimes price comes back to take me out at break even, and sometimes that remaining 30% runs so far in my favour that it makes me much more profit than my first 70% partial did. This is why I suggest you always take a major percentage of your profit off at the next structural swing-point, but leave a small percentage running… because you never know what will happen (of course this is personal preference too)

Trade Entry types

There are essentially 3 types of trade entries available with these trade setups, all with varying degrees of risk:

1. **Pending 'Limit' order on POI (AGGRESSIVE ENTRY)**
2. **'Engulfing' candle and return to Order Block (AGGRESSIVE ENTRY)**
3. **Break in Market Structure (BMS) and return to Order Block (SAFEST ENTRY)**

With all 3 trade entry types you have the option of placing your trade entry at either the:

- Order block 'Open'
- Order block 50% level

The order block 'open' being the highest probability to activate the trade, and the order block 50% level being the lower probability to activate the trade. (Notice I said 'activate' not 'winning' the trade, because the probability of winning the trade is the SAME with both options). The order block 50% level simply gives you a smaller stop loss, but it will be triggered less often, so it's up to you which level you choose.

How to decide? Easy! Don't get greedy with your R:R.

For all these scalping trades I specify a max stop loss of 5 pips and I suggest you do the same. If the order block 'open' provides you a 5 pip or less stop loss, then use the 'open'. Don't try to force the highest R:R and be a hero.

However, what you chose as your max Stop loss size is up to you….

1. Pending 'Limit' order on POI (AGGRESSIVE ENTRY)

Once you have identified your potential trade POI, you can simply choose to leave a pending 'limit' order at either the open or 50% level of the order block. These types of trade entries are considered 'Aggressive' entries (higher risk) and usually occur when you are not able to be on the charts at the time of the trade setup to manage the trade.

Pending 'Limit' order at the **Order Block 'OPEN Level'**

Note: I am using my MT4 'Trade Manager' EA on these pictures to make it easier to see the trade entry and stop loss levels.

- The POI (an UNMITIGATED Bullish order block) has been highlighted with the 'MTS_POI Box and 50% Fib' indicator
- The trade entry point (Green Box & White perforated line) is placed just above the order block 'open' price (to allow for SPREAD)
- The Stop Loss (Red Box and Red perforated line) is placed just below the order block (notice that the stop loss on this particular trade setup is 1.9 pips (Red Box). Placing the trade entry level at the order block 'Open' means that you will usually be 'triggered' into more trades, but it also means you will have a larger Stop Loss (your choice)
- The Take Profit (Top Green Box) is OPTIONAL, and simply placed here for ease of use
- If price returns and triggers the pending 'Buy Limit' trade (and does not touch the stop loss) you will automatically be entered into a winning trade
- Vice versa for a 'SELL' trade setup

Pending ‘Limit’ order at the **Order Block ‘50% level’**

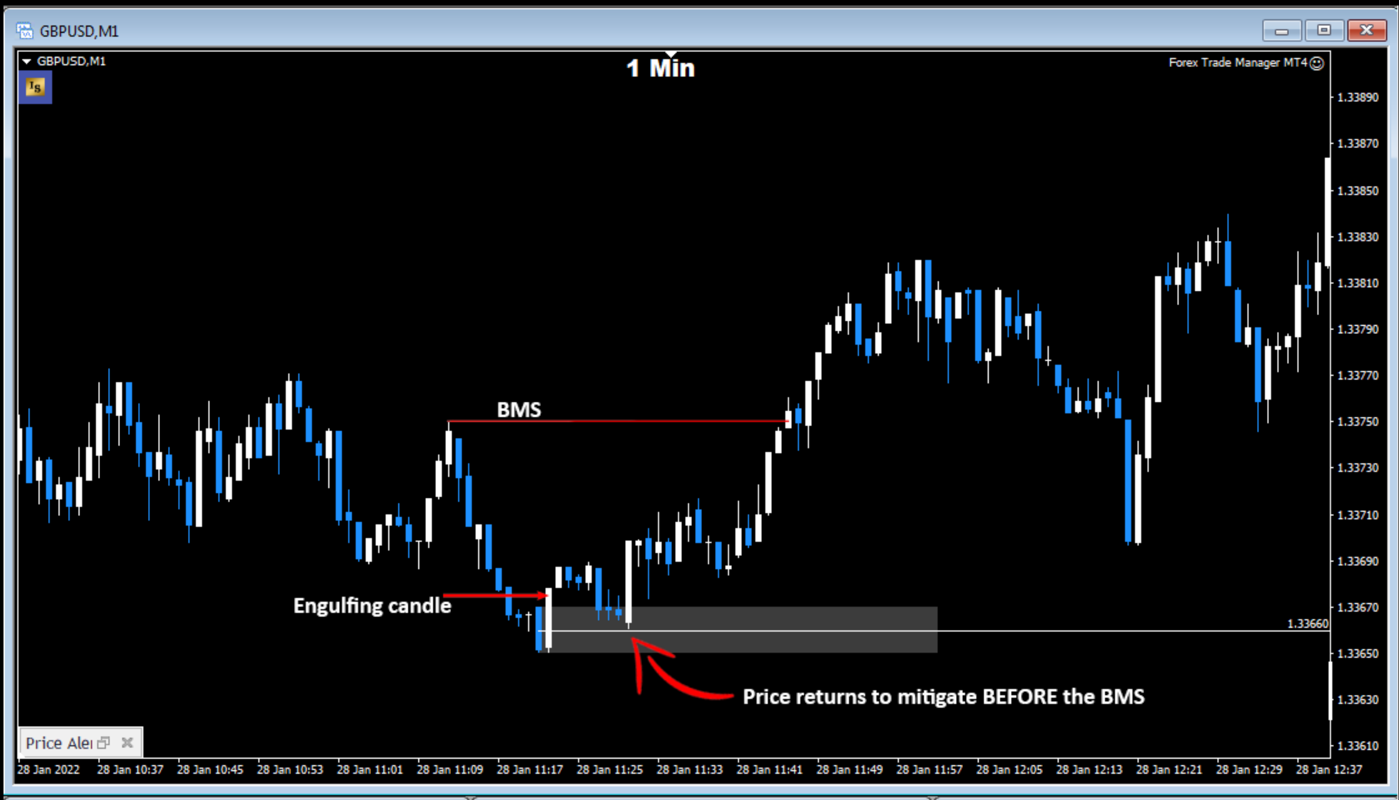
- The POI (an UNMITIGATED Bullish order block) has been highlighted with the ‘MTS_POI Box and 50% Fib’ indicator
- The trade entry point (Green Box & White perforated line) is placed just above the order block ‘50% level’ (solid white line) to allow for SPREAD
- The Stop Loss (Red Box and Red perforated line) is placed just below the order block (notice that the stop loss on this particular trade setup is now 1 pip (Red Box). Placing the trade entry level at the order block ‘50% level’ means that you will usually be ‘triggered’ into less trades, but you will have a smaller Stop Loss (your choice)
- The Take Profit (Top Green Box) is OPTIONAL, and simply placed here for ease of use
- If price returns and triggers the pending ‘Buy Limit’ trade (and does not touch the stop loss) you will automatically be entered into a winning trade
- Vice versa for a ‘SELL’ trade setup

2. 'Engulfing' candle and return to Order Block (AGGRESSIVE ENTRY)

When price has returned to your POI and shown a reaction, sometimes you will only see an engulfing candle next to your POI order block before price comes back to mitigate the order block (does NOT make a Break in Market Structure [BMS]) BEFORE returning to mitigate the order block.

Remember that price only has to breach the top of the order block (for a BULLISH order block, bottom for a Bearish order block) in order for that order block to be 'validated'. Price does NOT have to make a BMS before returning to mitigate the order block and you will see that sometimes it will not (as in the picture below).

Note that price may not come back again so you may miss your entry altogether, but that's just trading ☺



Here we see that price only gave an engulfing candle (breach of the order block) before it returned to mitigate. Price then moved up and eventually made the BMS, and continued its bullish trend. This is also considered an Aggressive trade entry, **because the reversal of trend has not yet been confirmed by the BMS**.

- Your trade entry point can once again be at either the 'Open' or '50% level' of the order block
- Your stop loss once again just under the order block
- Vice versa for a 'SELL' trade setup

3. **Break in Market Structure (BMS) and return to Order Block (SAFEST ENTRY)**

Price returns to mitigate the order block after a BMS. This will always be a safer entry (than the 'Engulfing candle and return to Order Block' trade entry) as you are waiting for price to make a BMS before it returns to the order block to mitigate, meaning that price is more likely to hit the order block and reverse into the new trend direction, because it has already shown an intention to reverse with the break of market structure.

The FIRST TOUCH to your order block is NOT YOUR TRADE ENTRY!! When price moves into your POI mark-up box signifying a potential trade, you must then WAIT FOR A BMS ON THE TIMEFRAME YOU ARE ENTERING THE TRADE ON, and then a RETURN TO THE NEW ORDER BLOCK that was just made for a trade entry. To enter a trade on price just entering your POI box is a much riskier trade entry and is considered an AGGRESSIVE TRADE ENTRY.

Note that price may not come back again so you may miss your entry altogether, but that's just trading ☺

Break in Market Structure (BMS) and return to the Order Block 'OPEN Level'

Note: I am using my MT4 'Trade Manager' EA on these pictures to make it easier to see the trade entry and stop loss levels.

Note: These trades can also be entered manually. This is how I normally enter my trades, by sitting and watching for the trade entry, then manually placing the 'market order' when price returns to hit the order block. However I sometimes use my MT4 Trade Manager (as in the picture above) to place the trade, though I still sit and watch it.

Using a trade manager EA will allow you to get your trade entry at the EXACT price you want it (this can assist the trade process a lot when you are dealing with really small stop losses), because if you are entering the trade manually you may not be quick enough to get the exact price you wanted when price moves into your POI (because price can move FAST on these lower timeframes). Once again, this is just personal preference.

- The POI (an UNMITIGATED Bullish order block) has been highlighted with the 'MTS_POI Box and 50% Fib' indicator
- The trade entry point (Green Box & White perforated line) is placed just above the order block 'open' price (to allow for SPREAD)
- The Stop Loss (Red Box and Red perforated line) is placed just below the order block (notice that the stop loss on this particular trade setup is 2.1 pips (Red Box). Placing the trade entry level at the order block 'Open' means that you will usually be 'triggered' into more trades, but it also means you will have a larger Stop Loss (your choice)
- The Take Profit (Top Green Box) is OPTIONAL, and simply placed here for ease of use
- If price returns and triggers the pending 'Buy Limit' trade (and does not touch the stop loss) you will automatically be entered into a winning trade
- Vice versa for a 'SELL' trade setup

Break in Market Structure (BMS) and return to the Order Block '50% Level'

Note: These trades can also be entered manually. This is how I normally enter my trades, by sitting and watching for the trade entry, then manually placing the 'market order' when price returns to hit the order block. However I sometimes use my MT4 Trade Manager (as in the picture above) to place the trade, though I still sit and watch it.

Using a trade manager EA will allow you to get your trade entry at the EXACT price you want it (this can assist the trade process a lot when you are dealing with really small stop losses), because if you are entering the trade manually you may not be quick enough to get the exact price you wanted when price moves down into your POI (because price can move FAST on these lower timeframes). Once again, this is just personal preference.

- The POI (an UNMITIGATED Bullish order block) has been highlighted with the 'MTS_POI Box and 50% Fib' indicator
- The trade entry point (Green Box & White perforated line) is placed just above the order block '50% level' (solid white line) to allow for SPREAD
- The Stop Loss (Red Box and Red perforated line) is placed just below the order block (notice that the stop loss on this particular trade setup is 1.1 pips (Red Box). Placing the trade entry level at the order block '50% level' means that you will usually be 'triggered' into less trades, but you will have a smaller Stop Loss (your choice)
- The Take Profit (Top Green Box) is OPTIONAL, and simply placed here for ease of use
- If price returns and triggers the pending 'Buy Limit' trade (and does not touch the stop loss) you will automatically be entered into a winning trade
- Vice versa for a 'SELL' trade setup

Trade Setups

There are essentially 4 trade setups we look for on these scalper charts:

1. **Origin Order Block Trade**
2. **Internal Range Order Block Trade**
3. **Counter Trend Order Block Trade**
4. **External Range Breach & Reversal Trade**

All four of these trade setups have very clear setup criteria, this is what makes this scalping technique so successful, it is a rules based trading system.

- We define our overall market structure (M5 and/or M15 chart external range)
- We look for POI's (order blocks - preferably unmitigated) that are contained in that market structure to construct our trade setup 'story'
- We wait for price to hit our POI
- When price hits our POI we watch to see if price gives us our all-important entry confirmation (a BMS and return to the order block) to enter the trade
- If we get the trade entry confirmation we enter the trade
- If the trade runs in our direction we take a partial of profit at the first swing-point, move our stop loss to break even and let the rest run (optional)
- If price does not show us the trade confirmation we simply don't enter a trade
- Rinse and repeat ☺

Remember that the strongest order blocks:

- Take liquidity first (stop hunt)
- Price moves away aggressively from them (the footprints of 'Smart Money' in the move)
- Leave a market imbalance (due to the large volume contained in the move)

If you marry these strong order block characteristics up with your higher confluences (Market Structure) then these order blocks become even more powerful.

- Only look for order blocks that are unmitigated or where price has made one mitigation (and not very deeply), after that DO NOT use that order block for any possible further mitigation, as chances are that price will run straight through it the third time.
- When you have price retracing to an order block (preferably unmitigated), if you also have a market imbalance just before the order block you have a higher chance of expecting price to continue with its current trend after it fills the imbalance and/or hits the order block.
- Price can move straight through your POI (to take the liquidity just above/below the order block) and THEN turn back into your intended trade direction, so don't be afraid to enter again if you get another trade entry setup after your first trade was taken out at the POI.
- Sometimes price can hang around for quite a while at your entry point, but trust the process and your trade idea, stay strong and don't get psyched out of the trade

1. **Origin Order Block Trade**

The 'Origin' order block is always located at the boundaries of an external range.

In an uptrend, the Origin order block is located at the extreme bottom of the current range you are monitoring on the M1 chart (the Green lines). So as you can see, price would need to make a VERY deep retracement in the current range in order to hit the 'origin' order block.

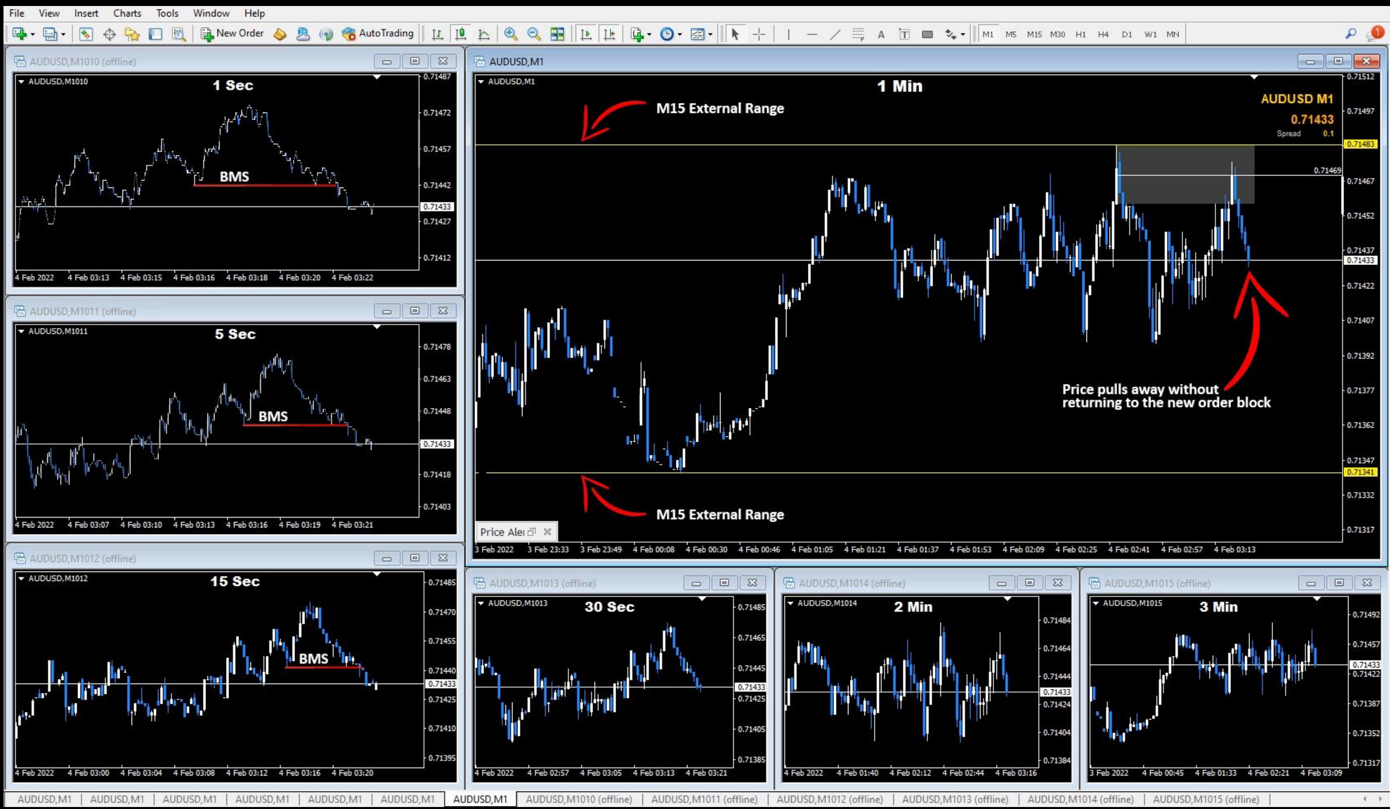
This is what makes it such a great trade setup! 'Smart Money' has to move price all the way back to the 'origin' of the current range in order to get the very best price to place their new 'Buy' orders, without breaching the current range (Bullish market structure).

In a downtrend, the Origin order block is located at the extreme top of the current range you are monitoring on the M1 chart (the Green lines). So as you can see, price would need to make a VERY deep retracement in the current range in order to hit the 'origin' order block.

This is what makes it such a great trade setup! 'Smart Money' has to move price all the way back to the 'origin' of the current range in order to get the very best price to place their new 'Sell' orders, without breaching the current range (Bearish market structure).

In this 'Origin Order Block Trade' on the AUDUSD pair you can see that the AUDUSD is currently in a downtrend on the M15 chart (I had to demonstrate the downtrend with the overlaid M15 chart because the M1 chart can't show the zoomed out higher timeframe trend in these charts, it's too far back).

In the current overall downtrend, AUDUSD set the top of the current M15 external range, moved into the middle, and has now retraced back into the 'origin' order block of the current M15 external range. We now study the price action and look for a trade entry short…

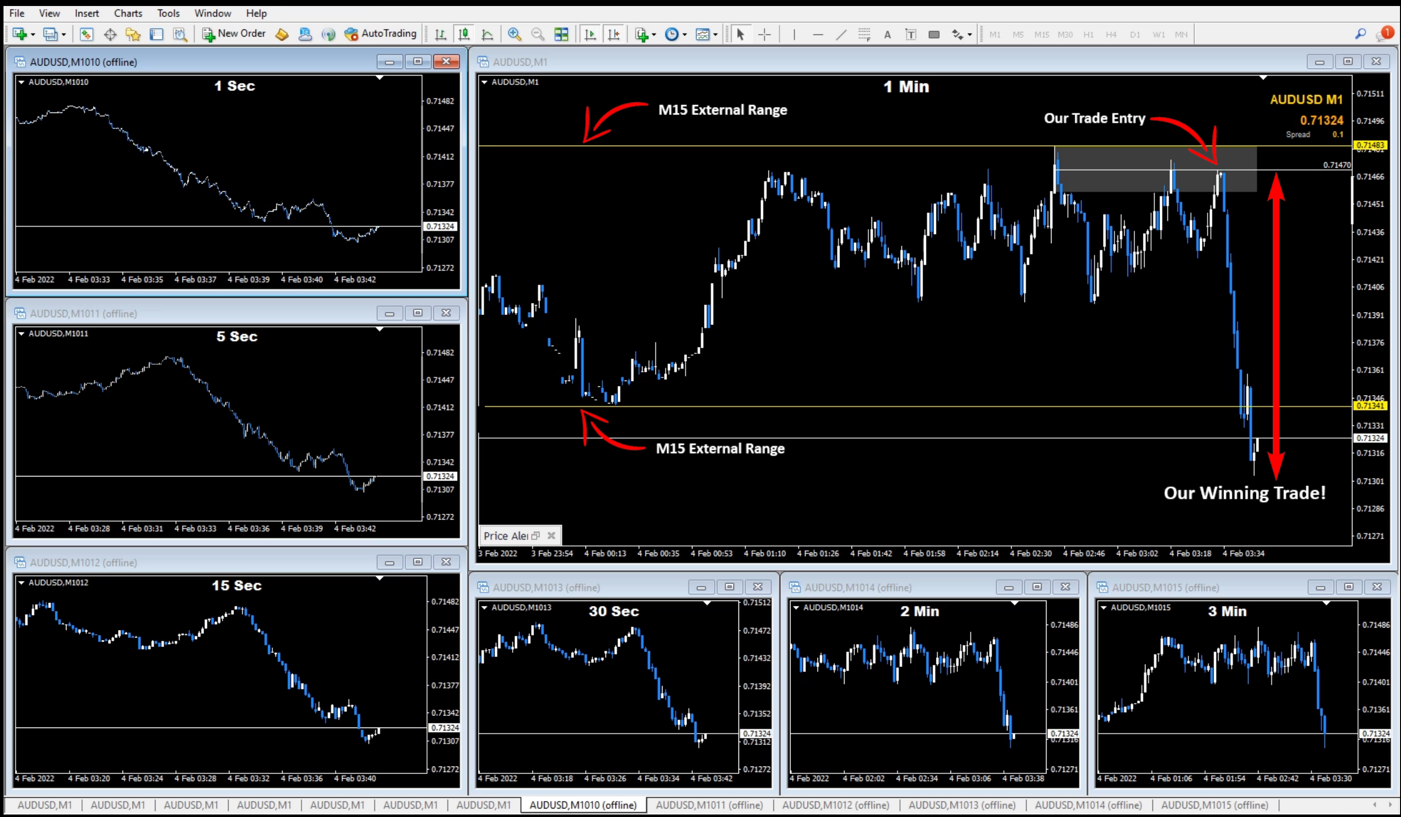


As you see, price pulled away without returning to mitigate the new bearish order block to give us a trade entry (remember that we are looking for a ‘Break in Market Structure (BMS) and return to Order Block’ – the SAFEST trade entry).

You can see I have labelled the BMS on the 1, 5 ,and 15 second charts… but price simply continued down so we missed getting an entry (that’s trading, it happens ☺)

Here you can see that after a large move down, price did return to mitigate the new order block after all! We take our opportunity to enter this short trade as price comes back to the bearish order block.

- I have labelled the return to mitigate on all the ‘Second’ timeframes (as well as the 2 and 3 min charts) so you can see what a typical trade entry look like on the SECOND charts
- We are now active in this bearish trade…



Here is the result of our Bearish **'Origin' order block trade**. Price screamed away from our trade entry! (The advantages of trading WITH the overall trend, and why these ORIGIN trades are such great setups).

'Smart Money' came all the way back to the ORIGIN order block of this current range to give themselves the very best price to SELL again (AND to take out all the traders that got the trade right in the first place). Smart Money intended this very large move all along… obviously price may not move away so strongly all the time, but these are the types of moves available with the **'Origin' order block trade**.

Notice that price also blasted through the bottom of our M15 external range (yellow line) and continued short. **Your first 'partial' of profit taking should also be at this swing-point**. As mentioned previously, I take 70% of my profit off the trade at the first swing-point and leave the remaining 30% to run. This remaining 30% may come back to take me out at break even, or it may run on for another 200 pips… that's trading ☺

Note: Obviously you should NOT try these type of ORIGIN order block trades at the BOTTOM of an external range in a DOWNTREND!

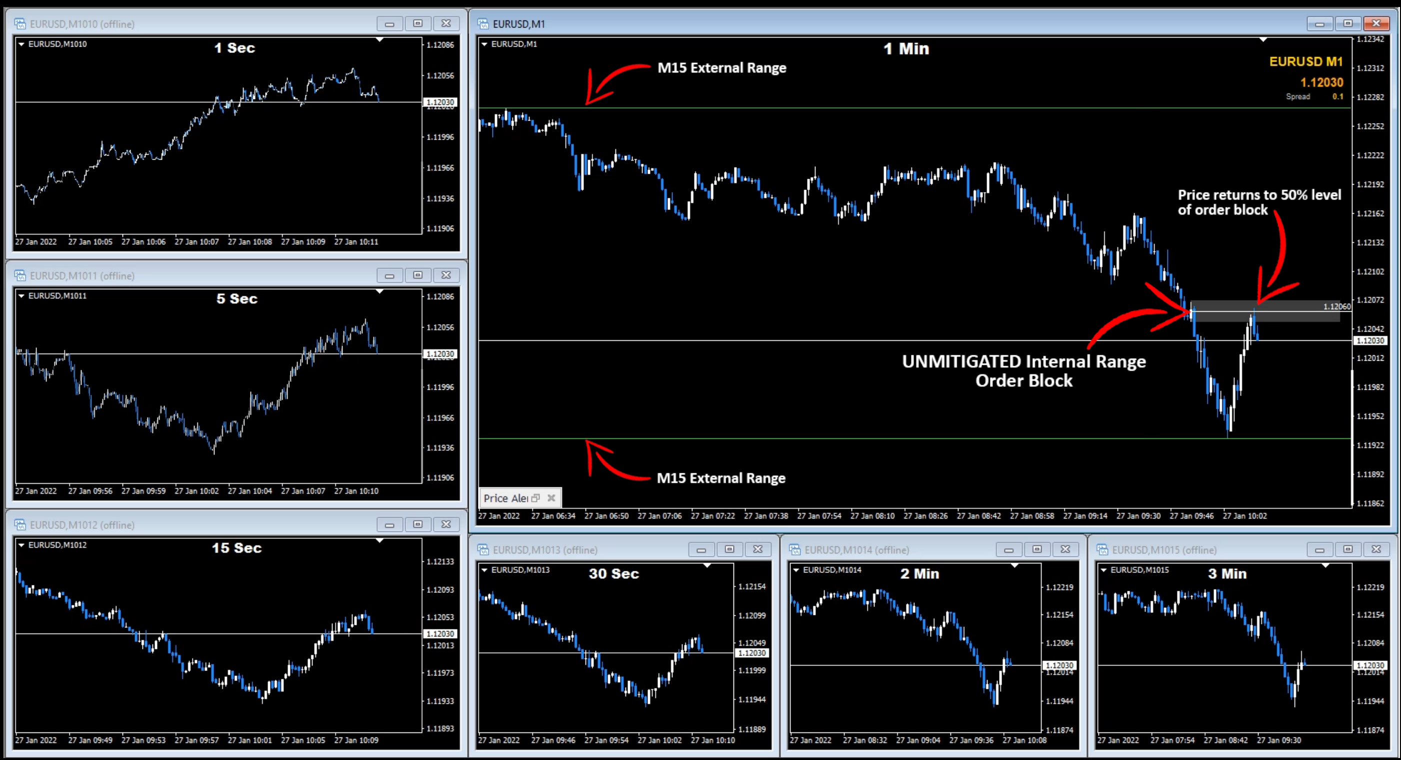
Why? Think about it…. Price is in an overall DOWN TREND. If price bounces at the bottom of your external range in a downtrend (and you should usually expect some sort of bounce there) it will most likely be a very small reaction, before price continues in the overall downtrend. Makes sense?

Note: Vice versa on everything listed in this trade for an uptrend setup…

2. Internal Range Order Block Trade

The internal range order block trade (with the current trend) is probably the most common trade you will find in these charts. You will find these internal range trades as both partially mitigated and unmitigated order blocks.

Remember to only look for order blocks that are unmitigated or where price has made one mitigation (and not very deeply), after that DO NOT use that order block for any possible further mitigation, as chances are that price will run straight through it the third time. Also remember that any order block with a market imbalance in front of it means you have a higher chance of expecting price to continue with its current trend after it fills the imbalance and/or hits the order block.



Here on this EURUSD chart you can see that I have marked up the current 15 minute chart external range on the 1 minute chart. The EURUSD is currently in an overall downtrend. I highlighted an unmitigated order block in the range with the ‘MTS_POI Box and 50% Fib’ indicator (notice that it also has a market imbalance in front of it).

Price has hit the bottom of the M15 chart external range and bounced up from it (the bottom of this range was set about 4 hours ago, so it is too far back to show on the 3, 2, or 1 minute chart). Price has then retraced back into the unmitigated order block, so we are watching it for a trade setup (remember that we are looking for a ‘Break in Market Structure (BMS) and return to Order Block’ – the SAFEST trade entry).

Price has reached the 50% line of the unmitigated order block and I am looking for a setup. Here you can see that I have labelled the BMS on the 1, 5, and 15 second charts. As I have mentioned previously, I usually look for my trade entry on the 5 or 15 second charts (usually the 5 second chart is best).

On the 5 second chart the BMS I am looking for happens quickly, and it is not very large. In fact some traders will argue that because these timeframes are so small, price breaks market structure and changes direction all the time with little rhyme or reason. There is some truth to that statement, however through hundreds of hours of experience trading on these charts I can say that these setups do work. The fact that this small BMS occurs exactly WHEN I am looking for one IS the confluence I need to enter the trade.

So this BMS labelled on the 1, 5, and 15 second charts IS THE SETUP for this trade, in fact it is the ONLY setup you will see before price moves away from this (now mitigated) order block, so you need to watch intensely and act quickly or the trade opportunity will leave without you. (You will see this for yourself and become more competent with these trades as you spend more time observing and demo trading these charts).

The exact trade entry is shown on the 5 second chart above. As soon as price returns to the top order block on the 5 second chart I execute the trade. If I am wrong I usually know in a few seconds, because my stop loss is placed just above the top swing-point (approx. 1 pip).

Here is the result of our Bearish **'Internal Range Order Block' Trade.** If you look at the 1 minute chart you can see that price hung around near our trade entry for a while but then it took off nicely, following the overall downtrend.

Notice that price also blasted through the bottom of our M15 external range (green line) and continued short. **Your first 'partial' of profit taking should also be at this swing-point**. As mentioned previously, I take 70% of my profit off the trade at the first swing-point and leave the remaining 30% to run. This remaining 30% may come back to take me out at break even, or it may run on for another 200 pips… that's trading ☺

Note: Vice versa on everything listed in this trade for an uptrend setup…

3. Counter Trend Order Block Trade

The counter trend order block trade is a more advanced trade and should be considered OPTIONAL.

If you are just starting with 'smart money' concepts and/or taking trades on these fast moving charts, I would definitely start with trades that are WITH the current trend only, and leave these 'counter trend' trades for a later time when you feel more competent.

Like all our other trade setups, remember to only look for order blocks that are unmitigated or where price has made one mitigation (and not very deeply), after that DO NOT use that order block for any possible further mitigation.

Here on the GBPJPY chart you can see that I have marked up the current 15 minute chart external range on the 1 minute chart. The GBPJPY is currently in an overall uptrend. Price has hit the top of the M15 chart external range and bounced down from it (the top of this range was set a couple of hours ago, so it is too far back to show on the 3, 2, or 1 minute chart). You can see that price retraced down to about the middle (equilibrium) of the current range.

I highlighted an unmitigated order block in the range with the 'MTS_POI Box and 50% Fib' indicator. Price has hit the 50% level of this order block and stalled.

Here you can see that price made a BMS on the 5 second chart, made a very fast return to the top and then fell away again just as quickly. This is a very good example actually, because it highlights just how fast these setups can be. On the 5 second chart price fell away and made the BMS with a large 5 second candle, it then returned to the top with an equally large 5 second candle (the trade entry) and then fell away yet again with an equally large candle.

Please take a close look at the 15 second and 1 minute charts… You can see that there is no trade setup noticeable on either of these charts. That 'up, down, up' move on the 5 second chart is contained in a single candle on both the 15 second and 1 minute charts. As mentioned previously, these setups take some getting used to and only become clearer with lots of chart time.

Here is the result of our Bearish **'Counter Trend Order Block' Trade.** If you look at the 1 minute chart you can see that price has moved down quite quickly to the highlighted bullish order block. This is the trade exit of our 'counter trend trade'.

Note that I would have taken the whole trade profit at the price touch of the bullish order block (no partial profit at this swing-point). Why? Because this was a COUNTER TREND trade. If you choose to attempt these counter trend trades you should only consider them a 'quick scalp' as the likelihood is that the current overall trend WILL kick back in and continue (as happened in this instance).

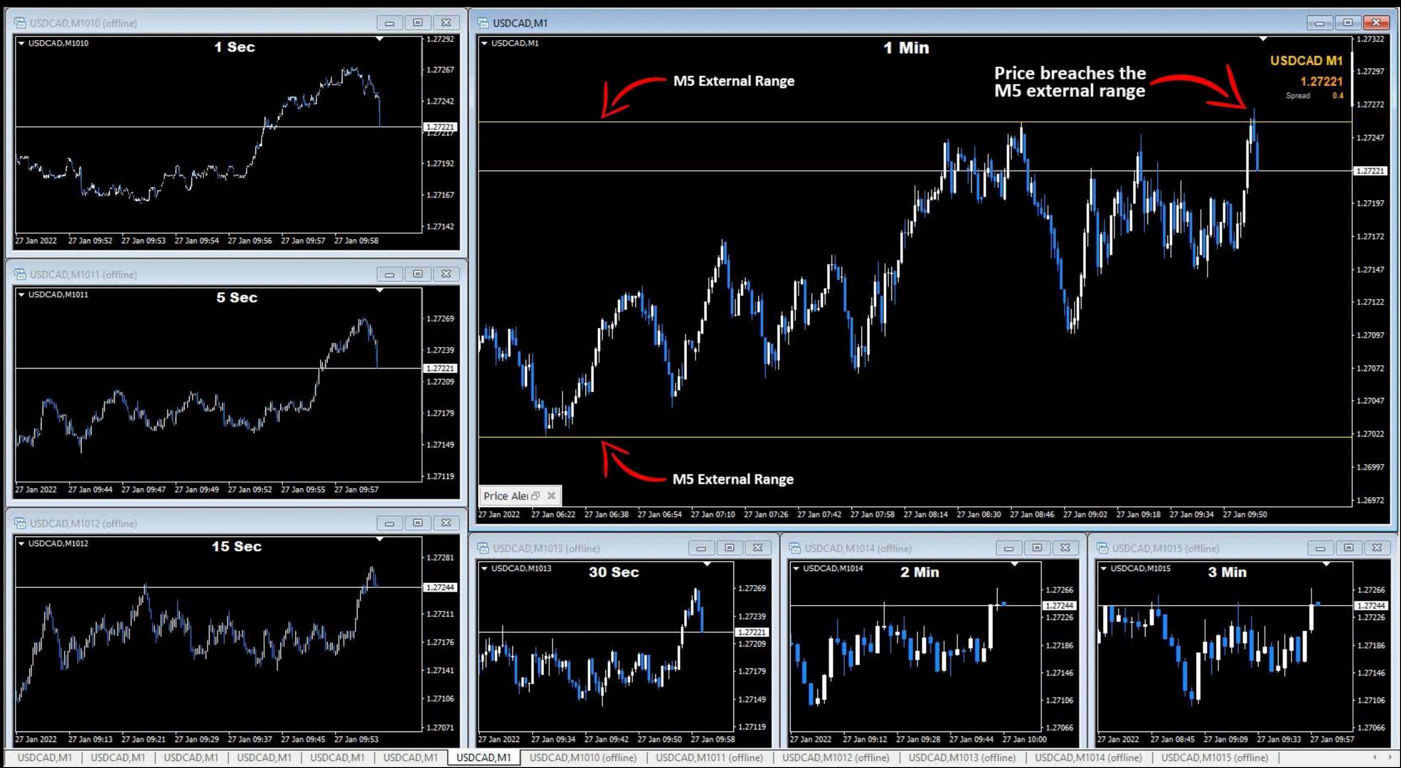
Note: Vice versa on everything listed in this trade for a downtrend setup…

4. **External Range Breach & Reversal Trade**

The external range breach and reversal trade is probably my favourite of all these setups. Why? Because if its successful it usually offers the largest reward!

Note that these trade setups should usually only be taken WITH the current overall trend (a retracement back to, and exceeding the last trending swing-point) because they can be quite a dangerous setup if you attempt them against the trend.

All 'Smart Money' traders know that the best trade entry opportunities occur when price has breached a previous peak level on the higher timeframes to activate the liquidity pools that accumulate there. So price usually only breaches the last trending swing-point to grab 'internal liquidity' before continuing with its current trend. This is what makes these trade setups so powerful and why these levels make for excellent trade entry points.



Here on this USDCAD chart you can see that I have marked up the current M5 external range on the 1 minute chart. The USDCAD is currently in an overall downtrend.

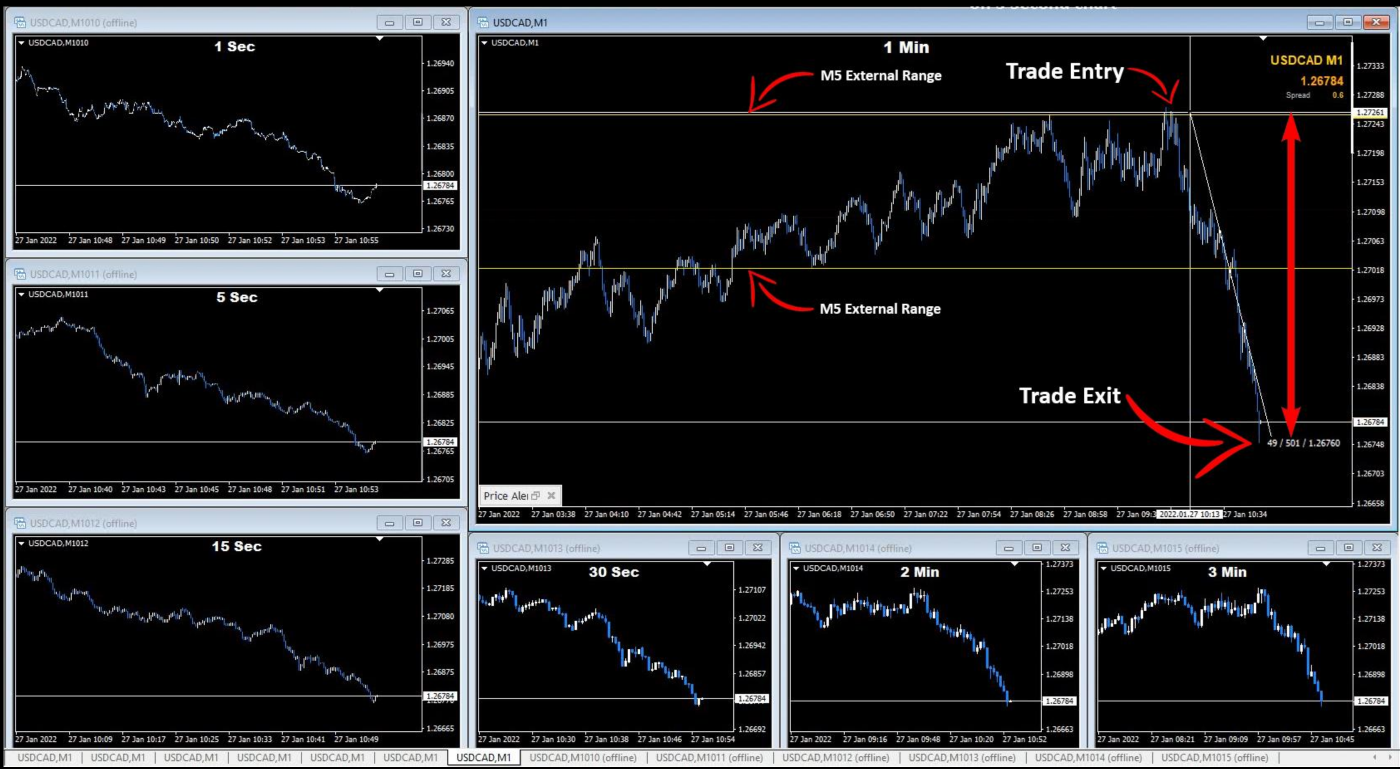
Price has retraced to hit the top of the M5 chart external range and bounced down from it (the top of this range was set about 3 hours ago, so it is too far back to show on the 3, 2, or 1 minute chart). Price moved down into the top third of this range and has then hung around there for about an hour (another good sign that it intends to run this previous swing-high).

As you can see in the last few 1 minute candles, price suddenly shot up with quite large candles and breached the top of this previous TRENDING swing high (grabbing the liquidity placed there). We can now start watching it for a trade setup (remember that we are looking for a 'Break in Market Structure (BMS) and return to Order Block' – the SAFEST trade entry).

Here you can see that I have labelled the BMS on the 1, 5, and 15 second charts. As I have mentioned previously, I usually look for my trade entry on the 5 or 15 second charts (usually the 5 second chart is best). Once again note that the BMS is only viewable on the 1, 5, and 15 second charts.

The exact trade entry is shown on the 5 second chart above. As soon as price returns to the top order block on the 5 second chart I execute the trade. If I am wrong I usually know in a few seconds, because my stop loss is placed just above the top swing-point (approx. 2 pips), but if I am correct with this trade entry I can usually expect a very nice reward!

Why? Because I am trading WITH the current higher timeframe downtrend, and because price has just grabbed the liquidity above this swing high, therefore it is extremely likely that price will continue strongly in its current downtrend.



Here is the result of our Bearish **'External Range Breach & Reversal' Trade.** If you look at the 1 minute chart you can see that price moved away nicely from our trade entry, stalled momentarily just above the M5 external range (yellow line) but then moved down rapidly, continuing its higher timeframe downtrend.

Note that because of the choppy market structure under the M5 external range (bottom yellow line), my first profit partial was at the clear swing-low point about an inch below the yellow line. As mentioned previously, I take 70% of my profit off the trade at the first swing-point and leave the remaining 30% to run. In this case price kept running short until it stalled at the level I have marked as the 'trade exit'. You can see that this trade ran for 50 pips.

At a 1% account risk on trade entry, the 2 pip SL, and the 50 pip win, this trade would have made you a 25% account gain in one trade (more than double what's required to pass an FTMO challenge in one trade). THIS is why trading on these very small timeframes can be so rewarding – you don't require huge amounts of pips (or time) to make very good profits ☺

Note: Vice versa on everything listed in this trade for an uptrend setup…

TRADE Management, Trade Exits and Partials

So you are in a trade, Great! You followed your plan. Now it's time for some trade management. Note that what you choose to do here is subjective to you…

You can set profit targets at previous structure points

If you're following the higher timeframe trend (and if you are relatively new to these types of trades) you may choose to exit the trade completely at the next structural swingpoint, pocket your profit and move onto another trade.

You can set a trailing stop

How you trail is down to you (whether you chose an aggressive method or not). Trailing a stop may prove to be very effective, as you may get a full swing trade from your entry if trailed conservatively. But I will leave that decision to you.

You can take a Partial and let the rest run

As I have mentioned a bunch of times now, I ALWAYS take partials at the next swing high/low market structure point (normally 70% of my profit) and I let the rest run. Note that when I do this I also move my stop loss to break even (BE = spread + commission) after the clearance of the 1st swing-point.

The remaining 30% may come back to take me out at break even or it may run on for another 200 pips, you never know what will happen. Sometimes I have made more profit on the last 30% than I did on my first partial of 70%, so to me it is always worth a try. But you MUST pay yourself at some point in these trades, NEVER let a winning trade turn into a complete loser, or you are working for nothing…

Combining the Scalper + DX or Ultimate charts

When I am trading on these 'Precision Scalper' charts, I always have either my 'Scalper + DX' or 'Ultimate' charts running on another screen. Why? Because they show me the 'bigger picture'.

Because the Precision Scalper charts only show me the lower timeframes, I still need to be aware of what the higher timeframes are telling me. That 'bigger picture' helps to support my trade ideas on the second charts.

So if you already own my 'Scalper + DX' edition, or my 'Ultimate' edition MT4 templates you have half the story at your disposal already. (Of course you do require a couple of computer screens to trade this way).

Both the 'Scalper + DX' or 'Ultimate' charts display all the higher timeframes of the current instrument I am trading (from the 1 minute to the Daily chart), and both versions also display my proprietary 'scalper arrows' indicator, making my higher timeframe trading decisions much easier (the 'Scalper + DX' charts also show both currency DX charts that make up the currency pair).

Here on the GBPUSD you can see the exact same point in time on both sets of charts. The GBPUSD is currently in an overall downtrend. The GBPUSD pair on the 'Scalper +DX' charts is the top set of horizontal charts with the black background (for those unfamiliar with those charts). Notice on those charts that all the current red candles have no arrows against them (the orange arrow alerts me of an impending price retracement/reversal). This tells me that price on the GBPUSD currently has no intention of turning around.

The GBPX (Pound Index) chart (in the middle with the blue background) is telling me exactly the same thing as the GBPUSD above it. Price is falling on the GBPX, with no reversal arrows showing on any of its higher timeframes.

Conversely, the USDX (US Dollar Index) chart at the bottom is rising strongly, with supporting up arrows and no reversal arrows against its up-move. So if I were in a short trade on the top 'Precision Scalper' charts I would stay in the trade with confidence this move will go further…

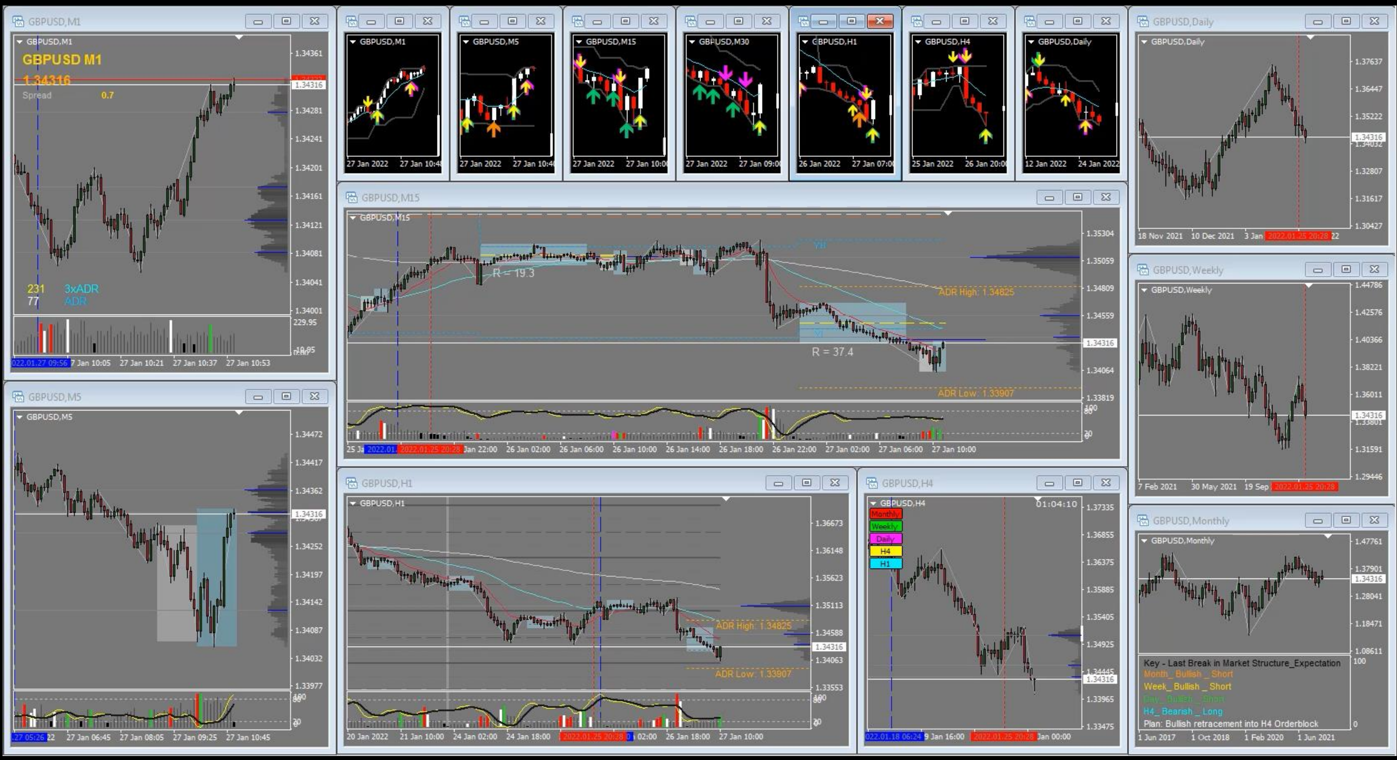
Here on the bottom ‘Ultimate’ charts you can see that the GBPUSD is in an overall downtrend (the Precision Scalper chart above it is at exactly the same point in time).

Price has moved down and breached the bottom of the current 5 minute chart external range (look at both the 5 minute chart on the Ultimate charts, and the 1 minute chart on the Precision Scalper chart). I would normally not look for a trade setup at this point (because price is in a strong downtrend), but take a look at the ‘Scalper Arrow’ charts at the top of the Ultimate charts (with the black background).

The current red candles on all the lower timeframes of the ‘scalper arrow’ charts have orange ‘reversal’ arrows on them (warning me of an impending price reversal/retracement). This alerts me to that fact that a ‘counter trend’ trade might be available here, and because price has just breached the bottom of the M5 chart range (grabbing the liquidity there) this would be the perfect opportunity for ‘smart money’ to make some kind of retracement…

If I did not have my ‘Ultimate’ edition charts open on another screen and I was only watching my ‘Precision Scalper’ charts, I would not have been alerted that price was thinking about reversing here. But because I saw those reversal arrows on the ‘Ultimate’ charts, I was ready and looking for a potential trade here.

This is why trading with BOTH sets of charts is so advantageous!



Here you can see that price did indeed make a nice retracement. Price came back up to take the internal liquidity above the (equal highs) swing-high on the M5 chart (Ultimate chart) before jumping back into its long term downtrend. If you look at the 'Scalper Arrow' charts in the 'Ultimate' edition you can see that those orange arrows (reversal warning arrows) turned into green/yellow 'super' arrows (the 'strongest move' arrows) on nearly all the timeframes, so this was a very nice 'counter trend' trade.

So why don't I just put my 'Scalper Arrow' indicator on the 'Precision Scalper' charts you ask? Because they simply don't work very well on these extremely low timeframes, in fact they will appear all over the 'second' charts, and they move so fast that you don't get any time to analyse anything and you'll basically end up cross-eyed or having a breakdown or something. LOL

So yup, don't put the 'Scalper arrows' on the Precision charts if you own the indicator, because they'll simply confuse you and be no help at all (this was my experience anyway) ☺

Trade Psychology

You are going to lose sometimes!

Loses will happen over the course of your trading career, accept it. The sooner you accept it the easier it will be.

This way of trading is all about precision and finding trade entries at the perfect time of reversal. However, don't get too greedy with the R:R, there is nothing wrong with sacrificing a few pips and R:R for a safer trade. Having a 1 pip stop loss is not the goal, having a safe trade and maintaining your trading capital should always be your main goal.

Our win percentages on these trades are always going to be crazy good, even with a 3 pip stop, so don't always look for a smaller stop if there isn't one available.

Follow each and every one of these rules and you should NEVER blow another trading account:

- When you take a loss it does not mean that your strategy is rubbish or it doesn't work for you, it only failed this time.
- Don't chase a trade or force one! Utilize alerts and practice sitting on your hands till price hits your POI
- If you have won several trades in a row and you get excited and feel invincible, don't let the winners get to you as you will start trading with emotion which will cloud your judgement
- Don't trade on time frames that you are not happy trading on. If the 5 second chart moves too fast for you and you are more comfortable trading off the 30 second or 1 minute chart then simply do that! There are no hard and fast rules here
- Manage your risk. If a trade has you sweating and worrying, you have risked too much on it. Always risk an amount you're comfortable losing, an amount that does not make you regret it as soon as you enter the trade
- Have a plan and stick to it. If there is one step missing, don't take the trade. Wait! New opportunities are always just around the corner
- Focus on yourself and your own trading. If someone else is doing better, who cares! You shouldn't. Trading is not easy, regardless of how easy others make it seem. Accept this fact, concentrate on your own study and advancing your own trading skills

That's it! You've finally reached the end of this long-ass instruction manual. Well done ☺

Please study this information and the supplied 'Smart Money' video courses intensely, and spend lots of time trading these charts on a demo account before you progress to trading with live funds.

Good luck with your trading!

Trader X

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