

# 2022 ICT MENTORSHIP EPISODE 12

MARKET STRUCTURE FOR PRECISION TECHNICIANS  
BRAVEHEART STUDY NOTES



## INTRODUCTION

# Welcome!

Disclaimer: None of the contents within this PDF should be considered professional advice. It is merely for entertainment purposes only.

If you have been following me on YouTube lately, you know that I help Traders reach their full trading potential.

The aim is to be the bridge between who Traders currently are and who they want to become.

With that being said, the concepts mentioned in belong to "The Inner Circle Trader".

<https://www.youtube.com/c/InnerCircleTrader>

All the information within this PDF can be found on The Inner Circle Trader's YouTube Channel.

## BRAVEHEART TRADING

Dedicated to Freedom and for Reaching Your Full Trading Potential.

Twitter: [Click Here](#)

YouTube: [Click Here](#)



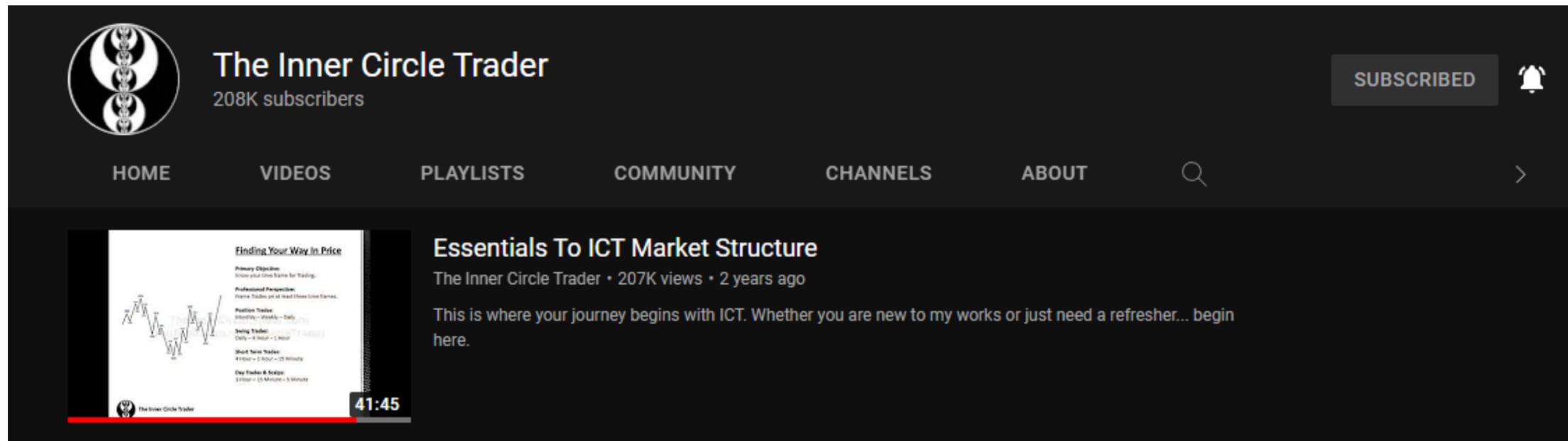
# **Part One:**

## **Essentials To ICT Market Structure**

# Understanding the Essentials To Market Structure will help aid us in navigating Advanced Market Structure Studies.

*The first section of these notes will be a recap on "Essentials To ICT Market Structure".*

Please refer to the following video:



The Inner Circle Trader  
208K subscribers

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**Essentials To ICT Market Structure**  
The Inner Circle Trader · 207K views · 2 years ago

This is where your journey begins with ICT. Whether you are new to my works or just need a refresher... begin here.

**Finding Your Way in Price**  
Primary Objective:  
Microstructure Order Flow for Trading.  
Professional Perspective:  
Price Action on all timeframes.  
Market Model:  
Identify - Understand - Daily  
Trading Model:  
Daily - 1 Hour - 15 Minute  
Short Term Model:  
1 Hour - 15 Minute - 5 Minute  
Day Trade & Scalp:  
1 Hour - 15 Minute - 5 Minute

41:45

# Essentials To Market Structure - Determining Trade Direction

The first thing to know before you look at a chart is your time frame.  
This is how you are going to find your way through Price.

There are so many time frames available, if you don't have a structure to follow, you are going to end up confusing yourself.

**This is what we know as trader paralysis.**

To combat trader paralysis, have a method to break down Price Action in a structured way.

# Step 1: What type of Trader are you going to be?

*Are you going to be a Position Trader?*

*Are you going to be a Swing Trader?*

*Are you going to be a Short-term Trader?*

*Are you going to be a Day Trader/Scalper?*

Nobody is going to be able to show you what style suits you apart from yourself.  
This is part of the trading journey and discovering yourself.

Once you have found what style suits you best as a Trader, the following timeframes are going to act as a structure to show you how to *find your way in price*.

## **Trader Development Tip:**

When practicing, try to stick with Short-Term Trades or Day trade/Scalps.  
These timeframes will give you immediate feedback which leads to faster progression as a beginner.

A Position Trades will occur less frequently than a Scalp.  
A Day Trade will occur more frequently than a Swing Trade.

# Step 2: How to view Market Structure in a Professional Perspective

**EACH TRADING STYLE WILL BE BROKEN DOWN IN A STRUCTURED WAY WITH 3 TIME FRAMES**

## 1) The highest time frame will act as a **Long-term Perspective**

- This time frame will show you Higher Time Frame Levels which will offer Trade Setup Opportunities.
- Trade Ideas will be built upon levels derived from the Higher Time Frame.

## 2) The mid-level timeframe will act as an **Intermediate-Term Perspective**

- Following the Trade Setup Opportunity found on the HTF, Mid-level will give you more definition in terms of structure based on that HTF Level
- Managing Trades will be done via a mid-level time frame.

## 3) The lowest time frame will act as a **Short-term Perspective**

- Following the Trade Setup Opportunity found on the HTF and insights given with Mid-level, the short-term perspective will give you even more definition in terms of structure.
- Timing trades with entries will be done via the lowest time frame.

# As we drop down in time frames, we get more definition in Price Structure



LONG-TERM PERSPECTIVE



INTERMEDIATE-TERM PERSPECTIVE



SHORT-TERM PERSPECTIVE



# The Position Trader

Position Traders hold their trades for a 3 to 12 Month trade duration.

## **3 Time Frames of Study:**

Long-term Perspective = Monthly Chart

Intermediate Term Perspective = Weekly Chart

Short-term Perspective = Daily Chart



# The Swing Trader

Swing Traders hold their trades for a 1 to 3 week trade duration.

## **3 Time Frames of Study:**

Long-term Perspective = Daily Chart

Intermediate Term Perspective = 4 Hour Chart

Short-term Perspective = 1 Hour Chart



# The Short-Term Trader

Short-Term Traders hold their trades for a 3 to 5 day trade duration.

## **3 Time Frames of Study:**

Long-term Perspective = 4 Hour Chart

Intermediate Term Perspective = 1 Hour Chart

Short-term Perspective = 15 Minute Chart



# The Day Trader / Scalper

Day Traders and Scalpers hold their trades for 16 Hours or a session trade duration.

## **3 Time Frames of Study:**

Long-term Perspective = 1 Hour Chart

Intermediate Term Perspective = 15 Minute Chart

Short-term Perspective = 5 Minute Chart

**These Time Frames act as a framework/foundation to view price in a structured way.**

The 3 Time Frames shown with the respected Trading Style will give you the basic elements on how to view Market Structure.

**You can use other timeframes in conjunction with this framework.**

e.g - Using a Daily Chart for an additional Long-term perspective for Short-term Trading

or

e.g - Using a Weekly Chart for an additional Long-term perspective for Short-term Trading

# Multiple Time Frame Analysis Tips n Tricks

## Where should your focus be?

- The Highest of the 3 Time Frames.

## How do you manage trades?

- Manage your trade with both a Long-term Perspective and an Intermediate-Term Perspective.
- Long-term perspective will give you the Directional Bias
- Intermediate-term perspective will show you how to manage that trade following the Long-term Perspective.

## How do you enter Trades?

- The Short-term perspective will be used to entry signals.
- First you need to study the Market Structure on the Long-term and Intermediate-Term Perspective
- Then the Short-term perspective will give you entry signals based on what you derived.

## How do you find High Probability Trades?

- The Highest Probability Trades will be found following the Long-term Perspective direction.
- The Highest Probability Trades will be framed on the Highest time Frame.
- Frame your trades on Key Levels (Order Blocks, Fair Value Gaps, Liquidity Pools)

## What is the Market Profile?

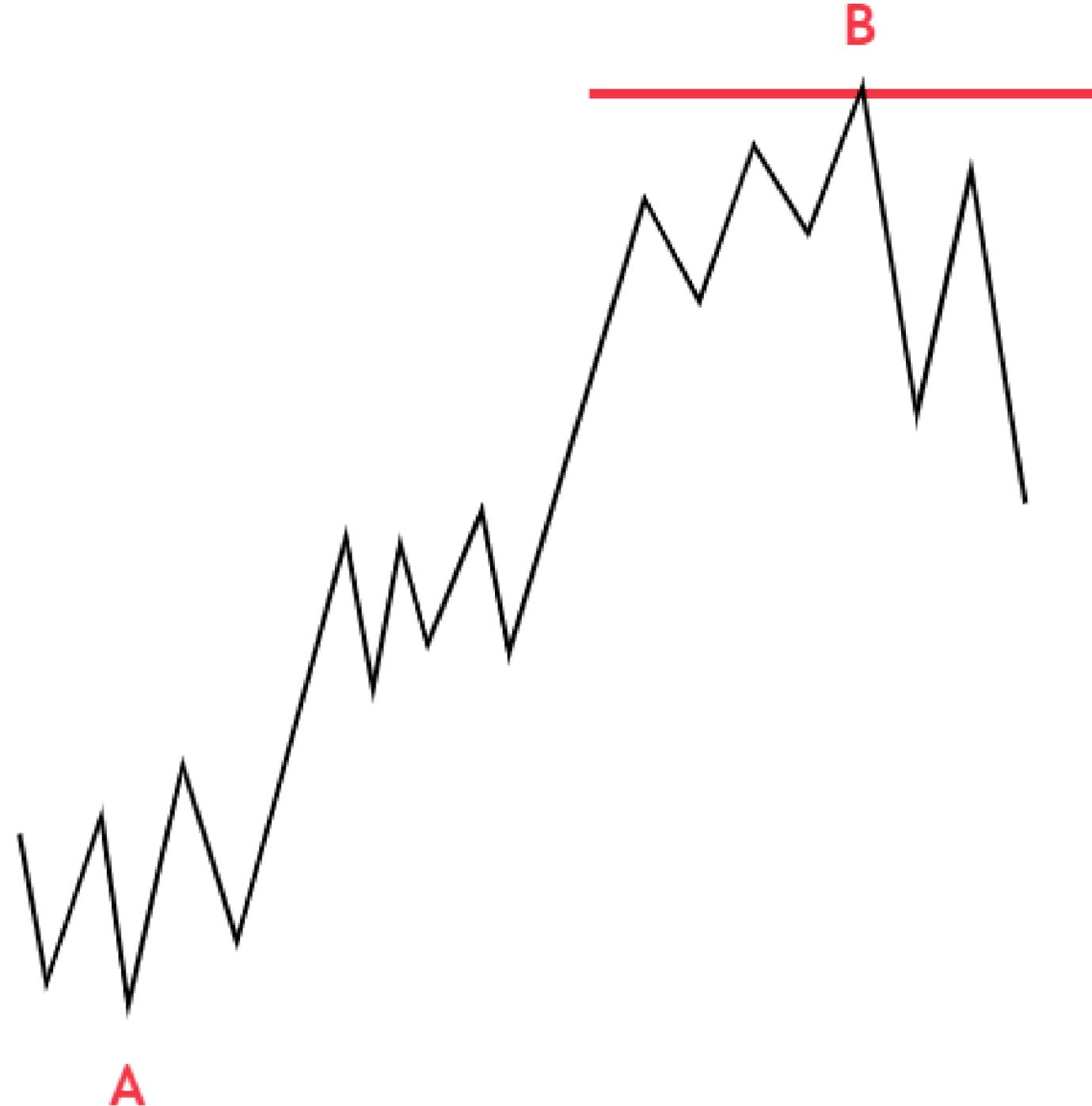
Knowing if we are in a Consolidation Phase or a Trending Phase will assist with Market Structure Analysis.

# The Higher Time Frames Protocol

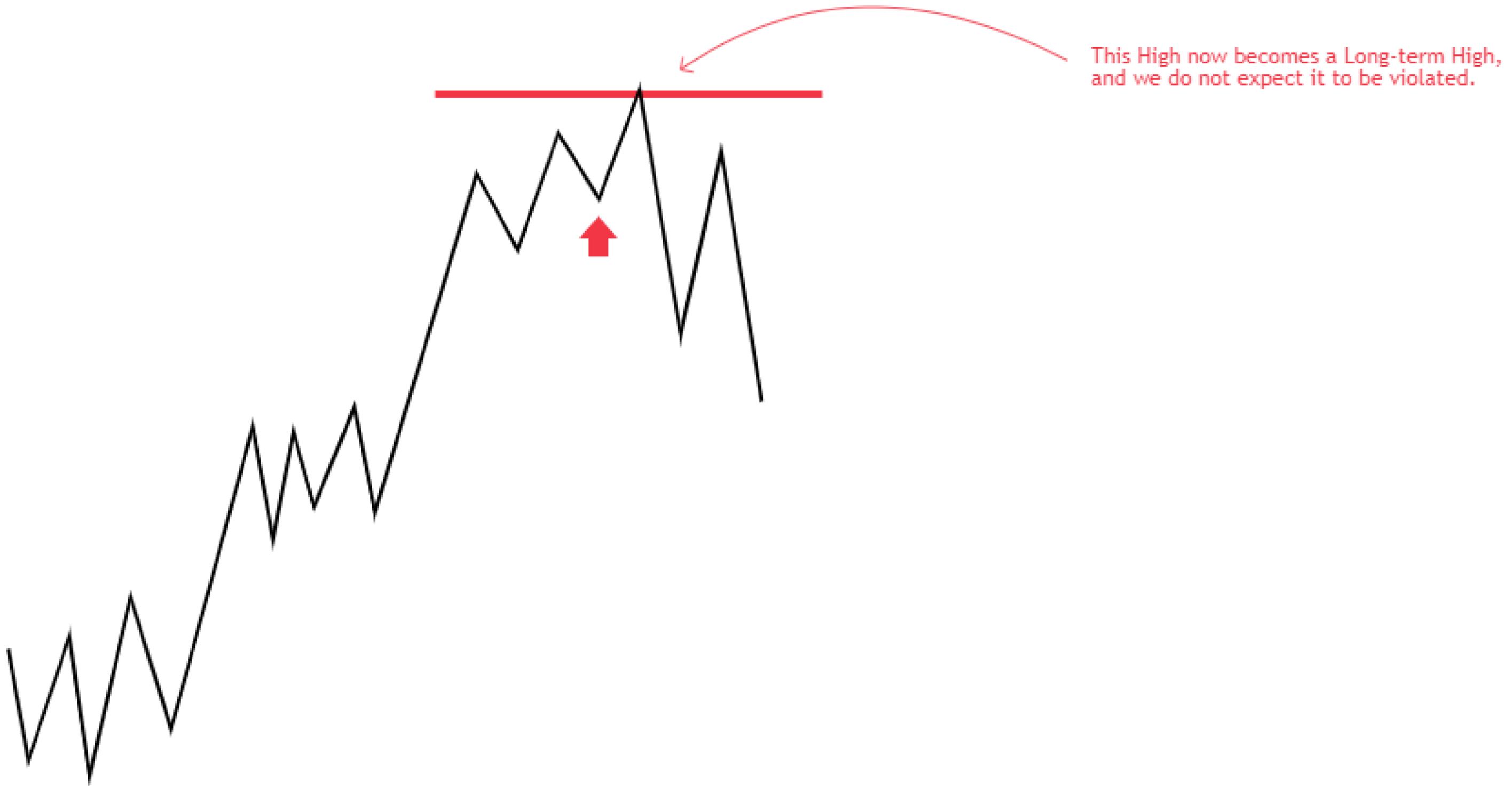
As price approaches a Key Higher Time Frame Level, it will not move towards it in a straight line.

Price will move towards B with:

- Consolidation
- Expansions



**When Price hits the Key Higher Time Frame Level, we would anticipate a Reversal.  
This can be seen when the Market creates a Market Structure Break**



This High now becomes a Long-term High,  
and we do not expect it to be violated.

**This is when we can now frame our trade based on the Higher Time Frame Level.**

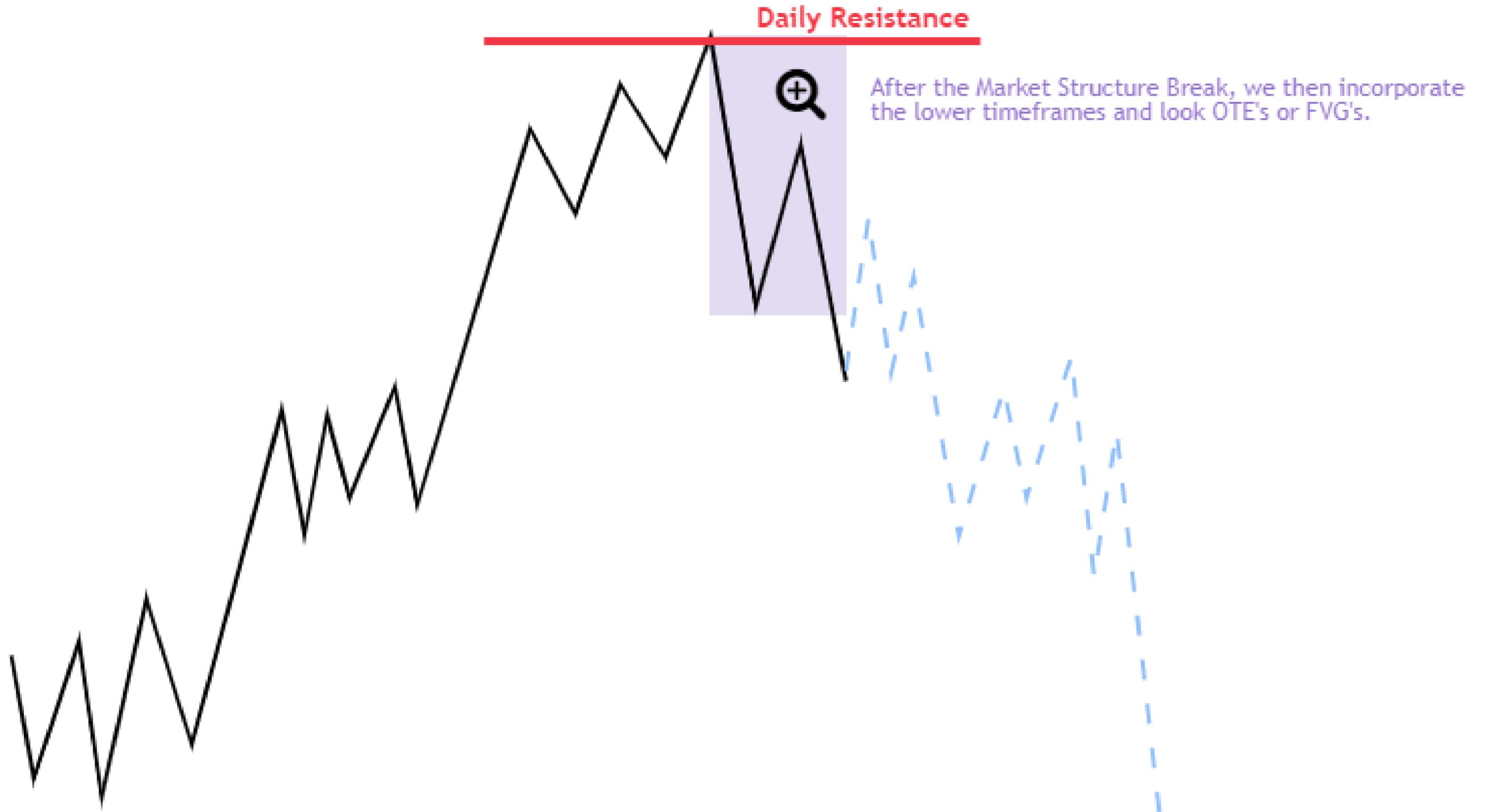
**In this example, we will use a Swing Traders Model.**



*When Market Structure Breaks to the down side,  
this is when we anticipate a move lower.*

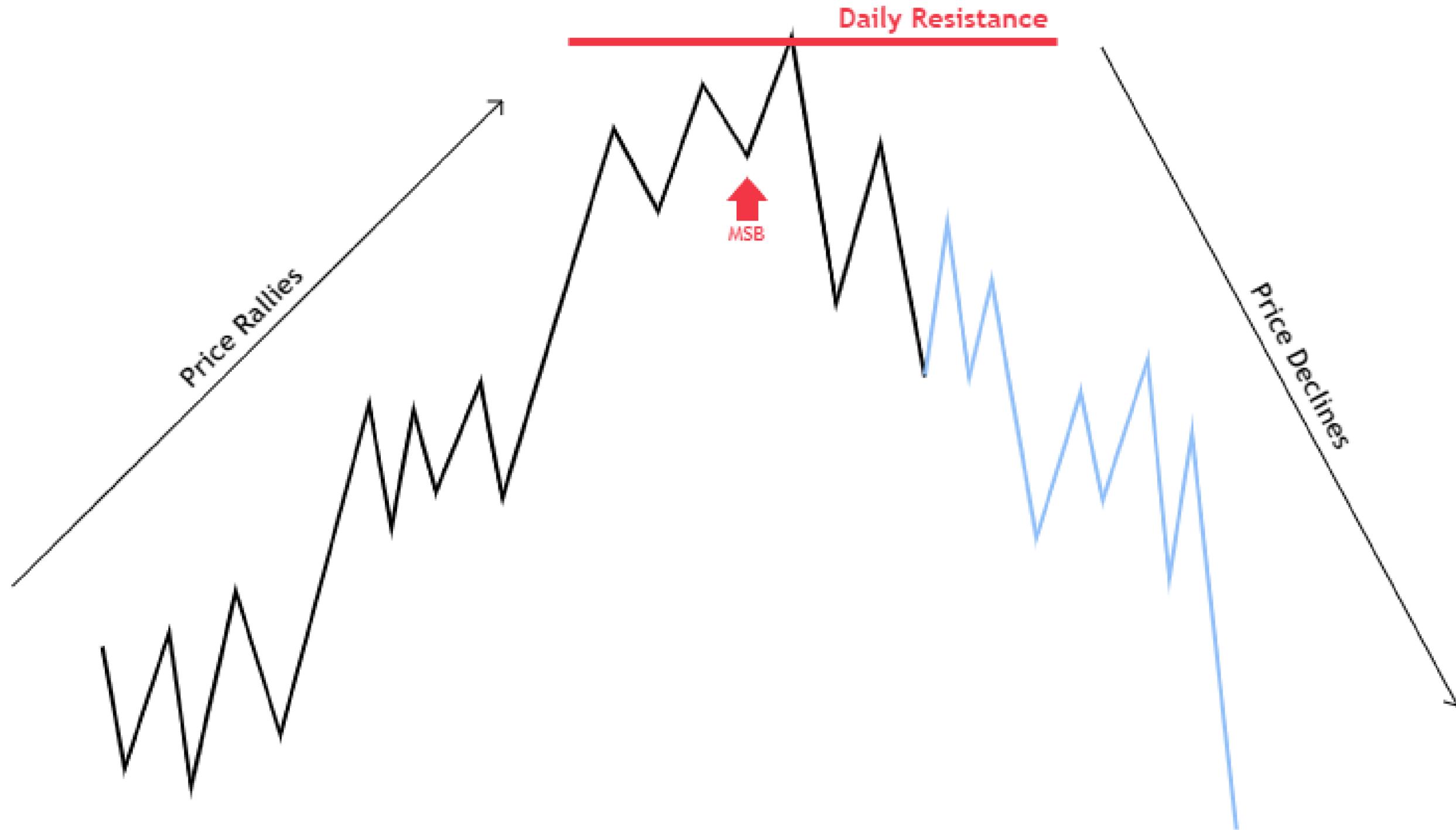
**After price showing willingness to move to the downside from our higher time frame level, this is when we use our lower timeframes to zoom in and find key levels we can participate on.**

**We are looking for a Sell Pattern such as Fair Value Gap or Optimal Trade Entry.**



**Market Structure is built with a rally into a Key Higher Time Frame Level, then a Decline.**

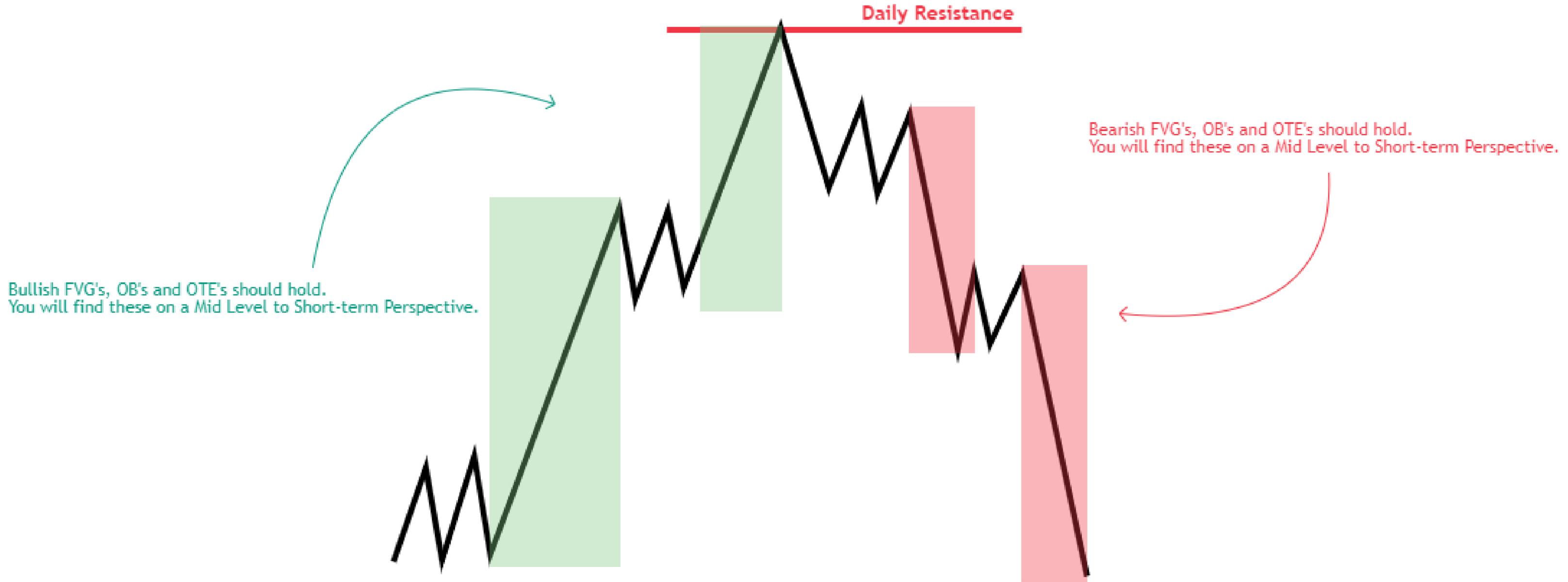
**We then use the 2 other time frames available to participate in that decline and to manage our trade.**



**The Mid Level and Short-term Perspectives will define what price is most likely to do.**

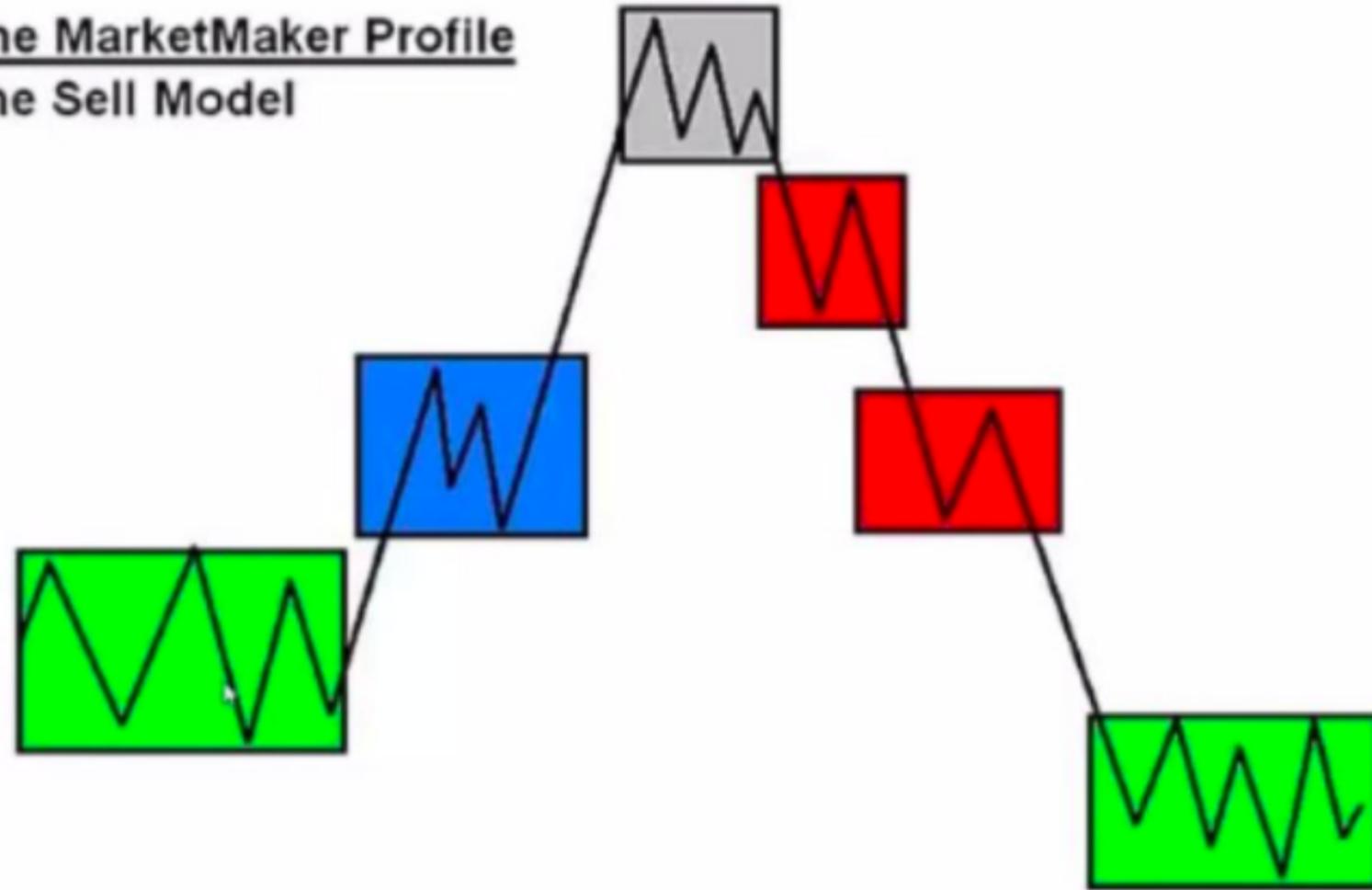
**If we are bullish, expect Supports to hold and Resistances to break.**

**If we are Bearish, expect Resistance to Hold and Supports to break.**



**Think in terms of the Market Maker Sell Model.  
Apply the following time frames to each stage of the MMSM.**

The MarketMaker Profile  
The Sell Model



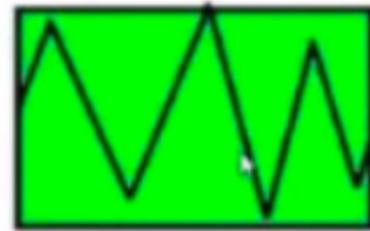
The Inner Circle Trader

# Higher Time Frame Level (Daily)

- Market Structure Break for Conformation

The MarketMaker Profile  
The Sell Model

- 1 Hour and 4 Hour**
- Bullish OTE's
  - Bullish FVG's
  - Bullish OB's
  - Stop Hunts

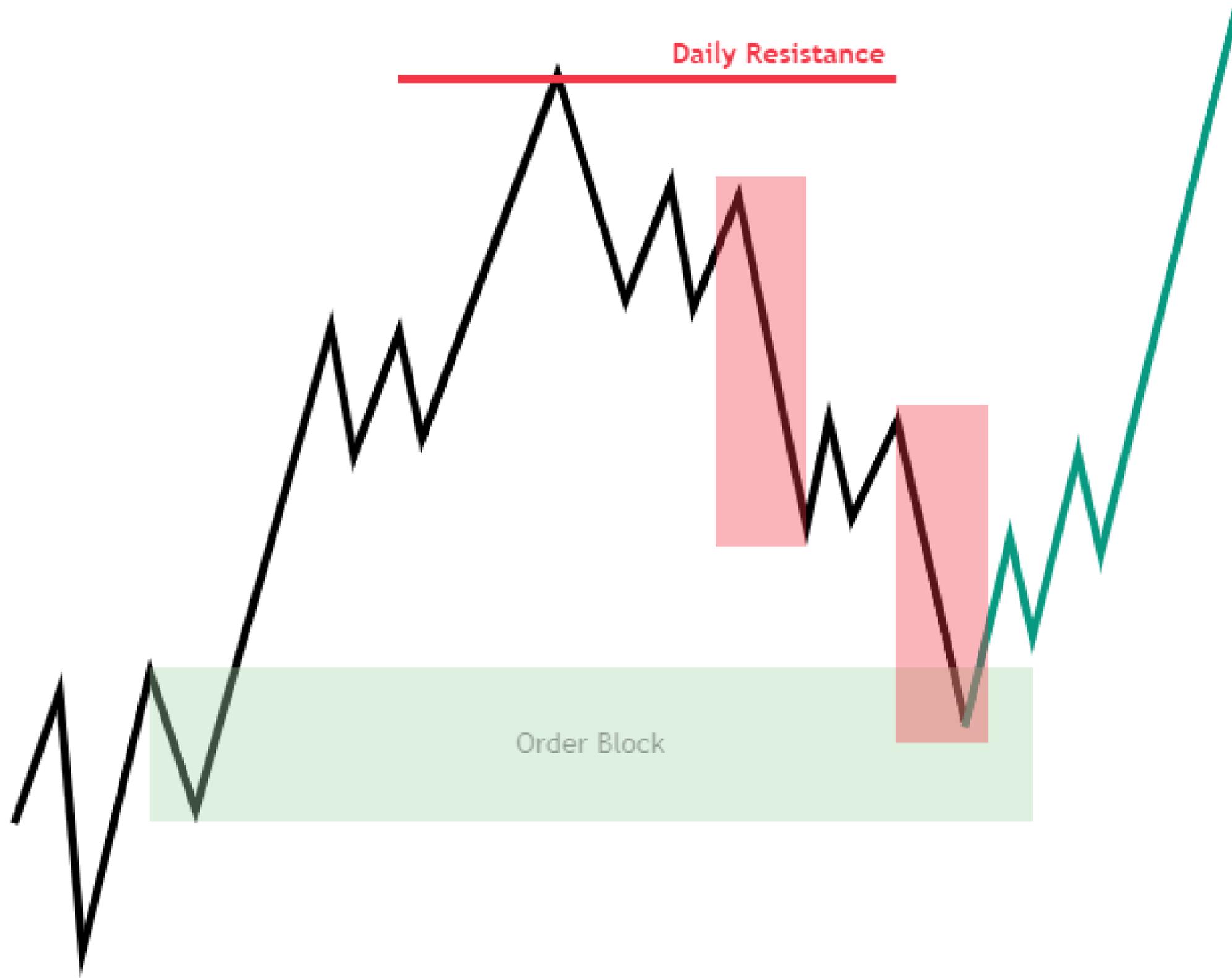


- 1 Hour and 4 Hour**
- Bearish OTE's
  - Bearish FVG's
  - Bearish OB's
  - Stop Hunts



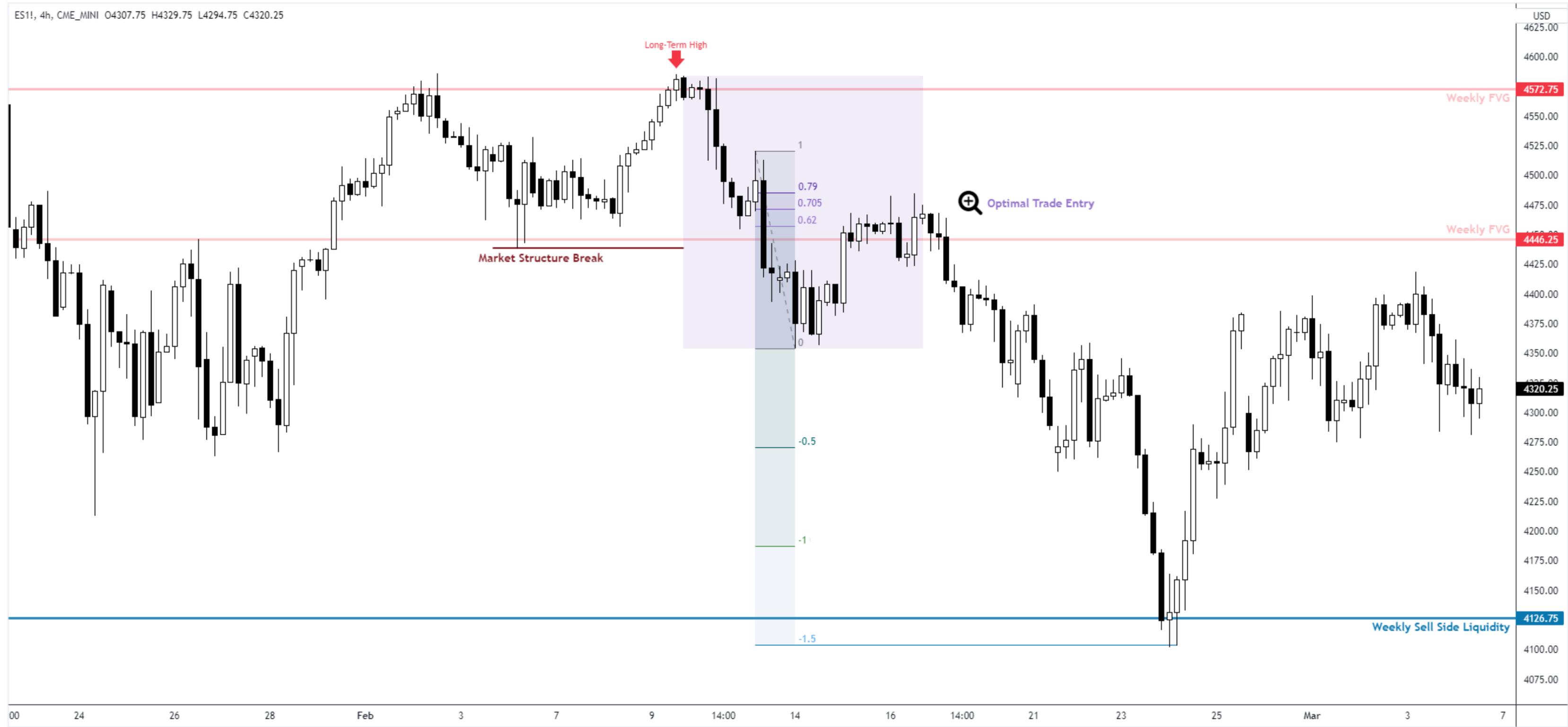
The Inner Circle Trader

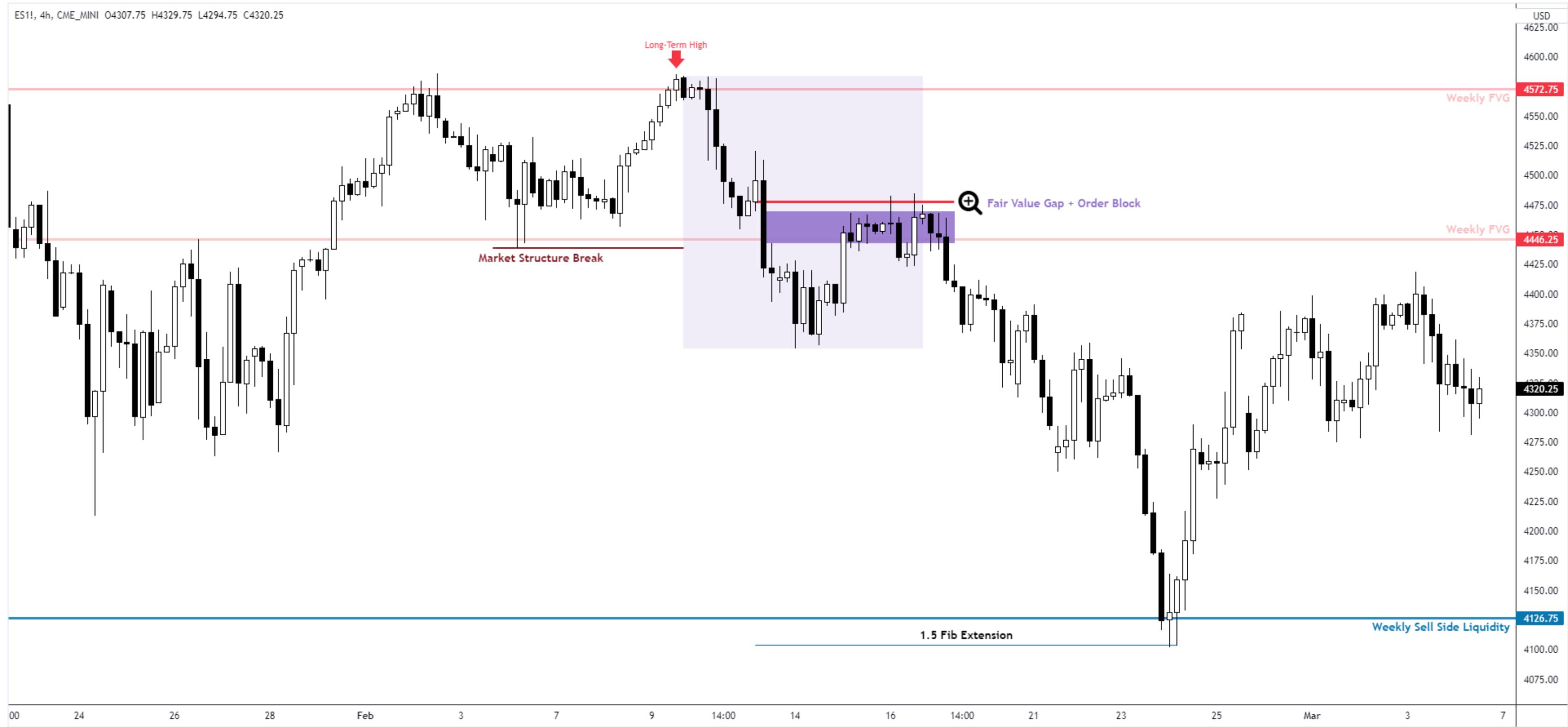
**Understand the Market Maker Models do NOT have to complete.  
This is why taking profits is crucial.**

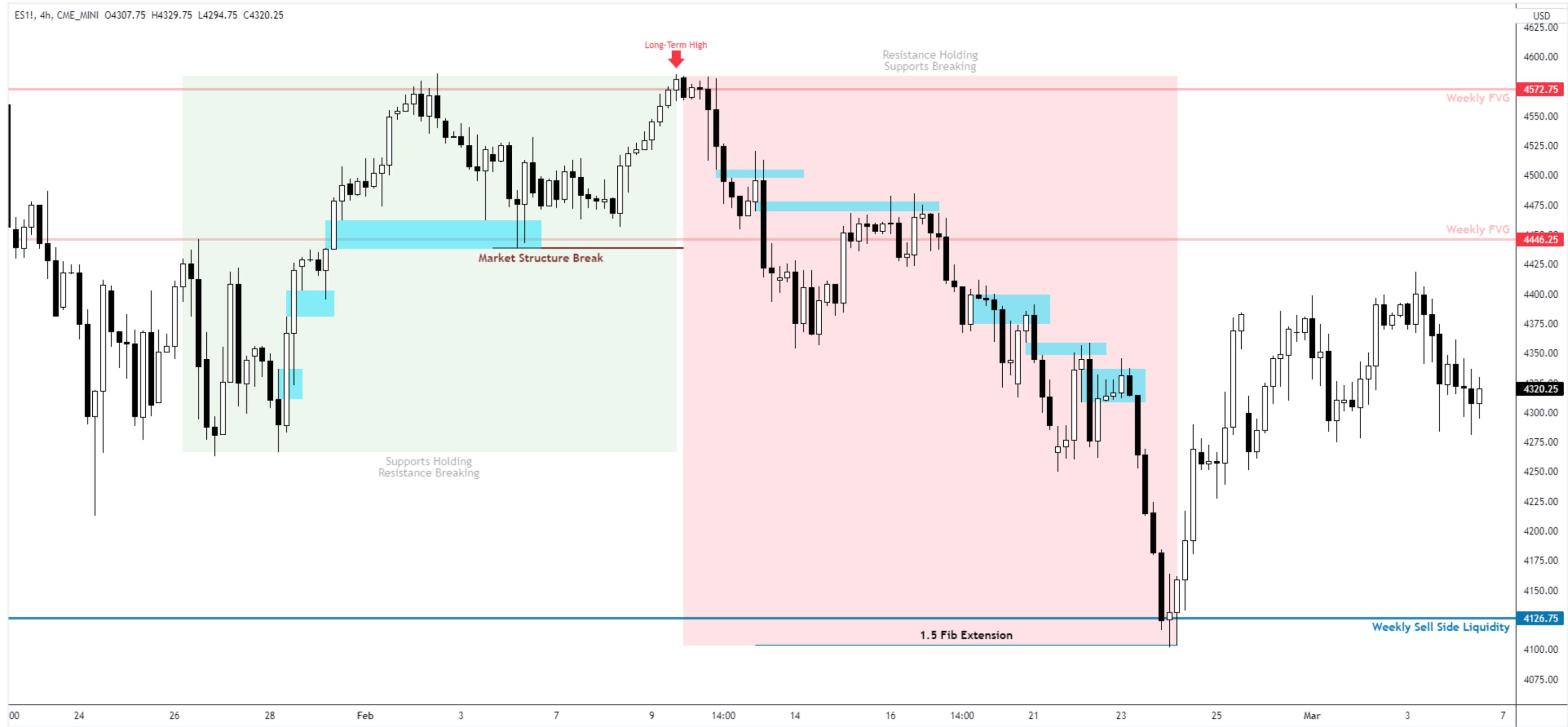












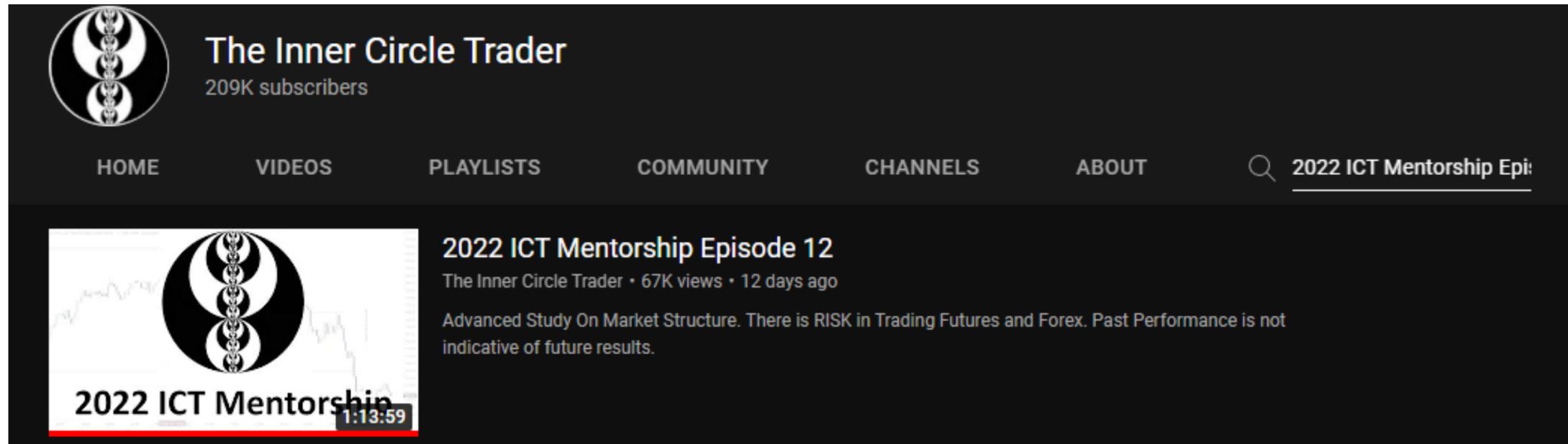
# **Part Two:**

## **Advanced Market Structure For Precision**

# Now that you understand the "Essentials To Market Structure" navigating Advanced Market Structure Studies will be much easier.

*The second section of these notes will be a recap on "2022 ICT Mentorship Episode 12".*

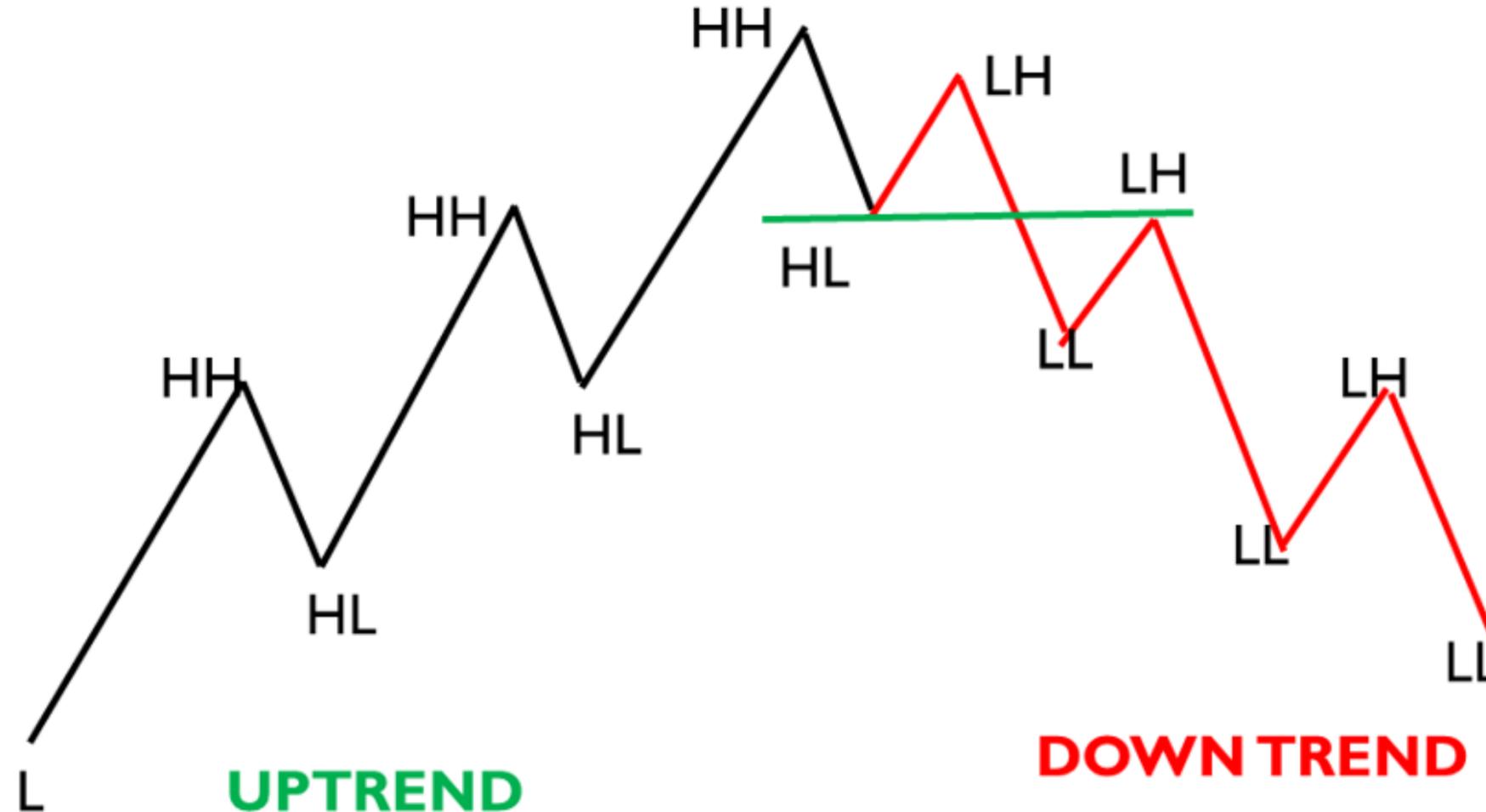
Please refer to the following video:



The screenshot shows the YouTube channel page for 'The Inner Circle Trader', which has 209K subscribers. The navigation menu includes HOME, VIDEOS, PLAYLISTS, COMMUNITY, CHANNELS, and ABOUT. A search bar contains the text '2022 ICT Mentorship Epi:'. The featured video is '2022 ICT Mentorship Episode 12' by The Inner Circle Trader, with 67K views and posted 12 days ago. The video description reads: 'Advanced Study On Market Structure. There is RISK in Trading Futures and Forex. Past Performance is not indicative of future results.' The video thumbnail shows a candlestick chart with the channel's logo and the text '2022 ICT Mentorship' and '1:13:59'.

# 2022 ICT Mentorship Episode 12 - Market Structure for Precision Technicians

**Interbank Traders do not view Market Structure with Retail's method.**



**Interbank Traders view Price in terms of Liquidity and Imbalances.  
This is the 1st priority to look for when we look at a Chart.**

**That is how we find Narrative.**

**Before identifying Market Structure like an Interbank Trader, we must have the current market narrative.**

**NARRATIVE LEADS TOWARDS A DRAW ON LIQUIDITY.  
A DRAW ON LIQUIDITY GIVES US OUR DAILY BIAS.**

This will be derived from the Long-term Perspective.  
In this example we will use the Daily Chart as our Long-term Perspective.

**What is the current market narrative?**

Are we going higher for Buy Side Liquidity or to Rebalance a SIBI?  
Are we going lower for Sell Side Liquidity or to Rebalance a BISI?

[Click Here for more insight on Daily Bias](#)

# What is the current market narrative?

BraveheartFX published on TradingView.com, Mar 08, 2022 23:42 UTC-5

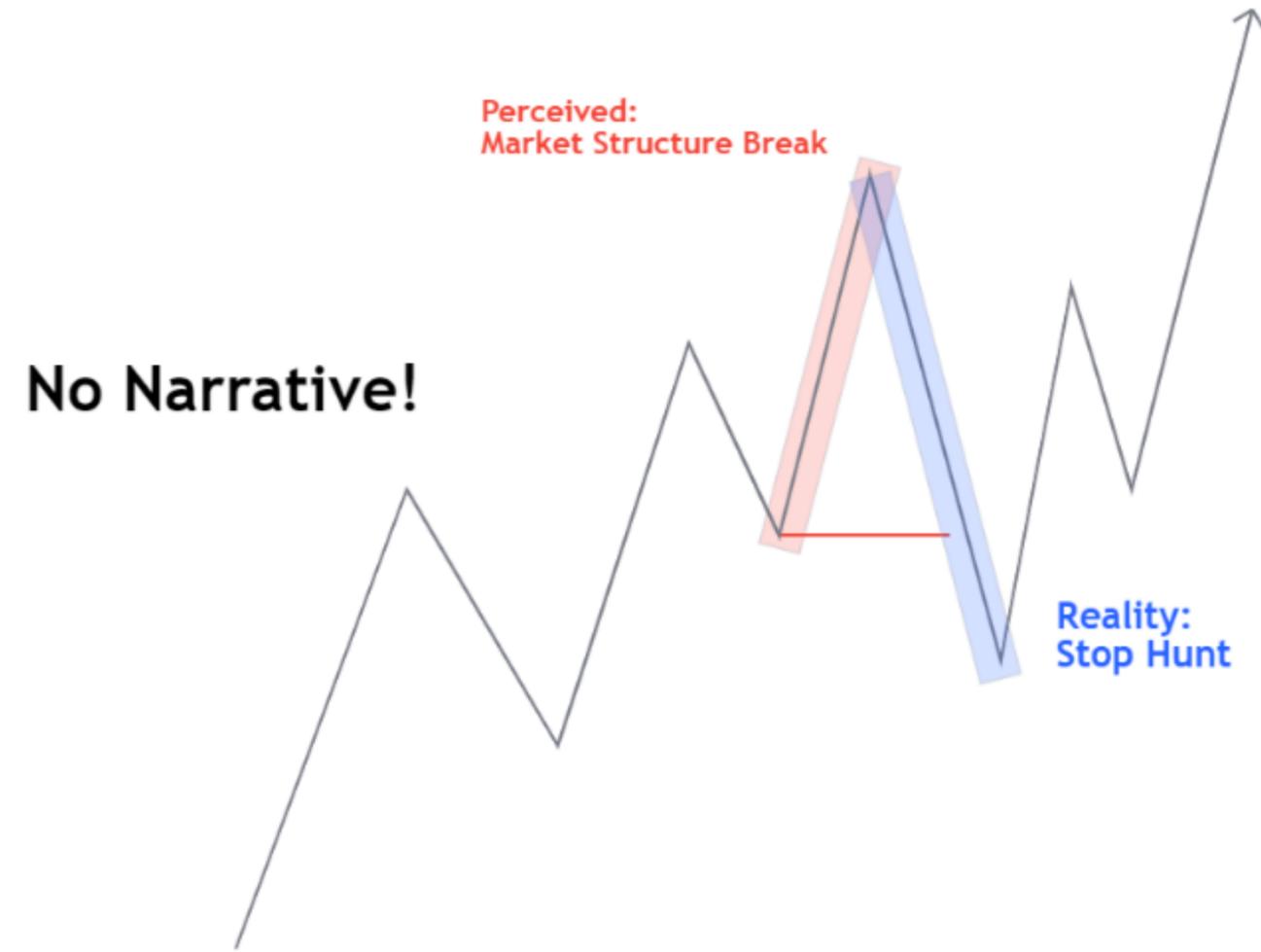
S&P 500 E-mini Futures, 1D, CME\_MINI O4373.75 H4418.75 L4341.00 C4359.25 -22.50 (-0.51%)







**FAILURE TO UNDERSTAND MARKET STRUCTURE LIKE AN INTERBANK TRADER,  
WILL LEAD YOU TO FALL VICTIM TO FALSE MARKET STRUCTURE BREAKS.**



**THE KEY TO MARKET STRUCTURE BREAKS IS NARRATIVE.  
WHAT IS THE REASON BEHIND THE MARKET STRUCTURE BREAK?**

**IF YOU FAIL TO UNDERSTAND THE NARRATIVE WILL YOU WILL FALL  
VICTIM TO FALSE MARKET STRUCTURE BREAKS.**

## **Find your way through price with the "Essentials of Market Structure."**

With understanding of Long-term, Intermediate-term and Short-term Perspectives, you will now know which highs and lows to outline.

### **We outline Market Structure with:**

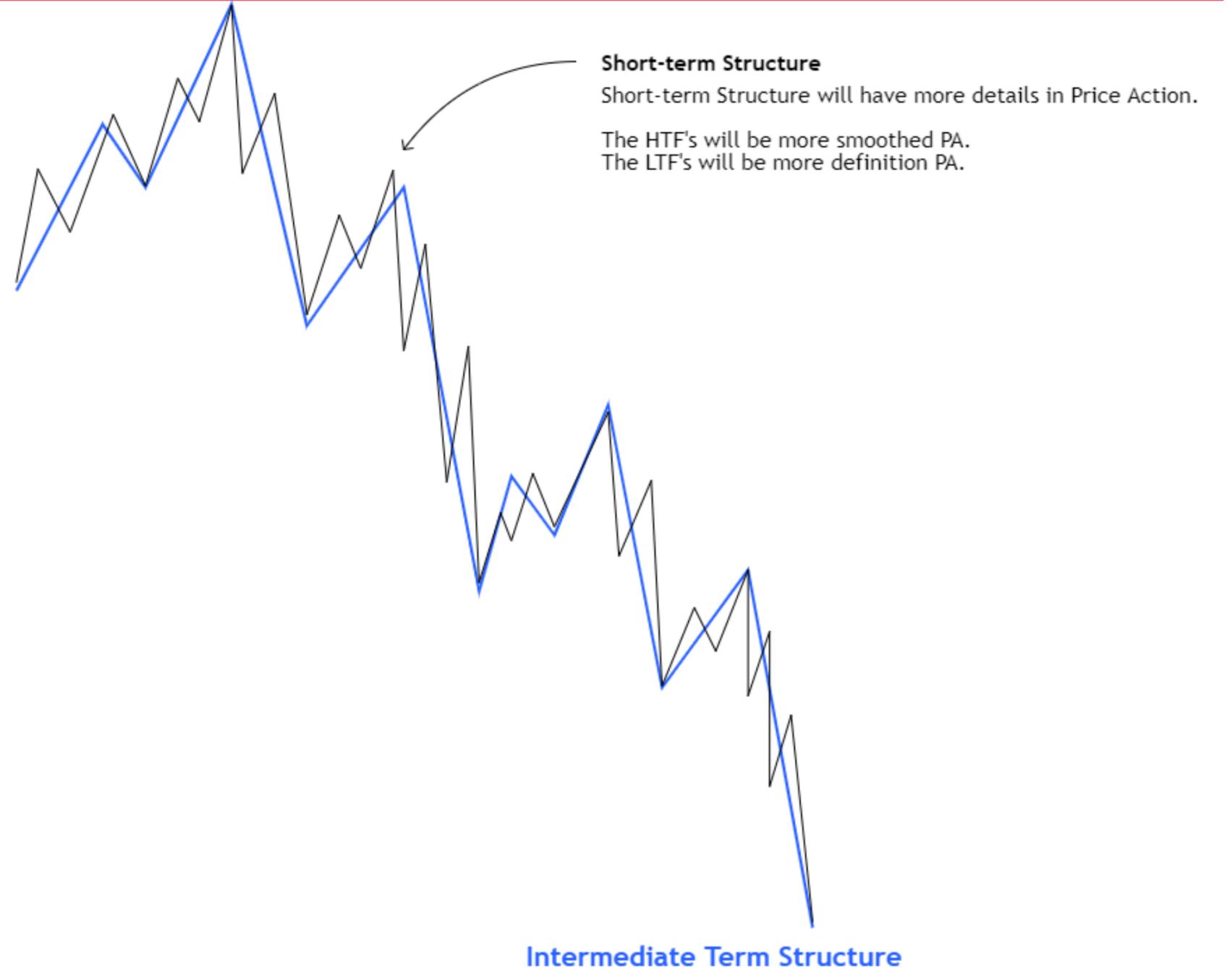
- Long Term Highs and Lows
- Intermediate Term Highs and Lows
- Short-term Highs and Lows

# If a Daily Level is the Parent of Price Structure (Long-term Perspective) All Lower Time Frame Swings will be Subordinate to it. (Intermediate and Short-term)

Higher Time Frame Level (Daily)



Higher Time Frame Level (Daily)



**SUBORDINATE PRICE STRUCTURE IS DIRECTLY LINKED TO THE ORDER FLOW FROM THE HIGHER TIME FRAMES.**

**THE BULK OF THE VOLUME IS COMING FROM THAT PARENT STRUCTURE.**

HOWEVER...

WE CAN NAVIGATE THAT VOLUME FROM THE PARENT STRUCTURE WITH SUBORDINATE STRUCTURE.

**Banks and Financial Institutions operate on a Monthly, Weekly, Daily Chart.**

This means that Large Institutional Liquidity is found on these charts.

IPDA will want to be seeking Large Institutional Liquidity

That's why the Higher Time Frames are so important.

**THINK LIKE A MARKET MAKER.**

# A Long-term High is framed on an HTF Resistance Level.

Based on the Daily Level, if we believe the price is going lower, we should expect the Long-term High to hold.

If the Long-term High is broken, we can then say our Daily Analysis is wrong.





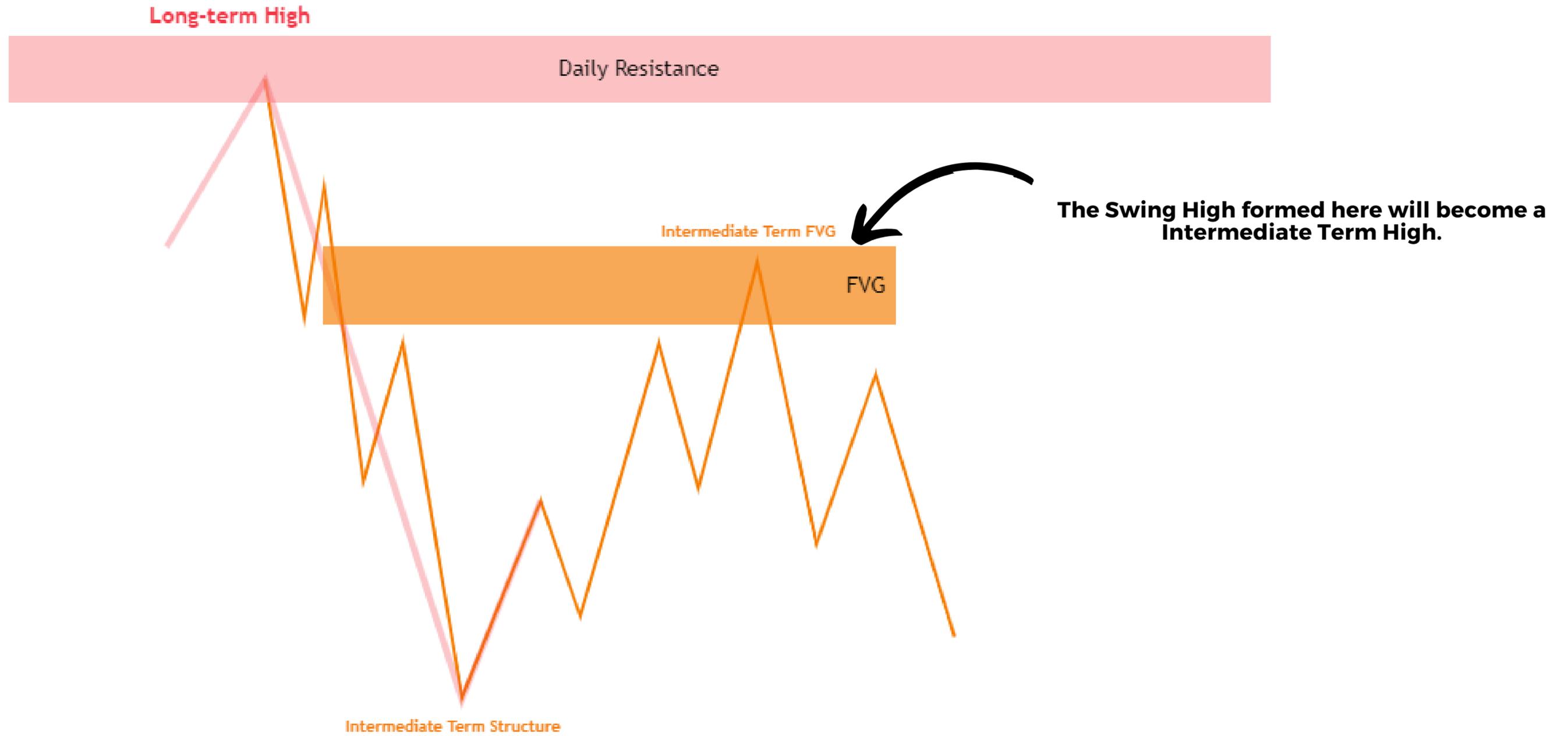
S&P 500 E-mini Futures, 1h, CME\_MINI O4191.75 H4191.75 L4190.75 C4191.00 -0.75 (-0.02%)



Price
4440.00
4422.75
4411.50
4400.00
4380.00
4360.00
4340.00
4320.00
4300.00
4287.75
4280.00
4275.00
4260.00
4251.50
4227.50
4220.00
4200.00
4191.00
59:49
4180.00
4160.00
4140.00
4120.00
4100.00
4080.00

**The Long-term High should hold whilst the pull back. Otherwise our HTF Level is Invalid.**

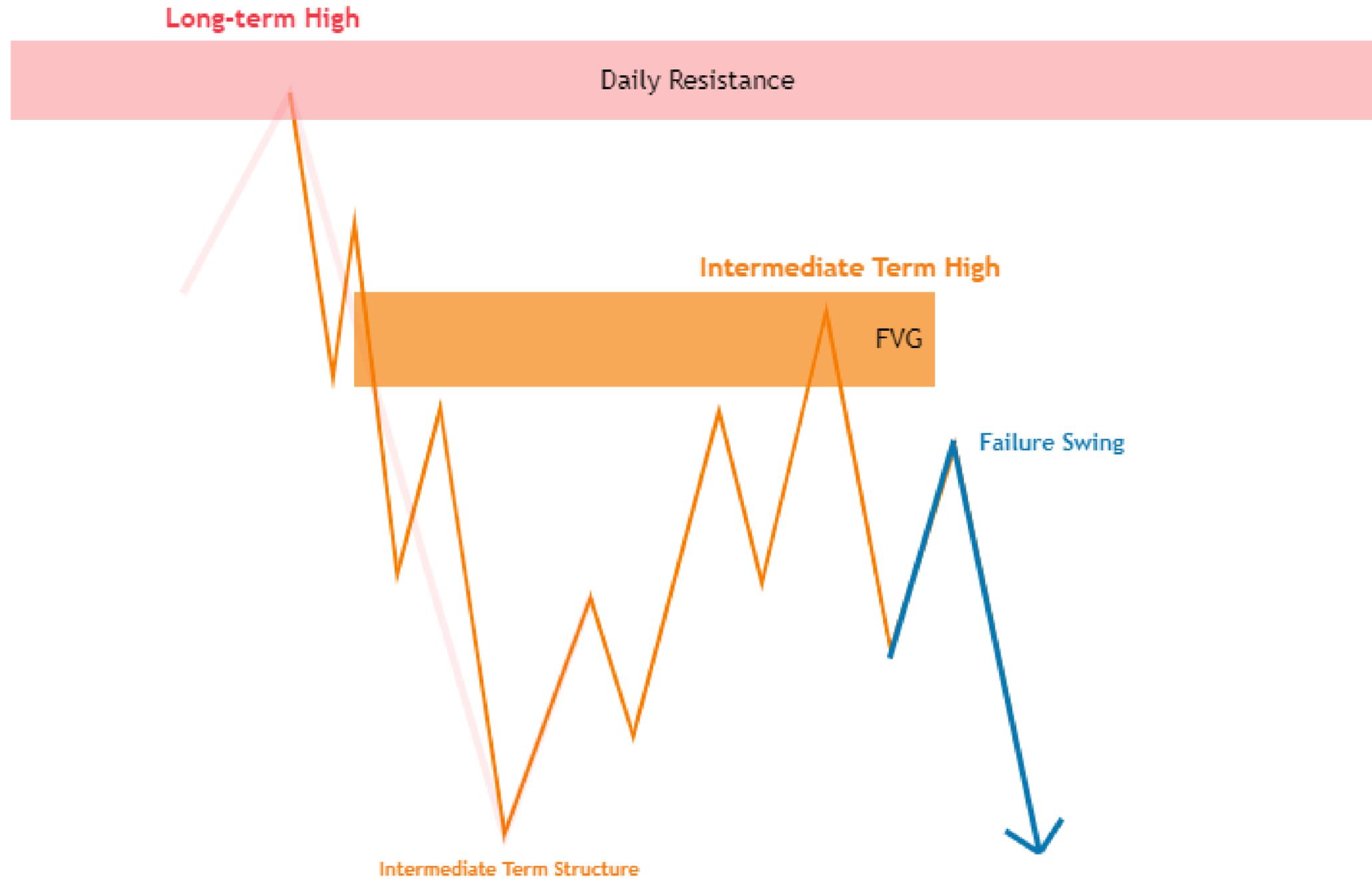
Key Note: Every single time price rebalances an imbalance, the Swing High formed becomes an Intermediate Term High.



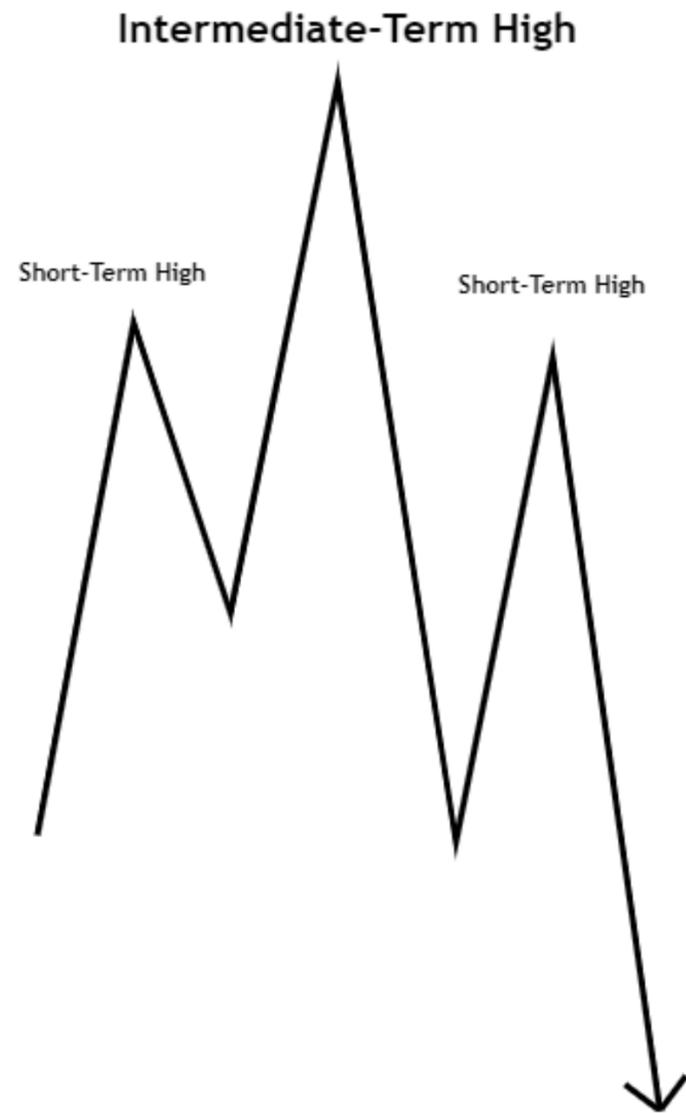




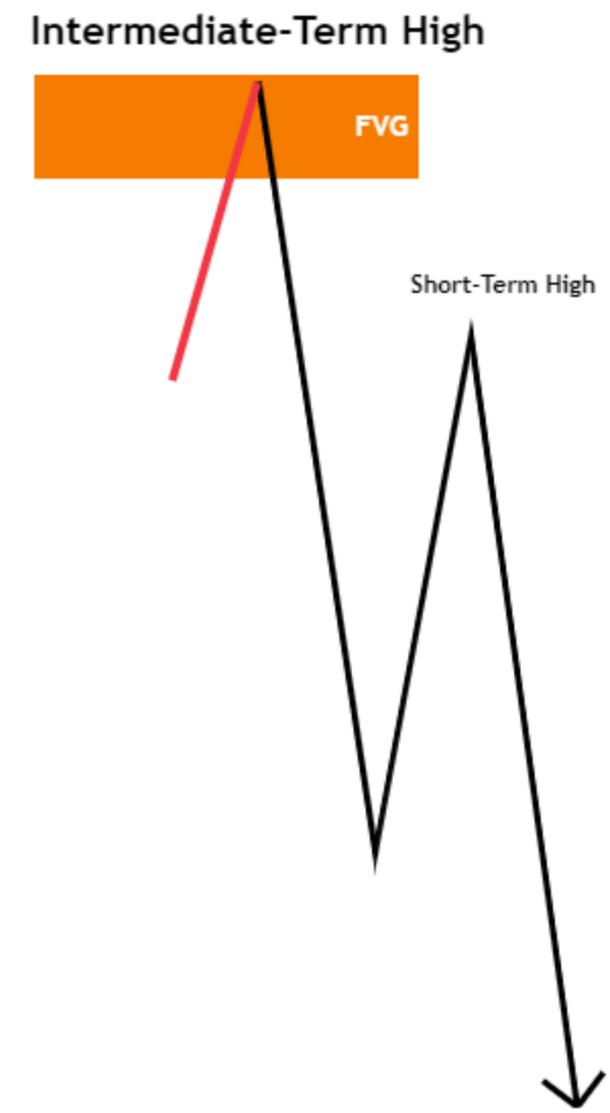
**With An Intermediate Term High that Rebalanced, we are going to **ANTICIPATE** a Failure Swing on the pullback.**  
Key Note: Every single time price rebalances an imbalance, the Swing High formed becomes an Intermediate Term High.



# There are 2 Forms of Intermediate Term Highs



Classical IMH



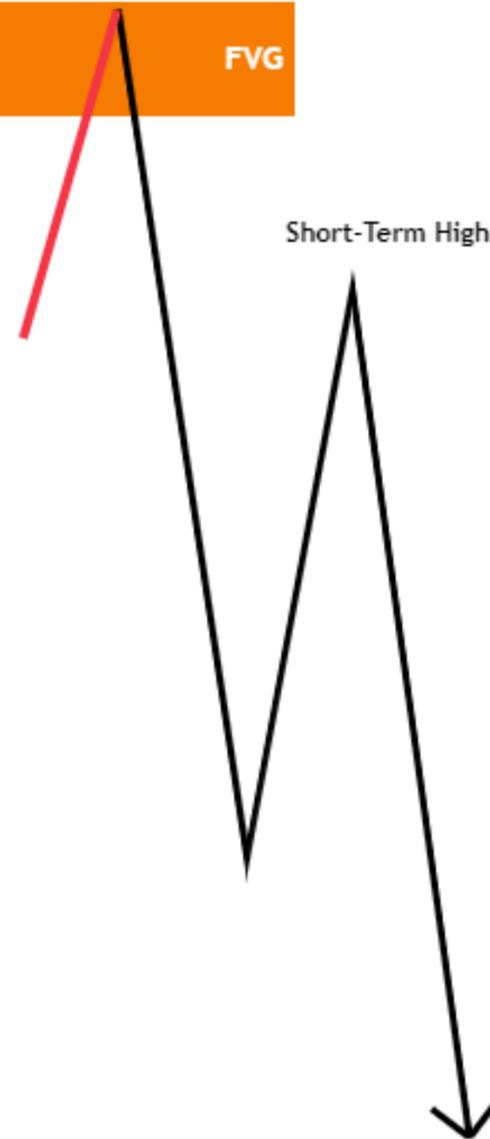
Rebalanced IMH

**If you see a Rebalanced IMH, that is telling you that the market is VERY weak.**  
That is the market "tipping it's hand" towards Interbank Traders.

Intermediate-Term High



Short-Term High



S&P 500 E-mini Futures, 15, CME\_MINI O4177.75 H4182.50 L4177.25 C4180.75 +3.25 (+0.08%)



S&P 500 E-mini Futures, 15, CME\_MINI O4177.75 H4182.50 L4177.25 C4180.75 +3.25 (+0.08%)

USD
4430.00
4422.75
4420.00
4411.50
4400.00
4390.00
4380.00
4370.00
4360.00
4350.00
4340.00
4330.00
4320.00
4310.00
4300.00
4290.00
4280.00
4275.00
4269.50
4260.00
4250.00
4240.00

Long-term High

Intermediate Term High

Intermediate Term High

MSB



Market Sell Model Completed

06:00 12:00 18:00 2 06:00 12:00 18:00 3 06:00 12:00 18:00 4 06:00 12:00 6

S&P 500 E-mini Futures, 15, CME\_MINI O4177.75 H4185.75 L4177.25 C4185.25 +7.75 (+0.19%)



S&P 500 E-mini Futures, 15, CME\_MINI O4177.75 H4188.50 L4177.25 C4187.00 +9.50 (+0.23%)

USD
4430.00
4422.75
4420.00
4411.50
4400.00
4390.00
4380.00
4370.00
4360.00
4350.00
4340.00
4330.00
4320.00
4310.00
4300.00
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4280.00
4275.00
4260.00
4250.00
4240.00

Long-term High

Rebalance IMH

Classical IMH

MSB

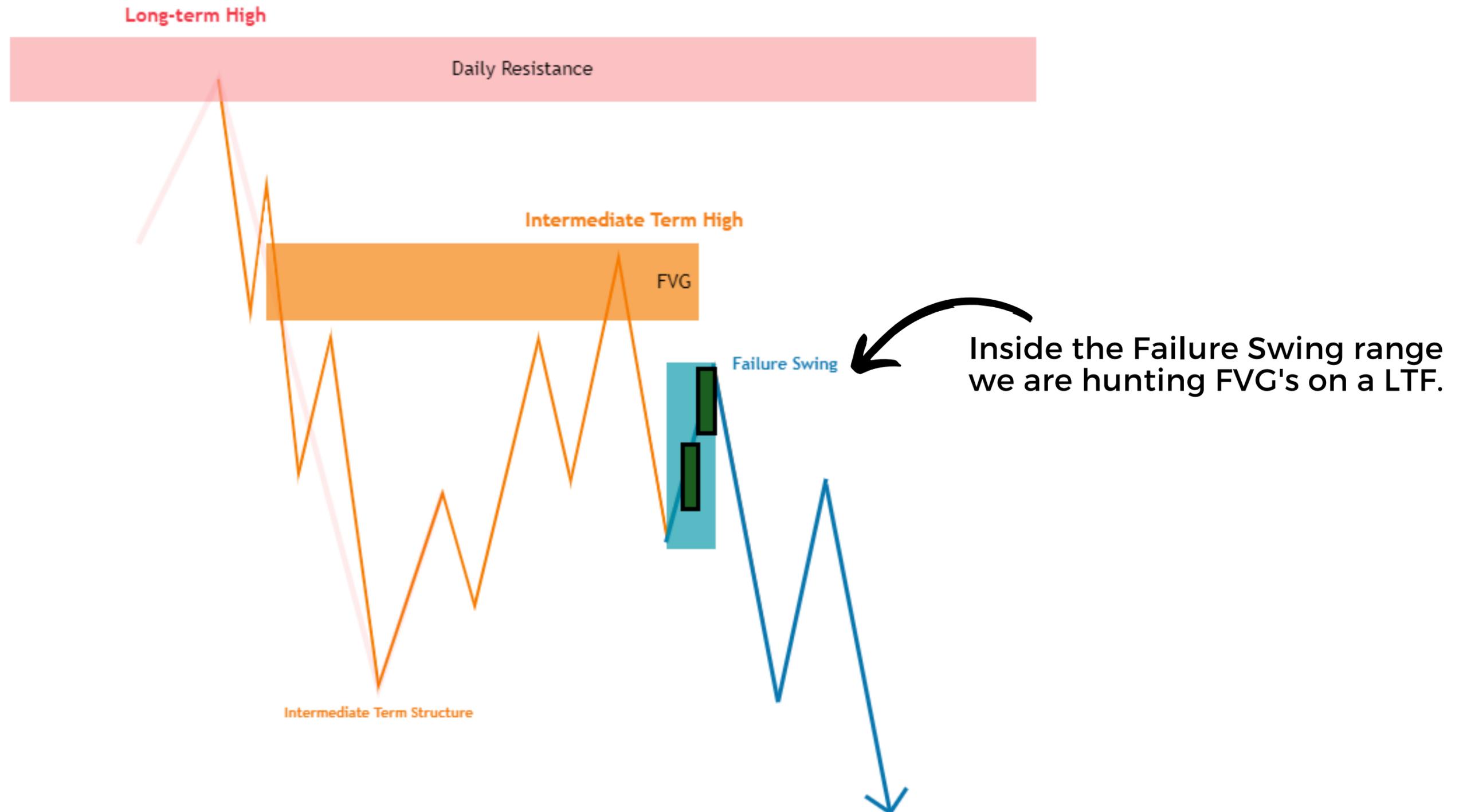
Market Sell Model Completed

06:00 12:00 18:00 2 06:00 12:00 18:00 3 06:00 12:00 18:00 4 06:00 12:00 6



# Whilst the Failure Swing occurs, we anticipate it forming an Order Block.

**We do not expect the Intermediate Term High to get violated.**



S&P 500 E-mini Futures, 1h, CME\_MINI O4177.75 H4188.50 L4177.25 C4187.75 +10.25 (+0.25%)



# Refer back to EP 6.

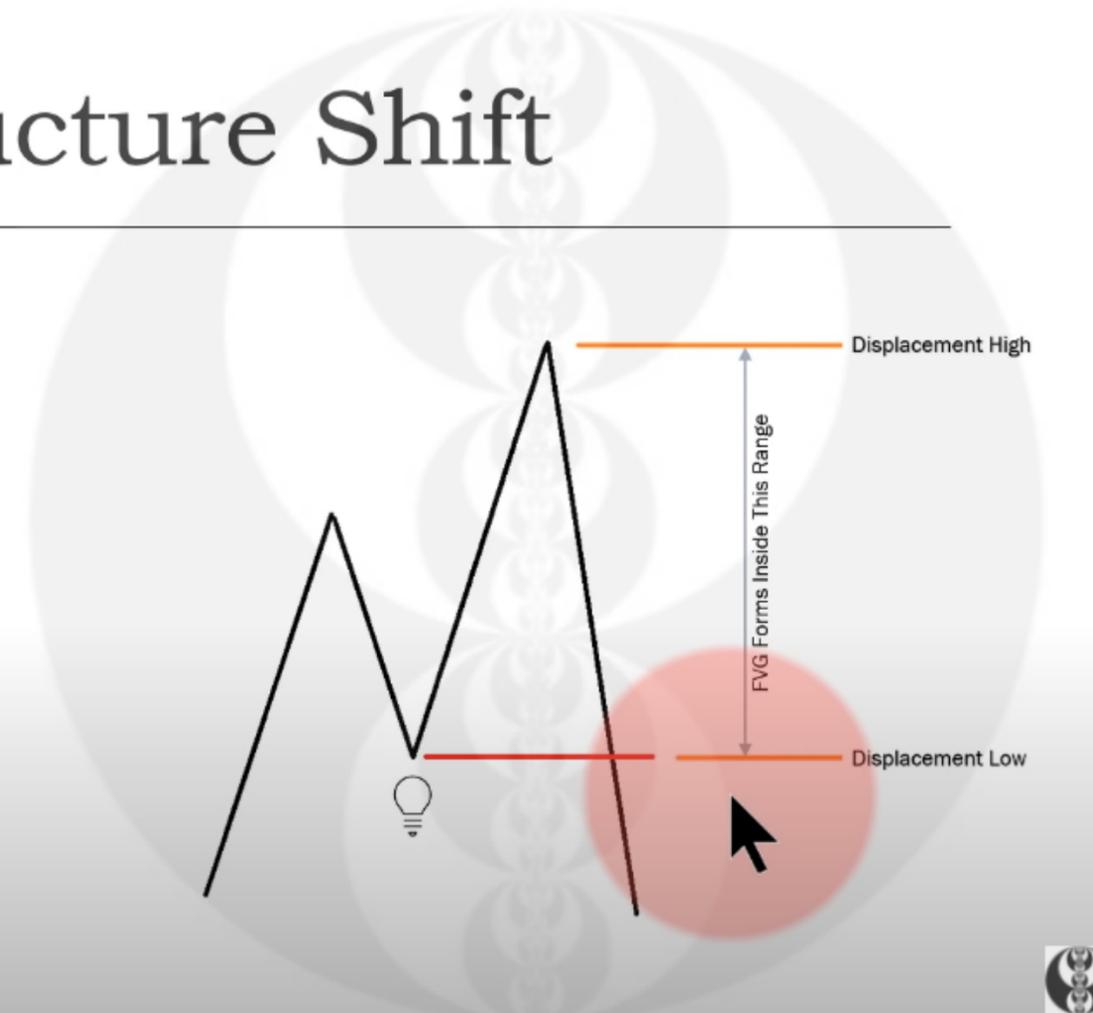
Inside the Failure Swing range we are hunting FVG's on a LTF.

## The Market Structure Shift

### The Bearish Market Structure Shift

The market will see Price delivery a rally above an old High or Highs, then quickly shift lower.

Significance is placed on the term “quick” and with Displacement Lower. Not a small candle move lower or a wick only, after a candle close.



22:15 / 48:18



2022 ICT Mentorship Episode 6

104,465 views · Feb 4, 2022

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209K subscribers

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S&P 500 E-mini Futures, 15, CME\_MINI O4184.50 H4190.25 L4181.50 C4182.75 -1.25 (-0.03%) USD 4440.00

Long-term High



S&P 500 E-mini Futures, 15, CME\_MINI O4184.50 H4190.25 L4181.50 C4184.50 +0.50 (+0.01%)



**THE INTERMEDIATE TERM PERSPECTIVE GIVES THE FRAMEWORK.**

**DO NOT IDENTIFY STRUCTURE FROM A SHORT-TERM PERSPECTIVE.**

Short-term Perspective is your Bellwether Timeframe.

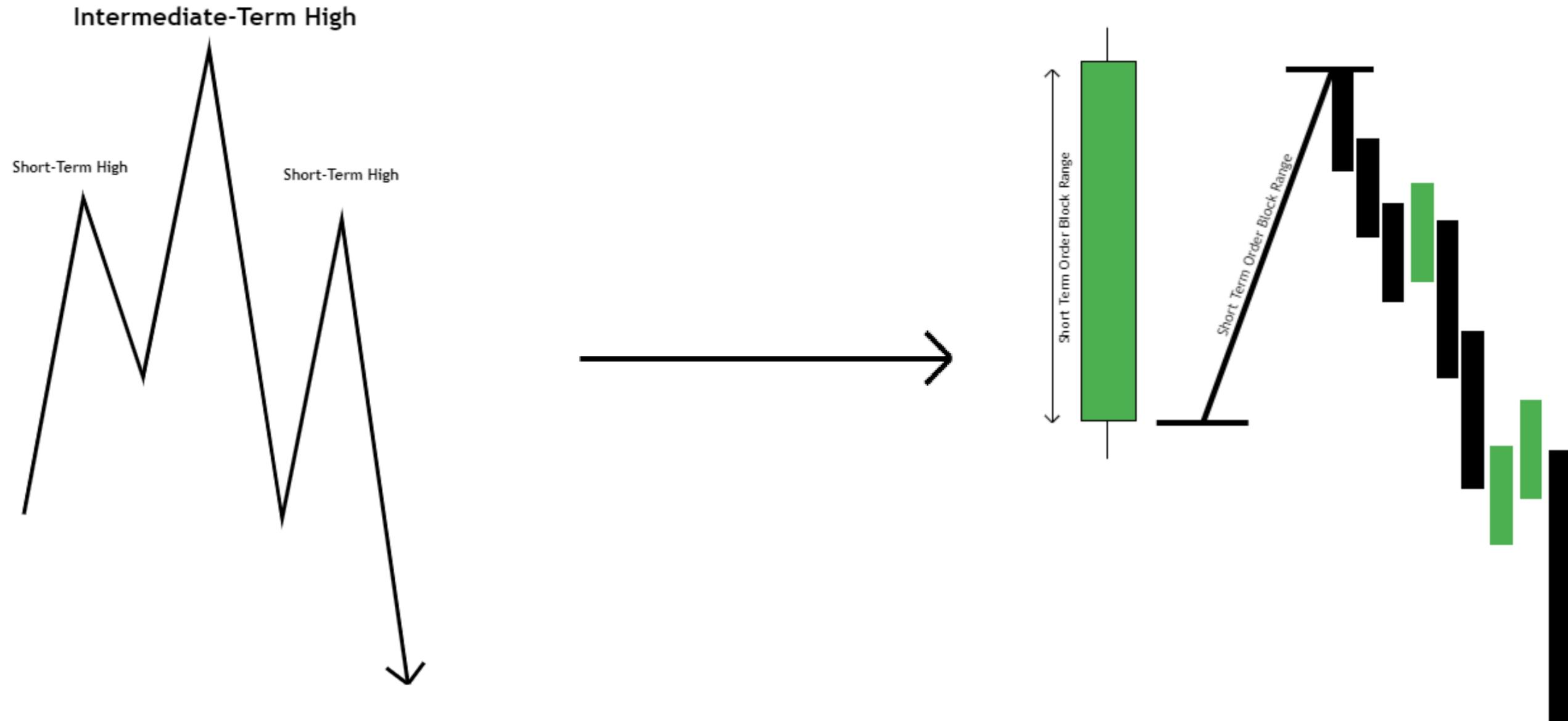
You will use it for **Entry Purposes**

If the Risk: Reward Ratio is not desired,  
you can refine it even more on the Lower Time Frames to find a Risk: Reward Ratio that is desired.

# AGGRESSIVE VS CONSERVATIVE ENTRIES

Price retracing against an Intermediate-Term High will form a Short-Term High.  
When a Short-Term High is forming, this also forms an Order Block.

**IF THE INTERMEDIATE-TERM HIGH BREAKS, OUR ANALYSIS IS FLAWED.**



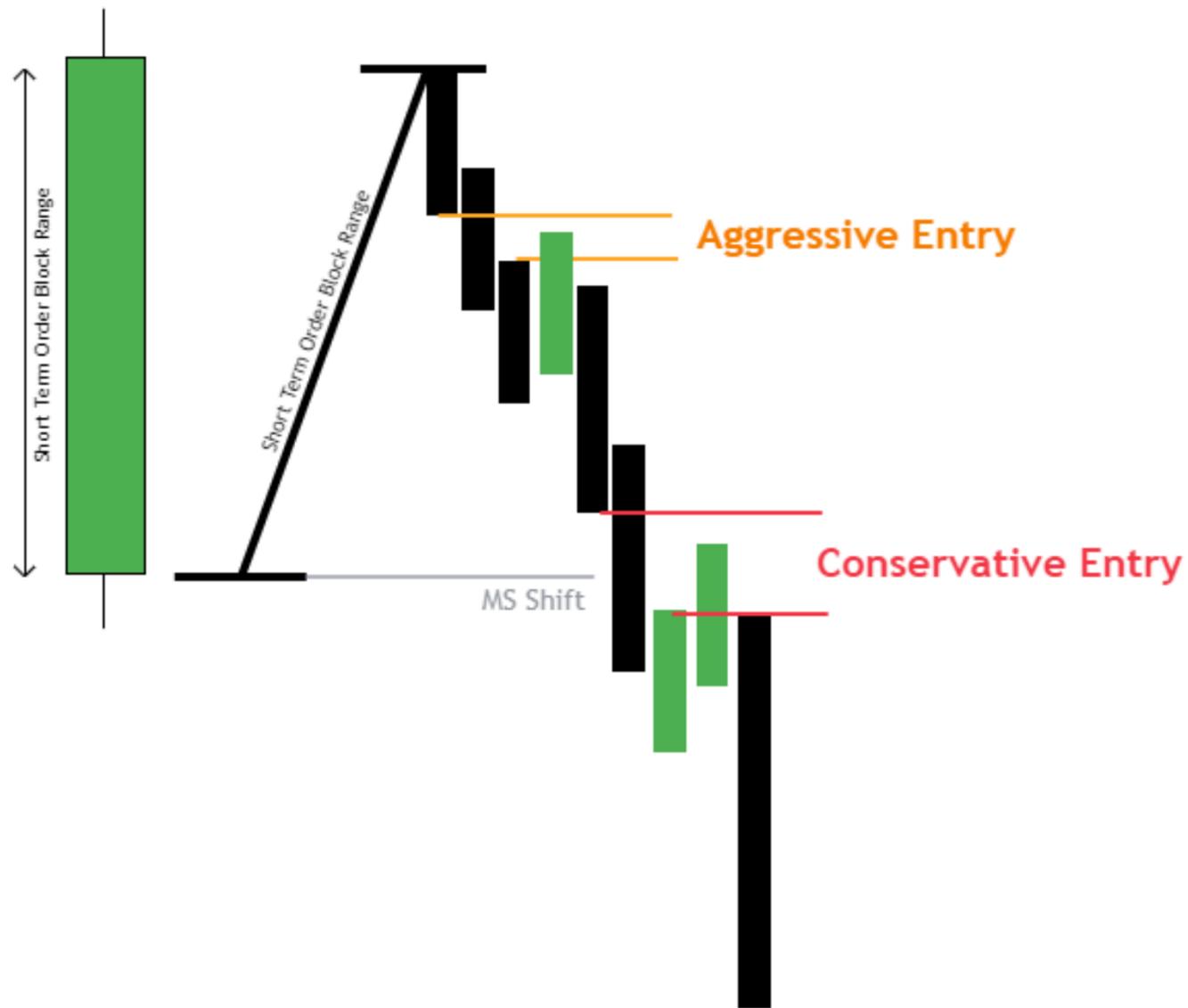
**AFTER AN INTERMEDIATE-TERM HIGH, WE CAN ANTICIPATE GOING SHORT ON AN SHORT-TERM HIGH.**

*If the Intermediate Term-High breaks, we can expect our Analysis to be flawed.*

**DO NOT FORCE THE TRADE IF THIS HAPPENS!**

**WAIT FOR THE MARKET STRUCTURE TO GET BACK IN SYNC WITH WHAT WE ARE EXPECTING.**

**THIS IS HOW YOU PREVENT BLOWING ACCOUNTS.  
THIS IS HOW YOU PREVENT FORCING YOUR WILL ON THE MARKET.**



**When you have the Order Block Range found at the Short-Term High...**

You can refine Price Action to a 5,4,3,2,1 Minute Chart to find an Entry..

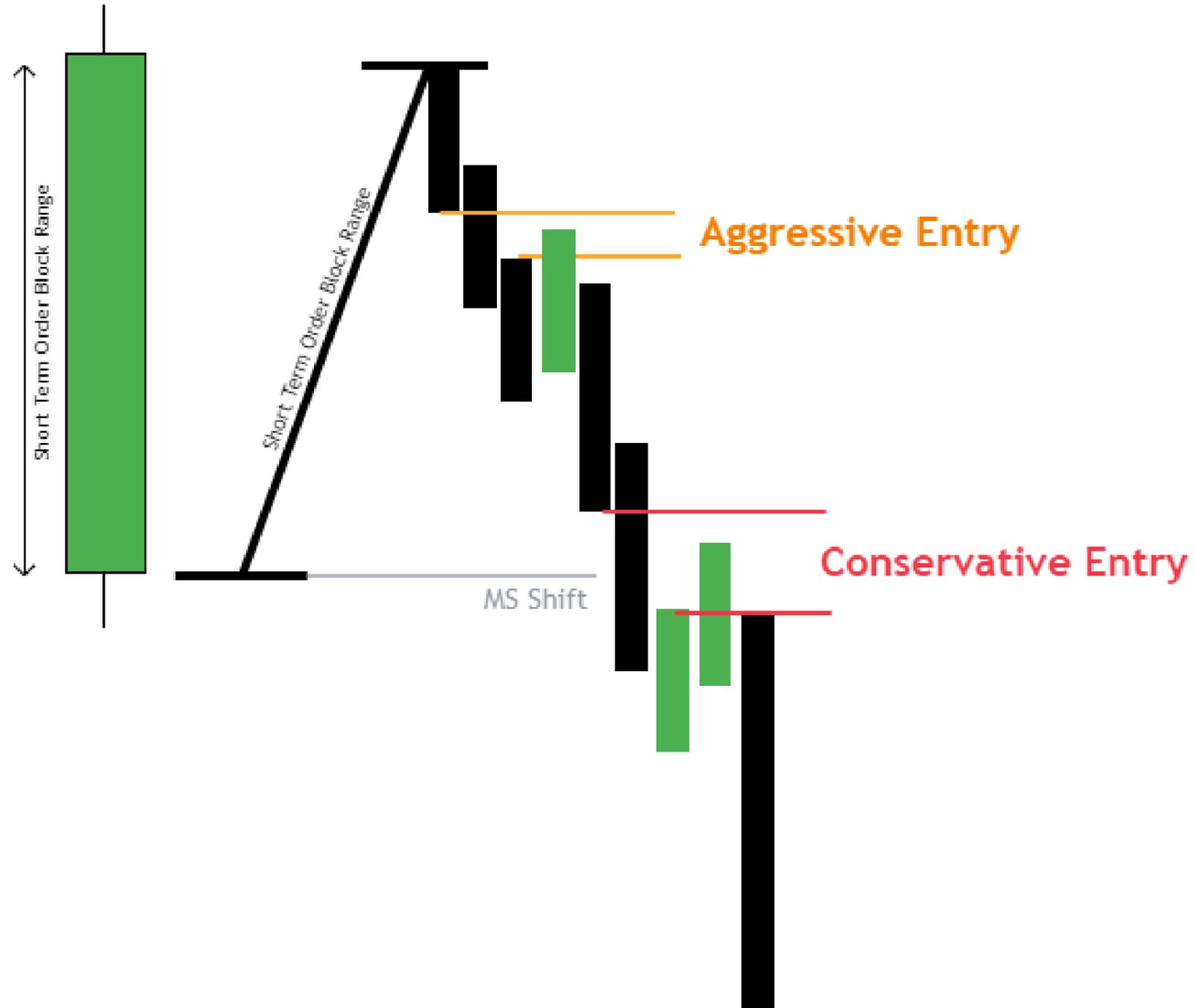
**YOU JUST NEED TO KNOW WHERE TO BE LOOKING.**

**If you understand the Framework within Entries,  
you don't need a Swing Low broken.**

**That is done by understanding Market Structure on:**

- Long Term Perspective
- Intermediate Term Perspective

**Conservative: Waiting for a Swing Low to be broken**  
**Aggressive: Waiting for FVG within the Order Block Range**



**IF A INTERMEDIATE-TERM LOW BREAKS..**  
**THATS A SIGNIFICANT MARKET STRUCTURE BREAK!**

**THIS IS WHY INTERBANK MARKET STRUCTURE IS MORE DETAILED THAN RETAIL.**  
**INTERBANKS TRADERS ARE DOING TECHNICAL SCIENCE RATHER THAN TECHNICAL ANALYSIS.**

You can then use the Long-term Price Structure's Range for Swing Projections.

These Swing Projections will be used as Targets.

# DO YOU SEE THE SIGNIFICANT MARKET STRUCTURE BREAK?

BraveheartFX published on TradingView.com, Mar 10, 2022 10:15 UTC-5

S&P 500 E-mini Futures, 1h, CME\_MINI O4248.00 H4248.75 L4236.25 C4239.50 -8.50 (-0.20%)



Range Low  
The Sell Side Liquidity here is our Draw on Liquidity.  
Directional Bias = Bearish

**IT IS OUTLINED IN BLUE COLOUR.**

# USING THE LONG-TERM PRICE STRUCTURE'S RANGE FOR SWING PROJECTIONS.

BraveheartFX published on TradingView.com, Mar 10, 2022 10:19 UTC-5

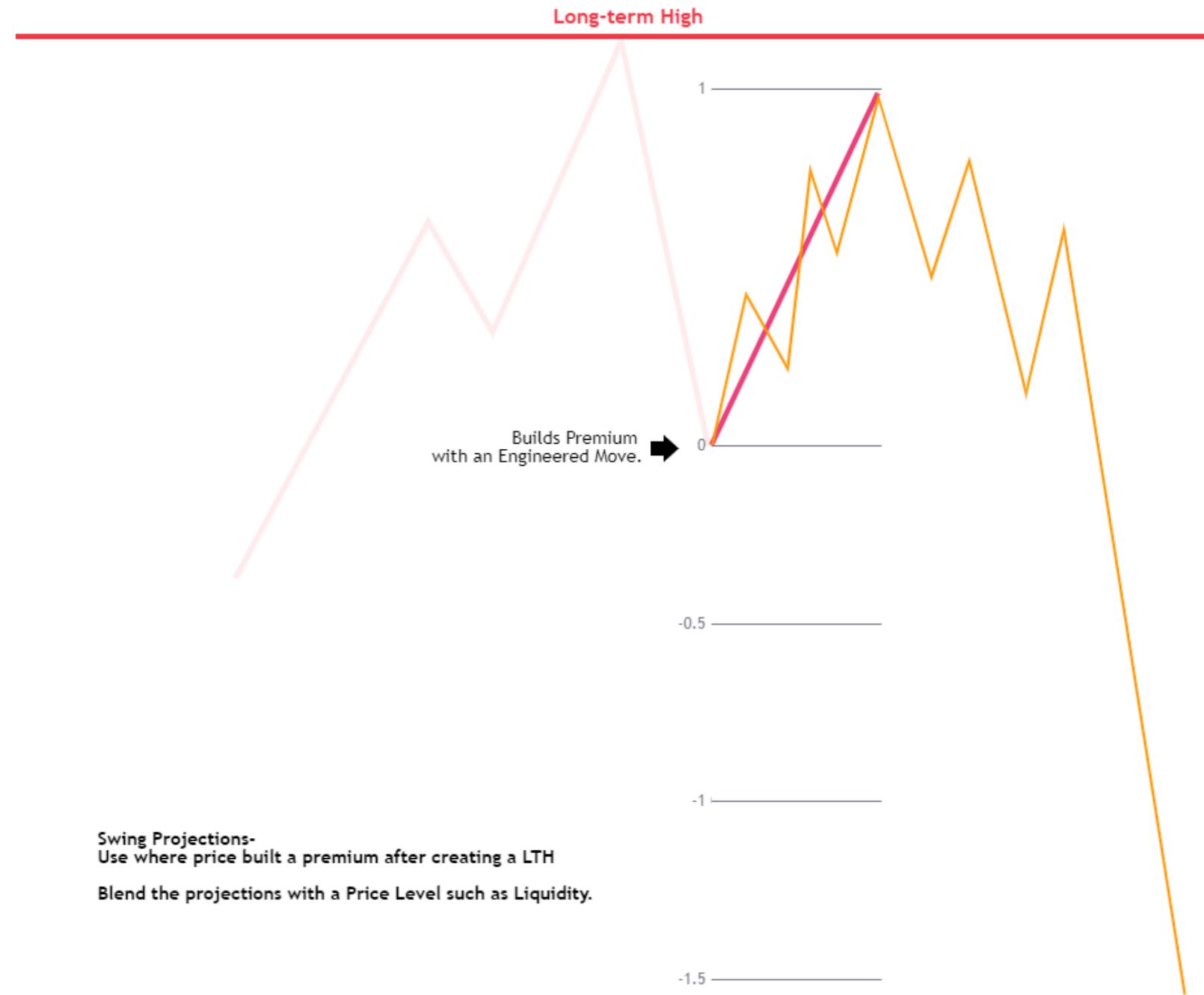


TradingView

ICT REFERS TO THIS AS A MEASURED LEG ON "ESSENTIALS TO MARKET STRUCTURE."

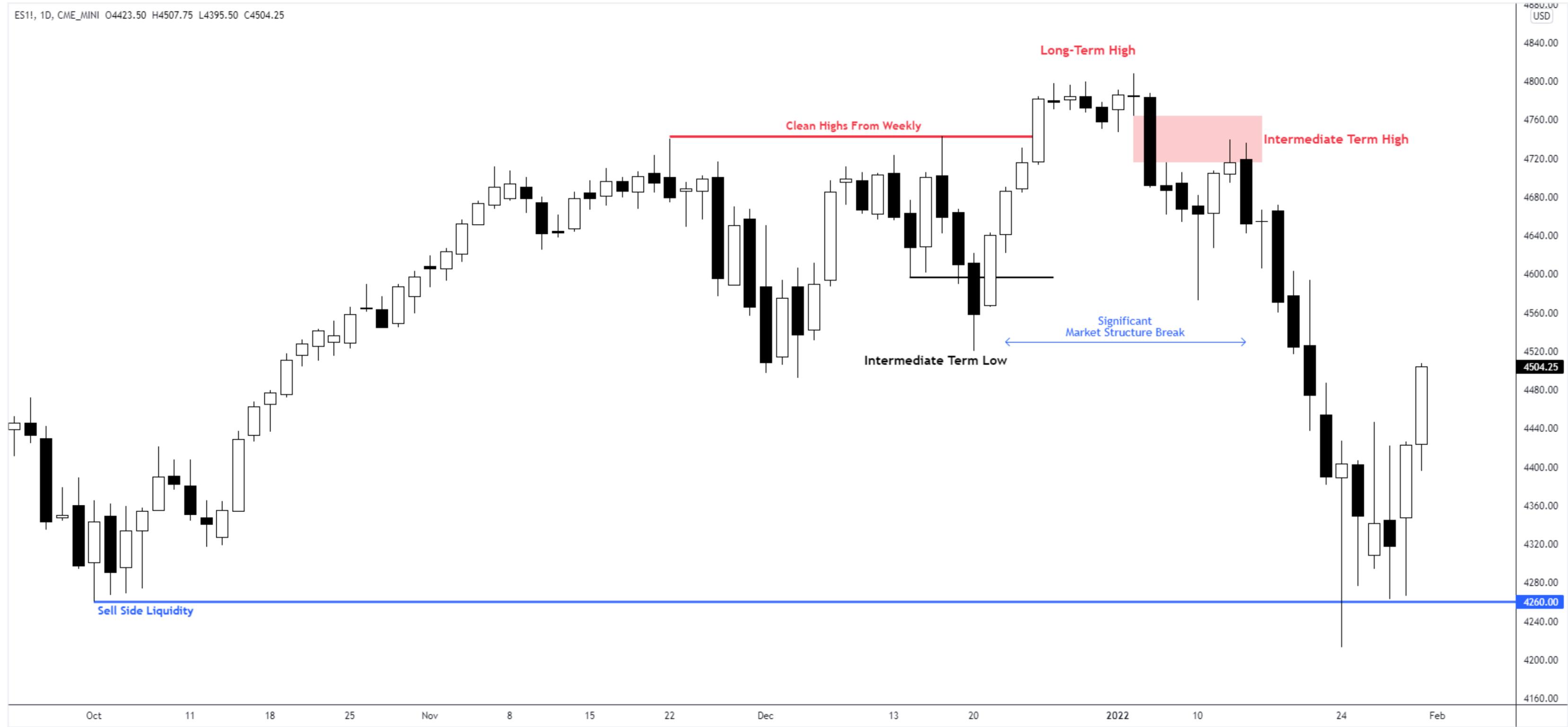
# USING SWING PROJECTIONS FOR A MEASURED SWING.

REFER BACK TO "ESSENTIALS TO MARKET STRUCTURE" 26:00 MINUTE MARK.



Swing Projections-  
Use where price built a premium after creating a LTH  
Blend the projections with a Price Level such as Liquidity.

ES1!, 1D, CME\_MINI O4423.50 H4507.75 L4395.50 C4504.25



ES1!, 4h, CME\_MINI O4248.00 H4256.25 L4230.75 C4231.50



4880.00 USD  
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4289.75  
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4231.50  
03:26:43

Oct 11 18 25 Nov 8 15 22 Dec 7 13 20 27 2022 10 17 24

ES1!, 4h, CME\_MINI O4248.00 H4256.25 L4224.75 C4226.00



4880.00 USD  
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ES1!, 4h, CME\_MINI O4248.00 H4256.25 L4207.00 C4219.50



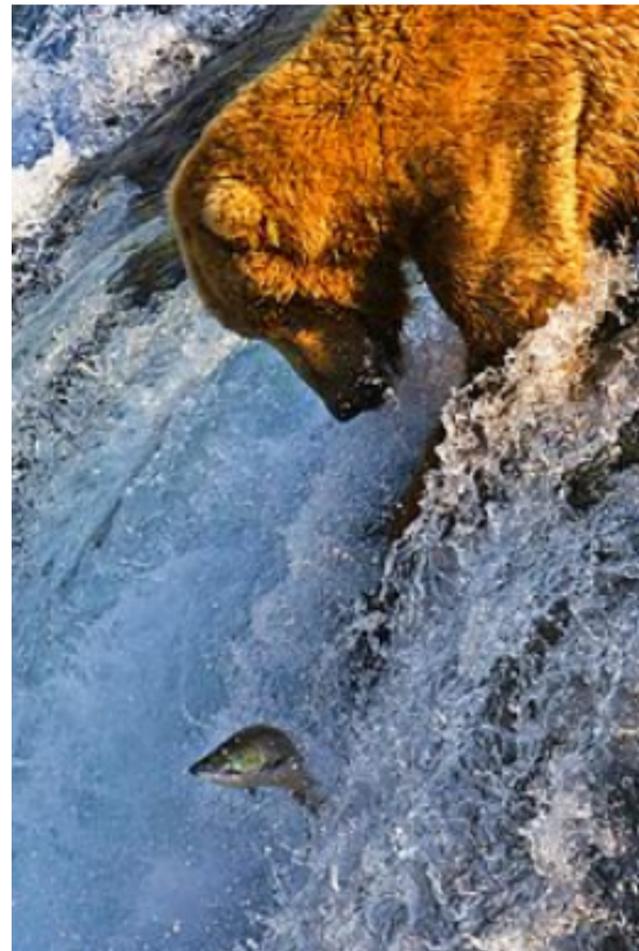
# Closing Remarks

**If you are trading against the Parent Order Flow, that is low probability Trading.**

You want to be working with the Order Flow found on the Higher Time Frames.

If you based your Trade Ideas on levels from the Higher Time Frames,  
you are going to remove a lot of neophyte mistakes and losing trades.

Losing is inevitable, but you want to have a loss based on a High Probability Trade instead of a loss on Low Probability Trade.



WAS THIS HELPFUL?

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