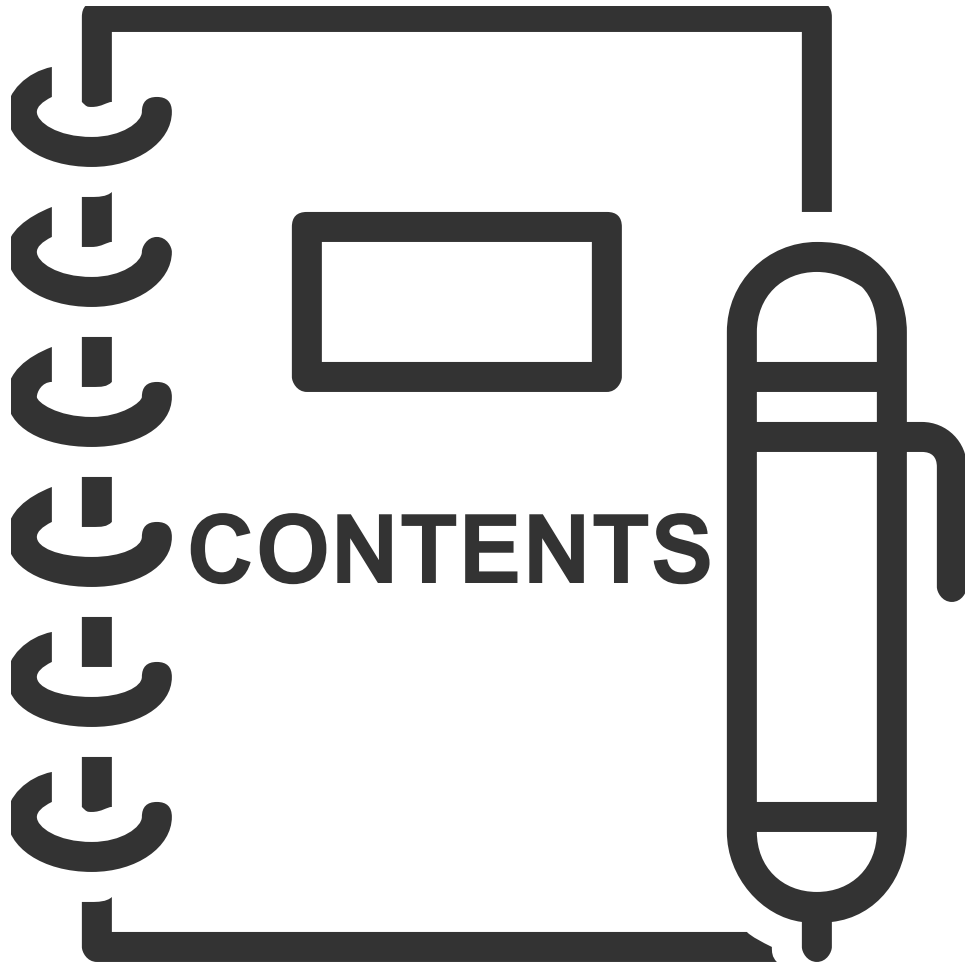




Market Structure & Engulfing

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**MOVEMENTS INSIDE
THE CANDLESTICK**



THE ENGULF



**MARKET
STRUCTURE**



EXTRAS : BBMA

The capacity to learn is a gift ; the ability to learn is a skill ; the willingness to learn is a choice .

TOPIC 1

MOVEMENTS INSIDE THE

CANDLESTICK

(OHLC)



The OHLC



The All Seeing Eyes

The movement inside the candlestick is a knowledge that you must perfect

It enables you to view the Market in a multi-dimensional way efficiently

Same Direction Candle (Continuation)

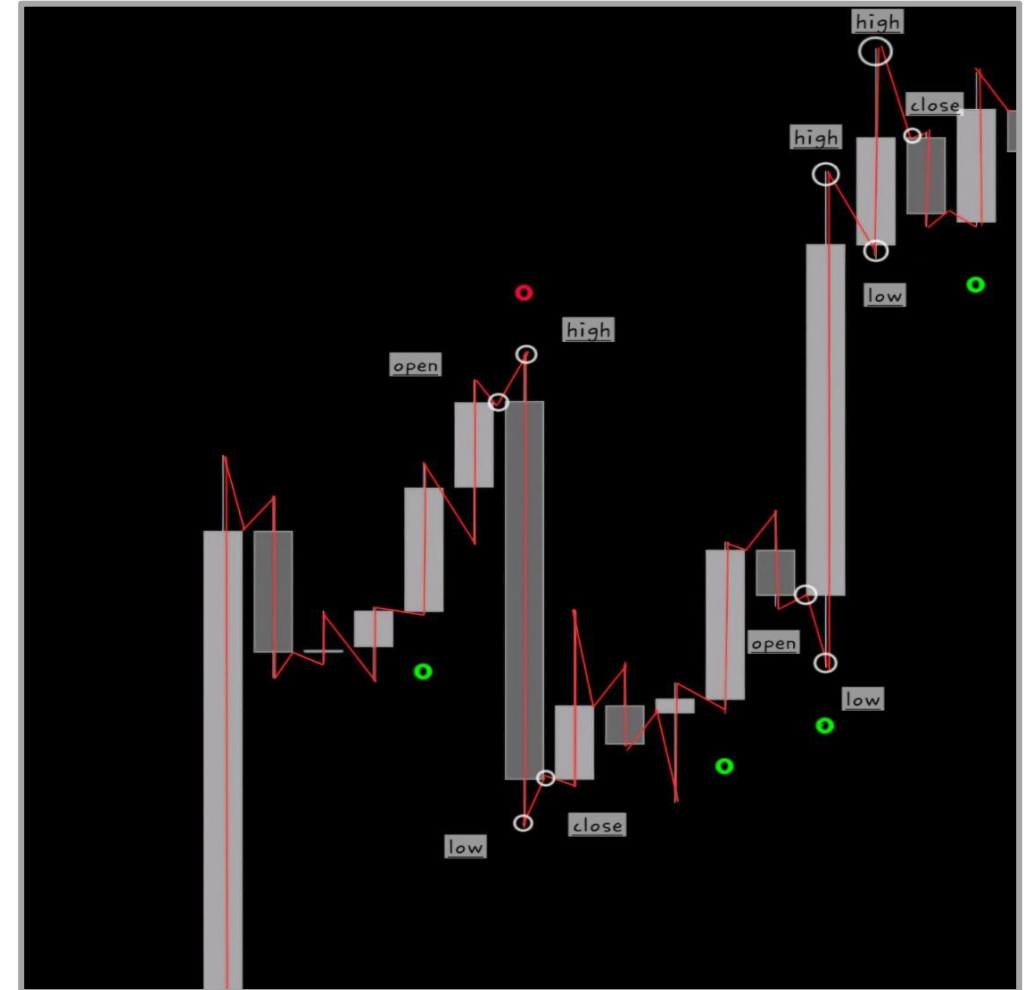
If it were to be two or more consecutive same direction candle . It requires the simplification of the drawing by ignoring the closing and open price in between the candlestick.

Continuation candlestick will often form hidden bases in LTF

Inversed Direction candle (Reversal)

When drawing the Inversed direction candle you would want to include all the details in the open high low and close.

Reversal candlestick will often form the double breakout in the lower timeframe.



All the knowledge in the world is useless unless you act .

TOPIC 2

**ENGULF
&
FAILED ENGULF**

(EG/EF)



The EG



The Perfect Engulf

Perfect engulf is an absolute swallow up of the last Inversed direction candlestick extreme

This candlestick is really important as it is the foundation of the strategy

1 Candle Engulf (Solid , Perfect)

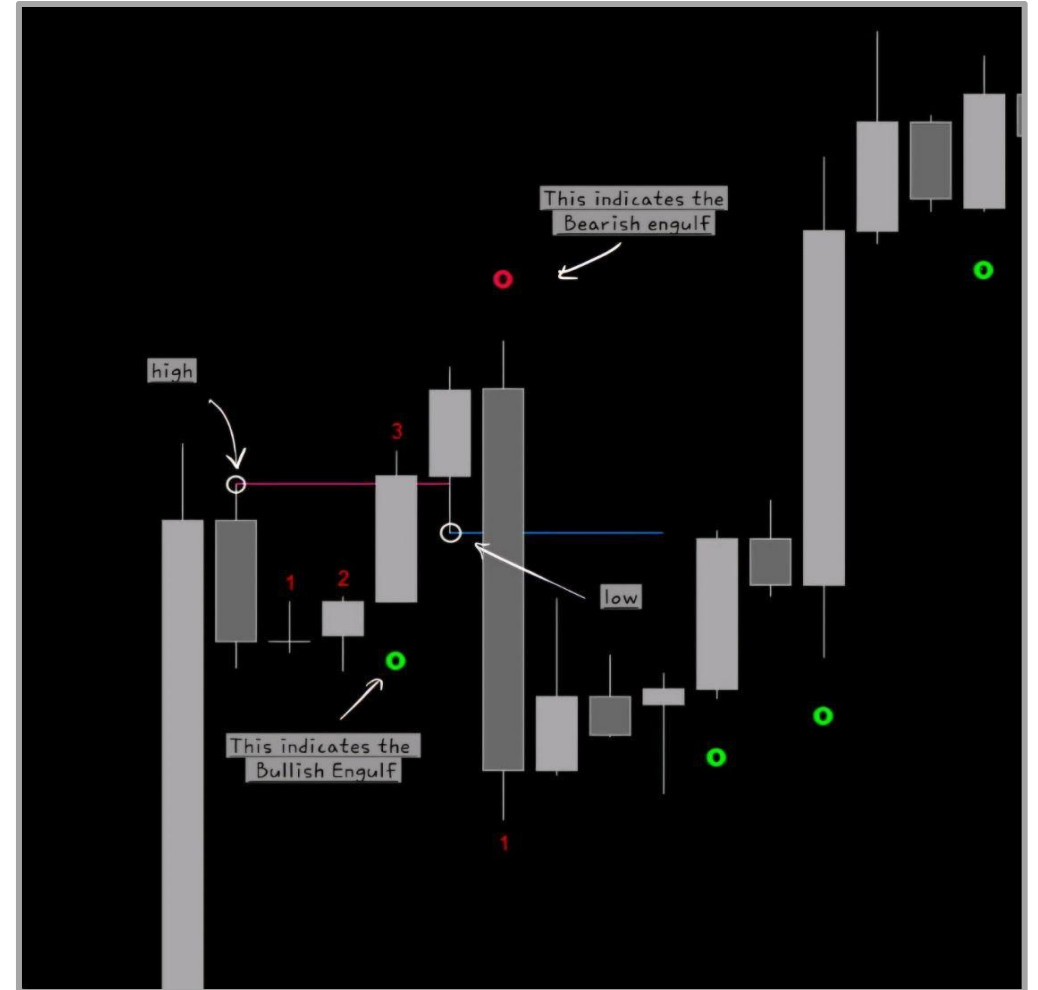
This type of engulfing is a two candle reversal pattern whereby , the second candle completely 'engulfs' the first one including the wicks itself

*Example : 1 vs 1
Bear engulfed by Bull
Bull engulfed by Bear*

2 or More Candle Engulf (Qm , Blended)

This type of engulfing is a three or more candle reversal pattern whereby , the third/- candle completely 'engulfs' the first one including the wicks itself

*Example : 1 vs 2
Bull engulfed by Bear Bear
Bear engulfed by Bull Bull*





The EF



The Failed Engulf

Failed engulf is the violation of the last Inversed direction Engulfing extreme level

The failed engulf acts like a decision point prior to a break of structure

Failed Bullish Engulf (SELL)

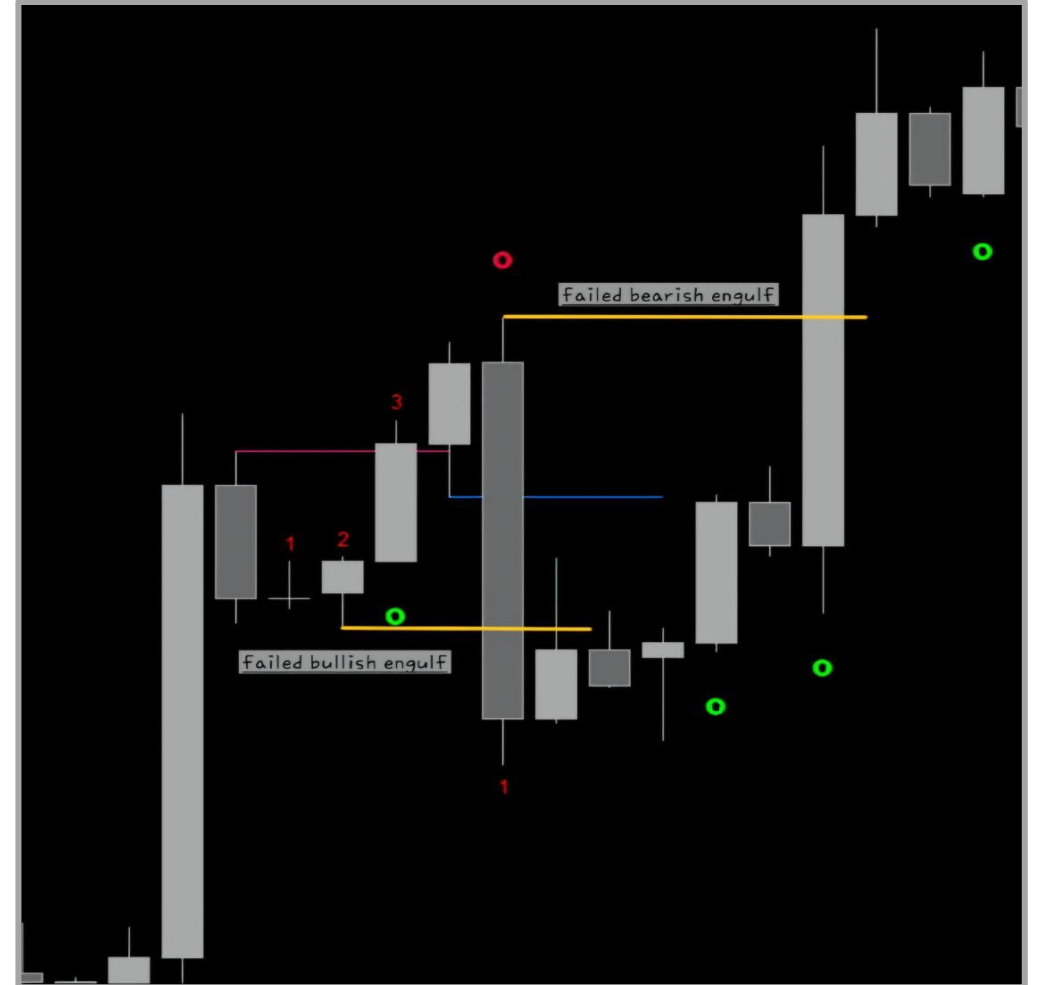
Failed bullish engulf happens when the **lowest point** of the bullish engulfing formation pattern is pierced through by an Inversed direction candlestick

Engulfing fail in the HTF is Direction

Failed Bearish Engulf (BUY)

Failed bearish engulf happens when the **highest point** of the bearish engulfing formation pattern is pierced through by an Inversed direction candlestick

Engulfing fail in the LTF is Confirmation



**In six months you will have six months of excuses
or six months of progress the choice is yours .**

TOPIC 3

MARKET
STRUCTURE

(BREAKOUT)



The B.P.E



The Break & Retest

Break and retest is the backbone of everything as it is a solid foundation on defining the Market Structure itself.

It has 2 components :

- 1) Break of structure (EF)
- 2) Engulfing (EG)

Failed Engulf Criteria (Breakout)

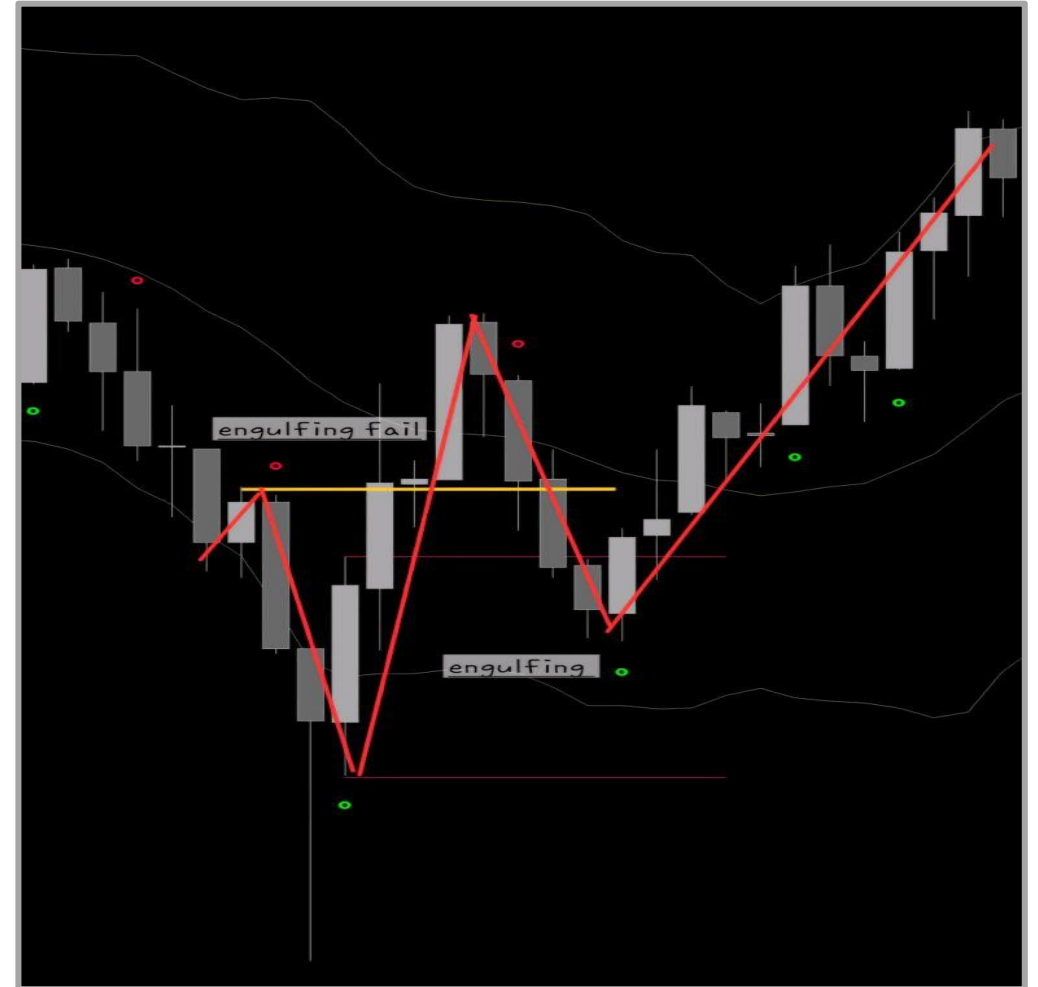
When selecting the failed engulf you need to make sure that in the lower timeframe , a **Crowded Price Action** is visible in that area

This is to ensure that you filter out low momentum candles that may give you false EF signal

Engulfing Criteria (Entry Point)

The engulfing must be **The Only** engulfing visible prior to the structure break and it is **Fresh**

The best entry point engulf will often be 1 or 2 candlestick with a RBR/DBD in the LTF



**You only have control over three things in your life
the thoughts you think , the images you visualize and the actions you take .**

TOPIC 4

BOLLINGER BANDS

(HIGHEST & LOWEST)



The BBMA



The Premium & Discount

The basic foundation of trading is buy low & sell high

However, defining the highest and lowest level can be a challenge

*This is where the Bollinger bands comes into Aid on identifying the highest and lowest at the **current market price***

BBMA + B.P.E (SELL)

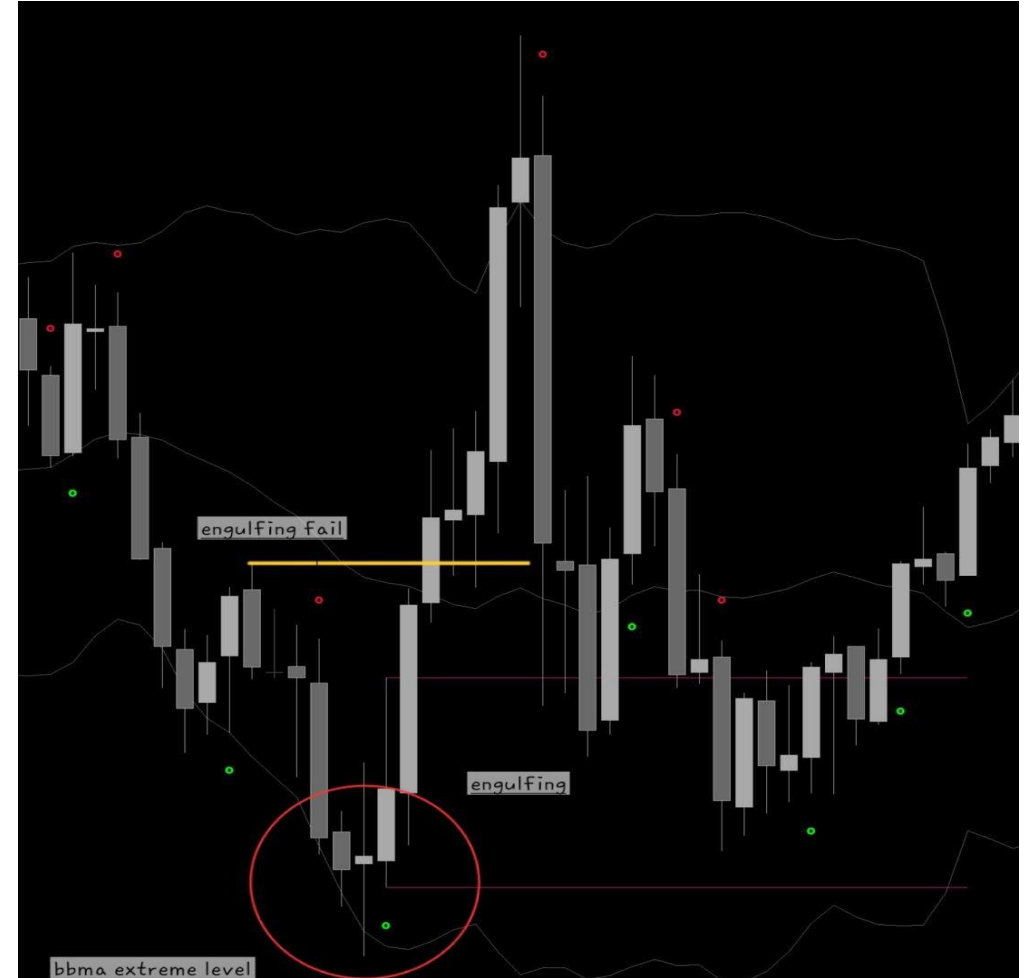
- Tapped the Highest extreme
- Creates a Bearish Engulfing
- Breaks the Structure (Failed Bullish Engulf)
- Mark your Bearish Engulf Zone
- Entry

US session would be your preferred session in **XAUUSD**

BBMA + B.P.E (BUY)

- Tapped the Lowest extreme
- Creates a Bullish Engulfing
- Breaks the Structure (Failed Bearish Engulf)
- Mark your Bullish Engulf Zone
- Entry

Best timeframe to spot this **M5-M15-M30-H1-H4**





*In trading , some succeed because they are destined to
but most succeed because they are determined to*

the big question is

ARE YOU DETERMINED ENOUGH?

think about it

Thats all from me

BARNEY.

"Signing out"