

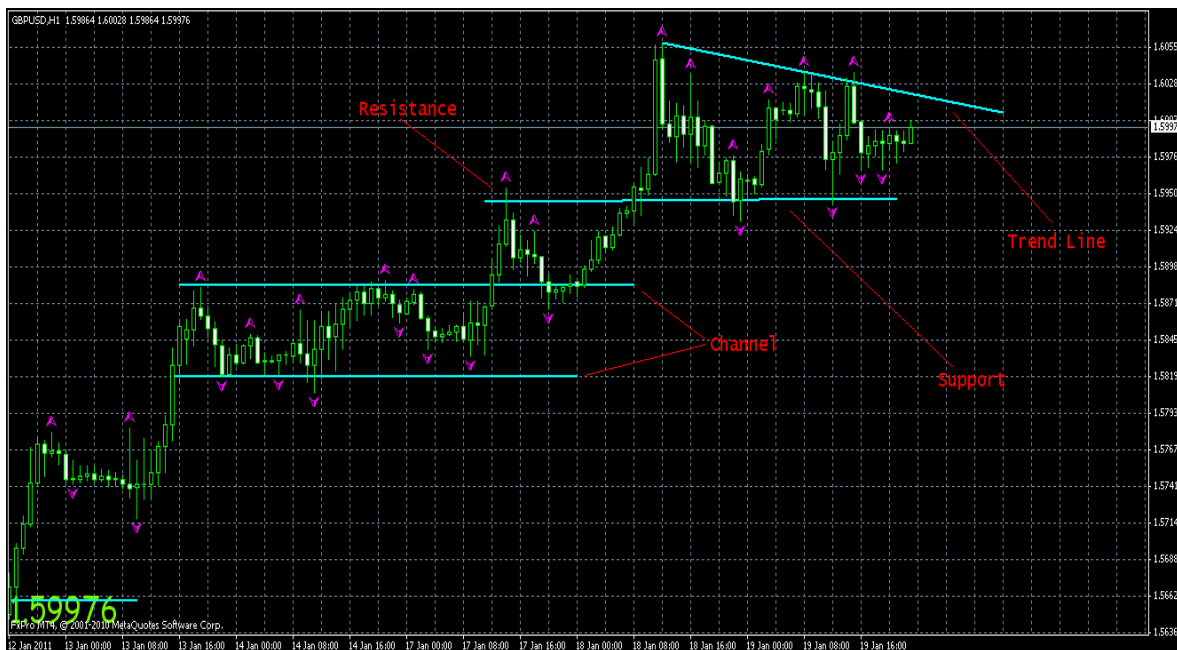
BORC - 100% Price Action No Indicator System

BORC = Break-Out-Retrace-Continue price action.

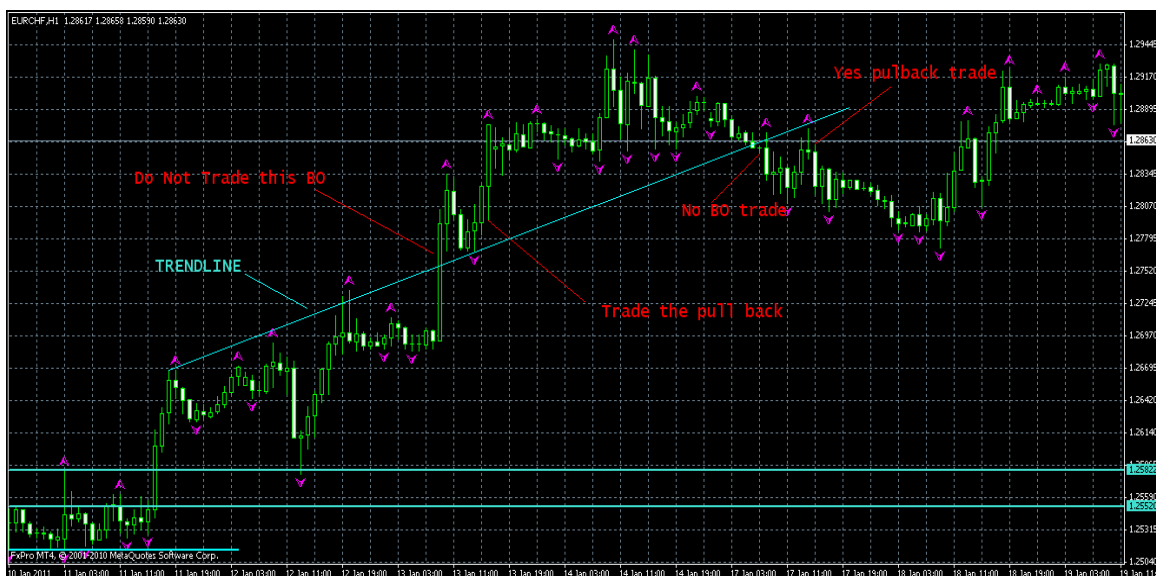
The idea behind this system is nothing new, I did not invent it. I have seen it used and I myself used it many times, and thought perhaps if someone out there can benefit from it by adding it to their trading arsenal it would be great.

So, as the title states, we are looking for a breakout, followed by retrace to the breakout zone, then the price action continuing in the direction of the breakout. Simple enough!!

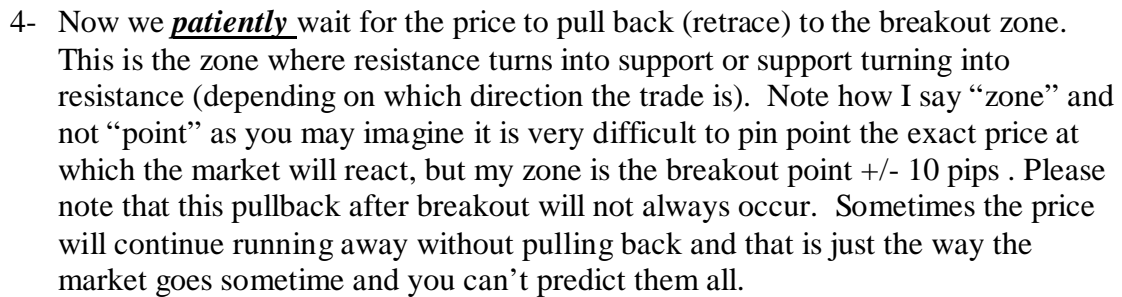
- 1- What are we breaking out of? Trend lines, Support/Resistance Levels and Channels are what I look for. I will be showing examples at the end to demonstrate some of these setups. These are basically visual, nothing scientific about these levels. Just look at your charts and see areas of support/resistance to draw these lines. I also included an indicator that draws daily pivot points. These are important levels to be aware also and you may get good action at these points.



- 2- Once the breakout occurs, we do NOT trade the initial break, as there is always a likelihood of a price bounce back into the original trend. This is also known as a false breakout. This happens quite often and stop hunters make good money triggering stops and causing a breakout, only for it to be a false one. Patience is key here.



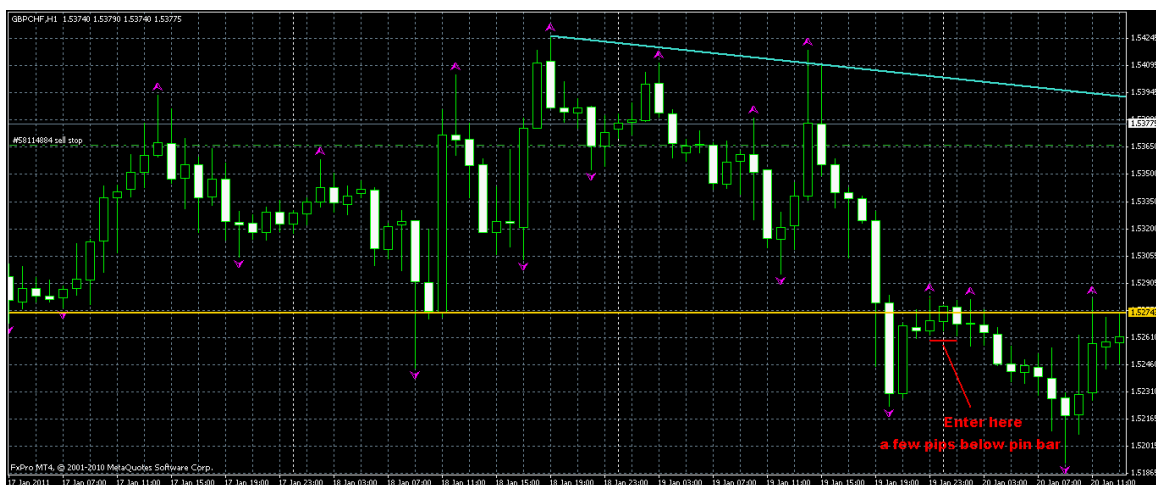
- 3- We need the break to take the price at least a few bars and a good number of pips away (~50 pips on an hourly chart) from the breakout point to make this a true breakout and not a false one, and make this setup worth the risk of trading.



- 5- Once the price retraces into the area of interest (zone) we can start to look for The Trade Setup. First condition is that price retraces back to the area of interest and stalls. Second condition would be to get a candlestick formation to confirm the reversal back into the direction of the breakout. My preferred candle formations are Pin Bar, Engulfing, Railway Tracks, Inside Bar, Double or more Doji. You may have your own preferred way of determining a reversal pattern. In addition to the previous 2 conditions, if there is also confluence with something else, i.e. another (higher frame) trend line support/resistance area, round (double zero) number, Fib Number, Pivot Point, etc. that would make the trade more solid in my opinion. Please see chart below for confluence of 3 trend lines at 0.9900 (round number).



- 6- Entry. Depending on your trading personality, you may place a limit order at the zone and wait for it to get filled, this way you might possibly get in at the best price, however this is aggressive and speculative and you are not waiting for any confirmation of the reversal. You may zoom in to a lower time frame (4 times lower) and then look for a 1-2-3 formation to be broken in the same direction of the trade to get into the trade. However, if you wait for second and/or third condition, you can enter the trade as soon as the next candle opens (which I do not follow myself). Or, you can wait for the price to break the low/high of the confirming candle formation, or you may zoom in to a lower time frame (4 times lower) and then look for a 1-2-3 formation to be broken in the same direction of the trade to get into the trade.



- 7- SL is the just above or below the high of the confirming candle formation, TP1 is same amount as SL, TP2 is the previous swing high or low(+/-10 pips), TP3 let it ride with remaining position at BE to next 00 number or Pivot Point or trailing stops to the previous 2 candles high/low. Again this needs to be tailored to your trading personality and risk tolerance and style. I personally like to take at least some small profit (at TP1) off the table and that just keeps me going, as I do not like to be stopped at BE with no profit even though my trade was profitable at some point during the trade.
- 8- General stuff. You can use this on any currency pair and any time frame, although I do not recommend trading this on anything lower than 15 minute timeframe. I like the 1 HR and higher time frames on the majors, and some GBP and EUR crosses. Remember if you go with higher time frame, you need more patience as the setups will take longer to develop, larger stop loss since your candles will be span much larger number of pips, and you will be in the trade for longer period of time. However, your TP will be much larger as well. So, if you can't afford screen time, go with longer time frames. ALWAYS exercise good money management. I like to risk 1-2% per trade. So, you need to adjust your lot size according to your SL. ***If you go with 1-hr or 15-minute time frames, do not trade during news or during dead trading time (2pm to 7pm EST).***