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FXCyborg

Feb 27, 2019 4:08am | Post# 1

Mastering the Fakeout / Stop Hunt Candle

2 Attachment(s)

Mastering the Fakeout / Stop Hunt Candle

Probably the most widely forgotten & profitable method!

BTW, since I have been attacked here - i'll pop back MORE OFTEN once I get a public apology from the owners of this website how ive been treated. They ask us to follow a code of conduct, yet they are not enforcing it when others attack you. It seems one rule for one person, and everyone else has to follow the rules, the few get away with it, and brand you a scammer because you help people make good headway for the first time, in a long time to hit those winners out of the park :

<https://discord.gg/Jtvecs> <--- here is the discord channel... and yes, I'm a man of my word and everything in this channel will be for free!

First, I'm going to ask that you read this page, especially the disclaimer, it'll save me having to type it out again. Thanks 🙌

<https://www.forexfactory.com/showthread.php?t=877939>

Secondly, I just wanted to say thanks to everyone for their support and for making the above link the Hottest thread out of 100's of thousands, all the same while making that thread the #1 out of the entire forum for most subscribed, as well as those who are subscribing to my profile, #1 there in the last 24 hours. So, thanks. 🙌

Here's some more awesomeness, those who are subscribed to me on my Forex Factory profile will get these nuggets of info into your inbox as it happens <https://www.forexfactory.com/fxcyborg!>

Disclaimer & Warnings:

- *This is NOT the Holy Grail. No such thing exists!*
- *This method is designed for H4 Time frames and above (it does work on lower time frames).*
- *This method does have high drawdowns, but SL's are never hit (If done correctly)*
- *Do NOT over-leverage your account. 0.01 lot per \$1,000 will be plenty.*
- *Be prepared for 50 - 200 pip drawdowns (higher up a time frame, bigger the SL, but so is the TP)*
- *Be prepared that trades can be open for 2 - 20 days or longer, but SL should be well clear and free from attack.*

- Always go with the trend, and or act off of appropriate supply/ demand & support/resistance if it's a counter setup.
- Use a script that hides your TP and SL and trail steps to Break Even when 50 percent of your TP value has been reached. Then move it again to 50 percent of its entire move from entry to current price when 75 percent of the TP value has been reached.

Set, then Forget Method!

ideal for those with little time available



[https://www.forexfactory.com/showthr...5#post12046535](https://www.forexfactory.com/showthread.php?p=5#post12046535) It's probably got more now?

The Routine

No Routine, No Payday!

1. Make sure you follow the trend when setups are found - if your objective is to Buy the pair, make sure you are looking in an Uptrend - only do counter trend setups after you perfect the with the trend setups. So, draw in your diagonal trendlines!
2. If a counter trend setup is found make sure it's coming off or near the diagonal trendline,
 - or recent supply/demand
 - or support/resistance.

3. Calculate the candle bar's length from its high to its low.

- This will act as your TP (Take Profit) level.

4. 150-200 pip SL's are ideal on H4 and Daily Time Frames.

- Time frames higher than that 300+ would be within the attackable zone.
- You'll need to experiment or back test what the largest drawdown is when setups have been found, find the mean average and that will be your lowest number to place your SL at. Add 50 percent to that to find your Max SL.
- Then adjust your lot size to compensate for a larger SL.
- Don't worry about reward to risk here. It's about winning consistently!

One of two things will happen:

1. Your trade will instantly go into profit or will fluctuate in and out of profit within that bar, now when I talk about this, I'm only going to be referring to the 4H time frame in this entire document. And the trade can be open for 2 days or longer, so be prepared. Sometimes the TP is hit within the 4H bar.
2. Your trade will go against you for some time, instantly or some time thereafter. If you calculate your SL correctly you should be well within any attackable area to stop hunt you.

N.B:

If do this correctly off of the right areas when setups are found, or counter setups, the drawdown will be respectfully low and ideally within your allotted risk & money management (example shown below).

Above all, have patience.

It will not work if you don't have any.

Calculate your risk first.

If you don't want to lose more than 10 percent of your balance. Calculate for it.

Divide the total Stop Loss Value into your total risk. Then divide that by 10 to get lot size.

If the SL is not large enough, add more, then recalculate for the correct lot size to use, it'll be smaller this time.

Then sit back and watch what happens.

If you're going to open a 2nd trade on a different pair, you'll have to allot for your floating equity, and not your balance. You only work from your balance if you have no other trades open.

Below are the setups, rules and its variations.

The Rules

Remember these and you'll be fine!

BUY SETUPS:

- Should come off or near your diagonal trendlines, Support, or Demand.
- We're looking for a 2-bar formation in the ideal location
 - 1st bar needs to be a Bear Bar.
 - 2nd bar needs to be a Bull Bar.
 - The Bull bar's low (2nd bar) must be lower than the Bear Bars low (1st bar).
- Both bars ideally should have a healthy body in relation to its overall size in length from high to low.
- Wicks/ Shadows ideally should also have noticeable length, i.e., not be tiny.

SELL SETUPS:

- Should come off or near your diagonal trendlines, Resistance, or Supply.
- We're looking for a 2-bar formation in the ideal location
 - 1st bar needs to be a Bull Bar.
 - 2nd bar needs to be a Bear Bar.
 - The Bear bar's high (2nd bar) must be higher than the Bull Bars high (1st bar).

- Both bars *ideally* should have a healthy body in relation to its overall size in length from high to low.
- Wicks/Shadows *ideally* should also have noticeable length. i.e., not be tiny.

The Setup - With the Trend Setups

[Attachment 3240216](#)

Can you spot the others?

Let's take a look at what we did here.

1. We identified the trend - clearly, it's Up!
2. We marked out Resistance areas - there's more there but for clarity of illustration I drew in one.
3. We can see previous Resistance becomes Support as price is now above the Resistance.
4. Our Buy/Long setup bar is found on the Support. Its low became lower than its previous bar's low.
 - please take note that this is not the best setup because its previous bar is also a Bull bar, the best setup is when the previous bar is the opposite type of the setup bar.
 - a perfect setup should have its previous bar representing itself as a Bear Bar, then the setup bar being a Bull bar and preparing for a Long Trade.
5. We measure the PIP length of the setup bar from its low to high. In this case we calculated 42 PIPS, this then becomes our TP (Take Profit) Level.
6. We enter manually at the close of the setup bar / open of the next. Or we set a pending order there.
7. Enter our TP Level
8. SL can be around 1:1 of the TP level, or 150-200 PIPS as an arbitrary number. Experiment with it.

Here's another one, again not the perfect setup.

The Setup - Counter Trend Setups

[Attachment 3240218](#)

Can you see others, several more there right, Buys and Sells, all TP's getting hit?
Let's take a deeper look:

Trade 1, Sell/Short:

1. We identified the trend, it's Up! immediately we look for Buys.
2. As the price stalls to accumulate more orders, a counter trend setup is found for a Sell.
3. If you've been following the other thread, you'll see our 3-bar setup there on the left, just below where it says "sell on open". With that in mind this can support our temporary Short trade idea.
4. I calculate the PIP length and we're given 31.3 PIPS as our TP Level. I look for confluences to see if a drop of 31.3 PIPS lines up with any Demand, or Support. Or other technicals like Resistance, Base Support Flips, etc.
5. Demand is found and lines up perfectly with our TP level.
6. We enter Short on the Bear bar's close as the setup is found
7. TP is hit, and we have the option to Buy off Demand and other technicals.

Trade 2, Sell/Short:

1. Resistance is found.
2. Our setup bar breaks resistances but closes lower and makes a lower low than the previous bar.
3. Our setup bar conforms to having its high be higher than the previous bar's high.
4. Not a perfect setup as previous bar is of the same type.
5. we calculate its length to get PIP total to act as TP and look for confluences.
6. There's definite Demand zones lower, and we are indeed coming off a major push to the high all a while our setup bar totally engulfs everything on the left. There's our sentiment to warrant a sell trade on the stop hunt bar.
7. TP hit!

Although we could use other technicals, however you don't really. Follow the setup rules. Apply. Set 'n' Forget.

Now let's show two more examples, this time they'll resemble the perfect with the trend setups and counter trend setups.

With The Trend - The Perfect Setups



Looking a lot easier now, right?

Let's see what we have

Trade 1, Sell:

1. Our setup bar created the reference point to place our trendline on, giving us a downward trendline, depicting price is making a move lower
2. Our setup bar engulfs its previous bar
3. our setup bar is indeed of the opposite type, and its high is higher than the previous bar
4. We Sell immediately on the close of the setup bar and calculate its length
5. 90.7 pips was calculated and acts as our TP Level.
6. TP Hit!

Trade 2, Buy:

1. Our setup bar, as before in our Sell opportunity forms a low to allow a reference point for our upward trendline
2. Our setup bar engulfs the previous bar and various others to its left
3. Our setup bar's low is lower than the previous bar, warranting a Buy
4. we calculate the PIP length of our setup bar to act as our TP
5. TP of 82.9 PIPS was calculated
6. TP Hit!

And lastly, the counter trend setup

Counter Trend Setup - The Perfect Setup

[Attachment 3240209](#)

1. Trend is up, naturally we would look for Buys, but we also need to look for accumulation areas where price will stall or reverse.
2. Set up is found, its upper wick is also coming off Resistance / Structure High
3. Range of 114.4 PIPS is calculated and will act as our TP
4. We enter Short on the open of the new bar
5. TP Hit!

That's about it Ladies & Gents. I'll edit the post if I find any to add, or correct.

CroFX

Feb 27, 2019 4:19am | Post# 2

Thank you Sir, 🙏 now go to bed! 😊

P.S.
Use a script that hides your TP and SL

I meant to as about this.....where does one go to find such a beast

Hooman86

Feb 27, 2019 4:27am | Post# 3

Thank You.

Wolfy.trader

Feb 27, 2019 4:47am | Post# 4

Thank you 🙌 😊 😎

Dingoman-two

Feb 27, 2019 4:54am | Post# 5