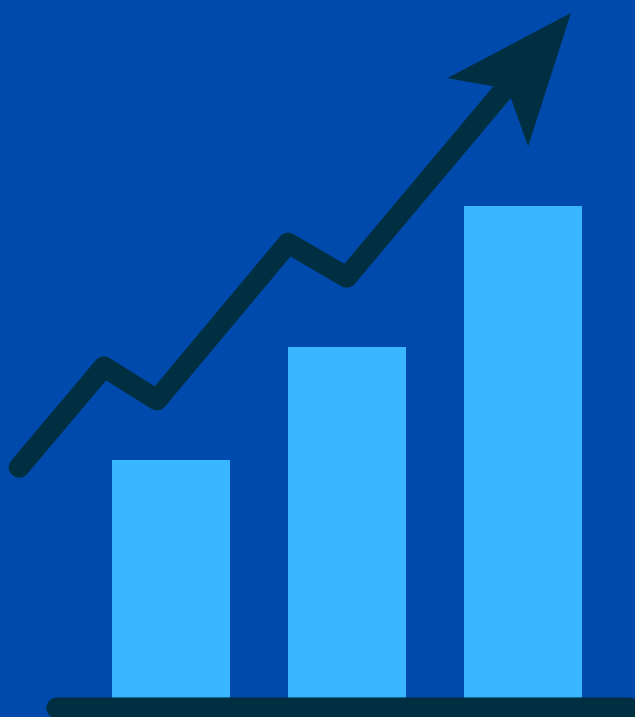


Institutional Trading



Mouna FX

Introduction

You have probably been trading for a long time and you still can't make good results, even if you have tried many strategies and indicators that you heard of in youtube videos about traders making millions of dollars in just 1 month. You're certainly now wondering what's wrong with you and you started doubting yourself. I bet you lost faith in the whole process and you thought about quitting.

But since you discovered the institutional trading, I assure you that your trading journey will change its path.

Once you start believing that trading is not about some indicators crossing with the price and there is some part manipulating the market, you're in the right direction.

Smart money, which are institutions and big banks, manipulate all the markets by creating supports and resistances levels in the price just to trap retail traders. Once you put a short position at the level of a resistance, you'll notice that mostly, the price will take a bullish direction, hit your stop loss and then continue in the direction you anticipated first.

So, to become a successful trader, you have to learn how to trade like market makers !

Definitions

OB: Refers to Order blocks. In forex, the order blocks are used by the banks to split their big orders into small chunks so that they get their orders filled at better prices without disturbing the market equilibrium.

Bullish OB: The last down move before an upmove that leads into a Break of Structure

Bearish OB: The last up move before a down move that leads into a break of structure

Imbalance: Is a distance or a gap in between wicks formed when the market is moving extremely quickly. At the level of an OB, institutions buy very heavily and then sell everything off, that's explain the huge body candle. There was no demand at the level of the OB so the price moved very quickly leaving a gap

BOS: Break of Structure

Building the story

Every trade you take should have a reason.

Without reason and without logic, why are you trading? You worked hard for your capital right? Why you going to gamble it like a wasteman?

No logic \Rightarrow No trade

To start the story, start with a question.

"What are you actually trading?"

What causes OBs + imbalance?

The institutions! They move the markets not vs retail traders.

We are trading the footprints they leave behind.

Structure

This is the most important part to this concept! Everyone and their pans should know market structure.

* Understand a (BOS) - Break of Structure

~~As always~~ We prefer when a candle body breaks the wick

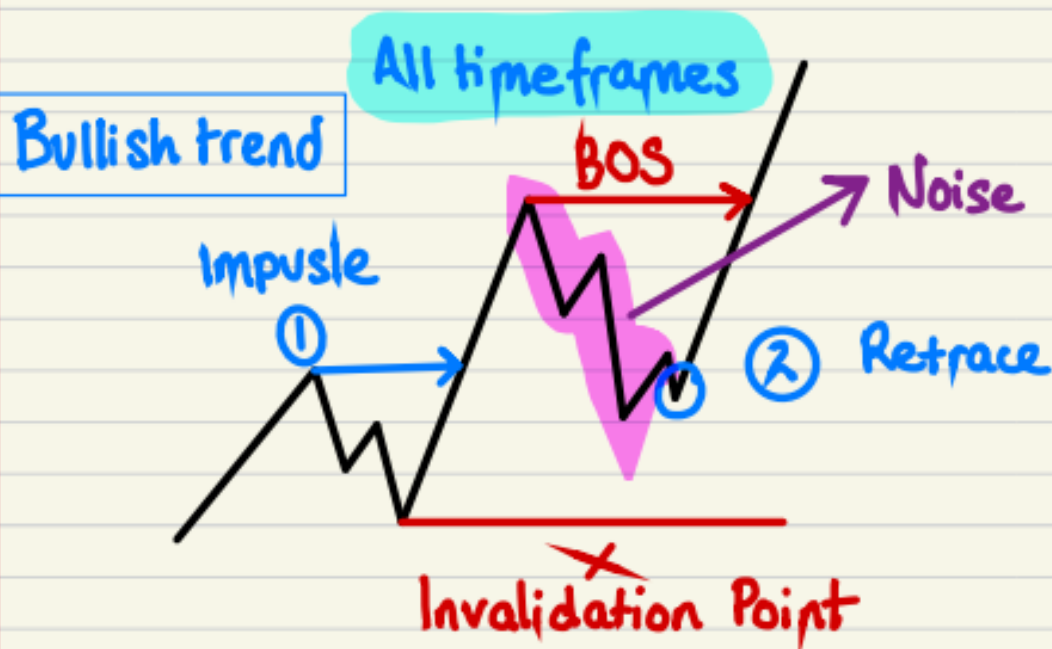


We are simply trading structure

Understanding if you are bullish or bearish is all you need to know!

This is done by 2 steps!

Two Steps!



To confirm if trend is bullish, you need:

1. Impulse → The impulse needs to break structure

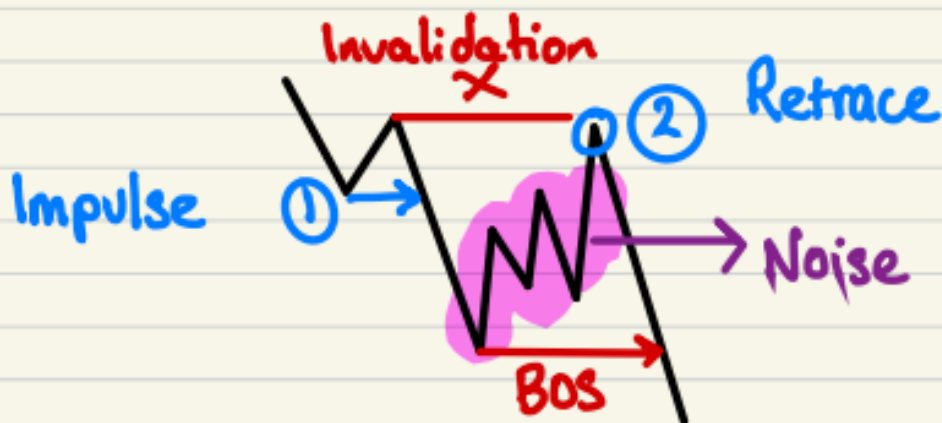
2. Retrace → You need a retrace that is strong enough to break the impulsive high!

= Bullish Trend

Two Steps!

Bearish Trend

All timeframes



To confirm if trend is bearish you need:

1. Impulse → The impulse needs to break structure

2. Retrace → You need a retracement that is strong enough to break the impulsive low!

= Bearish Trend

Stop!

Go back and

Read the

2 Steps!

You will be lost Without it!

Ranges

So you know what trend you are in.

Now you need to find your trading range.

This is proper easy!

Bullish → All timeframes



Ideal trading range is from the retrace that broke the impulsive structure and the structure it creates.

Bearish



If price violates the range → Abort!
Find next range!

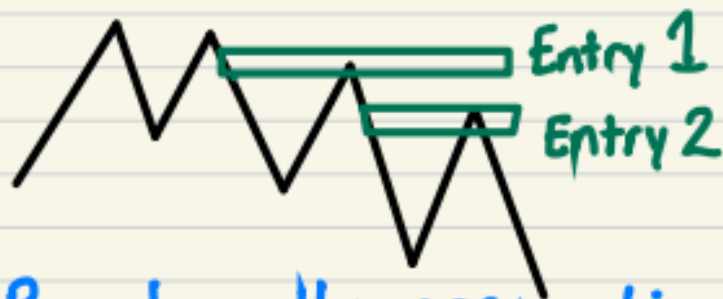
So... How do I enter??

So we know we have 2 entry types

But how to link it with our 2 rules

On our entry types we have 2 entries.

Eg.



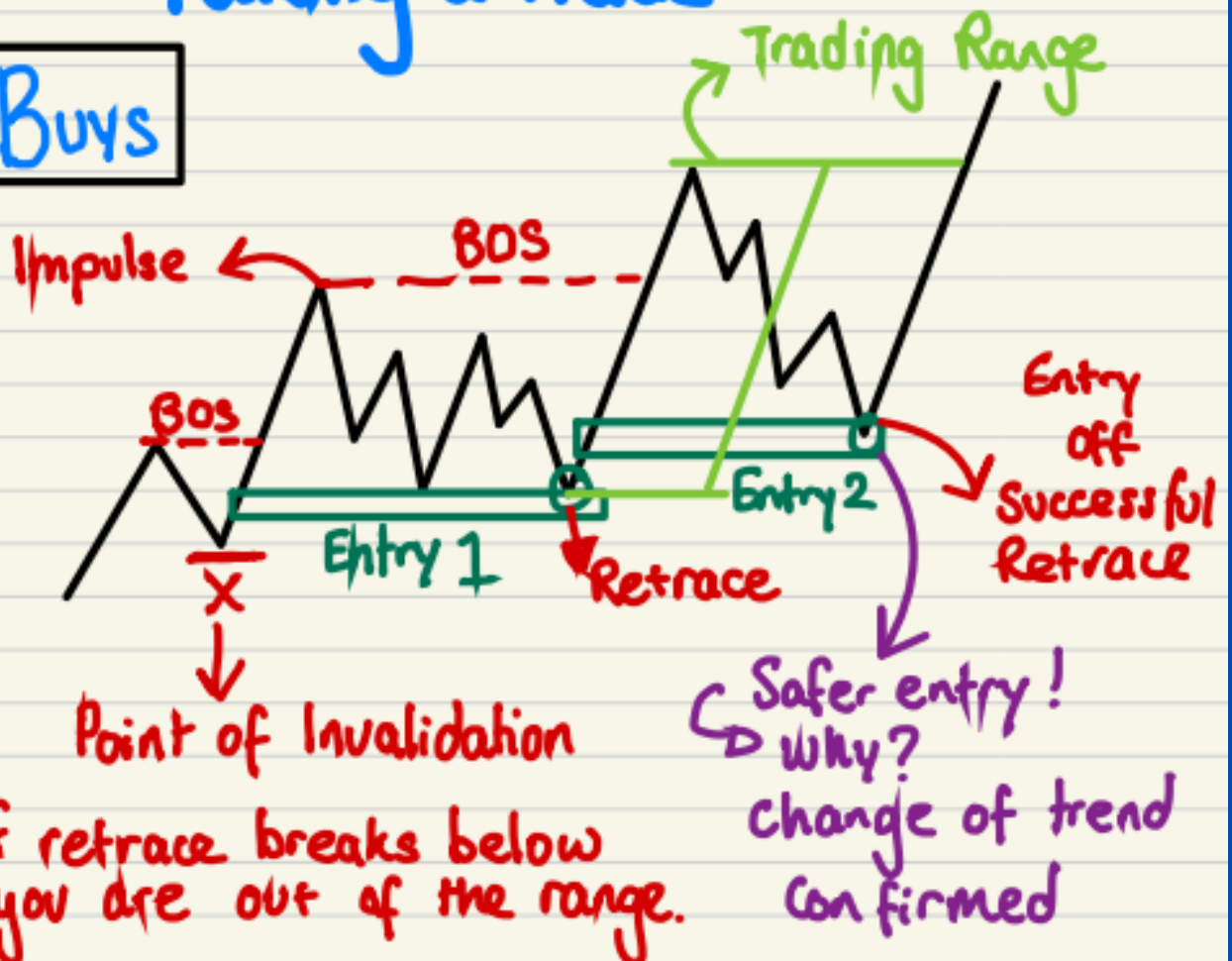
Entry 1 = Based on the assumption that the successful retrace will react here.

Entry 2 = Safer Entry + It is also based of the successful retrace = **↑ probability**

Should hopefully start to make sense now

Taking a trade

Buys



If retrace breaks below you are out of the range.

You can do this on any time frame.

Price is fractal!

Taking a trade

Sells




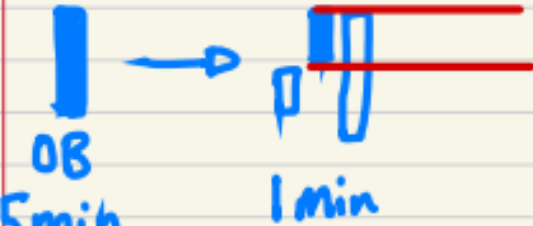
Same as the buy

Just inverted!

Entries

You should by now how to refine OBs.

Eg.  Refine down to before the impulse.

 OB to use

OB
5min

1min

Refine down to an RR you are happy

Don't try be a hero + Refine more than needed. If RR is good \rightarrow use that.

Don't be greedy

Use open or 50% \rightarrow That is down to you!

Missed first Entry

So you missed first entry. Don't be a baby crier about it. 😊 Why? more opportunities
Always more opportunities!

Follow the structure + Ranges!

Follow the Range



Counter or Pro Trend

Why not be able to do both?



Here H4 is bullish.
We have a H4 entry
order waiting.

Now are we really going to wait for price
to fall 100 pips for a trade.

NO! We will sell down to it.

If entry criteria is met. Why not?

Keep it simple ! Every
trade is a risk ! You
will lose during your
time ! Accept it. Stay
positive , trust the
Process . If you don't
succeed at first, try
again. Patience Pays .