Entry Types Continuations & Liquidity Part 2

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Now we have gone through continuation entry types on our LTF. What we are gonna do now is get into a slight variation, but there is still considered continuation entry types with the trend.



So we are on EU on the 1h. Now this was a trade that I took, with a very good return.

So what are basically looking for, is still are our OB are most recent LH or in an uptrend a HL.

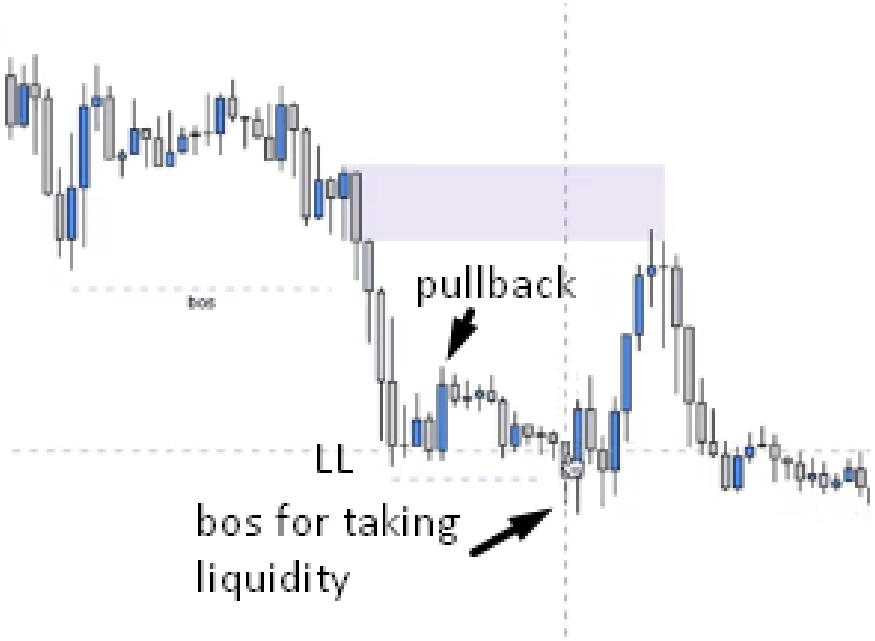
In this example we are looking at a sell trade, so we have a LL, which was formed with this move down. This is the move that bos this most recent LL.

So if we just mark it on, so we can see it, that was the low that was broken with that move there.

So once we had that, we had our new LH, which would be up here, but then what we know is we have OBs that we can trade from and refine which is exactly what we

have here. Now we can refine that on a 15m, but the concepts I wanna go through is what happens after.

So what we can see is we put in that new LL with that move there, so we have our AOI, our LH which we wanna look for sells if price comes to trade in.



But if price does one of this two things, so what we seen is we had this LL, price pulled back and then it actually broke structure again with that move there.

So we can see price before coming into the LH, we had a second bos from the most recent LL which is here.

So one this what Im always saying and is really important is its about how price breaks. So is price breaking in the form of seeking liquidity or is it breaking with momentum showing us that price doesn´t necessarily need to come back up to this level and we are breaking with momentum. So we see an entry lower down or is it liquidity seeking.

So how we can determine if its liquidity or momentum is simply by looking how it breaks.

In this example what we can see is we have broken with wicks zero momentum, so we can see corrective candles there is nothing behind it, apart from breaking the low and then retracing, because we can see it is a corrective move, there is nothing being left behind, there is no real supply zone or valid OB.

Because although we did close below that low, we can see as we have said its very corrective, its a calm bos and we can see wicks, so that for me is just seeking liquidity from anyone who is looking at that as an area to get short from.

Its breaking the low and as we already know, the highs and lows always get manipulated and they always get taken out by ever so slightly before price reverses.

Now the reason for that is just seeking liquidity and there is nothing much else to it apart from that. So what we can see is we had a corrective and a **liquidity break**.

So thats what we call it, so a liquidity break of that low and we still have this area up here (OB) that we really need to be looking at, to look for shorts.



Because we can see prior to this move coming back up, we had the seeking of liquidity and if we also wanna be extra what we can have on is this higher.

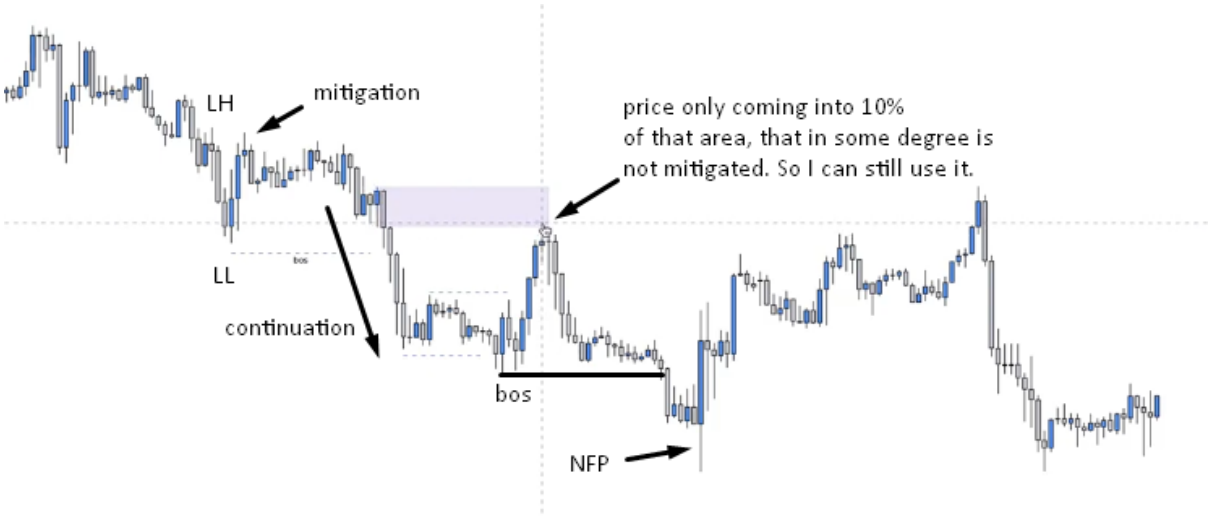
Now is not perfect, we have one higher and a second. So we do have EQH to some degree, so some maybe looking to sell from here on EQH, so we have sell side liquidity from the low and by side liquidity from the highest as well.

So people who are looking at this as trend LL, LH, they are looking to sell from the most recent LH, but we can see as its liquidity, we have this supply zone up here, and an unmitigated OB up here, which price is likely going to need to mitigate a close of positions from larger interests and a stack of more orders at OB area.

So that is exactly what happened here, which is why price respected that area.

Now we can see a mitigation of this orders, price continued, we took liquidity from this low and then we tapped into unmitigated area.

So this is one of my favourite entries, or entry types, because its plain liquidity, understanding liquidity and how we can use it in our favour, and get involved in this trades which is what myself and the other community members did. We get involved in this trade, I believe I banked +20RR on this move here to the LL.



So just a recap this is still a continuation trade and that on LTF as we have seen in part 1, we would get involved in this trade by LTF bos, whether that is gonna be a double or single bos.

It would be a double confluence, because we have been bos, LL, LH, mitigation, continuation. We are seeing clear order flow.

We left this supply zone unmitigated before, but everything else is pretty much mitigated and clear downtrend.

We took liquidity, tapped into that area and then we continued to the new LL and as we was saying about lows and highs getting manipulated, what we can see here we did push down, further breaking that low then we had NFP I believe that was, whip down and then we did reverse, but what I was saying a minute ago, about price only coming into 10% of that area, that in some degree is not mitigated.

I will still trade it and we can still trade and with price coming into just this area here. But what it basically means is we don´t really need to void this area for a future date in price.

So what what does that mean?



Well if I look at this area, look how price come in again say, what is that? So first of july to not even a week, so 5 days later that area is still respected, because they more than likely had orders or still in the market which needed to be closed out, say a bit of price, which is why a price then mitigated perfectly to the target literally to the pip, and then we see a massive sell of down, which also bos, we can see that.

> So a quick rule of thumb for me is, if we are looking at an area say an OB like this, the 50% mark of that supply of demand or OB level the 50% mark. So the equilibrium is the area which I classify something as mitigated.



So meaning if this move was to come into the 50%, then I would classify that as a completed transaction and a mitigation.

So if price was to come back in here as we have, I wouldn´t really be looking for entries, because its already been mitigated to at least the 50%, but what we can see is price didn´t mitigate to the 50%. So we can in this example still look for entries once price comes in to the 50% as it did exactly here.

