

NZDUSD BREAKDOWN

10.08.21

NZDUSD weekly timeframe we can see we are in a heavily overall bullish market Making a series of HH and HL within the market.

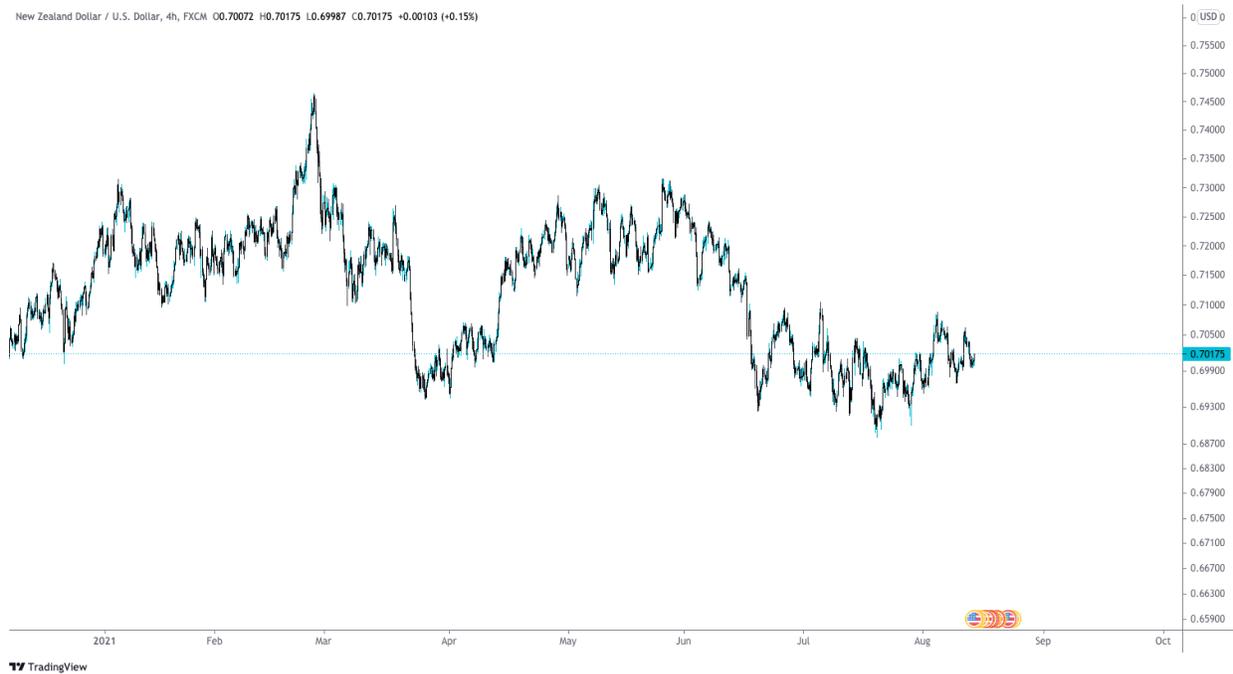


By going down into the H4 timeframe we can see we are creating a series of LH and LL

This to me looks to be the retracement period from the weekly and daily TF to then continue bullish within the markets.

In order for us to be able to look for buying scenarios we need to see some sort of bullish confluences within the intraday time frames, (H4 DOWN)

New Zealand Dollar / U.S. Dollar, 4h, FXCM 00.70072 H0.70175 L0.69987 C0.70175 +0.00103 (+0.15%)



As i said above we want to see bullish movement in order to participate buying the market,

As you can now see we have created a new HH after breaking bearish structure in the markets.

This now is a strong confluence that the market now wants to change direction from bearish to bullish.



After identifying the bullish intent we can now take a look at POI in the markets where price can reverse from in order for us to catch the movement.

Here are 2 POI on the H4 timeframe where price is able to reverse from.

These 2 POI are the areas to look for potential entries from as the H4 first is what led to the BOS, the H4 final is what started the whole movement to the upside.

New Zealand Dollar / U.S. Dollar, 4h, FXCM O0.70030 H0.70103 L0.69806 C0.69970 -0.00103 (-0.15%)



Once price has entered our first POI we can then monitor price action on the lower time frames to be able to find entries if the markets give us what we want within our trading plans.

Chart below shows bearish structure within our POI, then breaking structure to become bullish.

New Zealand Dollar / U.S. Dollar, 2, FXCM O0.69765 H0.69777 L0.69652 C0.69768 +0.00003 (+0.00%)



Once this happens within our POI we can look for entries to execute the markets, as this is a strong confluence to do so.



This M1 entry is where entry was taken from as this M1 candle was the candle that led to the whole impulsive movement that then led to the BOS.

Although that candle does look like it's been mitigated already, once you zoom into the chart you will be able to see that the candle hasn't been mitigated and still has IPA to fill.



Now you can see we were filled in this trade and running heavily in profit.

This trade idea was a 2pip SL with a 100pip take profit. Making this trade a 1:50RR

New Zealand Dollar / U.S. Dollar, 1h, FXCM O0.70205 H0.70360 L0.70192 C0.70353 +0.00148 (+0.21%)



This trade that we capitalized on played out perfectly and made 90pips within 1 day making this a 1:45RR before creating bearish momentum once again.

1 entry: 1:45RR completed