

The Opening Range Breakout

For Equity Indexes:

- On a 15-minute chart, mark the high and low of the 9:30 to 9:45 candle
 - This is the Opening Range Candle (ORC)
- After 9:45 AM EST:
 - If price breaks above the high of the ORC, Go Long
 - If price breaks below the low of the ORC, Go Short
 - Stop Loss is placed two ticks away from the opposite side of the ORC
 - Target is the next opposing zone on the Zone Time Frame
 - Trade works best with the direction of the Trend from TTF



To Reduce Risk

- To reduce risk, change to a three-minute chart
 - Identify the candle that made the *high* between 9:30 and 9:45am
 - Mark the high and low of that candle
 - If price breaks above the high of this candle, Go Long
 - Place your stop two ticks below the low of this candle
 - Identify the candle that made the low between 9:30 and 9:45am
 - Mark the high and low of that candle
 - If price breaks below the low of the ORC, Go Short
 - Place your stop two ticks above the high of this candle
- Targets remain the same



For Energy Markets (CL & NG):

- On a 5-minute chart, mark the high and low of the 9:00 to 9:05 candle
 - This is the Opening Range Candle (ORC)
- After 9:05 AM EST:
 - If price breaks above the high of the ORC, Go Long
 - If price breaks below the low of the ORC, Go Short
 - Stop Loss is placed two ticks away from the opposite side of the ORC
 - Target is the next opposing zone on the Zone Time Frame

To Reduce Risk

- To reduce risk, change to a One-minute chart
 - Identify the candle that made the high between 9:00 and 9:05am
 - Mark the high and low of that candle
 - If price breaks above the high of this candle, Go Long
 - Place your stop two ticks below the low of this candle
 - Identify the candle that made the low between 9:00 and 9:05am
 - Mark the high and low of that candle
 - If price breaks below the low of the ORC, Go Short
 - Place your stop two ticks above the high of this candle
- Targets remain the same

The News Trade

Caution!! High Risk

- Trading the breakout of the news from the basing is the riskiest strategy. You are placing an Order Cancels Order (OCO), to buy the breakout or sell the breakdown of the basing that occurs 15 min prior to the news release. Your targets will be the first fresh buy zone or sell zone on a five-minute chart. Historically, the average move from the breakout has been about 35 ticks.
- Mark the basing 15 minutes before the news release. The basing is the highest high and lowest low of the three five-minute candles between 10:15am and 10:30am EST. Then identify a fresh Buy Zone below the basing and a fresh Sell Zone above the basing.
- Trade in a simulated mode until you feel comfortable. Remember there can be fast moves which leads to slippage on the orders.



- The breakout trade involves a stop limit order to buy if price breaks above the basing as a reaction to the news at 10:30am EST. The target is the Sell Zone above and the stop is placed below the basing. Should price break down below the basing, a stop limit order sells the contract and the target is the Buy Zone below while the stop is placed above the basing.

The Novice Shakeout

Identifying the Novice Candle

- Larger ranged candle
- Usually located after a breakout or breakdown
- Normally accompanied by high volume

Strategy Steps

- Identify the Novice Candle
- Be sure to trade in the direction of the TTF Trend
- Make sure you are not at the top or bottom of the Field of Play
- Enter at the retracement to the beginning of the Novice Candle
- Place your stop at one ATR from the Entry on your ZTF
- Target is next Buy Zone or Sell Zone or End of Day

