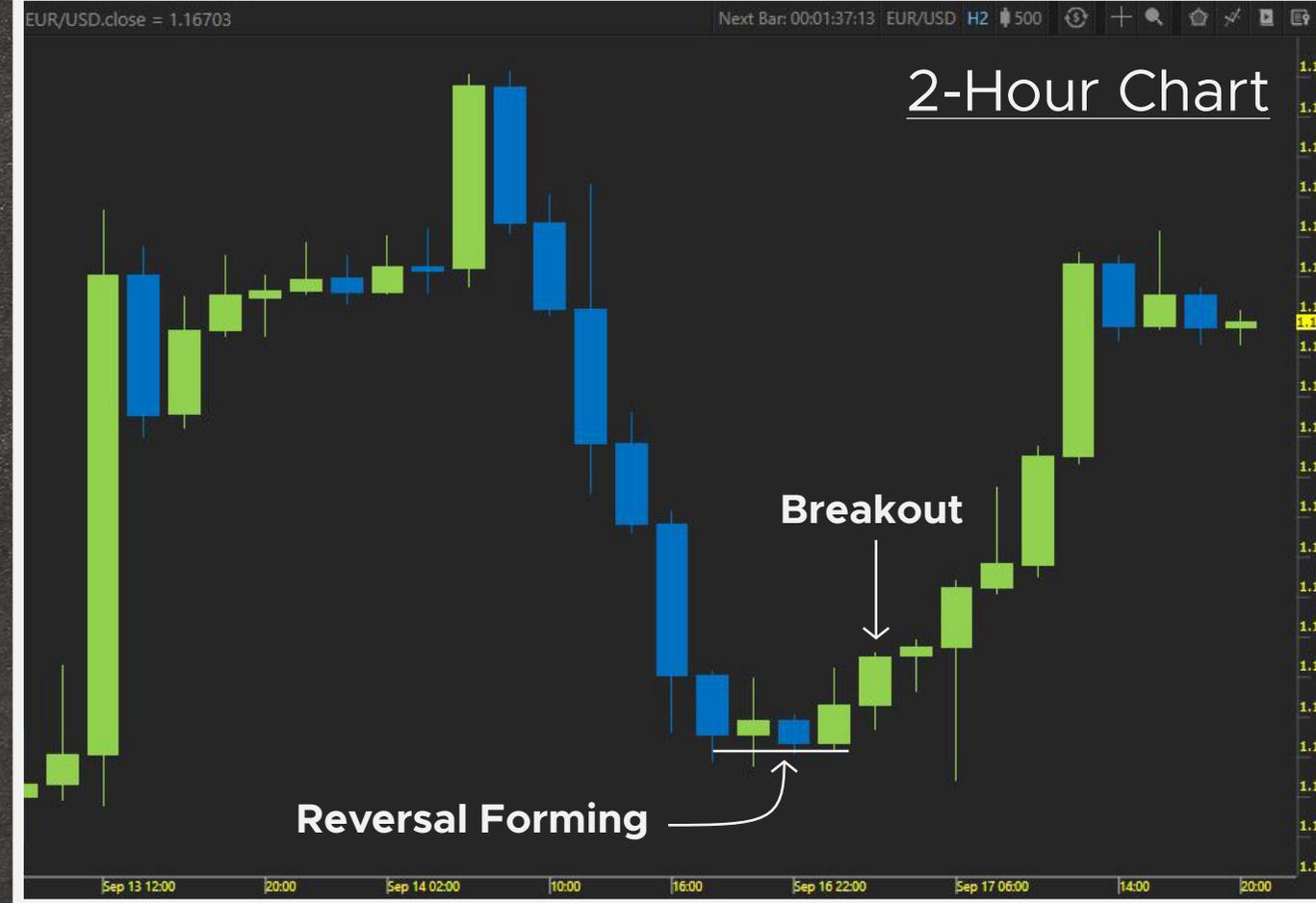


TRADER  ON THE STREET

Reversal Breakout Pattern



Reversal Breakouts are a powerful tool in trading. They show you longer-term patterns and how they can be used to easily predict the breakouts occurring on shorter time frames. This technique is used in multiple reputable and time-proven strategies. The comprehension of these reversal breakouts can greatly improve your daily trading and also aid in the catching breakouts with less chance of false breakouts and a higher chance of catching the break early on.

While looking at the longer time frames, you will see the reversals of the market developing. When you see this reversal forming on the larger time frame, if you switch your chart to a shorter time frame, the candles will be forming a consolidation or a flag. Since we know the direction of the reversal, based on the previous support or resistance point, we know with higher probability the direction and price of the breakout.



Orders

0 Pending 6 Filled 0 Processing 0.00 Position Pending 1.50 Position Filled

ID	Open Date	Side	Quantity	Symbol	L/S Price	Open Price	S/L	T/P	Current Price	Pips	Profit
2477	3/21/2018 5:32:39 PM	Buy	0.25	EUR/USD	-	1.22625	1.22504	1.22679	1.22675	5.00	11.50
2493	3/21/2018 5:34:04 PM	Buy	0.25	EUR/USD	-	1.22623	1.22497	1.22679	1.22675	5.20	12.00
2487	3/21/2018 5:33:08 PM	Buy	0.25	EUR/USD	-	1.22619	1.22498	1.22681	1.22675	5.60	13.00
2488	3/21/2018 5:33:13 PM	Buy	0.25	EUR/USD	-	1.22619	1.22499	1.22682	1.22675	5.60	13.00

One Click Trading

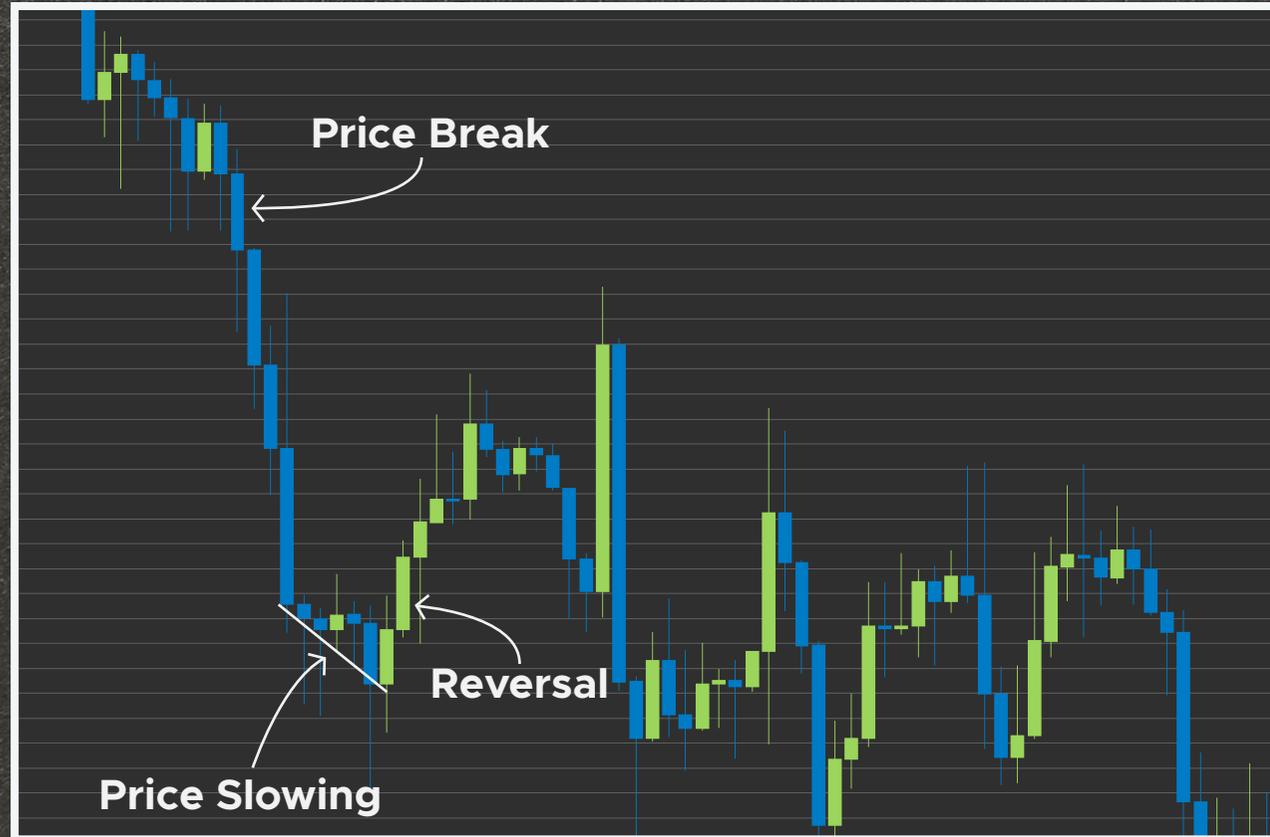
0.3 Spread \$7.50 Gain -\$30.00 Loss

SELL EUR/USD 1.22675

BUY EUR/USD 1.22678

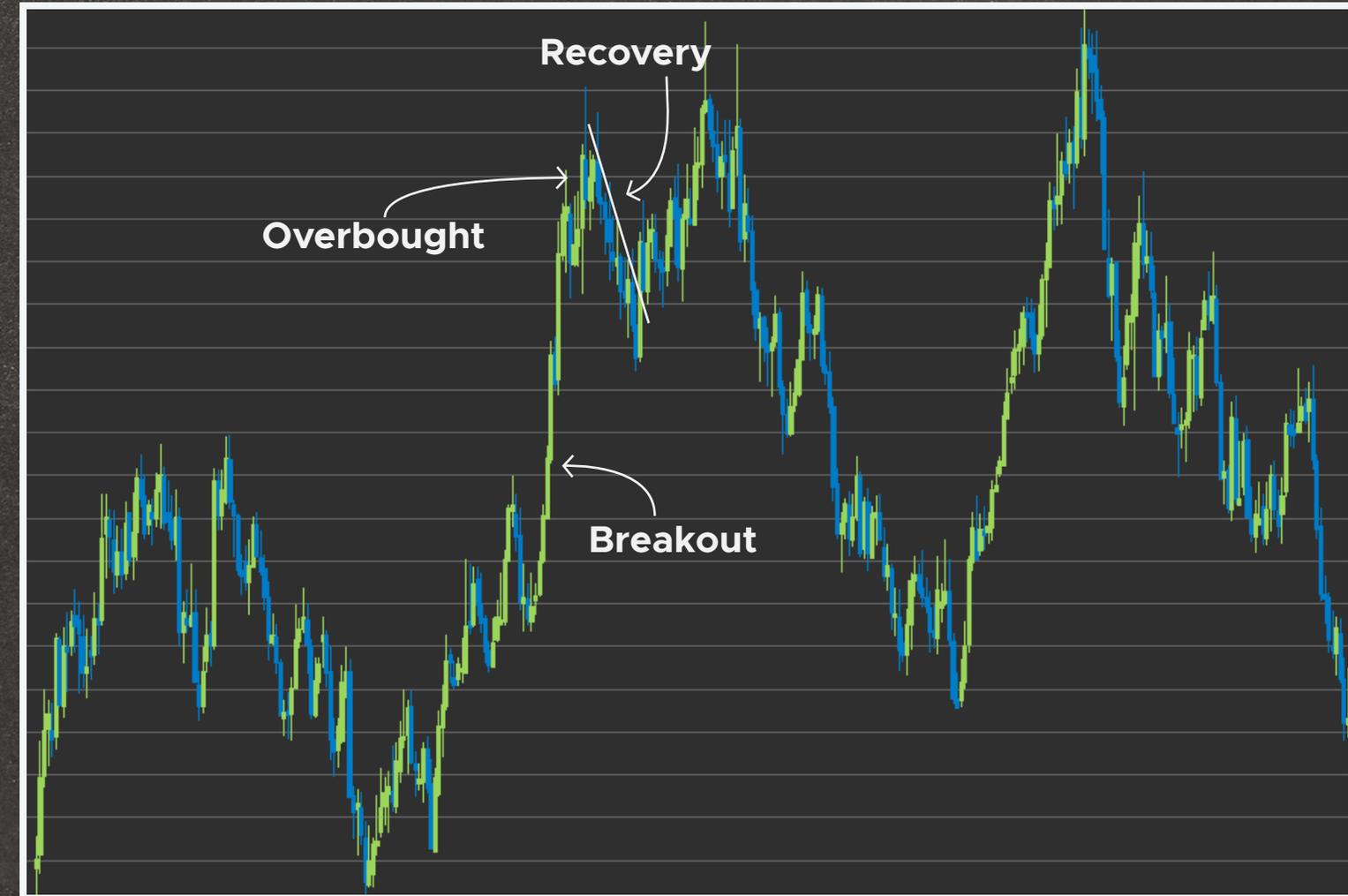
0 + - %R
0.25 + - Q
3 + - TP
12 + - SL
TS

These setups can be used on a variety of time frames making them great for scalpers, day traders, and long-term traders alike, since the main criteria is having two timeframes somewhat close together. When you look at the larger time frame, which is the frame you will not be placing your trade on necessarily, you can then switch to your smaller time frame on the pair and see the consistent pattern forming. What the larger time frame is doing, which you can see in Jackie's video, is showing you where the potential reversal is happening and what direction.



You can also see this pattern presenting itself on a sole time frame. When there is a previous break with a lot of momentum going in a specific direction, once the momentum dies out and the price action seems to be slowing, a reversal can be soon expected. The reason behind this is that after that initial price break, the market will commonly be overbought or oversold depending on the direction of the initial break. As markets don't like to remain overbought or oversold for extended periods of time, the reversal will commonly occur and break in the opposite direction to bring the market back into a "stasis" before its next move.

In both of the previous cases, there is a quick movement in price either as a breakout from a norm or as a breakout to return to a norm. One thing traders will notice, however, is that the breaking out of a set pattern from a larger time frame will commonly cause a similar overbought/oversold period as in the second entry making the first entry become a setup for the second entry. This gives you two opportunities to enter breakouts and almost doubling your pip count.



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