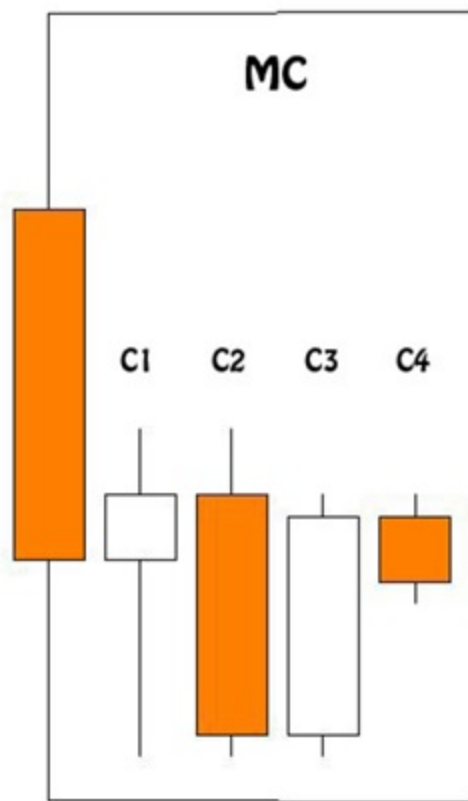


The Master Candle Defined

There is a few ways to look at master candles but we will only focus on one. A Master Candle is simply a candle's high and low which engulfs the next four candles' high and low. I like to call the formation a True Master Candle (MC).



A quick run through of the above image, the MC = Master Candle is formed when C1 = Candle One, C2 = Candle Two, C3 = Candle Three, C4 = Candle Four are inside of the master candle.

Examples



MC C1 C2 C3 C4 B1 B2 B3

The above picture is an example of a null trade where the break of the master candle did not happen within the B1 B2 or B3 candles.



MC C1 C2 C3 C4 B1 B2 B3

The above picture is an example of a successful break of the master candle which happened on the B2 candle. (Long position)



MC C1 C2 C3 C4 B1 B2 B3

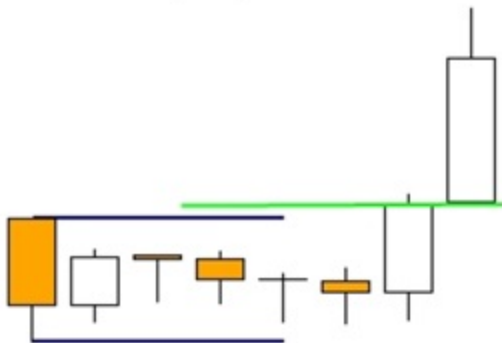
The above picture is an example of a successful break of the master candle which happened on the B1 candle. (Long position)

Some Entry Examples

The most important part of the method.

Longs:

5 pips above the Master Candle High + Spread. As you can see in the picture below the green line was our long entry



Shorts:

5 Pips below the Master Candle Low. As you can see in the picture below the red line was our short entry

