Engulfing Method

HTF - Higher Time Frame
LTF - Lower Time Frame
STF - Small Time Frame
EB - Engulfing Buy
ES - Engulfing Sell
EBF - Engulfing Buy Failed
ESF - Engulfing Sell Failed
DP - Decision Point
SL - Stop Loss
TP - Take profit
LL - Lower Low
HH - Higher High
MTF - Multi Time Frame
FC - First Confirmation
SC - Second Confirmation

Engulfing 4 types:

Simple Engulfing
Strong Engulfing
Failed Engulfing
Hidden Engulfing
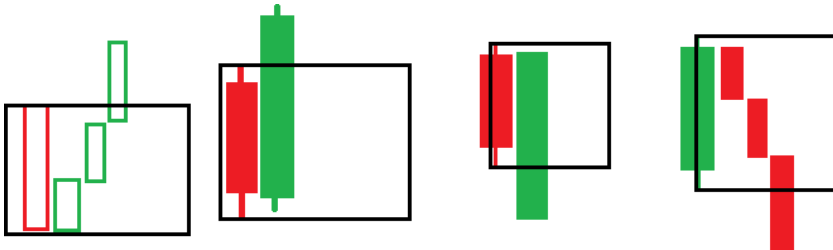
Simple Engulfing:

1. need to draw wick to wick of base candle
2. 2nd candle needs to ENG Base candle
3. Engulfing candle should be same color

Strong Engulfing: To find strong engulfing we need minimum two opposite type engulfing to failed.

1. Engulfing Buy: Need two engulfing sell to failed to find strong EB.

2. Engulfing sell: need two ENG buy to failed to find SES.

Failed Engulfing: Criteria to draw failed engulfing is if we have an ES and it's not respect and price break that ES then we call it ESF … and it will count as A and within that A zone we will find EB B and EB point C and entry on point C retest or after close of point C and SL will be below the zone.

Okay Let summarize the point for a perfect Engulfing Failed setup: For Buy

1. First there will be an Engulfing Sell setup (Point A)
2. It will fail and Break the Point A
3. Then we will get Engulfing Buy within the Point A zone that will be point B.
4. after point B we will wait for Point C (Buy Engulfing) within the Point A zone.
5. If Point A zone break after Point B by candle and close below than the setup is failed to complete.
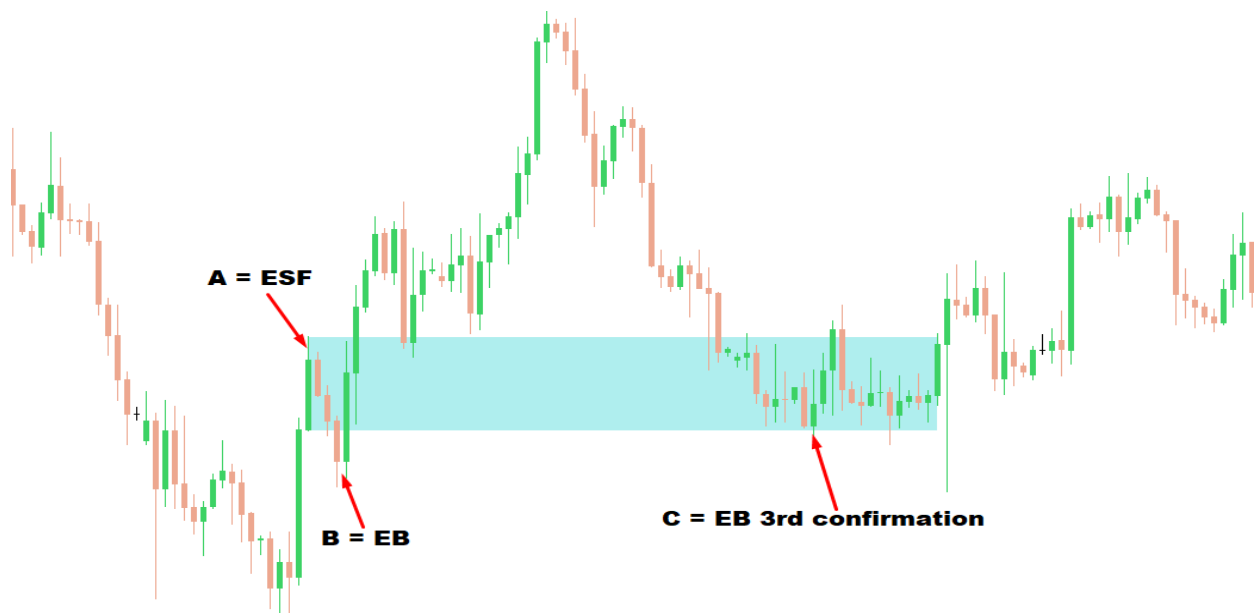
Hidden Engulfing: The Citeria for Hidden engulfing is 1st we will have an ES and price will break it upside than it will break downside which is 2nd time break and then when price will come back to ES area, we will call it Hidden engulfing sell and trade accordingly. please note that after 2nd break price need to close 2 candles outside the ES zone to validate it.
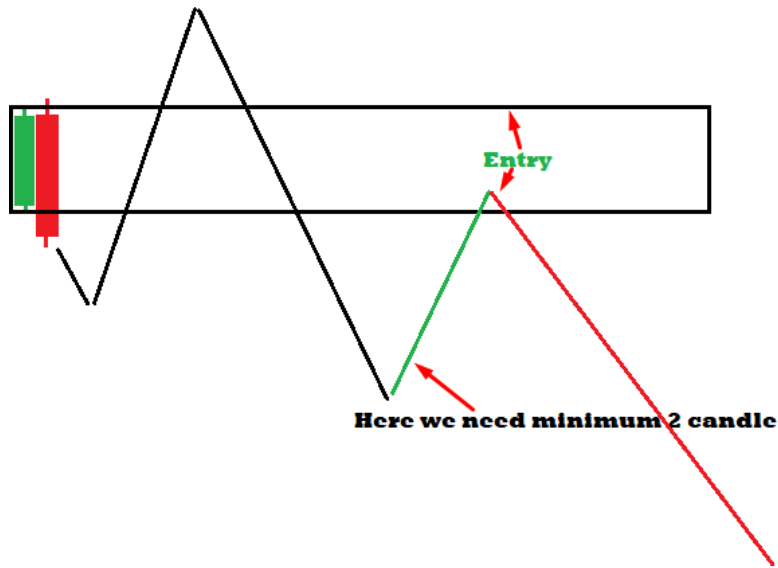

HLZ (High Liquidity Zone): After Price complete A B C on same TF it will become HLZ and its tradable on when price pullback into the zone. Look for LTF ABC or CE to trade HLZ
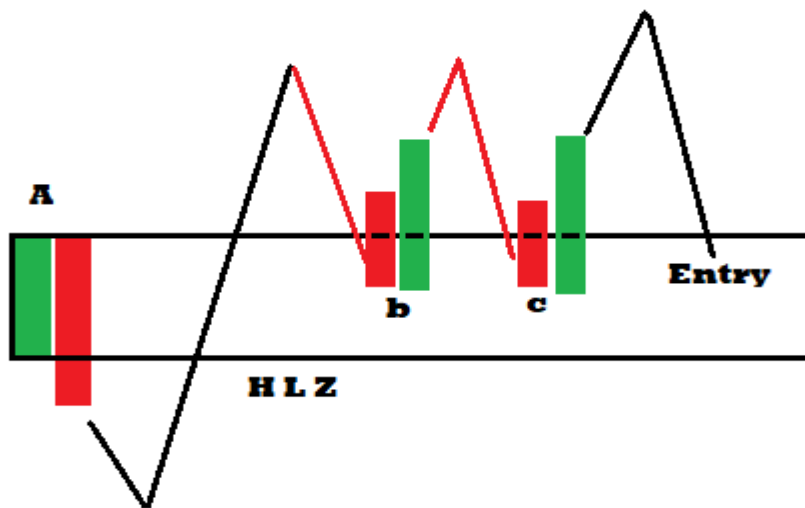
LTF ABC: It's about taking a trade from HTF zone to LTF confirmation the confirmation is LTF Failed setup which we call ABC confirmation. Take most of your trade with LTF ABC confirmation which win percentage is more than 85% … it's really great right!!
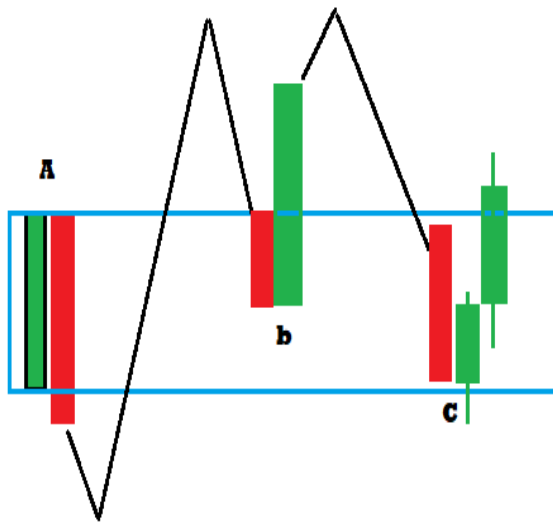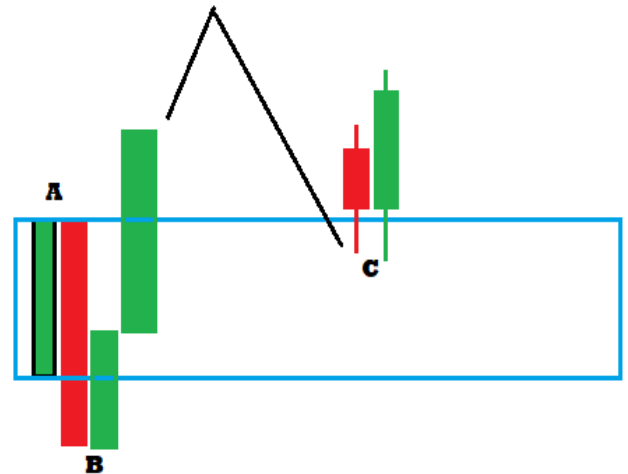
Perfect ABC V1   **Perfect ABC V2**

Validation Of ABC ….
1. will create EF (A)
2. Then within EF price will create EG (B)
3. Then there will be another EG within the same EF area (C)
Those call A B C
Note ….
* If price beak EF zone, then it's not valid.
* Every EG need to touch EF Zone.
* Every EG need to close outside EF area with the touch of EF Zone
* B and C need to close outside EF Zone with same candle color.

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