





Hollow Circle Strategy - The Safe Guppy Method

What is the Hollow Circle Strategy?

The **Hollow Circle** (○) appears when a pullback in an established trend is ending and the main trend is about to resume. This is the **safest and most profitable** entry method in the Guppy system.

Pre-Trade Setup Checklist





Chart Preparation

-  **Timeframe:** H4 (preferred) or H1 minimum
 -  **Template:** Guppy Reinvented Final MTF loaded
 -  **Symbols:** Focus on major pairs (EUR/USD, GBP/USD, USD/JPY, etc.)
 -  **Session:** Active trading hours (London/NY overlap best)
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Step-by-Step Entry Process

STEP 1 Trend Identification

Look for these signals:





-  **All Guppy lines same color** (Lime = Uptrend, Magenta = Downtrend)
-  **Wide Guppy spread** (indicates strong trend)
-  **MTF Histogram aligned** (higher timeframe supports direction)
-  **Trend duration:** At least 3-5 candles established

Visual Check:

-  GOOD: Lime lines spread wide apart
-  BAD: Lines mixed colors or compressed



STEP 2 Wait for Pullback

Patience is key - Wait for:

-  **Price retraces** toward the Guppy cloud
-  **Color change:** Some indicators turn opposite color temporarily
-  **Smaller candles:** Pullback candles usually smaller than trend candles
-  **Don't chase:** Never enter during strong trending moves

What Pullback Looks Like:

Uptrend Example:

 →  → ○ ← Entry here!
(Trend) (Pullback) (Resume)

STEP 3 👁️ Watch for Entry Signals

The Magic Moment - All Must Align:

● ○ **Hollow Circle** appears (RTE 3 PBC alert) 🎯 **All indicators return to trend color** 📊 **RSIOMA** around 50 level (not extreme) 📈 **APB candles confirm direction** 🎯 **Price bounces off Guppy support/resistance**

STEP 4 🕒 Entry Execution

Timing is Everything:

- 🕒 **Wait for candle close** - NEVER enter on open candle
 - 🎯 **Entry price:** Close of confirmation candle
 - 📄 **Use limit order** at candle close if missed
 - 💰 **Position size:** 2 lots (recommended)
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🛡️ Risk Management Protocol

Stop Loss Placement 🚨

Option 1 (Conservative):

- 📍 **Initial SL:** RTE 21 (3rd value in data window)
- 📏 **Distance:** Usually 20-40 pips depending on pair




Option 2 (Swing Trading):

- 📍 **Initial SL:** Swing low/high of pullback
- 📏 **Distance:** Wider but respects market structure




Take Profit Strategy 💰

Two-Lot Approach:

 **Lot 1 (Conservative):**

-  **Target:** R:R 1:1 (TP = SL distance)
-  **Action:** Close when target hit
-  **Purpose:** Secure quick profit

Lot 2 (Runner):


-  **Target:** Let it run / trail stops
 -  **Move to BE:** After Lot 1 TP hit
 -  **Trail:** Use RTE values (9 → 3)
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Visual Recognition Guide

Perfect Uptrend Entry Setup

 Look for:

 All Guppy lines LIME

 RSIOMA blue/lime (around 50)


o Hollow circle appears after pullback

 Bullish APB candle (lime body + wick)

 MTF histogram lime


Perfect Downtrend Entry Setup

 Look for:

 All Guppy lines MAGENTA/RED

 RSIOMA red/magenta (around 50)





o Hollow circle appears after rally

 Bearish APB candle (red body + wick)





 MTF histogram magenta

Exit Rules - Know When to Get Out!

Mandatory Exits (Close Immediately)







-  **Opposite APB candle** (lime candle in short trade)
-  **RSIOMA color change** (any line changes)
-  **Stop loss triggered**
-  **High impact news** (if you can't monitor)

Warning Signs (Consider Exit)







-  **RSIOMA divergence** forming
 -  **Guppy compression** starting
 -  **Extreme RSIOMA levels** (>80 or <20)
 -  **Friday close** approaching
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Success Tips & Best Practices

DO These Things

-  **Quality over quantity** - Wait for perfect setups
-  **Keep trading journal** with screenshots
-  **Risk only 1-2%** per trade
-  **Trade during active sessions**
-  **Focus on major pairs** initially
-  **Stay patient** - good setups come to you















DON'T Do These

-  **Chase moves** that already happened
 -  **Enter before candle close**
 -  **Trade against HTF trend**
 -  **Use tight stops** in trending markets
 -  **Overtrade** - 1-2 trades per day max
 -  **Modify system** until you master it
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Sample Trade Walkthrough






Example: EUR/USD Uptrend Continuation

 **Time:** H4 Chart  **Setup:** Established uptrend, price pulls back

1.  **Trend Check:** All guppies lime, wide spread 
2.  **Pullback:** Price drops to guppy support 
3.  **Signals:** ○ appears, all turn lime 
4.  **Entry:** Buy at 1.1050 (candle close) 
5.  **SL:** 1.1020 (30 pips) 
6.  **TP1:** 1.1080 (30 pips) - Lot 1 closed 
7.  **Trail:** Move SL to BE, trail Lot 2 







Result: 30 pip guaranteed profit + potential runner profit

Quick Recognition Cheat Sheet

Element	Bullish Signal	Bearish Signal
Guppies	 All Lime/Blue	 All Red/Magenta
RSIOMA	 Blue lines rising	 Red lines falling
APB Candles	 Lime body + wick	 Red body + wick
Hollow Circle	 ○ After dip	 ○ After rally
HTF Histogram	 Lime bars	 Magenta bars

Mental Checklist Before Every Trade

Ask Yourself:

-  "Is the main trend clearly established?"
-  "Did I wait for a proper pullback?"
-  "Are ALL indicators aligned?"
-  "Did the candle close confirm the signal?"
-  "Is my risk within my rules?"
-  "Can I monitor this trade?"

If ANY answer is NO → DON'T TRADE ❌

Remember: The Golden Rules

- ◆ "Plan the Trade, Then Trade the Plan"
 - 🔄 "Let price pull back to guppies, then follow the hollow circle"
 - 🕒 "Patience beats perfection"
 - 🎯 "Quality setups make quality profits"
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 Master this strategy and you'll have a reliable edge in the markets!