

Twitter Thread by JACKIS

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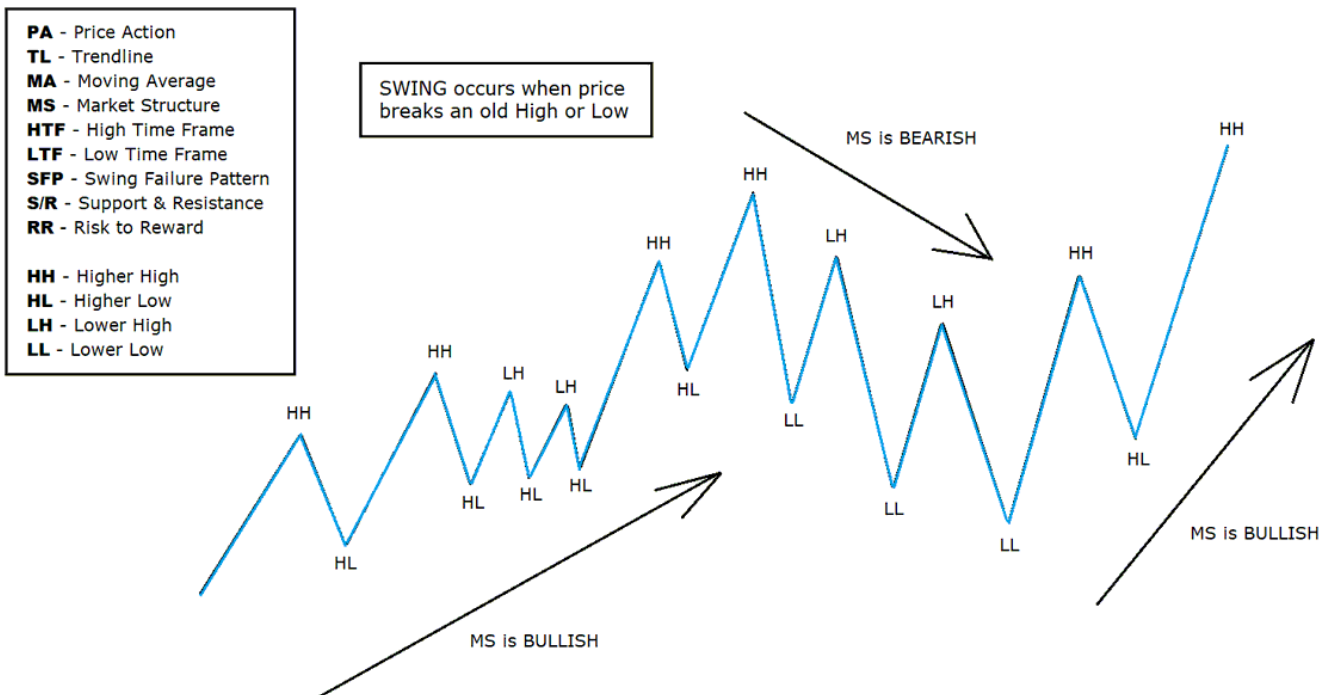


Market Structure (MS)

Understanding MS is the most important thing in TA

It rules above everything. TL's, MA's, Indicators. Everything.

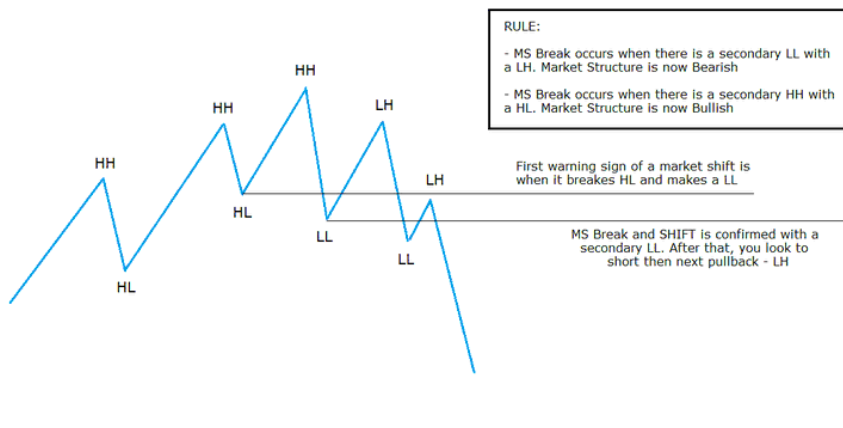
While it's nothing more than looking at swings and seeing Higher Highs (HH), Higher Lows (HL), Lower Highs (LH), and Lower Lows (LL).



When the market is making HH and HL it's BULLISH and when it's making LH and LL it's BEARISH.

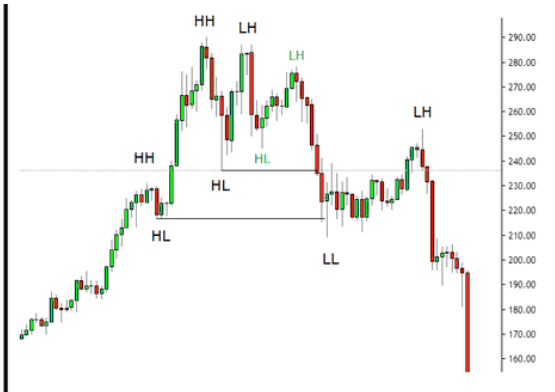
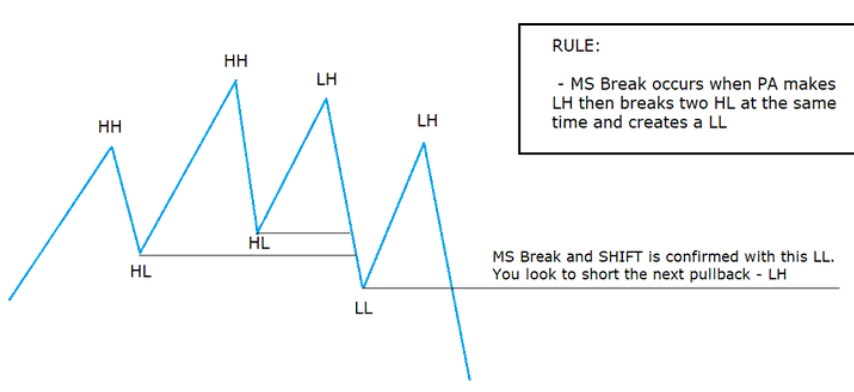
Nothing scientific in that.

Where the true analysis comes in handy is to understand MS BREAK! Because that's when a trend has shifted.



Another type of MS Break occurs when PA fails to make a HH and creates a LH but at the same time fails to make a LL and creates a HL, leading into contraction and being indecisive.

Once PA decides and creates a LL while breaking both HL's, MS has shifted to Bearish.



Where you gotta pay real attention though is when looking at LTF because it can have bearish MS while HTF has bullish MS.

In such case HTF > LTF

HTF is always superior and you wait for a LTF MS Break in a HTF support. This results in the most probable setups.

- HTF is Bullish
- LTF is Bearish
- Wait for a LTF MS Break
- Long the Pullbacks



A great example where MS rules above all other TA.

You can clearly see that TL & MA still show we are in a downtrend but MS shows LTF Trend has shifted.

Where most would be shorting the TL & MA, you'd be longing a HL, and taking profits above it's high.



Once you understand this concept you are no longer lost in the markets.

PA makes sense and you do not fear anymore. You understand what is happening.

Now go and study this in your charts.

And always remember HTF MS > LTF MS!



Lastly, I wanna say I hope this helps many of you big time. You'll see the value in it as time pass.

It took me a few hours of my free time to write it down. If you can share the knowledge with others and help them as well that would be highly appreciated! Thank you all ■