

ORDER BLOCKS & SUPPLY DEMAND CHEAT SHEET

BULLISH ORDER BLOCK (OB+)

Definition

The last bearish down-candle before a violent, imbalance -creating upward impulse.

Must break prior swing structure (BOS).

Mitigation Entry

Wait for price to retrace back into the 50% body (Mean Threshold) of the OB.

Limit order at OB High; Stop Loss below OB Low.

Confluence Factors

Unmitigated Fair Value Gap (FVG) resting directly above the order block.

Higher timeframe (4H/1D) trend alignment.

BEARISH ORDER BLOCK (OB-)

Definition

The last bullish up-candle before an aggressive downward market plunge.

Must cause a clean Break of Structure (BOS).

Mitigation Entry

Price pulls back into the 50% body of the bearish order block.

Sell limit at OB Low; Stop Loss above OB High.

Confluence Factors

Resting buy-side liquidity (BSL) swept before the impulse drop.

Order block formed during London/NY Killzones.

FAIR VALUE GAPS (FVG) & IMBALANCES

3-Candle Imbalance

Gap between Candle 1's wick and Candle 3's wick, where Candle 2 has immense volume.

Acts as an institutional price magnet.

Consequent Encroachment (CE)

The exact 50% midpoint of the Fair Value Gap.

High probability bounce/reversal entry zone.