Learning the Fractal Model

Alignment With Bias

Learn more

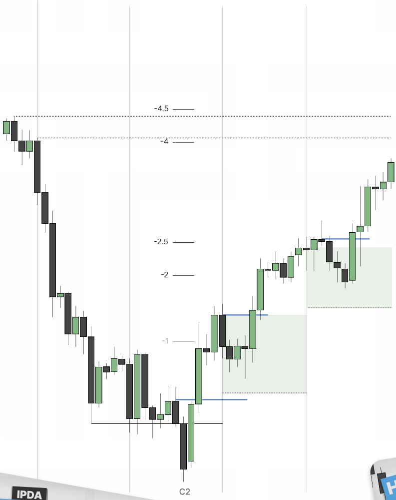
Constructing a Bias

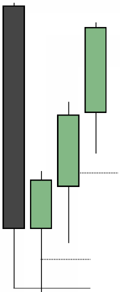
The Fractal Model is a mechanical and repeatable pattern within the market.

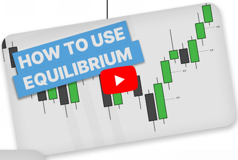
Where many traders go wrong is by attempting to pattern trade it, taking every instance that appears.

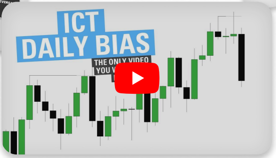
This approach is not sustainable and will lead to failure over the long term. **To use the model effectively, it must be aligned with a higher timeframe bias.**

This can be done by identifying a higher timeframe Fractal Model to trade within, or by applying supporting concepts such as phases of price, equilibrium, and candle closures to establish a clear bias.



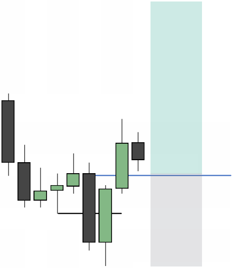


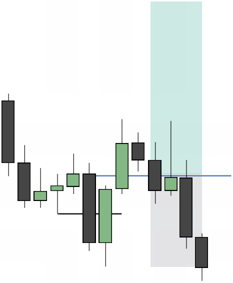




Alignment with Bias

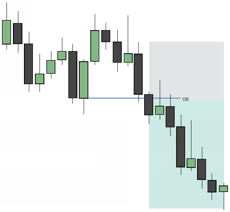
Here you can see a reversal (CISD) forming, providing an opportunity to take an entry based on the reversal signature. A limit order is placed at the opening price, with the stop loss positioned at the low and the target set at 2R.

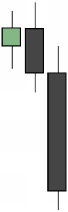




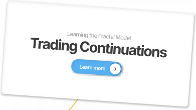
Now you can see that the reversal entry failed. Why did this occur?

When zooming out, the higher timeframe was clearly bearish. **Had the trade been aligned with the higher timeframe and incorporated into the broader framework, the focus would have been on short setups rather than longs.**





Continuation order blocks can also help prevent these types of losses by keeping entries aligned with the prevailing trend.

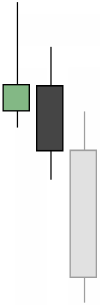


Top Down Analysis

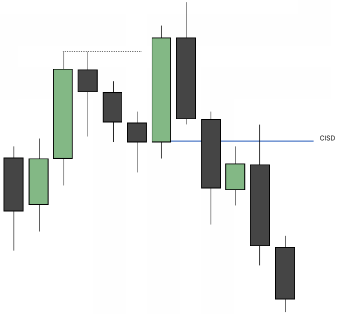
Start with a higher timeframe such as the daily, weekly, or even monthly depending on your trading style **to identify your overall market bias.** This can be done by identifying a higher timeframe Fractal Model to trade within, or by applying supporting concepts such as phases of price, equilibrium, and candle closures to establish a clear bias.

Once you have your bias, **drop to an intermediate timeframe** such as the 4H or 1H **to map out structure.** Confirm your higher timeframe bias by checking for a change in the state of delivery (CISD). Identify points of interest that align with your higher timeframe bias and wait for a reaction, candle closure, or protected swing in that point of interest.

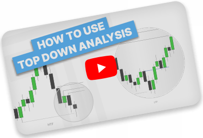
The lower timeframe, such as the 15M or 5M, **is where you refine your entry for optimal risk-to-reward.** Following the intermediate timeframe candle closure or reaction, look for a CISD to confirm your alignment. At this point your higher, intermediate, and lower timeframes should all be pointing in the same direction. Seek entries following new protected highs or continuation order blocks. Place stops beyond the protected high or low and target higher timeframe targets.

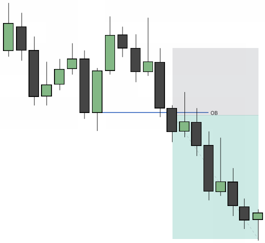


Higher Timeframe - Bias



Intermediate Timeframe- Structure





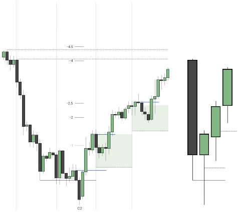
Lower Timeframe - Entry

Aligning TTFM with Bias

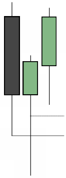
The Fractal Model indicator now has bias built directly into it. By using Auto Bias 1 or Auto Bias 2, the indicator automatically references higher timeframe structure to establish a directional bias, and will then only align lower timeframe Fractal Models that match that bias.

Auto Bias 1 always references one timeframe higher, while Auto Bias 2 references two timeframes higher.

In the example below, we are using the hourly and 5-minute Fractal Model. With Auto Bias 1 selected, the indicator references the 4-hour timeframe for structure to determine the bias.



h1/m5 Model



h4 Bias

Get Indicator Access

In the example below, we are using Auto Bias 2. The indicator will reference the daily chart (right) to ensure that the higher timeframe structure is in alignment before printing the lower timeframe Fractal Model.

Resources

Learn the Fractal Model with instant access to a complete course, video recordings, livestream events, and consistent guidance from TTrades.

The Market Lens

The Fractal Model indicator reduces chart time and making your trading more efficient.

Indicator

Get all available offers and exclusive prop firm resources. The best deals. Only trusted prop firms.

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