

A little refresher course on Order Blocks:

Order blocks are the 'smart money' footprint in the charts. So when price comes back to the order block we get in and ride their coat-tails. The best types of order blocks are the ones that are followed by a big explosive move away in the opposite direction.

The strongest order blocks:

- Take liquidity first (stop hunt)
- Price moves away aggressively
- Leaves a market imbalance (FVG) due to the large volume contained in the move

So when looking for good order blocks, ask yourself:

- Did price take liquidity first?
- Did price move away strongly & make a FVG? (Fair Value Gap)

When price returns to an Order block:

- It should react to either the open or 50% level (equilibrium) of the candle

If you marry all these important points up with your higher timeframe confluences (market structure, order flow, liquidity targets) the order blocks you choose to trade from will be even more powerful!

So you should always look for order blocks on the higher timeframes, then drop down to your lower timeframes to achieve more efficient (small stop loss) trade entries.

Order Blocks

This indicator can drastically increase the entry decisions on your trades. It is a custom indicator that has the ability to point out the price regions where 'smart money' orders are piling up.

Indicator Features:

- Displays both bullish and bearish order blocks on any timeframe
- Option to display only bullish or bearish order blocks
- Order block highlights change when an order block has been mitigated
- Choose to highlight 'all candles' in the order block or just the 'last candle'
- Choose to highlight the order block 'candle only' or 'candle with wicks'
- Adjust how many candles to look back for order blocks
- Adjust the length of the order block lines
- Alerts to Popup, Push & Email

Function Notes:

- A new order block will have both lines dotted (to signify an 'unmitigated' order block)
- An order block line will turn SOLID when price touches it (to signify it's now a 'mitigated' order block)
- The highlight on an order block disappears completely when price runs all the way through it
- A candle must CLOSE outside the highlighted order block first (wicks don't count) in order for the alert function to be activated
- Alerts trigger: once only & instantly on price touching the order block
- Wicks matter?
 - Moving outside a NEW order block? **NO**
 - Moving into a highlighted order block? **YES**

A note on 'subjective' Swing-point Settings:

This indicator utilizes a 'sensitivity' setting to allow you to choose the strength/size of market structure swing-points on any timeframe (because this can be a very subjective issue when it comes to individual traders).

If this setting was not included and just left at a 'default' sensitivity it would deny traders the opportunity to choose these levels for themselves. It was my opinion that individual traders should be able to adjust these all important swing-points to suit their own beliefs on market structure.

However please note that just like everything else in trading, nothing is ever 100% correct every time and this indicator is exactly the same.

You see the problem is that what might appear obvious to your naked eye is not necessarily easy to express mathematically or in indicator code (it's actually really hard!) and I think this is the main reason why I have never seen a full suite of MT4 'Smart Money' indicators before.

This indicator's 'sensitivity' setting is where you can make your own decisions on important market structure swing-points. Changing this parameter will affect the indicators algorithm and make the indicator turn at (stronger or weaker) high and low swing-points.

The question then becomes: which of these are valid, according to the naked eye?

Not everybody will agree on the same answer. This is the very reason why I considered it important to allow this setting to be adjusted by the user...

Input Tab:

Variable	Value
123 Display OB Option	Display_Both_OB
123 Look-back candle count	200
123 Sensitivity	20
123 OB Line type	Candle's wick
ab AlertHeader	=== Alerts ===
PopUp Alert	false
Push Alert	false
Email Alert	false
ab VisualizationHeader	=== Visualization ===
123 OB line length, bars	0
123 OB candle capture	Last candle only
Bull OB line color	Lime
Bear OB line color	Tomato
123 OB line width	1
123 OB line style	Dot

- **Display OB Option** – Allows you to display:
 - Both bullish and bearish order blocks
 - Bullish order blocks only
 - Bearish order blocks only
 - Hide all order blocks
- **Look-back Candle Count** – Set the amount of candles that the indicator will look back to highlight order blocks (from the current candle and back in time)
- **Sensitivity** – Adjust to highlight more or less order blocks. A higher number will make the indicator algorithm show 'stronger' order blocks, and a lower number will show more (less important) order blocks
- **OB Line Type** – Choose to highlight the order block candle (body) only, or to highlight the order block candle body AND its wicks

- **Alerts**
 - **Popup Alert** - Alert will trigger the popup window and an alert sound
 - **Push Alert** - Alert will trigger a message sent to your cell phone (if you have the 'push' notification activated in your MT4 options)
 - **Email Alert** - Alert will trigger a message sent to your email address (if you have the 'email' notification activated in your MT4 options)
- **OB Line Length, Bars** – If set to 0 (zero) the order block lines will extend all the way to the current candle. If any other number is used the order block lines will extend to that amount of candles (IE: if set to 20, the order block lines will extend for 20 candles from the highlighted order block)
- **OB Candle Capture** – Choose to highlight all the candles that make the order block (whole OB) or the last candle of the order block only (last candle only)
- **Bull OB line color** – Select the color of your choice
- **Bear OB line color** – Select the color of your choice
- **OB Line Width** – Select the size of the order block lines (default is 1, in order to allow the 'mitigated' order block function to show properly)
- **OB Line Style** – Select the style of the order block lines (solid, dot, etc)

Display Options:

Displays both bullish and bearish order blocks on any timeframe:



Option to display only bullish or bearish order blocks:



Note: If set to 'Display Bullish OB' or 'Display Bearish OB' only, then alerts will only trigger for the type of OB selected

Order block highlights change when an order block has been mitigated:



Adjust the 'Sensitivity' setting to show less (stronger) or more (minor) order blocks :



Choose to highlight the 'last candle' in the order block or the 'whole OB':



Choose to highlight the order block 'candle with wicks' or 'candle only':



Adjust the length of the order block lines:

