# ICT Silver Bullet

## AM session playbook

A full step-by-step breakdown of the 10:00–11:00 AM EST liquidity-sweep reversal model on NQ. Built from the framework taught in the original walkthrough, with every entry condition, skip rule, and management decision spelled out.

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|---|---|
| WINDOW<br>**10–11 AM EST** | INSTRUMENT<br>**NQ (Nasdaq)** |
| REFERENCE CANDLE<br>**9 AM hourly H/L** | RISK PER TRADE<br>**1%** |
| MGMT RULE<br>**Stop → BE at +3R** | AVG R:R (BACKTEST)<br>**≈ 5R** |

**Important:** this is an educational breakdown of a discretionary intraday model. Past backtest results don't predict future performance. Trade demo-tested rules with real capital, never the other way around.

## 1 Strategy in one breath

Silver bullet is a liquidity-sweep reversal trade. You wait for the 10–11 AM hour to take out one extreme of the 9:00 AM hourly candle, then enter against that sweep, targeting the other extreme of the same candle.

**Why the 9 AM candle?** It's the most recent hour of significant intraday structure before the AM session truly fires. Stops sit above its high and below its low — both buy-side and sell-side liquidity is parked there. The algorithm runs one side, then delivers price the other way.

> **Core idea:** sweep one side → displace away → enter on a refined PD array → target the other side. All inside a strict 60-minute window.

Everything in this playbook is a refinement of that single sentence. The discipline is in the filters: what counts as a real sweep, what counts as real displacement, and when to walk away.

## 2 Pre-session setup (before 10 AM)

Two chart timeframes are used. The 1-hour chart is for identifying the reference candle. The 1-minute chart is where you actually execute the trade.

### Step-by-step

1. Open NQ on the **1-hour** chart.
2. Locate the **9:00 AM EST hourly candle** — the hour immediately before silver bullet fires.
3. Mark its **high** and its **low** as horizontal lines that extend to the right.
4. Drop down to the **1-minute** chart.
5. Add two vertical lines: one at **10:00 AM EST**, one at **11:00 AM EST**. This is your kill zone.
6. Optional: mark midnight opening price for confluence on entries near it.

**Why the 9 AM candle?** It's the previous hour's range — the most recent liquidity pool before the kill zone opens. If you're back-testing a PM Silver Bullet, you'd use the 1:00 PM candle for the same reason. It's not the number that matters, it's the position relative to the session.

### Tools that make this easier

- TradingView session-highlighting indicators (e.g. ICT-style killzone markers) automate the 10–11 AM box.
- FX Replay is the tool used in the original backtest for stepping through past sessions one bar at a time.
- A simple horizontal line tool is all you actually need.

## 3 Wait for the liquidity sweep

From 10:00 AM onward, you do nothing but observe. You're waiting for price to take one side of the 9 AM range. The side that gets swept defines your bias for the trade.

| SWEEPS HIGH | SWEEPS LOW |
| --- | --- |
| Bias = **SHORT**.<br>Target = 9 AM low. | Bias = **LONG**.<br>Target = 9 AM high. |

### What counts as a real sweep

- **Valid:** a clear wick or run that pokes through the level and then rejects.
- **Invalid:** equal highs or equal lows that merely touch the line. The original walkthrough explicitly rejects these — "I don't really consider that a sweep, just equal highs."
- **Invalid:** very shallow pokes with no follow-through rejection.
- **Invalid:** multiple inconclusive pokes in both directions inside the window — no clear directional bias.

**No sweep by 11:00 AM = no trade.** Several days in the original backtest were skipped entirely because neither side of the 9 AM range was touched during the kill zone. That's a feature, not a bug.

## 4 Confirm displacement

A sweep alone is not enough. You need aggressive displacement in the opposite direction to confirm the algorithm has reversed price. Without displacement, you're guessing.

### What to look for

- A **clean break of structure** on the 1-minute — a candle body closing through the most recent swing in the new direction.
- **Strong-bodied candles** moving away from the sweep, not weak overlapping ones.
- A **fair value gap** left behind during the displacement. This becomes a candidate entry zone.
- Optional: confluence with midnight opening price, daily premium/discount, or a higher-timeframe order block.

### What to reject

- Price drifts back into the range with no clean break — that's retracement, not reversal.
- Choppy two-sided action after the sweep — no clear directional intent.
- Displacement candles that immediately get absorbed by an opposite-coloured candle.

> **If it doesn't look obvious, it isn't.** The original walkthrough rejects multiple setups for being "not super convincing" or "kind of a consolidation." If you find yourself rationalising past those thoughts, you're forcing a trade.

## 5 Entry models (PD arrays)

Once displacement has confirmed, you enter on a refined premium/discount array left behind by the displacing move. These are the acceptable entry models — any one of them qualifies, multiple in confluence is even better.

### Order block (OB)

The last opposite-coloured candle before the displacement. For a short setup, this is the last up-close candle before the downward move. You enter on a retest of this candle's body or open price.

### Fair value gap (FVG)

A 3-candle imbalance left during the displacement, where the wick of candle 1 doesn't overlap with the wick of candle 3. You enter on a retracement into the gap.

### Breaker block

A failed swing point that gets reclaimed. Example from the walkthrough: a low gets swept, price then closes above the up-close candle that originally made the recent high. That up-close candle becomes the breaker. You short its retest.

### Mitigation block

An order block that sits inside a breaker structure — effectively a refined OB with extra context. Often offers the tightest stop.

### Consequent encroachment (CE)

The 50% midpoint of a fair value gap. Often combined with midnight opening price for confluence when the two levels overlap.

> **Refinement directly improves R:R.** Entering deeper inside the PD array — for example at the FVG midpoint rather than its edge — tightens your stop and lets the trade push for 5R+ targets. That's where the asymmetric payoff comes from.

## 6 Stop loss placement

Stops sit just beyond the swept extreme. The algorithm has already taken that liquidity — it has no reason to come back for it.

| FOR SHORTS | FOR LONGS |
| --- | --- |
| A few ticks **above** the sweep high. | A few ticks **below** the sweep low. |

**Never** tuck the stop inside the order block or fair value gap you entered on. Those zones are where price is likely to retrace to as part of the entry itself. If you stop inside the PD array, you'll get tagged out on noise. Always beyond the swing.

Distance between entry and stop is what determines position size — not a fixed share/contract count. Tighter stops = larger position, same dollar risk. That's the whole point of refining the entry.

## 7 Target the opposite extreme

The target is fixed by the model itself, not eyeballed from chart structure. It's always the opposite extreme of the 9 AM hourly candle.

- Short after a sweep of the 9 AM high → target = **9 AM low**.
- Long after a sweep of the 9 AM low → target = **9 AM high**.

R-multiples vary depending on entry refinement. Backtest examples in the original walkthrough ranged from around 2.5R on the lower-quality setups to 7R+ on the cleaner ones, with an average around 5R.

**Don't take partials early.** The entire edge of this model is the asymmetric payoff. If you cut at 1R or 2R you destroy the expectancy that makes the backtest work. Let the runner go to full target, with one management rule (next page).

## 8 Risk & trade management

### Hard rules

- **Risk 1% of account per trade.** Fixed. Position size adjusts to entry-to-stop distance, not the other way around.
- **Move stop to breakeven once trade hits +3R.** This is the single trade-management rule used in the backtest.
- **One trade per AM session.** If you get stopped out, you're done for the day. No revenge entries.

### Time rule (critical)

**Entry must fill before 11:00 AM EST.** If your limit order isn't tagged by 11:00, cancel it. The original walkthrough shows multiple cases of pending orders being cancelled at the bell. No exceptions.

### Why the breakeven rule matters

Plenty of silver bullet trades run +3R to +4R in your favour then reverse and tag the original stop. Without the breakeven move, those become full 1R losses — and the expectancy collapses. The 3R-to-BE rule is the single biggest protection in the model. It's not optional.

## 9 When to skip the session

Discipline is what separates this model from a coin flip. The original backtest skipped many days entirely and still returned roughly 44% over 45 sessions on only 15 trades. Skipping is a position.

### Skip if any of these are true

- Neither side of the 9 AM range is touched during 10–11 AM.
- The "sweep" is just equal highs or equal lows — a tag of the line, not a real run.
- Displacement is weak, choppy, or looks like consolidation rather than reversal.
- Price has already moved most of the way to the target before you can enter — bad R:R.
- Your limit order didn't fill before 11:00 AM.
- The PD array you'd enter on isn't refined enough — your stop would be too wide.
- Multiple sweeps in both directions = no clear bias.
- A scheduled high-impact news event (FOMC, CPI, NFP) is inside the kill zone.

> **The walkthrough rejects far more setups than it takes.** Most days look ambiguous on the 1-minute. If you're not certain, sit out. The expectancy of the model assumes you only take A-grade setups, not every B and C grade one that vaguely fits.

## 10 Live checklist

Run this top to bottom every session. If any box can't be ticked, you're not taking the trade.

### Before 10:00 AM

- NQ on 1-hour chart. 9 AM candle high and low marked.
- Dropped to 1-minute. Vertical lines at 10:00 and 11:00.
- Checked the economic calendar — no high-impact release inside the kill zone.

### 10:00 – 11:00 AM

- Waited for a clear sweep of one side of the 9 AM range.
- Confirmed aggressive displacement and break of structure on the 1-min.
- Identified a refined entry: FVG, OB, breaker, mitigation, or CE.
- Limit order placed. Stop beyond the sweep. Target = opposite extreme of 9 AM candle.
- Risk = 1% of account.

### After entry

- Order filled before 11:00 AM. If not, cancelled.
- At +3R, stop moved to breakeven.
- Runner left on. No partials.
- One trade only. Walk away.

## 11 Common failure modes

The model is simple. The mistakes are predictable. These are the ways traders break it.

### Forcing a trade when no sweep happened

By far the most common failure. You sit watching for 50 minutes, nothing happens, and you talk yourself into "close enough." If the 9 AM range hasn't been swept, there's no setup. Walk away.

### Entering on the first move instead of waiting for displacement

The sweep alone is bait. Without aggressive displacement and a clean break of structure, you're trading against the algorithm, not with it.

### Taking partials at 1R or 2R

Destroys the expectancy. The backtest works because winners average roughly 5R. If you cap them at 2R, your win rate has to nearly double to break even — and it won't.

### Ignoring the 11:00 AM cutoff

The kill zone exists for a reason. Entries after 11:00 are outside the model. If your limit didn't fill in time, the trade idea is dead — let it go.

### Re-entering after a stop-out

One trade per AM session. Trying to win it back doubles your daily risk and almost always ends worse than just walking away. Tomorrow is another session.

### Skipping the 3R breakeven move

Without this rule, a normal-looking session can turn a +4R runner into a full 1R loss. The breakeven move is non-negotiable.

## 12 Glossary

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| **9 AM candle** | The 1-hour candle that closes at 10:00 AM EST. Its high and low define the silver bullet reference range. |
| **Kill zone** | The 10:00–11:00 AM EST window. Entries are only valid inside it. |
| **Liquidity sweep** | Price runs through a prior swing high/low, taking out resting stop orders, then reverses. |
| **Displacement** | A strong, body-driven candle (or sequence) moving aggressively away from a swept level. The signature of an algorithmic reversal. |
| **Break of structure (BOS)** | A candle body close through the most recent swing point in the new direction. |
| **Order block (OB)** | The last opposite-coloured candle before a displacement. Acts as a future entry zone on retest. |
| **Fair value gap (FVG)** | A 3-candle imbalance where wicks of the outer candles don't overlap. Often retraced and used as entry. |
| **Breaker block** | A swing point that fails (gets swept), then has its origin candle reclaimed. The reclaimed candle is the breaker. |
| **Mitigation block** | An order block inside a breaker structure — a refined entry zone. |
| **Consequent encroachment (CE)** | The 50% midpoint of a fair value gap. A common refined entry inside the FVG. |
| **Midnight opening price** | The price at 00:00 EST. Used as a reference for daily premium/discount and confluence with intraday levels. |
| **R / R-multiple** | Multiples of the trade's initial risk. +3R means the trade has moved 3× the distance from entry to stop in your favour. |

*End of playbook. Demo this for at least 20 sessions before going live. Track every setup — including the ones you skipped — in a journal. The skips are where the discipline lives.*