

High/Low of Day Break (HODB/LODB)

High/Low of Day Break: Price breaks above the pre-established high of day or breaks below the pre-established low of day. This strategy is best served as a scalping strategy, however, sometimes it can turn into a longer trend.

Time: 9:45-

Conditions:

- High volume, gapped up/down stocks.
- Stock has trended a certain way for some minutes, reversed and is approaching High or Low of day.

Entry Signal:

- Stock approaching level with enthusiasm or strong buying/selling.
- No consolidation near level, willing to punch through level, quickly.
- Enter when BID breaks HOD. Ex. if HOD is \$18.00, BID at least \$18.01.

Confirmation:

- Ideal HOD is the same as another level. (i.e. PCL, dollar level)
- Increasing volume on the 1-minute chart when approaching HOD.
- For HODB, stacked asks lower on the L2.

Stop Loss: Daily levels, PCL, local lows, pre-market high, VPOC. The more the better. Fairly wide stop.

Target: Daily levels, moving averages, previous day close. Strategy has the chance to not run, so partial aggressively.

- Beware of dying 1-minute chart, lower highs, lower lows over 5-minutes. Exit.

