

VWAP Reversal

VWAP Reversal: Stock moved down/up at the open, found a bottom/top, ready to reverse back to VWAP to either hold or break VWAP.

Time: 9:45-

Conditions:

- High Volume, clean price action.

Entry Signal:

- Stock fails to make a new lower-low/higher-high on the 5-minute chart.
- Bearish trend beginning on the 1-minute chart. Begins to break above at least one white candle.

Confirmation:

- Hammer doji/shooting star on the 5-minute chart (shown below)
- Moving average crossover in the direction towards VWAP
- New 5-minute high.
- Double bottom.
- Volume anomalies. (Long price candle, low volume OR small price candle very high volume.)

Stop Loss: Below low of bottom or above high of top. Even better if bottom/top is at technical levels.

Target: VWAP

Rules:

- Take reversal **ONLY** when a new white 5-minute candle closes.

