



Double Tail – Entry Rules

This set-up is primarily used as a 3-bar pattern, fade technique. However, in some instances, it can be used as a breakout or a reversal entry.

1.) **Components of the Indicator**

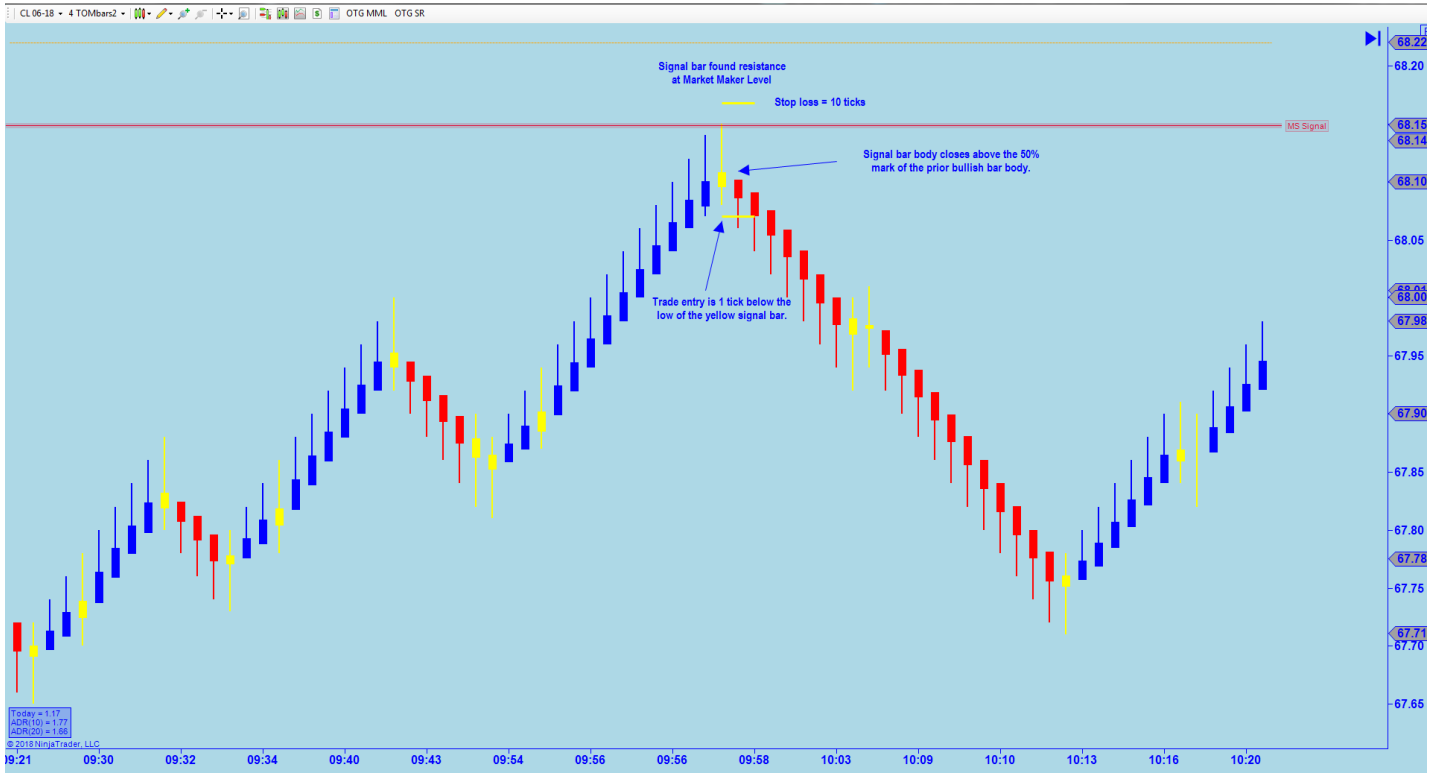
- a. **Bar Type** - The indicator is using a set of hybrid Renko Bars. The primary difference between Renko Bars and traditional candle sticks is that the Renko Bars are not time based. Time based candle sticks reflect price action based upon a “fixed” time frame; i.e. 5 minutes, 15 minutes, etc. Renko Bars form new “bricks” when the criteria for change has been met. So, for the chart we will be trading in the room, the “brick” will be set to 4 ticks. Simply put, when price action goes 5 ticks away from the open of the bar, a new “brick” will be printed, regardless of the amount of time it takes for that to occur. For more information on Renko Bars click this link: <https://bit.ly/2v1V8bV>
- b. **Colors** – For “bullish bars” the color is blue, for “bearish bars” the color is red. The “signal bar” is yellow.
- c. **Renko Modification** – There is one additional modification to the Renko Bars in this indicator. Once a bar has been printed, the true “open price” is not reflected on the bar. In other words, the high and the low of the bar are accurate, but the candle body has been modified in a way to reflect the prevailing direction of the market.

2.) **Short Setup – 3 Bar Pattern**

- a. Bar prior to the signal bar is blue (bullish).
- b. Signal bar (yellow) finds resistance at a Market Maker Level or another major resistance point on your chart; i.e. previous session high, Asian range or London session high. Also, you can use pivots, fib levels and / or chart patterns.
- c. Signal bar (body) should close above the 50% mark of the prior bullish (blue) bar body.
- d. Entry is one tick below the signal bar; preferably a bearish bar. However, this is not required but is preferred.
- e. To anticipate your entry, when the signal bar is forming, you will need to calculate the open and place your sell stop entry 5 ticks below the open of the signal bar.

See Next Page for Chart Example

f. Chart Example – Short Entry CL



g. Chart Example – Short Entry ES



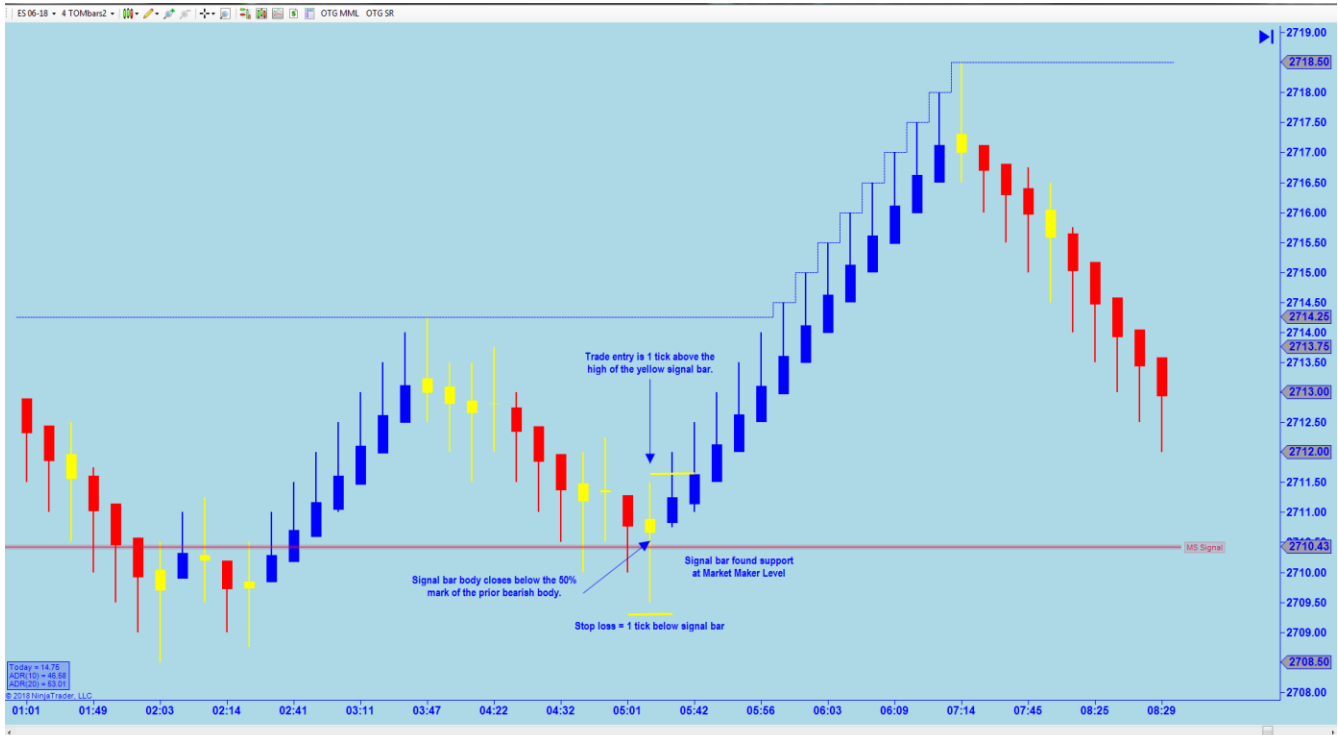
3.) Long Setup – 3 Bar Pattern

- Bar prior to the signal bar is red (bearish).
- Signal bar (yellow) finds support at a Market Maker Level or another major resistance point on your chart; i.e. previous session high, Asian range or London session high. Also, you can use pivots, fib levels and / or chart patterns.
- Signal bar (body) should close below the 50% mark of the prior bearish (red) bar body.
- Entry is one tick above the signal bar; preferably a bullish bar. However, this is not required but is preferred.
- To anticipate your entry, when the signal bar is forming, you will need to calculate the open and place your sell stop entry 5 ticks above the open of the signal bar.
- Chart Example – Long Entry CL



See Next Page for Chart Example

g. Chart Example – Long Entry ES



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