

# TradeBook

## Opening Range Breakouts

Andrew Aziz

April 18 2023



Presented by:

# Outline



## TradeBook

- What is it? Why is it important?

## TradeBook: Opening Range Breakouts

- *Selection*
- *Identification*
- *Execution*
- *Consideration*

## Examples

# Trilogy of Trading Success

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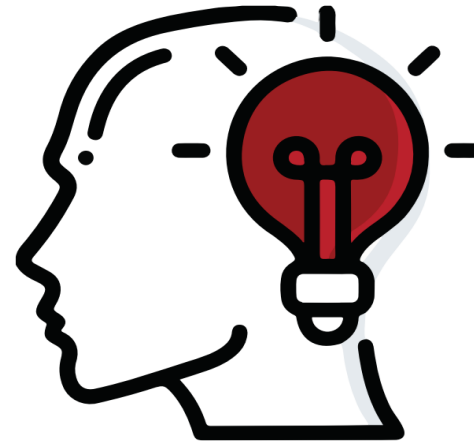
**Technology**

Mondays



**Strategy**

Tuesdays



**Psychology**

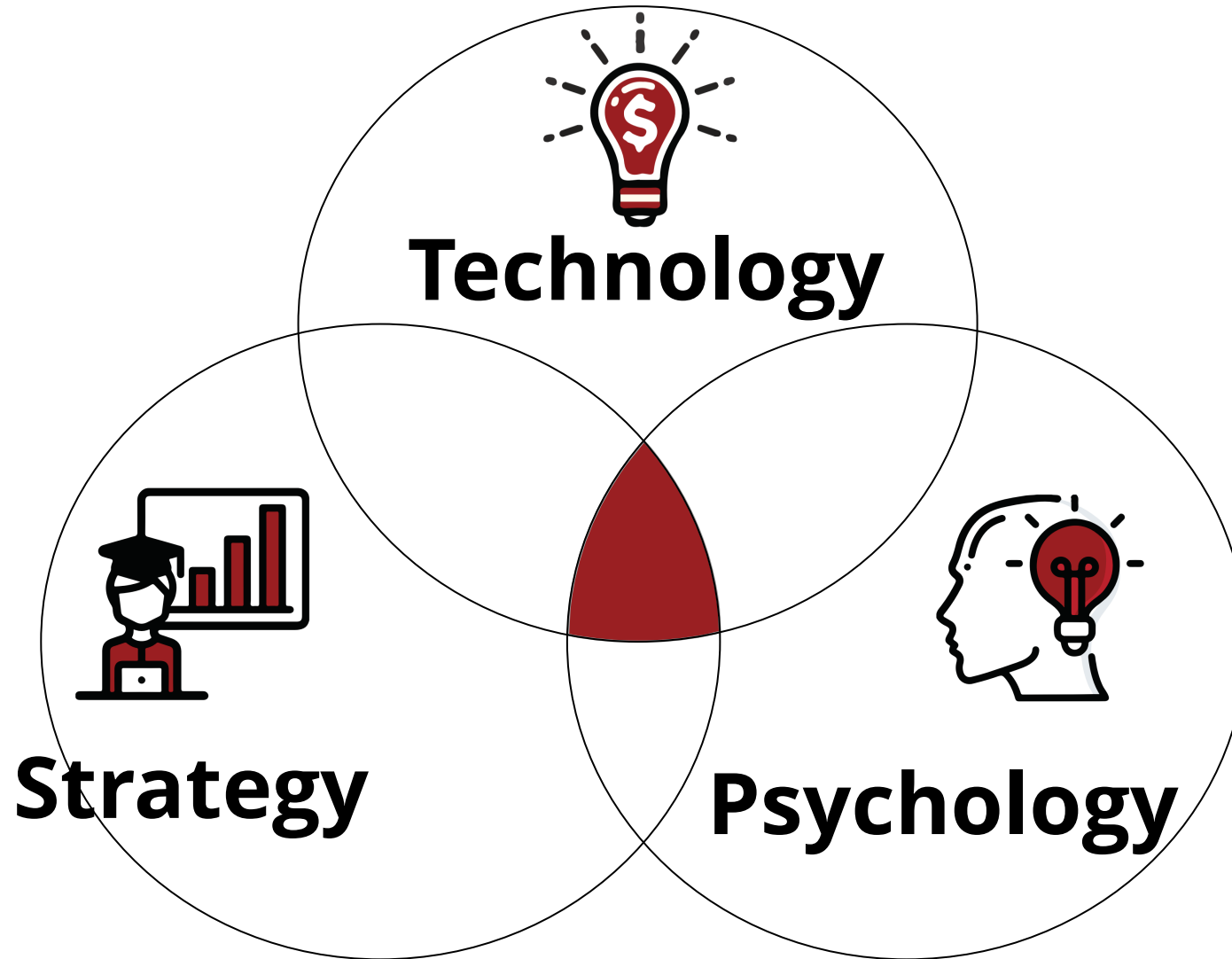
Wednesdays



**Mentorship**

Thursdays

# Edge of Your Trading





# TradeBook

# Samples Available to Download

The screenshot shows a trading terminal window titled "Room Files" with a list of files available for download. The files listed are:

File Name	Download Link	Size	Action
<input type="checkbox"/> Thor_chartconfig.cst	Download	3Kb.	Actions
<input type="checkbox"/> Posting_Trade_of_the_Day.png	Download	82Kb.	Actions
<input type="checkbox"/> 2020-06 Mountain Pass Strategy vPDF.pdf	Download	1061Kb.	Actions
<input type="checkbox"/> Trade of the Week TradeBook Template.docx	Download	19Kb.	Actions
<input type="checkbox"/> BBT TradeBook.pdf	Download	782Kb.	Actions
<input type="checkbox"/> Jarad's Watchlist.csv	Download	2Kb.	Actions

At the bottom of the window are buttons for "Delete Selected" and "Close".

Two red arrows point to the "Download" button for "Thor\_chartconfig.cst" and the "Actions" button for "BBT TradeBook.pdf".

## Strategy Name

### Selection

*Which Stocks in Play*  
*Time of Day*

### Identification

*Indicators: pre-market, L2, MAs*  
*Price action: chart patterns etc*

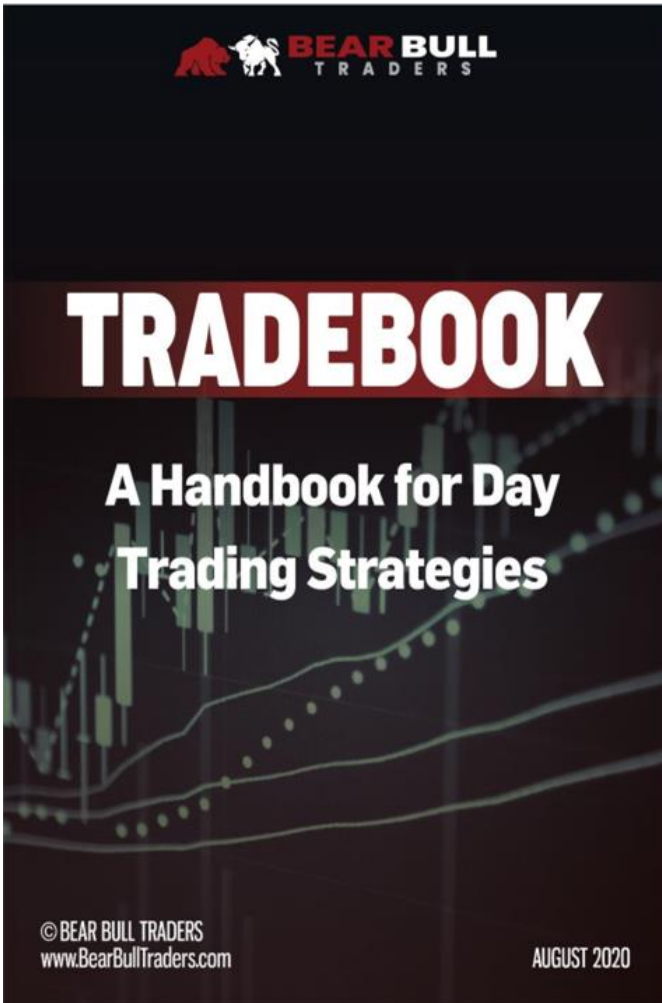
### Execution

*Entry signal*  
*Stop loss*  
*Exit, or add, profit target*

### Considerations

*Rules & Notes*

### Examples



*Introduction*

Hello Bear Bull Traders,

This TradeBook is a collection of trading strategies that the moderators within our community trade throughout the day. It is designed to assist you in understanding the setups that our moderators discuss in the chatroom. The information contained within each of these strategies can also be used as a starting point in your own journey to create a personalized strategy. It is highly recommended that you begin testing any strategy in your simulator before attempting to trade with real money.

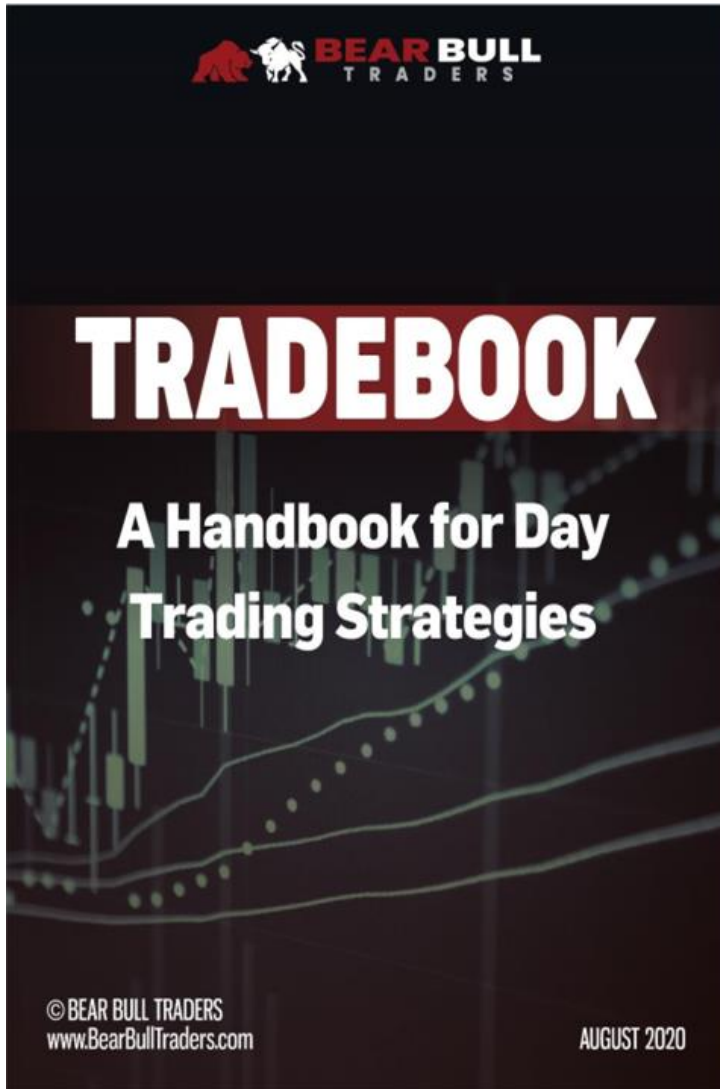
Sincerely,

Bear Bull Traders Team

*Table of Contents*

1. Rising Devil (*Coming Soon*)
2. Fallen Angel (*Coming Soon*)
3. 1- to 2-Minute Opening Range Breakdown (*Coming Soon*)
4. 5-Minute Opening Range Breakdown (*Coming Soon*)
5. [Extreme Reversal](#)
6. [Parabolic Reversal](#)
7. [ABCD Pattern](#)
8. [Lightning Bolt](#)
9. [Mountain Pass](#)
10. [Break of High/Low of Day \\$ Level](#)
11. Wedge (*Coming Soon*)
12. VPA (*Coming Soon*)

## Aiman's ABCD PlayBook



**ABCD Pattern** [\(Return to Top\)](#)

The ABCD Pattern is one of the most basic and easiest patterns to trade, and it is an excellent choice for beginner and intermediate traders.

**Time:** Any time during the trading day

**Indicators:**

- Trending stock making a move from A to B
- Pullback (40-70%) to support area (preferably 9 EMA on the 5-min chart)
- New high D

**Confirmations:**

- Candlestick confirmation move

**Entry Signal:**

- Entry on the confirmation candle on the 1-min chart


**Stop Loss:**

- The low of the entry candle
- New 1-min low if price retraces

**Target:** Minimum 2R

**Rules:**

- Before 10am ET, it's possible to catch a pullback that isn't extended on the 5-min chart; later in the day, use the 5-min chart using the 1-min chart only for confirmation.
- Once a partial is taken, the trade should always be exited.



## Peter's Mountain Pass PlayBook

**Mountain Pass** [\(Return to Top\)](#)

The Mountain Pass is a trend reversal pattern characterized by a double top/bottom (ideally the high/low of the day) followed by a cross of the 50 SMA.

**Time:** 9:50am – 3pm ET (works best from 10:30am – 2pm ET)

**Indicators:**

- Stock should be mid to large float and ideally have an event catalyst for the day
- Works best when volume is higher than average volume (i.e., RVOL > 100%)
- Potentially significant market move in the overall market direction
- Markets are not too volatile or strongly directional

**Confirmation:**

- Is a potential start of a new trend
- Occurs from VWAP
- Follows a pullback
- Pullback to VWAP
- The gap

**Entry Signal:**

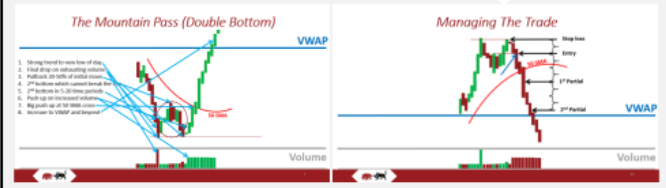
- Price has completed a double top/bottom
- This should be located near the VWAP

**Stop Loss:** The break of the high/low of the double top/bottom, or much lower than the high/low of the day.

**Target:** 1<sup>st</sup> partial beyond the pullback area, or at any major resistance level(s) prior to VWAP

**Rules:**

- Once a partial is taken, the trade should always be exited.



# Opening Range Breakouts



Download This Paper

Open PDF in Browser

[Revise my Submission](#)

## Can Day Trading Really Be Profitable? Evidence of Sustainable Long-term Profits from Opening Range Breakout (ORB) Day Trading Strategy vs. Benchmark in the US Stock Market

18 Pages • Posted:

[Carlo Zarattini](#)

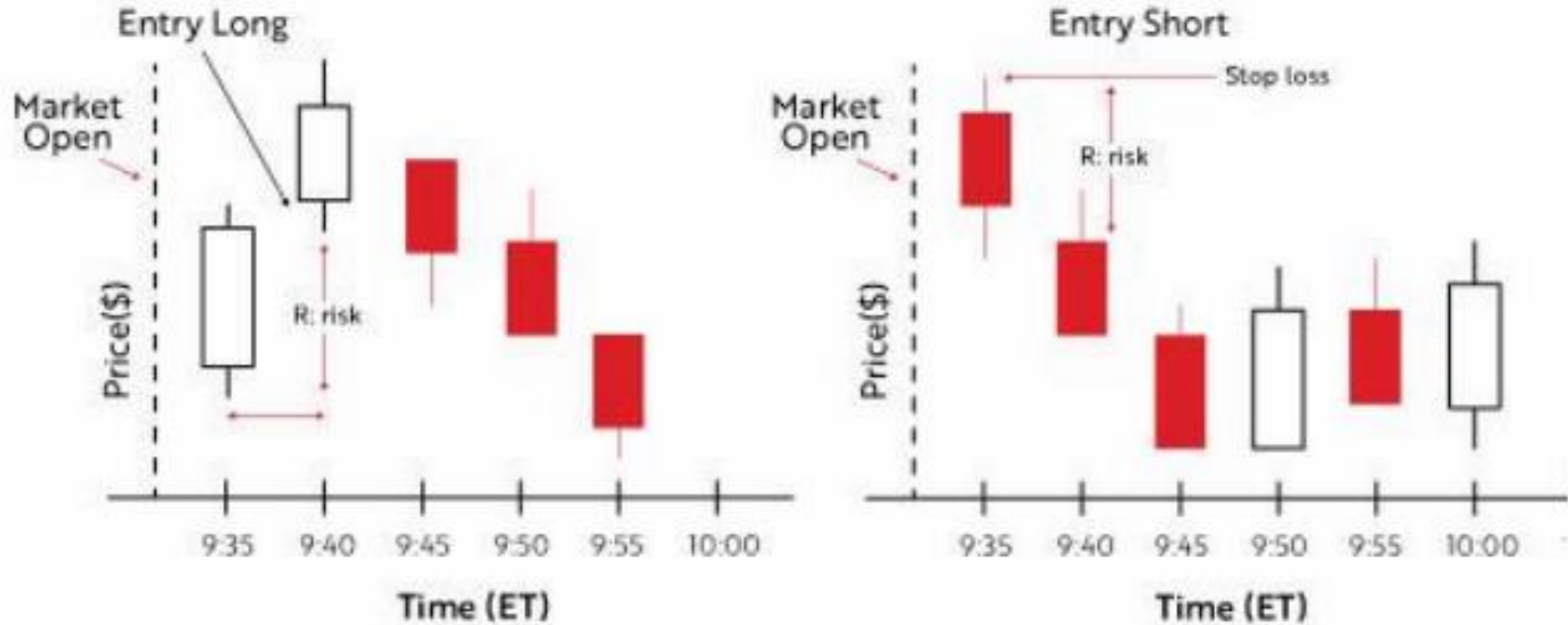
Concretum Research

[Andrew Aziz](#)

Peak Capital Trading; Bear Bull Traders

Date Written: April 11, 2023

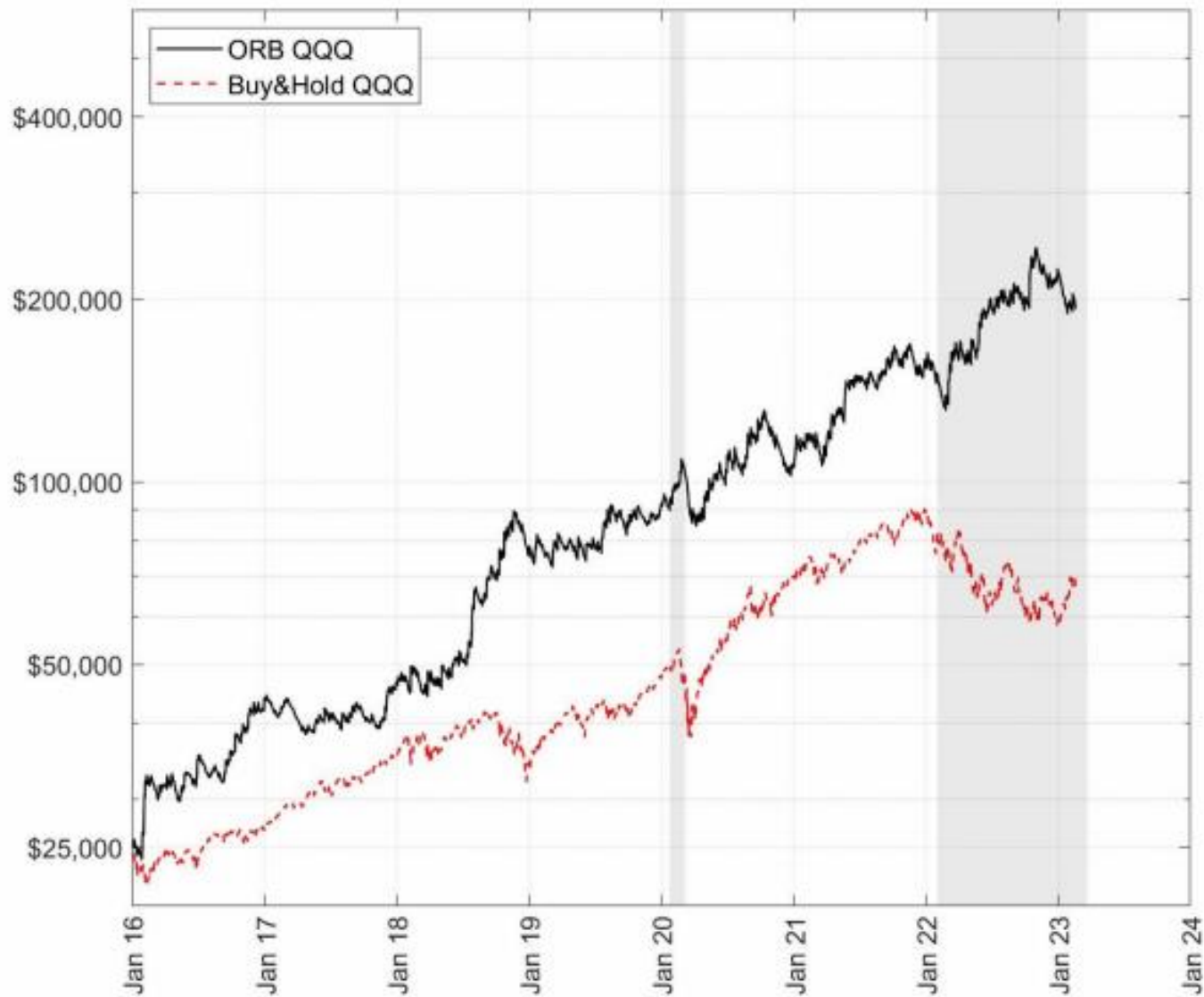
# ORB Basics



**Figure 1:** Conceptual illustrations of where a trader would enter into a trade and set the stop loss when using the ORB strategy for going long (as shown on the left-hand side) and for going short (as shown on the right-hand side).

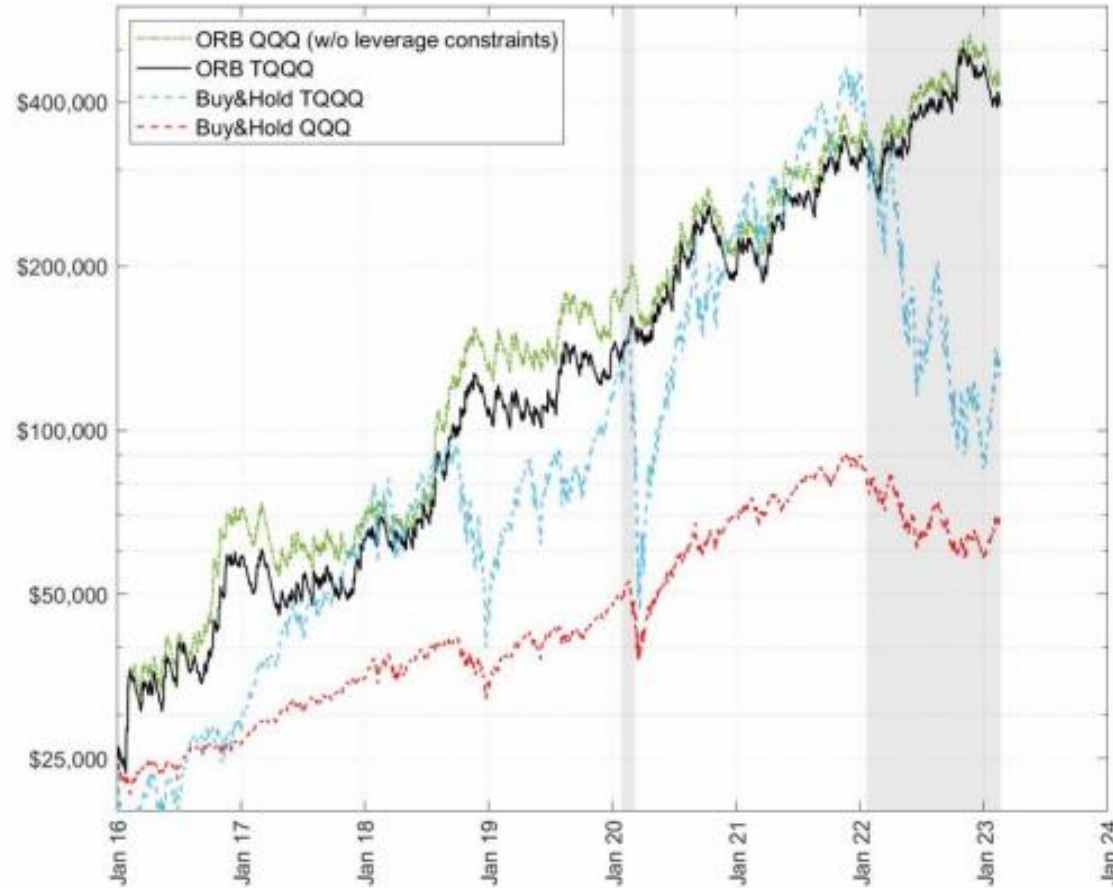
**Table 1:** Strategy Description.

	<b>Conditions</b>	<b>Notes</b>
Underlying asset	QQQ or TQQQ	
Entry	Open of the second 5-minute candle.	We assumed no slippage in fills.
Stop loss	Low of the first candle for a long trade, high of the first candle for a short trade.	The amount of the stop loss is known as R.
Profit target	10R or EoD	Whichever happens first.
Partial profit target	No	
Maximum risk per trade	1% of account size	
Maximum leverage intraday	4	In accordance with the majority of US FINRA-regulated brokers.
Starting capital	\$25,000 USD	
Commission	\$0.0005 per share	
Starting date	1 January 2016	
Ending date	17 February 2023	Date of finalizing this paper.



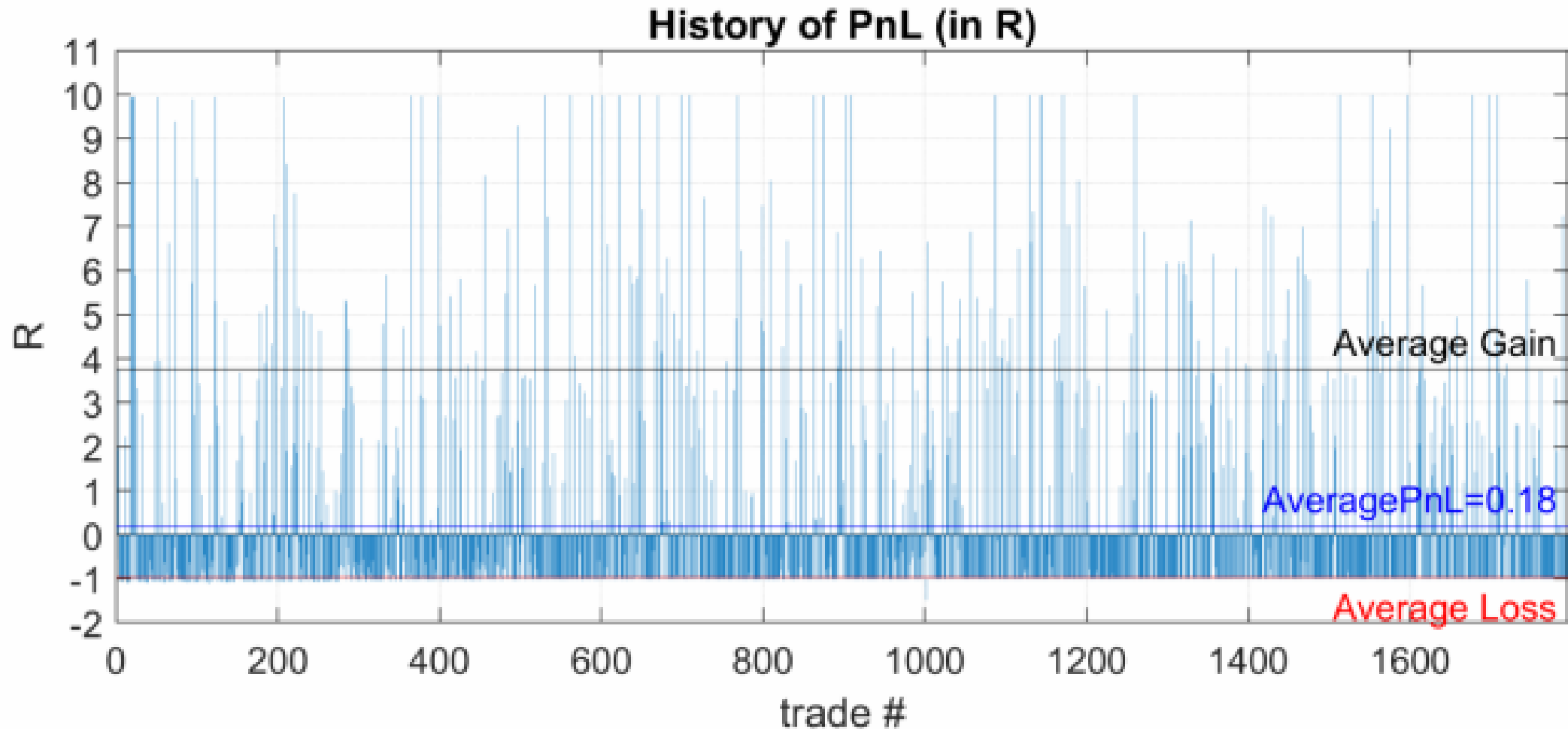
**Figure 2:** A comparison between the equity curve performance of the ORB portfolio that day traded the QQQ ETF (both long and short) and the equity curve performance of the portfolio that passively utilized a simple buy and hold strategy in QQQ. Gray highlighting has been used to show when there were bear markets. All conditions were set as Table 1.

# Adding TQQQ for 5-min ORB instead of QQQ



**Figure 5:** A comparison between the equity curve performance of the ORB portfolio that day traded the QQQ ETF (both long and short) without any leverage constraints, the equity curve performance of the ORB portfolio that day traded the TQQQ ETF (both long and short), and the equity curve performance of the portfolio that passively utilized a simple buy and hold strategy in QQQ and TQQQ. Gray highlighting has been used to show when there were bear markets. All conditions were set as Table 1.

# 24% win, 76% loss



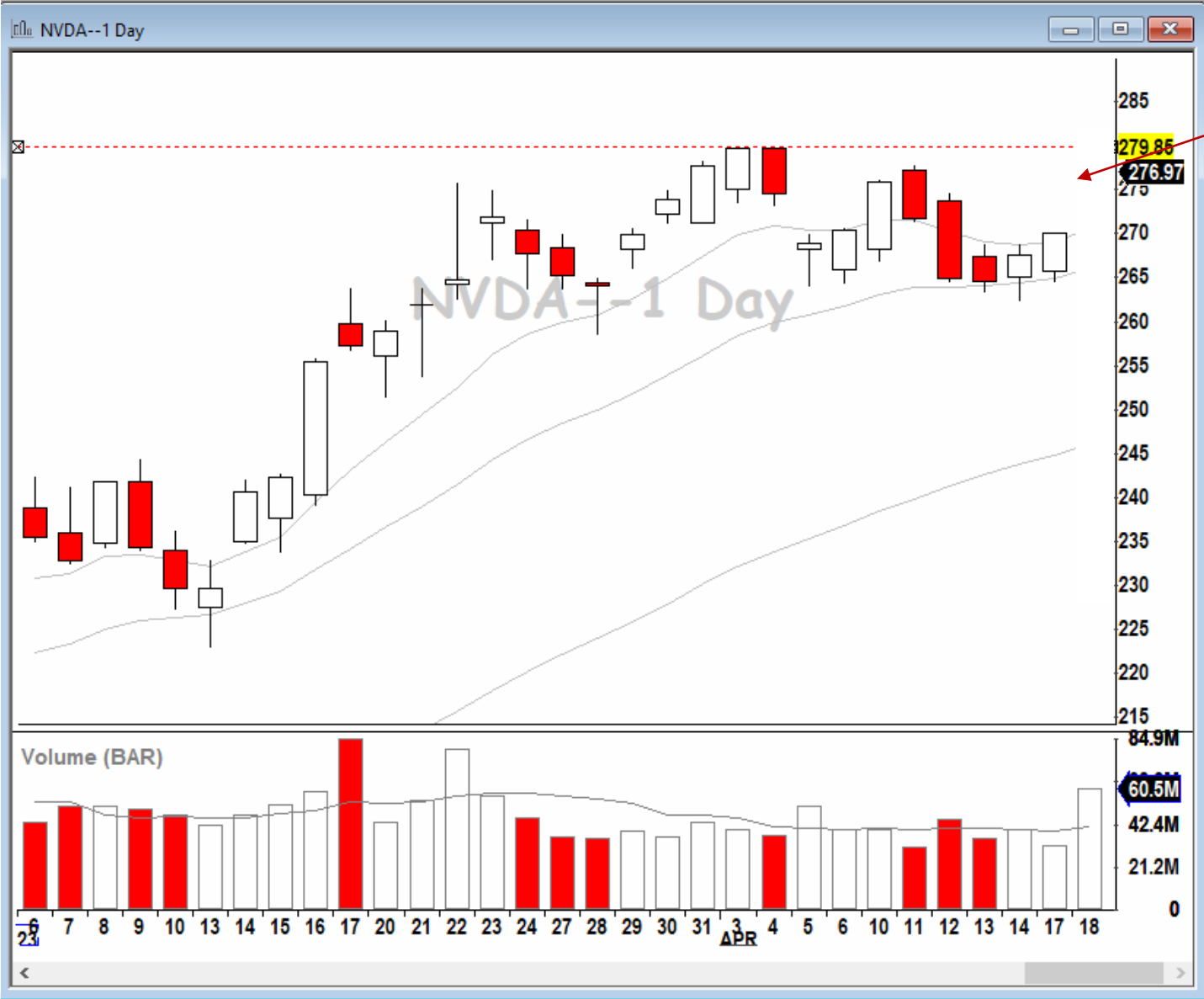
**Figure 6:** A bar chart that represents the daily PnL (expressed in unit of Risk) of the ORB portfolio that day traded the TQQQ ETF (both long and short).

# 18 April 2023 Trade on NVDA



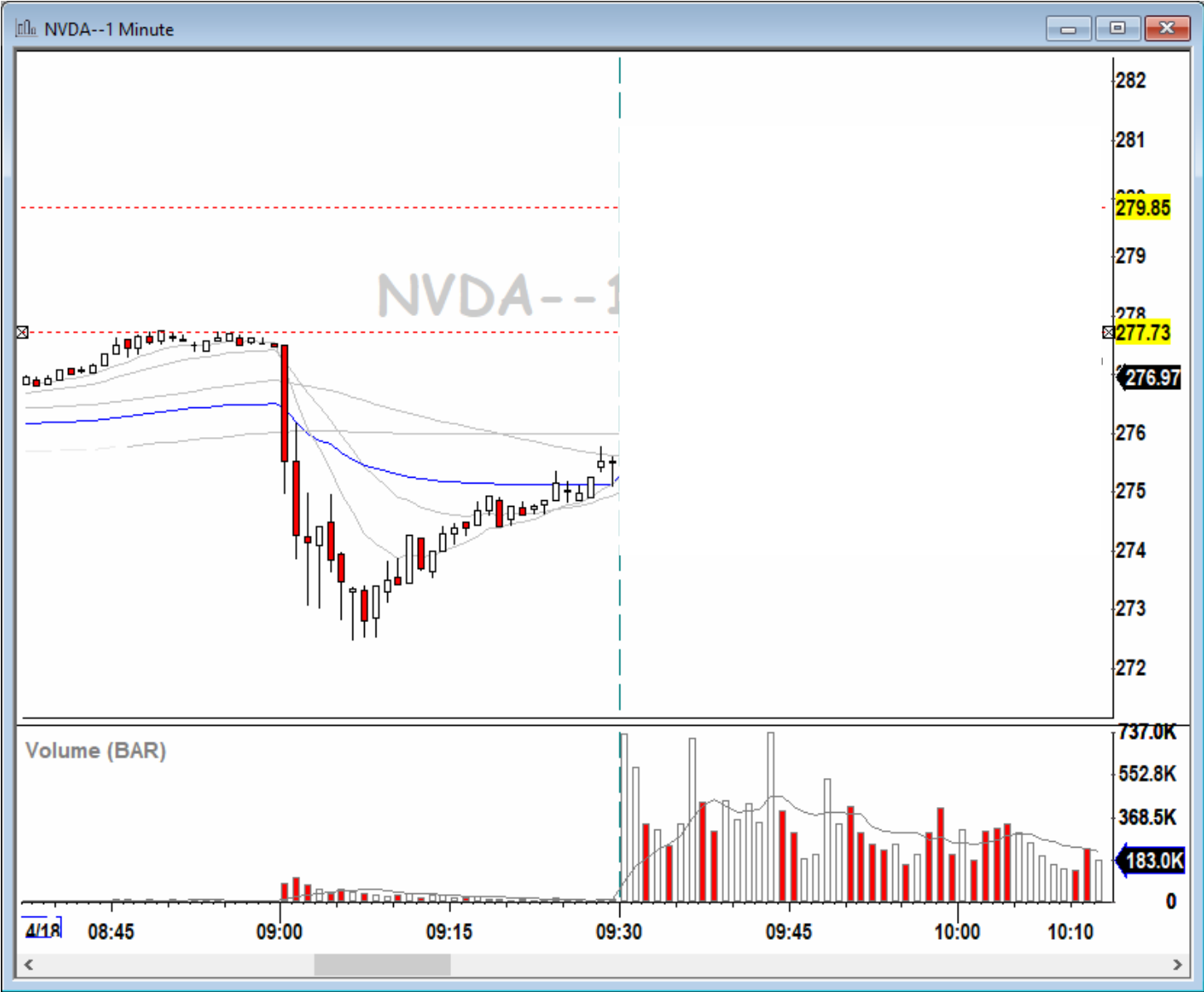
Gap up 2% to 52-w high

# 18 April 2023 Trade on NVDA

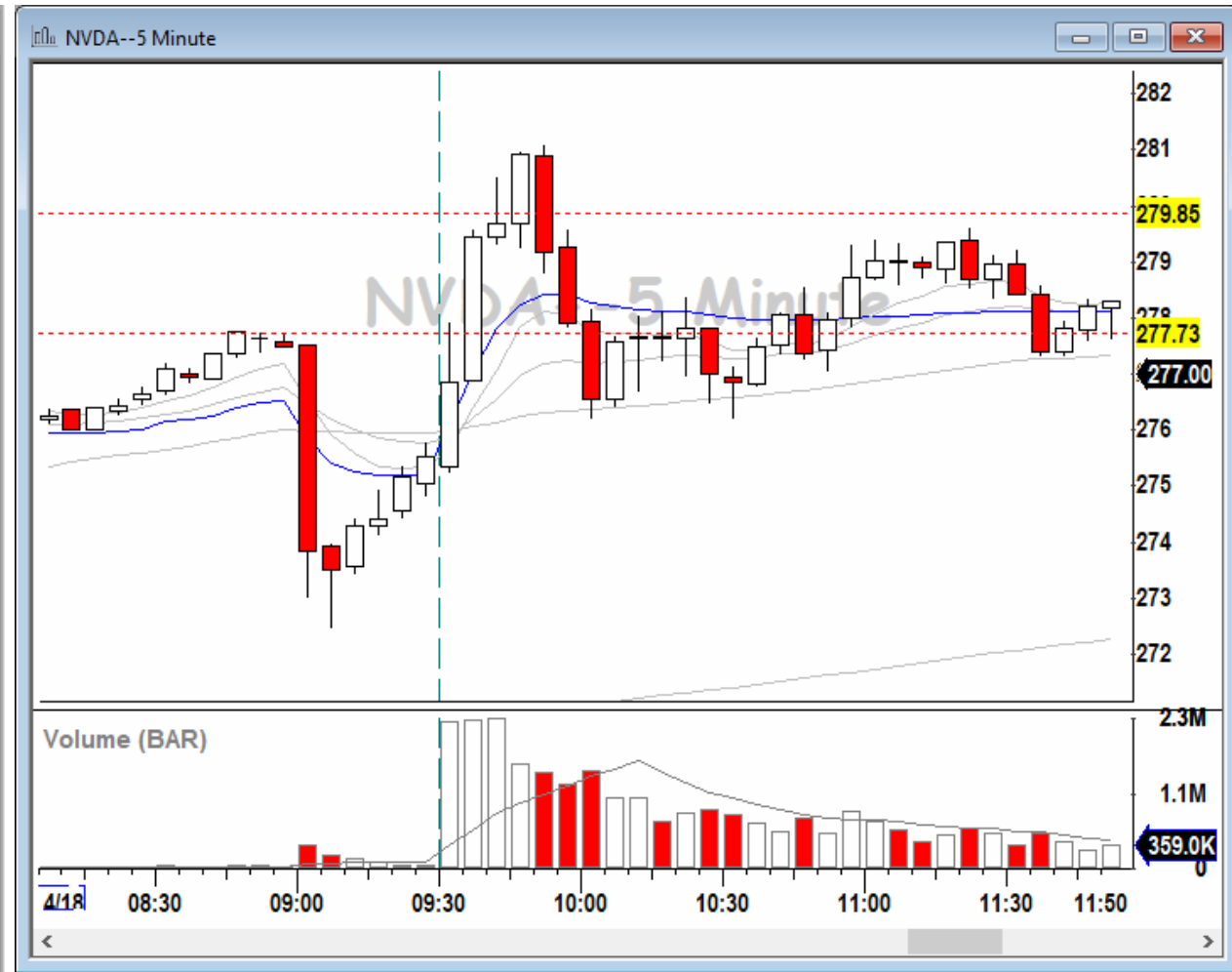


Gap up 2% to 52-w high

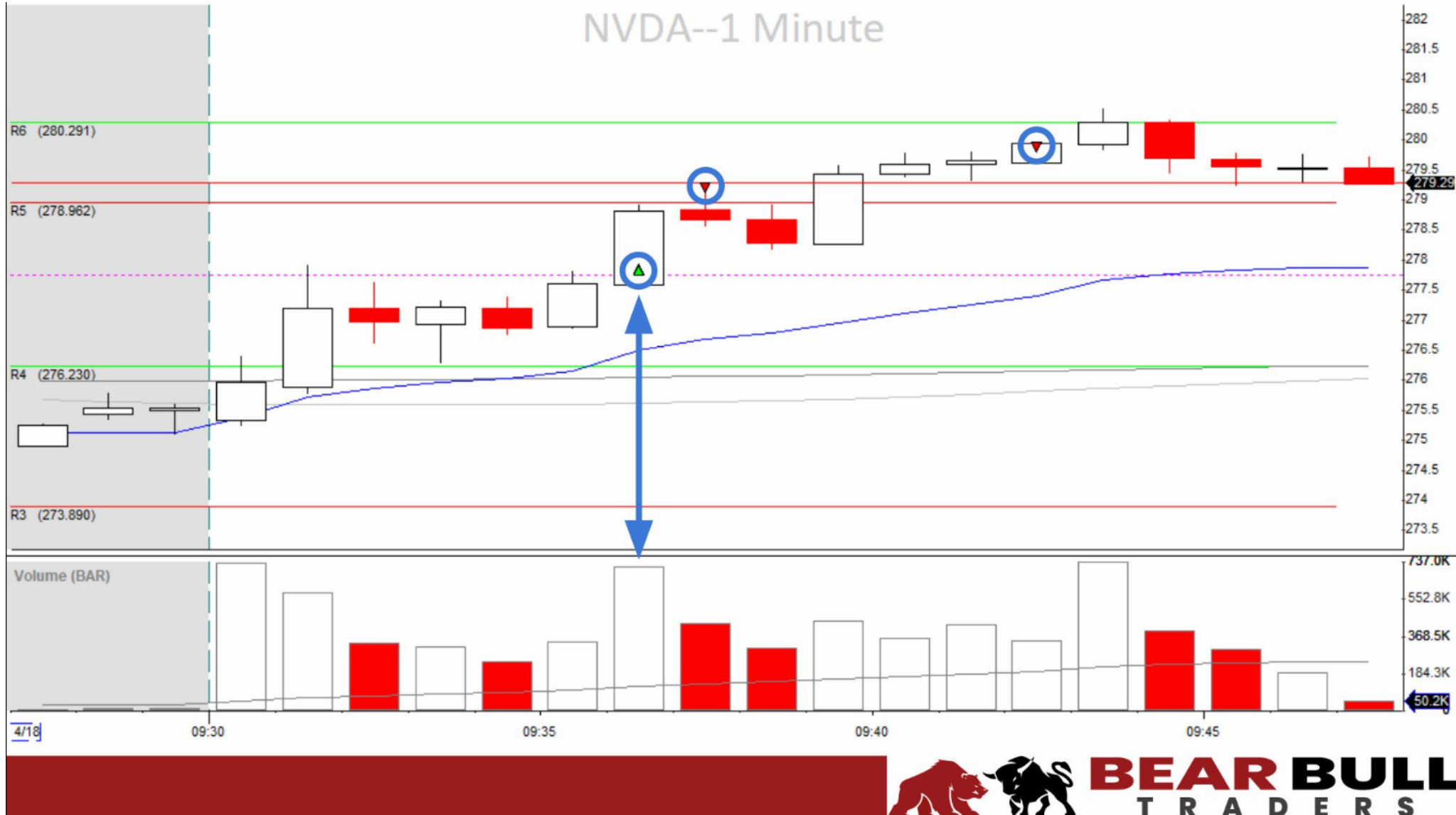
# 18 April 2023 Trade on NVDA



# 1-min ORB and 5-min ORB



# John Trade as Break of high of the Day



**BEAR BULL**  
TRADERS



John H  
@JohnH\_BBT

🍞 & 🍷 trade on **\$NVDA**

- High-of-Day near \$ level (\$277.94)
- Large ASK at \$278, provides pop
- Perfect pivoting volume on move to HOD
- HOD also near pre-market high (fav assist level)
- Moved stop to B/E around \$278.50
- Profit taken near \$279 & \$280

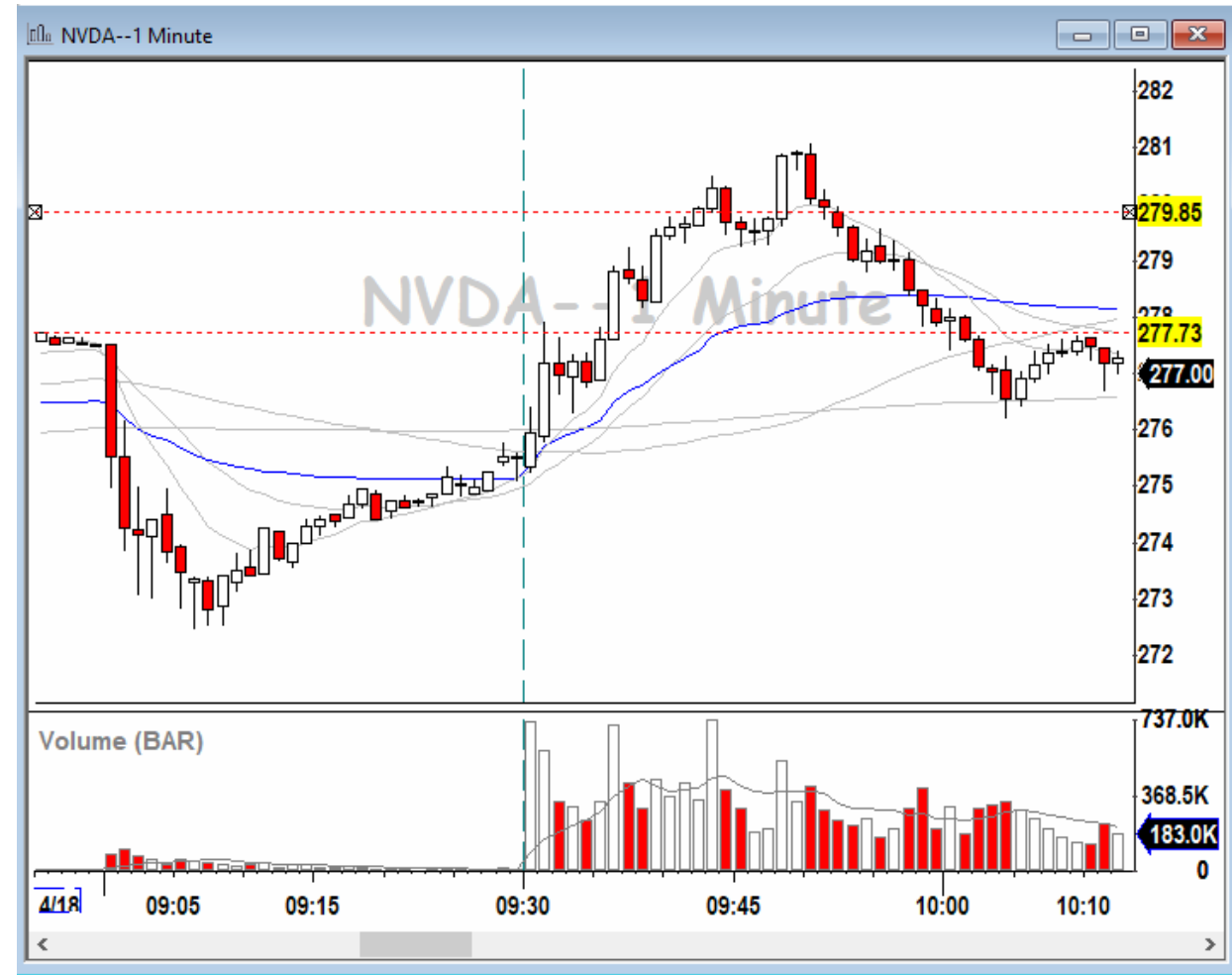
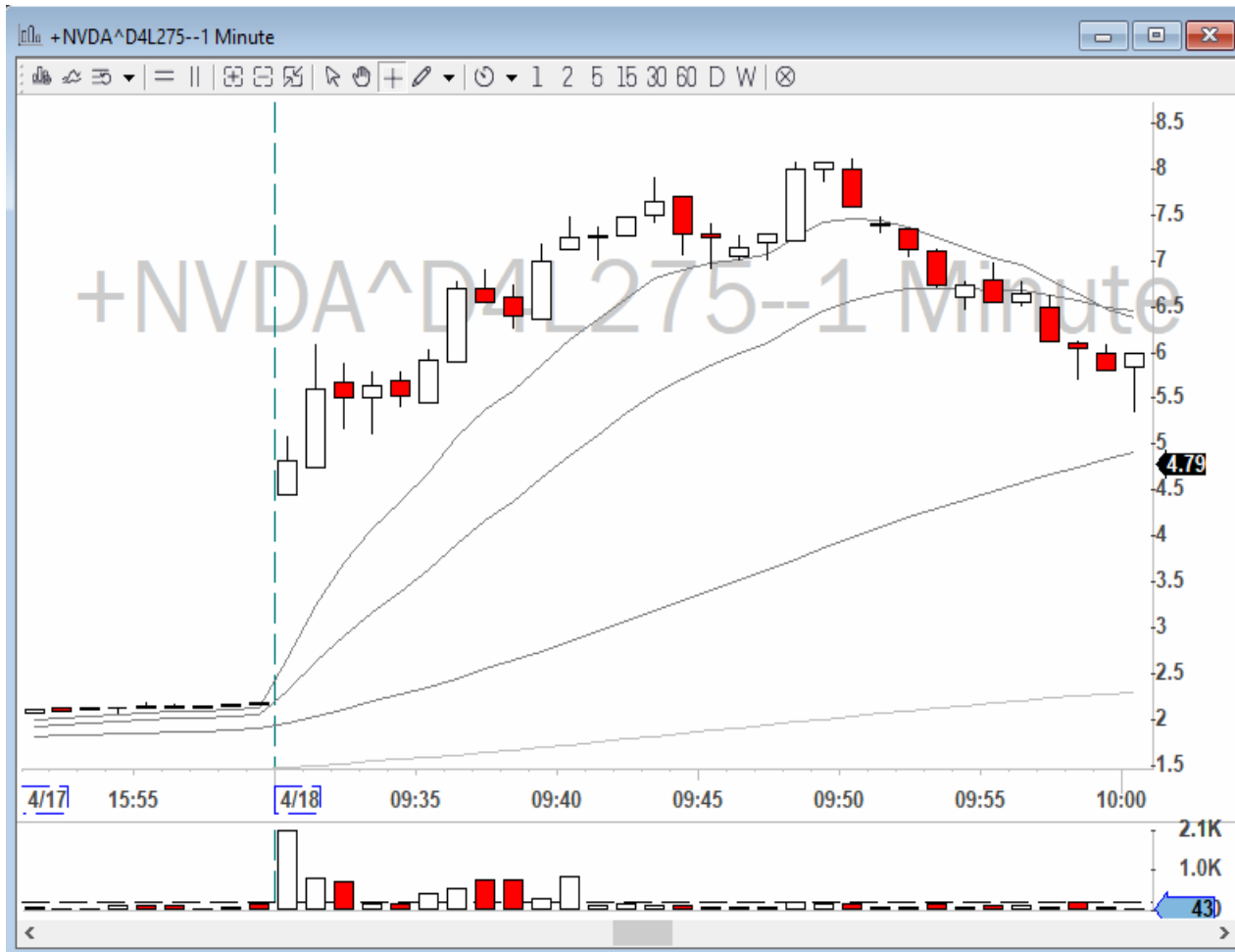
#BBTfamily #stonks



# But I did not trade the ORB myself



# Can you day trade ORB with Options?

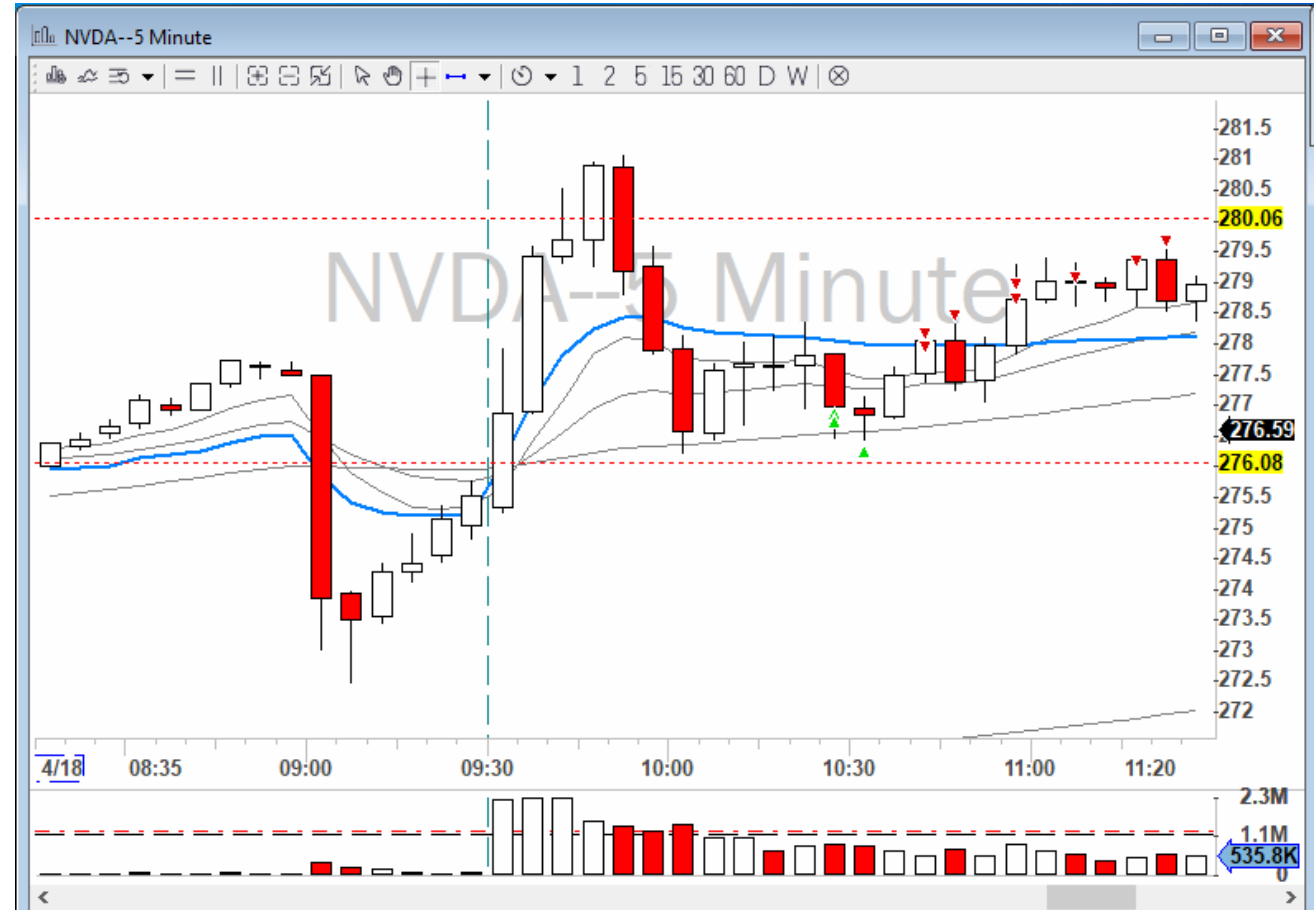


Yes with **0 Day to Expiry (0DTE)**, or nearest option chain.

# For Going long: Buying Calls or Shorting Puts



# I also shorted Puts. Lets discuss risk management









# 1-min Opening Range Breakout



# 1-min Opening Range Breakout



# 1-min Opening Range Breakout



# 1-min Opening Range Breakout





# TradeBook Opening Range Breakouts

## Selection

*Which Stocks in Play*

*Time of Day*

## Confirmation

*Indicators: pre-market, L2, MAs*

*Price action: chart patterns etc*

## Execution

*Entry signal*

*Stop loss*

*Exit or profit target*

## Considerations

*Rules & Notes*



robert naucke jr  
@hailchaser2

Started my TradeBook today! @BearBullTraders  
@NormBBT @CarlosmBBT #BBTFamily



6:06 PM · Aug 29, 2020 · Twitter for iPhone

4 Retweets 1 Quote Tweet 34 Likes



stockoperator @DeLevashov · Aug 31

Replying to @hailchaser2 @BearBullTraders and 2 others  
My style!!! Good job





# TradeBook Opening Range Breakouts

## Selection

*Which Stocks in Play*

*Time of Day*

## Confirmation

*Indicators: pre-market, L2,*

*MAs*

*Price action: chart patterns*

*etc*

## Execution

*Entry signal*

*Stop loss*

*Exit or profit target*

## Considerations

*Rules & Notes*

## Examples

- **Only mid-floats: +\$10 price range. No low floats.**
- **Gapped *up* *down* and trades near VWAP in pre-market**  
*(not too extended)*
- **Good pre-market level formed**  
*(for potential breakouts by 1-min ORB)*
- **ORB can be after first 1-min until end of 5-min candlestick.**  
*Entry does **NOT** have to be at 9:31:01!*  
*You can wait for confirmation, L2 or pull backs near VWAP.*



# TradeBook Opening Range Breakouts

## Selection

*Which Stocks in Play*

Stock in Play in Pre-Market	1-min ORB Up	1-min ORB down
Gap <b>up</b> trades <u>above but extended</u> from VWAP in pre-market before Open		Possibly (risky)
Gap <b>up</b> trades <u>above but near</u> VWAP in pre-market before Open	<b>A+</b>	<b>avoid</b>
Gap <b>up</b> trades <u>below but near</u> VWAP pre-market before Open	if " <b>claims</b> " VWAP	If " <b>loses</b> : VWAP
Gap <b>up</b> trades <u>below but extended</u> from VWAP pre-market before Open		
Gap <b>down</b> trades <u>above but extended</u> from VWAP in pre-market before Open		
Gap <b>down</b> trades <u>above but near</u> VWAP in pre-market before Open	if " <b>claims</b> " VWAP	if " <b>loses</b> " VWAP
Gap <b>down</b> trades <u>below but near</u> VWAP pre-market before Open	<b>avoid</b>	<b>A+</b>
Gap <b>down</b> trades <u>below but extended</u> from VWAP pre-market before Open	Possibly (risky)	

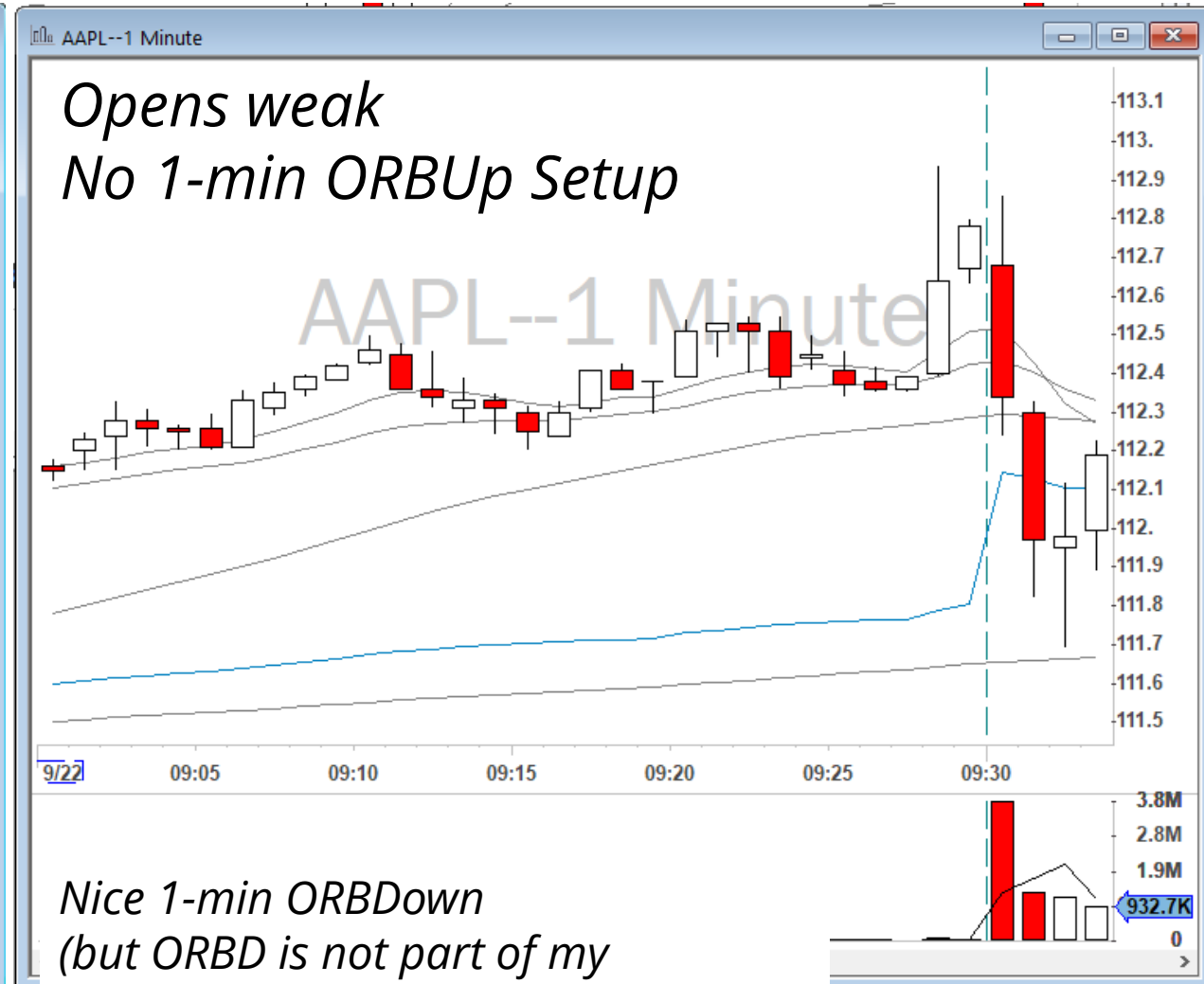
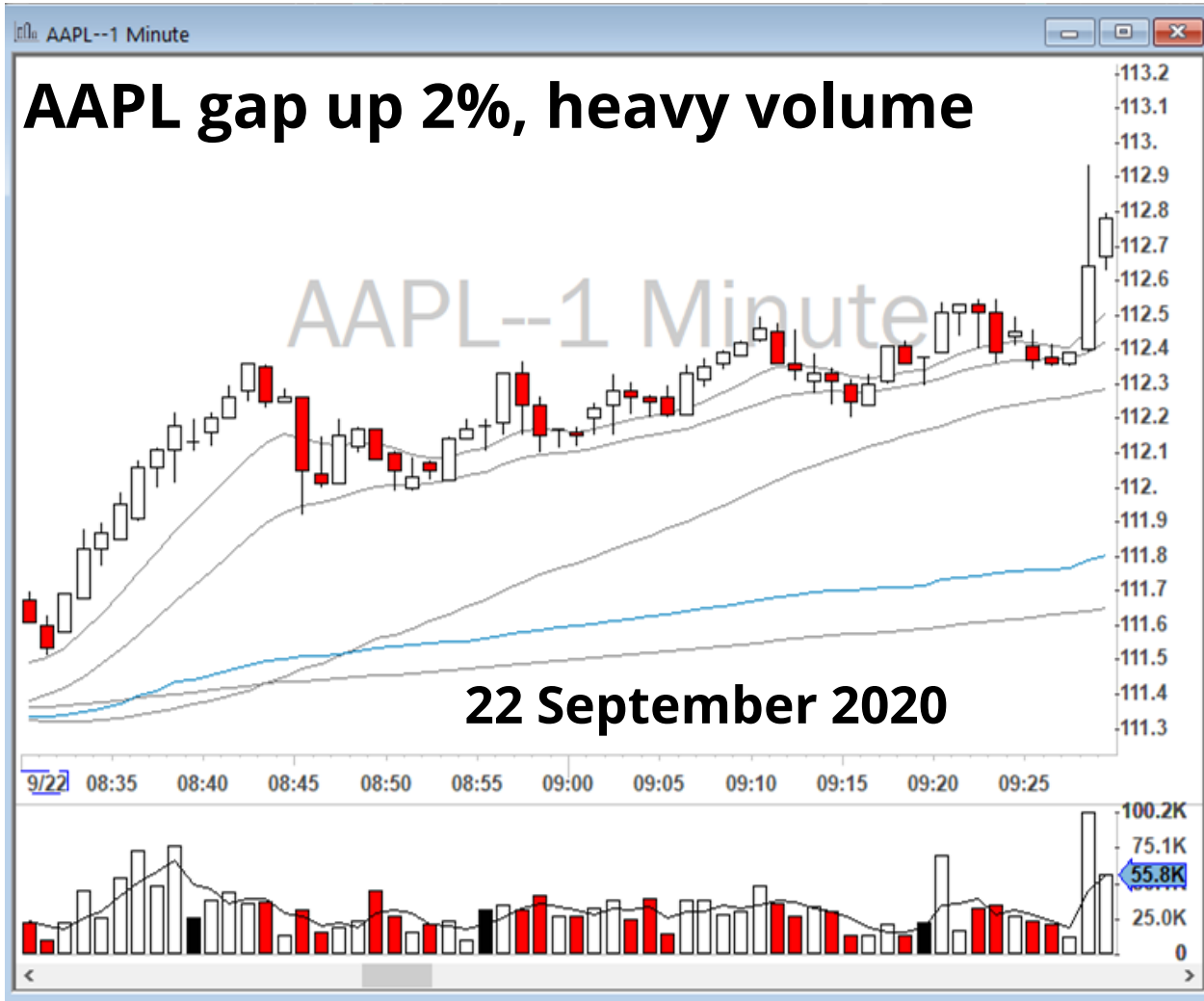
# Selection

*Stock in Play, Gap up, just above VWAP in pre-market: A+*



# Selection

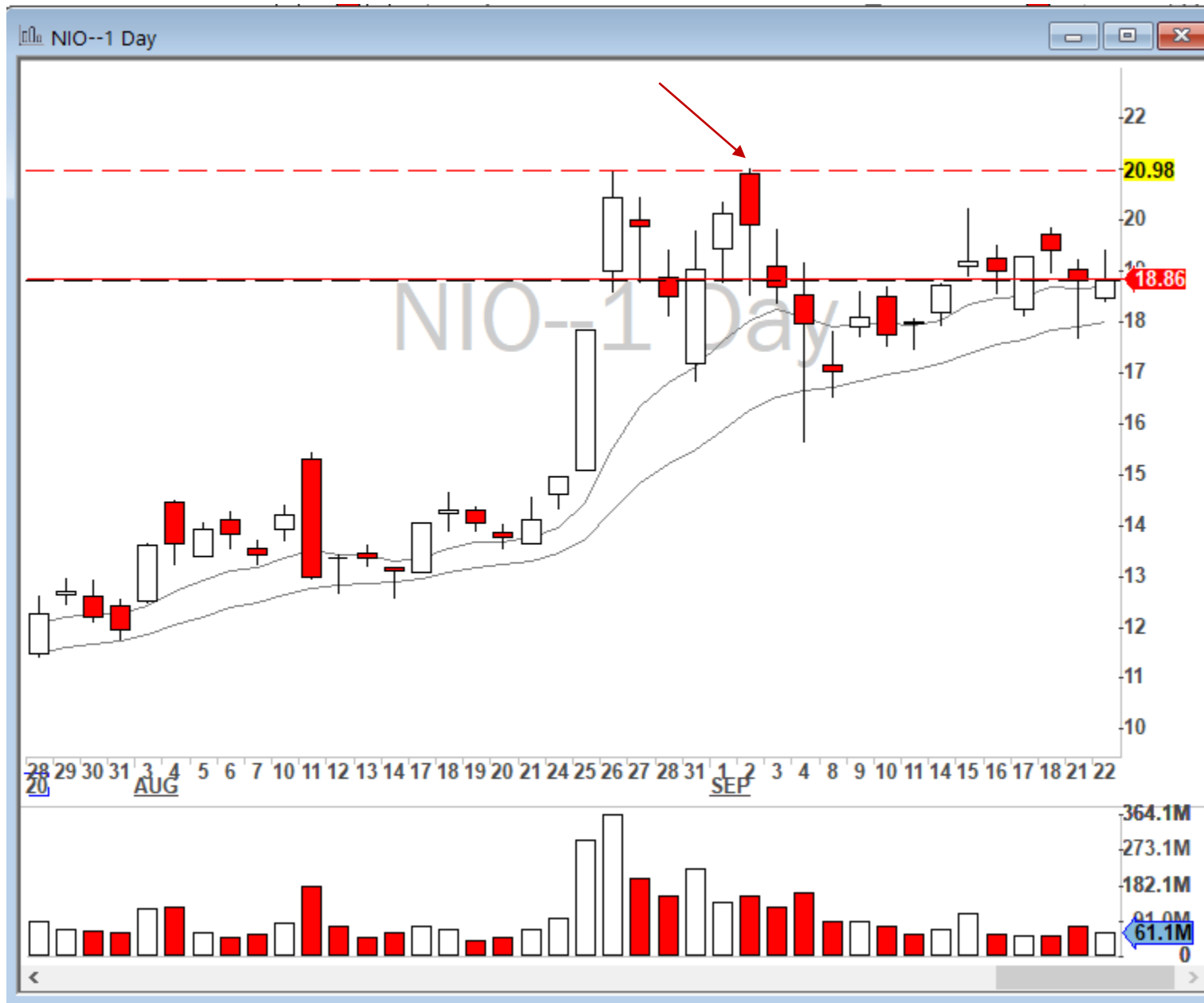
*Stocks in Play, Gap up, too extended above VWAP in pre-market: **B setup (risky)***



# Selection

*Stocks in Play, Gap up, too extended above VWAP in pre-market*







# TradeBook 1-min Opening Range Breakouts

## Selection

*Which Stocks in Play*  
*Time of Day*

## Identification

*Indicators: pre-market, L2,  
MAs*  
*Price action: chart patterns  
etc*

## Execution

*Entry signal*  
*Stop loss*  
*Exit or profit target*

## Considerations

*Rules & Notes*

## Examples

***How stock trades in first min is VERY important.***

- ***Does 1-min claim VWAP or it loses VWAP?***

*If closes too far from VWAP after 1-min: avoid, too extended.*

*If closes just above VWAP after 1-min, consider long.*

*If closes just below VWAP after 1-min, consider short.*

- *1-min Candlestick should be small.*
- *No big wicks in 1-min candle*
- ***Level 2 and Price Action***

# Identification

*Price action, L2, indicators, VWAP, MAs etc*



## **Premarket Analysis:**

*Electric Mania in Late Summer.*

*Very strong sector*

*NIO, TSLA, NKLA*

*Another big gap up on NIO **+10%***

*NIO trades near All time high.*

*My plan at pre-market?*

***Lets discuss....***

# Identification

*Price action, L2, indicators, VWAP, MAs etc*



As soon as big drop below VWAP and MAs, and weakness in price action and Level 2, short toward previous day close. This not a A+ setup but can be traded with some care and smaller size.

# Amazing Level 2 Signal trade identification. 1) Squeeze above VWAP. 2) Big ASK 3) Strong TSLA (+2%)



# Identification

*Price action, L2, indicators, VWAP, MAs etc*



- **NKE** gapped up 15% pre-market Sep 23, 2020.
- Two important level 132.21 and 130.36
- Pre-market trades below VWAP.
- *Let's see the first 1-min candle*

# Identification

Price action, L2, indicators, VWAP, MAs etc



Opened weak.

Too extend to take 1-min ORB down.

Brian always says

*"he doesn't like to short strong stocks."*

# Identification

*Price action, L2, indicators, VWAP, MAs etc*



## Known:

AAPL Down on -3% in premarket.  
Pre-market above VWAP good volume  
High Pre-market level of \$104.65  
Low of the pre-market two levels  
\$103.85  
\$103.66

## Waiting for the Open

What would be first 1-min look like?  
Any Level 2 signal?  
Time and Sales?

What would be the plan?

*Lets discuss...*

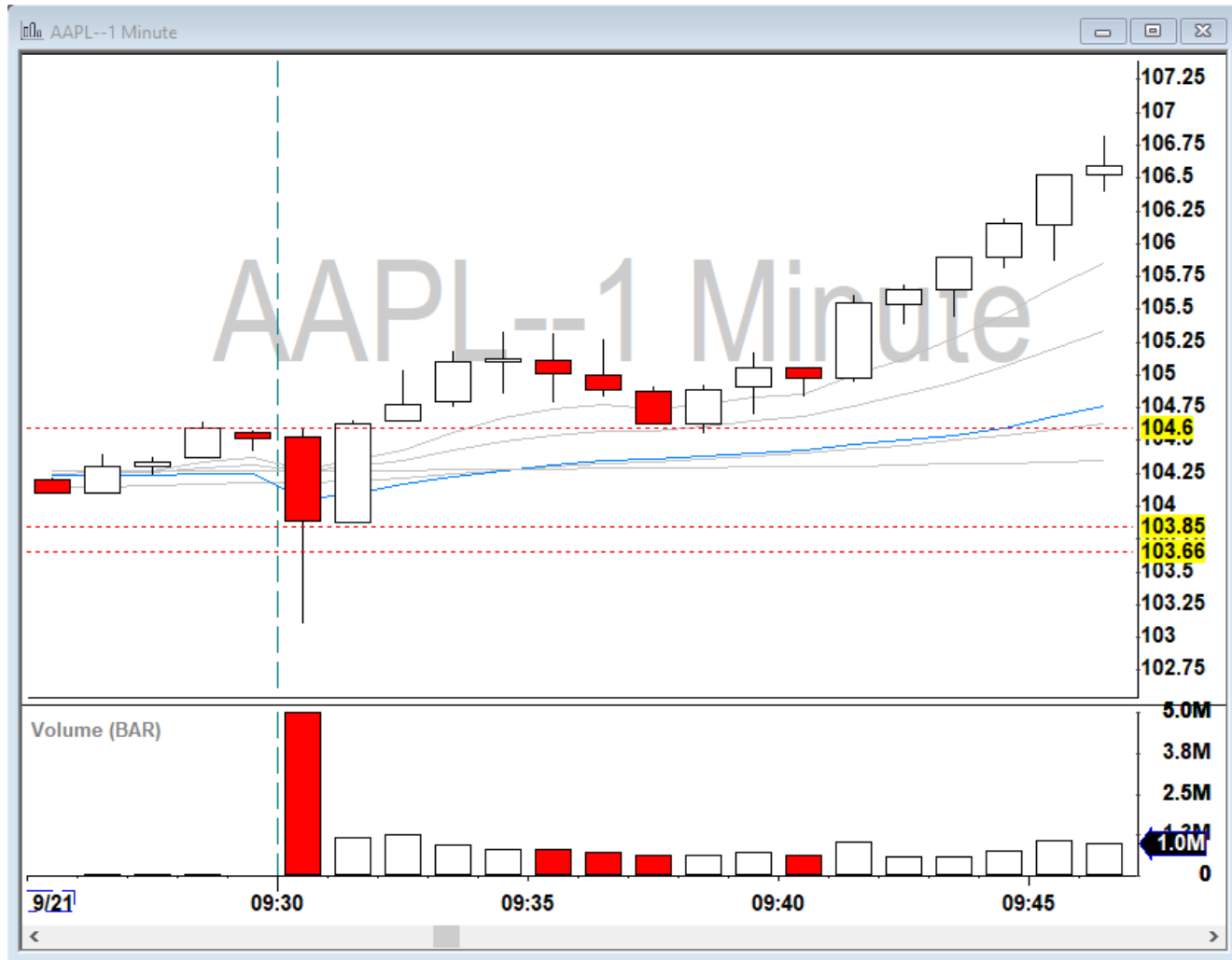
# Identification

*Price action, L2, indicators, VWAP, MAs etc*



# Identification

*Price action, L2, indicators, VWAP, MAs etc*



## Waiting for the Open

### What would be first 1-min look like?

Hammer doji with wicks

### Any Level 2 signal?

YES, BIG ASK at \$105 (bullish)

### Time and Sales?

Strong order flow

### Chart pattern?

YES. First and second 1-min formed bullish engulfing.

Result: Good setup for: 1-min ORBup.

# Identification

*Price action, L2, indicators, VWAP, MAs etc*

Did Andrew want a screen cap of the huge ask on AAPL this morning? ✕ 🖨️ 🗑️  
Inbox ✕

robert cohen

to me ▾

Mon, Sep 21, 2:56 PM (2 days ago) ☆ ↶ ⋮

Andrew and staff,

I just watched my video recap (the chat is usually muted at the open) and I just heard Andrew asking for an image of the large ask on AAPL. If he still wants it I have attached the links for the three screen caps. First, when a large ask appeared, second when an enormous ask appeared and third when it finally was bought.

<https://www.screencast.com/t/60fdV8A8CS0>

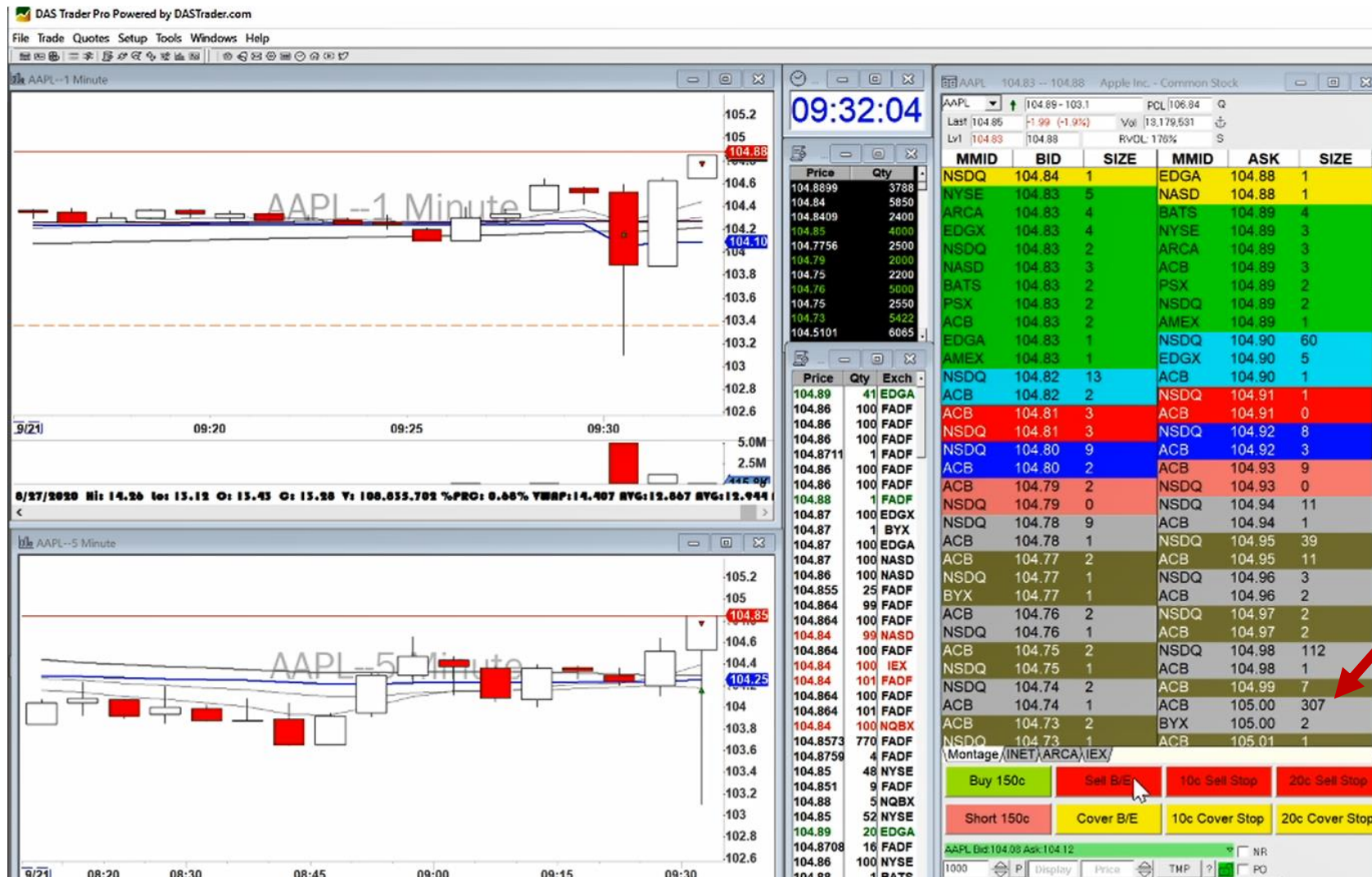
<https://www.screencast.com/t/GzZ5JjFnI9>

<https://www.screencast.com/t/INj5FkcfD3>



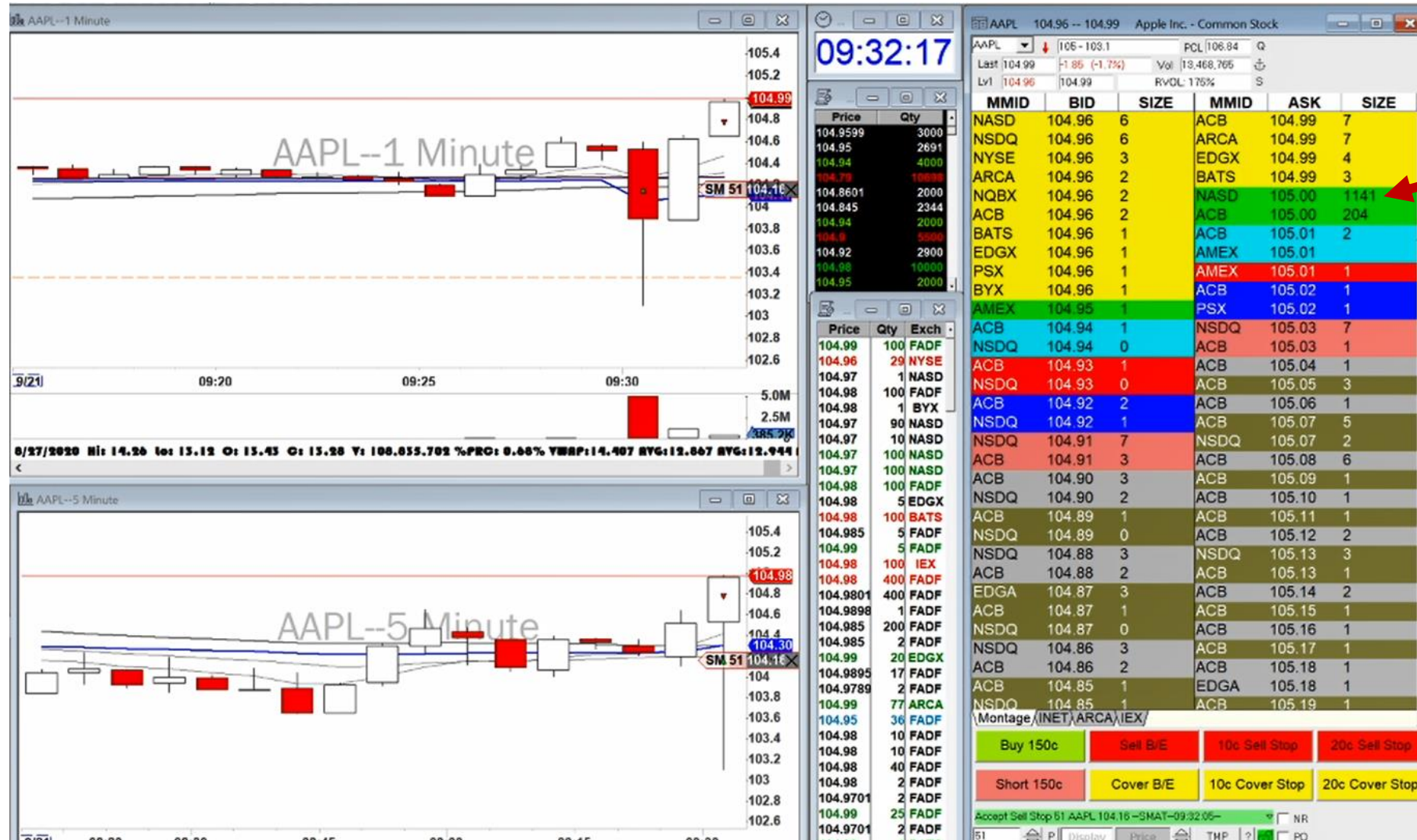
# Identification

Price action, L2, indicators, VWAP, MAs etc



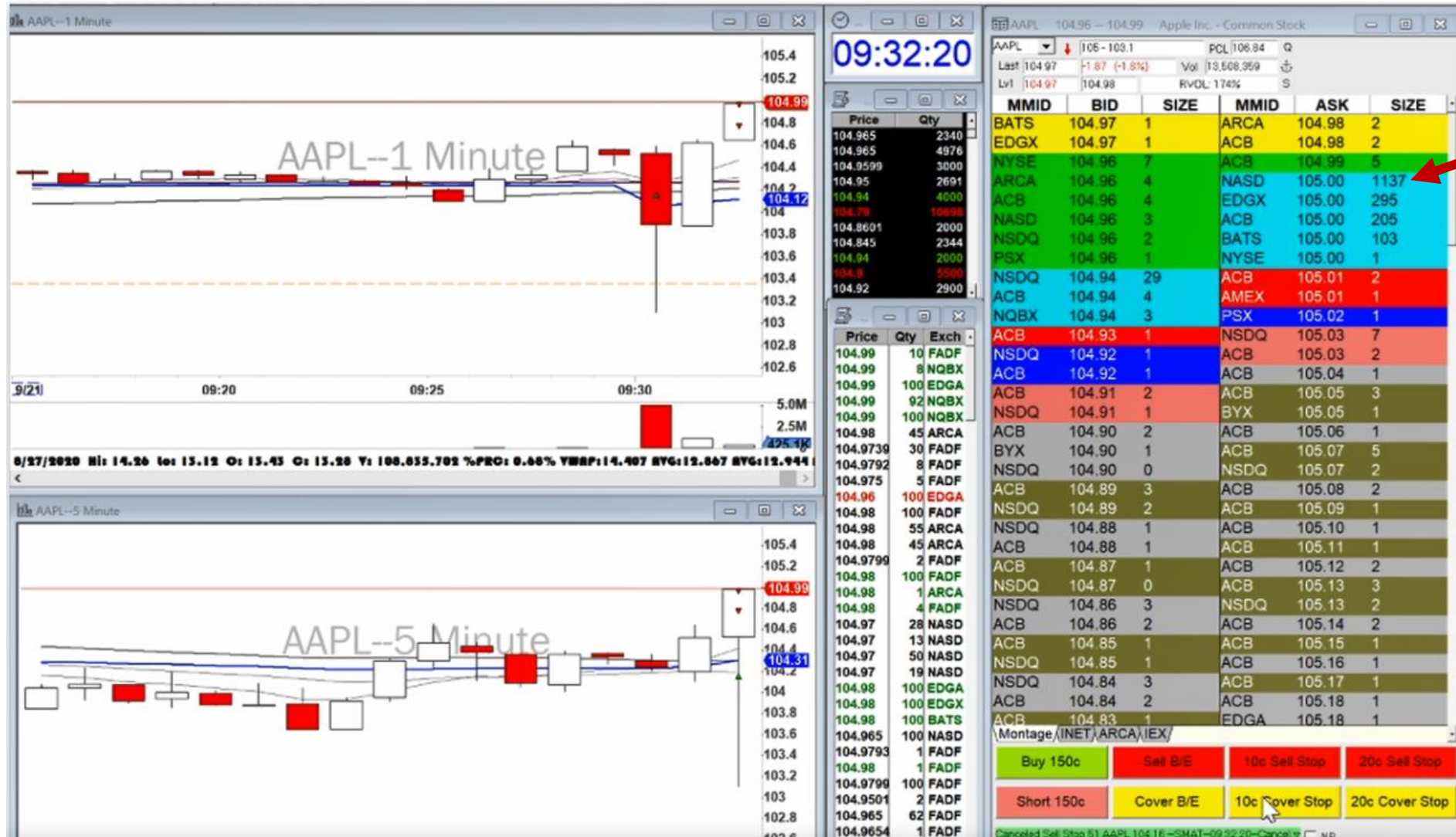
# Identification

Price action, L2, indicators, VWAP, MAs etc



# Identification

Price action, L2, indicators, VWAP, MAs etc



# Identification

Price action, L2, indicators, VWAP, MAs etc



The market data window shows the time 09:32:20. The order book is as follows:

MMID	BID	SIZE	MMID	ASK	SIZE
BATS	104.97	1	ARCA	104.98	2
EDGX	104.97	1	ACB	104.98	2
NYSE	104.96	7	ACB	104.99	5
ARCA	104.96	4	NASD	105.00	1137
ACB	104.96	4	EDGX	105.00	295
NASD	104.96	3	ACB	105.00	205
NSDQ	104.96	2	BATS	105.00	103
PSX	104.96	1	NYSE	105.00	1
NSDQ	104.94	29	ACB	105.01	2
ACB	104.94	4	AMEX	105.01	1
NQBX	104.94	3	PSX	105.02	1
ACB	104.93	1	NSDQ	105.03	7
NSDQ	104.92	1	ACB	105.03	2
ACB	104.92	1	ACB	105.04	1
ACB	104.91	2	ACB	105.05	3
NSDQ	104.91	1	BYX	105.05	1
ACB	104.90	2	ACB	105.06	1
BYX	104.90	1	ACB	105.07	5
NSDQ	104.90	0	NSDQ	105.07	2
ACB	104.89	3	ACB	105.08	2
NSDQ	104.89	2	ACB	105.09	1
NSDQ	104.88	1	ACB	105.10	1
ACB	104.88	1	ACB	105.11	1



# TradeBook 1-min Opening Range Breakouts

## Selection

*Which Stocks in Play*

*Time of Day*

## Confirmation

*Indicators: pre-market, L2,*

*MAs*

*Price action: chart patterns*

*etc*

## Execution

*Entry signal*

*Stop loss*

*Exit or profit target*

## Considerations

*Rules & Notes*

## Examples

- **Entry**
    - *Break of 1-min candlestick*
    - *I consider body not wicks, but generally should not be that much different.*
  - **Stop loss**
    - *VWAP or other dominant MAs nearby.*
  - **Profit Target**
    - *Break of pre-market level. Any other level nearby.*
    - *Add on the pull back (ask Thor?) possibly, if still above VWAP for long, below VWAP for short.*
- Place for improvement:** *I need to work on my adds.*

# Execution

*Entry, Stop Loss, Exit, Add*



# Execution

*Entry, Stop Loss, Exit, Add*





09/15/20 11:16:25

NIO 19.81 - 19.81 NIO Inc. American de...

NIO +20.25 - 18.00 PCL 18.73 N

Last 19.81 +1.07 (5.7%) Val 59,580,669

Lvl 19.81 19.81 VwAP 19.739 5

EDGX	19.80	107	EDGX	19.81	26
ACB	19.80	82	NYSE	19.81	3
ARCA	19.80	82	ARCA	19.82	32
NYSE	19.80	41	ACB	19.82	32
NSDQ	19.80	14	NSDQ	19.82	21
BATS	19.80	12	BATS	19.82	3
AMEX	19.80	1	AMEX	19.82	1
ACB	19.79	23	NSDQ	19.83	22
NSDQ	19.79	4	ACB	19.83	22
ACB	19.78	25	ACB	19.84	31
NSDQ	19.78	22	NSDQ	19.84	6
ACB	19.77	28	ACB	19.85	27
NSDQ	19.77	4	NSDQ	19.85	19
PSX	19.77	1	NSDQ	19.86	29
ACB	19.76	33	ACB	19.86	4
NSDQ	19.76	8	EDGA	19.89	1
BYX	19.73	21	NSX	19.90	1
NSX	19.73	1	BYX	19.90	1
EDGA	19.73	1	IEX	20.05	1

Mortgage (NET) ARCA/



Price Qty

19.81 27000

19.84  
19.81  
19.19  
19.14  
19.1

Price	Qty
19.8	100
19.8066	100
19.8002	300
19.8066	300
19.8066	100
19.8	100
19.8085	500
19.8065	3
19.81	500
19.8	350
19.8	218
19.8	717
19.8	500
19.8	300

Market View

Symbol	Tick	La
#QM	+	37
#ES	+	34
SPY	+	34
IWM	+	15
USD/CAD	+	1.1
AAL	+	13
CCL	+	16
AAPL	+	11
NIO	+	19
TSLA	+	44
NKLA	+	33
OXY	+	10
IPOB	+	15
NNOX	+	38



# TradeBook 1-min Opening Range Breakouts

## Selection

*Which Stocks in Play*

*Time of Day*

## Confirmation

*Indicators: pre-market, L2,*

*MAs*

*Price action: chart patterns*

*etc*

## Execution

*Entry signal*

*Stop loss*

*Exit or profit target*

## Considerations

*Rules & Notes*

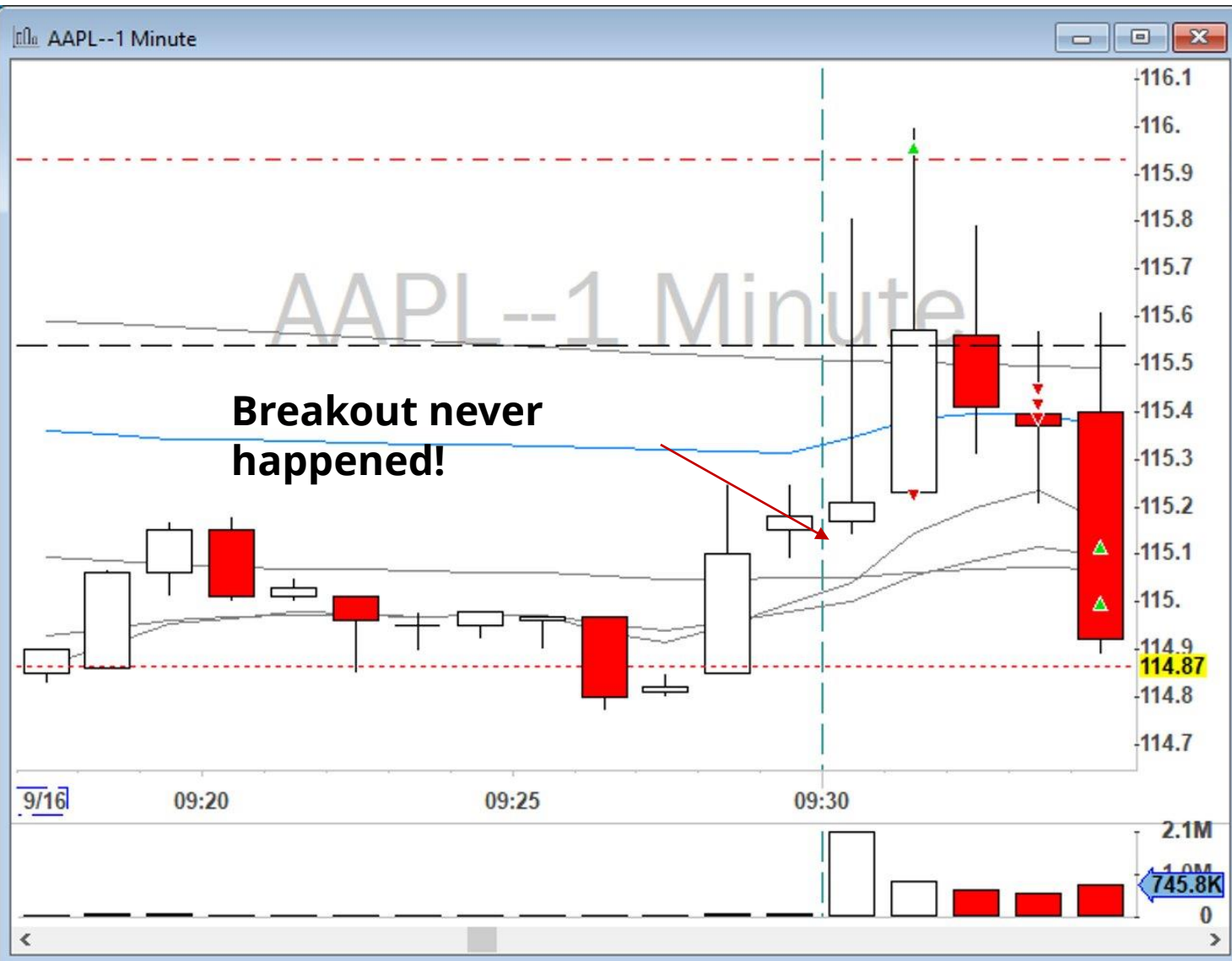
## Examples

- **Rules**

- *Wait for the breakout!*
- *Do not trade “wicky candlesticks”*
- *Don’t be afraid of stopping out.*
  - *Always can flip!*
- *Watch Time and Sales*
- *Watch Last Sale Price.*

# Rules and Notes

*Wait for breakout!*



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# Rules and Notes

*don't be afraid of stopping out. That is OK.*



# Rules and Notes

*Don't be afraid of stopping out. It's OK! Free the buying power and profit elsewhere.*



# Stock Selection

- Mid to Large Float Stocks
- Significant Pre-Market & opening volume.
- Usually Stocks that Gap Up/Down provide a good selection of stocks

## Preferably:

- Opening Range should be lower than the ATR.
- Breaking through a Technical Level.



- Overview
- Calendar
- Simulator
- Scanner**
- Insider <sup>NEW</sup>
- News
- Academy
- Fundamentals
- Heatmap
- Opinion
- Broker
- Charting
- Research
- Chatroom
- Discord



The screenshot shows the Trading Terminal interface. At the top right is a search bar. Below it is a section titled "Powered by ChartsWatcher" with a clock icon showing "12:". The main content area is divided into two sections: "Gappers Up" (green header) and "Gappers Down" (red header). Each section contains a table of stock data. The "Gappers Up" table lists stocks like MTW, AMC, VIR, MSB, CJJD, and AY with their respective gap percentages and volumes. The "Gappers Down" table lists stocks like EH, BLFS, LPX, CDNA, FSLY, PDD, and SCPH with their respective gap percentages and volumes. The "Scanner" menu item in the sidebar is highlighted with a red box and a red arrow.

# Setup Identification

- Wait for the 5 min range to be created.
- Make sure the price action is not too extend from VWAP.
- Check the one minute for a pullback opportunities to VWAP



# Trade Execution

- **Enter:** at the break of the 5 min Range.
  - Potentially High of the candlestick,
  - Somw pwoplw use close of candlestick
  - Check for high relative volume.
  - Speed of Time and Sales for breakout
  - Not too distant from VWAP
  - If its too far, extended.
- **Stop loss:** I usually use loss or break of VWAP.
- **Profit target:**
  - High of pre-market if nearby
  - Next important level such as Pivots
  - Moving averages nearby
  - Previous day close, Y Lows etc

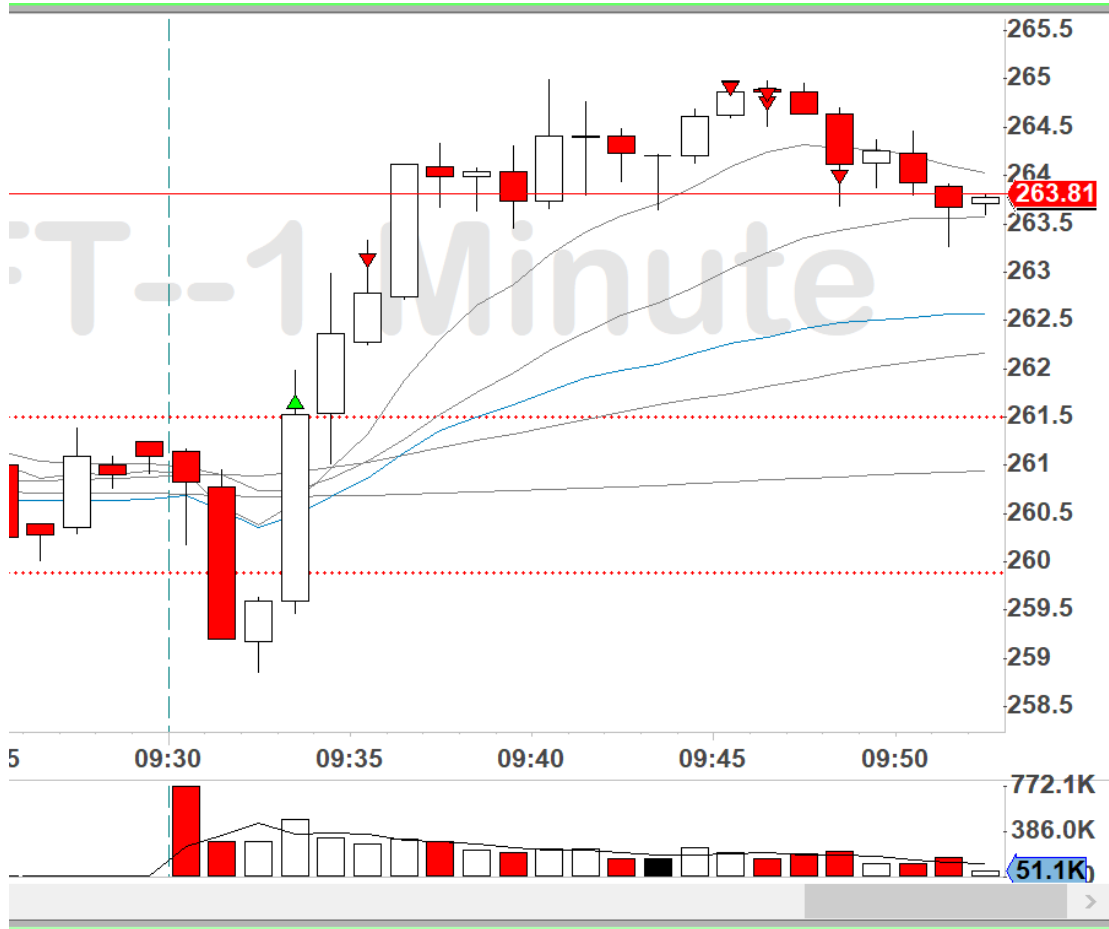


# Consideration Notes

- This can be traded long or short.
- Setup can be used up to the 1<sup>st</sup> hour after the market open.
- Use 5-min to identify the setup | Use 1-min to fine tune entry.
- Same strategy can be used for a 15-, 30- or 60-min Opening Range.
- Squeeze above VWAP, like Example TSLA, entry above VWAP, stop loss below VWAP, scale out 10-% each R.

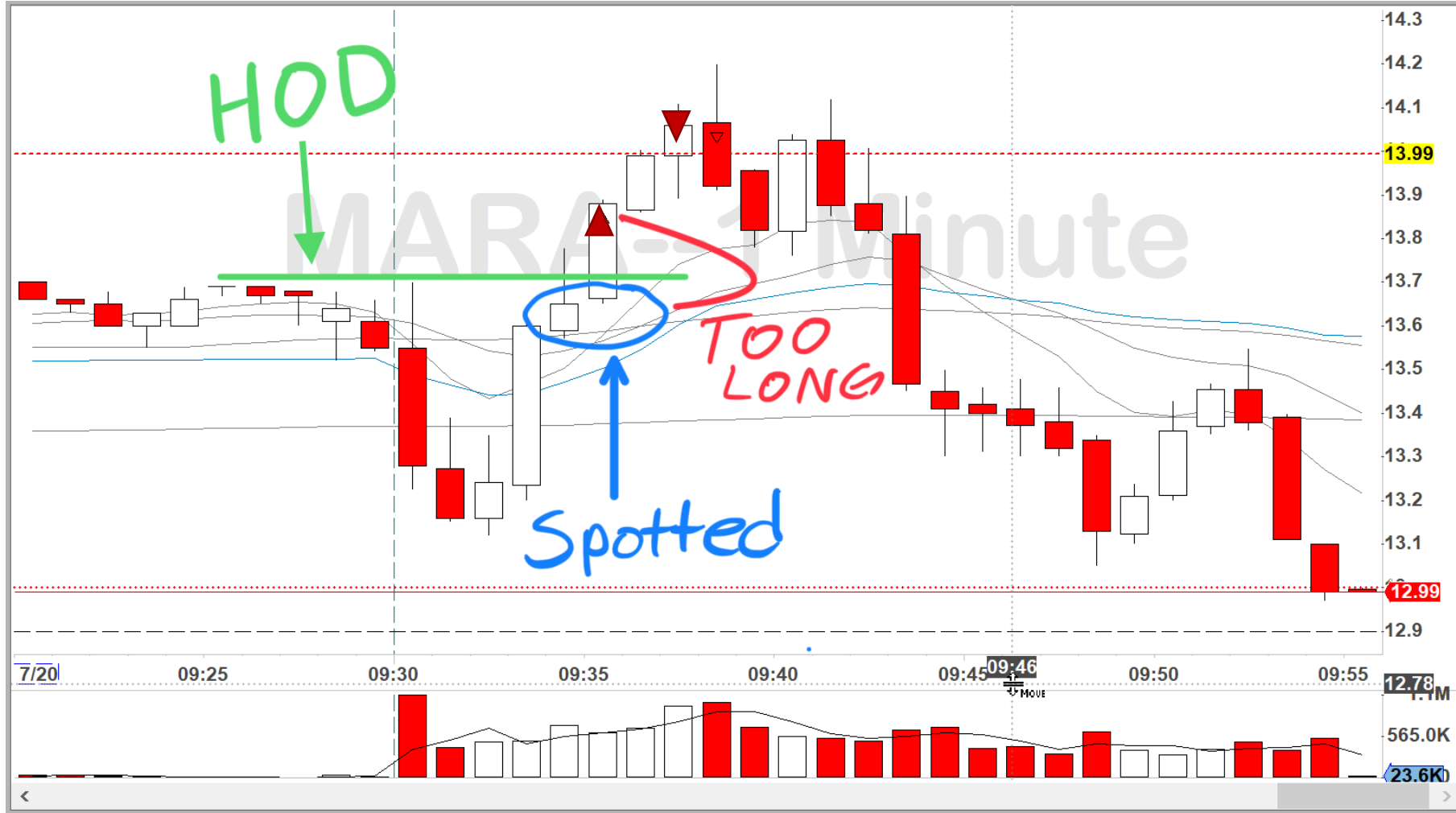
# Examples

- MSFT On Earnings | Sometimes a good setup might appear before the 5 min range.



# Examples

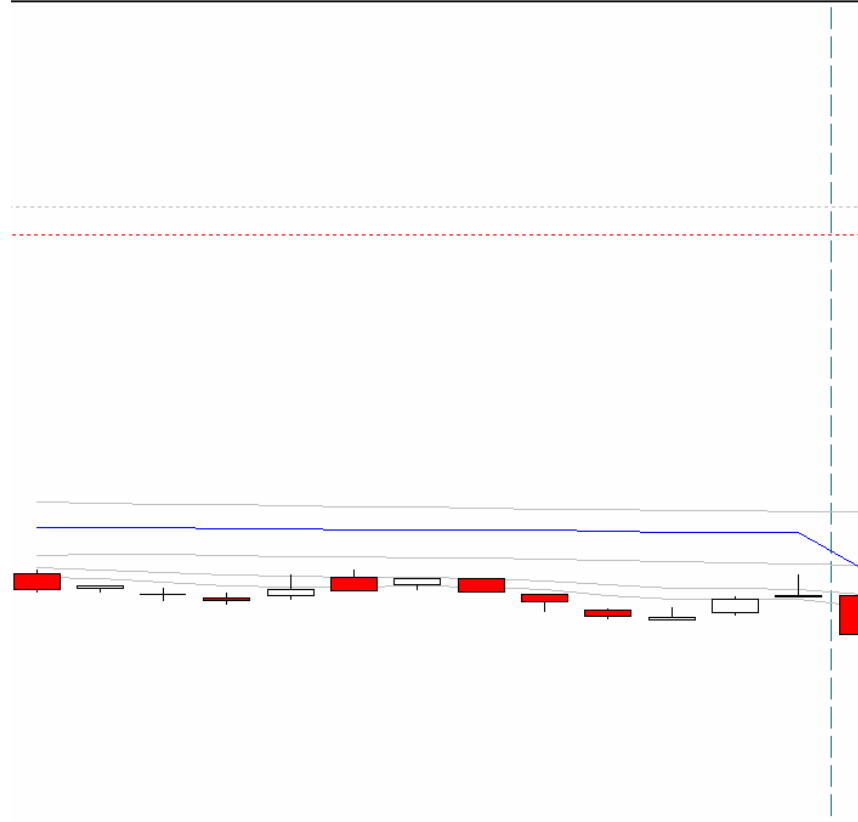
- MARA Great Set up / Poor Execution



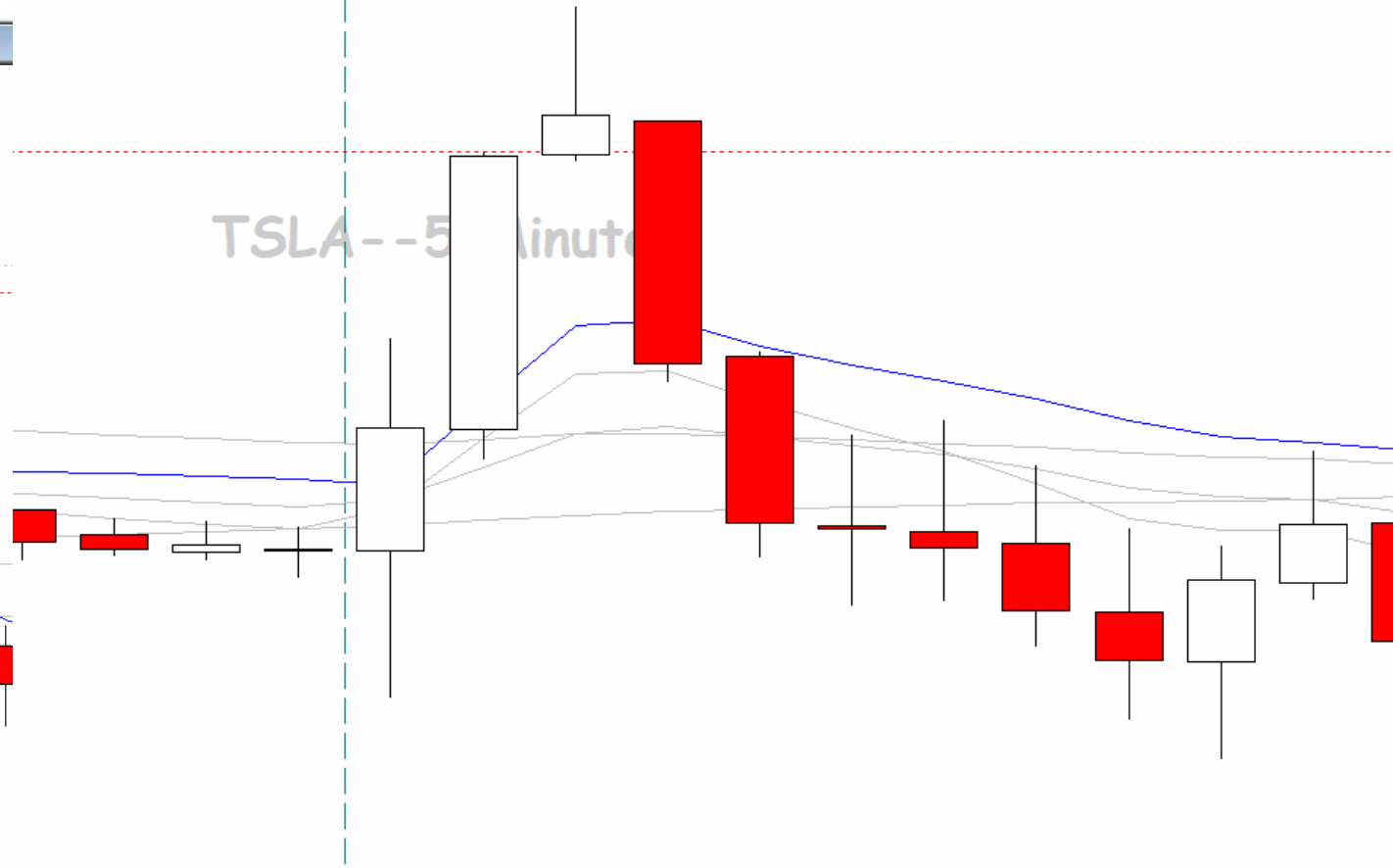
# Tsla Example

Trade Quotes Setup Tools Windows Help

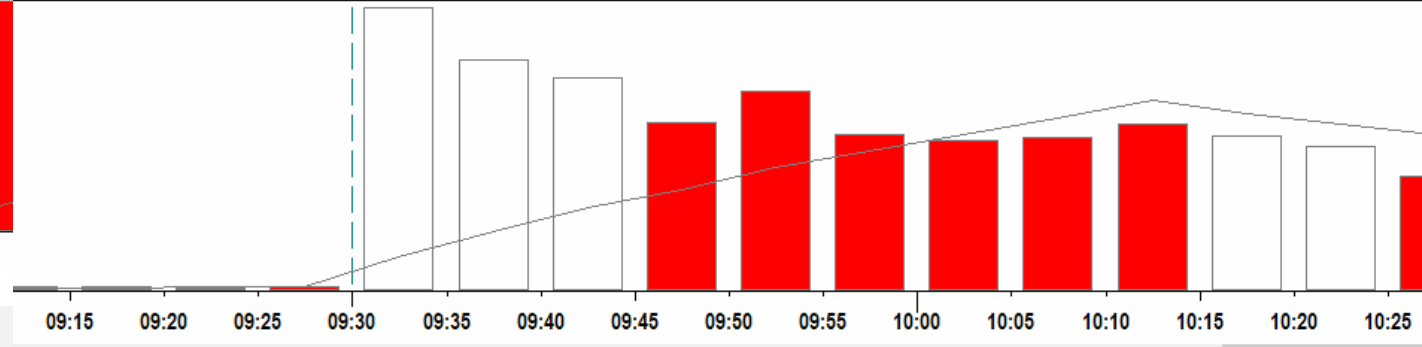
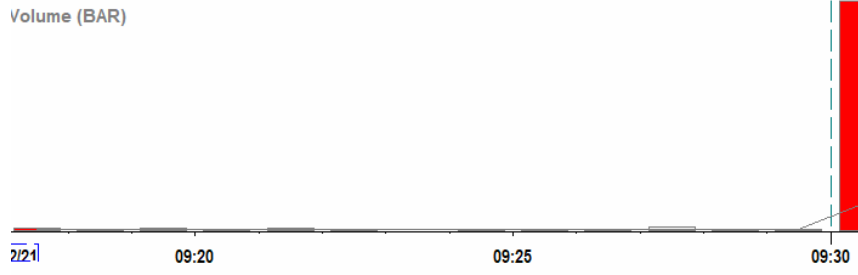
TSLA--1 Minute



TSLA--5 Minute



Volume (BAR)



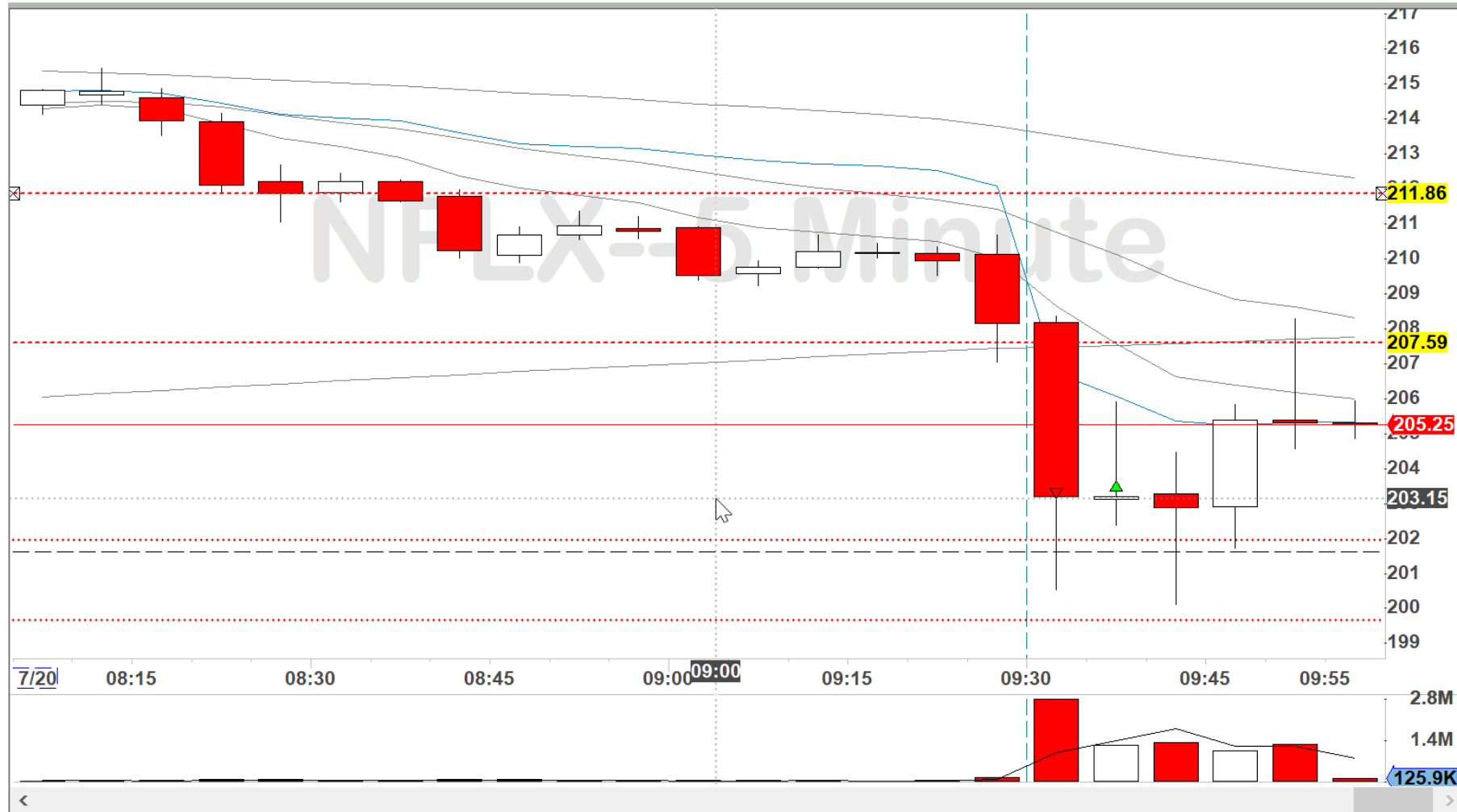
# Examples

- Amazon Short



# Examples

- Too Extend! Wait for Pull back.!



# Examples

- Trades from John.

