PRECISION PIPS ACADEMY | TRADING FROM ZERO · LESSON 15

ENTRY MODELS & EXECUTION

Refining your entry using FVG retracements, order blocks, confirmation entries, limit orders and market orders

Welcome Back, Fam

In Lesson 14 we built a complete model. Today we learn how to execute a setup. Identifying direction is one skill; knowing where to enter, what confirmation to wait for, which order type to use and where the setup becomes invalid is another. Many traders predict direction correctly but still lose because they enter early, chase a big candle or place orders without waiting for their model. Important: ICT/SMC concepts are analytical frameworks, not guarantees. (Hypothetical prices.)

1. What Is an Entry Model?

An entry model is a repeatable set of conditions you look for before entering. Instead of buying because price looks bullish, you define what must happen first. Not every trader defines it the same way; what matters is clear rules tested over a meaningful sample. A bias tells you what you think might happen; an entry model tells you what you must see before committing capital.



Figure 1: a bullish entry model.

2. The Three Main Entry Approaches

FVG retracement: a bullish FVG forms when the low of the third candle is above the high of the first (bearish: the high of the third is below the low of the first). Example: gold sweeps a low at 4,100, bullish displacement breaks a short-term high and creates a bullish FVG between 4,108 and 4,112; price retraces into it. Assess whether displacement followed a meaningful liquidity event, whether structure shifted, whether the FVG aligns with the setup, whether there is room to the target and where the trade is invalidated. **Order block retracement:** mark the relevant OB under your rules and assess structure, reaction, risk and target; do not label every bearish candle before a rally. **Confirmation entry:** after price reaches your area, wait for a rejection, displacement from the area, a lower-timeframe bullish MSS and a clear invalidation level. Confirmation can avoid some premature entries but can mean a worse price or a missed move.

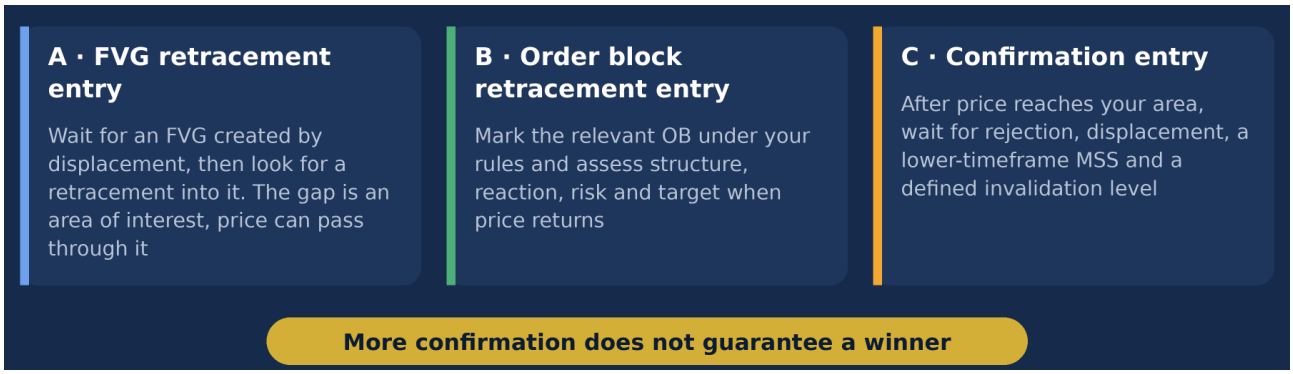


Figure 2: three approaches.

3. Combining an FVG With an Order Block

Sometimes a bullish FVG overlaps a bullish OB. Example: OB 4,104–4,110, FVG 4,108–4,113, overlap 4,108–4,110. That overlap may be an area you monitor. But ask: did price sweep meaningful liquidity, was there displacement, did structure shift, is the area still relevant, where is invalidation and is the reward worth the risk? Do not collect patterns; identify a small number of meaningful conditions that support a repeatable model.

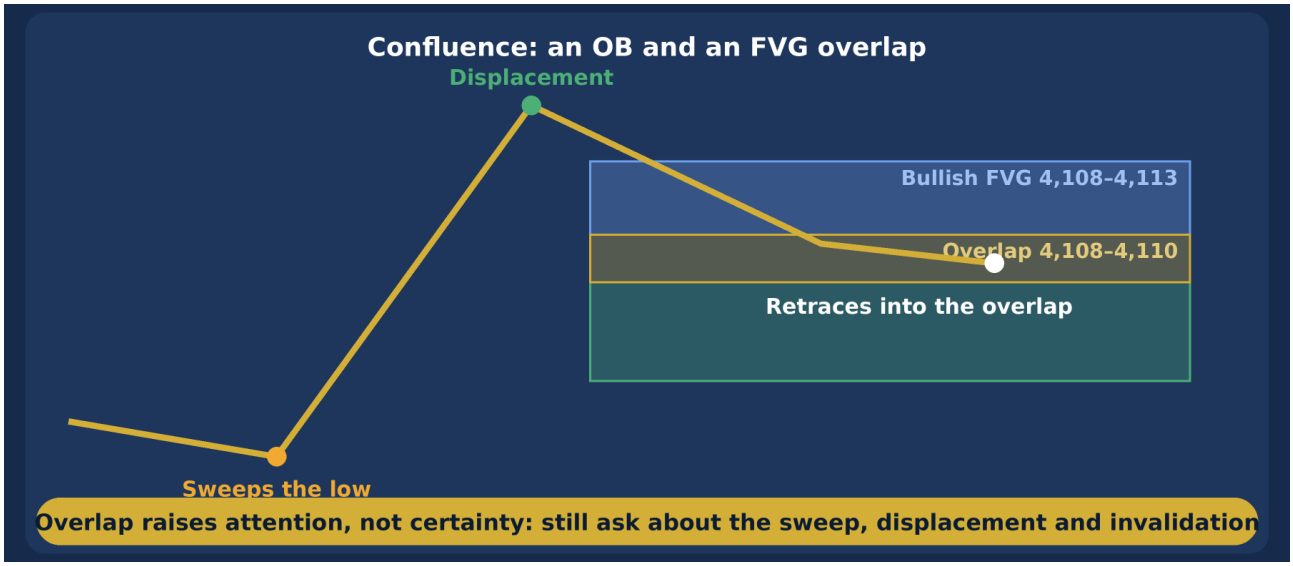


Figure 3: overlapping zones.

4. Limit Orders vs Market Orders

A **market order** executes at the best available price when sent, so slippage and spread can change the fill; use it only when your rules call for it, never from fear of missing out. A **limit order** specifies your price (buy limit at or below, sell limit at or above). A limit can fill while the setup is failing, may never fill and may stay active after the setup is dead if you do not manage it. Neither is universally better.

	Market order	Limit order
What it does	Executes at the best available price when sent	Seeks to trade at your price or better
Advantages	Prompt entry when confirmation appears	Entry planned in advance; helps avoid chasing
Risks	Slippage, wide spreads, entering after a big move	May fill while the setup fails, may never fill, can go stale
Use when	Your model requires confirmation first	Price retraces into a planned area and your rules allow a resting order

Figure 4: market versus limit.

Situation	Possible approach
Price retraces into a planned area and your rules allow a resting entry	Limit order
Price reaches the area and your model requires confirmation	Wait for confirmation, then consider a market order
Price has already moved far beyond the planned entry	Do not chase: reassess
Your stop makes the risk unacceptable	Skip the trade

Choose the execution method before the setup develops

Figure 5: which approach fits which situation.

Added: other pending orders

Besides limit orders, platforms offer buy stop and sell stop orders for breakout-style entries. Each platform has its own trigger rules for bid and ask; read yours before relying on any pending order.

Order type	Meaning	Typical use
Buy limit	Buy at a price below the market	Planned retrace into a bullish area
Sell limit	Sell at a price above the market	Planned retrace into a bearish area
Buy stop	Buy at a price above the market	Breakout entries
Sell stop	Sell at a price below the market	Breakdown entries

Added: trigger rules differ by platform: check how yours handles bid and ask

Figure 6: pending order types.

5. Aggressive and Conservative Entries

An aggressive entry goes directly into a planned FVG or OB with a predefined risk plan: the entry is closer to the zone so the stop can be smaller, but price may run through before reversing. A confirmation-based entry waits for a reaction or a shift: more evidence, but possibly a later price and a stop wide relative to the target. Test both under the same conditions before deciding.

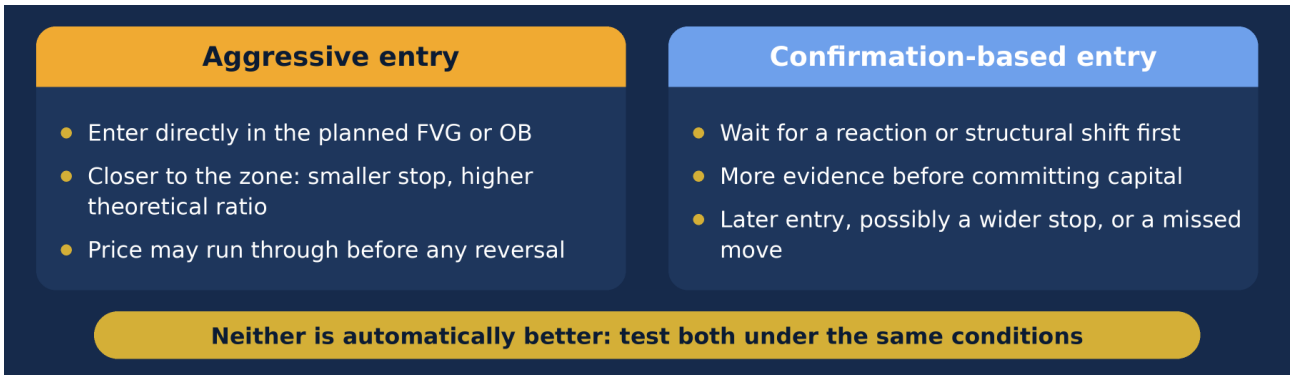


Figure 7: two entry styles.

6. Choosing Your Stop Loss

Place the stop where the idea is invalidated under your rules, not at an arbitrary distance chosen to fit a lot size. For a bullish sweep setup that might be beyond the sweep low; for a bearish one, beyond the sweep high. Example: entry 4,110, invalidation 4,102, stop distance 8. If a structurally appropriate stop makes the trade too expensive, reduce size or skip; do not force the stop closer. Account for spreads, commissions, slippage and fills beyond the stop in fast markets.

7. Planning Take Profit Before Entry

Identify potential targets before you enter: PDH/PDL, equal highs or lows, a relevant swing, external liquidity beyond the range, an opposing FVG. Example: entry 4,110, stop 4,102, target 4,126: risk 8, reward 16, theoretically 2:1 before costs. The calculation alone does not make a good setup: ask whether the target is realistic given structure and nearby opposing zones.

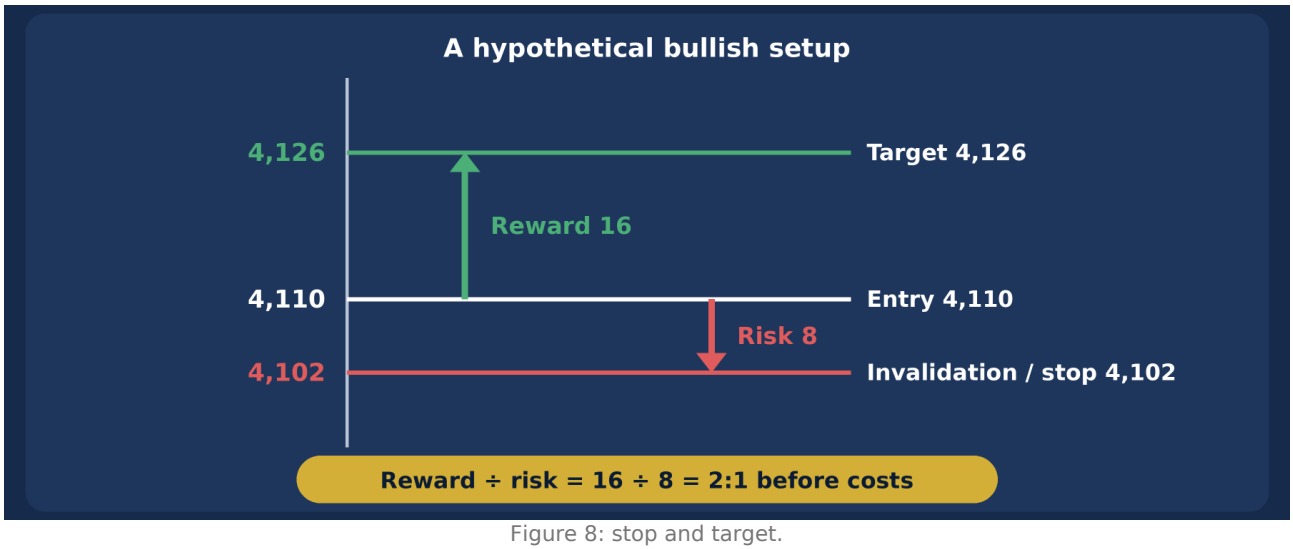


Figure 8: stop and target.



Figure 9: common targets.

8. The Complete Entry Process

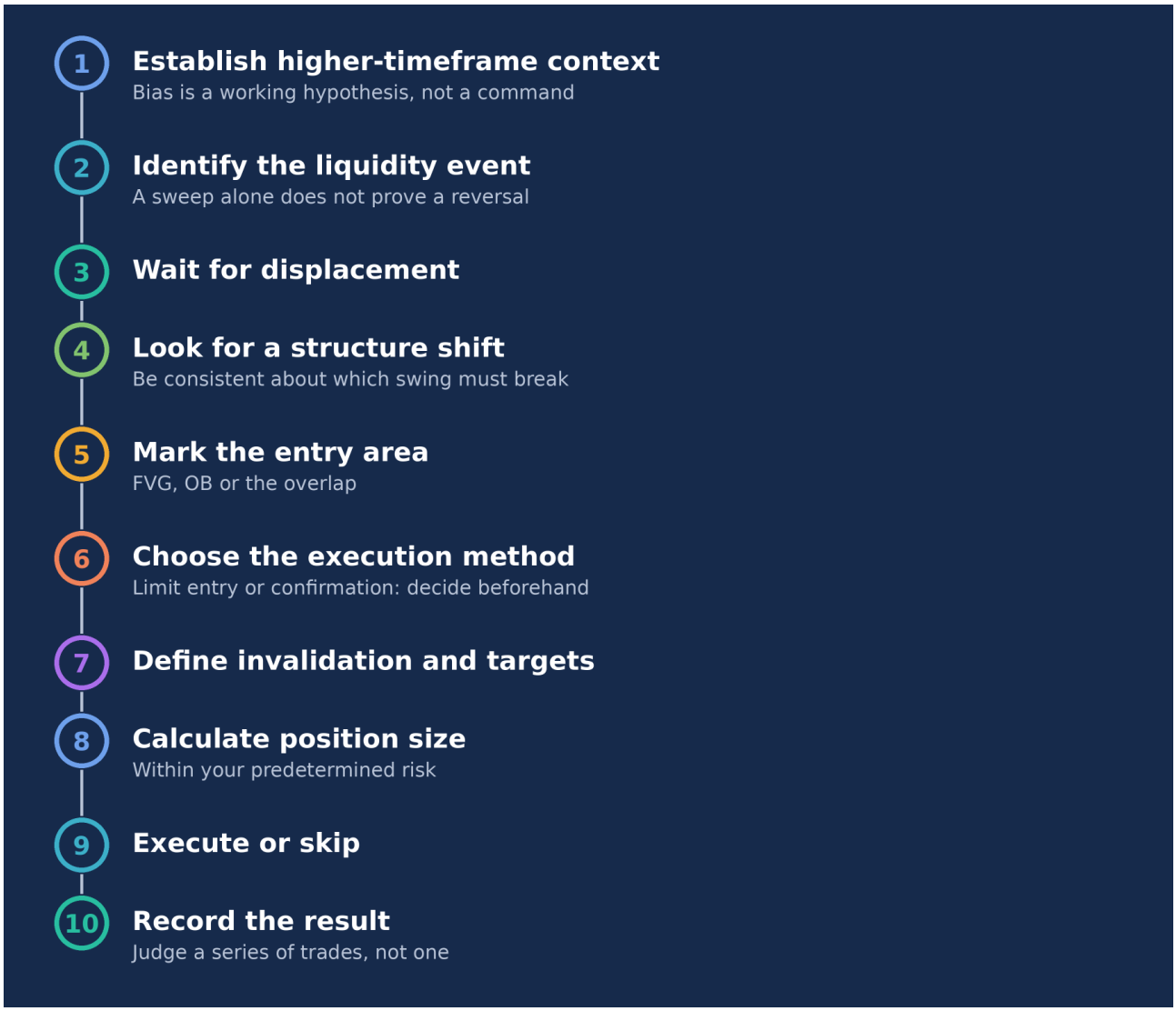


Figure 10: ten steps from analysis to execution.

9. Why Traders Enter Too Early

The common failure is entering before the model has formed: price sweeps a low, the trader buys immediately, no displacement or shift appears and price keeps falling. The problem may not be that the sweep was misread; it was treated as sufficient confirmation.



Figure 11: an early entry.

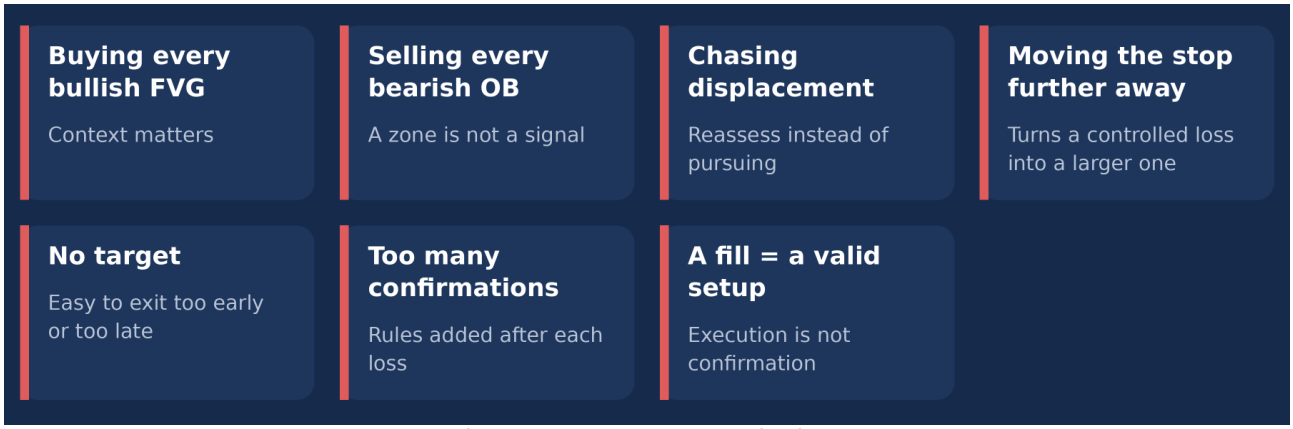


Figure 12: seven common mistakes.

10. The Precision Pips Entry Checklist



Figure 13: if critical conditions are missing you do not have to enter: a missed trade is not a loss.

11. Practical Exercise

On a historical XAUUSD chart find three potential entries and record the context, liquidity event, displacement, structure shift, FVG or OB, whether you would use a limit or wait for confirmation, entry, stop and target, theoretical reward-to-risk, what would invalidate it before entry, and what happened. Include failed setups and cases where price never returned. Use enough examples to cover ranging, trending and volatile conditions.

Key Takeaways

- Bias gives context; liquidity gives an event to monitor.
- Displacement and structure assess whether price may be shifting.
- FVGs and OBs are areas of interest, not turning points.
- Your entry rules decide when you act; risk management decides how much you lose if wrong.
- You do not need to catch every pip.

Knowledge Check

Q: Does a bullish FVG guarantee a reversal when revisited?

A: No: it is an area of interest.

Q: Market order vs limit order?

A: A market order seeks the best available price now; a limit order names the price you will trade at.

Q: Why wait for an MSS after a sweep?

A: It adds evidence that short-term structure may have shifted.

Q: A structurally appropriate stop makes the trade too risky?

A: Reduce size or skip the trade.

Q: Why is chasing after a large displacement candle dangerous?

A: Price may have moved too far, leaving poor reward-to-risk or exposure to a pullback.

Q: Entry area vs confirmed entry?

A: The area is where you monitor; confirmation is the extra evidence your model requires before executing.

Q: One winning trade or a documented sample?

A: A meaningful documented sample, including losses and missed entries.

Homework

- Find two bullish and two bearish historical setups and mark the sweep, displacement, shift and FVG or OB.
- Compare a limit approach with a confirmation approach: entry price, stop distance, target and whether the order would have filled.
- Document at least one failed setup and which condition failed.
- Write your personal entry rules in no more than eight steps. Use replay or demo only.

Added: Glossary

Term	Meaning
Limit order	Order at your price or better.
Market order	Order at the best available price now.
Confluence	Several observations pointing to one area.
Slippage	Fill at a different price than requested.

Next lesson
Lesson 16: Trade Management. Handling a trade after entry.

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