

Order Block Structure Continuation

Expert Advisor Documentation

PLATFORM	TYPE	TIMEFRAME	WEBSITE
MetaTrader 5 (MT5)	Price Action — ICT Order Block	M15 – H1	www.algotbot.live

⚠ Important Disclaimer This document is for educational and informational purposes only. It does not constitute financial or investment advice. Trading forex, CFDs, and other leveraged instruments involves substantial risk of loss and is not suitable for all investors. Past backtest performance does not guarantee future results. Never trade with capital you cannot afford to lose.

Overview

Order Block Structure Continuation is a pure price-action Expert Advisor built on the Inner Circle Trader (ICT) framework. It reads the market with three classic building blocks and uses *no* signal indicators — no oscillators, no moving-average crossovers, no overbought/oversold lines.

- **Market Structure** — fractal swing highs and lows of strength **K** mark the price levels where resting liquidity sits.
- **Break of Structure (BOS)** — when a candle *closes* beyond the most recent confirmed swing, it prints displacement and reveals the direction of the dealing range (bullish if it closes above the prior swing high, bearish if it closes below the prior swing low).
- **Order Block + Mitigation** — the last opposing candle before that displacement is treated as the institutional order block. The EA arms a zone there and waits for price to retrace (mitigate) back into it, then joins the move in the direction of the break.

The Average True Range (ATR) is used for **one purpose only**: sizing the protective stop buffer beyond the order block. It never generates an entry signal. The EA trades long and short with fully distinct logic and holds at most one position at a time, tagged by its Magic number.

How It Works

1. Building Market Structure

Every closed bar is appended to a rolling history (capped at 600 bars). On each close the EA confirms a fractal pivot that sits `SwingStrength` bars back from the newest bar — guaranteeing it has the required number of bars on both sides. A candidate becomes a confirmed **swing high** if its high is strictly above the highs of the `K` bars on each side, and a confirmed **swing low** if its low is strictly below the lows on each side. These confirmed levels are where resting liquidity is assumed to rest.

2. Detecting the Break of Structure

Once a swing is confirmed, the EA watches for a decisive close beyond it:

- **Bullish BOS** — a bar *closes above* the most recent confirmed swing high. This signals displacement to the upside.
- **Bearish BOS** — a bar *closes below* the most recent confirmed swing low. This signals displacement to the downside.

A bullish break consumes the swing high (the EA then waits for a new swing to form), and a bearish break consumes the swing low. Only confirmed closes count — intrabar spikes do not trigger structure logic.

3. Arming the Order Block

Immediately after a break, the EA walks back from the displacement bar — up to `ObSearchDepth` bars — looking for the **last opposing candle**:

- For a bullish break, the last *down* candle (close < open) before the up impulse becomes the bullish order block.
- For a bearish break, the last *up* candle (close > open) before the down impulse becomes the bearish order block.

The order block's high and low define the mitigation zone. The armed block stays valid for `ObValidBars` bars; if price never returns, it expires and the EA stands aside. If no clean opposing candle is found within the search depth, the structure is left intact and no zone is armed.

4. Mitigation & Entry

On every tick (intrabar), while a block is armed and no position is open, the EA checks whether price has retraced into the zone:

- **Long** — when the bid retraces down into the bullish zone (between the zone high and the zone low minus the buffer), the EA buys at the ask.
- **Short** — when the ask retraces up into the bearish zone (between the zone low and the zone high plus the buffer), the EA sells at the bid.

The order block is consumed the moment an entry is placed (or if the computed risk is non-positive), so each block produces at most one trade.

5. Stop Loss & Take Profit

The protective stop is anchored to the far edge of the order block, padded by an ATR-based buffer ($\text{buffer} = \text{ATR} \times \text{StopBufferAtr}$, using the ATR of the last *closed* bar):

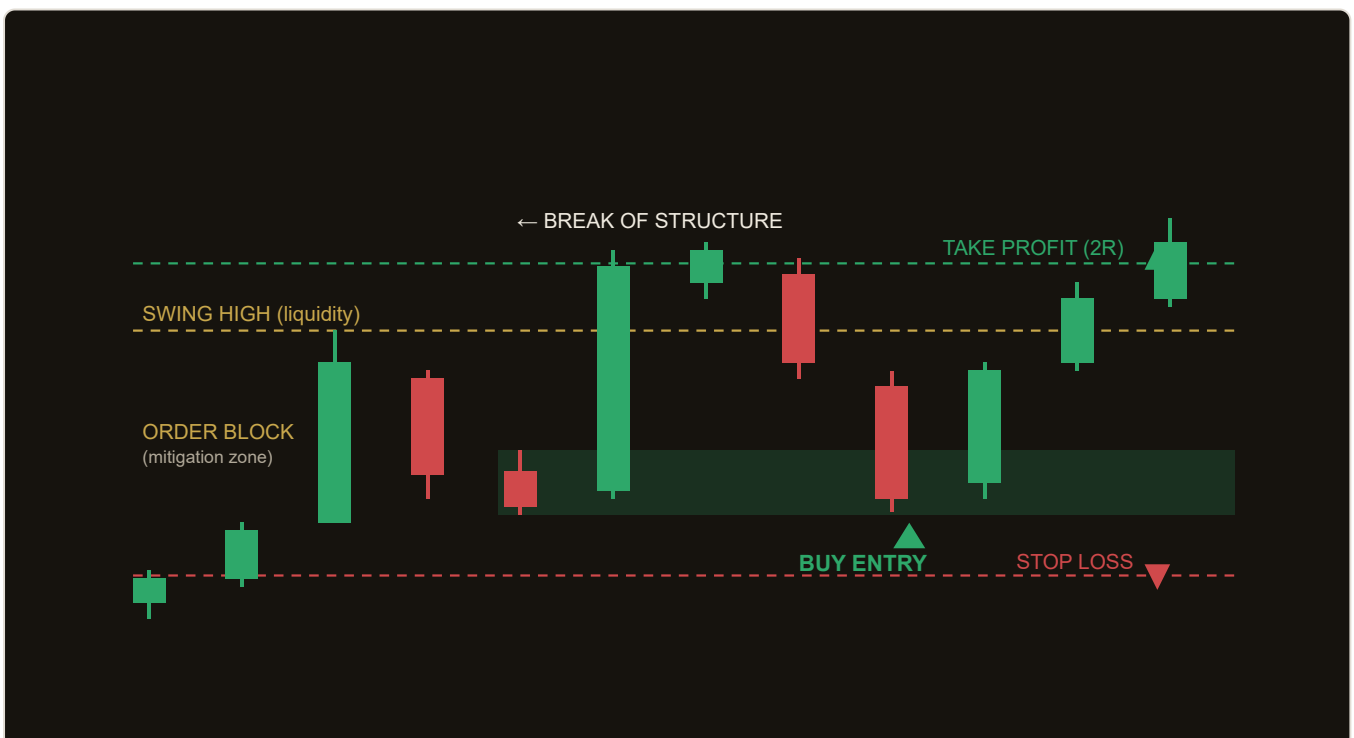
- **Long:** stop = zone low – buffer; risk = entry – stop; take-profit = entry + risk × RewardRisk .
- **Short:** stop = zone high + buffer; risk = stop – entry; take-profit = entry – risk × RewardRisk .

Both the stop and target are attached to the order at submission, so the trade manages itself to completion without further intervention.

Note — "Continuation," not reversal. The model only trades *with* the break of structure: after a bullish BOS it looks to buy the pullback, and after a bearish BOS it looks to sell the rally. It is designed to join an established displacement, not to fade it.

Strategy in Action

The illustration below shows an example of how the strategy identifies a setup and triggers its entry and exit. This is a simplified, illustrative example for educational purposes — not real market data.



Illustrative example only. Actual market behaviour varies.

Reading the chart

Price rallies and prints a confirmed *swing high* (gold dashed line). After a brief pullback, a strong bullish candle closes above that swing high — a Break of Structure. The last down candle before that impulse becomes the bullish *order block* (shaded zone). Price later retraces down into the zone (mitigation), triggering a

BUY ENTRY

. The stop sits just below the zone with an ATR buffer; the take-profit is placed at twice the risk (2R).

Parameters

Parameter	Default	Description
SwingStrength	3	Fractal swing strength K . A pivot must be higher (swing high) or lower (swing low) than the K bars on each side. Larger values yield fewer, more significant structure points. Range 2–8.
ObSearchDepth	15	How many bars to walk back from the break-of-structure bar when searching for the last opposing candle (the order block). Range 5–40, step 5.
ObValidBars	20	Number of bars an armed order block stays valid while awaiting mitigation before it expires. Range 5–60, step 5.
AtrPeriod	14	ATR averaging period. Used <i>only</i> to size the protective stop buffer — never as a signal. Range 7–30.
StopBufferAtr	0.30	Stop buffer expressed as a multiple of ATR, added beyond the order-block edge. Range 0.05–1.50, step 0.05.
RewardRisk	2.0	Take-profit distance as a multiple of risk (entry-to-stop distance). Range 1.0–5.0, step 0.5.
Lots	0.10	Fixed trade volume in lots. Range 0.01–1.00, step 0.05.
Magic	7340	Position identifier tag used to isolate this EA's trades from other EAs and manual orders on the same account.

Recommended Settings

The defaults are a balanced starting point for liquid FX majors on the M15–H1 timeframes. Adjust to the instrument's volatility and your risk tolerance:

- **SwingStrength 3–4** — higher values filter out minor noise and target only major structure on cleaner, trending pairs.

- **StopBufferAtr 0.20–0.50** — widen on volatile or wide-spread instruments to avoid being stopped on the wick into the zone.
- **RewardRisk 2.0** — a 2:1 target balances strike rate against expectancy; raise toward 3.0+ in strongly trending conditions.
- **ObValidBars 20** — shorten to demand a prompt mitigation (fresher order blocks); lengthen to allow deeper, slower retracements.

Tip: Because ATR is used solely for the stop buffer, always tune `AtrPeriod` and `StopBufferAtr` together for the symbol you trade. Validate any parameter set in the MT5 Strategy Tester on representative history before going live, and size `Lots` so a single full stop loss is a small fraction of account equity.

How to Install on MetaTrader 5

- 1 Copy `OrderBlockStructureContinuation.ex5` to your MT5 `MQL5\Experts\` folder
- 2 Restart MetaTrader 5 and refresh the Navigator panel
- 3 Drag the EA onto a chart matching the recommended symbol and timeframe
- 4 Configure the input parameters and click **OK**
- 5 Enable **Algo Trading** in the MT5 toolbar

Risk Warning

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