

# Stop Hunt Fvg Reversal

Expert Advisor Documentation

PLATFORM	TYPE	TIMEFRAME	WEBSITE
MetaTrader 5 (MT5)	Stop-Hunt / FVG Reversal	Any (M15–H1 suggested)	<a href="http://www.algotbot.live">www.algotbot.live</a>

**⚠ 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

**Stop Hunt Fvg Reversal** is a pure price-action Expert Advisor. It uses no indicators — every decision is made from raw candle geometry and recent swing levels. The strategy targets a very specific institutional footprint: a *liquidity sweep* (a “stop hunt”) followed by a violent reversal that leaves behind a *Fair Value Gap* (FVG).

The idea is that large participants first raid resting liquidity by spiking price through a recent swing extreme — triggering the stop orders clustered there — and then reverse sharply in the opposite direction. That sharp reversal prints an oversized displacement candle, which creates a three-candle imbalance (the FVG). Stop Hunt Fvg Reversal waits for price to retrace back *into* that gap and then joins the post-sweep move, placing its protective stop just beyond the trapped extreme.

**In one sentence:** sweep a swing extreme → confirm a strong displacement candle that opens a Fair Value Gap → enter on the pullback into the gap, stop beyond the swept level, target a fixed reward:risk multiple.

## How It Works

On every new bar the EA appends the just-closed bar to a rolling history and evaluates two things in order: first whether an already-*armed* setup should trigger or expire, then whether a fresh sweep + FVG pattern has

just formed. Only one position is held at a time — while a trade is open, any pending setup is dropped.

## 1. Detecting the Sweep + Fair Value Gap

The detector examines the three newest closed bars — `c1` (oldest), `c2` (the displacement candle), and `c3` (newest) — against a reference swing window of `SweepLookback` bars immediately before them. From that window it measures the prior swing high, the prior swing low, and the average candle body size.

- **Displacement filter:** the body of `c2` must be at least `DisplacementMult` × the average body over the lookback window. This ensures the reversal is genuinely violent, not ordinary noise.
- **Bullish FVG (long bias):** a gap exists when `c3.Low > c1.High` and `c2` closed up. The swept extreme is confirmed when the pattern's lowest point (`min(c1.Low, c2.Low)`) dipped *below* the prior swing low — sell-side liquidity was raided first.
- **Bearish FVG (short bias):** the mirror image — `c3.High < c1.Low`, `c2` closed down, and the pattern's highest point (`max(c1.High, c2.High)`) pushed *above* the prior swing high.

When all conditions align, the setup is **armed**: the EA records the gap bounds, the swept extreme (the protective level), and the trade direction.

## 2. Entry Logic — the Retrace Into the Gap

Once armed, the EA does not buy or sell immediately. It waits for price to pull back into the imbalance:

- **Long:** after a bullish FVG, the EA buys when a later bar's low pulls back down into the gap (its low reaches the top of the gap zone).
- **Short:** after a bearish FVG, the EA sells when a later bar's high pulls back up into the gap zone.

### Worked long example

Price grinds sideways above a swing low. One bar spikes *below* that swing low (stops are swept), then a large bullish candle rips upward and leaves a gap between candle 1's high and candle 3's low. A few bars later price drifts back down into that gap — the EA buys at market, places its stop just under the swept low, and targets twice the risk above entry.

## 3. Exit Logic — Stop Loss & Take Profit

Both exits are set at entry as fixed broker-side orders; there is no trailing or break-even management.

- **Stop Loss:** placed just beyond the swept extreme — for a long, a quarter of the gap height below the swept low; for a short, a quarter of the gap height above the swept high. This sits where the "trap" was set, so a return through it invalidates the idea.
- **Take Profit:** a fixed multiple of the stop distance, controlled by `RewardRisk` (default 2.0× risk).



## Parameters

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Parameter	Default	Description
SweepLookback	10	Number of bars in the swing window scanned immediately before the 3-bar pattern. Sets where the prior swing high / swing low (the resting liquidity) and the average body size are measured. Range 4–30, step 1.
DisplacementMult	1.6	Minimum size of the displacement candle's body, expressed as a multiple of the average body over the lookback window. Higher values demand a stronger, more violent reversal before a setup arms. Range 1.0–4.0, step 0.1.
RewardRisk	2.0	Reward-to-risk multiple. Take-profit distance = stop distance × this value. Range 1.0–5.0, step 0.5.
SetupExpiryBars	6	How many bars an armed setup stays valid while waiting for price to retrace into the gap. If the retrace does not occur within this window, the setup is discarded. Range 1–20, step 1.
Lots	0.10	Fixed position size, in lots, for every trade. Range 0.01–1.0, step 0.05.
Magic	7142	Magic number used to tag and manage only this EA's positions, keeping them separate from other EAs or manual trades on the same account.

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## Recommended Settings

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The strategy is timeframe-agnostic — it reads only candle geometry and swing levels — so it can be applied to any chart. The settings below are sensible starting points; always validate on your own broker's data before going live.

- **Instruments:** liquid markets where stop-hunt behaviour is common — major FX pairs (EUR/USD, GBP/USD), indices, and gold (XAU/USD).
- **Timeframe:** M15 to H1 tends to produce the cleanest sweeps and displacement candles. Lower timeframes generate more (and noisier) setups.
- **DisplacementMult:** raise toward 2.0–2.5 on noisier instruments to demand a more decisive reversal; lower toward 1.2–1.4 if you want more frequent setups.
- **RewardRisk:** 2.0 is a balanced default. Higher multiples win less often but pay more per win.
- **SetupExpiryBars:** keep tight (4–8) so only prompt retraces are taken; the freshest imbalances tend to be the most reliable.

**Tip:** because position size is a fixed `Lots` value, scale it to your account balance and the instrument's typical stop distance before trading. The stop distance here is driven by the swept extreme and gap height, so it varies setup to setup — review your per-trade risk accordingly.

## How to Install on MetaTrader 5

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- 1 Copy `StopHuntFvgReversal.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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