

# Quasimodo Left Shoulder Entry

Expert Advisor Documentation

## PLATFORM

MetaTrader 5 (MT5)

## TYPE

Price-Action Reversal

## TIMEFRAME

H1 – H4 (single TF)

## WEBSITE

[www.algotbot.live](http://www.algotbot.live)

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## Overview

The **Quasimodo Left Shoulder Entry** is a price-action reversal Expert Advisor built around the classic **Quasimodo (QM)** pattern — also known as the *Over-and-Under*. A Quasimodo is a **failed continuation**: the market appears to extend the prevailing trend, sets a fresh extreme (the "head"), then breaks structure in the opposite direction. That structural break signals that the trend is exhausted and a reversal is likely.

Rather than chasing the break, this EA waits patiently for price to retrace back to the pattern's **left shoulder** and enters there, giving a defined-risk reversal trade with the stop tucked behind the head and the target placed at the broken structure level. It operates on a **single timeframe** and evaluates the market only on the close of each new bar, so signals are stable and repaint-free.

**Why the left shoulder?** The left shoulder is the price level that the market rejected *before* the head formed. After the trend fails and structure breaks, price frequently rallies (or drops) back to that same shoulder to fill liquidity — offering a high-quality, low-risk reversal entry with a clear invalidation point.

# How It Works

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## 1. Swing detection (2-bar fractals)

On every completed bar the EA confirms a swing pivot at the centre candle using a **2-bar fractal**: the candle must be higher (for a swing high) — or lower (for a swing low) — than the two candles on each side of it. Bars that qualify as both or neither are ignored, so only unambiguous pivots enter the history.

Confirmed pivots are stored in an **alternating high/low sequence**. If two same-type pivots appear back-to-back, they are collapsed into the more extreme one, keeping the swing history strictly alternating (high, low, high, low, ...).

## 2. Reading the Quasimodo pattern

The last four alternating pivots are read as a candidate pattern. Two mirror-image variants are recognised:

- **Bearish QM (top)**: High (H1) → Low (L1) → higher High (H2 > H1, the *head*) → lower Low (L2 < L1, a **break of structure**). The reversal is a **SELL**, armed at the left-shoulder price **H1**.
- **Bullish QM (bottom)**: the exact mirror — Low (L1) → High (H1) → lower Low (the head) → higher High (break of structure). The reversal is a **BUY**, armed at the left-shoulder low **L1**.

## 3. Arming the entry

When a valid pattern is confirmed the EA **arms** an order at the left-shoulder price. Nothing is bought or sold yet — the level simply waits for a retrace. Arming records:

- **Arm level** — the left-shoulder price that price must return to.
- **Stop loss** — just beyond the head ( $\pm$  an ATR buffer, see below).
- **Take profit** — the broken-structure level on the far side of the pattern.

## 4. Entry trigger (retrace & reject)

The armed level fires only when price returns to the shoulder *and the bar closes back through it*, confirming rejection:

- **Short**: the bar's high reaches or exceeds the shoulder, but it **closes below** it → SELL at the current Bid.
- **Long**: the bar's low reaches or drops to the shoulder, but it **closes above** it → BUY at the current Ask.

Only **one position** per magic number is allowed at a time; if a trade is already open the EA stands aside.

## 5. Stop loss & take profit

Risk is defined entirely by the pattern geometry, with the stop padded by volatility:

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buffer = SlBufferAtr × ATR(AtrPeriod)
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Short: SL = head + buffer      TP = L2 (broken low)

Long: SL = head - buffer      TP = H2 (broken high)

Before any order is sent the EA validates the geometry — a long must have  $SL < price < TP$  and a short must have  $TP < price < SL$ . If the numbers do not line up the trade is skipped rather than forced.

## 6. Expiry of an armed level

An armed level does not wait forever. If price never retraces to the shoulder within `MaxAgeBars` bars, the setup is discarded and the EA resumes hunting for the next Quasimodo. This prevents stale levels from firing long after the pattern's context has decayed.

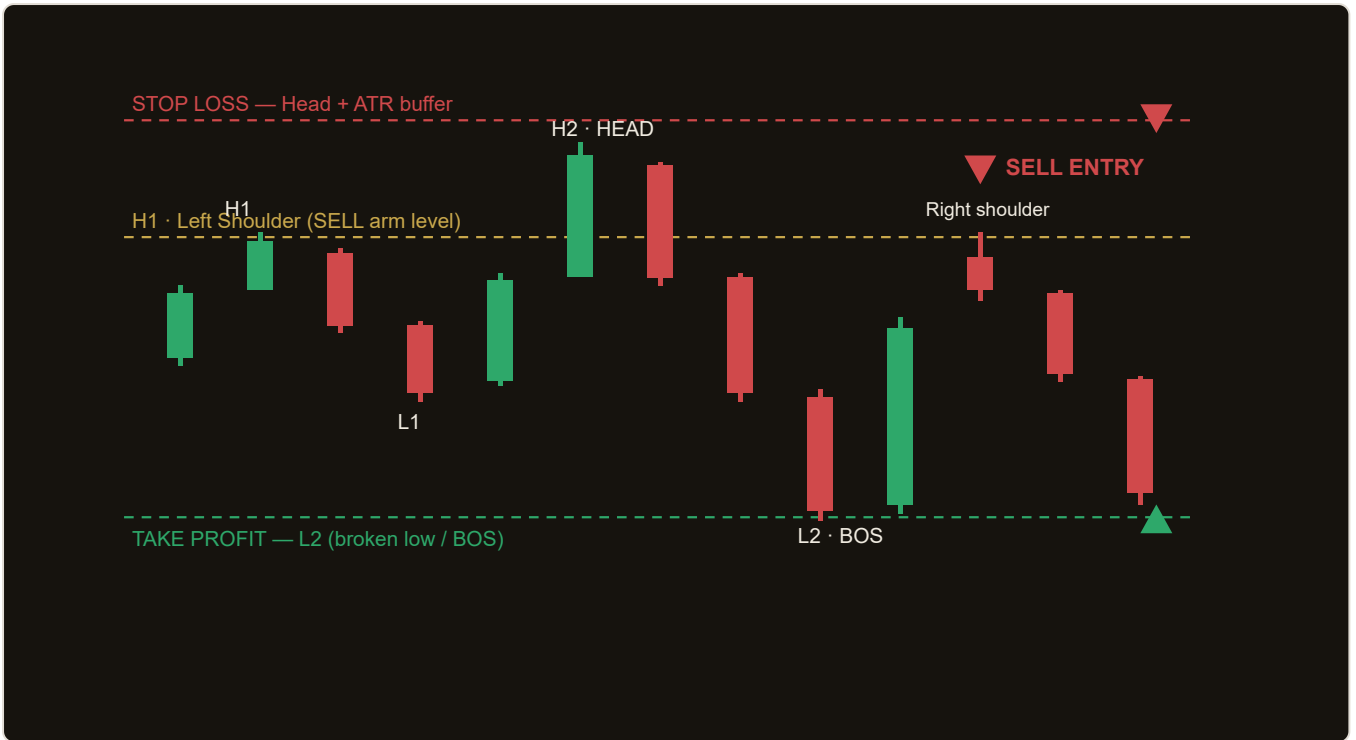
### Worked example — bearish Quasimodo (SELL)

Price prints a high at 1.1050 (H1), pulls back to 1.1010 (L1), then pushes to a higher high of 1.1085 (H2 — the head). Instead of continuing up it collapses to 1.0995 (L2), breaking below L1 — the structure has failed. The EA arms a SELL at the shoulder 1.1050, sets the stop just above 1.1085 plus an ATR buffer, and targets 1.0995. A few bars later price rallies back, tags 1.1050, and closes below it → the short fires, risking the head-to-shoulder distance to capture the move down to the broken low.

## Strategy in Action

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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.*

## Parameters

Parameter	Default	Description
MaxAgeBars	30	Number of bars an armed left-shoulder level stays valid before it expires unfilled. Range 5–100, step 1.
AtrPeriod	14	Look-back period for the ATR used to size the stop-loss buffer beyond the pattern head. Range 7–30, step 1.
SlBufferAtr	0.5	Stop-loss padding placed beyond the head, expressed as a multiple of ATR. Range 0.0–2.0, step 0.1.
Lots	0.10	Fixed order volume in lots for each trade. Range 0.01–1.0, step 0.05.
Magic	4818	Unique magic number stamped on this EA's orders so it manages only its own positions.

## Recommended Settings

The Quasimodo relies on clean, well-formed swing structure, which tends to appear most reliably on the higher intraday timeframes. Use the defaults as a sensible starting point and tune to the instrument's volatility.

- **Timeframe:** H1 to H4. Lower timeframes produce noisier fractals and more false patterns; higher timeframes give cleaner shoulders and heads.
- **Instruments:** liquid FX majors and major indices, where structural breaks and retraces are respected.
- **AtrPeriod / SlBufferAtr:** keep `AtrPeriod` at 14 and start with a `0.5` ATR buffer. Widen the buffer (0.8–1.2) on volatile symbols to avoid being stopped by wicks above the head.
- **MaxAgeBars:** 30 bars balances patience against staleness. Shorten it if you only want the freshest retraces; lengthen it on slower-moving pairs.
- **Lots:** size conservatively. Because the stop sits beyond the head, per-trade risk scales with the head-to-shoulder distance — confirm the resulting cash risk fits your account before going live.

**Tip:** The stop-to-target distance is dictated entirely by the pattern, so the reward-to-risk ratio varies trade to trade. Always run the EA in the **Strategy Tester** across your chosen symbol and timeframe first to understand its typical R-multiple and hit rate before committing real capital.

## How to Install on MetaTrader 5

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- 1 Copy `QuasimodoLeftShoulderEntry.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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