

ICT Son's Model Trading Setup in Higher Time Frames; DOL & Liquidity Sweep

The ICT Son's Model – HTF trading strategy is an optimized version of the 30-second Son's Model setup, designed for higher time frames such as 1-hour and 4-hour charts.



The ICT Son's Model is an strategy for higher time frames

This strategy utilizes the **ICT style** core principles and key concepts, such as **Draw On Liquidity** and **Sweep**, enabling traders to perform more precise market structure analysis.

The main difference between this approach and others is using **higher time frames** to identify key areas.

With these settings, traders can refine their setups for long-term trades and pinpoint entry and exit points more accurately.

What is ICT Son's Model - HTF Trading Strategy?

The **ICT Son's Model - HTF strategy** is designed to leverage higher time frames beyond 30 seconds to gain more reliable trading signals.

This method focuses on **liquidity**, **market structure**, and entry techniques that can enhance your trading performance. Below are the key Steps of this strategy:

#1 Draw On Liquidity (DOL)

The first step in the ICT Son's Model - HTF strategy is identifying liquidity areas and determining the **Draw On Liquidity (DOL)** direction on the 1-hour or 4-hour chart.

This involves recognizing areas where the market has previously reversed, such as **Highs** or **Lows**, internal and external liquidity zones.

⚡ **Key Levels:** Traders should mark critical levels on 4-hour or 1-hour charts. These levels include **Highs**, **Lows**, and **Fair Value Gaps (FVGs)**, acting as potential reversal and liquidity accumulation points.

⚡ **Internal and External Liquidity:** When identifying DOL, remember that price consistently moves from **internal liquidity** to external liquidity zones (and vice versa).



Identifying Draw On Liquidity on the 4-hour NASDAQ chart using the ICT Son's Model higher time frame setup

#2 Liquidity Sweep

The next step in the ICT Son's Model - HTF trading strategy is observing the **Liquidity Sweep** on the 15-minute chart:

1. **Swing Highs and Lows:** Look for the sweep of a **Swing High** or **Swing Low**.
2. **Bullish Confirmation:** If the DOL direction is bullish, wait for a **bullish candle** to close after sweeping a **Swing Low**.
3. **Bearish Confirmation:** If the DOL direction is bearish, look for a **bearish candle** to close after sweeping a **Swing High**.



Reviewing the higher time frame ICT Son's Model setup and Swing High Liquidity Sweep on the 15-minute NASDAQ chart

#3 Entry Techniques

The entry point in the ICT Son's Model – HTF setup is crucial, and **Fair Value Gaps (FVGs)** play a significant role:

1. **After Liquidity Sweep:** Immediately after a liquidity sweep (of a High/Low) and the closing of a reversal candle (bullish/bearish), switch to the 1-minute chart.
2. **Using FVGs:** On the 1-minute chart, wait for an FVG to form before entering the trade. These gaps represent areas where the price is likely to return.

3. **5-Minute Chart:** Traders aiming to enter trades on the 5-minute chart should identify the DOL direction on the 4-hour or daily chart.



How to enter trades in the ICT Son's Model-HTF setup on the 1-minute NASDAQ (NQ100) chart

#4 Risk Management

Effective risk management is crucial to maintain profitability in trading. The ICT Son's Model higher time frame setup emphasizes maintaining a balanced risk-to-reward ratio.

⚡ **Risk/Reward Ratio:** Aim for a risk/reward ratio of 1:1 or a maximum of 1:2. This ensures that potential profits are at least equal to possible losses.

⚡ **Stop Loss:** For indices like NASDAQ and S&P, set a minimum stop loss of 15-20 points to protect your capital against market volatility.

Conclusion

The ICT Son's Model trading setup in higher time frames (HTF) offers a structured approach for forex and cryptocurrency.

Traders can confidently navigate markets by focusing on liquidity, **optimizing entry techniques** (OTE), and adhering to strict risk management principles.

Sources:

1- Link:

<https://tradingfinder.com/education/forex/ict-sons-model-htf/>

2- Our YouTube Channel:

<https://www.youtube.com/@TradingFinder>



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Educational link



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