

Turtle Soup Strategy from ICT Style

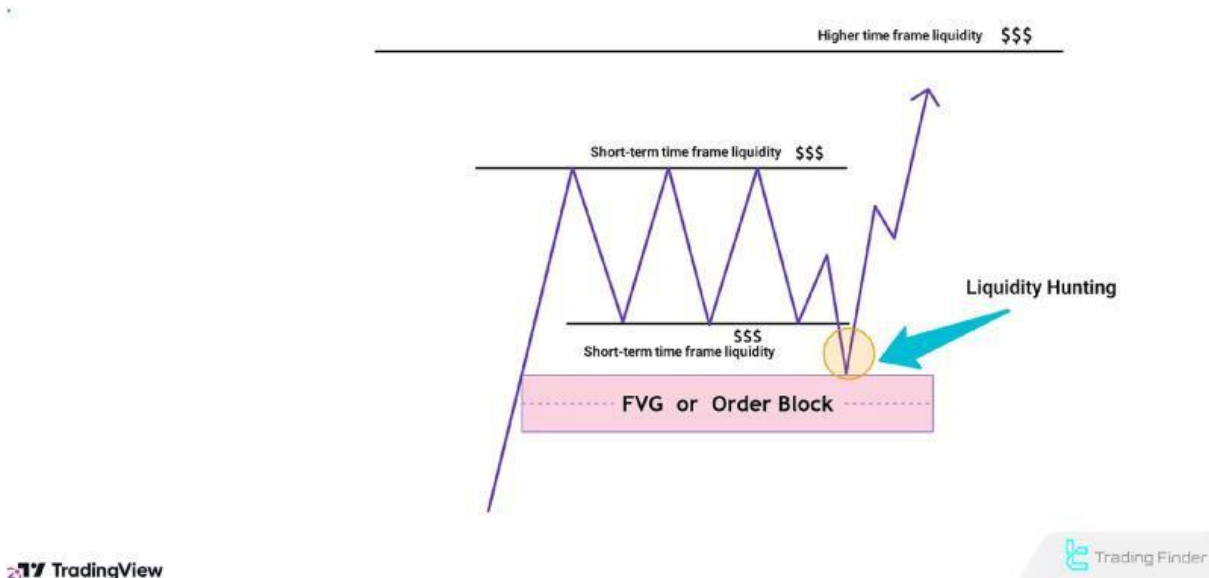
Turtle Soup is an **ICT strategy**, primarily used after the formation of range-bound price movements, which constitute most of the market's behavior. This strategy combines several key concepts: **PD Arrays**, **Fair Value Gap (FVG)**, **Fake Breakout**, and **Liquidity Sweep**.



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What Is the Turtle Soup Strategy?

The Turtle Soup Strategy is a trading method designed to hunt liquidity in the market and capitalize on reversal points. This strategy is typically applied when the price exits a range or liquidity zones, aiming to attract more orders.



General illustration of the Turtle Soup Strategy in an uptrend, highlighting all its key components

Note: To simplify the identification of the Turtle Soup setup, the [TFlab] team has developed an indicator for it:

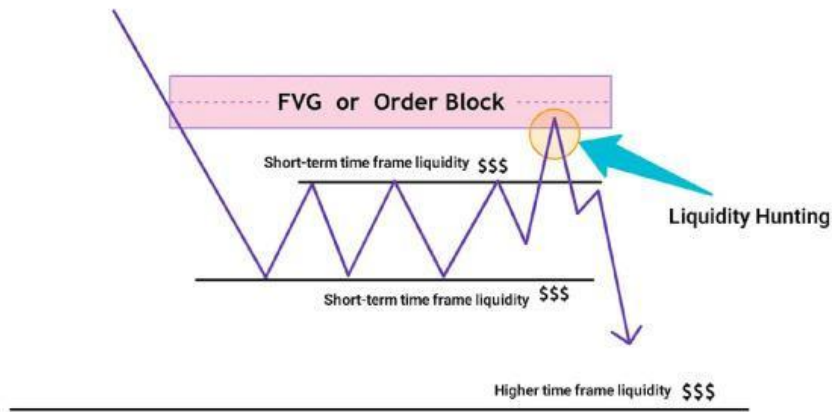
- ⚡ **Turtle Soup Indicator for MetaTrader 4;**
- ⚡ **Turtle Soup Indicator for MetaTrader 5;**
- ⚡ **Turtle Soup Indicator for TradingView.**

Why Does the Turtle Soup Strategy Focus on Liquidity?

Markets naturally gravitate toward areas with concentrated liquidity. In the Turtle Soup Strategy, two types of liquidity are emphasized:

1. **Internal Liquidity:** Found within short-term range areas, consisting of Fair Value Gaps or **short-term highs/lows**;
2. **External Liquidity:** Found outside the short-term range, including stop-losses or other imbalance zones.

First of all, price absorbs internal liquidity before moving to target external liquidity, aligning with the overall higher-timeframe trend.



General illustration of the Turtle Soup Strategy in a downtrend, highlighting all its key components

How Does the Turtle Soup Strategy Work?

To apply this strategy, follow these prioritized steps:

#1 Identify the Range

The range is defined between a specific high and low on the chart, where older highs and lows act as zones of significant liquidity.

#2 Identify Entry Points

- ⚡ **Uptrend:** Price should absorb lower liquidity (Swing Lows) before moving upward;
- ⚡ **Downtrend:** Price hunts higher liquidity (Swing Highs) before moving downward.

#3 Align with the Higher Timeframe

Review the market direction in higher timeframes (daily or hourly) to ensure alignment. In **lower timeframes**, wait for the price to return and reach key areas like **Order Blocks**.



Illustration of all components of the Turtle Soup Strategy in a downtrend

Pros and Cons of the Turtle Soup Strategy

Like any trading strategy, Turtle Soup has its specific advantages and disadvantages:

Advantages

Clear identification of liquidity points

Usable across different timeframes

Higher-timeframe analysis ensures alignment

Disadvantages

Requires patience for price to reach key zones

Demands understanding of liquidity and market behavior

Risk of misidentifying all components



Practical Steps for Using the Strategy

1. **Analyze the Higher Timeframe:** Identify external liquidity points and mark them clearly on the chart;
2. **Define the Range:** Mark highs and lows within a price range to distinguish internal and external liquidity;
3. **Wait for Internal Liquidity to Be Hunted:** Once internal liquidity is absorbed, look for moves toward external liquidity.
4. **Enter the Position:** After observing the confirmation of a reversal signal in key zones, proceed to enter the position.

Conclusion

The **Turtle Soup Strategy** is a tool for **liquidity hunting and utilizing** confirmed directional moves in **higher timeframes**.

This strategy is particularly suitable for traders seeking clear **market movements**. Mastery in liquidity concepts and synchronization **across timeframes** is essential for success in this method.

source:

1: our website link:
<https://tradingfinder.com/education/forex/ict-turtle-soup/>

2.All educations:
<https://tradingfinder.com/education/forex/>



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