

False Breakouts Indicator on TradingView - Free - [TradingFinder]



The **False Breakouts Indicator** in [TradingView Indicators](#) is a precise technical analysis tool that identifies **false breakouts** and **Swing Failure Patterns (SFP)**. This indicator accurately pinpoints areas where the price surpasses key **support or resistance** levels but **quickly retraces** back into the range.

This behavior often indicates a market trend **reversal**. It can be used to identify **reversal points** and **counter-trend moves**.

False Breakouts Indicator Table Specifications

This table provides a concise description of the indicator's details:

Category	ICT - Support & Resistance - Signal & Forecast
Platform	TradingView
Skill Level	Advanced
Indicator Type	Breakout - Reversal
Timeframe	Multi-Timeframe
Trading Style	Day Trading
Market	Forex - Cryptocurrency - Stocks

Indicator in an Uptrend

As shown in the chart, Bitcoin (BTC) in the 4-hour timeframe demonstrates a scenario where the price temporarily **breaches** a **resistance** level but **quickly returns** to its previous range.

This behavior indicates a **false breakout**, typically occurring after stops are triggered and **liquidity sweep** is absorbed. In such cases, the indicator issues a **Buy Entry Signal** with a **green arrow**.



Indicator in a Downtrend

In the 1-hour price chart for **GBP/JPY**, the price temporarily breaches a support level but quickly retraces back into its prior range.

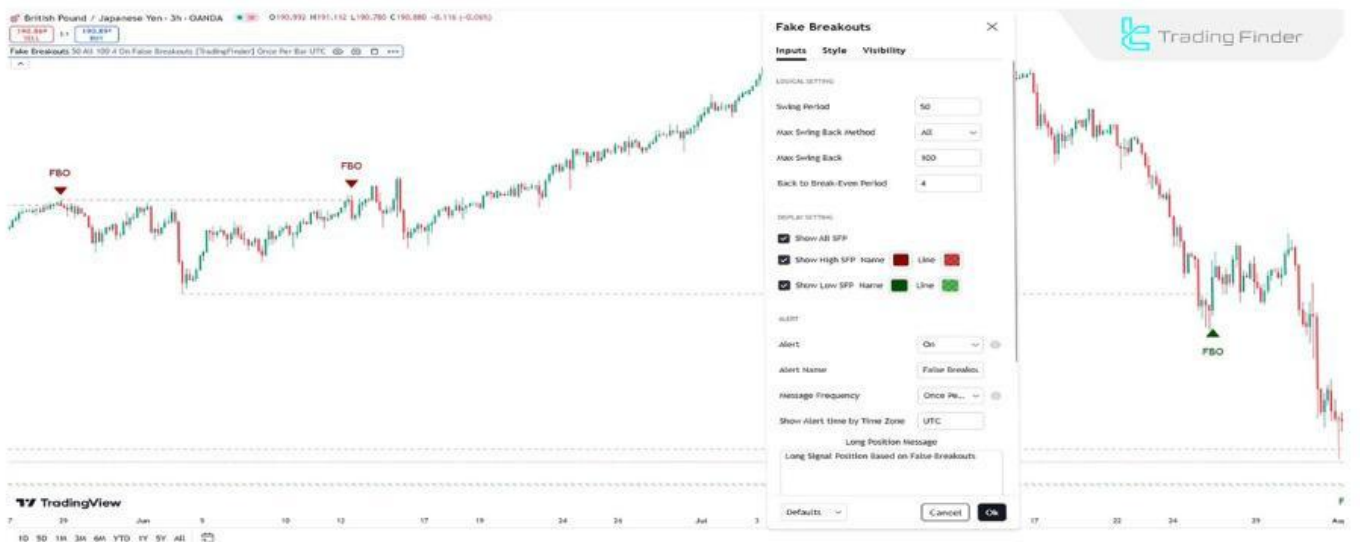
This movement indicates a **false breakout**, and the indicator displays a **Sell Entry Signal** with a red arrow.



False Brakout Indicator in GBP/JPY Currency Pair Chart

Indicator Settings

The complete settings of the Fake Breakout Indicator are shown in the image below. The settings of this indicator include [Logical Setting, Display Setting, and Alert]:



False Breakout Indicator Settings

Logical Setting

- ⚡ **Swing Period:** The period for calculating swings (default: 50)
- ⚡ **Max Swing Back Method:** Identifies the maximum swing back
- ⚡ **Max Swing Back:** The maximum swing back value
- ⚡ **Back to Breakeven Period:** The return to range period (default: 4)

Display Setting

- ⚡ **Show All SFP:** Option to display all false breakouts
- ⚡ **Show High SFP:** Displays breakout above the high level in red
- ⚡ **Show Low SFP:** Option to display breakout below the low level in green

Alert

- ⚡ **Alert:** Sends alerts when patterns are detected
- ⚡ **Alert Name:** Custom name for alerts
- ⚡ **Message Frequency:** Customizes the alert message content
- ⚡ **Show Alert Time by Time Zone:** Displays alert times according to the selected time zone

Conclusion

False breakouts are a key concept in **technical analysis**, offering powerful tools to identify sudden price changes and **leverage** them in trading.

Understanding this **phenomenon** and **applying** its **indicator** can help traders achieve better **performance** in **financial markets** and avoid potential losses.

Sources:

1- More Information about False Breakouts Indicator:

<https://tradingfinder.com/products/indicators/tradingview/false-breakouts/>

2- False Breakouts Indicator in TradingView:

<https://www.tradingview.com/script/F36FiRQ7-False-Breakouts-TradingFinder-Fake-Breakouts-Failure/>

3- Watch it on YouTube:

<https://youtu.be/u2ZgczPMQhk>

4- All TradingView Indicators:

<https://tradingfinder.com/products/indicators/tradingview/>



[Website](#)



[Indicator link](#)



[Youtube Channel](#)



[Instagram](#)