Learn Single Candle Order Block (SCOB) Trading Strategy - ICT

The **SCOB strategy** in the **ICT trading style** is designed based on a single candlestick (Order Block or Order Block Candle). This candle forms in a specific area with a distinct visual pattern, creating a **critical zone**. When the price returns to this zone, a **trading opportunity arises**.



Price reaction to the Single Candle Order Block (SCOB) zone on the GBP/USDT chart

What is Single Candle Order Block (SCOB)?

A **Single Candle Order Block (SCOB)** is a candlestick that forms in a **Point of Interest (POI)** and aligns with price reversals. The appearance of this candle serves as a strong confirmation of a market reversal.

By using the highest and lowest points of this candle, a key trading zone can be drawn.

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Advantages and Disadvantages of the SCOB Strategy

Using this strategy has its own set of advantages and disadvantages:

Advantages	Disadvantages
Applicable in all trading timeframes	Poor performance during ranging markets
Identifies suitable entry zones in terms of **risk-to-reward ratio**	Requires significant experience and skill
Applicable in all trading timeframes	-

Bullish Single Candle Order Block (SCOB)



A schematic representation of the Bullish Single Candle Order Block, where each component is numbered accordingly

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A Bullish Single Candle Order Block forms a favorable zone for price increases. To identify a SCOB, three consecutive candlesticks must be examined, meeting the following conditions:

- The first candle forms in a suitable price increase area. This candle, closes in a bearish state by creating a lower shadow (short or long wick);
- The second candle first drops below the previous candle's low, gathering liquidity beneath it, then rises and closes bullish;
- The **third candle** must rise and close **above the high of the second candle**.

Bearish Single Candle Order Block (SCOB)



A schematic representation of the Bearish Single Candle Order Block, where each component is numbered accordingly

A Bearish Single Candle **Order Block** forms a favorable zone for price declines. To identify a SCOB, three consecutive candlesticks must be examined, meeting the following conditions:

- The **first candle** forms in a suitable price decline area. This candle creates an upper shadow (short or long wick) and closes in a bullish state;
- The **second candle** initially rises above the high of the previous candle, collecting liquidity above it. Then, it falls and closes **bearish**;
- The **third candle** must fall and close **below the low of the second candle**.

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How to Trade Using the SCOB Strategy?

Trading based on the **SCOB strategy** follows specific rules. The process of executing a **Sell** or **Buy** trade using the **SCOB setup** is as follows:

Executing a Sell Trade (SELL)

To execute a **Sell trade** using the **SCOB strategy**, follow these steps systematically to ensure proper risk management and **trade execution**:

1. **Identify the Order Block:** Locate an **order block** in a **zone with a high probability of price decline**;
2. **Mark the Zone:** Define the **order block** area on your chart for precise entry;
3. **Wait for Price to Return:** Do not enter immediately; instead, **wait for the price to revisit the marked zone**;
4. **Enter a Sell Position:** Once the price **reaches the identified order block**, initiate a **Sell trade**;
5. **Set Stop Loss:** Place the **Stop Loss above the order block** to manage risk effectively.



A real example of a Sell trade using the SCOB strategy, showing all three candlesticks forming this concept

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Executing a Buy Trade (BUY)

To execute a **Buy trade** using the **SCOB strategy**, follow these structured steps to ensure a precise and well-managed trade:

- **Identify the Order Block:** Find an **order block** in a **zone with high probability of price increase**;
- **Mark the Zone:** Define and highlight the **order block area** on your chart;
- **Wait for Price to Return:** Avoid entering immediately; **wait for the price to revisit the marked zone**;
- **Enter a Buy Position:** Once the price **reaches the identified order block**, initiate a **Buy trade;**
- **Set Stop Loss:** Place the **Stop Loss below the order block** to manage risk effectively.



Example of a Buy trade using the SCOB strategy, showing all three candlesticks forming this concept

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Conclusion

The **SCOB strategy** examines the behavior of a **single candlestick** in key market areas to identify suitable trade entry points.

This strategy emphasizes **Order Blocks (OB)** formed by a key candle, suggesting potential trading opportunities in the direction of price reversal.

source:

1.our website link :
https://tradingfinder.com/education/forex/ict-single-candle-order-block/

2.all Education :
https://tradingfinder.com/education/forex/

3.TradingFinder Support Team (Telgram):
https://t.me/TFLABS


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