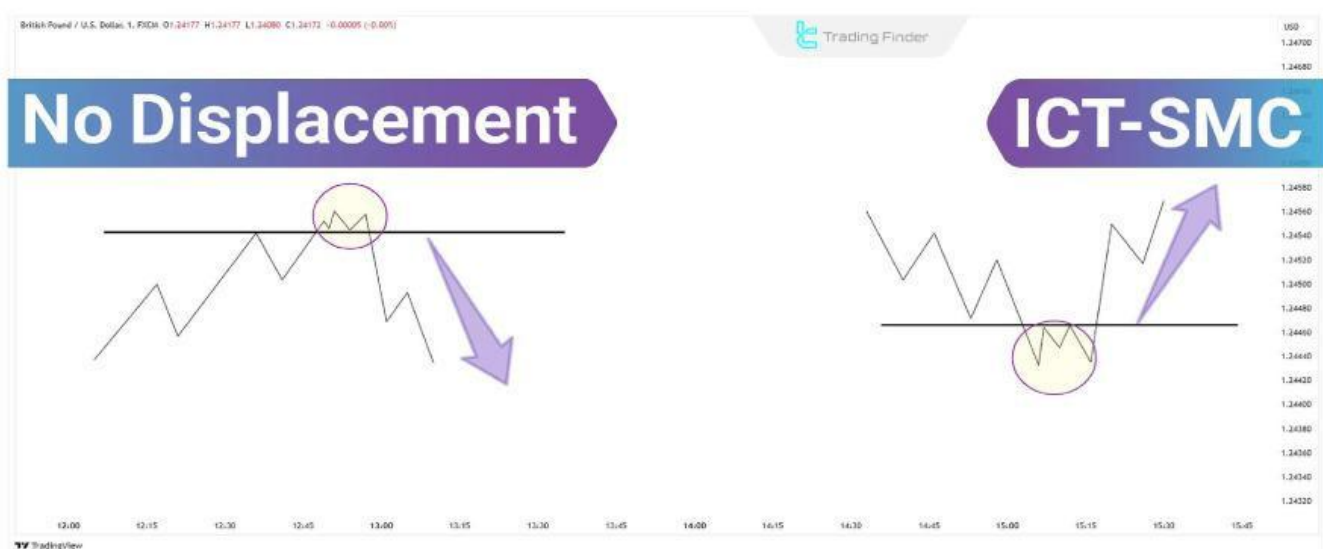


# No Displacement Model in ICT Trading [Uptrend & Downtrend]

**No Displacement** in the **ICT trading model** and **Smart Money** refers to a scenario where the price breaks a key level (such as a short-term high or low) but **instead of continuing** in the same direction, it **quickly** retraces back to the previous range.



Weakness in movement or lack of displacement in the ICT model

This behavior typically indicates market weakness in **sustaining** the current trend and increases the **probability** of price reversal or a shift in direction.

## Characteristics of No Displacement

To identify No Displacement, it is essential to recognize its characteristics, which include:

- ⚡ **Quick retracement to the previous range:** After breaking a key level, the candles are not aggressive, and the price quickly moves back into the prior range.
- ⚡ **Small and weak candles:** The candles formed after the breakout are usually small and they lack momentum.
- ⚡ **Failure to close beyond the breakout level:** In the absence of Displacement, candles typically do not close near the breakout level but rather revert back into the range.
- ⚡ **Failed Breakouts:** Unsuccessful breakouts are a clear indication of No Displacement and are often considered as reversal signals.



Signs of Movement Functions Weakness in the ICT Model

## Why Does No Displacement Occur?

No Displacement happens due to various factors such as:

- ⚡ **Lack of liquidity in Forex**

- ⚡ **Counter-orders at the breakout level** (e.g., buying pressure at a bearish breakout)

- ⚡ **Market consolidation**, where price lacks directional momentum to sustain a breakout

## How to Identify No Displacement?

To assess No Displacement, traders must analyze **candlestick behavior at key levels**. If a breakout occurs with **large candles closing near the high or low**, it indicates strong Displacement and a high likelihood of continuation.

On the other hand, **a quick retracement to the previous range with small candles** suggests a lack of Displacement. Evaluating this pattern across **multiple timeframes** helps in identifying precise trade opportunities.

## How to Use No Displacement in Trading?

In an **uptrend**, a **breakdown** of a low without Displacement suggests weak bearish momentum and a buying opportunity. In a **downtrend**, a breakout above a high **without Displacement** indicates weak bullish momentum and presents a selling opportunity.

Failed **breakouts** are **strong reversal** signals that can be leveraged for counter-trend trades.

## No Displacement Example in Uptrend

To trade with this setup in an uptrend, the following is used:

- ⚡ Price breaks a **short-term low** but instead of continuing downward, it quickly retraces.
- ⚡ Candlesticks are **weak and lack bearish strength**.



How No Displacement Functions in Bullish Trades

## No Displacement Example in Downtrend

To trade with this setup in an **Downtrend**, the following is used:

- ⚡ Price **breaks a high**, but **no strong bullish candles**
- ⚡ Price **quickly retraces**, indicating **weak buying pressure**





## Conclusion

The **No Displacement Model** in **ICT trading** highlights **market weakness in trend continuation**. When price breaks a key level but fails to show strong momentum, the probability of **reversal increases**.

**Failed breakouts** under such conditions provide **ideal reversal trade opportunities**. Combining this pattern with **risk management strategies** and **multi-timeframe analysis** enhances trade accuracy.

### source:

1.our website link :

<https://tradingfinder.com/fa/education/forex/what-is-the-futures-market/>

2.all Education :

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3.TradingFinder Support Team (Telgram):

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