Previous Weekly High & Low (PMH & PML); Key Price & Liquidity Zones

In advanced technical analysis, **Previous Weekly High and Low (PWH & PWL)** refer to the highest and lowest price points a financial asset reached during the past trading week.

The levels are crucial in **market structure** analysis, **identifying support and resistance levels**, **liquidity management**, and **determining optimal trade entry and exit points**.

Experienced traders and quantitative analysts use these data points to extract insights into **market psychology, macro trends,** and **accumulation/distribution zones**.

Previous Weekly High (PWH) and Previous Weekly Low (PWL) in Technical Analysis

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Understanding Previous Weekly High and Low

In market structure analysis, assessing **PWH & PWL** is vital for identifying price volatility and critical price zones. These levels act as indicators of asset price behavior and **provide valuable** insights into **short-term trends** and market liquidity.

Previous Weekly High (PWH)

The **Previous Weekly High** represents the highest price an asset reached during the previous weekly period. In candlestick charts, this level is typically shown as the highest wick of the **weekly candle**.

Its importance lies in its potential to become a **dynamic resistance level**, as many **sell orders** and **buy side liquidity (BSL)** accumulate in this area.

Candlestick chart analysis to identify the Previous Weekly High for the EUR/USD pair on the 1-hour timeframe

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Previous Weekly Low (PWL)

The **Previous Weekly Low** marks the lowest price level an asset reached during the past trading week. This level indicates **strong demand and accumulated buy orders** and often acts as a **critical support level**.

Examining a candlestick chart to identify the Previous Weekly Low for the EUR/USD pair on the 1-hour timeframe

Why Are PWH & PWL Important?

Using the **Previous Weekly High and Low** in market structure analysis and strategy development is essential for several reasons:

- **Measuring price volatility:** The distance between PWH and PWL indicates the weekly price range, which helps determine trade risk levels;

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- **Key support and resistance levels:** These points often act as dynamic **resistance and support zones**, serving as optimal trade entry and exit points;
- **Liquidity analysis:** In **advanced trading strategies** such as **ICT style** **and** **Smart Money Concepts** **(SMC)**, these levels mark liquidity accumulation areas in **Forex** and other **financial markets**;
- **Identifying macro trends:** A **consistent increase** in PWH and PWL suggests an **uptrend**, while a **declining pattern** may signal a **downtrend** initiation.

Conclusion

The **Previous Weekly High and Low (PWH & PWL)** are key market reference points, providing insights into **liquidity zones, institutional order flow, and trend shifts**. Acting as dynamic support and resistance, these levels can be used to anticipate price reactions.

Utilizing PWH & PWL enables traders to **identify liquidity traps, spot false breakouts, and align with market sentiment**, enhancing risk management and trade execution.

Sources:

1.our website link :
https://tradingfinder.com/education/forex/pwh-pwl/

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

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

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