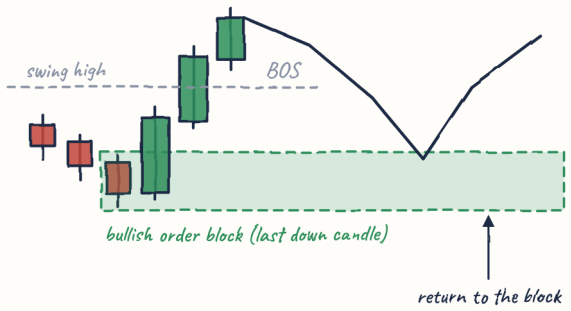
XAUUSD Global · study note

Order block

A bullish order block is the last down candle before a strong rally that breaks structure; a bearish one is the last up candle before a strong drop.



Key points

- The idea: the area where a strong move started may attract price again when it returns.
- Stronger blocks formed after a sweep of an obvious high or low, with big-bodied candles that leave a fair value gap and break structure.
- The mean threshold is the 50% level of the block, used as a limit entry or as a line that should hold.
- Refining an H4 block to an M15 zone gives a smaller stop, but price may react higher up and leave you behind.
- It is a way of reading the chart, not a view of real bank orders.

How traders use it

1. Find the impulsive move that broke structure and mark the last opposite candle before it.
2. Wait for price to return to the block in the higher timeframe's direction.
3. Invalidation: beyond the far edge of the block plus a buffer; reduce size if that stop is wide.

Watch out

- ✗ Calling every candle before any move an order block.
- ✗ Blocks with no break of structure.
- ✗ Reusing a block price has already revisited several times.

Key line: **The last opposite candle before the impulse that broke structure.**