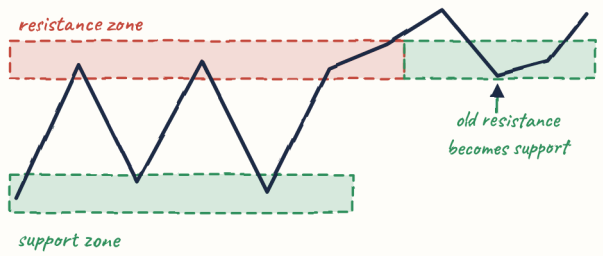
XAUUSD Global · study note

Support and resistance

Support is an area where falling price has stopped and turned up before; resistance is where rising price has stopped and turned down.



Key points

- Draw zones, not thin lines. Gold often trades a few dollars through a level before it turns.
- Stronger zones: several clean reactions, a big move away, a higher timeframe (D1, H4), or a round number such as 4,000.
- Keep the four or five zones nearest to price. A chart full of lines tells you nothing.
- Role reversal: broken resistance often acts as support on a retest, and broken support as resistance.
- A level is not a wall. Each test uses up orders resting there, so repeated tests can end in a break.

How traders use it

1. Mark the D1 and H4 zones before the session.
2. Wait for a reaction at the zone (a rejection candle or a shift in structure) instead of guessing.
3. Stop beyond the whole zone plus a buffer; target the next opposing zone.

Watch out

- ✗ Stops inside the zone, where normal noise hits them.
- ✗ Drawing levels after the move to fit it.
- ✗ Trading straight into the next zone with no room for a target.

Key line: Zones, not lines. The stop goes beyond the zone, never inside it.