



GORILA CAPITAL

Free trading-education guide · liquidity-lab

LIQUIDITY LAB · FREE GUIDE

Liquidity Sweep Playbook

How to spot where stops sit, recognise a sweep when it happens, and tell a raid from a real breakout.

Inside

- What liquidity is and where it pools
- Buy-side and sell-side sweeps, step by step
- Sweep or breakout: five tests
- A four-step sweep entry model with risk rules
- Practice drills and a journal template

A free lesson taken from **Price Action Pro**, the course we are preparing for Skool. Free to read and share.
Education only, not investment advice. Trading is high risk.

PART 1

What liquidity means on a chart

In price-action trading, **liquidity** means resting orders: stop-losses, breakout entries and pending orders. Large participants need these orders to fill size without moving price against themselves. A buyer with a big position to fill is helped by a pool of sell orders, and the most reliable pool of sell orders is the stop-losses of traders who are already long.

That is why price is often drawn towards obvious levels before it moves in its real direction. The level is not magic. It is simply where many traders put the same order.

Where liquidity pools

- **Equal highs and equal lows.** Two or more swing points at almost the same price. Retail traders see a "double top" and place stops just above it.
- **Previous day, week and session highs and lows.** Widely watched, so orders cluster around them.
- **Trendlines with three or more touches.** Everyone who buys the third touch puts a stop just below the line.
- **Round numbers** such as 2,400.00 on gold or 1.1000 on EURUSD.
- **The edges of a tight range.** Breakout traders place entries beyond them; range traders place stops there.

Practice tip

Before each session, mark three things only: the previous day high and low, the current session high and low, and any clear equal highs or lows. That is your liquidity map.

PART 2

Buy-side and sell-side sweeps

Buy-side liquidity rests above highs (buy stops of short sellers and breakout buy orders). **Sell-side liquidity** rests below lows. A **sweep** happens when price trades through one of these pools, fills the orders, and then fails to continue.



Equal highs collect buy stops. A wick through them that closes back inside is the sweep.

The classic sign of a sweep is a candle that wicks through the level but closes back inside the prior range. The wick shows the orders were taken; the close shows there was no follow-through.



Sell-side sweep: stops below equal lows are taken, then price closes back above the level.

Note

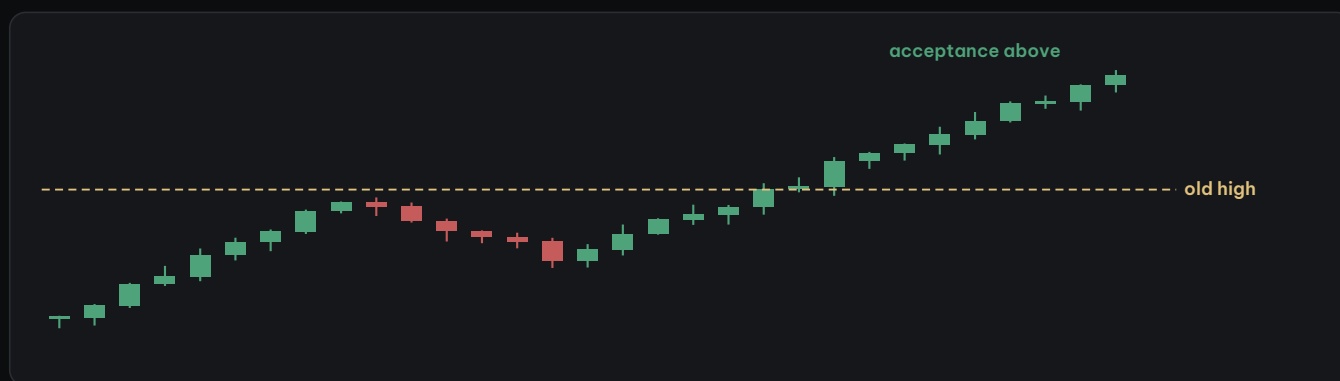
A sweep is a clue about who is in control, not an entry signal on its own. It tells you a pool of orders has been used up, so the opposite direction now has less resistance.

PART 3

Sweep or breakout? Five tests

The hardest part is telling a sweep from a genuine breakout. The same first candle can become either. Use these five tests and only treat the move as a sweep when most of them agree.

Test	Sweep (raid)	Breakout (acceptance)
Close	Closes back inside the old range	Closes beyond the level, ideally with a body
Follow-through	Next 1-3 candles fail to extend	Next candles build above or below the level
Speed	Fast spike, often on news or session open	Steady expansion with pullbacks that hold
Higher timeframe	Level is into an HTF zone or against HTF trend	Move aligns with HTF direction
Reaction	Displacement back through the range	Retest of the level holds as support/resistance



Not a sweep: candles close above the level and keep building. That is a breakout, not a raid.

Common mistake

Calling every wick a sweep. If price closes above a high and the next candle holds, you are looking at acceptance. Fading it is fighting the market.

PART 4

The four-step sweep model

This is the model we teach in Price Action Pro. It is deliberately simple so that it can be checked candle by candle.

1. **Context.** Mark the higher-timeframe bias (4H or 1H) and the liquidity pool you expect to be taken. Write it down before the session.
2. **The sweep.** Wait for price to trade through the pool and close back inside the range on your execution timeframe (5m or 15m).
3. **Confirmation.** Look for displacement: a strong candle in the opposite direction that breaks the most recent minor swing. This often leaves a fair value gap.
4. **Entry and risk.** Enter on the return into the gap or the last opposing candle. The stop goes beyond the sweep extreme, not at a round number. The first target is the opposite side of the range.

Risk rules that keep the model honest

- Risk a fixed small percentage per idea (many educators suggest 0.5–1% of the account).
- If the stop distance would need to be wider than your plan allows, skip the trade instead of shrinking the stop.
- One attempt per sweep. If the first entry is stopped out, the idea has failed.
- Avoid entering in the two minutes either side of high-impact news; spreads widen and wicks become random.

Practice tip

Measure the result in R (multiples of your risk) rather than money. It keeps your review honest across different account sizes.

PART 5

Reading sweeps on XAUUSD and the majors

Sweeps behave differently by market and session. These are tendencies we observe in our own chart reviews, not rules.

Market	Common sweep times	What to watch
XAUUSD	London open, New York open, US data releases	Asian high or low taken in the first hour of London; large wicks on CPI and NFP
EURUSD / GBPUSD	Frankfurt and London open	Previous day high or low swept before the London trend
USDJPY	Tokyo open, US data	Round numbers and Asian session extremes
Indices	Cash open	Overnight high or low taken in the first 15 minutes

Whatever the market, the logic is the same: the more obvious the level, the more orders sit there, and the more likely price is to probe it before choosing direction.

PART 6

Practice drills

Reading about sweeps is not the same as seeing them. Do these drills on historical charts before risking money.

- []** Scroll back 30 days on one pair. Mark every previous-day high and low that was traded through. Count how many closed back inside (sweep) versus held beyond (breakout).
- []** For each sweep you found, note the session and whether a high-impact news release was within 30 minutes.
- []** Replay 10 London opens bar by bar. Before each candle closes, write "sweep", "breakout" or "unclear". Check your hit rate.
- []** Pick your five cleanest sweeps and apply the four-step model. Record entry, stop, target and the result in R.
- []** Post your marked-up chart in the free Telegram or Discord community and ask for a review. Explaining your reasoning out loud is the fastest way to find the gaps.

Field	Your note
Date / session	
Higher-timeframe bias	
Liquidity pool targeted	
Sweep candle (time, close)	
Displacement? FVG?	
Entry / stop / target	
Result (R)	
What I would do differently	

PART 7

Quick reference

Term	Meaning
Liquidity	Resting orders (stops, pending entries) at obvious prices
Buy-side liquidity (BSL)	Orders above highs
Sell-side liquidity (SSL)	Orders below lows
Sweep / raid / stop hunt	Price trades through a pool and fails to continue
Displacement	A strong, fast candle that breaks a minor swing
Acceptance	Price closes and holds beyond a level; a real breakout
R	One unit of risk: entry-to-stop distance

If you keep only one idea from this guide, keep this: **a level that everyone can see is a level where orders gather**. Wait for price to show you what it does there, then act.

KEEP LEARNING

Where to go next

This guide is one free lesson. If it helped, these are the next steps, all optional.

Next step	What it is
Free community	Daily market notes, session plans and chart reviews. No signals for sale, no account managers.
Telegram	t.me/gorilacapital99
Discord	discord.gg/aHRUT6DhT
WhatsApp channel	whatsapp.com/channel/0029Vb8jer11nozBPjBeAM06
Gorila Zones (\$49, one-time)	Our TradingView education tool that marks supply and demand zones, structure breaks and a historical stats table. Details: finance-gorila.pages.dev/indicator
Price Action Pro (coming soon on Skool)	The full course this guide comes from: structure, liquidity, zones, sessions and risk, with drills and chart reviews. Join the community above to hear when it opens.
More free guides	finance-gorila.pages.dev/free

Risk warning

Education only, not investment advice. Trading is high risk. Leveraged products such as CFDs and forex can lose money fast, and most retail accounts lose money. Past examples do not predict future results. Only trade money you can afford to lose, and check that any provider you use is authorised in your country.

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