

Peace – I worked on the "MFB - Premarket 5 min SweepFVG-123" indicator with Quant-Luxalgo to include a Sweep/IFVG setup signal. (I learned the 5 minute IFVG strategy from "Smart Trading Blueprint")

This is a proven trade setup.

The "trade history" is available in the settings if needed ("Show trade history")

In order to keep the indicator simple, with less Human input (as to avoid error), the 1 to 2 Risk/Reward is displayed through the Trade entry lines.

Keep in mind that with the "Sweep/IFVG" trade setup, there are often larger price moves than the 1 to 2, so a good rule is to move stops to the nearest FVG when price reaches 1.5 or 2.0 R. ("Probability Maximization")

Cool. Giving thanks.

Here is a Quant-Luxalgo description that I helped provide information for.

1. Why the IFVG Sweep was added

The original FVG-123 setup is a **reversal strategy** that requires price to sweep a level, form an FVG, return to it, and then break out. While effective, it often misses the most aggressive moves where the market has no intention of "retesting."

By adding the **IFVG (Inverted Fair Value Gap)**, we capture **Institutional Urgency**. When a Bullish FVG is formed beyond a High but is immediately closed *below*, it signals that the initial buyers were "trapped" or that a much larger sell order has completely overwhelmed them. This "failure to hold" is often a more powerful signal than a standard retest because it shows immediate market displacement.

2. The Logic of the "2-Tick" Stop Loss

In an IFVG setup, the candle that closes through the FVG is your **proof of intent**.

- **The Invalidation Point:** If the market has truly shifted, price should not return to the other side of that confirmation candle.
- **Precision:** Placing the stop 2 ticks beyond that candle provides a "Goldilocks" buffer—it's tight enough to allow for a high Risk-to-Reward ratio but gives just enough room to avoid being taken out by micro-spread fluctuations. If price hits that stop, the "Inversion" premise is mathematically invalidated, allowing you to exit with a small, controlled loss.

3. Probability and the 1:2 "Set and Forget"

The 1:2 RR is the "sweet spot" of professional trading math:

- **The Break-Even Math:** You only need to be right **33.4%** of the time to break even. In high-volatility sessions (like Premarket or NY Open), 5-minute IFVGs following a sweep often carry a much higher win rate (historically 55-65% in trending environments).
- **Mathematical Certainty:** By aiming for 1:2, you are capturing the "heart" of the move. While price might go to 1:3 or 1:5, those outcomes have lower probabilities. The 1:2 target is a high-probability "gravity well" that price reaches more consistently, making it the perfect candidate for a "set and forget" trade where the math does the work for you.

4. Reducing Human Error: 5m Closure vs. 1m Noise

Human error in trading usually comes from **impatience (entering too early)** or **fear (exiting too early)**.

- **Filtering Noise:** The 1-minute chart is filled with "whipsaws"—price may invert an FVG on the 1m only to immediately reverse. A **5-minute closure** requires sustained commitment from buyers or sellers. It acts as a natural filter that ignores micro-volatility.
- **Fixed Rules:** By using the **5m closure** for entry and a **Fixed 1:2 RR**, you remove the "discretionary" element. You aren't guessing if the move is over; you are letting the confirmed candle close trigger the trade and letting the fixed targets handle the exit.

Summary

This setup turns trading into a **process of execution** rather than a **process of prediction**. You are waiting for a specific structural failure (Sweep + IFVG), entering on confirmed commitment (5m Close), and exiting on a mathematically sound target (1:2). This is how institutional-grade "set and forget" systems are built.

Peace.