BASED ON PRICE ACTION AND MANUALLY DRAWN TRENDLINES.



TRENDLINE PLAYBOOK

A simple swing trading method using trendlines, clear rules, and strict risk control; no indicators, price action, and trendlines

Tori Trades

Tori Trades

TRENDLINE PLAYBOOK

A simple swing trading method using trendlines, clear rules, and strict risk control; no indicators, price action, and trendlines

TABLE OF CONTENTS

- Built For
- Strategy Overview
- Trendline Bounce
- Trendline Break
- 2 Touchpoint Trendline Break
- 3 Touchpoint Trendline Break
- Pros and Cons of the Strategy
- Trade Breakdowns

BUILT FOR

Instruments: Stocks/Futures/Forex
Trading Style: Swing Trading

STRATEGY OVERVIEW

This Strategy explains a clear, structured method for swing trading based purely on price action and manually drawn trendlines. No indicators are used; only clean trendlines, price structure, and simple risk management.

The main idea is simple: price often respects trendlines, either bouncing off them or breaking through them to signal a trend change. This method relies on two key concepts — the Action Line and the Safety Line to guide entries, exits, and trailing stops.

The setups covered are:

- Trendline Bounce.
- Trendline Break.

Timeframe

This strategy works best on the 4-hour timeframe. The 4-hour chart helps catch clean swing moves and filters out extra noise found on lower timeframes. A top-down look at bigger timeframes, like the daily or weekly, helps confirm the main trend direction. The 4-hour chart is then used to draw trend lines, find touchpoints, and plan entries and exits. This keeps the setups clear and consistent.

Core Concepts

The Action Line shows where to enter a trade. For bounce setups, it's the trendline that price touches and respects. For break setups, it's the trendline that the price must break through to confirm a valid move.

The **Safety Line** shows where to exit if the trade does not work out. For bounce setups, the action line and safety line are the same. If the price breaks, the trade is closed. For break setups, a new opposing trendline is drawn as the safety line to protect the position. The space between the entry and the safety line defines your risk for each trade.

TRENDLINE BOUNCE

The bounce setup aims to enter when the price touches and respects an existing trendline. The same trendline serves both as the entry signal (action line) and the risk management level (safety line).

Entry Criteria:

- The trendline must have at least two or three clear touchpoints before entry.
- There must be at least one week of price data from the first touchpoint to the intended entry point.
- Enter when the price reaches or tests the trendline.

Risk Management:

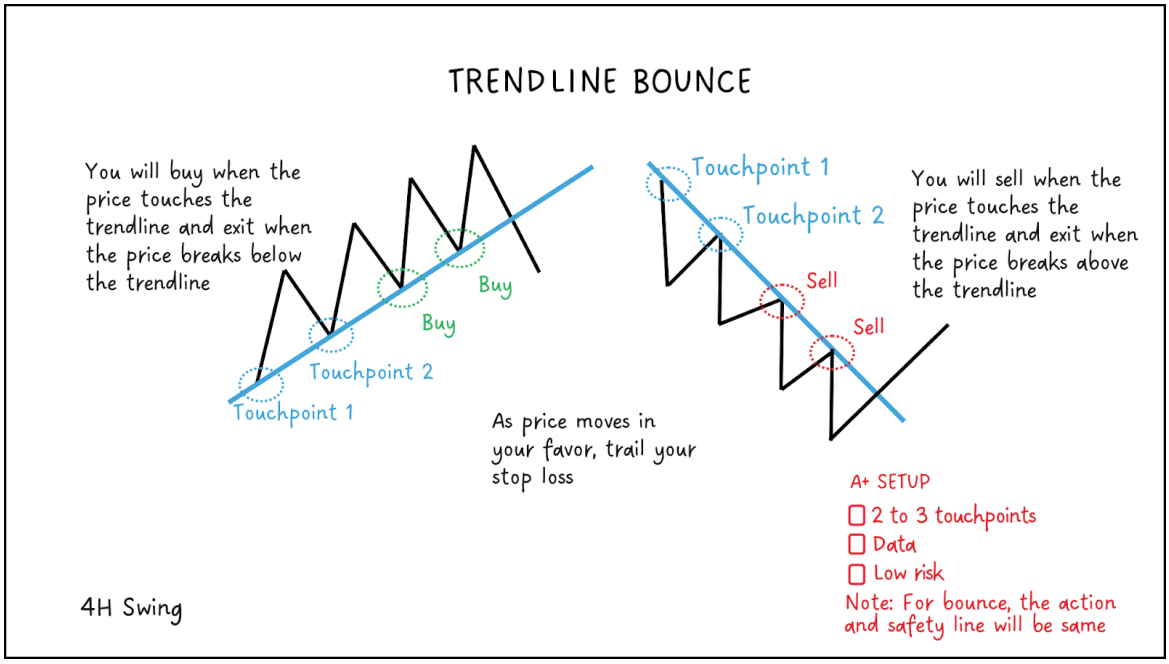
- The trendline itself is used as the stop-loss level. If the price closes through the line, the position is closed immediately.
- The stop can be trailed along the trendline as the price creates new valid swing points.
- Stops should not be placed exactly at the entry. Always give it enough room so normal price wicks don't stop you out too early.

Conditions:

- Works best on instruments that consistently respect trendlines. Certain commodities or metals with strong trending behavior are suitable.
- Instruments that produce frequent false breaks are less reliable for this setup.

Additional Notes:

The bounce setup generally carries the lowest risk because invalidation is immediate. Entry and exit are managed by the same trendline.



TRENDLINE BREAK

The break setup aims to enter when the price breaks through an established trend-line, indicating a trend reversal. An opposing trendline is required to protect the trade.

Lines:
- The broken line is the action line (signals entry).
- The newly formed opposing trendline is the safety line (controls risk).

2 TOUCHPOINT TRENDLINE BREAK

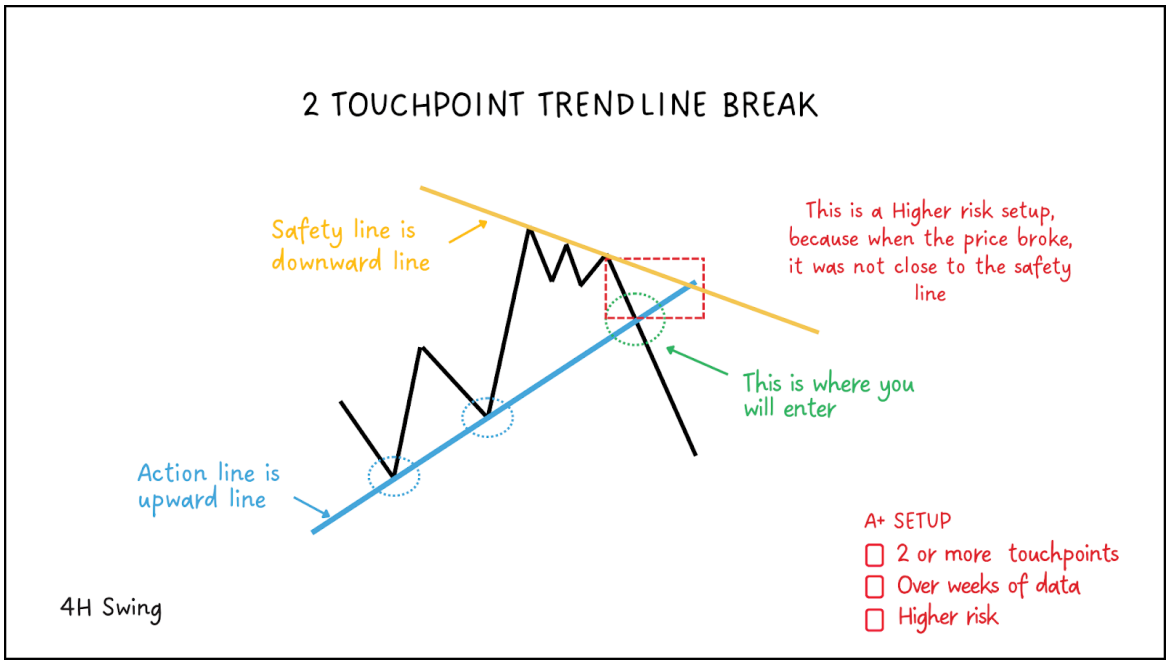
A 2 Touchpoint Break uses a trendline with two clear touchpoints before the price breaks through it. The break shows that the price may reverse or continue strongly. This setup gives more trades but can lead to bigger losses if risk is not managed well.

Where to Enter:
Enter when the price breaks the action line, and there is a clear safety line to protect the trade. If there is no safety line when the break happens, wait until price forms a clear high or low to draw one.

Where It's Invalid:
If the price moves back and closes beyond the safety line, the trade is invalid and must be closed.

What to Check:
- The action line must have two clear touchpoints before the break.
- There should be about one week of price data between the first touchpoint and the break (on the 4-hour chart).
- The break must happen close to the safety line so the risk stays tight. If it's too far, skip the trade.
- Track all 2 touchpoint breaks separately from 3 touchpoints breaks.

How to Manage Risk:
The safety line acts as the stop. Move the stop manually as the new structure forms. This keeps risk under control if the trade fails.



3 TOUCHPOINT TRENDLINE BREAK

A 3 Touchpoint Break uses a trendline with at least three clear touchpoints before the price breaks through it. More touchpoints show the line is well respected and make the break more reliable.

Where to Enter:

Enter when the price breaks the action line, and you have a clear safety line to protect the trade. If no safety line is clear at the break, wait until the price forms a new structure so you can draw one.

Where It's Invalid:

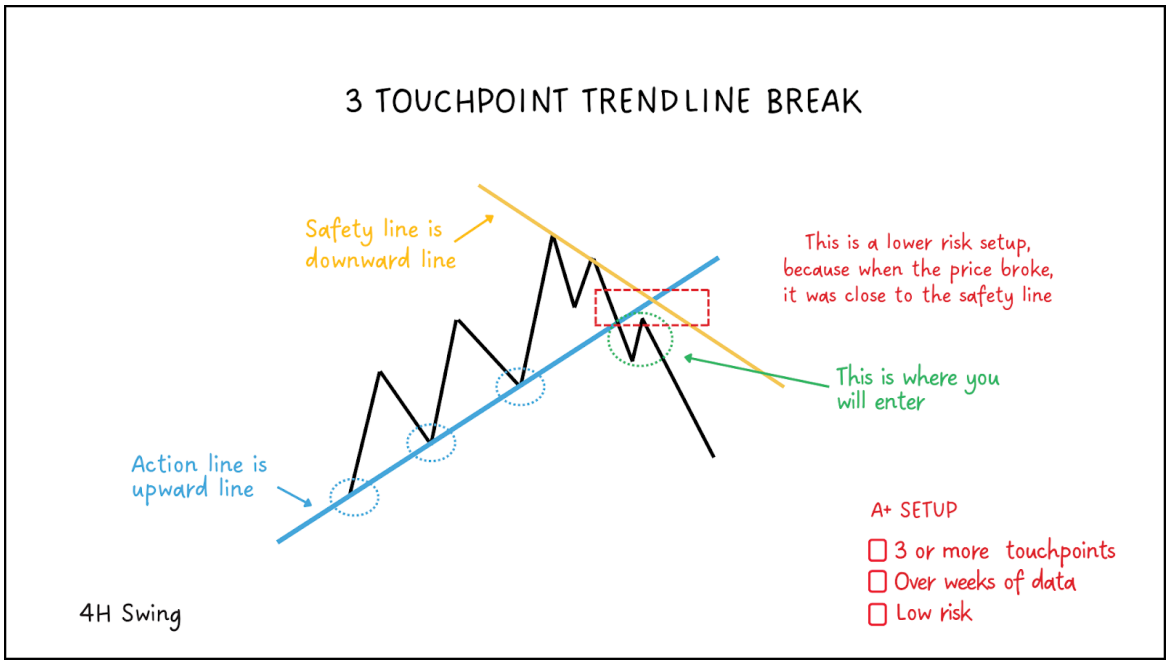
If the price moves back and closes through the safety line, the trade is invalid and must be closed.

What to Check:

- The action line must have three or more clear touchpoints before the break.
- There should be at least one week of price data between the first touchpoint and the break (on the 4-hour chart).
- The break must happen close to the safety line to keep the risk small. If the break is too far away, skip it.

How to Manage Risk:

Use the safety line as the stop. Move the stop manually as the price makes new highs or lows. This locks in profit and protects the trade.



PROS AND CONS OF THE STRATEGY

This Strategy is designed to deliver high-quality, repeatable setups — but like any trading method, there are key things to understand before using it.

Note: The cons listed here aren't disadvantages. They are things to be aware of important characteristics that require patience, discipline, and proper management to make the model work effectively.

Pros

- No indicators needed, pure price action.
- Clear, rule-based trade management with action and safety lines.
- Naturally builds patience and discipline.
- Well-defined setups make the method repeatable.
- Works on multiple instruments and timeframes.
- Creates a repeatable process that can be backed by real data.

Cons (Things to Be Aware Of and Manage)

- Requires high discipline and patience, setups can take days or weeks to appear.
- Discretion is needed for timing entries; new traders may struggle withoutpractice.
- Some instruments do not respect trend lines well.
- Requires enough capital to trade certain futures contracts.
- Fake-outs can and will happen; losses are part of the system.
- Ranging markets provide few valid opportunities.

TRADE BREAKDOWNS

Example 1: Platinum — Trendline Bounce
Platinum on the 4-hour chart. Price is in an uptrend.

Setup:
An upward trendline is drawn from a clear low. Touchpoint 1 and touchpoint 2.



Price comes back down and touches the trendline a third time. A long position is opened at the trendline. This line acts as both the action line (entry signal) and the safety line (risk control).

Trade Management:
As price moves higher and makes new swing highs, the stop-loss is trailed along the trendline, adjusting below each new valid swing low.

Exit:
When the price closes below the trendline, the trade is closed immediately. The trailing stop locks in profit as the trend holds, and the exit is triggered automatically when the line breaks.



TRADE BREAKDOWNS

Example 2: Platinum — 2 Touchpoint Trendline Break

Setup:
A downward trendline is drawn with exactly two clear touchpoints, showing the trend is holding.

Break
Price breaks above the downward trendline, indicating a potential reversal.

Safety Line:
An opposing upward trendline is drawn to act as the safety line.



Entry:
A long position is taken when the price breaks and closes above the action line.

Position Management:
You can add more positions as the trend continues in your favor.

Exit:
Price broke below the safety line, so all position was closed.



TRADE BREAKDOWNS

Example 3: Crude Oil — 3 Touchpoint Trendline Break

Setup:
An upward trendline is drawn on the 4-hour chart. It has three clear touchpoints showing that the trend is respected.

Safety Line:
An opposing downward trendline is drawn to act as the safety line.



Entry:
A short trade is placed when the price breaks and closes below the action line.

Exit:
The safety line is used to trail the stop. If the price moves back up and closes above the safety line, the trade is closed.



TORI'S TRENDLINE PLAYBOOKS

A simple swing trading method using trendlines, clear rules, and strict risk control — no indicators, price action, and trendlines. Below you'll find all 4 of her exact playbooks, each with real trade examples that you can add to your TradeZella account and start using today.

- **Trendline Bounce Playbook**
  https://app.tradezella.com/shared/a625d655/playbook/67d0d344
- **Trendline Break Playbook**
  https://app.tradezella.com/shared/a625d655/playbook/4c80eb7f
- **2-Touchpoint Trendline Break Playbook**
  https://app.tradezella.com/shared/a625d655/playbook/2acd454f
- **3-Touchpoint Trendline Break Playbook**
  https://app.tradezella.com/shared/a625d655/playbook/2bc24594