

# QML Mastery

The Quasimodo Pattern Setup That  
Dominates Market Reversals



# Introduction

The QML(quasimodo level) has the highest win rate among all strategies,it works on all pairs such as cryptos, stocks, commodities, forex, synthetic indices and many more.

Finding the qml pattern in the market is very hard but it will be made simple during this study.

In this book i will be revealing all types of qml setups both the basic and advanced setups that will increase your win rate rapidly .

## **Important Notice for Traders:**

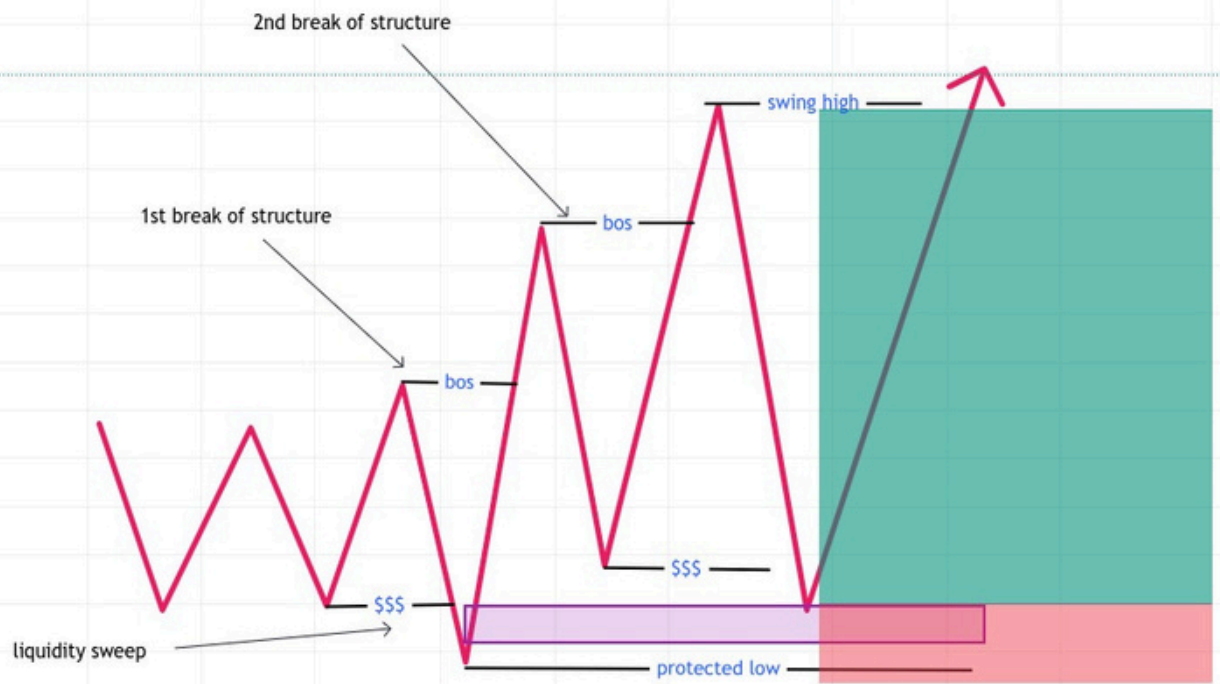
Before the QML strategy discussed in this book to a live trading account, it's crucial to backtest the strategy thoroughly. I recommend conducting at least 100 backtests to gain a comprehensive understanding of how the strategy performs under various market conditions.

This method of backtesting will help you grasp the QML dynamics and enhance your confidence in the strategy's effectiveness.

Proper backtesting is essential to refine your approach and mitigate potential risks.

Happy learning, and may your backtesting efforts lead to successful strategies!

# A Brief explanation before to start:



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# Rules for trading the QML

## **Important Guidelines for Applying the QML Strategy**

Before diving into the qml setup or strategy, it's crucial to adhere to the following rules to maximize its effectiveness and protect your trading capital:

1. **Always Be Patient:** Patience is key. Wait for the right setups and don't rush trades.
2. **Do Not Overtrade or Over Risk:** Stick to your trading plan and avoid taking excessive risks or trading too frequently.
3. **Avoid Revenge Trading:** Never trade out of frustration or to make up for previous losses. Stay objective and disciplined.
4. **Avoid Flipping Accounts:** Treat trading seriously. Chasing losses or excessively high-risk strategies are akin to gambling.
5. **Don't Force a Trade:** Only enter trades that meet your criteria. Forcing trades can lead to poor decisions.
6. **Focus on a Few Pairs:** Specialize in a few currency pairs to build expertise and avoid spreading yourself too thin.

7. Target Minimum of 1:2 or 1:3 Risk to Reward: Aim for a risk-to-reward ratio that offers a favorable return on your trades.

8. Do Not Counter Trade: Follow the trend. The trend is your friend, and counter-trading can lead to significant losses.

**Breaking any of these rules can lead to significant losses.**

**Adherence to these guidelines are very very important for your trading success.**

# What Is Quasimodo Level

Quasimodo is a term used in technical analysis particularly in Trading and investing. It refers to a specific chart pattern that resemble the hunchbacked character quasimodo from Victor Hugo's novel "The Hunchback of Notre-Dame"

In technical analysis, the Quasimodo pattern is a reversal pattern that forms when a security's price action creates a distinctive 'Hunchbacked' shape on a chart. This pattern typically indicates a potential Reversal of the current trend

## **The Quasimodo pattern consists of three distinct parts:**

1. Left shoulders: A small peak or high point in the price action
2. Head: A higher peak or high point, forming the "hump" of the Quasimodo pattern
3. Right shoulder: A smaller peak or high point similar to the left shoulder

# Key concept of the QML (quasimodo) setup.

- Time frame
- Market trend
- Break of structure
- Impulsive move/imbalance
- Order block
- Fair value gap (fvg)
- Change of characters(choch)
- Liquidity
- Pullback
- Trading the qml pattern
- 95% win rate setups

# #1 Timeframes

In the context of financial markets, a timeframe refers to the specific period of time used to analyze and display market data, such as price movement, charts and technical indicators.

Here are some common time frames used in market analysis:

## Short-term timeframes

1. 1-minute chart: Used for scalping and very short-term trading.
2. 5-minute chart: Used for short-term trading and analyzing intraday price movements.
3. 15-minute chart: Used for short-term trading and Identifying intraday trends .
4. 30-minute chart: Used for short-term trading and analyzing price movements during a trading session.
5. 1-hour chart: Used for short-term trading and identifying trends during a trading day.

## Medium-term timeframes

1. 4-hour chart: Used for medium-term trading and analyzing price movement during a trading day.
2. Daily chart: Used for medium-term trading and identifying trends over a trading day .
3. Weekly chart: Used for medium-term trading and analyzing price movement over a week.

## Long-term timeframes

1. Monthly chart: Used for long-term trading and analyzing price movement over a month.
2. Quarterly chart: Used for long-term trading and identifying trends over a quarter.
3. Yearly chart: Used for long-term investing and analyzing price movements over a year .

Traders and investors use different time frames to :

- Identify trends and patterns.
- analyze market sentiment.
- set price targets and stop-loss levels.
- manage risk and adjust trading strategies.

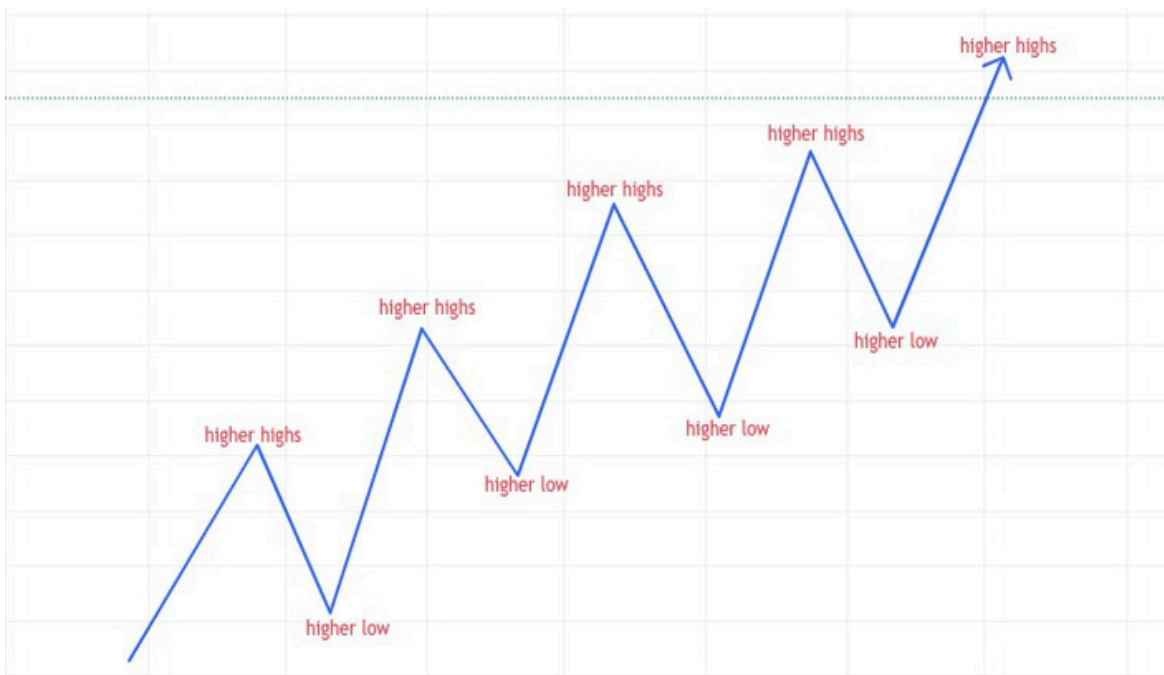
## #2 Market trend

A market trend refers to the direction and momentum of price movement in a financial market, such as Stocks, bonds, commodities or currencies. Trends can be upward (bullish), downward (bearish) or sideways (neutral) and they can vary in duration and intensity.

### Types of market trends

1. Uptrend (bullish trend): A series of Higher highs and higher lows, indicating a rising market.

### Uptrend sketch example



## Uptrend real chart example

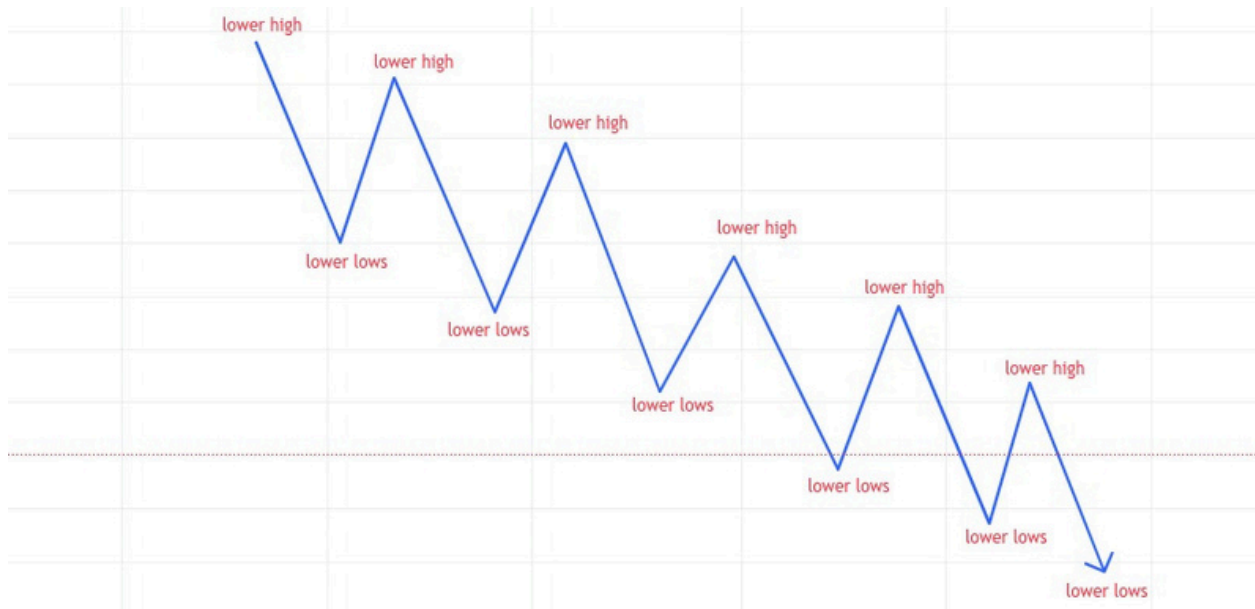


2. Downtrend (bearish trend): A series of lower highs and lower lows indicating a falling market.



2. Downtrend (bearish trend): A series of lower highs and lower lows indicating a falling market.

### Downtrend sketch example

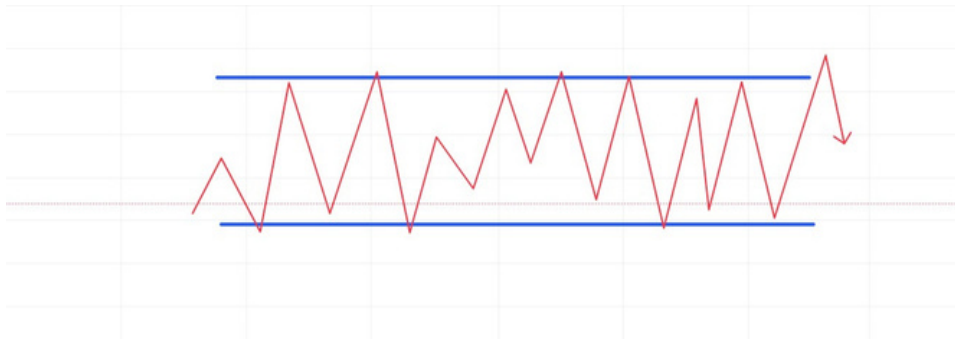


### Downtrend real chart example



3. Sideways trend (neutral): A period of price stability with no clear Direction or momentum.

#### Sideways trend sketch example



#### Sideways real chart example



Understanding market trends is crucial for investors and traders, as it helps them make informed decisions about buying, selling, or holding assets.

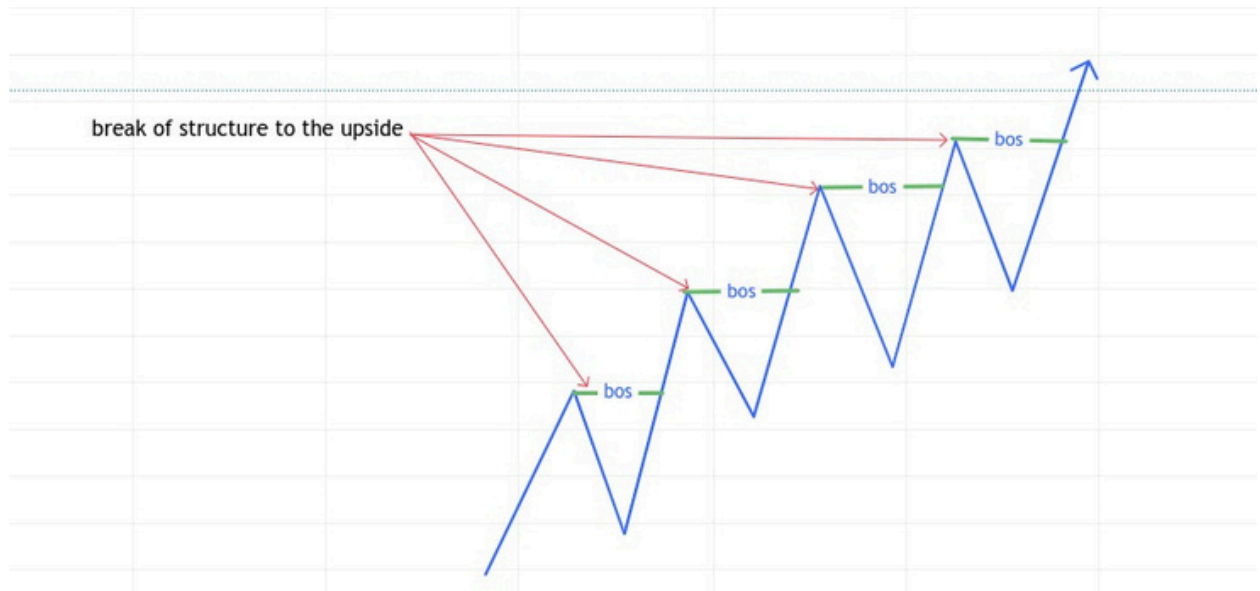
## #3 Break of structure

A break of structure refers to a situation where the underlying market structure' such as a trend or a range, is violated or broken.

This can occur when a market price action moves outside of its established boundaries indicating a potential change in market sentiment or direction .

1. Uptrend break of structure. This is when the market breaks the last high to the upside example on the diagram below

## Sketch Example:



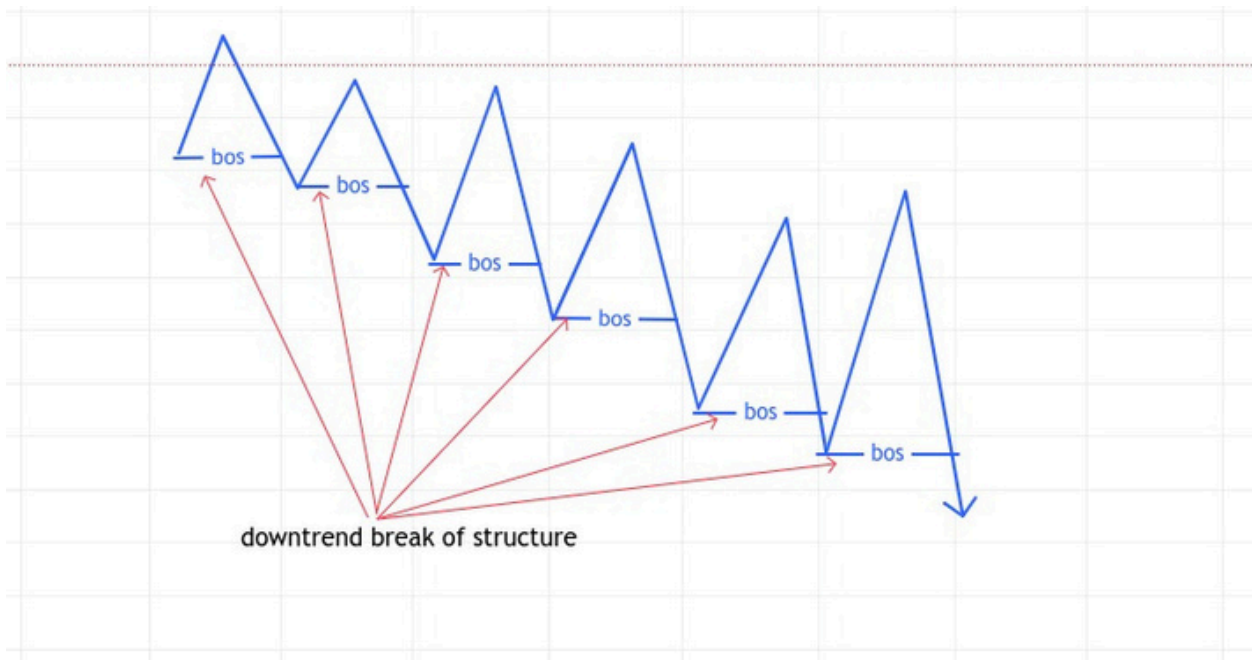
## Real Example:



2. Downtrend break of structure. In this scenario the market breaks the last low to the downside.

Examples below.

Sketch Example:



## Real Example:



## #4 Impulsive move or imbalance

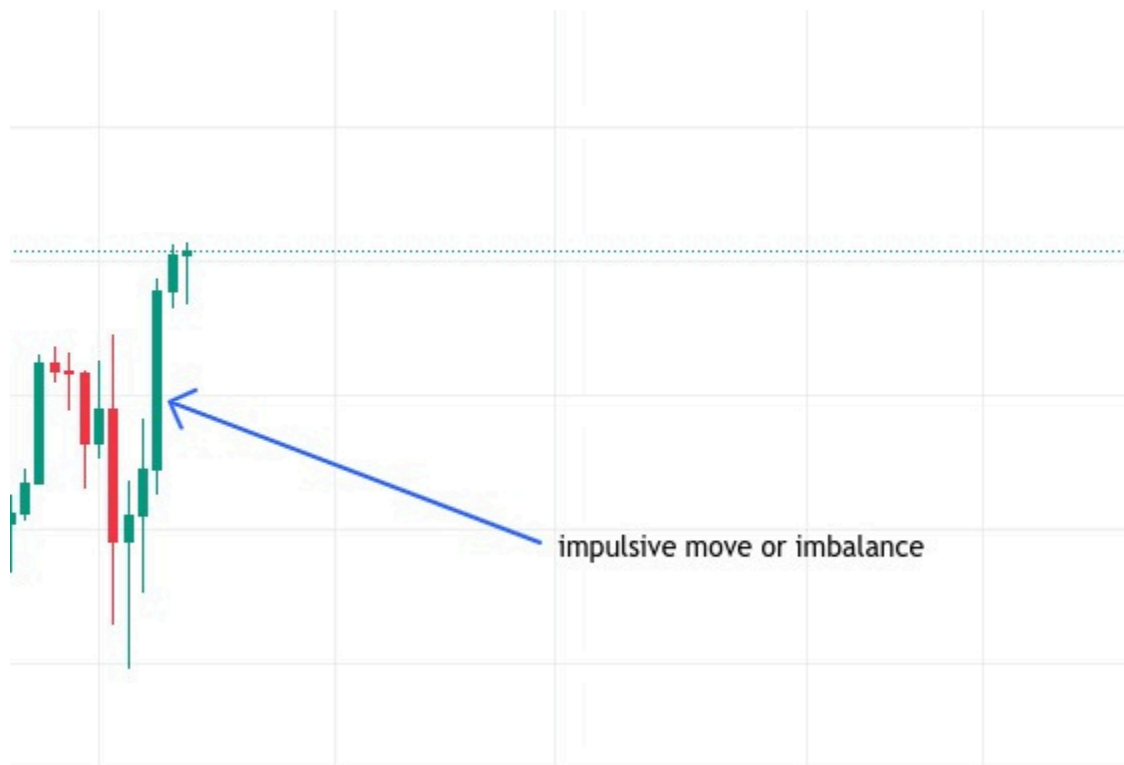
An impulsive move or imbalance refers to a sudden and significant price movement in a market, often driven by an imbalance between buy and sell orders.

What are the characteristics of impulsive moves:

1. Rapid price movement: a swift and significant change in price.
2. increased volatility: elevated volatility, often accompanied by increased trading volume.

3. other flow imbalance: a noticeable imbalance between buy and sell orders.
4. Momentum: strong momentum, often driven by emotional or irrational decision making .

Examples of imbalance or inefficiency on the next diagram.



Bullish impulsive move to the upside (imbalance)



Bearish impulsive move to the downside (imbalance)

## #5 Order blocks

An order block is a key area on a chart where significant amounts of capital have entered the market typically by big banks or large institutions often referred to as Smart Money since they trade with substantial capital, their actions usually cause a noticeable price movement on the chart.

So if you notice a sharp price movement on a specific area on the chart like this one on the diagram below it could indicate that the smart money has taken a position





## Types of order blocks

1. Bullish order block: Bullish order blocks are formed at the lower end of a range or at a key support level.

Example on the chart below



1. Bearish order block: The bearish order block is formed at the upper end of a range or at the key resistance level

Example on the chart below.



Once an order block is identified it can provide potential trade opportunities as the price tends to retest and bounce back after hitting the order block area

You might be wondering if these are the same as support and resistance, well both order blocks with support and resistance are both key levels. They are not the same as their major difference between them

### **Difference #1 How they form**

Order blocks are formed based on significant price movement on a chart, for instance if a price moved significantly from an area on the chart you can draw an order block. In contrast, support and resistance levels

require price rejection to form for example if the price was rejected in an area around the chart and makes a retest and reject again then it becomes support or resistance zone.

Examples below



## Difference #2 How they are drawn

Order blocks are typically drawn as thick zones or areas while support and resistance are usually drawn as Lines even if they are drawn as zones it won't be as thick as the other block zones. Example below



## Difference#3 Number of retests

Order blocks are typically a one-time use; if they are retraced once, they are done; you cannot use them multiple times. In contrast, support and resistance levels can be retraced multiple times. Examples below.



## #6 Fair value gap

A fair value gap (FVG) is a temporary price gap that occurs when there is an imbalance between buyers and sellers.

This gap can be seen on a price chart as an unadjusted area where the price moved too quickly, bypassing certain price levels.

FVGs can occur in all types of assets including stocks, commodities, crypto and Forex. Example of fair value gap (FVG) on the diagram below

## Real Example:





## #7 Change of character(choch)

In forex trading, “change of character” (CHoCH) refers to a specific market behavior where the price action and structure change significantly, indicating a potential reversal or continuation of the trend.

Change of character is when the dominant market momentum subsides signaling a shift in the overall trend.

This pattern serves as the first indication that the shift in market structure is on the horizon which means the market is shifting from buyers to sellers or sellers to buyers.

In a simpler way change of character (choch) referred to a much larger shift in the underlying market trend, dynamic or sentiment. This is where the price moves to the point where there is a change in the overall trend (reversal).

A change of character is either VALID or INVALID : To become a profitable trader firstly after recognizing a valid liquidity zone the next thing is to know the valid and invalid change of character (choch) or market structure shift (mss).

Failure to recognize the change of character can lead to falling into the traps of the market maker.

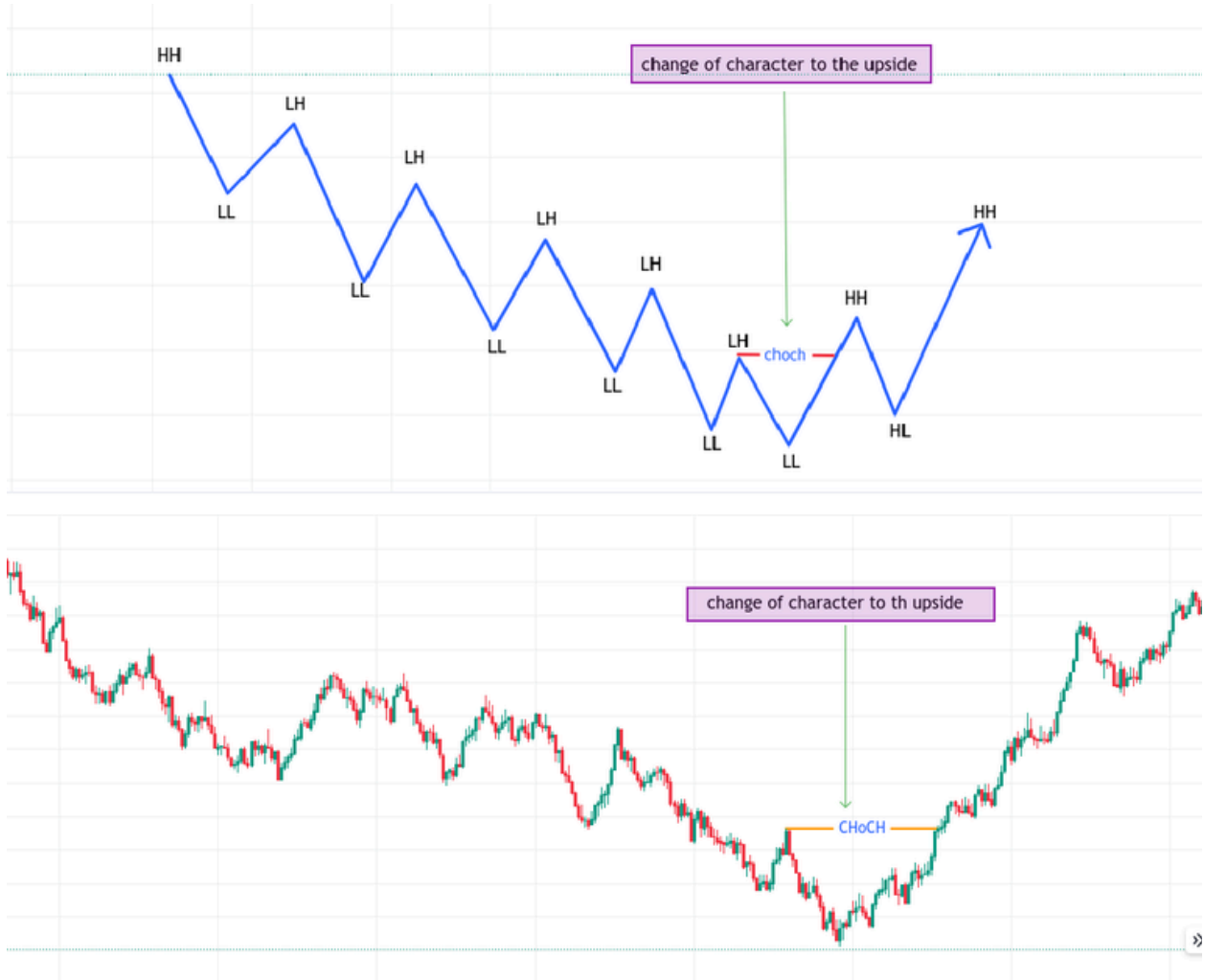
To identify a valid change of character (choch) in a market during a bullish scenario, You should look for a breakout above the most recent major high in conjunction with the demand zone.

These shifts Indicate a potential reversal in prevailing downtrend. In a bearish scenario it's the opposite of the bullish scenario.

### **Types of change of character(CHoCH)**

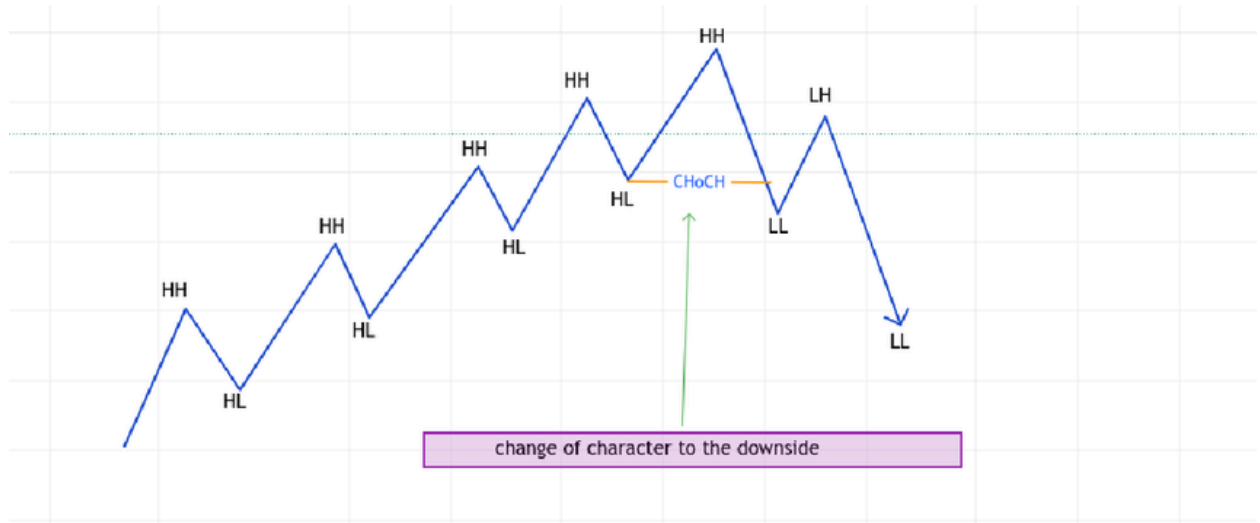
- 1. Bullish CHoCH:** A change of character that indicates a potential bullish reversal to the upside. When the market is forming lower highs and lower lows and then the market changes character breaking the recent Lower High to the upside.

## Example:



**2. Bearish CHoCH:** A Change of character that indicates a potential bearish reversal. This occurs when the market breaks the recent low to the downside forming lower lows.

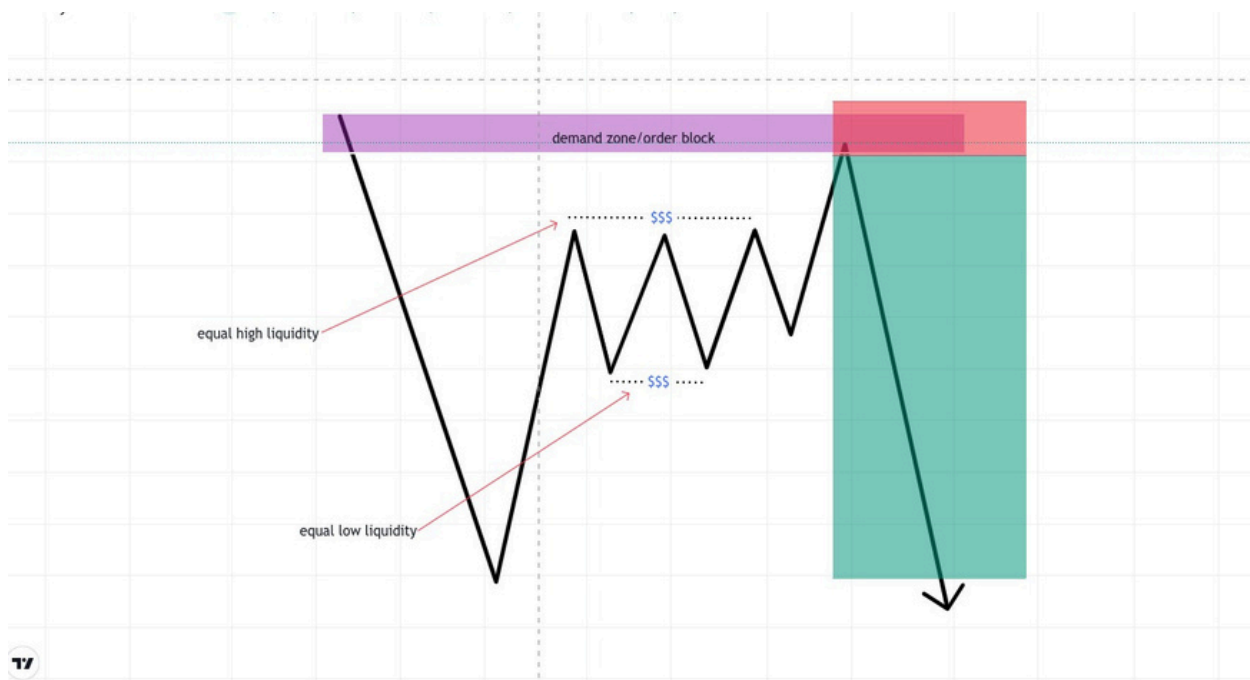
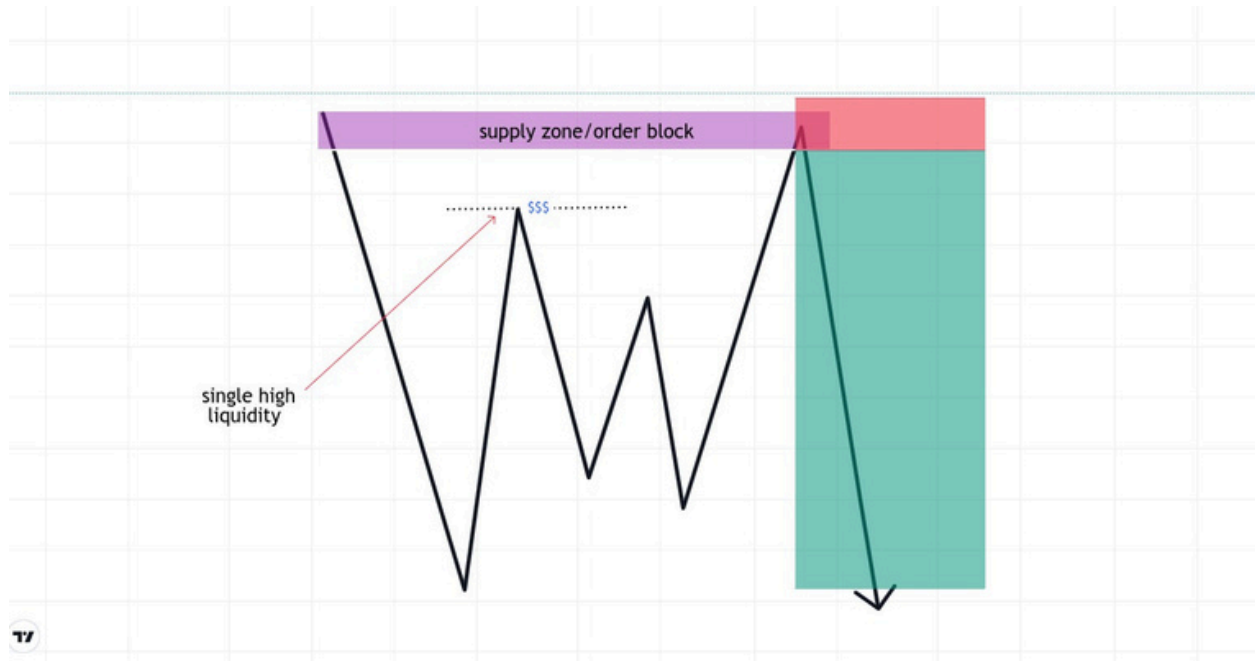
# Example

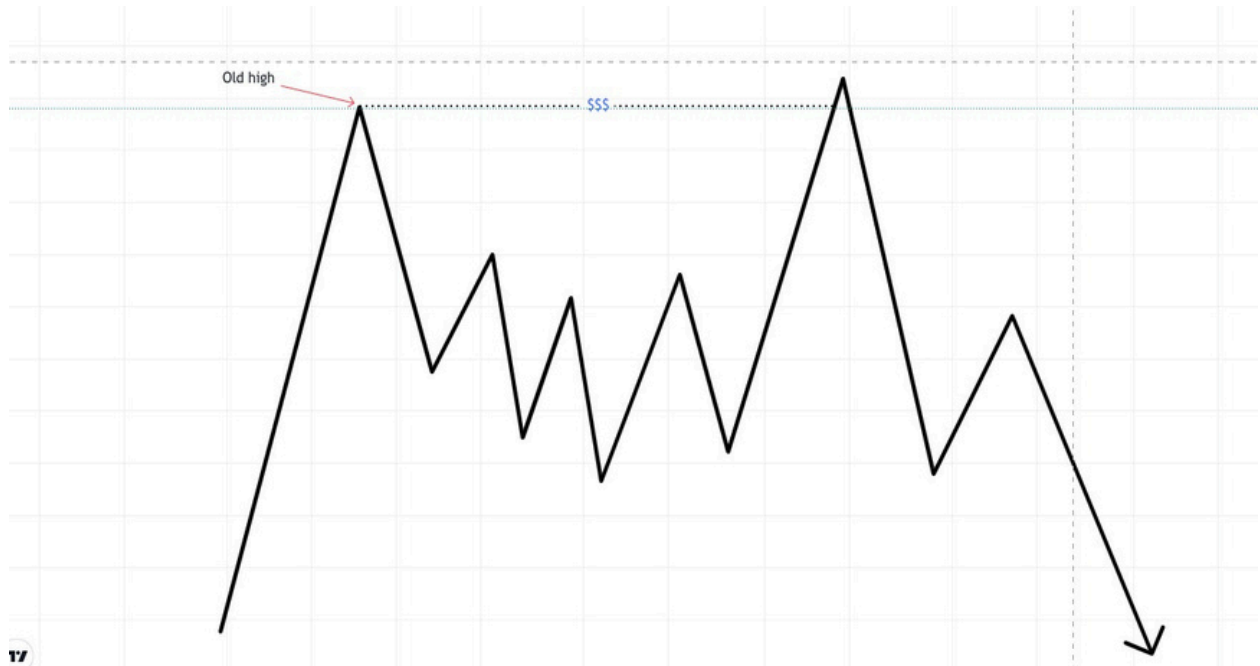


## #8 LIQUIDITY

Liquidity refers to money or large counter orders, liquidity is a zone on the chart where a large pool of money is resting such as stop losses, buys and sells orders. The market continually seeks liquidity to generate momentum essentially. Liquidity serve as the lifeblood of the market playing a vital role in its overall dynamics In functioning. In other words the market needs liquidity such as the buyers and sellers in the market

# HIGHS AND LOWS LIQUIDITY ZONES





## #9 Pullback

In the forex market, a pullback refers to a temporary reversal or correction in the direction of a trending market.

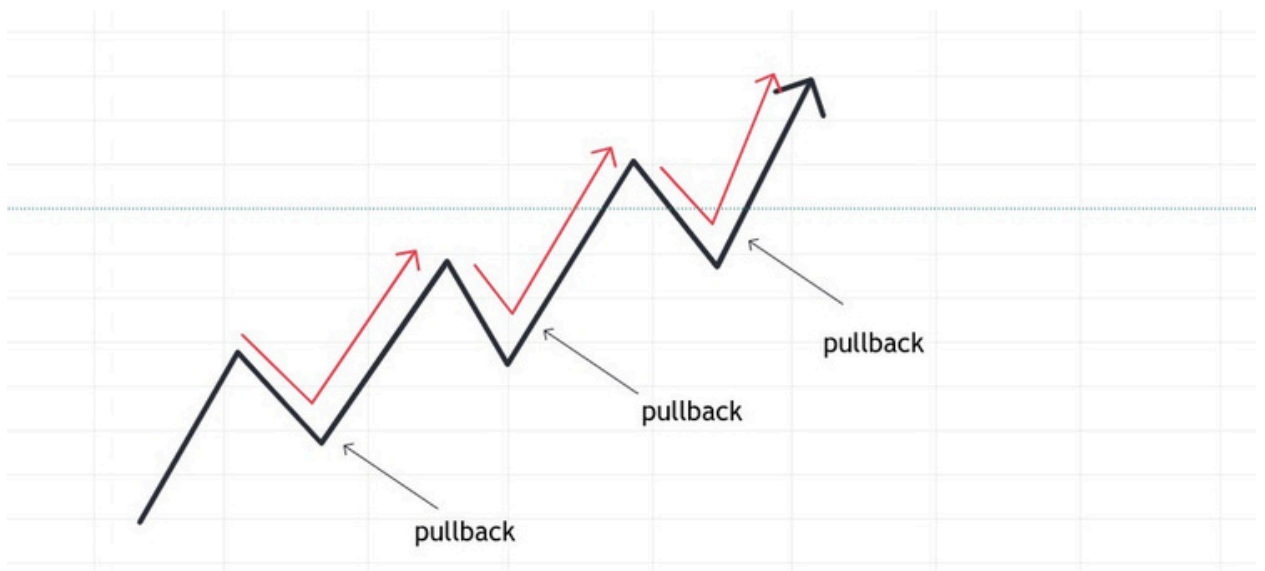
It's a pause or a setback in the dominant trend, Where the price moves in the opposite direction of the trend before potentially resuming its original direction.

## Characteristicsof pullback

1. Temporary reversal: a pullback is a short reversal of the trend.
2. Correction: the price corrects itself, moving in the opposite direction of the trend.
3. trend continuation: after the pullback, the trend often resumes its original direction

### Example

#### Uptrend pullback





Real example:



## Downtrend pullback



# TRADING THE QML PATTERN

Now you've had little knowledge on the key concept about trading the quasimodo level strategy (QML), let's dive in on how to trade the QML strategy.

Before we continue it is important to know that not all strategies work the same way on all pairs, each pair moves differently but all pairs respect the QML strategy in all timeframes:

(1m,2m,3m,5m,10m,15m,30m,45m,1hr,2hr,3hr,4hr,8hr,1d, weekly,monthly and yearly TIMEFRAMES).

## NOW LETS BEGIN



# BULLISH SETUP

**Step 1:** Pick any pair of your choice and mark the recent swing low on the 1hr time frame. Wait patiently for the market to break the last low and then gives you a break of structure to the upside



**Step 2:** Patiently wait for a deep pullback to the downside and then give you another break of structure to the upside making it the second break of structure.

Once the pullback is formed with a break of structure to the upside, mark out the pullback low which will be your liquidity area



**Step 3:** Mark out the order block that formed the first break of structure and also mark out the protected low.



**Step 4:** Wait patiently for the market to sweep the pullback low liquidity.



**Step 5:** Once these requirements have been met ,open a long position and target the swing high, placing your stop loss a little pips below the protected low and wait patiently for the trade to play out.

And it is advisable to target 1:3 risk to reward ratio first and move to break even waiting for full take profit to hit.



# RESULTS



1hr TF



15m TF



# BEARISH SETUP

**Step 1:** Pick any pair of your choice and mark the recent swing high on the 1hr time frame. Wait patiently for the market to break the last high and then give you a break of structure to the downside.



**Step 2:** Identify and mark out any form of liquidity present at the top of the pull backs be it (double top or any form of liquidity pattern)



**Step 3:** Mark out the order block that formed the recent break of structure and also mark out the protected high.



**Step 4:** Set a sell limit placing your stop loss a little pip above the swing high and target the low. It is advisable to target 1:3 risk to reward for first take profit and move to break even for full takeprofit to hit



# RESULTS



1hr TF



15m TF

# 95% Win rate setups

## Setup #1



# Setup #2

DUSD - New Zealand Dollar / U.S. Dollar - 1h - FXCM



NZDUSD - New Zealand Dollar / U.S. Dollar - 1h - FXCM



# Setup #3



# Setup #4





## Setup #5

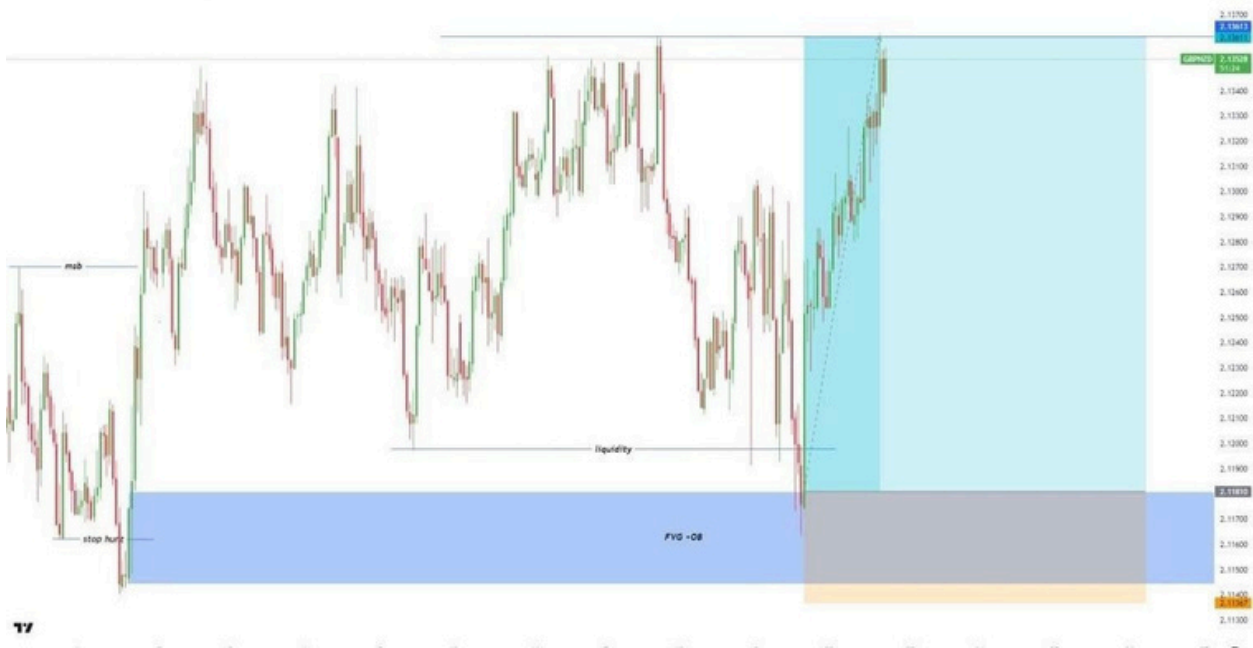
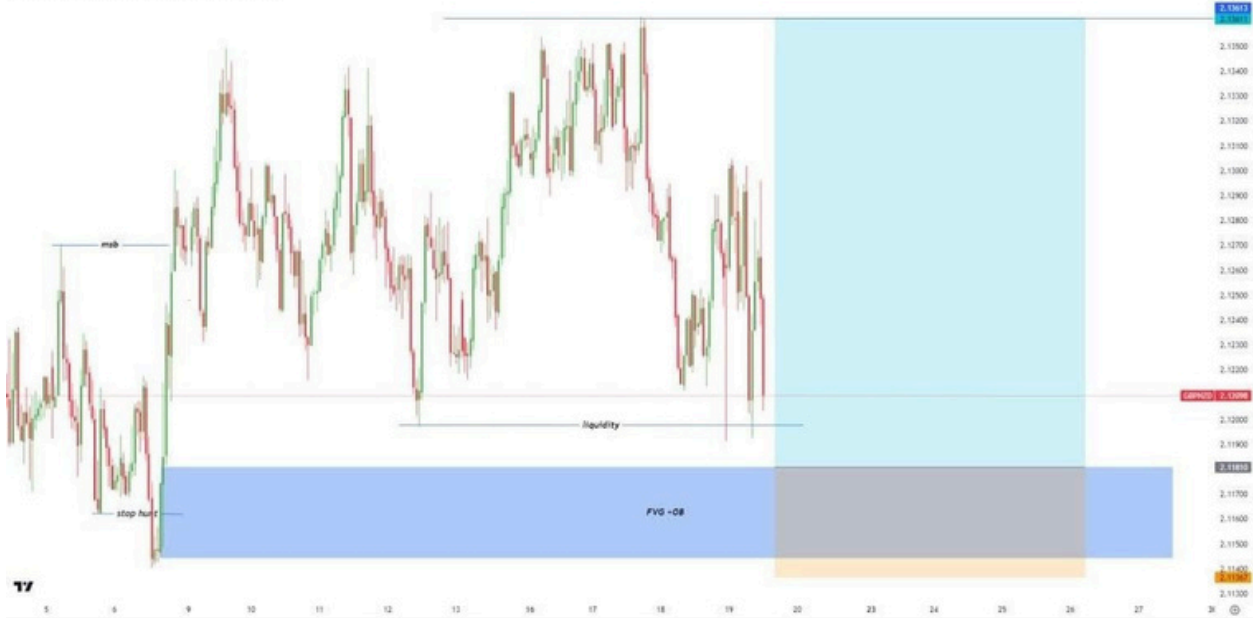


# Setup #6



# Setup #7

GBPZD - British Pound / New Zealand Dollar - 1h - OANDA



# Setup #8



# Setup #9



# Setup #10



# Setup #11



# Setup #12

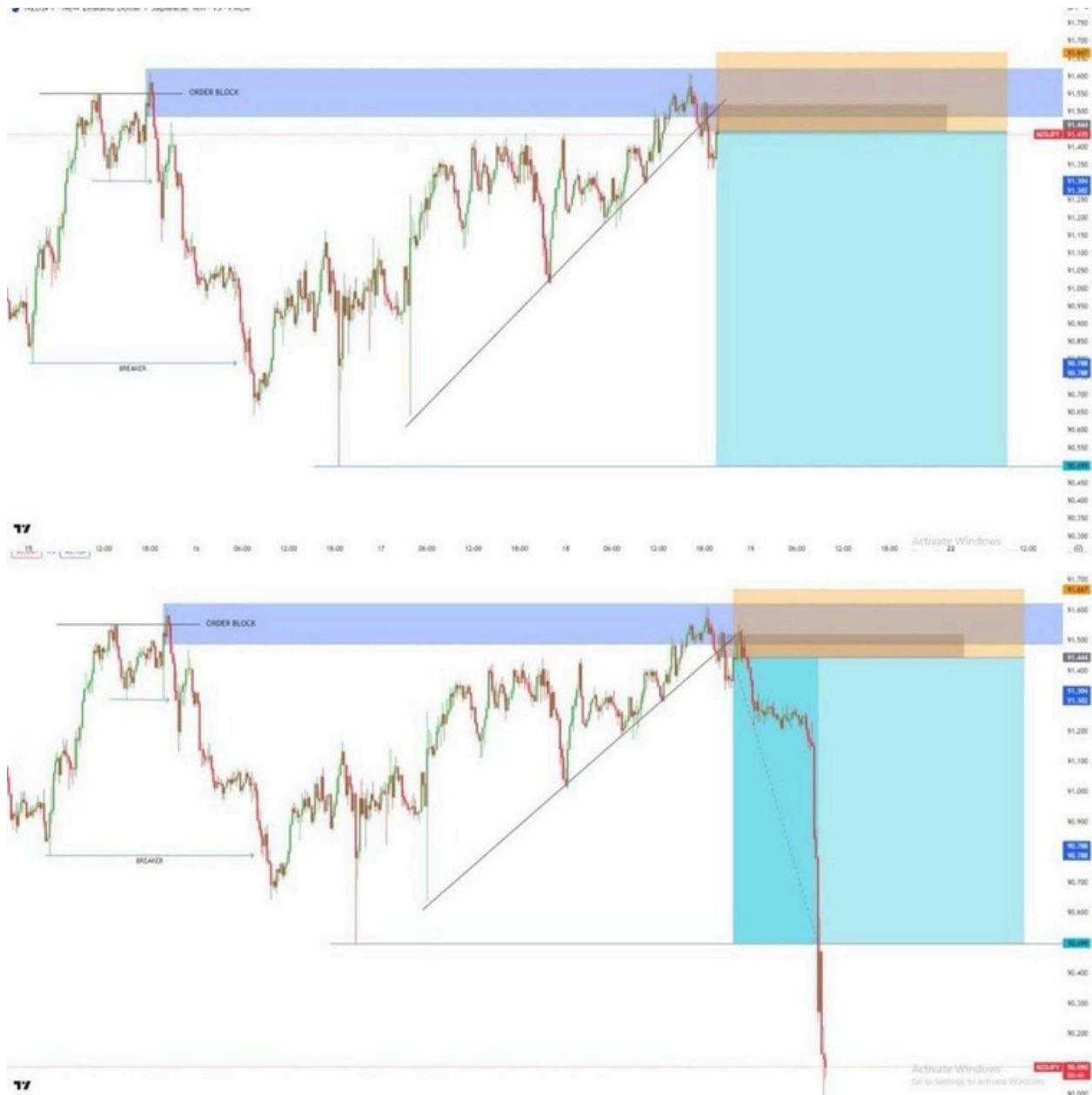




# Setup #13



# Setup #14



# Setup #15



## Setup #16



# Setup #17



# Setup #18



# Setup #19



# Setup #20





# Conclusion

## RISK & MONEY MANAGEMENT

- Risk what you can afford to lose
- Have a daily draw-down
- Have a daily profit target
- Target 1:2 or 1:3+ risk to reward ratio
- Always set to break even at 1:1 risk to reward
- Ensure to take partial at 1:1 risk to reward
- Have a maximum of 15 pips stop loss

## DISCIPLINE & RULES

- Trade maximum of 5 different pairs
- No quality setups, then no trades
- Maximum of 2 trades per day
- Wait for confirmation before buying/selling
- Don't trade without stop loss or take profit
- Do not chase the market or revenge a trade
- Do not over trade or over leverage lot size

# Keys to unlocking generational wealth

**1. Mechanical trading strategy:** A mechanical trading strategy provides a clear set of simple and statistically proving rules to follow

## Path to failure

1. Trade with emotions
2. lose trades
3. Doubt
4. Miss trades
5. Hindsight
6. Revenge trade

## Path to success

1. Mechanical trading strategy
2. Gather data to backup your edge
3. Master the mental game
4. consistent result
5. Scaling your capital
6. Because a top one trader

Your goal as a beginner or a retail trader is to follow the smart Money footprints because they are the ones that have the ability to move prices

**2. Capital Management plan:** What is the point of making money when you can't keep it, so your goal as a trader is to make money and withdraw your profit then use it for what you like, like investing in other valuable things.

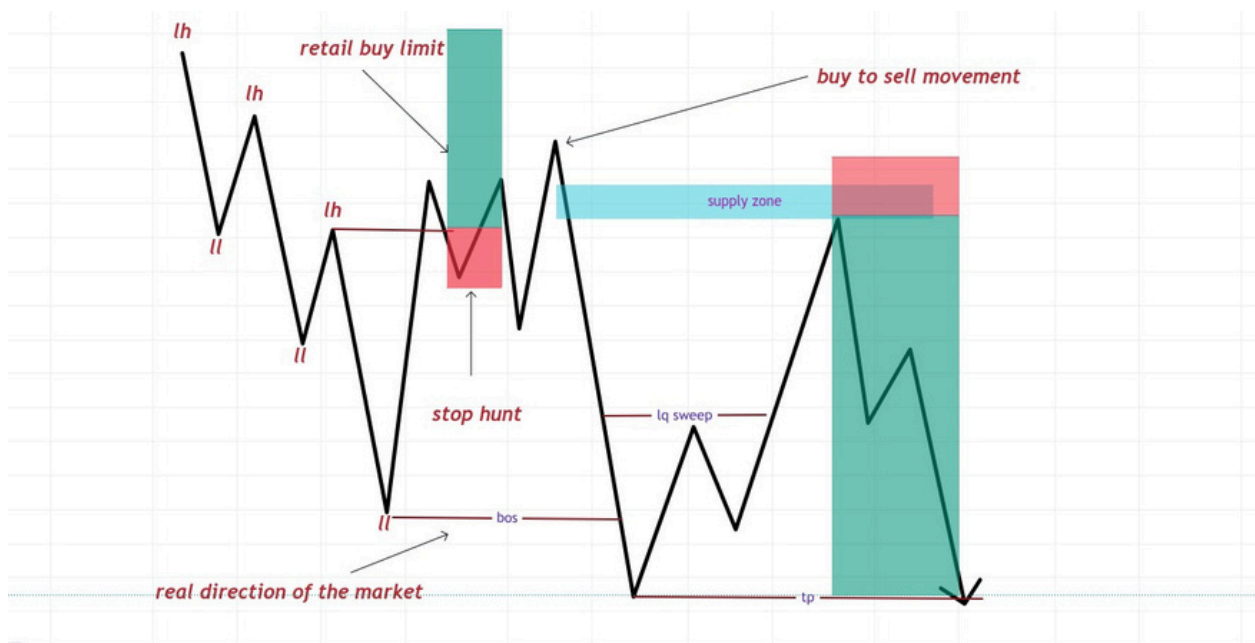
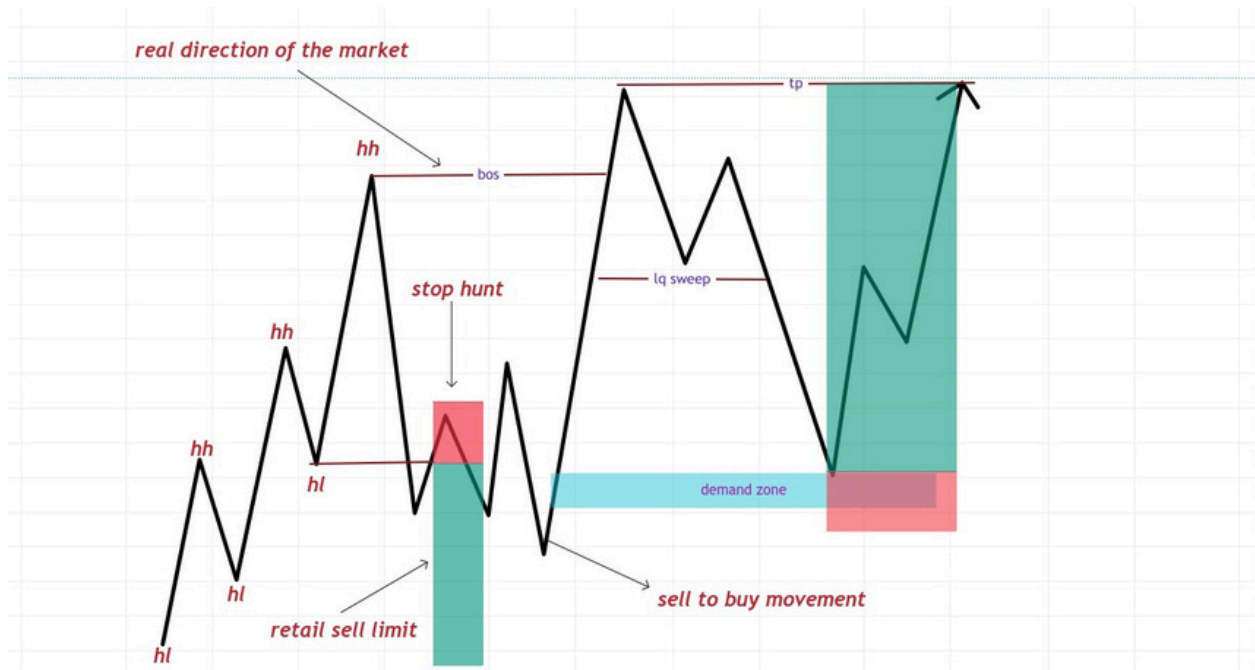
## Capital is the king

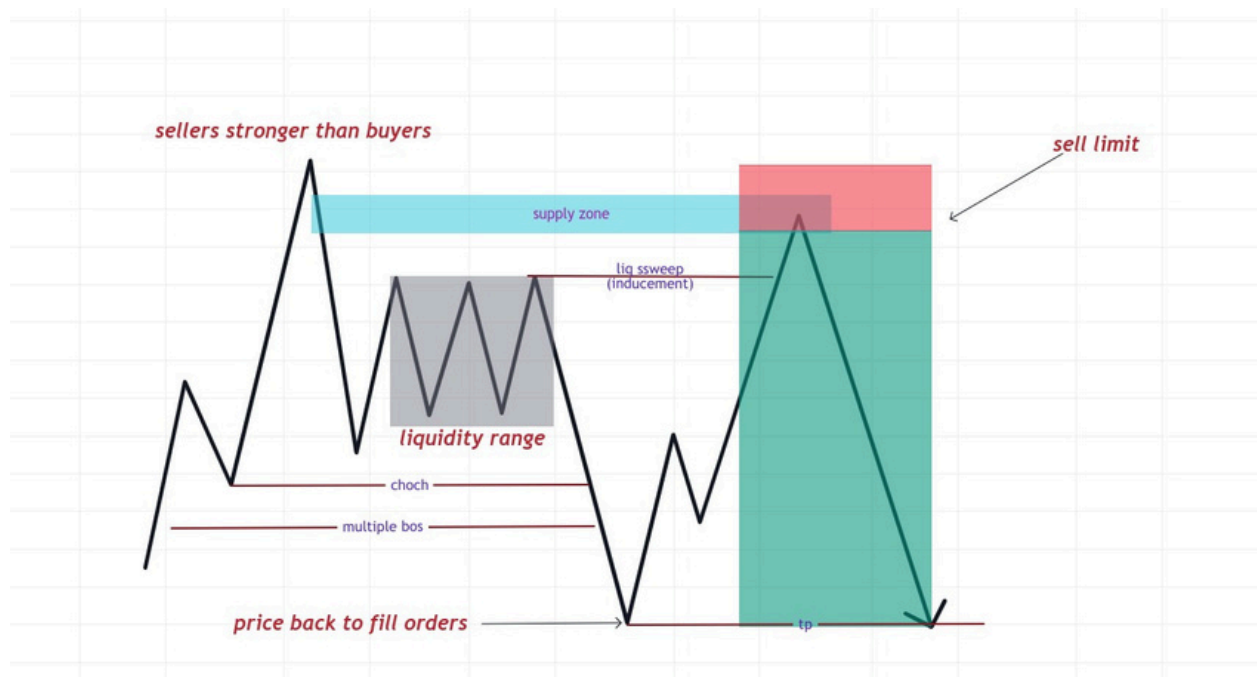
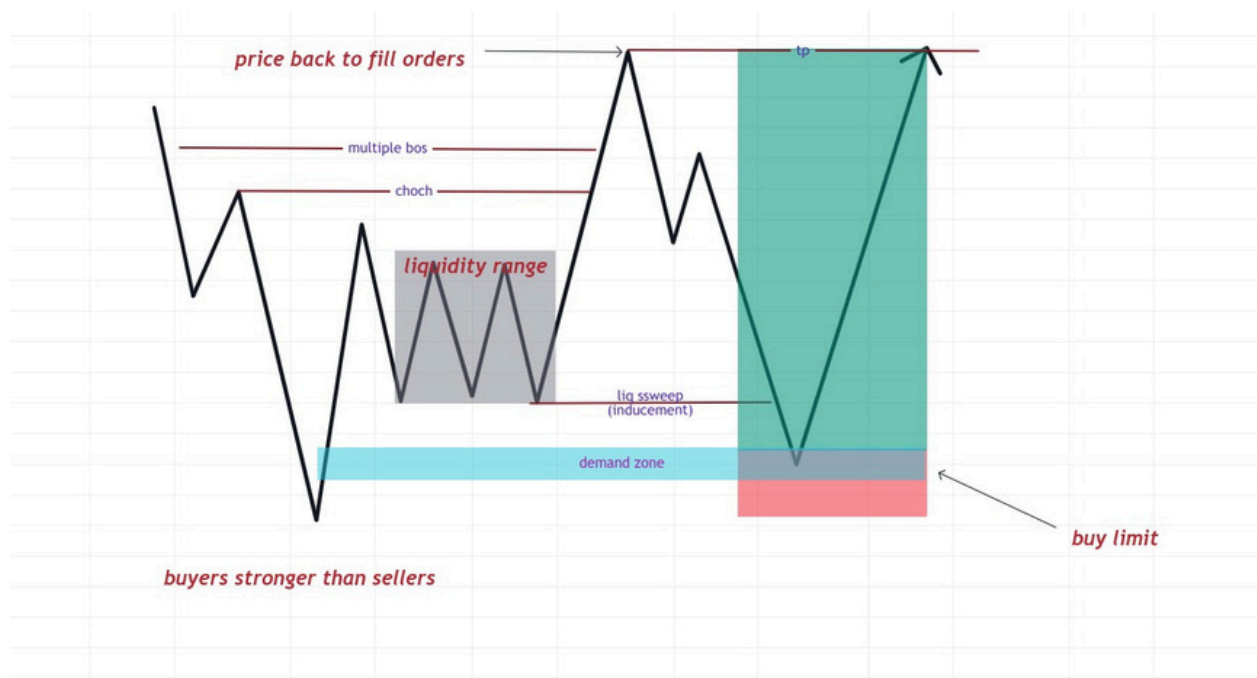
- Respect this and preserve it at all times.
- If you do not have capital, you cannot trade.
- if you cannot trade you cannot win.

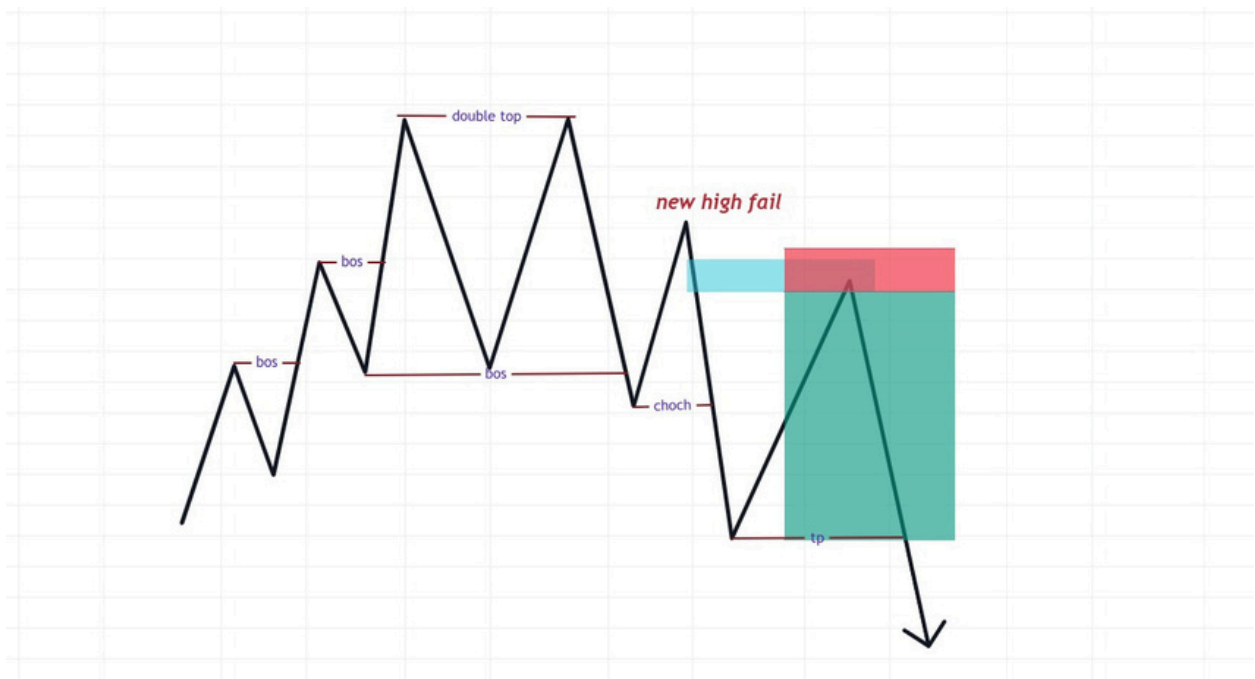
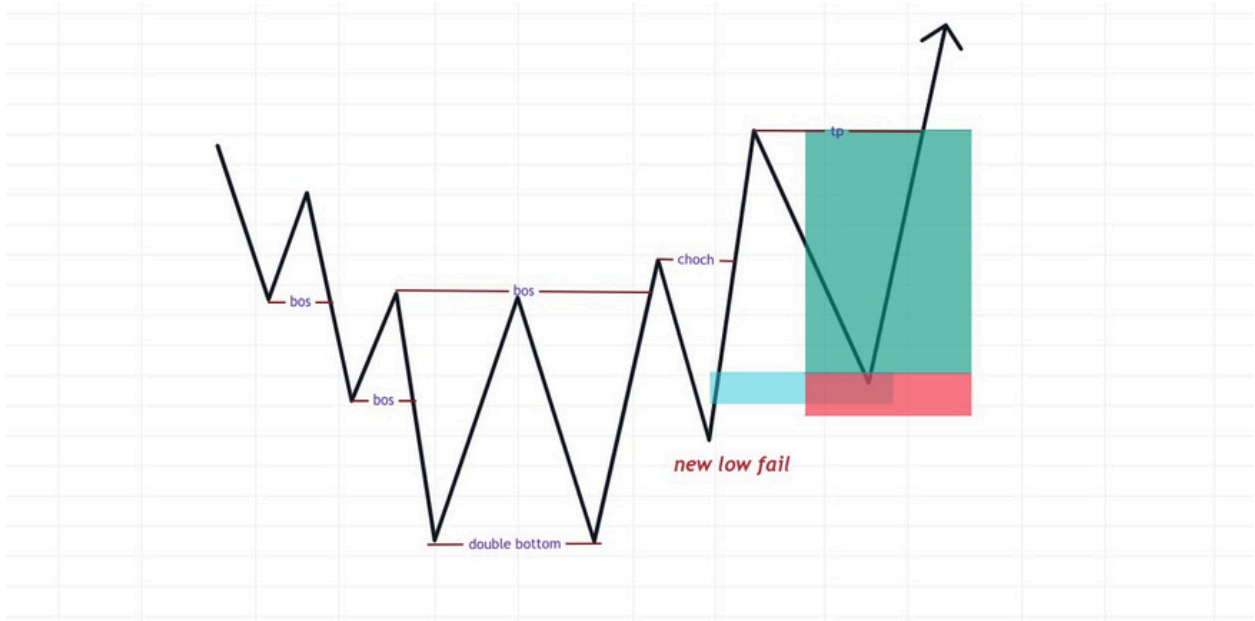
## Your goal as a trader

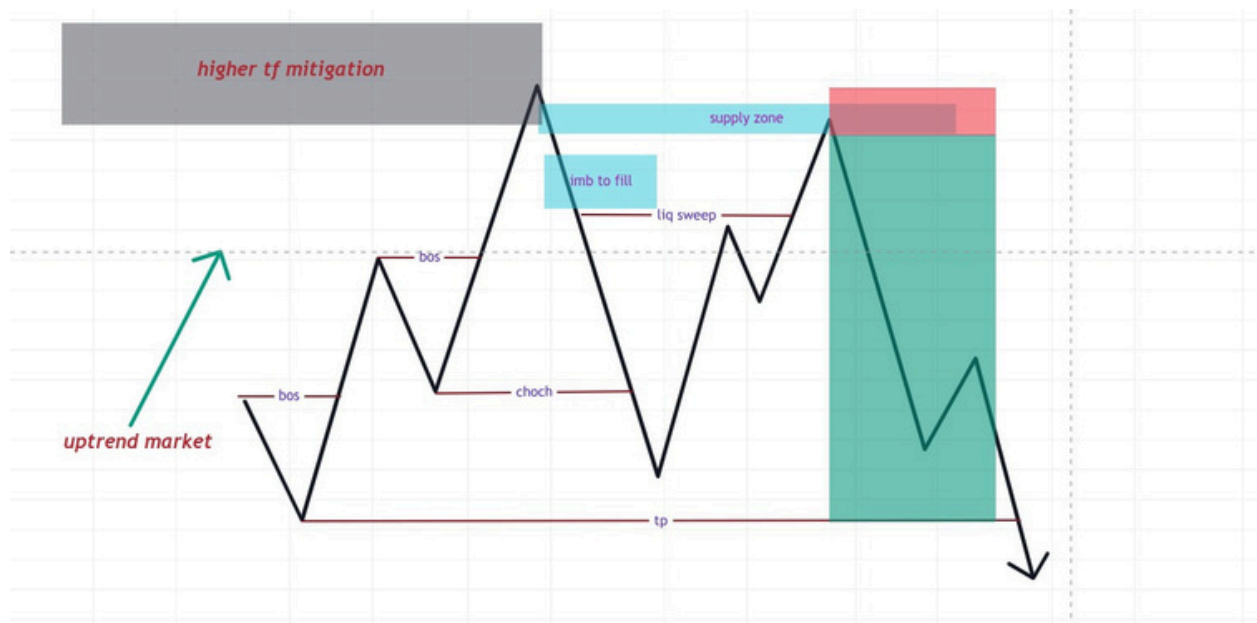
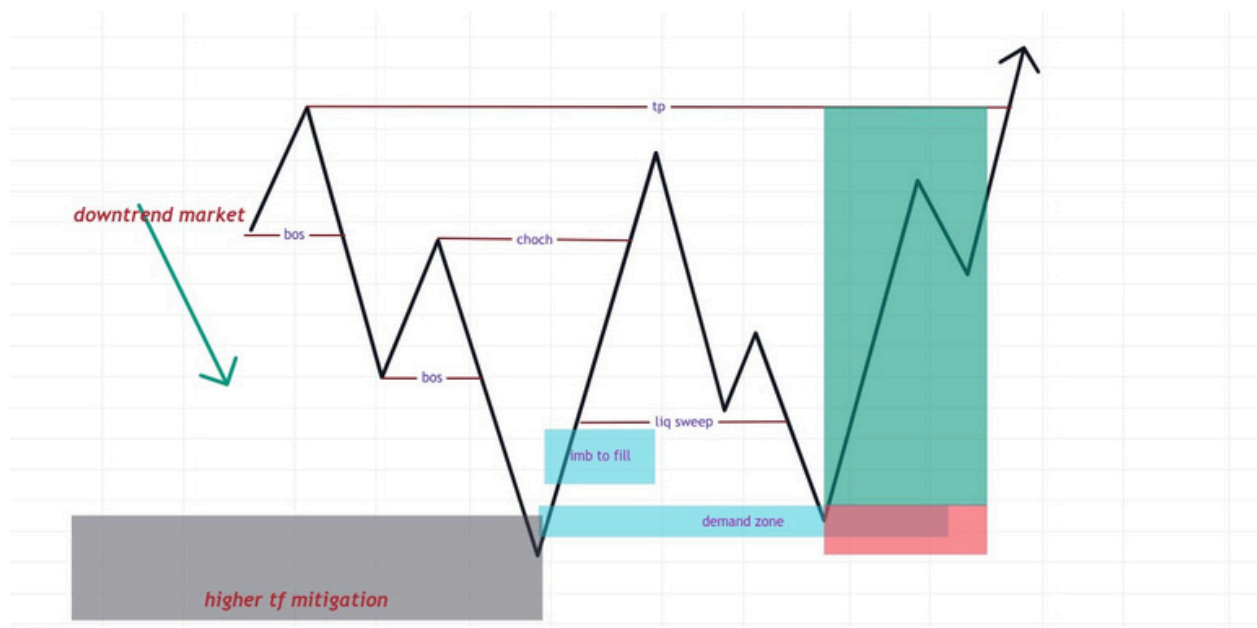
- Preserve your capital >> don't lose money.
- Minimize your losses >> lose little money.
- Maximize your profit >> make more money.
- Grow and compound your trading account >> make money consistently.

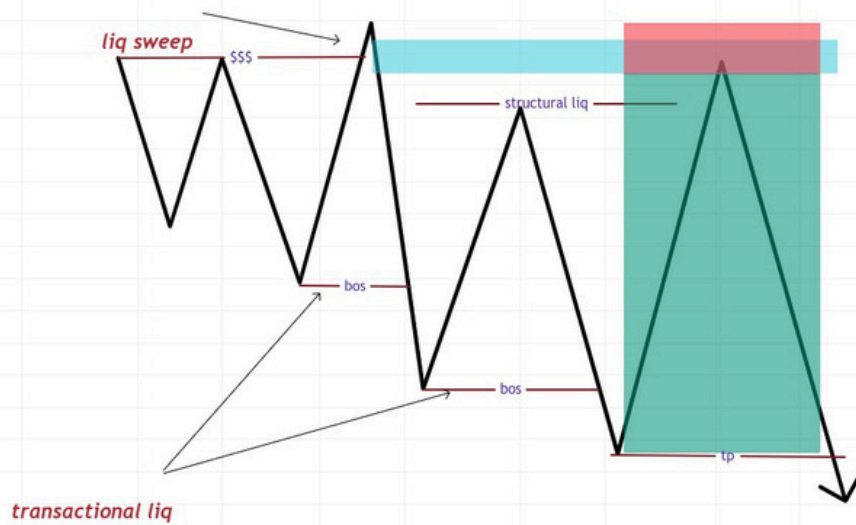
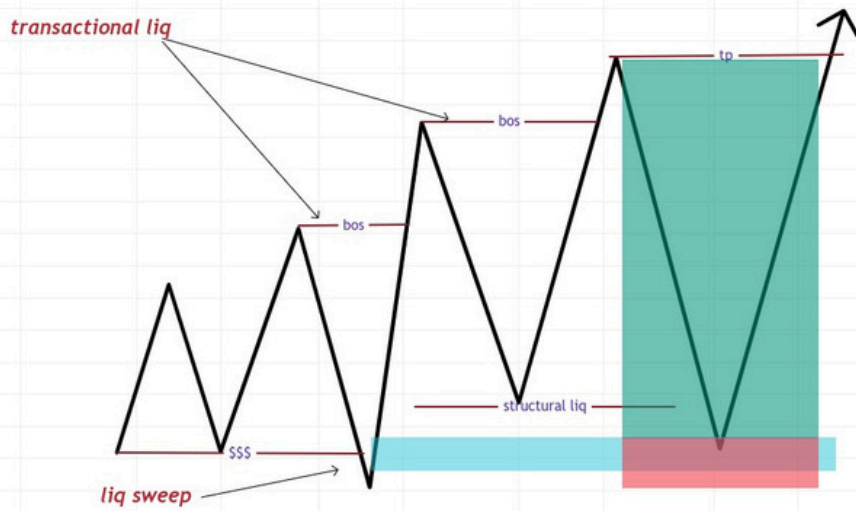
# Advanced QML chart patterns



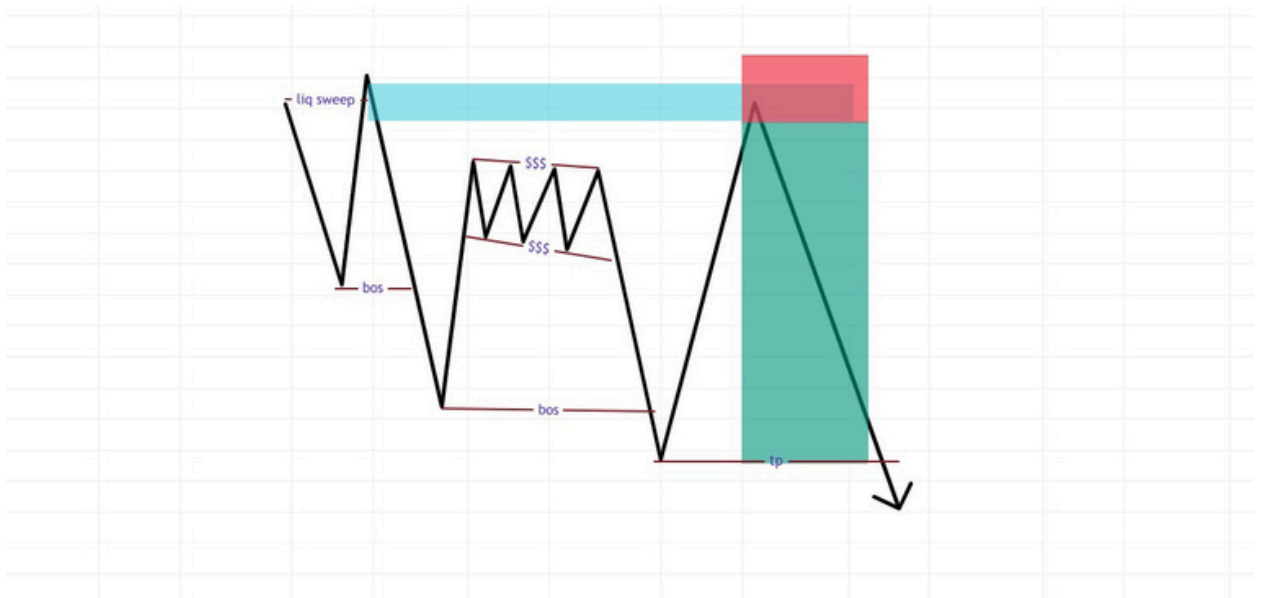
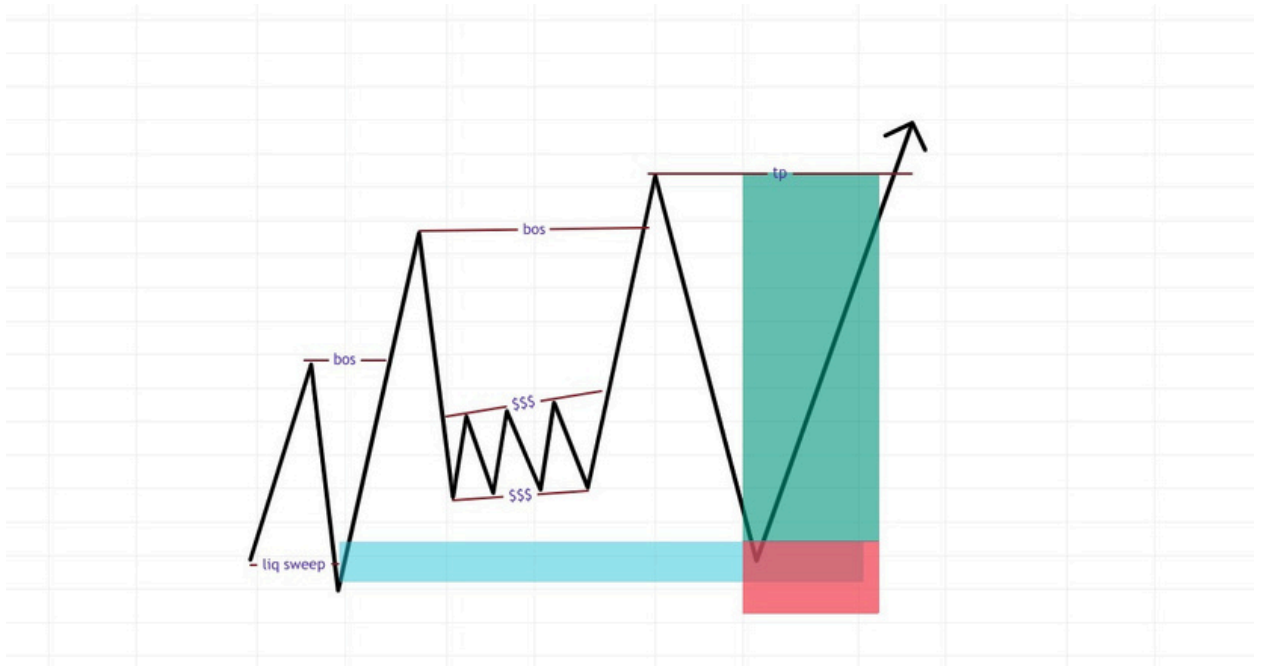


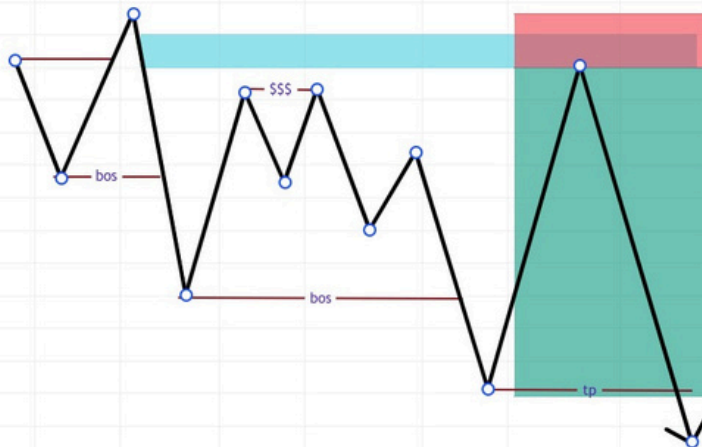
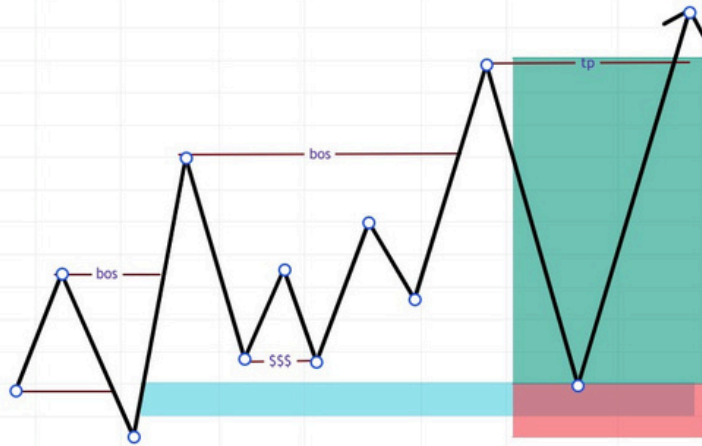












**Take note:** Trade this setup from 15m TF upward for sharp results and wait for at least two breaks of structures to the upside or downside confirming your liquidity sweep and structural liquidity. (no structural liquidity no trades)

# Final Chapter: Master the QML Until It Becomes Second Nature

You've just learned one of the most powerful and reliable reversal structures in modern price action: the Quasimodo Pattern (QML).

But reading it once is not enough. The traders who truly master this setup are the ones who internalize it so deeply that they can recognize it instantly, without hesitation.

The QML is a pattern of precision. To trade it effectively, you must train your eye to see it even in the most chaotic market conditions.

## **Read This Chapter Multiple Times**

Revisit this material until:

- you can identify a QML in seconds,
- you instantly recognize the BOS, the X, the swing high, the order block, and the protected low,
- you can draw the entire structure from memory,
- and you feel confident applying it on live charts without second-guessing yourself.

**Repetition builds mastery. Mastery builds consistency.**  
**Consistency builds profitability.**

### **How to Practice the Right Way**

Open a clean chart and focus only on QML structures. Ignore everything else. Mark every valid pattern you find and compare it to the model you learned here. Do this daily — even 10 minutes a day will transform your pattern recognition.

The goal is simple: Make the QML so familiar that it becomes automatic.

### **Want to See QMLs Traded Live Every Day?**

If you want to accelerate your learning, you can join our Gold Signals Room, where we trade setups like this every single day in real market conditions.

You can join for free with a 1-week trial.

Just send me a message with the word: “QML” and I’ll give you access personally.

**JOIN NOW**

**Happy Trading!**