

Peace – I worked with Luxalgo – Quant to create an encouraging Liquidity Sweep indicator based on my research with SmarttraderAI, and ChatGPT.

Here is the description for the “MFB - Liquidity Sweep Trading - Higher Time”

I could share all the research, yet the description here will share the ideas in better clarity and detail – As with any indicator, everyone has their own ideas how to work with it –

I added some strategy clarity ideas within this description - Peace

Here is the Luxalgo – Quant description –

MFB - Liquidity Sweep Trading - Higher Time identifies potential reversal and entry-confirmation opportunities after price takes liquidity and reclaims a key level or confirmed swing point.

The indicator is intended to be used as the final confirmation layer within a broader top-down trading framework. Before considering a lower-timeframe signal, traders should look for:

1. Higher-timeframe structural evidence through **CISD (or Sweep candle)** from the “**Universal MFB Flow/Sweep/FVG-123 Setup**” indicator.
2. Supporting VWAP-9-20 EMA flow, or RSI divergence from **MFB - Value Acceptance**

Standard liquidity sweep sequence

Bullish:

1. Price sweeps below a confirmed swing low.
2. The candle closes back above that swing-low level.
3. Price later breaks above the most recent confirmed swing high.

4. A green **LONG** marker appears when market structure confirms the potential entry.

Bearish:

1. Price sweeps above a confirmed swing high.
2. The candle closes back below that swing-high level.
3. Price later breaks below the most recent confirmed swing low.
4. A red **SHORT** marker appears when market structure confirms the potential entry.

The horizontal Sweep lines identify the liquidity level that was taken and reclaimed.

HTF key-level sweep add-on

The indicator also monitors:

- Previous Day High / Low — PDH and PDL
- Previous Week High / Low — PWH and PWL
- Previous Asia High / Low
- Previous London High / Low

A key-level sweep occurs when price trades beyond one of these levels and closes back inside it.

HTF Power Reversal Candle — PWR

A **PWR** candle is a higher-quality key-level sweep that also includes:

- A meaningful rejection wick
- A strong close location within the candle range
- A confirmed candle close
- Optional ATR-based sweep-depth filtering

A bullish PWR sweeps below a key low and closes back above it. A bearish PWR sweeps above a key high and closes back below it.

The labels appear as:

- **Green PWR [Key Level]** — potential bullish reversal
- **Red PWR [Key Level]** — potential bearish reversal

Examples include:

- PWR PDL
- PWR PDH
- PWR Asia Low
- PWR London High

The ATR filter can restrict the sweep depth to an adjustable range, such as **0.05 to 0.40 ATR**, helping avoid sweeps that are either too shallow or excessively deep.

Overall framework

In this approach:

- **HTF CISD** provides the structural bias.
- **RSI divergence** suggests possible exhaustion.
- **VWAP and the 9/20 EMA flow** provide directional alignment.
- **Liquidity Sweep** identifies the rejection of liquidity.
- **PWR** highlights a higher-quality key-level reversal candle.
- **LONG or SHORT** confirms the subsequent lower-timeframe market structure shift.

Without the broader HTF context, a standalone Sweep or PWR signal should generally be treated as a lower-quality setup rather than a primary trade signal.

The indicator includes dedicated alerts, including **Any Sweep PWR Candle**, and alerts operate according to the chart timeframe selected when the TradingView alert is created.

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