

XAUUSD FVG + Order Block strategy

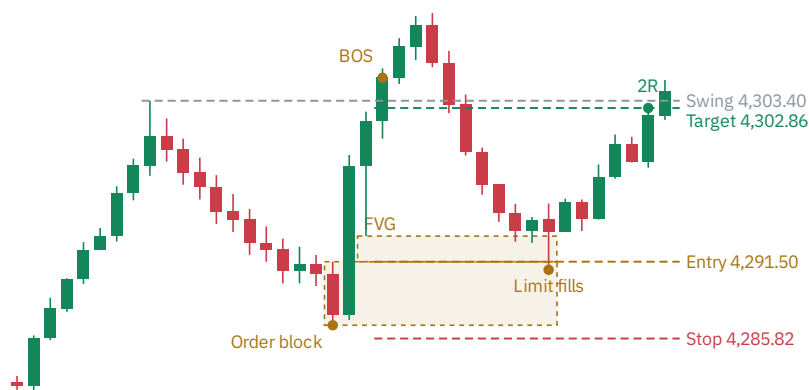
Break of structure, order block and fair value gap combined into one testable setup for gold, with a free Pine Script. By M. A. Horaira, updated 10 October 2026.

THE RULES

- **Market:** XAUUSD on the 15-minute chart
- **Structure:** a candle closes above the most recent swing high (a high with 5 lower highs on each side): a break of structure (BOS)
- **Order block:** the last bearish candle before the break, within the 10 candles before it
- **Fair value gap:** a three-candle gap whose first candle is the order block or a later one, starting inside the block or no more than one ATR above its high; the earliest one counts
- **Entry:** a buy limit at the bottom of that gap, which on many setups is the order block's high
- **Stop loss:** a quarter of an ATR below the order block's low
- **Target:** 2R; an order that hasn't filled within 30 candles is cancelled

WORKED EXAMPLE

Swing high 4,303.40. Order block 4,286.80–4,291.50; gap 4,291.50–4,293.40; BOS close 4,305.10. Buy limit 4,291.50, stop 4,285.82 (\$5.68), target 4,302.86 (2R). \$10,000 at 1% = 0.17 lots: −\$97 / +\$193.



Illustrative chart drawn to show the rules, not a real day's prices.

LOT SIZE

Lots = money at risk ÷ (stop in dollars × 100). One lot of gold is 100 ounces, so a \$1 move is \$100 a lot. Risk the same 0.5% to 1% on every trade.

BEFORE EVERY TRADE

- ☐ Close above the swing high (BOS)?
- ☐ Last bearish candle within 10 candles = block?
- ☐ Gap starts at the block, or within 1 ATR above it?
- ☐ Limit at the gap's bottom, stop below the block?
- ☐ Cancel the order if not filled within 30 candles?

BACKTEST IT BEFORE YOU TRADE IT

1. Open the chart on TradingView.
2. Pine Editor → paste the free script → Add to chart.
3. Settings → Properties: add your commission and slippage.
4. Look for 100+ trades, a profit factor above 1 after costs, and a drawdown you can live with.
5. Check the same settings on other dates, then demo trade for a few weeks.
6. Free script: pipledgerfx.com/downloads/xauusd-fvg-order-block-strategy.pine

For education only, not investment advice. Trading forex and gold on margin carries a high risk of loss, and no strategy wins every time. No backtest results are claimed here: test the rules yourself with your own costs. In India, residents may trade currency pairs only through SEBI-registered brokers on recognised exchanges (NSE, BSE, MSE) and gold on MCX; offshore forex and CFD platforms aren't allowed under FEMA. Full guide: pipledgerfx.com/xauusd-fvg-order-block-strategy