

LPO Model: Last Possible Option

Strategic Trading Framework for SOXL & TQQQ/MNQ

This document outlines the **LPO (Last Possible Option) Model**, a high-precision day trading strategy designed for use during the New York Session. The model focuses on identifying the final fair value gap within an Optimal Trade Entry (OTE) leg to maximize Risk-to-Reward (RR) ratios.

SOXL Execution

- **Step 1:** Identify the **OTE** (Optimal Trade Entry) of a recent price leg that has established a clear Higher High (HH) or Lower Low (LL).
- **Step 2:** Locate the **Last Possible FVG** (Fair Value Gap) within that leg.
 - Start at the **1m timeframe**.
 - If there are too many stacking FVGs on the 1m, move up to a higher timeframe to find the cleanest single gap.
- **Step 3:** Place a limit entry at the **exact middle** of the chosen FVG.
- **Step 4:** Set the **Stop Loss (SL)** at the recent high (for shorts) or low (for longs)
- **Step 5:** Set the **Take Profit (TP)** at the opposing recent high or low.

TQQQ & MNQ (MNQ) Futures Execution

- **Step 1:** Identify the **OTE** of a recent price leg that has established a clear Higher High (HH) or Lower Low (LL).
- **Step 2:** Locate the **Last Possible FVG** within that leg.
 - Start at the **3m timeframe**.
 - If there are too many stacking FVGs on the 3m, move up to a higher timeframe to find the cleanest single gap.
- **Step 3:** Place a limit entry at the **exact middle** of the chosen FVG.
- **Step 4:** Set the **Stop Loss (SL)** at the recent high (shorts) or low (longs).
- **Step 5:** Set the **Take Profit (TP)** at the opposing recent high or low.

Core Management Rules

Rule Category	Requirement
Max Trades	Two trades per day maximum. If the first trade is a winner, the trading day is finished.
Risk Management	Risk 1% of account balance. For funded accounts: 10% of drawdown (\$200 for 50k). For Evals (Safe): 15% or \$300; (Aggressive): 25% - 37.5% (\$500-\$750).
Breakeven (BE)	Move SL to BE at an opposing FVG where price might turn or at a major liquidity pool.
Session	Only trade the New York Session (First two hours are primary).
No-Trade Zones	No trades on FOMC/FOMC Minutes, when Trump is speaking, or during periods of high consolidation.

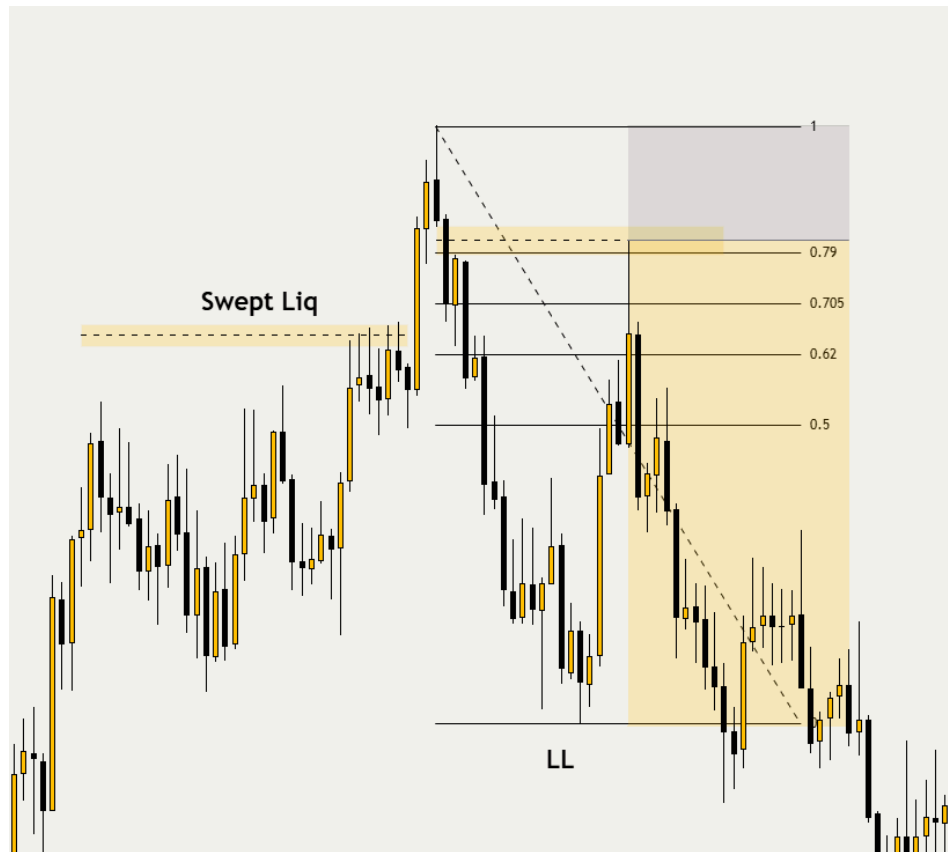
Operational Guidelines

Entry Confirmation

The LPO model prioritizes the "Last Possible" gap to ensure the trade is taken at the deep discount or premium of the OTE range. Entries should be executed as limit orders to ensure the "Middle of FVG" requirement is met precisely.

Psychology & Discipline

- Treat trading as a 2-hour job.
- Aim for an **emotionless** state; do not let the outcome of a trade affect the rest of your day.
- Maintain a minimum **1:1 RR**, though the LPO model often provides higher ratios due to tight SL placement.
- If price Rips or Dumps, wait 3+ hours after the market opens to let price form PA and then trade off new price action (PA).



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