SIGNAL PILOT EDUCATION

Sweep Clearance Worksheet

Signal Pilot Education — companion to Lesson 35: Sweeps, Beyond the First.

A sweep is price trading past a level and coming back. Three settings decide whether one happened at all, and on the lesson's sixty bars ordinary values of those three find four sweeps, or fifteen, or forty-six.

> **Educational only.** Trading involves substantial risk of loss. Not financial advice. Past performance does not guarantee future results. Every number in this worksheet is one you measure on your own record; the figures in the right-hand column are what the lesson measured on its own sixty bars, and they are there to be disagreed with rather than copied.

1. Count the levels before you count the sweeps

Take **sixty consecutive bars** and mark the swing highs and lows at one bar either side, then again at three. Write down only the two level counts.

Swing rule	Levels
One bar either side	
Three bars either side	
Ratio	

Every sweep either setting can ever find is a sweep of one of those levels.

2. Run the close rule in both directions

On those same bars, find every excursion past a live level and sort them into three piles.

Pile	Count	What it means
Never closed beyond the level		The strict rule calls this a sweep
Closed beyond, back within two bars		The loose reading also calls this a sweep
Closed beyond and stayed		The level is gone

	Your number	Lesson 35's bars
Strict count (first pile)		
Loose count (first two piles)		
Size of the middle pile		

On the lesson's own sixty bars, ordinary values of the three settings find **4 sweeps, or 15, or 46**. Which of those three your own bars produce depends on the same three choices, and the point of the exercise is to see the spread rather than to land on the lesson's number.

The middle pile is the entire disagreement between two people who both think they are using the same word.

3. Measure your own clearances, then price the stop

Take **thirty excursions that came back** and record how far past the level each went, in points and in units of the mean bar range.

#	Clearance (points)	Clearance (mean bar ranges)
1		
…		
30		

	Your number
Mean bar range over the sample	
Clearance covering three quarters of them	
Your usual target distance	
Payoff = target ÷ that clearance	
Break-even hit rate = 1 ÷ (1 + payoff)	

The last row is the hit rate a stop placed beyond three quarters of your own sweeps would have to deliver. Compare it against the hit rate you actually have before you decide the stop is in the right place.

What you are holding when this is filled in

Two counts and a break-even. The level count is the universe your setting granted itself; the middle pile is how much of the disagreement about sweeps is vocabulary; and the break-even hit rate is what a stop beyond your own clearances has to earn.

Signal Pilot Labs, Inc. — /education/curriculum/intermediate/35-sweeps-beyond-the-first.html