

OBSIDIAN / LEARN & PRACTISE

Your First Week with Obsidian

Understand your next setup.

Seven short lessons to understand the chart, read the grid and build a repeatable practice routine.

01 Understand the chart / 6 minutes

02 Understand the grid / 6 minutes

03 Gold H4 BUY, step by step / 8 minutes

04 Gold SELL and FX H4 / 8 minutes

05 Plan the trade in numbers / 8 minutes

06 Qualifying does not mean winning / 7 minutes

07 Build your own review routine / 6 minutes

How to use this guide

Read a lesson, study its example, answer the knowledge check and complete the practice action. Work at your own pace. The website saves checks to your signed-in account; notes in this PDF are your own worksheet.

All chart prices and worked outcomes here are invented educational examples. This course explains the platform and its research models. It does not place trades, prescribe a personal risk budget or add filters to a signal engine.

Interactive course: <https://obsidiancharts.com/learn/first-week/>

LESSON 1 OF 7 / UNDERSTAND

Understand the chart

Start with what a candle actually records. You need four prices, a timeframe and a reliable clock before a pattern can mean anything.

Four prices, one interval

Open is the first recorded price in the interval, high and low are its extremes, and close is its last recorded price. The body joins open to close. The wicks extend to high and low. A bullish candle closes above its open; a bearish candle closes below it. Equal open and close is a doji. None of these descriptions establishes what happens next.

Completed means completed

H4 means four hours per candle. While a candle is developing, its high, low and close can change. Obsidian's core H4 models compare the latest fully completed candle with the immediately preceding completed candle. They do not confirm using the developing candle.

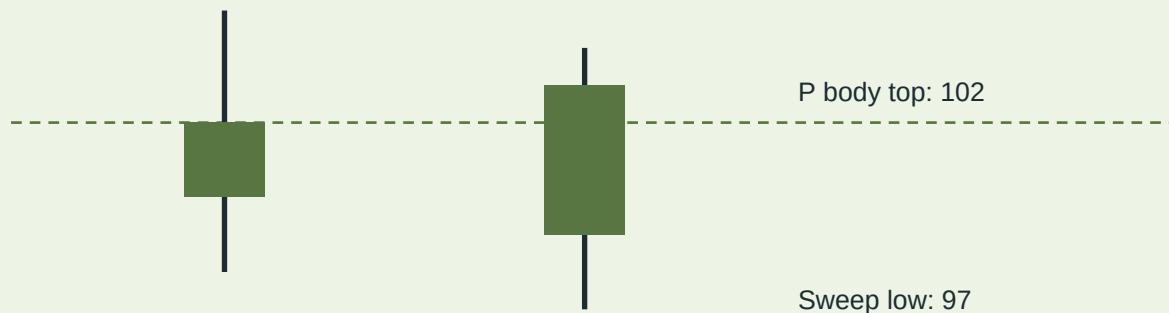
Read the clock and the quote

The feed uses the broker's H4 candle boundaries. These are not necessarily midnight, 04:00 and 08:00 on your own clock. Obsidian labels the broker clock; its UTC offset is not supplied by the current feed. Bid and Ask are separate prices: their difference is the spread. A chart candle and a broker's executable quote are different things.

LESSON 1 OF 7 / PRACTISE

Make it concrete.

ILLUSTRATIVE EXAMPLE / INVENTED VALUES



A candle is a record of a specific interval, not an instruction.

Try it yourself

On a demo chart, choose a completed H4 candle. Write down its open, high, low and close. Identify the developing candle and check which timezone the chart uses.

Knowledge check

A developing H4 candle currently meets a BUY pattern. Has the core H4 model confirmed it?

- A. Yes, as soon as its low sweeps.
- B. No. The signal candle must finish first.
- C. Yes, if the current price is green.

Answer: B. The final close is part of the rule. A developing candle can change before that close.

MetaTrader 5: prices and symbol specifications

LESSON 2 OF 7 / UNDERSTAND

Understand the grid

A useful first question is not 'which box is green?' It is 'which model, which candle and which data am I looking at?'

Choose the model first

Gold, FX, Shares, and Indices & Oil are the four H4 market sections. Each uses completed H4 candles and the same three BUY/SELL candle checks. H4 EMA(50) / EMA(200) is displayed as context only and does not determine qualification. Each instrument's own candles must pass the three checks.

Read a card in this order

- Instrument and model: identify Gold, an FX pair, a share or an index/oil contract, and check the strategy version.
- Timeframe and signal candle: check which completed interval qualified.
- Provider, quote age and feed status: fresh data must be available.
- Confirmation and first-recorded time: candle close and first observation are distinct timestamps.
- Entry, stop and target references: read the labels before treating them as executable prices.

Three different reasons to wait

No qualifying setup means the latest completed candle did not pass the selected rules. Data unavailable means there is not enough fresh, valid data to make a current assessment. Checking the next close means the next completed candle has not yet arrived. The countdown estimates the next H4 calculation boundary; it does not promise a signal or a precise delivery time. Market closures can extend the wait.

History stays in history

The main H4 cards use the latest completed candle. An earlier BUY is kept in the signal record rather than carried forward as a new setup. A later stop or target reference touch is recorded separately. The website does not place an order on your behalf.

LESSON 2 OF 7 / PRACTISE

Make it concrete.

ILLUSTRATIVE EXAMPLE / INVENTED VALUES

Current setup

Read its time and references.

No qualifying setup

Latest closed candle fails rules.

Checking next close

Awaiting the new completed candle.

Data unavailable

Fresh valid data is missing.

Read the model, time and data status before the direction.

Try it yourself

Open a signal view and locate its model name, latest check and next calculation. Explain the current state in one sentence without using only its colour. You can do this during a closed market too.

Knowledge check

Yesterday's BUY is saved, but the latest completed H4 candle does not qualify. What belongs on the working card?

- A. Yesterday's BUY, shown as a new opportunity.
- B. A SELL, because the BUY expired.
- C. No qualifying setup; the earlier BUY remains in history.

Answer: C. A new candle is a new evaluation. Old evidence is retained without being reissued.

LESSON 3 OF 7 / UNDERSTAND

Gold H4 BUY, step by step

Two fully completed H4 candles. Three strict checks. P is the previous candle; S is the latest completed signal candle.

The three checks

- Sweep: S.low must be strictly below P.low.
- Bullish close: S.close must be strictly above S.open.
- Body recovery: S.close must be strictly above $\max(P.open, P.close)$.

Body top, not wick high

S does not need to close above P.high. It needs to close above the top of P's body. P may be bullish, bearish or a doji. Equality at a candle threshold fails. H4 EMA(50) / EMA(200) is context only: opposite, equal or unavailable EMAs do not block a setup. The current H4 model adds no trend, daily-direction, momentum or session filter. Archived H4-v2 four-check records and earlier studies retain their own versions.

Freeze the original reference levels

The website's indicative entry is S.close, the stop reference is S.low, and TP1, TP2 and TP3 are entry + 0.5, 1 and 1.5 times (entry - stop), respectively. These values belong to the confirmed signal and remain fixed in its record. A later failure does not change whether the original candle passed.

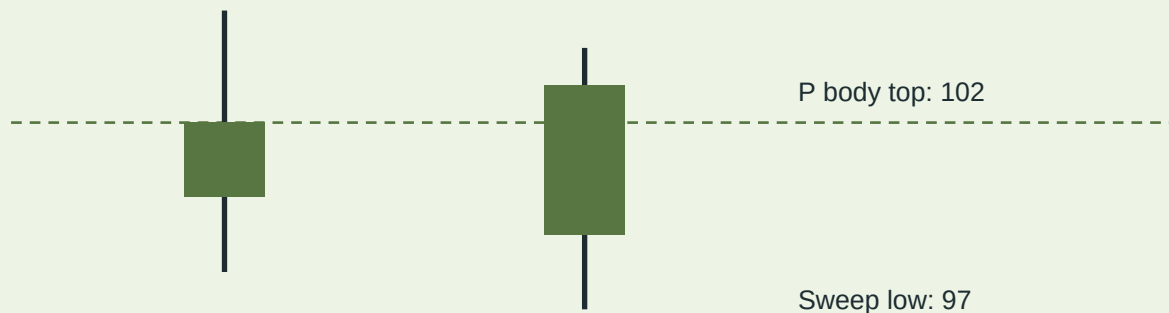
Confirmation is not a broker fill

The saved native 3-check, 3R execution study used the first executable Ask after confirmation and requested its target from that Ask. Those execution assumptions and targets differ from the current website references. Candle data alone cannot recreate that fill. The scanner can record every qualifying setup while an EA with one-position-at-a-time rules may trade only some of them.

LESSON 3 OF 7 / PRACTISE

Make it concrete.

ILLUSTRATIVE EXAMPLE / INVENTED VALUES



P: previous

S: completed

Full candle values: P O/H/L/C 100/105/98/102 | S 99/104/97/103

Sweep the previous low, close bullish and close above the previous body top.

BUY: $97 < 98$; $103 > 99$; $103 > 102$. A close of exactly 102 fails. EMA(50) / EMA(200) is context only. Opposite, equal or unavailable EMAs do not block a setup. A developing S is not confirmed. If a later candle touches 97, the qualifying signal remains in history with a separate event.

Try it yourself

Compare the valid, equality, opposite-trend, missing-trend, unfinished-candle and later-loss examples. For each one, state which candle checks pass or fail. Treat trend context, later outcome and original qualification as separate questions.

Knowledge check

P has open 100, close 102, high 105 and low 98. Completed S has open 99, close 103, high 104 and low 97. At S.close, completed H4 EMA(50) is 99 and EMA(200) is 100. Does BUY qualify?

A. Yes: all three candle checks pass. Opposite EMA alignment is context only.

B. No: S must close above the previous high of 105.

C. No: P must be bearish.

Answer: A. All three strict candle checks pass: $97 < 98$, $103 > 99$ and $103 > 102$. The previous wick high, previous candle colour and EMA alignment do not add conditions.

MetaTrader 5: order and execution principles

LESSON 4 OF 7 / UNDERSTAND

Gold SELL and FX H4

SELL reverses the core sweep conditions. FX Buy & Sell uses the same H4 checks on each FX pair's own candles.

The three SELL checks

- Sweep: S.high must be strictly above P.high.
- Bearish close: S.close must be strictly below S.open.
- Body recovery: S.close must be strictly below min(P.open, P.close).

Use the correct reference side

For SELL, the indicative entry is S.close and the stop reference is S.high. TP1, TP2 and TP3 are entry - 0.5, 1 and 1.5 times (stop - entry), respectively. A close below P.low is not required. Both candles must be completed; equality fails. A single completed candle cannot pass both the bullish-close and bearish-close checks.

FX Buy & Sell

This view uses the same three BUY or three SELL candle checks on H4 FX candles. EMA(50) / EMA(200) is context only. Shares and Indices & Oil use the same qualification rules. Shared rules do not prove equal results across instruments; each keeps its own observations.

Earlier range research

Spring & Upthrust is archived research and is no longer a main signal view. Its range-based rules differ from the core H4 checks. Its results remain available in Research so earlier evidence can still be reviewed.

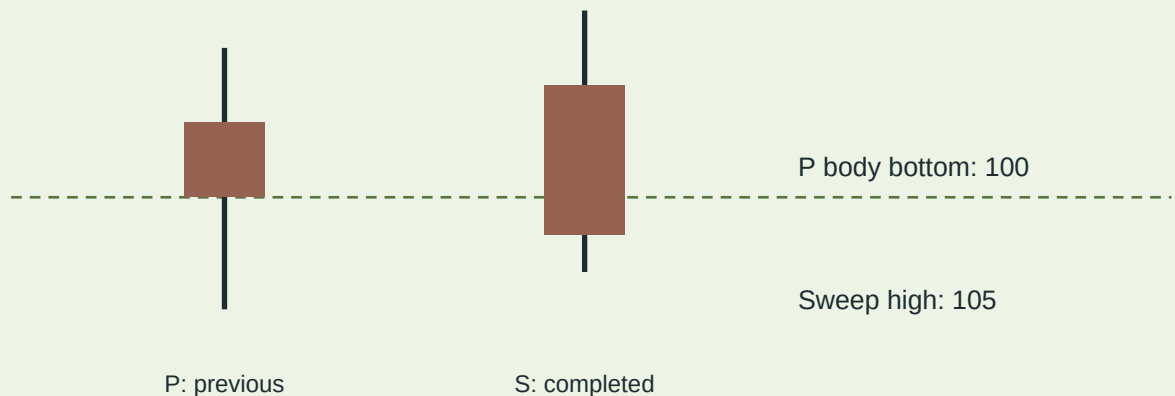
Keep research models clearly labelled

The current website strategy is H4-v3 / 3-Check Sweep. EMA50/200 is context only, not a qualification filter. Archived H4-v2 / 4-Check Trend-Aligned records retain their EMA condition. Direction v2 research adds other H4 and daily filters. No earlier setup is rewritten under the current rules.

LESSON 4 OF 7 / PRACTISE

Make it concrete.

ILLUSTRATIVE EXAMPLE / INVENTED VALUES



The model name determines the checklist. Similar-looking charts can use different rules.

SELL: $105 > 104$; $99 < 103$; $99 < 100$. EMA(50) / EMA(200) is context only. Indicative entry 99, stop 105, TP1 96, TP2 93 and TP3 90. Closing below the previous wick low of 97 is not required.

Try it yourself

Compare Gold BUY, Gold SELL and an FX pair. Identify the instrument, direction, H4 timeframe and strategy version before inspecting any card. Explain which three candle checks a completed candle must pass for BUY and for SELL.

Knowledge check

A completed S sweeps P.high, closes bearish, and closes exactly at the bottom of P's body. H4 EMA(50) is below EMA(200). Does SELL qualify?

- A. Yes, touching the body bottom is enough.
- B. No. The close must be strictly below the body bottom.
- C. Yes, if the daily chart is bearish.

Answer: B. The candle-body comparison is strict. Equality fails. EMA alignment is context only and cannot override a failed candle check.

LESSON 5 OF 7 / UNDERSTAND

Plan the trade in numbers

Separate the signal reference, the executable price and the amount of money represented by the trade. They answer different questions.

What R and the three targets mean

1R is the planned cash risk between the chosen entry and stop, before any costs excluded by your calculation. Current targets are 0.5R, 1R and 1.5R from entry. With indicative entry 103 and stop 97, the distance is 6: BUY TP1 is 106, TP2 is 109 and TP3 is 112. The stop stays at 97. A later fill at a different price changes the executable trade's distance and reward ratio.

A sizing exercise, not a risk prescription

Use a fictional US\$10,000 demo account and a chosen 0.5% exercise risk: the budget is US\$50. Suppose the stop is 25 pips away and the contract is worth US\$10 per pip per lot. One lot risks US\$250, so the simplified size is $50 / 250 = 0.20$ lots. At the current targets, gross outcomes for that US\$50 risk would be US\$25 at TP1, US\$50 at TP2 and US\$75 at TP3. Fees, spread and slippage are not included in this simplified example. The percentage is an exercise assumption, not a recommended setting for everyone.

Check the actual contract

Gold and FX contract sizes, tick values and minimum volume steps are broker-specific. Read the symbol specification and account currency. Planned loss per lot is price distance / tick size x loss-side tick value per lot in account currency, subject to the broker's calculation rules. Round a calculated volume down to a valid step. If the minimum lot exceeds the budget, do not round up to force the example to fit.

Margin, stops and shared exposure

Margin is the collateral required to open a position; it is not the planned stop loss. A stop trigger is not proof of the eventual execution price. Two positions can also share exposure: long EURUSD and long GBPUSD both include selling USD. Count the combined risk in your plan. Check scheduled releases and their timezone before interpreting a quiet chart.

LESSON 5 OF 7 / PRACTISE

Make it concrete.

ILLUSTRATIVE EXAMPLE / INVENTED VALUES

TP3 / 1.5R	112	$103 + 1.5 \times 6$
TP2 / 1R	109	$103 + 1 \times 6$
TP1 / 0.5R	106	$103 + 0.5 \times 6$
Indicative entry	103	Signal candle close
Stop reference	97	1R price distance = 6

Set the cash-risk budget, understand the contract, then calculate size from the stop distance.

Try it yourself

Repeat the US\$50 sizing exercise with a 50-pip stop and the same fictional US\$10 pip value. Then inspect your demo symbol's real specification without submitting an order. Record which assumptions differ.

Knowledge check

In that simplified exercise, the stop doubles from 25 to 50 pips. What keeps the same US\$50 planned risk?

- A. Increase from 0.20 to 0.40 lots.
- B. Keep 0.20 lots because the risk percentage is unchanged.
- C. Reduce from 0.20 to 0.10 lots.

Answer: C. 50 pips x US\$10 per pip per lot = US\$500 per lot. $US\$50 / US\$500 = 0.10$ lots, before costs.

MetaTrader 5: contract and tick specifications

MetaTrader 5: margin calculation

MQL5: economic calendar and server time

LESSON 6 OF 7 / UNDERSTAND

Qualifying does not mean winning

A useful practice set includes a valid setup, a failed rule, a developing candle and a later loss. Each teaches a different part of the process.

Separate the three questions

- Qualification: did the completed candle pass the model's conditions at the time?
- Current display: is that the latest completed interval with fresh data and a saved record?
- Outcome: what happened afterwards, and do we have a real fill or only candle observations?

A losing setup stays in the record

A BUY can qualify with all three candle checks passing at a close of 103 with a stop reference of 97, then later move down to 97. The original qualification still stands. EMA alignment is context only. Obsidian records the later reference touch separately and stops presenting it as an untouched current setup. Earlier 3-check records also keep the rules that applied when they were issued.

A price touch is not a complete trade result

A candle showing the stop or target level was touched does not establish your entry fill, exit fill, costs or whether you took the trade. If a candle spans both references, candle data alone may not show which happened first. Record that ambiguity rather than awarding a win.

Read test results in context

An offline candle simulation, a native MT5 test and an actual executed trade are different evidence types. Ask for dates, model version, costs, tick coverage, trade-count constraints and drawdown. Previously inspected periods are not untouched out-of-sample evidence. A favourable period or several winners is not enough to establish how a model behaves across market conditions.

LESSON 6 OF 7 / PRACTISE

Make it concrete.

ILLUSTRATIVE EXAMPLE / INVENTED VALUES

Qualifies

All required checks pass.

Fails equality

Close equals body boundary.

Still forming

No H4 confirmation yet.

Later loss

Keep original; add later event.

Keep the original signal, later observations and actual execution records separate.

Try it yourself

Classify five invented cases: all three candle checks pass; close equals the previous body top; the H4 EMAs oppose an otherwise valid BUY; the candle is still developing; a valid BUY later touches its stop. Write a qualification decision and a separate outcome note for each.

Knowledge check

A confirmed BUY later touches its stop reference. What should happen to its original record?

- A. Keep it unchanged and attach the later stop-touch event.
- B. Delete it because it no longer looks like a good setup.
- C. Move the original stop lower so the signal remains active.

Answer: A. Later information must not rewrite the original qualification or levels. A reference touch and an executed loss also need different labels.

LESSON 7 OF 7 / UNDERSTAND

Build your own review routine

The aim of the first week is a process you can explain and repeat. There is no need to finish a lesson every calendar day; revisit the parts that need practice.

Before considering a setup

- Name the instrument, model and timeframe.
- Check feed freshness, provider and candle clock.
- Check all required conditions using completed candles.
- Read the signal time and fixed reference levels.
- Inspect executable quotes, contract settings, costs and scheduled events.
- Calculate a deliberate size and account for overlapping positions.
- If a rule or required fact is missing, record the reason to wait.

Keep a useful journal

Record date, instrument, model version, signal time, the three candle checks (and optional completed-H4 EMA context), website references, actual or demo fills, chosen risk, size, costs and outcome in R. Add a screenshot and one sentence about whether you followed your plan. If no order was placed, label the row observation only. Avoid writing an imaginary fill into the journal.

Review the process, including the losses

Review every observation in your chosen sample, not just the attractive charts. Count qualifying setups, trades taken, missed setups and reasons for skipping them separately. Compare rule adherence and execution costs before changing rules. Any proposed extra filter belongs in a separate test with its own version.

Continue from your account

Completing these checks records learning progress only; it does not certify trading competence or change your membership. You can revisit the lessons, download the companion guide and use the existing practice lab. Member charts remain subject to your normal access.

LESSON 7 OF 7 / PRACTISE

Make it concrete.

ILLUSTRATIVE EXAMPLE / INVENTED VALUES

Read + check

Model, clock, data and conditions.

Practise

Use demo or observation-only cases.

Record

Include every outcome and costs.

Review

Separate rule changes into new tests.

Read. Check. Practise. Record. Review.

Try it yourself

Create five observation-only journal rows on demo or historical charts. Include at least one non-qualifying case and one losing example. Use the worksheet in the companion guide for your first review.

Knowledge check

You want to try adding a daily-trend filter to the core H4 rule. What is the clearest approach?

- A. Apply it to old signals and erase any that no longer fit.
- B. Write a separate version and test it without changing the original record.
- C. Assume it works because it makes the chart look clearer.

Answer: B. A separate version lets you compare the extra rule fairly while preserving what the original model actually produced.

YOUR REVIEW WORKSHEET

One observation. One clear record.

Copy these fields into your own journal. Keep observations separate from orders you actually executed.

Date / instrument / model version / timeframe

Signal close time / first recorded time / provider / timezone

Rules that passed or failed / reason to wait

Website entry, stop and target references

Observation only, demo trade or actual trade?

Actual fill(s), size, chosen risk and costs, if applicable

Outcome / reference touches / any unresolved sequence

Did I follow my plan? One lesson for the next review