



NSL_OpenRangeBreakout for NinjaTrader

PLATFORM

Availability for:

- NinjaTrader 7: [Reach out via email for inquiries](#)
- NinjaTrader 8: [AVAILABLE NOW](#)

OVERVIEW

Open Range Breakout (ORB) trading is a popular intraday trading strategy that aims to capitalize on the volatility and price movements that occur within the first few minutes to hours after the market opens. The basic premise of ORB trading is to identify a range (usually the high and low) established during the initial period of trading, known as the "open range," and then take trades based on the price breaking out of this range.

Key Concepts

1. **Open Range:**
 - **Definition:** The high and low prices observed during the first N minutes/hours of the trading session.
 - **Common Time Frames:** The first 15, 30, or 60 minutes of trading are commonly used to define the open range.
2. **Breakout:**
 - **Long Entry:** If the price breaks above the high of the open range, a long (buy) position is initiated.
 - **Short Entry:** If the price breaks below the low of the open range, a short (sell) position is initiated.
3. **Trade Management:**
 - **Stop Loss:** Typically placed just below the breakout point for long positions or just above the breakout point for short positions.
 - **Take Profit:** Can be a predefined target or based on trailing stops to capture larger moves.
4. **Time-Based Filters:**
 - Trades are only taken during specific times of the day to avoid false breakouts or low volatility periods.

Advantages of ORB Trading

- **Simplicity:** The rules for entry and exit are straightforward.
- **Captures Early Volatility:** Takes advantage of the high volatility and liquidity in the market open.
- **Defined Risk:** Clear levels for stop loss placement help manage risk effectively.

Disadvantages of ORB Trading

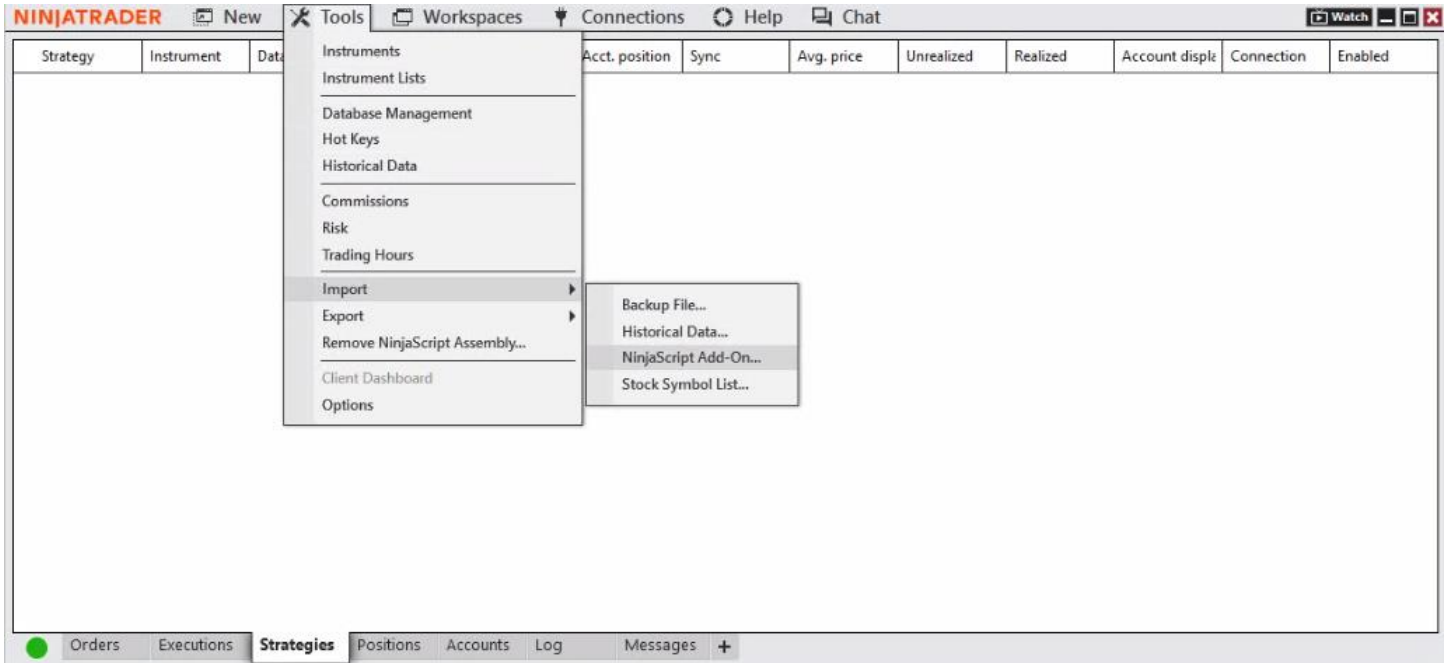
- **False Breakouts:** The strategy can be susceptible to false breakouts, leading to potential losses.
- **High Volatility Risk:** While high volatility can provide opportunities, it can also result in rapid adverse price movements.

How to Install the NSLOpenRangeBreakout

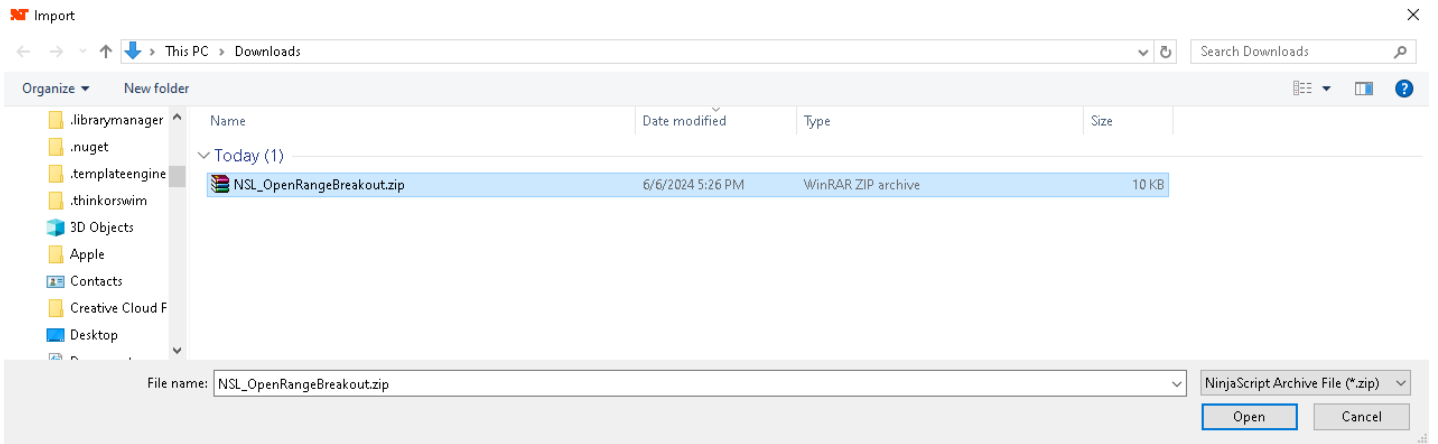
Open NinjaTrader and navigate to the Control Center. Go to Tools > Import > NinjaScript Add On. Locate and select the file named NSL_OpenRangeBreakout.zip. Click Open and wait for the process to complete.



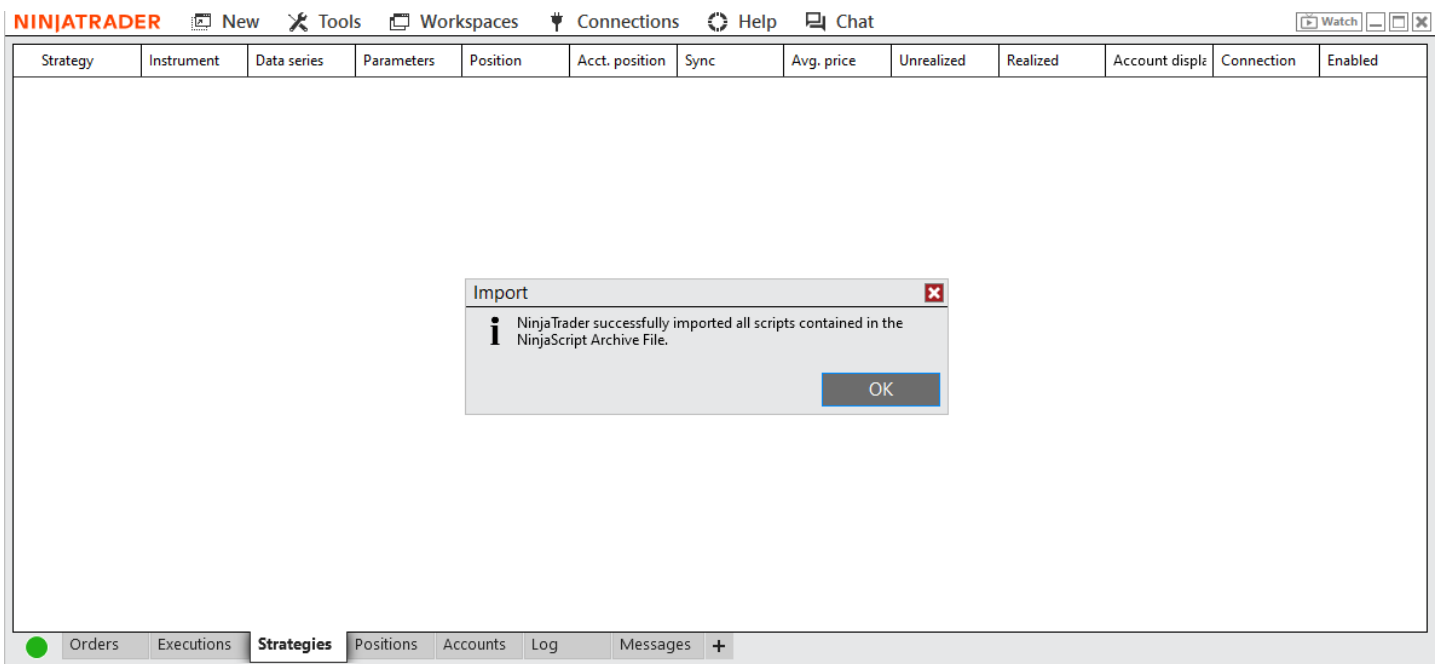
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Select the NSL_OpenRangeBreakout.zip



You will see a message saying, "NinjaTrader successfully imported all scripts contained in the NinjaScript Archived File."



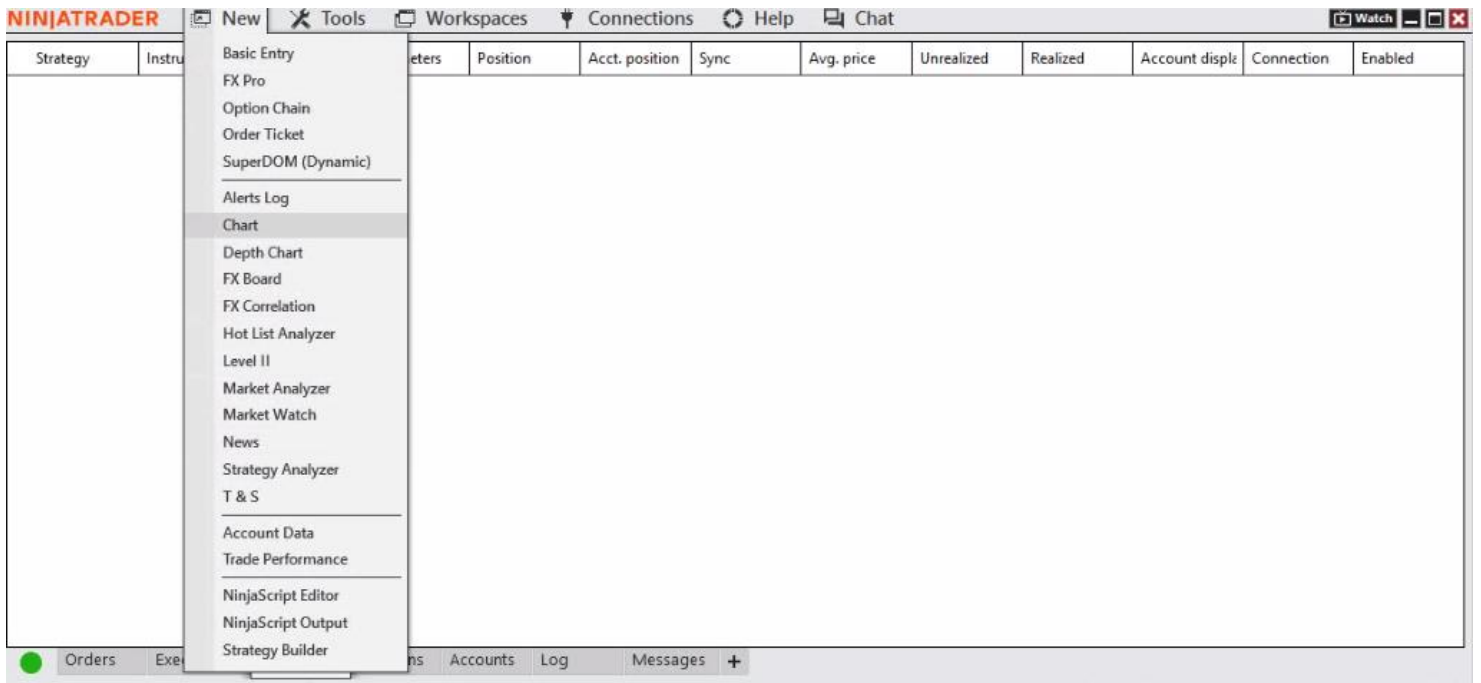


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How to Use NSL_OpenRangeBreakout Strategy

Go to NinjaTrader - Control Center.

- Go to New > then click Chart.

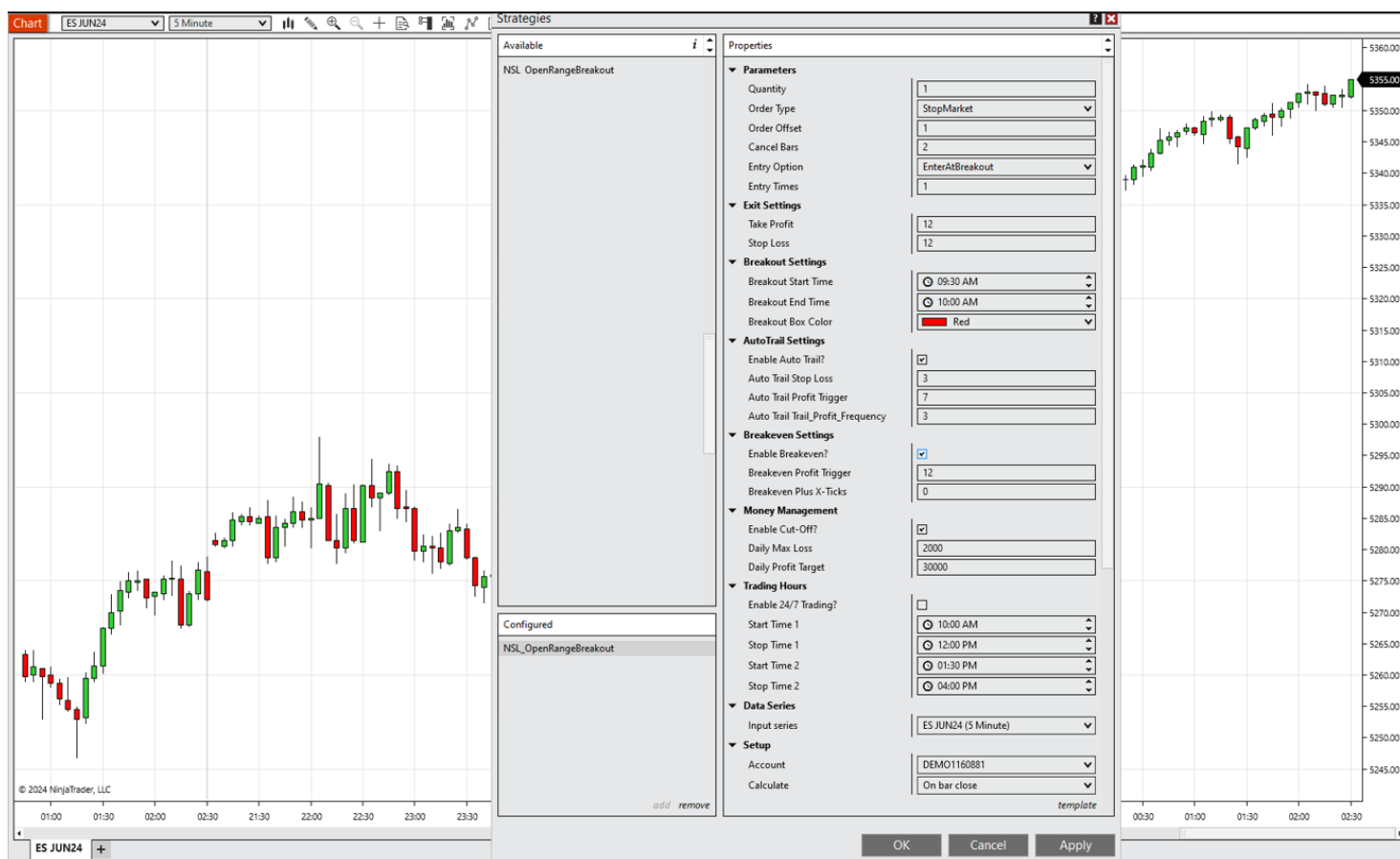


Add NSL_OpenRangeBreakout - Right click on chart and select Strategies...





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After setting up the parameters, please check the "Enable" box at the bottom of the parameters list and click "Apply" to activate the strategy.

Setup Parameters

Parameters

General settings for order placement and trade management.

- **Quantity:** The number of units/contracts for each trade.
- **Order Type:** The type of order used for trade entries.

The type of order used for trade entries. The available order types are:

- **Market:** This order type executes the trade at the current market price immediately upon triggering.
- **StopMarket:** This order type becomes a market order only once the specified stop price is reached, ensuring the trade is executed when the price moves to a certain level.
 - The default entry method is a Stop Market order, which initiates a trade at the high of the bar after it crosses above for long positions and at the low of the bar after it crosses below for short positions. Additionally, an offset will be added as per the setup.
- **Order Offset:** The offset in ticks for order placement when Order Type selected is StopMarket.
- **Cancel Bars:** The number of bars after which a pending order is canceled if not filled when Order Type selected is StopMarket.
- **Entry Option:** The specific conditions for entering a trade.

The specific conditions for entering a trade. The available entry options are:

- **EnterAtBreakout:** This option triggers a trade entry when the price breaks out of the predefined range, either above the highest high or below the lowest low identified within the breakout time range.



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- **EnterAtAnyCross:** This option triggers a trade entry whenever the price crosses the breakout levels at any point, not necessarily only at the breakout moment.

- **Entry Times:** The number of times an entry can be attempted within a Trading session of the day.

Exit Settings

This category contains settings for defining the conditions under which trades will be exited.

- **Take Profit:** The profit target for a trade. When this level is reached, the trade will be exited to lock in profits.
- **Stop Loss:** The loss threshold for a trade. If the price moves against the trade by this amount, the trade will be exited to prevent further loss.

Breakeven Settings

These settings control when and how the breakeven point is applied to a trade.

- **Enable Breakeven?:** A boolean value that enables or disables the breakeven feature.
- **Breakeven Profit Trigger:** The profit amount that triggers the breakeven adjustment.
- **Breakeven Plus X-Ticks:** The number of ticks added to the breakeven level once the breakeven trigger is hit, ensuring a small profit even if the price reverses.

AutoTrail Settings

This category manages the automatic trailing stop, which adjusts the stop loss level as the trade becomes more profitable.

- **Enable Auto Trail?:** A boolean value that enables or disables the automatic trailing stop.
- **Auto Trail Stop Loss:** The stop loss distance for each increment of X ticks of profit (Auto Trail Profit Frequency)
- **Auto Trail Profit Trigger:** The profit level at which the trailing stop starts adjusting.
- **Auto Trail Profit Frequency:** The frequency of X ticks of profit required for the stop loss to adjust accordingly

Trading Hours

These settings define the hours during which trading is active.

- **Enable 24/7 Trading?:** A boolean value that enables or disables trading around the clock.
- **Start Time 1/Stop Time 1:** If the "Enable 24/7 Trading?" boolean is false, these are the start and stop times for the first trading period within a single day or session.
- **Start Time 2/Stop Time 2:** If the "Enable 24/7 Trading?" boolean is false, these are the start and stop times for the second trading period within a single day or session.

Breakout Settings

Settings specific to breakout strategies, which aim to enter trades based on predefined breakout times.

- **Breakout Start Time:** The start time for identifying the highest high and lowest low within the breakout time range that will be used as the breakout levels.
- **Breakout End Time:** The end time for identifying the highest high and lowest low within the breakout time range that will be used as the breakout levels.
- **Breakout Box Color:** The color used to display the breakout box on charts.



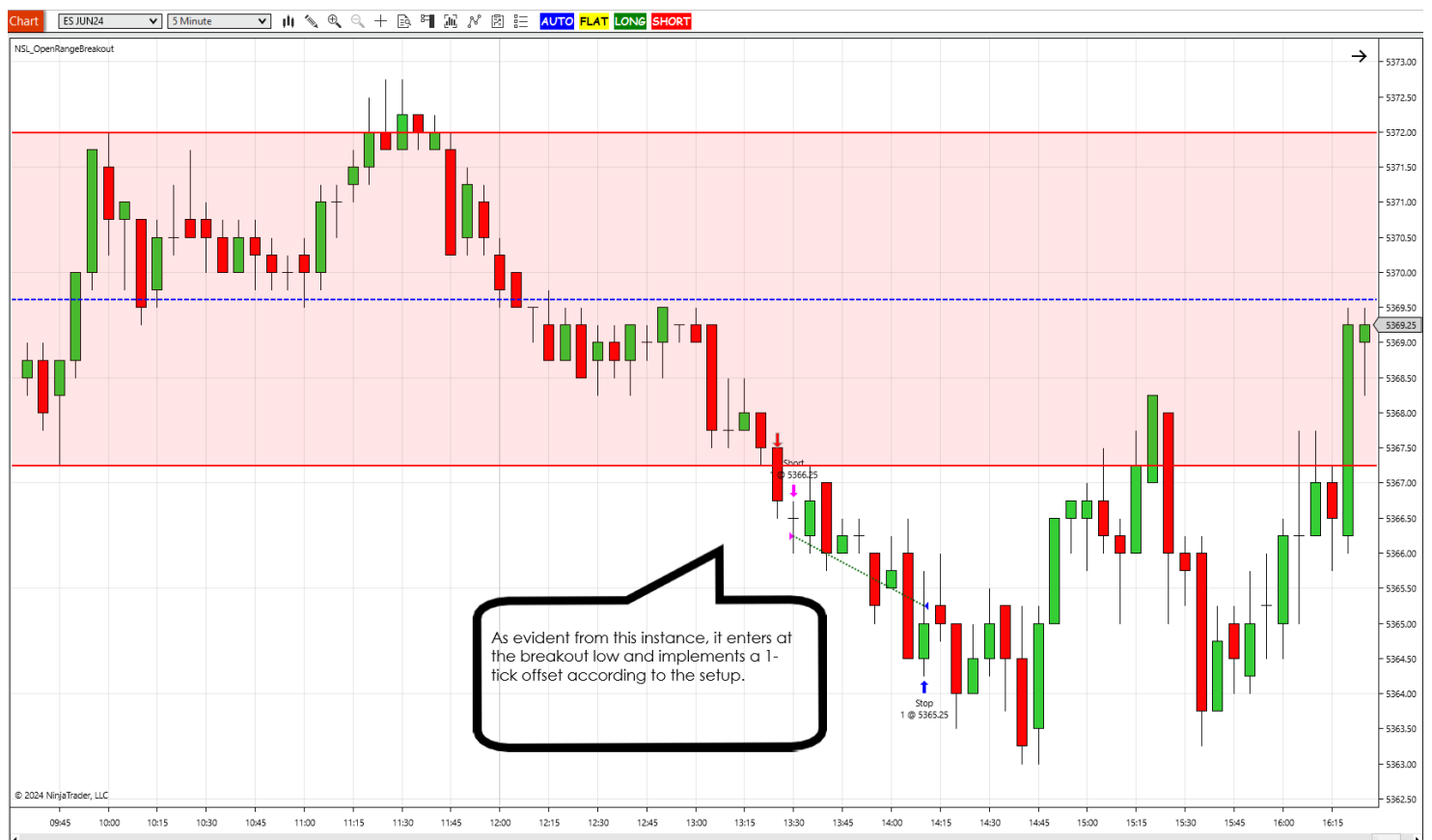
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Money Management

These settings aid in risk management and ensure trading adheres to predetermined thresholds. Additionally, they initiate the monitoring and authorization of new trades at the start of each trading session.

- **Enable Cut-Off?:** A boolean value that activates or deactivates the daily cut-off limits.
- **Daily Max Loss:** The maximum allowable loss for a trading session. Trading ceases when this limit is attained.
- **Daily Profit Target:** The profit goal for a trading session. Trading halts upon achieving this target.

Example of trade



Conclusion

Implementing an Open Range Breakout (ORB) strategy involves several key steps:

1. **Define the Open Range:** Determine the initial period (e.g., the first 30 minutes) to identify the high and low prices.
2. **Monitor Breakouts:** After the defined period, monitor the price for breakouts above or below the open range.
3. **Execute Trades:** Enter long trades on breakouts above the high and short trades on breakouts below the low.
4. **Risk Management and Exit Strategy:** Set stop loss and profit target orders just beyond the breakout points to manage risk effectively, and use predefined profit targets or trailing stops to exit trades.

Open Range Breakout trading is a versatile and widely-used strategy, particularly well-suited for traders aiming to capitalize on early market volatility. While it is relatively straightforward to understand and implement, achieving success with this strategy requires discipline, precise risk management, and occasionally incorporating additional filters or modifications to tailor it to specific market conditions.