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# **Two Method To Screen False Breakout From A True Breakout**

Support and resistance levels are used by investors to determine how far they believe a currency pair will move. This also tells them at what points the price action may turn around and start moving in the opposite direction. Get these [Forex Scalping](#) Cheatsheets plus the 10X Scalping System and the Hot Time Indicator FREE. These forex scalping cheatsheets give you the best times for scalping plus five different ways that you can scalp the currency market. Download this Magic Breakout Trading [Forex Strategy](#) Ebook FREE just now. Master these [Candlestick Patterns](#) with this 82 page PDF FREE Candlestick Guide! This candlestick guide used to sell for \$97 but it is a FREE complimentary gift for you from the Options University.

Even when you take all the precautions with your support and resistance levels, you may fall victim to a false breakout. Now, you will ask how I can tell when the price has truly broken through support and resistance in a new direction.

Setting price amplitude benchmarks involves looking at a chart to determine if you can identify and know when the price action momentarily broke through the prevailing support and resistance level before pulling back and once again returning to the previous level.

The dips through the predetermined levels are usually short lived. You can draw a secondary support and resistance lines which you can then utilize as your price-amplitude benchmarks.

Identifying role reversals method involves watching the price action to see if support levels turn into resistance levels, then, watching if the resistance levels turn into support levels. Many times, you will see the price action bounce off a level of resistance, turn around and start heading lower and again bounce off the previous resistance level.

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