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The XAUUSD Scalping Playbook

A complete, free playbook for scalping spot gold: when to trade, which three setups are worth taking, and exactly how each one is entered, stopped and targeted.

SHORT ANSWER

Scalp XAUUSD during the London open and the first two hours of New York, take only three setups — the liquidity sweep reversal, the London-open continuation and the failed breakout — and risk a fixed percentage per trade with a stop beyond structure, not a fixed pip distance.

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Gold is not a currency pair and it does not reward the habits that work on EURUSD. It reprices violently around US data, it respects zones instead of lines, and it produces most of its clean intraday movement inside a narrow window of the day. A scalping plan for XAUUSD has to be built around those three facts.

This playbook is the process GOLD Scalper uses on spot gold, written out in full. Nothing is held back for a paid tier: the setups, the entry triggers, the stop rules and the target logic are all here. What paid access adds is execution in real time, not secret knowledge.

1. Trade the hours that actually move

Most gold range expansion happens between the London open and the close of the New York morning. Outside that window spreads widen relative to the available movement, and the ratio of noise to signal turns against you.

A practical schedule keeps you at the screen for roughly four hours a day and out of the market for the rest.

- Asian session (00:00–07:00 UTC): mark the range high and low. Do not trade inside it.
- London open (07:00–10:00 UTC): the highest-quality window. Sweeps of the Asian range happen here.
- London/New York overlap (12:30–15:30 UTC): second window, driven by US data releases.
- After 16:00 UTC: stop. Late-session moves are thin and reverse without warning.

2. Setup one — the liquidity sweep reversal

Gold routinely runs the Asian range high or low by a few dollars before reversing into the real move. That run is a liquidity event, not a breakout, and it is the single most repeatable gold scalp.

Wait for price to trade beyond the range extreme, then require a shift in structure on the M5 chart — a close back inside the range that breaks the last minor swing in the opposite direction. Enter on the retest of that break.

- Trigger: sweep of the Asian high or low, then an M5 structure shift back inside.
- Entry: retest of the broken minor swing, or a 50% retracement of the reversal leg.
- Stop: beyond the sweep wick plus current spread, never a fixed pip figure.
- Target: the opposite side of the Asian range as the first objective, then the prior day extreme.

3. Setup two — the London continuation

When gold opens London already trending on the H1 chart, the pullback into the first demand or supply zone in that direction is a continuation trade rather than a reversal.

The distinction matters: a continuation is taken with the higher-timeframe trend and can hold for a larger multiple of risk, so the target should be structural rather than a fixed dollar move.

- Trigger: H1 trend intact and price pulling back into the first unmitigated zone.
- Entry: M5 rejection wick or engulfing close inside the zone.
- Stop: below the zone origin, so invalidation is a real structural failure.
- Target: prior swing extreme first, then trail behind M15 structure.

4. Setup three — the failed breakout

Gold produces a high number of false breakouts around round numbers and prior-day levels. A close back inside the level within two candles is a failure, and failures move quickly because the traders who chased are trapped.

This setup only works when the breakout was shallow. If price has extended more than roughly a third of the prior range beyond the level, treat it as a genuine expansion and stand aside.

- Trigger: break of a round number or prior-day level, then a close back inside within two M5 candles.
- Entry: on the reclaim close, or on the first retest from the wrong side.
- Stop: beyond the failed extreme.
- Target: the mid-point of the prior range, then the opposite extreme.

5. Position sizing and risk

Every setup above is defined by its invalidation, which means position size is calculated, never guessed. Risk a fixed percentage of the account per trade — one percent or less while you are learning the instrument — and let the stop distance set the lot size.

On XAUUSD a one-lot position is 100 ounces, so a $1.00 move is $100. A stop of $3.50 on a $5,000 account risking one percent gives a position size of roughly 0.14 lots. Work it out before entry, not after.

- Fixed percentage risk per trade, calculated from the stop distance.
- Maximum two losing trades in a day, then stop.
- No position held through a red-folder release unless it is already at break-even.
- Score every closed trade in R so the record is comparable across position sizes.

6. Reviewing the week

A scalping edge is only visible in aggregate. Log each trade with the setup name, the R outcome, the session and a screenshot, then review weekly by setup rather than by day.

If one of the three setups is negative over thirty trades, remove it rather than adjusting it. Most traders destroy a working plan by optimising the weakest part of it instead of deleting it.

Pre-trade checklist

- ✓ Asian range high and low marked before London
- ✓ Session window confirmed — London open or New York overlap only
- ✓ Setup identified by name from the three above
- ✓ Invalidation level written down before entry
- ✓ Position size calculated from the stop distance
- ✓ Economic calendar checked for the next two hours
- ✓ Trade logged in R after the close

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FAQs

Is this XAUUSD scalping playbook really free?

What timeframes does the gold scalping playbook use?

How much capital do you need to scalp gold?

R. van der Merwe

LEAD GOLD ANALYST — GOLD SCALPER

Full-time XAUUSD trader focused on intraday and swing structure in Gold. Publishes the daily Gold outlook, the session bias and every signal recorded in the GOLD Scalper performance log.

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