

Smart Money Concepts vs. Inner Circle Trader

Smart Money Concepts (SMC) and Inner Circle Trader (ICT) are both trading methodologies that emphasize understanding the actions and footprints of institutional traders. While they share many similarities, there are key differences in their approaches, terminologies, and the depth of their teachings.



by Arman Shaban

Comparing SMC and ICT

Smart Money Concepts (SMC)

SMC focuses broadly on the behaviors and strategies of institutional traders, often referred to as "smart money." It emphasizes concepts like order blocks, market structure, liquidity, and imbalances.

Inner Circle Trader (ICT)

ICT is a specific trading methodology created by Michael J. Huddleston, offering a comprehensive and detailed approach to trading, focusing on the mechanics of price action and market behavior as influenced by institutional trading.

Key Concepts in SMC and ICT

1 SMC Key Concepts

Order Blocks, Break of Market Structure, Change of Character, Imbalance, Liquidity

2 ICT Key Concepts

ICT Order Blocks, Shift in Market Structure, Fair Value Gaps, Optimal Trade Entry, Liquidity Pools



Trading Approaches in SMC and ICT

SMC Trading Approach

SMC is often more generalized and may be used by various traders who adapt the concepts to their trading style. Emphasis is on aligning trades with the actions of institutional traders to gain an edge in the market.

ICT Trading Approach

ICT provides a more structured and detailed framework for trading, often involving specific setups, rules, and criteria. It emphasizes mentorship and education through in-depth courses and materials created by Michael J. Huddleston.

Depth and Specificity

ICT

ICT is a more structured and proprietary approach with specific rules, setups, and teachings from Michael J. Huddleston.

SMC

SMC is a broader concept that encompasses various techniques and strategies used to understand institutional trading behaviors.

Educational Resources



ICT

ICT has a comprehensive set of educational materials, including video tutorials, mentorship programs, and detailed guides.



SMC

SMC is more of a general approach that can be adapted and interpreted in various ways by different traders.

Community and Mentorship



ICT

ICT has a strong community and mentorship component, often involving direct teaching from its creator.



SMC

SMC may have communities and forums, but they are typically less centralized compared to ICT.



Choosing Between SMC and ICT

1

Structured Approach

ICT offers a highly structured approach with extensive educational resources.

2

Flexible Concepts

SMC is a more flexible, generalized set of concepts that can be adapted by different traders.

3

Personal Preference

Choosing between SMC and ICT depends on your preference for a structured methodology or a more flexible approach.

Contact Information

Thank you for reading this document. If you have any questions, feedback, or would like to get in touch with me, please feel free to reach out through the following channels:

 Telegram



Arman Shaban


This is my official account on Telegram

 Telegram



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This is my official and public channel on Telegram

 TradingView



Trader ArmanShabanTrading — Trading Ideas & Charts

This is my official page on TradingView, here you can access my latest ideas and insights.

 YouTube



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This is my official channel on YouTube

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This is my official account on X (Formal Twitter)

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Instruments such as forex, options, futures, spread betting, cryptocurrencies, and CFDs are complex and come with a high risk of rapid financial loss due to leverage and market volatility.