# Orderflows Absorption Tool

**Mike Valtos** 

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The Orderflows Absorption Tool is like a Swiss Army Knife in detecting absorption in the order flow. It is built around seven (7) different scenarios of absorption. Why so many you might ask. There are different types of absorption in different market conditions.

VERY IMPORTANT – Just because there are 7 different absorption scenarios, does not mean you will run all 7 at once. That is NOT ADVISABLE and NOT RECOMMENDED.

What is recommended is to run the setups that align with your trading. Are you a momentum trader/trend trader or are you a reversal trader?

The market is constantly in a state of fluctuation. Trying to trade momentum and break outs when the market is range bound will chop you up with many false signals. Conversely, trying to trade reversals in a trending market you will find yourself getting stopped out regularly.

There is no one way to approach the market. A trader needs to be nimble and quick to understand what is happening in the market in order to trade it. Determine if the market is range trading or trend trading.

Most non-traders will think "wow, that's a lot of work," but really that is your job as a trader. The first step is to look at a chart. Where are we relative to the day's high and low? The second step is to look at today's range relative to yesterday's range. Are we inside of yesterday's range or outside of it.

If we are inside yesterday's range there is a good chance the trading day may be an inside day which is usually a nice range day, good for reversals.

If the market is trading outside yesterday's range, there is a good chance the trading day can be a trending day. But it does depend on the direction the market is trading. Is the market trading in a direction away from yesterday's high/low, which can signal a potential trend day. Or is the market trading back into yesterday's range which can signal a big trend day (ie engulfing pattern) or a potential range day depending on what is happening in the order flow. The market may simply rotate around the yesterday's high (low) and or yesterday's value area or Point of Control. There are really many different scenarios that can occur.

You don't know what is going to happen until it happens. All you can do as a trader is trade what you expect to happen. For example, when the market is trading above yesterday's high but starts to trade back into yesterday's range. What is the first level that the market can stop? The first level I would be looking for is the Point of Control.

There are many different situations that a trader can use absorption. The Orderflows Absorption Tool allows you to choose the situations that you want to look for.

I could have broken out this indicator into seven different indicators. But I felt it was best to keep it as its own tool and let you decide what you want to use.

In the next section, I will explain how to set up the indicator on NinjaTrader 8 and explain the different settings.

Once you read and understand the settings, in the section after that I will explain suggested settings and why. Keep in mind, what I will be suggesting is what I use. You are free to change them as you deem necessary.

Before I get into the different scenarios and settings, first you will need to enter you License Token.

You will be emailed you License Token and the email will look like this:



Please note that the license token email will come from the email info@licensr.cloud and not an orderflows.com email. It is also included in your welcome email with the download instructions for the software that I send to you from my orderflows.com email.

Once you have installed the Orderflows Absorption Indicator, you will need to open the indicator settings and manually enter the License Token in the first section called License in the field labeled License token. There are three ways to open the indicator settings, press Ctrl+I or click on the zigzag on top of the chart of right click on the screen to open the settings up.

Orderflows Absorption(6E 06-19 (5 Range))         Instrument         Intervals         Alerts         Data Soriae       Ctrl+I         Strategies       Ctrl+S         Strategies       Ctrl+V         Zoom N       Zoom N         Zoom Out       Always On Top         Show Data Box       Ctrl+D         Show Data Box       Ctrl+D         Show Data Box       Ctrl+N         Share       Reload All Historical Data       Ctrl+Shift+R         Reload All Historical Data       Ctrl+N       Share         Print       Share       Reload All Historical Data       Ctrl+Shift+R         Reload All Historical Data       Ctrl+Shift+R       Reload Ninja Script       F5         Templates       Properties       Ctrl+T       Properties       Ctrl+T	Chart	6E 06-19	v ک	5 Range	<ul> <li>III</li> </ul>	1 😌		k	ıı- 🔕			
Instrument Intervals Alerts Pater Scriptone Ctrists Indicators Ctri+I Strategies Ctri+S Strategy Performance Drawing Tools Paste Ctri+V Zoom In Zoom Out Always On Top ✓ Show Tabs Crosshair Show Data Box Ctri+D Save Chart Image Alt+S Print Share Reload All Historical Data Reload All Historical Data Ctri+Shift+R Reload Ninja Script F5 Templates V	Orderflow	vs Absorption(6E	06-19 (5 Ran	ge))								
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20011 Out         Always On Top         ✓ Show Tabs         Crosshair         Show Data Box       Ctrl+D         Save Chart Image       Alt+S         Print       Image         Share       Image         Reload All Historical Data       Ctrl+Shift+R         Reload All Historical Data       Ctrl+Shift+R         Reload Ninja Script       F5         Templates       Image         Properties       Ctrl+T								J.		Zoom In		
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Crosshair Show Data Box Ctrl+D Save Chart Image Alt+S Print Share Share Reload All Historical Data Ctrl+Shift+R Reload Ninja Script F5 Templates Properties Ctrl+T					1	Ь	<b>.</b>	. 1	~	Show Tabs		
Show Data Box Ctri+D Save Chart Image Alt+S Print Share Reload All Historical Data Ctri+Shift+R Reload All Historical Data Ctri+Shift+R Reload NinjaScript F5 Templates Properties Ctri+T	Ι.				Ĥ. –	1 1			<b>1</b> 1	Crosshair		۲Ľ i
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Reload Ninja Script F5 Templates Properties Ctrl+T					1	I				Reload All Historical Data	Ctrl+Shift+R	
Templates ► Properties Ctrl+T	L L				ր					Reload NinjaScript	F5	
Properties Ctrl+T			u.	11	1					Templates		•
	l l	<u>b</u>								Properties	Ctrl+T	

Once you have opened up the Indicators settings, click on Orderflows Absorption from the left-hand side and load the indicator. On the right-hand side you will see the first field, License. In the field labeled License token copy and paste your License token there.

Indicators		
Available i 🗘	Properties	▲ ▼
_The_Indicator_Store Delta Candles	✓ License License token	
Delta Candles DeltaScalper Order Flows Trader Orderflows Absorption Orderflows Pressure Orderflows Pulse Orderflows Sweetspot Orderflows Turns POCTrader PriceRejector ADL ADX ADXR ADXR APZ Aroon Aroon oscillator ATR Bartimer Baltinger	License token   Extreme Absorption Enable Extreme Abs Conditional Delta Volume  Expanded Extreme Absorption Enable Expanded Ext Abs Conditional Delta Volume  Momentum Absorption Enable Momentum Abs Conditional Delta Volume  Trapped Absorption Enable Trapped Abs Conditional Delta Volume  Level 1 Aggressive Absorption Enable Level 1 Aggressive Absorption	0 0 • 5 0
Bollinger BOP Buy sell pressure Buy sell volume Candlestick pattern CCI Configured Orderflows Absorption(6E 06-19 (5 Range))	Enable Level 1 Aggr Abs Conditional Delta Volume ✓ Level 2 Aggressive Absorption Enable Level 2 Aggr Abs Conditional Delta Volume ✓ Stacked Absorption Enable Stacked Abs Conditional Delta Volume ✓ Settings Enable Swing Filter	0 0 25

Once you have entered your License token, click Apply on the bottom righthand side of the Indicators settings.

Indicators		? 🔀
Available i 🛟	Properties	¢
The_Indicator_Store Delta Candles DeltaScalper Order Flows Trader Orderflows Absorption Orderflows Pressure Orderflows Pulse Orderflows Sweetspot Orderflows Turns POCTrader PriceRejector	<ul> <li>License License token</li> <li>Zxfasfds12345sdfsdgasags</li> <li>Extreme Absorption Enable Extreme Abs Conditional Delta Volume</li> <li>Expanded Extreme Absorption Enable Expanded Ext Abs Conditional Delta Volume</li> <li>Momentum Absorption</li> <li>Each Memory Applies</li> </ul>	
Configured	Conditional Delta Volume 5	
Orderflows Absorption(6E 06-19 (5 Range))	Trapped Absorption     Enable Trapped Abs     Conditional Delta Volume     0	
add <b>remove</b> up down	Enable Level 1 Aggressive Absorption Enable Level 1 Aggr Abs Conditional Delta Volume 0 pre	set
	OK Cancel Appl	y

## The Orderflows Absorption Tool has 7 different absorption scenarios:

Indicators			? 🔀
Available i 🗘	Properties		* *
The_Indicator_Store	▼ License		
Delta Candles	License token		
DeltaScalper	<ul> <li>Extreme Absorption</li> </ul>		
Order Flows Trader	Enable Extreme Abs		
Orderflows Absorption	Conditional Dalta Volume		
Orderflows Pulse			
Orderflows Sweetspot	Expanded Extreme Absorpti		
Orderflows Turns	Enable Expanded ExtAbs		
POCTrader	Conditional Delta Volume		
PriceRejector	<ul> <li>Momentum Absorption</li> </ul>		
ADL	Enable Momentum Abs		
	Conditional Delta Volume		
APZ	<ul> <li>Trapped Absorption</li> </ul>		
Aroon	Enable Trapped Abs		
Aroon oscillator	Conditional Delta Volume		
ATR			
Bartimer	• Level 1 Aggressive Absorpti		
Bollinger	Enable Level 1 Aggr Abs		
	Conditional Delta Volume	0	
Buy sell volume	▼ Level 2 Aggressive Absorpti		
Candlestick pattern	Enable Level 2 Aggr Abs		
CCI	Conditional Delta Volume		
	<ul> <li>Stacked Absorption</li> </ul>		
Configured	Enable Stacked Abs		
Orderflows Absorption(NQ 06-19 (10 Range))	Conditional Delta Volume	0	
Trader Dale's Volume Profile Flex	▼ Settings		
Orderflows Absorption(NQ 06-19 (10 Range))	Enable Swing Filter	-	
	Minimum Bar Volume Requ	0	
	Use Delta Confirmation		
	Use Delta Divergence		
	Prominent POC Confirmation		
	✓ Visuals		
	Signal Box height in ticks (0		
	Signal box high offset in ticks	0.5	
	Signal box low offset in ticks	-0.5	
	Signal Box opacity (0% - 10	50	
	Signal Box width in here (0	5	
	Oignal Box width in bars (0=		
	Signal mark displacement i	2	
add remove up down			preset
	OK	Cancel	Apply

- 1) Extreme Absorption.
- 2) Expanded Extreme Absorption
- 3) Momentum Absorption
- 4) Trapped Absorption
- 5) Level 1 Aggressive Absorption
- 6) Level 2 Aggressive Absorption
- 7) Stacked Absorption

Each scenario can be enabled or disabled, depending on your trade plan. Additionally, within each scenario, the user can select a conditional delta volume.

There are also general settings which the user can adjust:

- 1) Enable Swing Filter
- 2) Swing Period
- 3) Minimum Bar Volume Required
- 4) Use Delta Confirmation
- 5) Use Delta Divergence
- 6) Prominent POC (Point of Control) Confirmation)

## **Explanation of The 7 Different Absorption Settings**

**Extreme Absorption** – A reversal signal. This scenario occurs when there is absorption at the extreme of a bar. Can be used on any bar type, short term and long term.



**Expanded Extreme Absorption** – A reversal signal. This scenario occurs when there is absorption near the extreme of a bar. Should be used in conjunction with Extreme Absorption on longer bar periods. For example, 5-minute charts or 10 range bars. Expanded Extreme Absorption looks at additional price levels in determining absorption in a bar. That is why it is recommended to use on longer range bars or bars that cover more price levels.

▼ Expanded Extreme Absorption	
Enable Expanded ExtAbs	
Conditional Delta Volume	0

<u>Momentum Absorption</u> – A continuation signal. When a market is trending or moving quickly in one direction there can be signs of absorptive buying if the market is moving higher or absorptive selling if the market is moving lower. What that means is there is supportive buying on the way up in the sense that there were buyers who were lifting heavy offers. Or on the market moving lower, sellers hitting big bids. Usually the offers and bids are hidden because of the traders hide their size through the use of iceberg orders.

<ul> <li>Momentum Absorption</li> </ul>	Momentum Absorption			
Enable Momentum Abs				
Conditional Delta Volume	0			

<u>**Trapped Absorption**</u> – A reversal signal often seen in a pull back, but trapped absorption can occur at a pure reversal or in a move. These are areas where traders are potentially trapped in the market.



**Level 1 Aggressive Absorption** – A combination of Extreme Absorption and Momentum Absorption. It detects areas where there is absorption of both the bid and offer when the market is not moving.

▼ Level 1 Aggressive Absorption	
Enable Level 1 Aggr Abs	
Conditional Delta Volume	0

**Level 2 Aggressive Absorption** – A combination of Expanded Extreme Absorption and Momentum Absorption. It detects areas where there is absorption of both the bid and offer when the market is not moving but expands the analysis window further.

0

<u>Stacked Absorption</u> – Combines both Extreme Absorption and Expanded Extreme Absorption but treats it as one level.



## In the General Settings:

#### Enable Swing Filter & Swing Period

•	Settings			
	Enable Swing Filter	*		
	Swing Period	1		
	Minimum Bar Volume Requi	0		
	Use Delta Confirmation			
	Use Delta Divergence			
	Prominent POC Confirmation			

These are used together. If you want to have signals at swing highs or swing lows, you would put a check in the box next to Enable Swing Filter. Next you would need to enter a number for the period you want to look for swings for (the default is 1). For example, if you want to see signals where the bar is either the swing high or low for the last 9 bars, you would enter a value of 9.

If you are trading reversal trading, you will need a move to reverse. So, you would want to enable the Swing Filter and set a Swing Period.

If you are trading momentum, you will not enable the Swing Filter. If the Swing Filter is not enabled, then it won't recognize the value in the Swing Period field.

#### Minimum Bar Volume Requirement -

•	Settings				
	Enable Swing Filter	*			
	Swing Period	1			
	Minimum Bar Volume Requi	0			
	Use Delta Confirmation				
	Use Delta Divergence				
	Prominent POC Confirmation				

This setting allows a user to set a minimum bar volume required for analysis. Most of the time, you can set the volume to 0 as most bars during the day session have enough volume. However, if you are trading during the evening session or a market with less volume, you may need to set a minimum bar volume requirement which will depend on the market you are trading. For example, if you are trading 1-minute NQ futures in the evening session, you might want to set the Minimum Bar Volume Requirement to 100. Bars that have a volume of less than 100 will not be analyzed. <u>Use Delta Confirmation</u> – When this setting is enabled, it will allow the trader to filter signals where the bar delta confirms the price action. For buy signals, bar delta needs to be positive. For sell signals, bar delta needs to be negative.

•	Settings			
	Enable Swing Filter	*		
	Swing Period	1		
	Minimum Bar Volume Requi	0		
	Use Delta Confirmation			
	Use Delta Divergence			
	Prominent POC Confirmation			

<u>Use Delta Divergence</u> – When this setting is enabled, it will allow the trader to filter signals when there is a divergence between the delta and the price action. For buy signals, the delta needs to be negative. For sell signals, the delta needs to be positive. This is important because on bars of supportive volume, there is often negative delta.

•	Settings			
	Enable Swing Filter	*		
	Swing Period	1		
	Minimum Bar Volume Requi	0		
	Use Delta Confirmation			
	Use Delta Divergence			
	Prominent POC Confirmation			

**Prominent POC Confirmation** – When this setting is enabled, it will allow the trader to filter for signals in bars with a Prominent POC. (Point of Control). A Prominent POC (Point of Control) is one in which the POC often acts as support or resistance and can signal a potential reversal. Every bar has a POC, but not all POCs matter. The Orderflows Absorption Tool has the ability to filter out the signals that occur with or without a Prominent Point of Control.

•	Settings		
	Enable Swing Filter	*	
	Swing Period	1	
	Minimum Bar Volume Requi	0	
	Use Delta Confirmation		
	Use Delta Divergence		
	Prominent POC Confirmation		

## In the Visuals Settings:

Explanation of Visuals

▼ Visuals		
Signal Box height in ticks (0	2	
Signal box high offset in ticks	0.5	
Signal box low offset in ticks	-0.5	
Signal Box opacity (0% - 100	50	
Signal Box width in bars (0=	5	
Signal mark displacement i	2	

Signal Box height in ticks is set to 2. This is how tall the zone appears on the chart.

Signal box high offset in ticks in set to 0.5. This is how much into the bar you want the zone to appear.

Signal box low offset in ticks is set to -0.5. This is how much below the bar you want the zone to appear in a buy and how much above the bar you want the zone to appear in a sell.

Signal box opacity is set to 50. This is a percentage of how dark you want the zone to appear. If you set to 100 is will be solid blue for a buy or solid red for a sell. It is set to 50, which is 50% so that you can see through the zone if you are watching a footprint chart.

Signal Box width in bars is set to 5. This is the number of bars you want the zone to print forward. If it was set to 15 it would print forward for the next 15 bars. If you are a support/resistance trader, you may want to set it out 20 bars or so.

Signal mark displacement is set to 2. This is the distance, in ticks, how far below a buy bar the signal plot (see below, default is a triangle) appears. Or how far above a sell bar the signal plot (see below, default is a triangle) appears.

## In the Data Series Settings:

Explanation of Data Series

▼ Data Series	
Input series	6E 06-19 (5 Range)

YOU DO NOT NEED TO CHANGE THIS. This is the data series the chart is looking at. When you load the Orderflows Absorption indicator on a chart, it automatically puts in the Input series for you. AGAIN, DO NOT TOUCH THIS.

## In the Set Up Settings:

Explanation of Set Up

▼ Set up		
Calculate	On each tick	~
Label	Orderflows Absorption	
Maximum bars look back	256	~

YOU DO NOT NEED TO CHANGE THIS. This is the how the data is read, the label of the indicator and the Maximum bars look back. When you load the Orderflows Absorption indicator on a chart, it automatically puts in the Setup information for you. AGAIN, DO NOT TOUCH THIS.

## In the Visual Settings:

Explanation of Visual

▼	Visual		
	Auto scale	*	
	Displacement	0	
	Display in Data Box	*	
	Panel	Same as input series	~
	Price marker(s)		
	Scale justification	Right	~
	Visible	*	

YOU DO NOT NEED TO CHANGE THIS. These setting deal with how the Orderflows Absorption Indicator plots on the main chart. If you start changing any of these settings, you will get multiple panels of the same chart on your screen. AGAIN, DO NOT TOUCH THIS.

## In the Plot Settings:

Explanation of Plots

You may have to expand the Buy signal and Sell Signal by clicking on the down triangle.



In the Plot settings you can change the Color for the signals, the Dash style, the Plot style and the Width for buy signals and sell signals. I prefer these default settings, but you are free to change how you want them to appear on your chart. For example, you may already have an indicator that plots in blue and red for buys and sells, so you may want to change the buys to green and the sells to pink. Suggested Settings For The Different Scenarios

Please remember that these are suggested setting. There are many different markets, time frames, chart types and what I suggest may or may not work well in your market.

It would be impossible for me to show you every possible combination of settings and I don't want to curve fit the results. I am a firm believer that a way of trading should transfer between different markets and time frames.

For simplicity purposes, I will use an ES 4 range chart to explain suggested settings and why

Take these suggested settings as a starting point for your own trading plan.

Extreme Absorption – as this is a reversal set up, I would use the following setup:

Indicators		? 🔀
Available i 🗘	Properties	Ĵ
_The_Indicator_Store Delta Candles	✓ License License token 5c5f890b255c41c396d0d	
DeltaScalper	Extreme Absorption	
Order Flows Trader	Enable Extreme Abs	
Ordenlows Absorption	Conditional Delta Volume 0	
Orderflows Pulse	Expanded Extreme Absorption	
Orderflows Sweetspot	Enable Exhanded Ext Abs	
Orderflows Turns	Conditional Data Valuma	U
POCIrader	- Memoritum Absorption	
ADL	Momentum Absorption	
ADX	Enable Momentum Abs	
ADXR	Conditional Delta volume 0	
APZ	<ul> <li>Trapped Absorption</li> </ul>	
Aroon oscillator	Enable Trapped Abs	
ATR	Conditional Delta Volume 0	
Bartimer	<ul> <li>Level 1 Aggressive Absorption</li> </ul>	
Bollinger	Enable Level 1 Aggr Abs	
Configured	Conditional Delta Volume 0	
	<ul> <li>Level 2 Aggressive Absorption</li> </ul>	
Orderflows Absorption(ES 06-19 (4 Range))	Enable Level 2 Aggr Abs	
	Conditional Delta Volume 0	
	✓ Stacked Absorption	
	Enable Stacked Abs	
	Conditional Delta Volume 0	
	▼ Settings	
	Enable Swing Filter	
	Swing Period 9	
	Minimum Bar Volume Required 0	
	Use Delta Confirmation	
	Use Delta Divergence	
	Prominent POC Confirmation	
add <b>remove</b> up down		preset
	OK Cancel	Apply

Enable Extreme Absorption, Enable Swing Filter, Swing Period of 9. This will allow me to look for absorption after a move has occurred.

## Extreme Absorption – ES 4 Range Chart Chart ES 06-19 ✓ ✓ III ✓ Q III III ✓ Q IIII ✓ Q IIII ✓ Q IIII ✓ Ø IIII Ø IIII Ø Ø IIII Ø Ø IIII Ø Ø IIII Ø <thØ</th> Ø Ø



Expanded Extreme Absorption – Similar to Extreme Absorption, Expanded Extreme Absorption is a reversal indicator. I would use the same setup as Extreme Absorption. You can keep the Plot colors the same or change the colors if you are running both Extreme and Expanded Extreme Absorption.

ndicators	
Available i 🗘	Properties
The_Indicator_Store	✓ License     License token 5c5f890b255c41c396d0d8c30f16edfa
DeltaScalper	✓ Extreme Absorption
Order Flows Trader Orderflows Absorption	Enable Extreme Abs
Orderflows Pressure	Conditional Delta Volume 0
Orderflows Pulse	Expanded Extreme Absorption
Orderflows Sweetspot	Enable Expanded ExtAbs
Orderflows Turns	Conditional Delta Volume
PriceRejector	
ADL	Enable Momentum Abs
ADX	Candificanal Data Valuma
ADXR	
APZ Aroon	
Aroon Aroon oscillator	Enable Trapped Abs
ATR	Conditional Delta Volume 0
Bartimer	Level 1 Aggressive Absorption
Bollinger	Enable Level 1 Aggr Abs
Configured	Conditional Delta Volume 0
Comgared	✓ Level 2 Aggressive Absorption
Orderflows Absorption(ES 06-19 (4 Range))	Enable Level 2 Aggr Abs
	Conditional Delta Volume 0
	✓ Stacked Absorption
	Enable Stacked Abs
	Conditional Delta Volume 25
	✓ Settings
	Enable Swing Filter
	Swing Period 9
	Minimum Bar Volume Required 0
	Use Delta Confirmation
	Lise Delta Divergence
	Prominent POC Confirmation
add <b>remove</b> up down	preset

Enable Expanded Extreme Absorption, Enable Swing Filter, Swing Period of 9. This will allow me to look for absorption after a move has occurred.



#### Expanded Extreme Absorption – ES 4 Range Chart Chart ES 06-19 V P 4 Range V III P Q R R S II V O E

You can use both Extreme Absorption and Expanded Extreme Absorption on the same chart. However, bear in mind that depending on the market and chart type you might get a lot of signals especially if the market is volatile.

Extreme Absorption and Expanded Extreme Absorption– ES 4 Range Chart



Momentum Absorption – When I am looking for momentum in the market, I know it can come anywhere. So, I disable the Swing Filter so that when ever the basic conditions are met, a signal will be generated.

Indicators	2 🔀
Available i 🗘	Properties 2
The_Indicator_Store Delta Candles DeltaScalper Order Flows Trader Orderflows Absorption	▼ License         5c5f890b255c41c396d0d8d           ↓ License token         5c5f890b255c41c396d0d8d           ▼ Extreme Absorption         Enable Extreme Abs
Orderflows Pressure Orderflows Pulse Orderflows Sweetspot Orderflows Turns POCTrader	Conditional Delta Volume     0       Expanded Extreme Absorption       Enable Expanded ExtAbs       Conditional Delta Volume     0
PriceRejector ADL ADX ADXR	▼ Momentum Absorption       Enable Momentum Abs     ✓       Conditional Delta Volume     0
APZ Aroon Aroon oscillator ATR Bar timer Bollinger Configured	
Orderflows Absorption(ES 06-19 (4 Range))	Enable Level 2 Aggr Abs Conditional Delta Volume 0 Stacked Absorption Enable Stacked Abs Conditional Delta Volume 0
	Settings     Enable Swing Filter     Swing Period     1     Minimum Bar Volume Required     0     Use Delta Confirmation     Use Delta Divergence     Prominent POC Confirmation
add remove up down	preset
	OK Cancel Apply

Enable Momentum Absorption. I don't use any other filters.



#### Momentum Absorption - ES 4 Range Chart

The thing with momentum in general is when the market has big move it can set up for big trades. On the chart above, with only a few winning trades and about an equal amount of losing trades. But on the day before when momentum was stronger, there were some moster trades.



Momentum Absorption – ES 4 Range Chart Day Before Previous Chart

Trapped Absorption – This is one of my favorite setups and I am a little refined on it. I use Conditional Delta Volume and use Delta Confirmation.

Indicators		2
Available i 🗘	Properties	* *
_The_Indicator_Store Delta Candles	✓ License License token	5c5f890b255c41c396d0d8c30f16edfa
DeltaScalper	<ul> <li>Extreme Absorption</li> </ul>	
Order Flows Trader	Enable Extreme Abs	
Ordenlows Absorption Orderflows Pressure	Conditional Delta Volume	
Orderflows Pulse	<ul> <li>Expanded Extreme Absorption</li> </ul>	
Orderflows Sweetspot	Enable Expanded Ext Abs	
Orderflows Turns		
POCI rader PriceRejector		
ADL		
ADX	Enable Momentum Abs	
ADXR		0
APZ	Irapped Absorption	_
Aroon oscillator	Enable Trapped Abs	*
ATR	Conditional Delta Volume	25
Bartimer	<ul> <li>Level 1 Aggressive Absorption</li> </ul>	
Bollinger	Enable Level 1 Aggr Abs	
Configured	Conditional Delta Volume	
	<ul> <li>Level 2 Aggressive Absorption</li> </ul>	
Orderflows Absorption(ES 06-19 (4 Range))	Enable Level 2 Aggr Abs	
	Conditional Delta Volume	
	<ul> <li>Stacked Absorption</li> </ul>	
	Enable Stacked Abs	
	Conditional Delta Volume	
	✓ Settings	
	Enable Swing Filter	
	Swing Period	
	Minimum Bar Volume Required	0
	Use Delta Confirmation	×
	Use Delta Divergence	
	Prominent POC Confirmation	
add <b>remove</b> up down		preset
	OK	Cancel Apply

The reason I put in the Conditional Delta Volume is specifically for this scenario. With a Conditional Delta Volume of 25 and Delta Confirmation on, if the delta volume in the bar was -10, a negative number, but the bar was green, then a buy would still show up.

#### Trapped Absorption – ES 4 Range Chart



Level 1 Aggressive Absorption – Level 1 Aggressive Absorption measures absorption in across different levels. I am a little more nuanced in with this scenario and I use Swing Filter, Bar volume as well as Delta and POC.

Indicators		? 🔀
Available i 🗘	Properties	▲ ▼
_The_Indicator_Store Delta Candles	✓ License License token	5c5f890b255c41c396d0d8c30f16edfa
DeltaScalper	Extreme Absorption	
Order Flows Trader	Enable Extreme Abs	
Orderflows Pressure	Conditional Delta Volume	
Orderflows Pulse	<ul> <li>Expanded Extreme Absorption</li> </ul>	
Orderflows Sweetspot	Enable Expanded Ext Abs	
Orderflows Turns	Conditional Dalta Volume	
POCIrader		
ADL		
ADX	Enable Momentum Abs	
ADXR	Conditional Delta Volume	
APZ	Irapped Absorption	
Aroon oscillator	Enable Trapped Abs	
ATR	Conditional Delta Volume	0
Bartimer	<ul> <li>Level 1 Aggressive Absorption</li> </ul>	
Bollinger	Enable Level 1 Aggr Abs	×
Configured	Conditional Delta Volume	25
	<ul> <li>Level 2 Aggressive Absorption</li> </ul>	
Orderflows Absorption(ES 06-19 (4 Range))	Enable Level 2 Aggr Abs	
	Conditional Delta Volume	
	<ul> <li>Stacked Absorption</li> </ul>	
	Enable Stacked Abs	
	Conditional Delta Volume	
	✓ Settings	
	Enable Swing Filter	×
	Swing Period	3
	Minimum Bar Volume Required	500
	Use Delta Confirmation	×
	Use Delta Divergence	-
	Prominent POC Confirmation	*
add <b>remove</b> up down		preset
	OK	Cancel Apply

The reason I use many settings is because Level 1 Aggressive Absorption looks for certain traits in the order flow, which occur often by itself. Now in case you think I am curve fitting this scenario based on what worked in one market. I have included charts in other markets with the exact same settings.



Level 1 Aggressive Absorption – ES 4 Range Chart



Level 1 Aggressive Absorption – CL 4 Range Chart



#### Level 1 Aggressive Absorption – GC 4 Range Chart

Level 2 Aggressive Absorption - Level 2 Aggressive Absorption measures absorption in across different levels and different levels that the Level 1 Aggressive Absorption. I keep the same settings with this scenario as I do with Level 1 and I use Swing Filter, Bar volume as well as Delta and POC.

Indicators		? 🔀
Available i 🗘	Properties	:
_The_Indicator_Store Delta Candles	✓ License License token	5c5f890b255c41c396d0
DeltaScalper	<ul> <li>Extreme Absorption</li> </ul>	
Order Flows Trader Orderflows Absorption	Enable Extreme Abs	
Orderflows Pressure	Conditional Delta Volume	
Orderflows Pulse	<ul> <li>Expanded Extreme Absorption</li> </ul>	
Orderflows Sweetspot	Enable Expanded ExtAbs	
POCTrader	Conditional Delta Volume	
PriceRejector	<ul> <li>Momentum Absorption</li> </ul>	
ADL	Enable Momentum Abs	
ADX ADVP	Conditional Delta Volume	
ADAR	<ul> <li>Trapped Absorption</li> </ul>	
Aroon	Enable Trapped Abs	
Aroon oscillator	Conditional Delta Volume	
ATR Bartimer	<ul> <li>Level 1 Aggressive Absorption</li> </ul>	
Bollinger	Enable Level 1 Aggr Abs	
	Conditional Delta Volume	0
Configured	<ul> <li>Level 2 Aggressive Absorption</li> </ul>	
Orderflows Absorption(ES 06-19 (4 Range))	Enable Level 2 Aggr Abs	×
	Conditional Delta Volume	25
	✓ Stacked Absorption	
	Enable Stacked Abs	
	Conditional Delta Volume	0
	▼ Settings	
	Enable Swing Filter	×
	Swing Period	3
	Minimum Bar Volume Required	500
	Use Delta Confirmation	×
	Use Delta Divergence	=
	Prominent POC Confirmation	×
add <b>remove</b> up down		preset
	OK	Cancel Apply

The reason I use many settings is because Level 2 Aggressive Absorption, like Level 1, looks for certain traits in the order flow, which occur often by itself. Now in case you think I am curve fitting this scenario based on what worked in one market. I have included charts in other markets with the exact same settings.



#### Level 2 Aggressive Absorption – ES 4 Range Chart

Now, I am sure you are wondering, can you combine Level 1 Aggressive Absorption and Level 2 Aggressive Absorption. The answer is yes.

Level 1 Aggressive Absorption & Level 2 Aggressive Absorption – ES 4 Range Chart



Stacked Absorption – Stacked Absorption occurs when there are absorption levels stacked on each other in a bar. Often times it will give off signals similar price levels on the chart to when you combine Level 1 and Level 2 Aggressive Absorption. The reasons for the signals are different. But the settings are similar. I use Swing Filter, Bar volume as well as Delta and POC. Conditional Delta is uses as well.

Indicators		? 🔀
Available i 🗘	Properties	▲ ▼
_The_Indicator_Store Delta Candles	✓ License License token	5c5f890b255c41c396d0d8c30f16edfa
DeltaScalper	Extreme Absorption	
Order Flows Trader	Enable Extreme Abs	
Ordeflows Absorption	Conditional Delta Volume	
Orderflows Pulse	<ul> <li>Evpanded Extreme Absorption</li> </ul>	
Orderflows Sweetspot		
Orderflows Turns	Chapter Spanded Excaps	
POCTrader BriceBeigster		
ADL	Momentum Absorption	
ADX	Enable Momentum Abs	
ADXR	Conditional Delta Volume	0
APZ	<ul> <li>Trapped Absorption</li> </ul>	
Aroon Aroon	Enable Trapped Abs	
ATR	Conditional Delta Volume	
Bartimer	<ul> <li>Level 1 Aggressive Absorption</li> </ul>	
Bollinger	Enable Level 1 Aggr Abs	
Configured	Conditional Delta Volume	
Conligured	<ul> <li>Level 2 Aggressive Absorption</li> </ul>	
Orderflows Absorption(ES 06-19 (4 Range))	Enable Level 2 Aggr Abs	
	Conditional Delta Volume	
	<ul> <li>Stacked Absorption</li> </ul>	
	Enable Stacked Abs	M
	Conditional Delta Volume	25
	▼ Settings	
	Enable Swing Filter	×
	Swing Period	3
	Minimum Bar Volume Required	500
	Use Delta Confirmation	×
	Use Delta Divergence	
	Prominent POC Confirmation	×
add <b>remove</b> up down		preset
	OK	Cancel Apply

### Stacked Absorption – ES 4 Range Chart



To get you started I am going to show you a few preferred settings on certain markets.

Please remember, these are starting points. These settings are not set in stone. By starting points, I mean take these settings and customize them to your own style of trading. Everyone has different trading profiles and risk levels.

Indicators ? 🗙 i 🗘 Available Properties License Delta Candles Order Flows Trader License token Orderflows Absorption Extreme Absorption Orderflows AV Enable Extreme Abs ¥ Orderflows BAR 0 Conditional Delta Volume Orderflows Bulge Orderflows Cutoff Expanded Extreme Absorption Orderflows DeltaScalper Enable Expanded ExtAbs ¥ Orderflows DeltaSurge 0 Conditional Delta Volume Orderflows Flop Momentum Absorption Orderflows Flows Driver Orderflows Flowsbounce Y Enable Momentum Abs Orderflows Flowscalper 0 Conditional Delta Volume Orderflows Flowshifts Trapped Absorption Orderflows Flowsmasher Enable Trapped Abs Orderflows Indicator A Orderflows Indicator B 0 Conditional Delta Volume Level 1 Aggressive Absorption Configured Enable Level 1 Aggr Abs ~ Orderflows Absorption(6E 12-21 (1 Minute)) 0 Conditional Delta Volume Level 2 Aggressive Absorption ¥ Enable Level 2 Aggr Abs 0 Conditional Delta Volume Stacked Absorption Enable Stacked Abs 0 Conditional Delta Volume Settings Enable Swing Filter ~ Swing Period 1 add remove up down template OK Cancel

Eurocurrency, CL & ES 1-minute charts:

#### YM, FDAX 1-minute charts – more volatile markets:

Indicators	?	×
Available i 🗘	Properties	<b>▲</b> ▼
Indicators         Available       i         Delta Candles       Order Flows Trader         Order Flows Trader       Orderflows Absorption         Orderflows Absorption       Orderflows AV         Orderflows BAR       Orderflows Bulge         Orderflows Bulge       Orderflows Bulge         Orderflows DeltaScalper       Orderflows DeltaScalper         Orderflows DeltaSurge       Orderflows Flop         Orderflows Flop       Orderflows Flops Driver         Orderflows Flows Driver       Orderflows Flowscalper         Orderflows Flowscalper       Orderflows Flowsmasher         Orderflows Indicator A       Orderflows Indicator A         Orderflows Absorption(YM 12-21 (1 Minute))       Image: Absorption(YM 12-21 (1 Minute))	Properties <ul> <li>License</li> <li>License token</li> <li>Extreme Absorption</li> <li>Enable Extreme Abs</li> <li>Conditional Delta Volume</li> <li>Expanded Extreme Absorption</li> <li>Enable Expanded ExtAbs</li> <li>Conditional Delta Volume</li> <li>Momentum Absorption</li> <li>Enable Momentum Abs</li> <li>Conditional Delta Volume</li> <li>Momentum Absorption</li> <li>Enable Momentum Abs</li> <li>Conditional Delta Volume</li> <li>Trapped Absorption</li> <li>Enable Trapped Abs</li> <li>Conditional Delta Volume</li> <li>Level 1 Aggressive Absorption</li> <li>Enable Level 1 Aggr Abs</li> <li>Conditional Delta Volume</li> <li>Level 2 Aggressive Absorption</li> <li>Enable Level 2 Aggr Abs</li> <li>Conditional Delta Volume</li> <li>Stacked Absorption</li> <li>Enable Level 2 Aggr Abs</li> <li>Conditional Delta Volume</li> <li>Stacked Absorption</li> <li>Enable Stacked Abs</li> <li>Enable Stacked Abs</li></ul>	
	Conditional Delta Volume 0	
	▼ Settings	
	Enable Swing Filter  Swing Period  1	
add remove up down	template	
	OK Cancel Apply	

#### RTY & GC 1-minute charts

Indicators				? 🔀
Available i 🗘	Properties			* •
Indicators         Available       i         Available       i         Delta Candles       Order Flows Trader         Order Flows Trader       Orderflows Absorption         Orderflows Absorption       Orderflows AV         Orderflows BAR       Orderflows Bulge         Orderflows DeltaScalper       Orderflows DeltaScalper         Orderflows Flop       Orderflows Flops         Orderflows Flops       Orderflows Flows Driver         Orderflows Flows Driver       Orderflows Flowscalper         Orderflows Flows Stowscalper       Orderflows Flowsmasher         Orderflows Indicator A       Orderflows Indicator B	Properties         License         License token         Extreme Absorption         Enable Extreme Abs         Conditional Delta Volume         0         Expanded Extreme Absorption         Enable Expanded Ext Abs         Conditional Delta Volume         0         Momentum Absorption         Enable Momentum Abs         Conditional Delta Volume         0         Trapped Absorption         Enable Trapped Abs         V         Conditional Delta Volume			
Orderflows Indicator A Orderflows Indicator B Configured Orderflows Absorption(RTY 12-21 (1 Minute))	Conditional Delta Vo Level 1 Aggressive A Enable Level 1 Aggressive A Conditional Delta Vo Level 2 Aggressive A Enable Level 2 Aggressive A Enable Level 2 Aggressive A Conditional Delta Vo Stacked Absorption Enable Stacked Abs Conditional Delta Vo Settings Enable Swing Filter Swing Period	Absorption Absorption Absorption Absorption Absorption Abs Dume 0		
add <b>remove</b> up down				template
		OK	Cancel	Apply

There are so many different chart types and market types a trader can choose from. For example, you might trade GC on a 1-minute chart while another trader is using a 200-tick chart. So, while both of you are trading the same market, your view of the market may be slightly different because of the chart structure you are looking at.

Traders have asked me how do determine what setting they should use for their market. What I suggest every trader to do is open their chart they use and then go through each absorption scenario based and judge which absorption scenario holds well in their market and chart type.

When you are trading different chart types, for example 1-minute versus tick charts, the volumes are going to be different in each bar and that is going to cause the order flow to look different.

For example, here is GC on a 200-tick chart vs a 1-minute chart for roughly the same time period:





You can see how different the chart appears. While the settings for the Orderflows Absorption are the same for both charts, because the structure of the chart is different, there are different buy and sell signals.

Remember, there is no trading law that says you have to trade a timebased chart. You can trade any type of chart type you want as long as it suits you and makes you money.

That sums it up for the Orderflows Absorption Tool. I have given you the starting points for you to create your own trading plan around the settings you are comfortable with.

Happy Trading.

Mike