

# Orderflows Delta Trading Course

Lesson 2 – How To Read Delta

# Disclaimer

This presentation is for educational and informational purposes only and should not be considered a solicitation to buy or sell a futures contract or make any other type of investment decision. Futures trading contains substantial risk and is not for every investor. An investor could potentially lose all or more than the initial investment. Risk capital is money that can be lost without jeopardizing ones financial security or life style. Only risk capital should be used for trading and only those with sufficient risk capital should consider trading. Past performance is not necessarily indicative of future results.

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The reason why delta is a great tool for traders is because it can be analyzed alone and with other bars.

What I mean is there are times when you can see something in a single bar's delta that is revealing and there are times when you can analyze the delta over a few bars to see something revealing.

There are different types of delta displays available for traders to use.

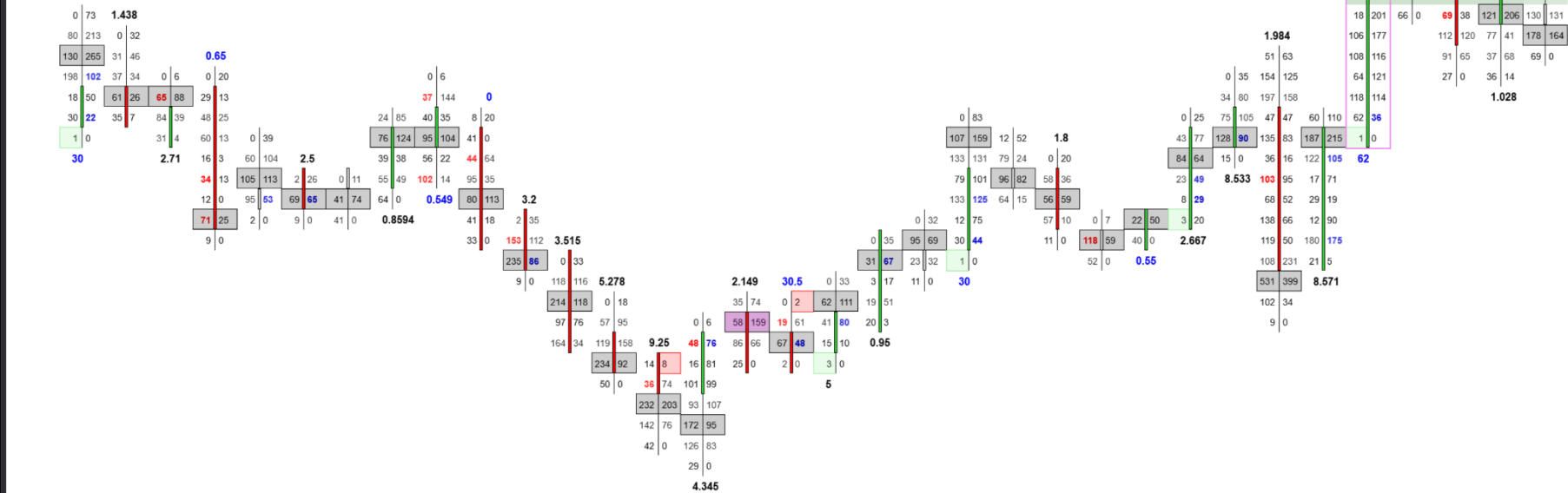
Many traders don't even realize the different choices that are out there. This lesson will open your eyes to the different ways to look at order flow delta.

It is important to know the other ways to look at delta because it will give you an edge over other traders who disregard delta completely.

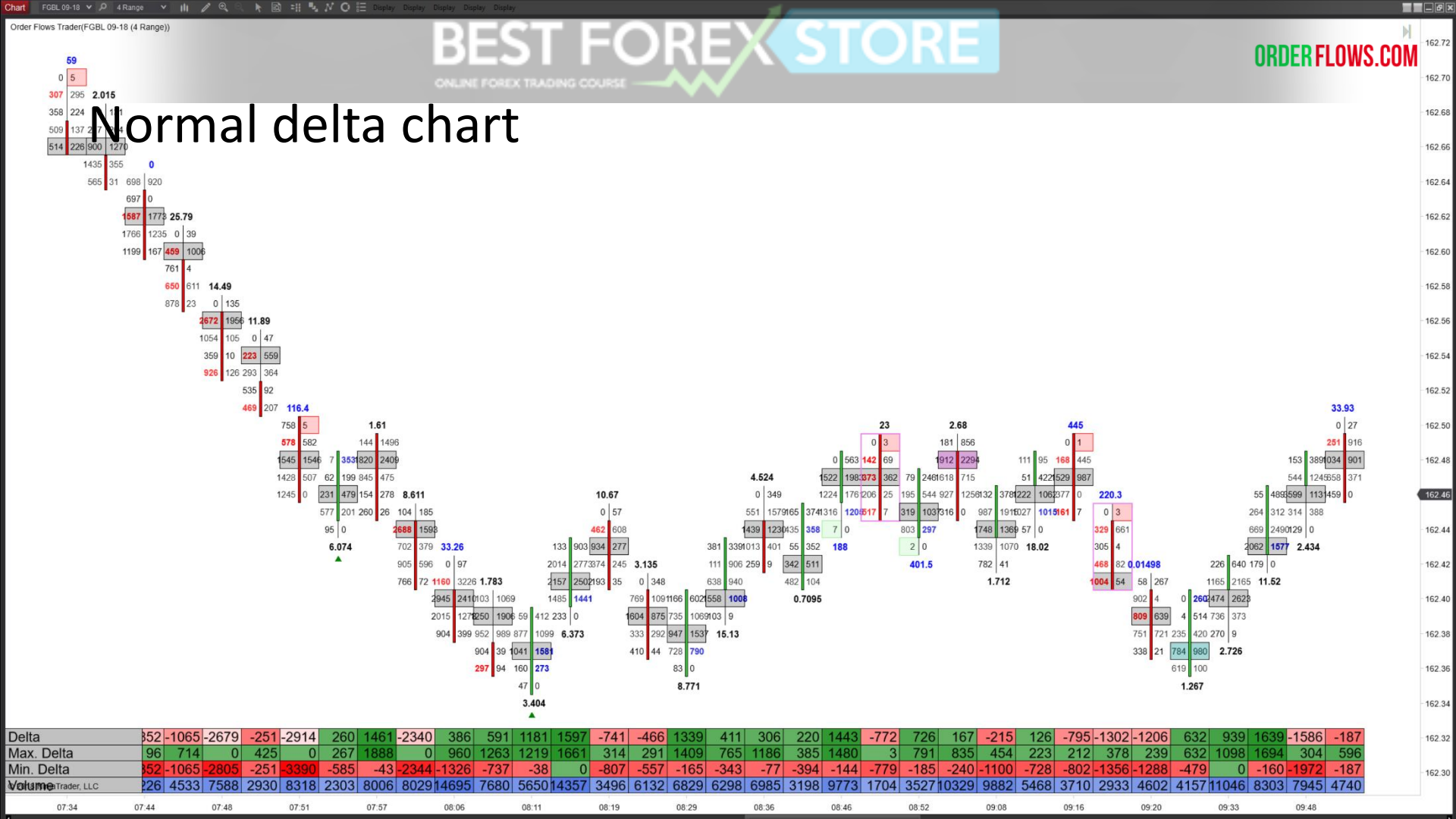
The most common form of delta analysis is done using an order flow volume footprint chart with the delta displayed along the bottom of the chart.



# Normal delta chart



Delta	-19	-43	-167	47	11	3	38	-5	-92	-186	-216	-97	-105	-38	95	23	113	100	4	223	-78	-57	-104	-12	103	58	-379	162	1522	204	-181	124	-56
Max. Delta	32	21	25	85	51	22	69	110	19	12	12	1	0	5	101	29	131	100	34	352	1	21	2	17	122	81	71	280	1550	391	5	141	32
Min. Delta	-19	-77	-171	-19	0	-6	-71	-58	-92	-181	-245	-121	-170	-167	0	0	-6	-12	-7	-11	-89	-58	-116	-15	0	-31	-459	-12	-35	-88	-212	0	-125
Cum. Delta	743	2700	2533	2580	2591	2594	2632	2627	2535	2369	2153	2056	1951	1913	2008	2031	2144	2244	2248	2471	2393	2336	2232	2220	2323	2381	2002	2164	3686	3890	3709	3833	3777
Cum. Delta / Volume	0.029	0.029	0.027	0.027	0.027	0.027	0.027	0.026	0.024	0.022	0.021	0.019	0.019	0.020	0.020	0.021	0.022	0.022	0.024	0.023	0.022	0.021	0.021	0.022	0.022	0.022	0.018	0.020	0.032	0.033	0.031	0.032	0.031
Volume	309	317	391	571	171	167	554	655	592	632	970	823	827	1132	503	199	355	246	262	1213	424	307	236	112	425	562	3217	1418	4726	2186	929	684	818
Cumulative Volume	1647	93964	94355	94926	95097	95264	95818	96473	97065	97697	98667	99490	100317	101449	101952	102151	102506	102752	103014	104227	104651	104958	105194	105306	105731	106293	109510	110928	115654	117840	118769	119453	120271

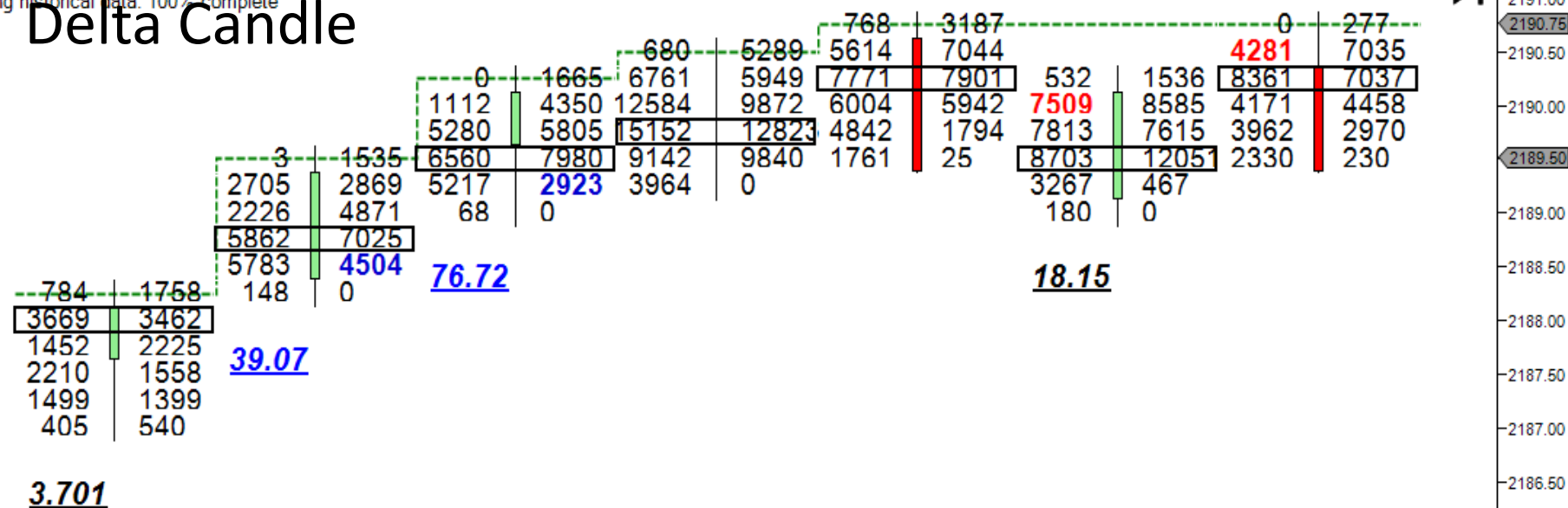


For those of you that are more into visual representations, you can also have the delta displayed in candlestick form below your chart.

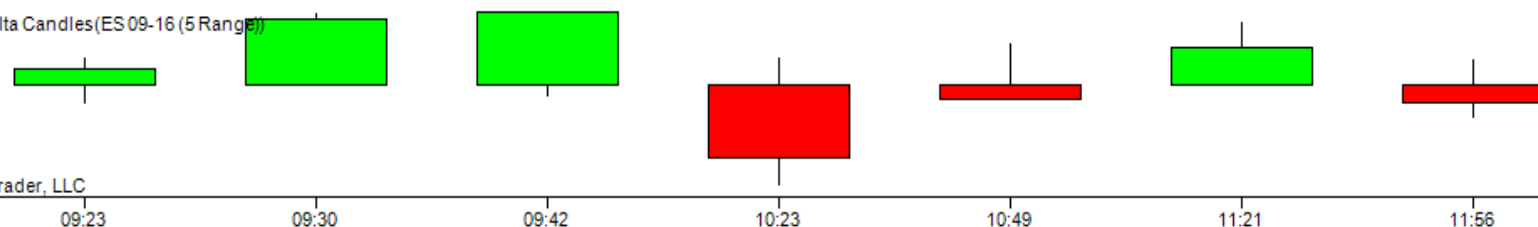
The mind processes images at a faster speed than numbers or text and so it might be easier for you to see patterns in the delta in this form.

Display ▾

# Delta Candle



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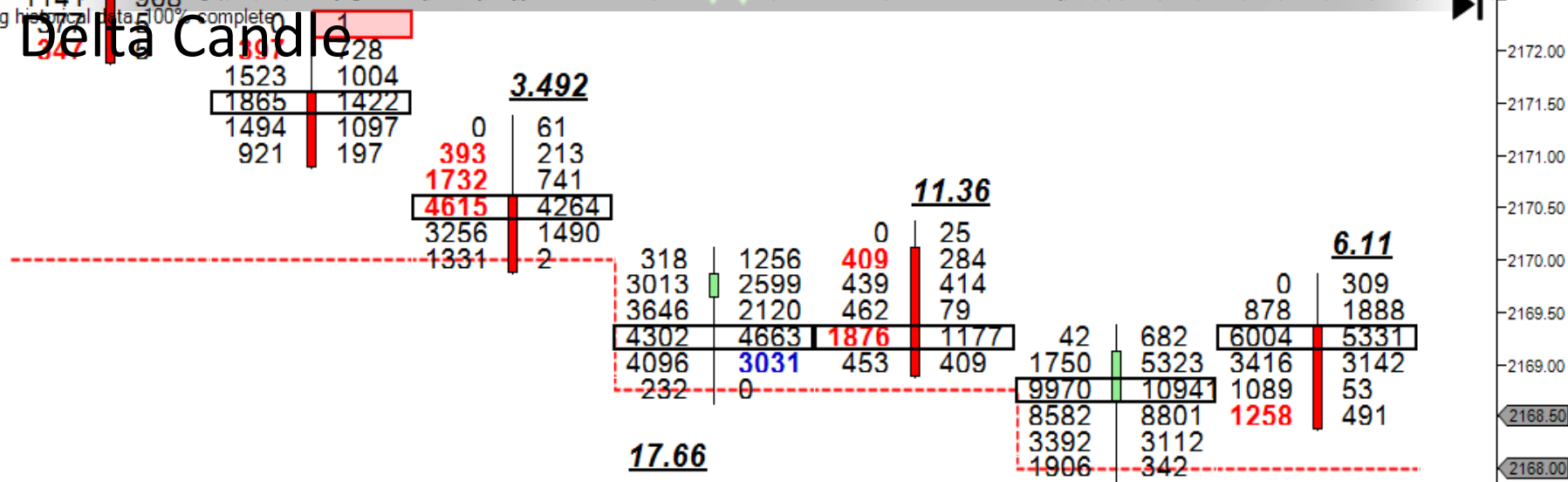
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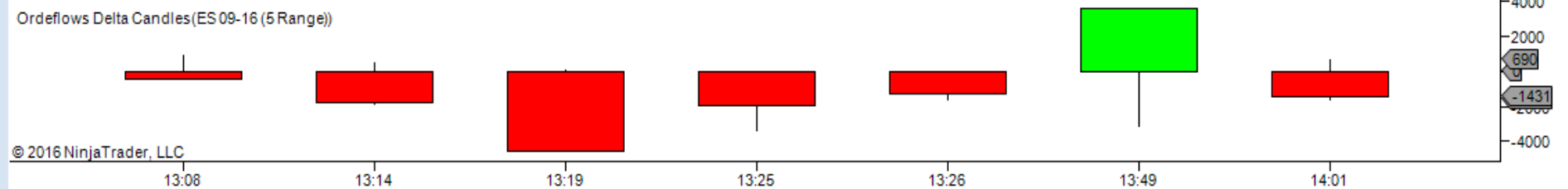
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## Delta Candle



Delta	-1751	-4556	-1938	-1251	3559	-1431
Max. Delta	475	28	0	19	3601	690
Min. Delta	-1862	-4558	-3375	-1575	-3111	-1584



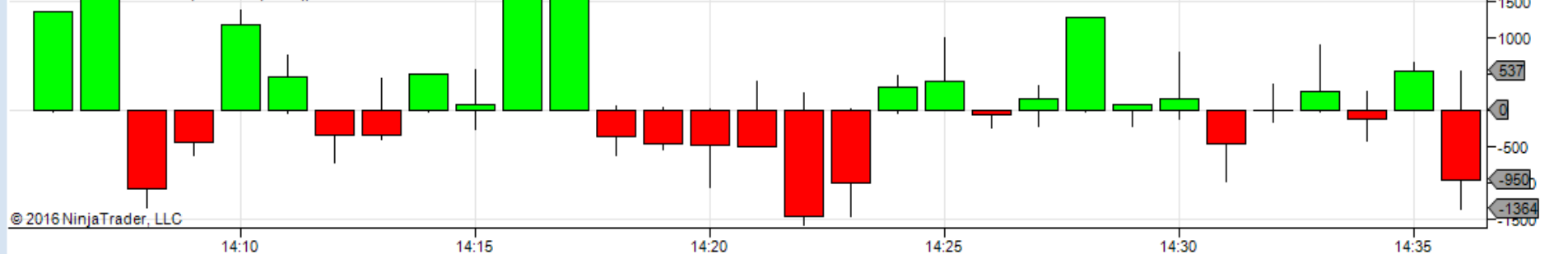
CurrentDayOHL(ES 09-16 (1 Min))

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## Delta Candle



Orderflows Delta Candles(ES 09-16 (1 Min))

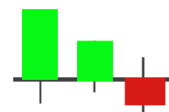
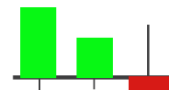


## Delta Candle Cheat sheet

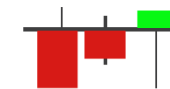
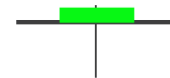
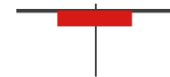
### ORDERFLOWS DELTA CANDLES CHEATSHEET

Most Delta Candle Formations Are Based On The Shooting Star And Hammer Candlestick Formations

#### BEARISH



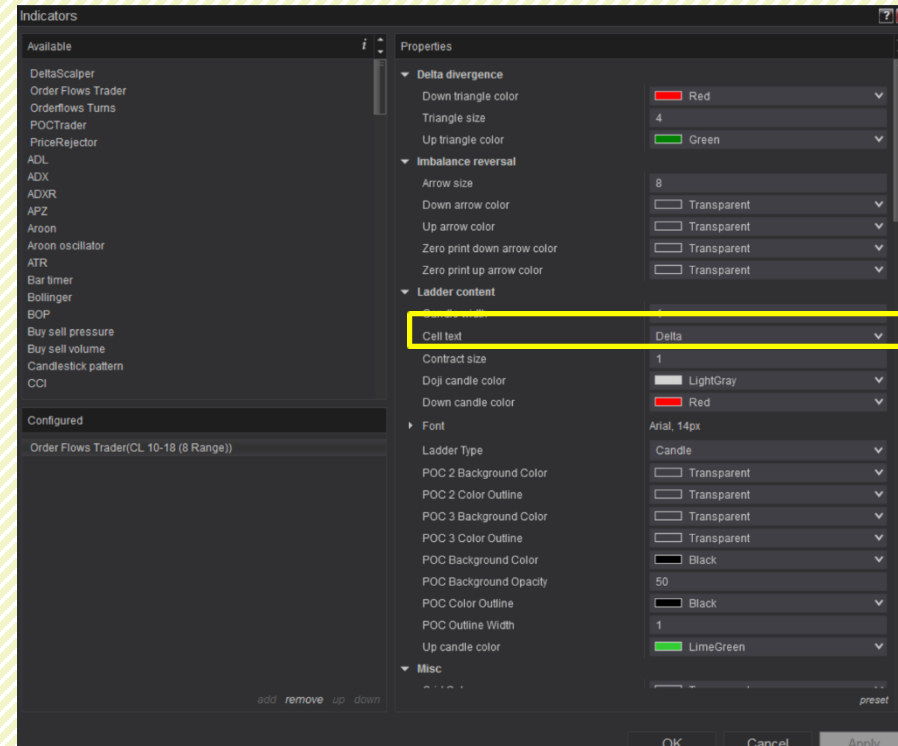
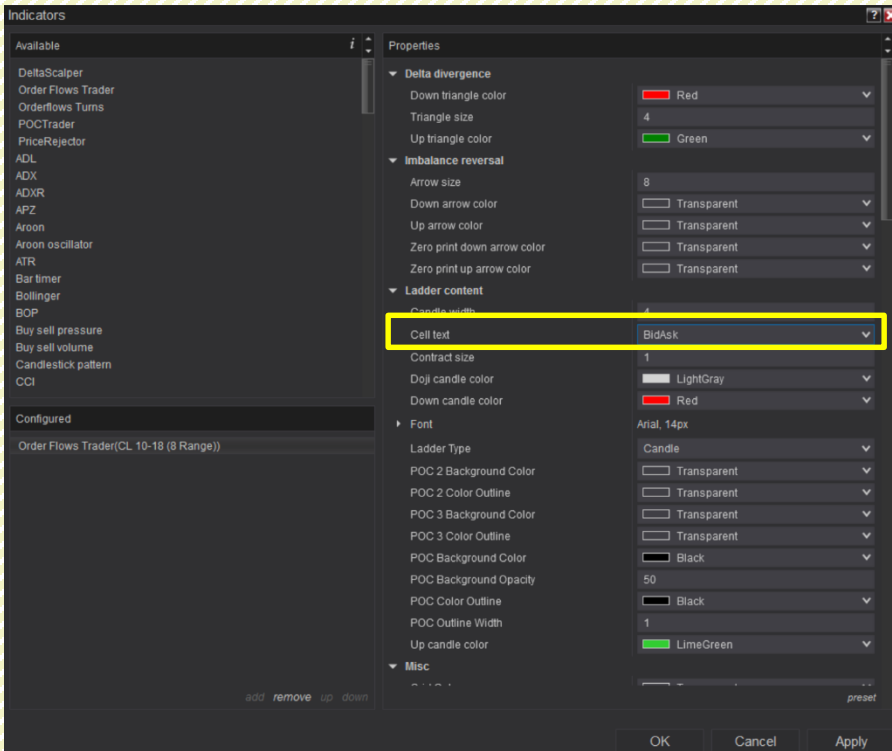
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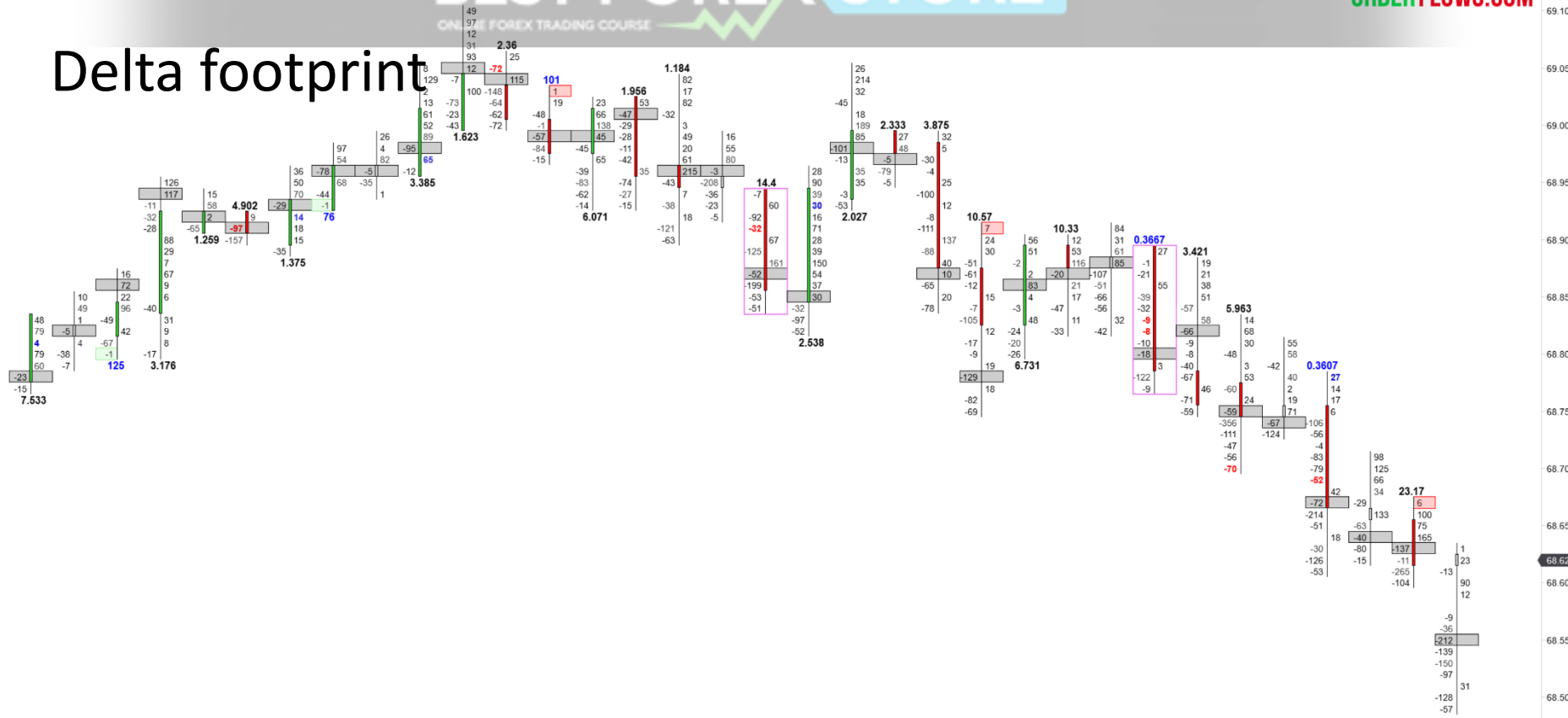
Another way to view delta is an actual footprint chart with the delta displayed for each price level traded in a bar.

This chart allows you to see if there was more aggressive buying or aggressive selling at a price in a bar

## Delta footprint – some order flow software has it.

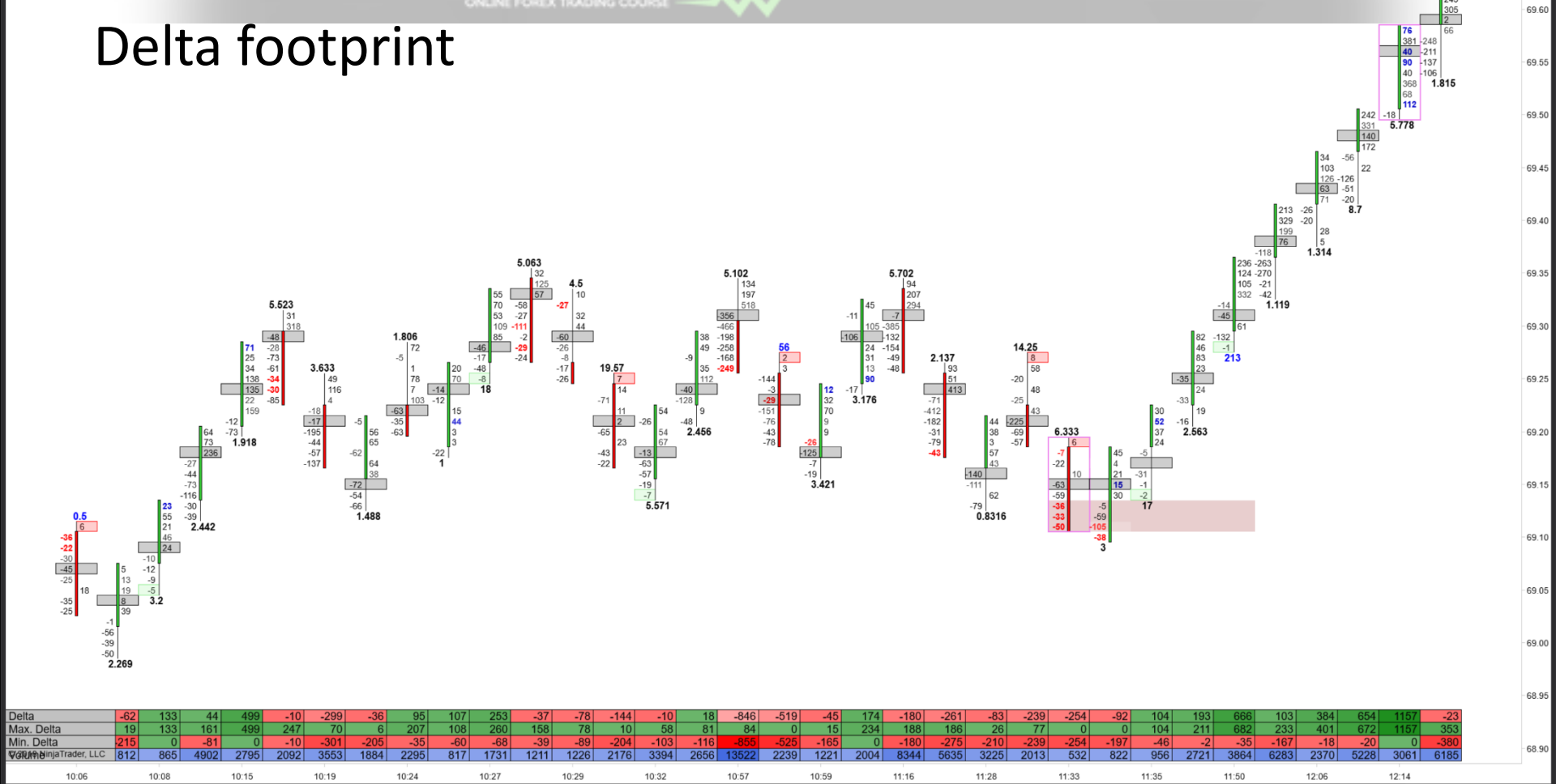


# Delta footprint



Delta	14	131	369	10	-245	139	96	73	312	248	-278	-185	94	-185	257	-124	-323	431	419	-14	-203	-417	169	130	-29	-184	-144	-615	12	-802	229	-171	-684
Max. Delta	26	133	435	30	0	195	179	99	378	452	6	1	105	58	594	98	0	436	780	33	61	45	213	196	166	29	147	79	178	29	366	13	0
Min. Delta	-76	-61	-62	-48	-246	-64	-1	0	-7	-58	-297	-200	-184	-213	0	-151	-363	-133	-12	-93	-409	-757	-69	-36	-142	-207	-154	-634	-77	-971	-81	-384	-1016
Volume	732	783	2537	768	779	1401	1124	955	1822	3362	1738	1291	1674	1689	4449	1450	3075	3879	3967	1110	5187	4847	3171	2248	2971	2282	4042	5291	3254	6456	5037	3471	8148

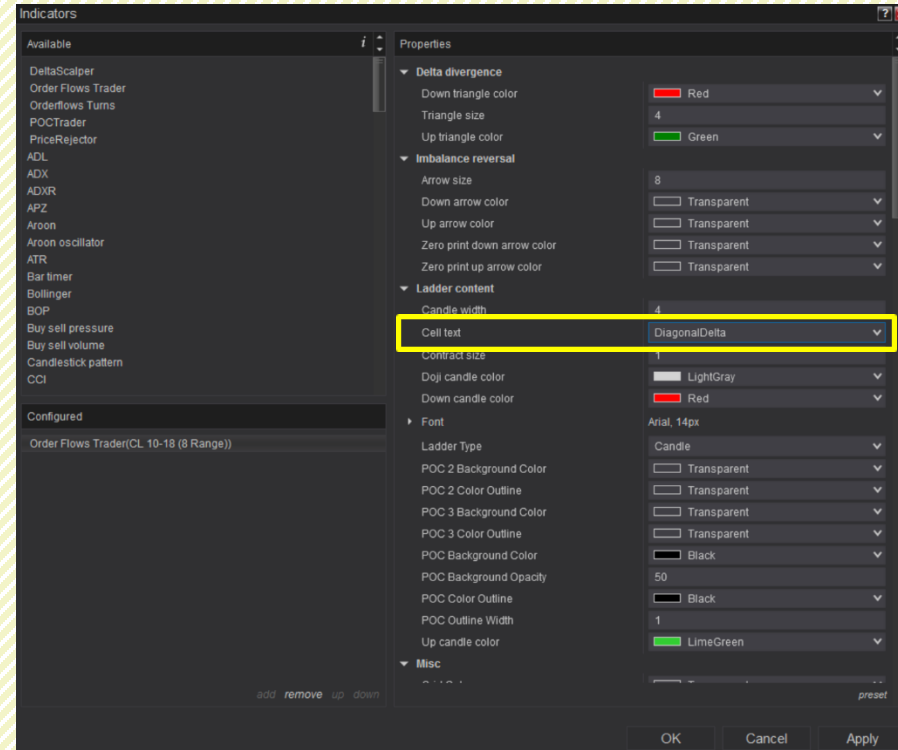
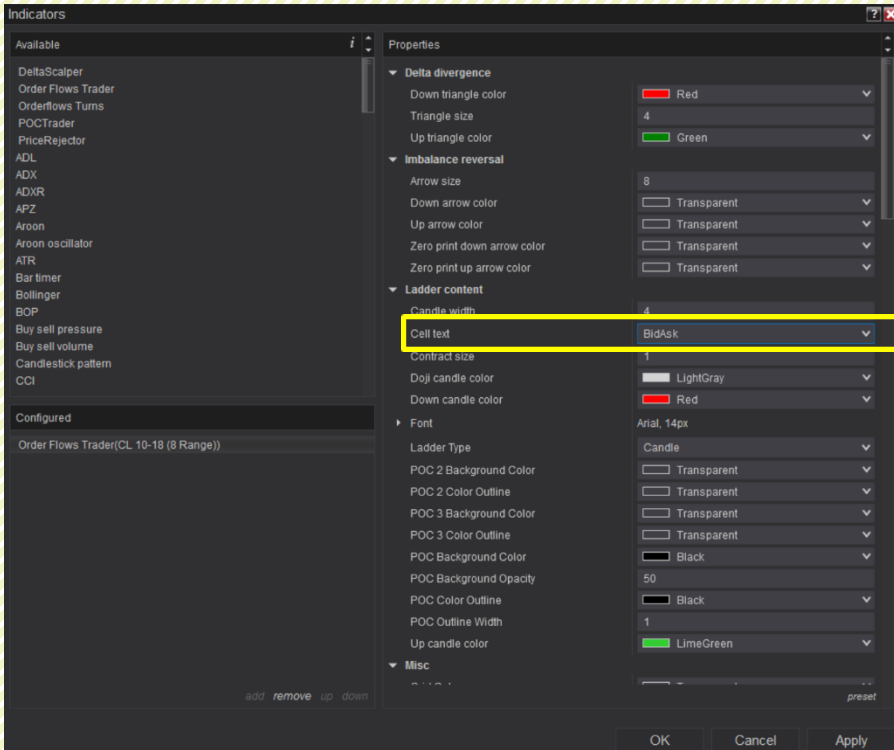
## Delta footprint



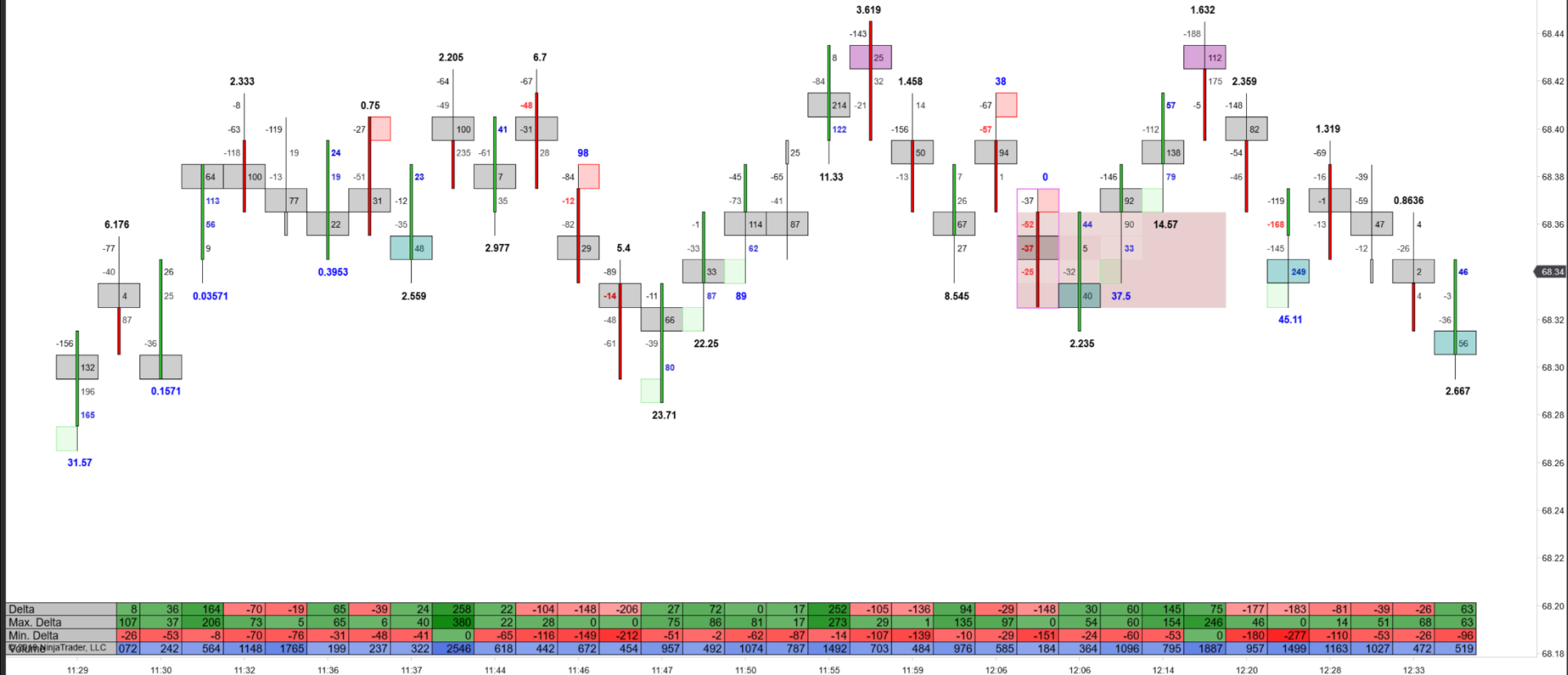
Another way to analyze the delta is a diagonal delta footprint chart which displays the delta in the bid/ask.

A diagonal delta footprint chart is useful for filtering out imbalances.

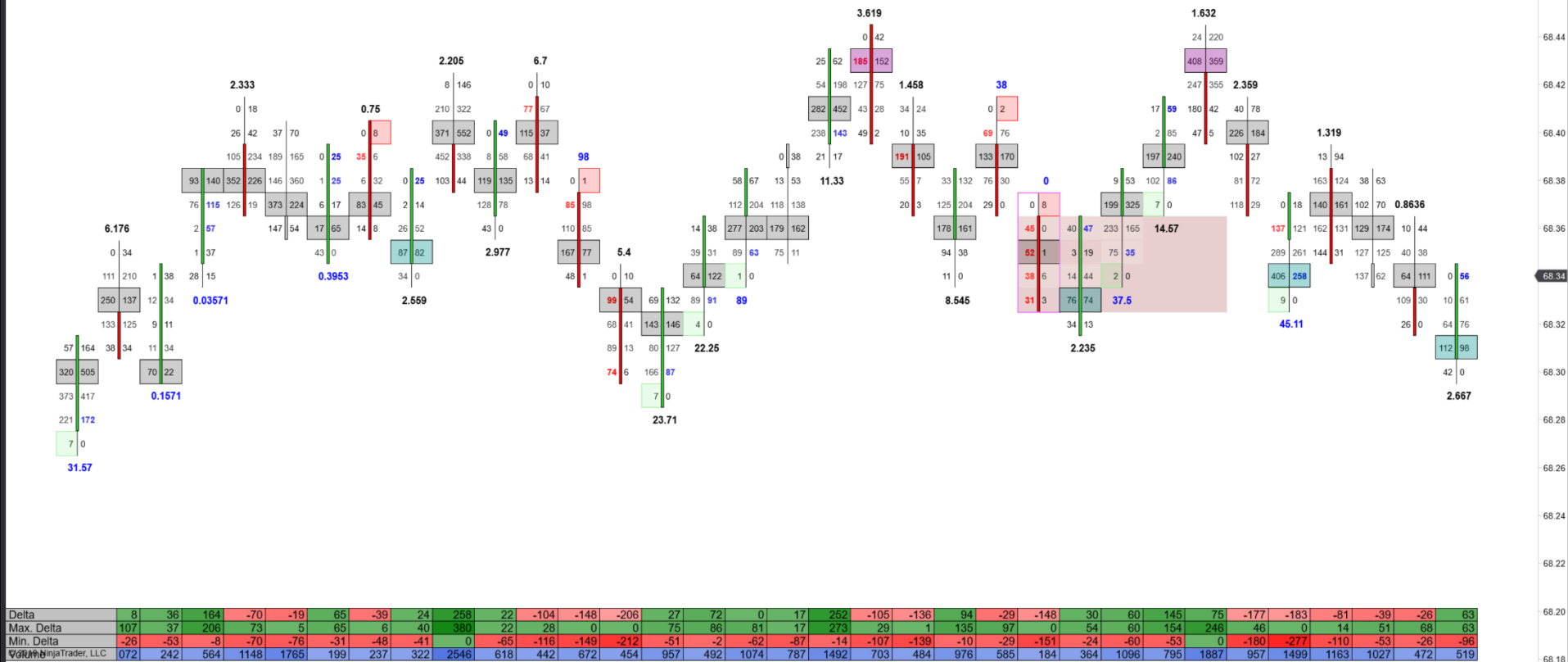
## Diagonal Delta footprint – some order flow software has it.



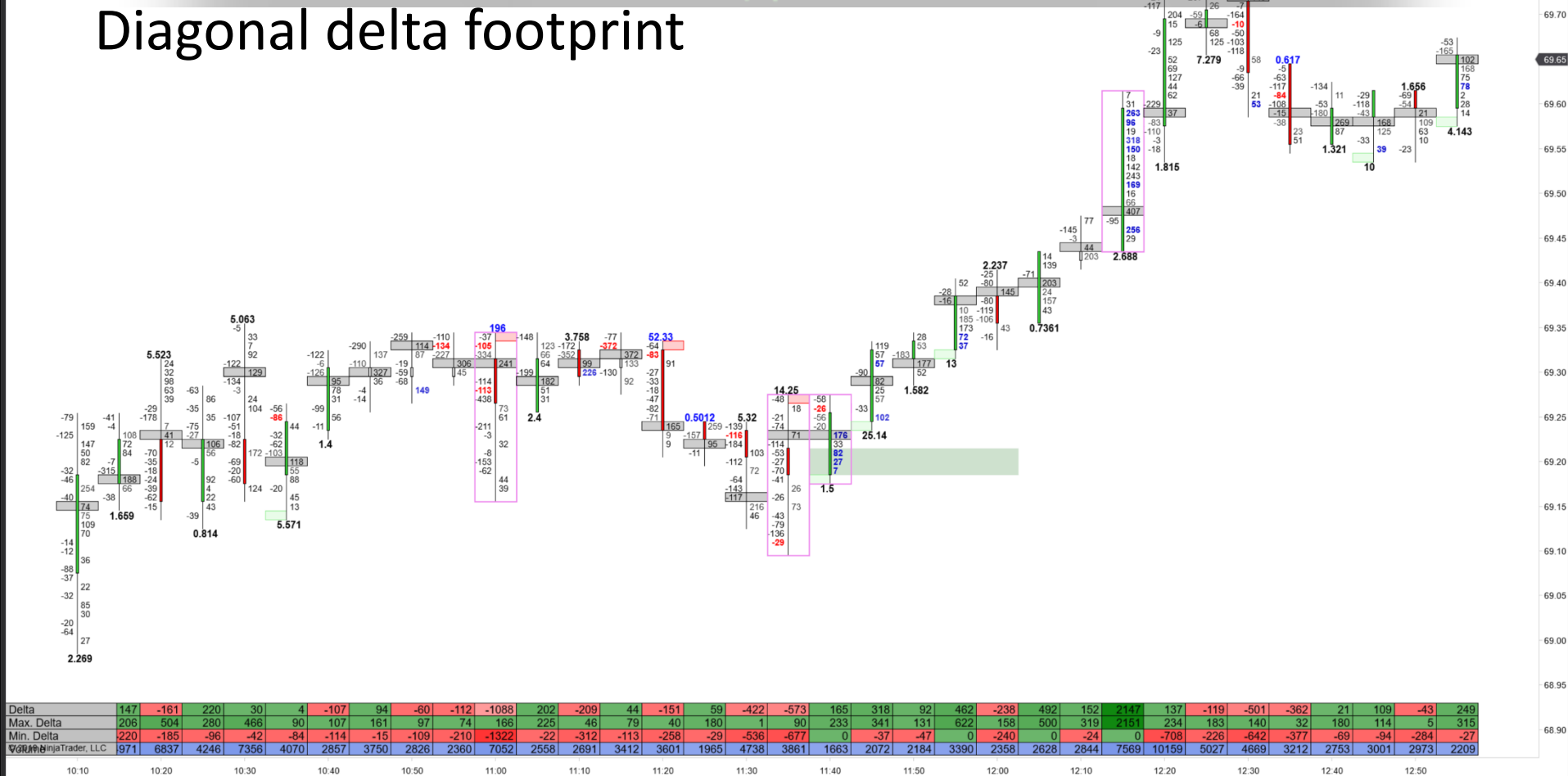
## Diagonal delta footprint



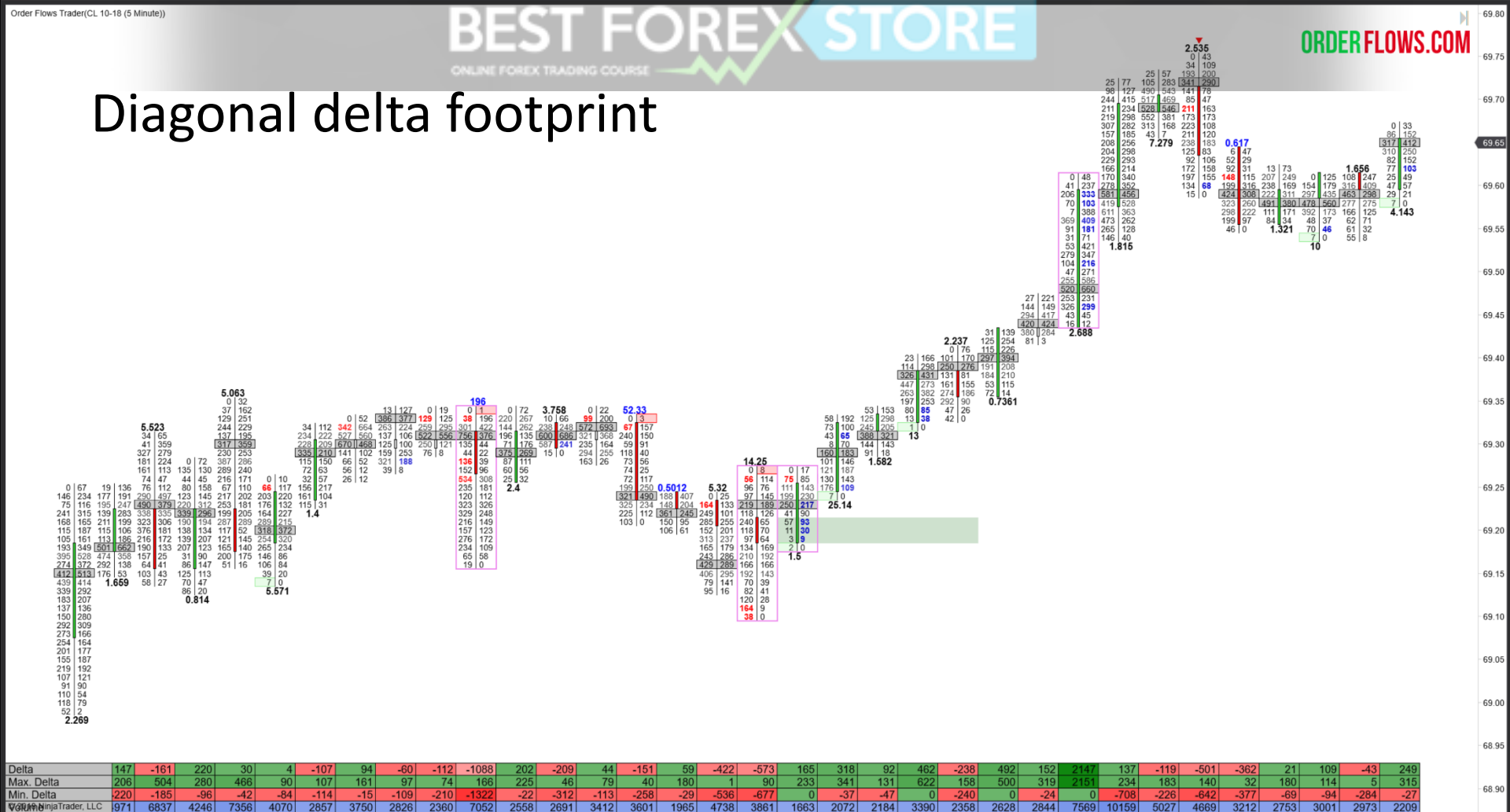
# Diagonal delta footprint



## Diagonal delta footprint



# Diagonal delta footprint



The million dollar question is “so which format should I use to watch delta?”

It is a personal choice. Trading is like that. What works for me may not work for you.

Over the years I have gone from analyzing the delta on the bottom, to delta candlesticks, back to delta on the bottom, to delta footprints, to a combination of delta on the bottom and delta footprints.

Part of being successful in trading is finding what works for you. You control your destiny. You are the one who has to make the decisions when it comes to trading.

What I am doing is explaining your different options so you can make the best possible choice on what to use for your trading to be consistently profitable.

This is the end of lesson 2. In lesson 3, I will discuss the different delta numbers, what they mean and how to interpret them.