Next Level Order Flow
Module 12:
Wrap Up

Disclaimer

This course 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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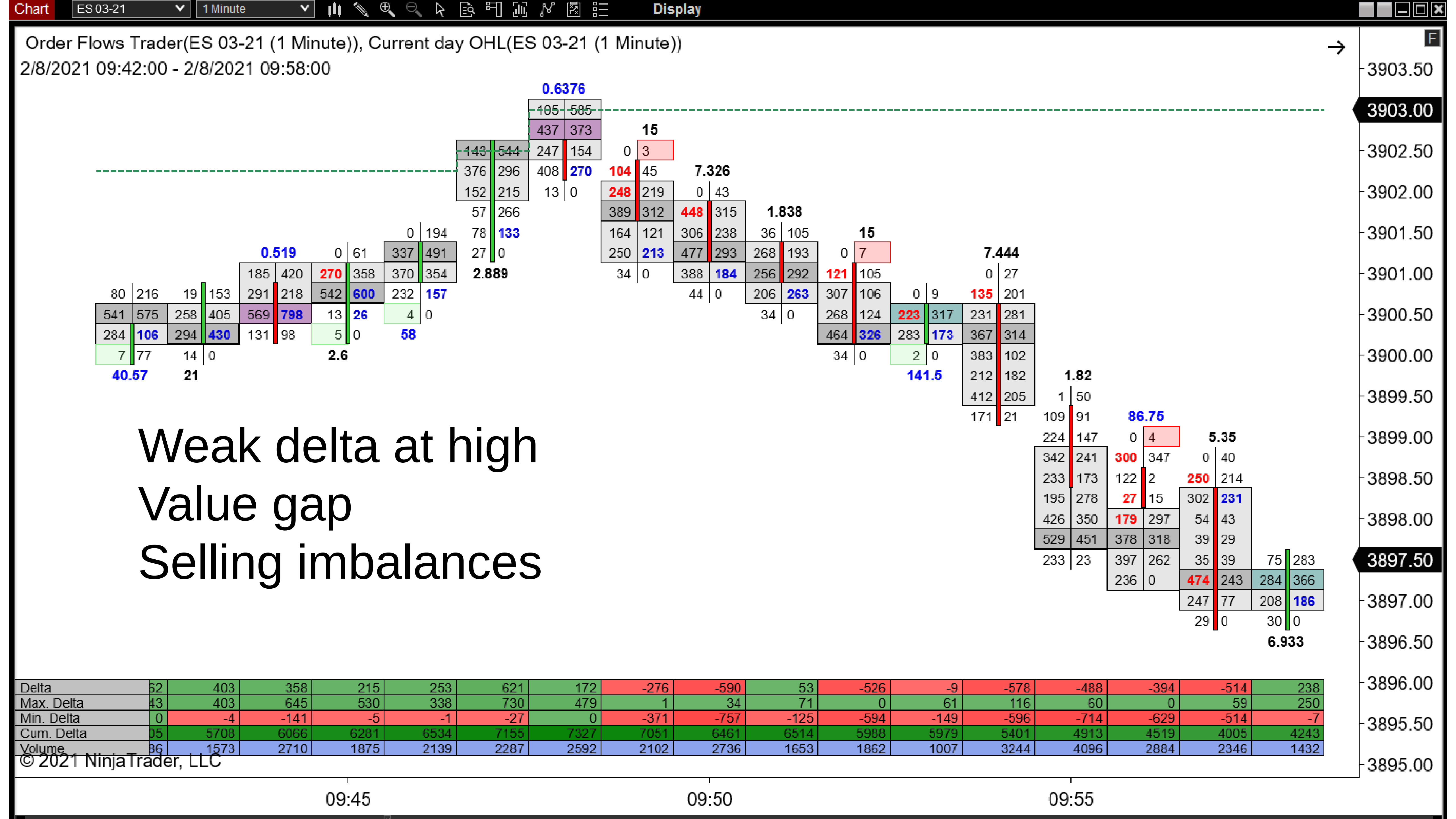
All the information you need for successful trading is right before your eyes and is generated by the market itself. However, it’s difficult to use it if you don’t know what to look for.



Order Flows Trader(ES 03-21 (1 Minute)), Current day OHL(ES 03-21 (1 Minute))
2/8/2021 09:42:00 - 2/8/2021 09:58:00
Weak delta at high
Value gap
Selling imbalances
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There are many different aspects of order flow to analyze during the trading day. Once you internalize the different aspects, how they fit together and how they work with each different piece of information your knowledge of the market increases.

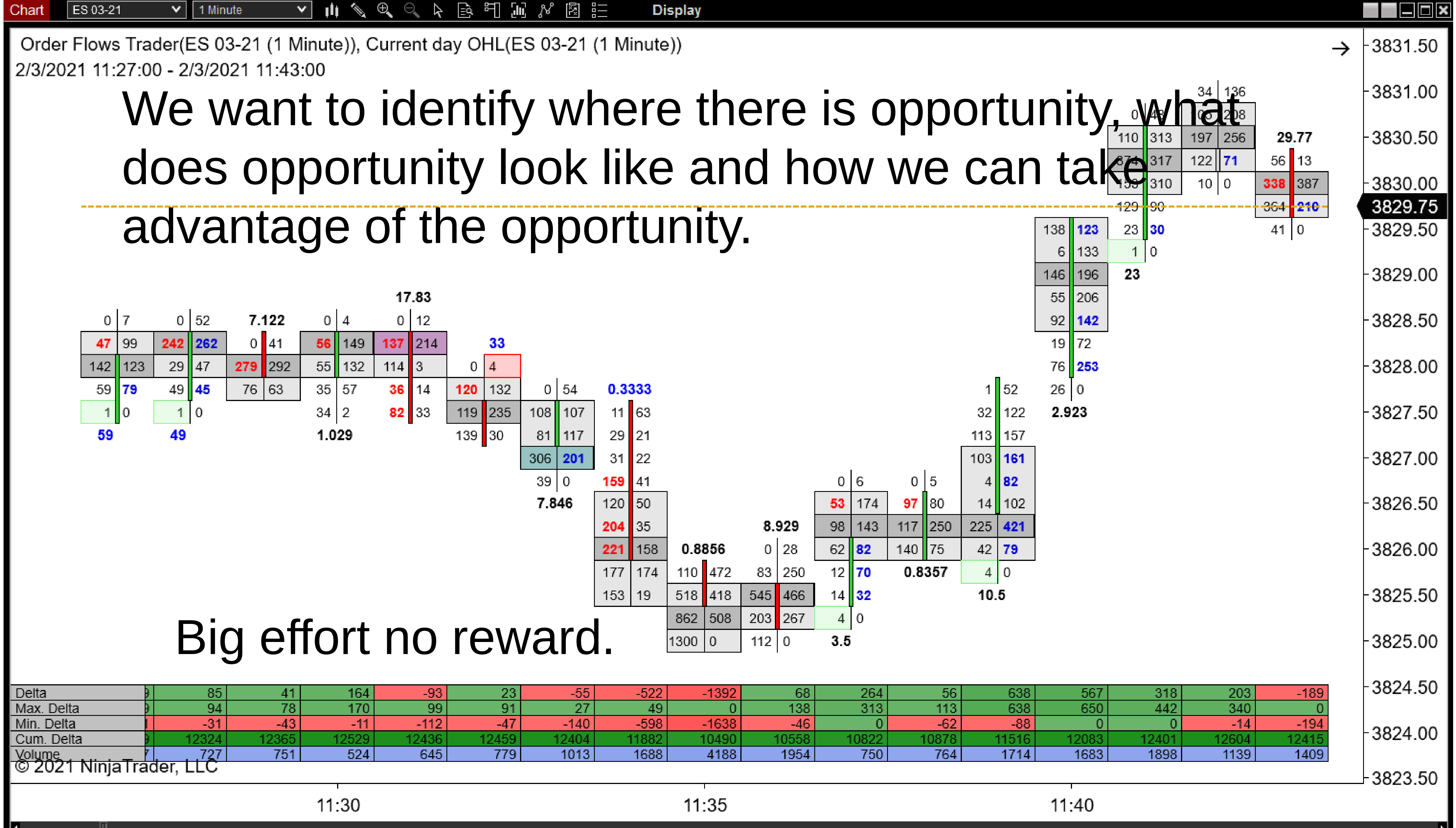
Market environments are constantly changing due to events beyond anyone’s control. It is not about having one indicator or a price level, it is about understanding this and developing your skills as a trader.

Order flow is about trading the reality of the current market conditions based on price and volume. It is not about massaging price into something other than what is currently happening right now in the market.

Price and volume are facts. They are the facts that trader’s decisions are based on.

Order flow tells us not only what the market is doing right now but also who & what is in control. You can compare the current order flow with what just transpired which tells you how the market is doing compared to how it just did.

We want to identify where there is opportunity, what does opportunity look like and how we can take advantage of the opportunity.



Big effort no reward.

Read the order flow and observe what the traders are doing and use your knowledge of order flow to anticipate the next moves of the market. If you can, you will profit. If you are wrong, get out.

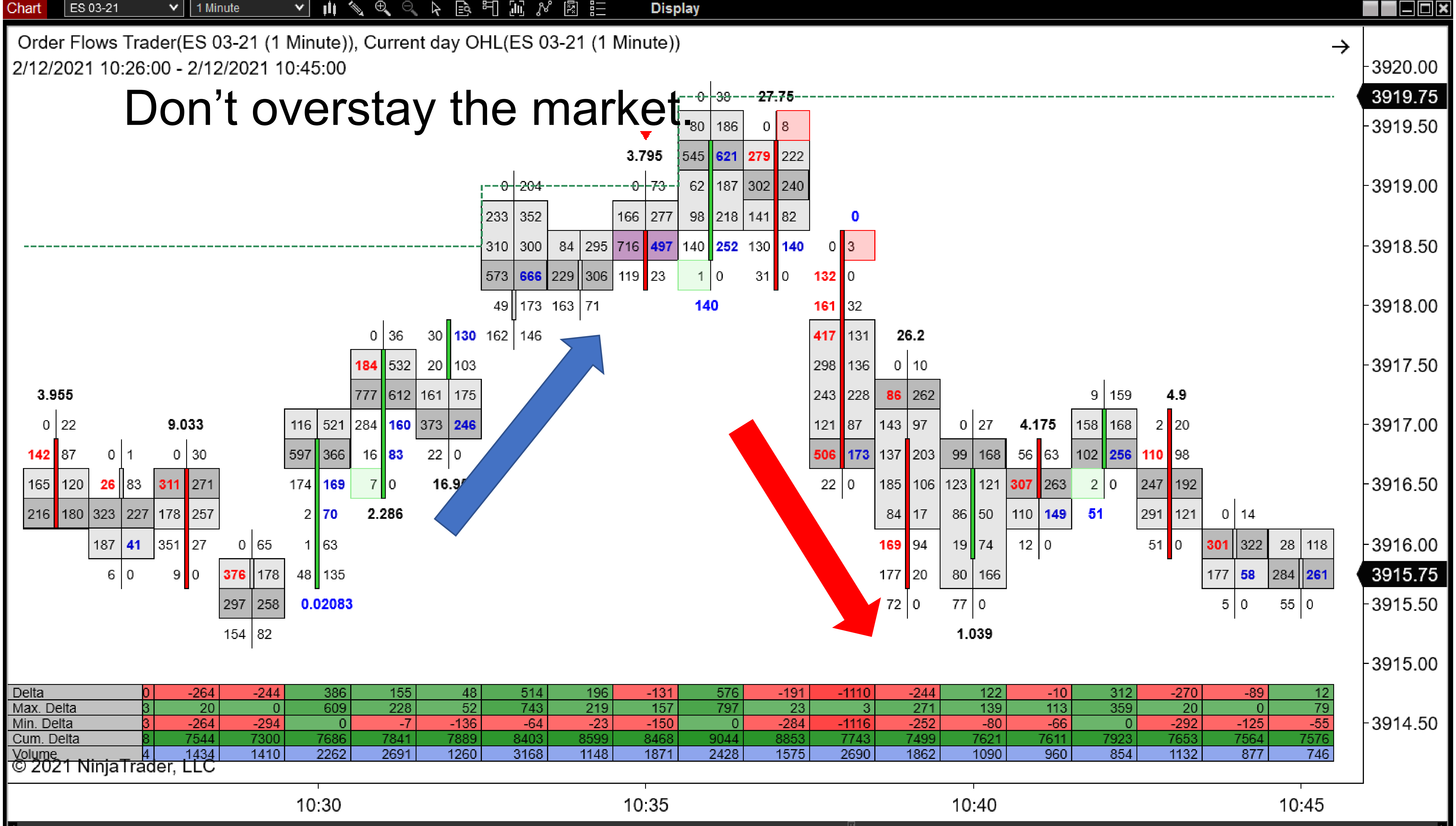
Markets don’t know what you are thinking and don’t care what you are thinking. If you are thinking something different from what the market is doing you will find yourself in trouble.

A successful trader has to be able to manage his own expectations. If the market is showing you that a trade is not working or that a trade won’t go to your expected take profit level, you have to accept that and adjust what you can get out of the trade. On the same token, you can’t come into a session, this is going to be a huge day. You can control your expectations, but you can’t control what the market is going to do.

Be sure to have more than one way to recognize a trading opportunity. This could be more trade setups or more scenarios. What hurts a lot of traders is thinking a market will keep doing the same thing over and over. Markets don’t and they won’t.

Don’t overstay the market. If you are wrong, own it, get out of the trade now, not after it is too late.

Take care of the trade and the money will take care of itself.



Delta	0	-264	-244	386	155	48	514	196	-131	576	-191	-1110	-244	122	-10	312	-270	-89	12
Max. Delta	3	20	0	609	228	52	743	219	157	797	23	3	271	139	113	359	20	0	79
Min. Delta	3	-264	-294	0	-7	-136	-64	-23	-150	0	-284	-1116	-252	-80	-66	0	-292	-125	-55
Cum. Delta	8	7544	7300	7686	7841	7889	8403	8599	8468	9044	8853	7743	7499	7621	7611	7923	7653	7564	7576
Volume	4	1434	1410	2262	2691	1260	3168	1148	1871	2428	1575	2690	1862	1090	960	854	1132	877	746

Don’t think that just because the trade is showing a profit that all is well and good. That is often where you have to be most diligent. As soon as the market gets out of step with your trade reason you have to get out.

That doesn’t mean you get long, and the market drops on or two ticks immediately you get out. There has to be some leeway.

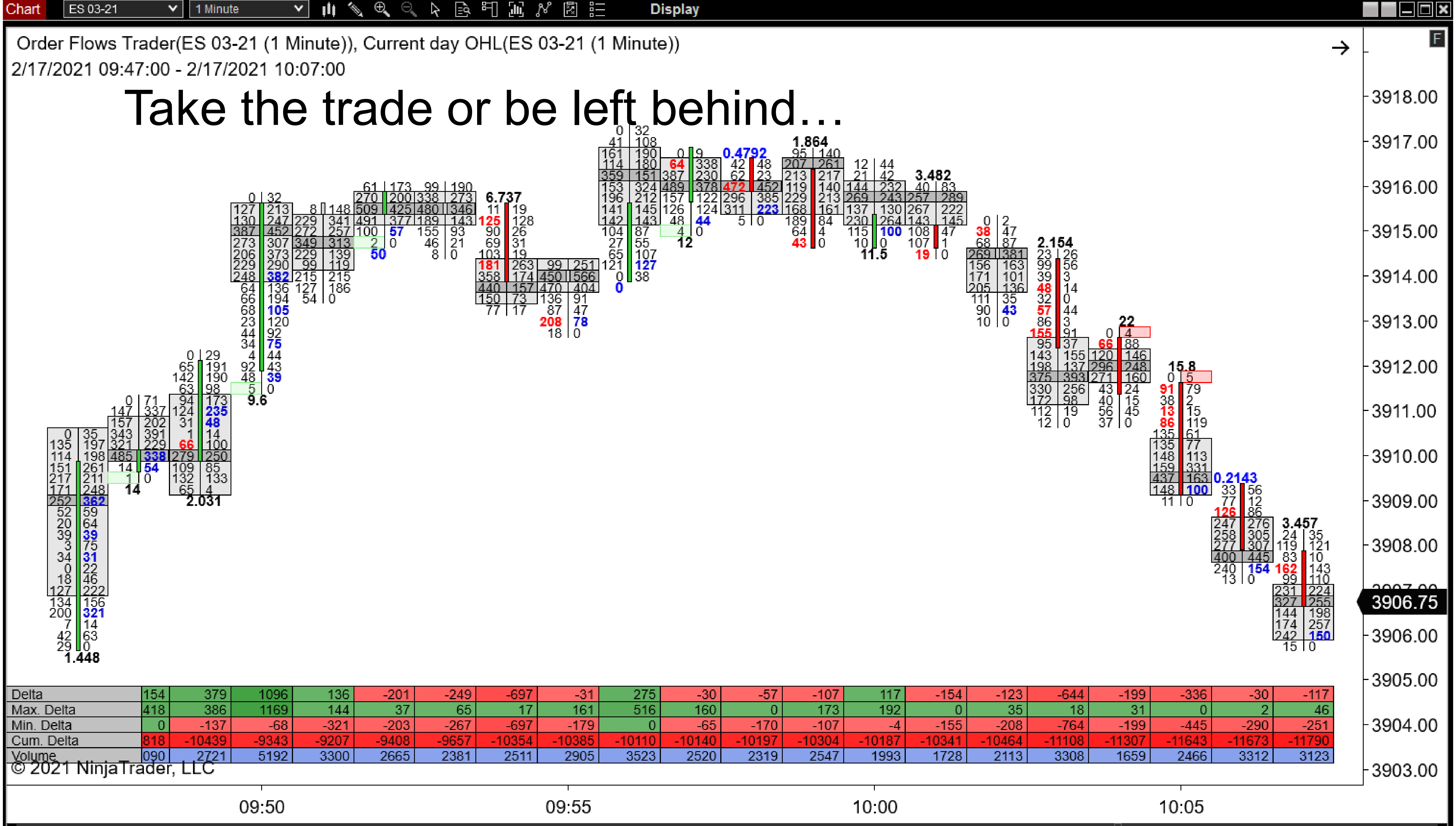
Don’t make a bad trade worse. After a few losing trades either stop trading or reduce your size. Instead, what ruins a lot of traders is they experience a string of losses and then take a stand against the market. They up their size and widen their risk level. Instead of trading 2 or 3 contracts, they are trading 6 or 7 contracts looking to recoup earlier losses quickly. When it works, they think they are the greatest trader ever, but it backfires on them. Novice traders often don’t recover from a catastrophic loss. They get out of the markets completely.

To be a successful trader you have to be flexible because there is no one-size fits all approach to the markets. Concentrate on markets that trade similarly. Different markets behave differently, and different trade setups behave differently on different markets. You can’t be a commodity trader one day, an index trader the next, a currency trader the next and a bond trader the next. Stick to a handful of markets that trade similarly.

Be flexible and adjust. Too many traders fail because they don’t admit or realize that market conditions have changed. Don’t go down with the ship. Don’t try to be a hero.

Flexibility also means not being married to your position. If you see something wrong happening in the market, something contrary to you position, just get out and reassess. If you hesitate you will only make matters worse.

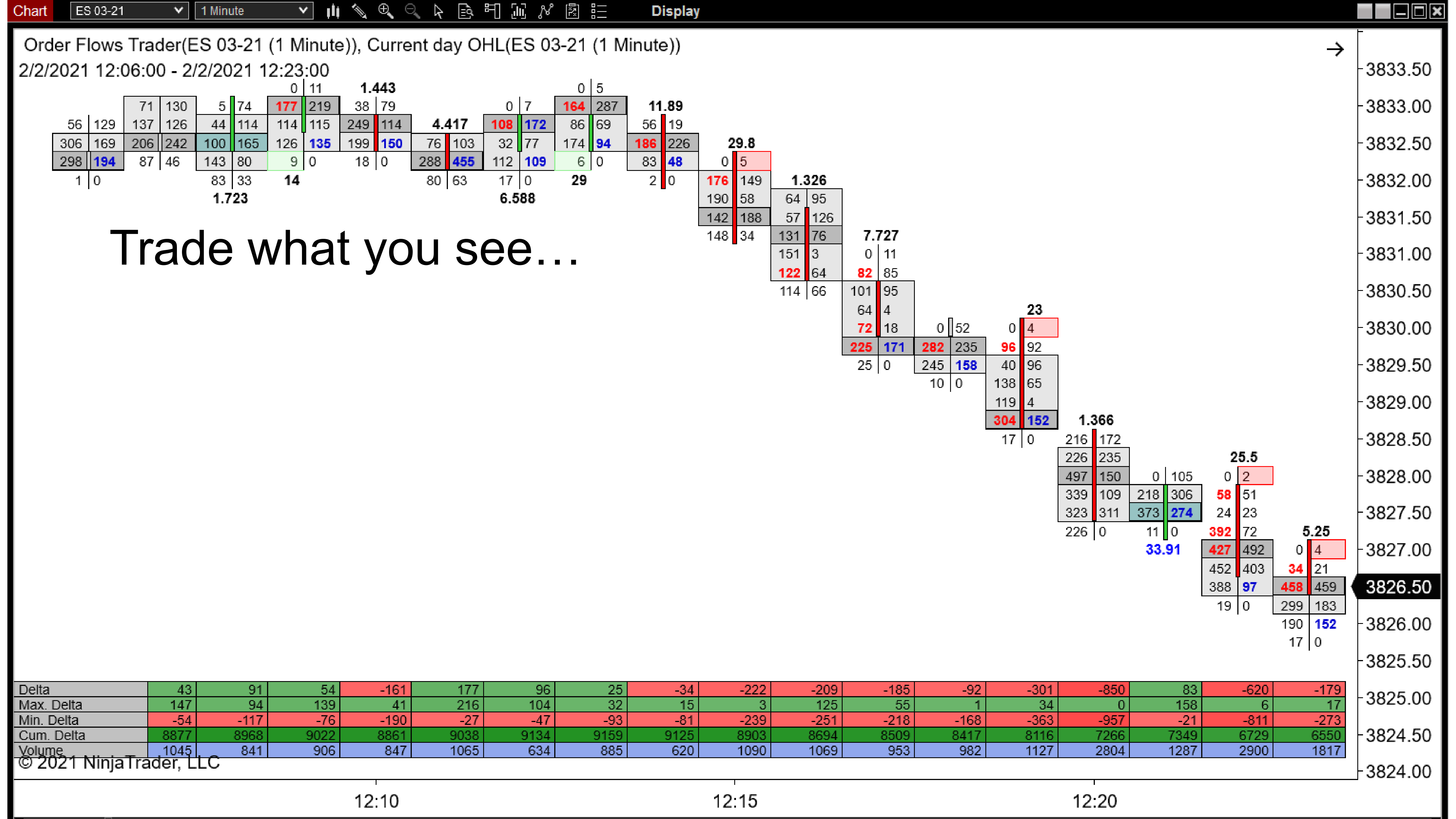
Do the trade. When the market sets up just as you wanted it to, then take the trade. Don’t be scared, especially after a loss. You must learn that when the conditions are ripe that is when you must strike.



Delta	154	379	1096	136	-201	-249	-697	-31	275	-30	-57	-107	117	-154	-123	-644	-199	-336	-30	-117
Max. Delta	418	386	1169	144	37	65	17	161	516	160	0	173	192	0	35	18	31	0	2	46
Min. Delta	0	-137	-68	-321	-203	-267	-697	-179	0	-65	-170	-107	-4	-155	-208	-764	-199	-445	-290	-251
Cum. Delta	818	-10439	-9343	-9207	-9408	-9657	-10354	-10385	-10110	-10140	-10197	-10304	-10187	-10341	-10464	-11108	-11307	-11643	-11673	-11790
Volume	090	2721	5192	3300	2665	2381	2511	2905	3523	2520	2319	2547	1993	1728	2113	3308	1659	2466	3312	3123

Trade when there is an opportunity in the market that you can identify.

Trade what you see, not what you think.



Delta	43	91	54	-161	177	96	25	-34	-222	-209	-185	-92	-301	-850	83	-620	-179
Max. Delta	147	94	139	41	216	104	32	15	3	125	55	1	34	0	158	6	17
Min. Delta	-54	-117	-76	-190	-27	-47	-93	-81	-239	-251	-218	-168	-363	-957	-21	-811	-273
Cum. Delta	8877	8968	9022	8861	9038	9134	9159	9125	8903	8694	8509	8417	8116	7266	7349	6729	6550
Volume	1045	841	906	847	1065	634	885	620	1090	1069	953	982	1127	2804	1287	2900	1817

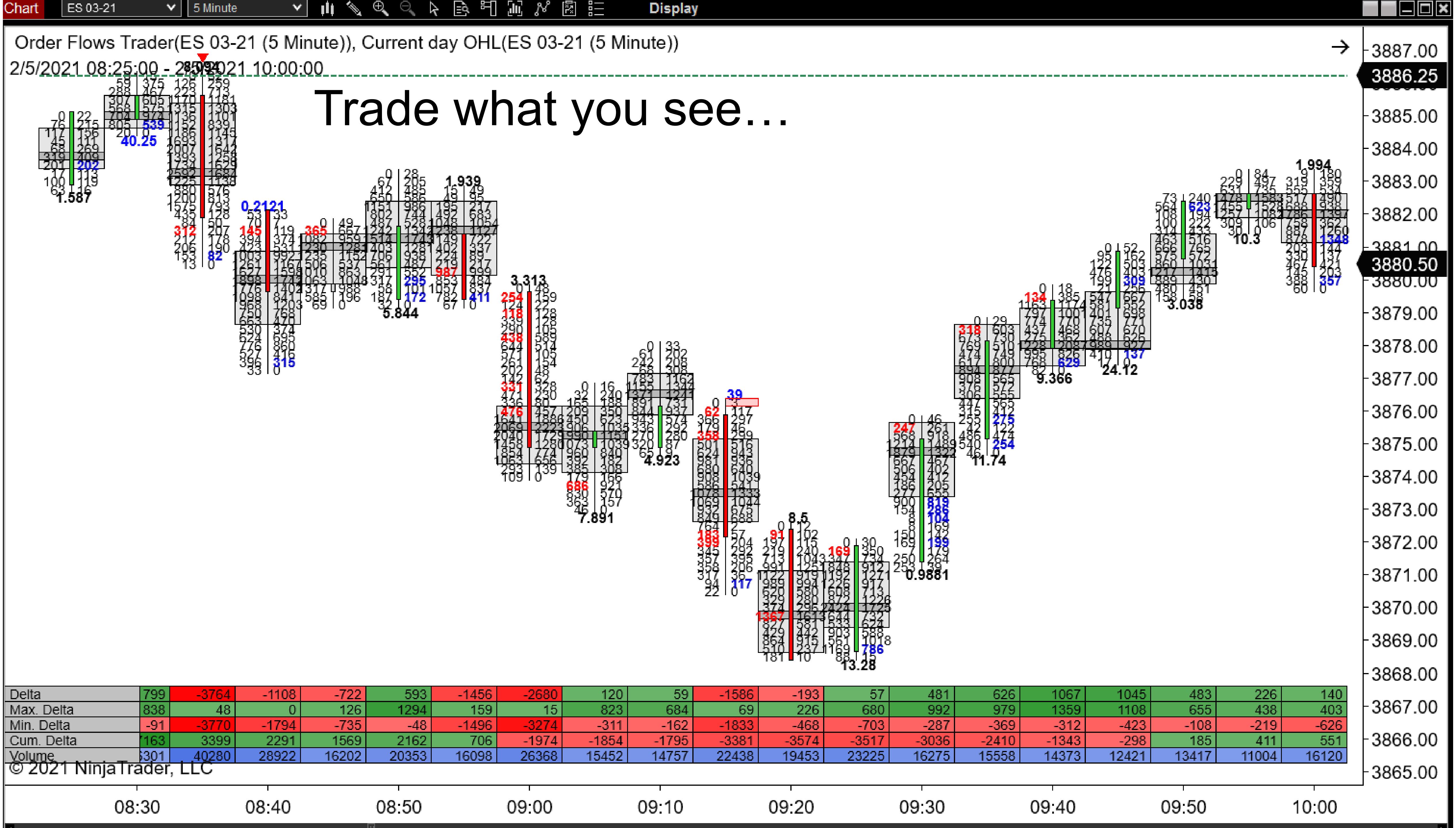


Chart
ES 03-21
5 Minute
Display
Order Flows Trader(ES 03-21 (5 Minute)), Current day OHL(ES 03-21 (5 Minute))
2/5/2021 08:25:00 - 2/5/2021 10:00:00
Trade what you see…
Delta 799 -3764 -1108 -722 593 -1456 -2680 120 59 -1586 -193 57 481 626 1067 1045 483 226 140
Max. Delta 838 48 0 126 1294 159 15 823 684 69 226 680 992 979 1359 1108 655 438 403
Min. Delta -91 -3770 -1794 -735 -48 -1496 -3274 -311 -162 -1833 -468 -703 -287 -369 -312 -423 -108 -219 -626
Cum. Delta 163 3399 2291 1569 2162 706 -1974 -1854 -1795 -3381 -3574 -3517 -3036 -2410 -1343 -298 185 411 551
Volume 301 40280 28922 16202 20353 16098 26368 15452 14757 22438 19453 23225 16275 15558 14373 12421 13417 11004 16120
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08:30 08:40 08:50 09:00 09:10 09:20 09:30 09:40 09:50 10:00
3887.00 3886.25 3885.00 3884.00 3883.00 3882.00 3880.50 3880.00 3879.00 3878.00 3877.00 3876.00 3875.00 3874.00 3873.00 3872.00 3871.00 3870.00 3869.00 3868.00 3867.00 3866.00 3865.00

After you get good at one market and understand that market, then you can follow more than one market. You don’t have to actively trade multiple markets, but you should follow additional markets for the times when your primary market starts going quiet or one of the other markets you follow starts picking up volatility.

No regrets. Trades fail. That is part of trading. If you take a trade and it doesn’t work, life goes on. Don’t let it knock you off you stride, keep working and looking for the next opportunity. It will come. Once you are out of the trade, don’t worry about what the market does next. Don’t sit there and think “oh, I got out too early.” Few traders talk about how they got out at the ideal spot. The odds can be tremendously in your favor and you still lose.

Congratulations, you have completed The Next Level Order Flow Trading Course.