ORDER FLOW FIELD MANUAL

A TRADER'S STUDY COMPANION

# The Order Flow Field Manual

## Reading the Battle Between Buyers & Sellers

*Auction theory, balance & imbalance, footprint charts, and a repeatable method for trading the moves before they finish.*

STUDY EDITION • PRINT & ANNOTATE • BUILT FROM "HOW TO MASTER ORDER FLOW TRADING"

CONTENTS

# Table of Contents


0 How to Use This Manual 3

1 What Order Flow Is & Why It Matters 4

2 Auction Market Theory 5

3 Balance & Imbalance — The Engine of Price 6

4 Candlesticks vs. Footprint Charts 7

5 Reading a Footprint Candle (Delta & Volume) 8

6 How Order Flow Actually Moves Price 9

7 The Method — A 6-Step Workflow 10

8 Worked Examples 11

9 Honest Assessment & Pitfalls 12

10 Your Learning Path & Practice Drills 13

A Glossary of Terms 14

B One-Page Cheat Sheet 15

C Self-Test & Answer Key 16


**THE ONE SENTENCE VERSION**

All successful trading comes down to figuring out **who is in control of price** — buyers or sellers — and positioning on the correct side. Order flow is the most direct way to see that, because it reads the real orders instead of a lagging formula.

CHAPTER 0

# How to Use This Manual

This is a **study companion**, not a magic system. Work through it *in order* — each chapter assumes the one before it. Order flow only makes sense once you understand *why* price moves on a fundamental level.

## How to study each chapter

1. **Read** the chapter once for the concept.
2. **Re-read** the highlighted boxes — those are the load-bearing ideas.
3. **Mark up the margins.** Write the idea back in your own words. If you can't, you haven't got it yet.
4. **Do the self-test** (Appendix C) without looking back.

> **SET EXPECTATIONS HONESTLY**
>
> Footprint charts are **not a holy grail.** You will not automatically make a million dollars after learning them. Order flow is an *additional confluence* layered on top of market structure, price action, and supply/demand — never a standalone buy/sell button.

## The legend used throughout

| Symbol | Meaning |
|---|---|
| **Key Idea** | A core concept worth memorizing. |
| **Trap / Warning** | A common mistake that costs beginners money. |
| **Pro Tip** | A practical habit that experienced traders actually use. |

CHAPTER 1

# What Order Flow Is & Why It Matters

**Order flow trading** is the practice of analyzing the live flow of trades — by institutions and retail traders alike — to identify who is in control of price. You watch the **order book** and **footprint charts** to see how many buy and sell orders are hitting the market at each price, in real time.

## Why traders use it

- **It is not lagging.** Indicators like moving averages, Bollinger Bands, and RSI are calculated from *past* candles — they move "like a snail." Order flow shows what is happening *now*.
- **It reveals institutional activity.** You can see what the big funds ("smart money") are doing as they do it, and align with them instead of fighting them.
- **It comes from a centralized order book.** Every limit and market order is displayed — there are no hidden orders. "Liquidity doesn't lie; numbers can't lie."

> **KEY IDEA — THE EDGE**
>
> Most retail traders rely on chart patterns and lagging indicators and *never* look at order flow. If you can read the book earlier than the crowd, you can position **before** the large moves complete — and the large moves are where the money is.

> *"In trading, the fastest finger wins." — the faster you understand who controls price, the earlier you act.*

## What this changes about your thinking

Order flow shifts your *paradigm*: instead of reacting to the outcome of a move (a finished green or red candle), you start seeing the **mechanism** that produced it. That is the difference between guessing and reading.

CHAPTER 2

# Auction Market Theory

Financial markets run on **Auction Market Theory**: a market is just like any other business — there are buyers and sellers, and both are actively trying to discover the **fair value** of an asset. It is built on supply, demand, and the auction process.

## The beach-house example

| Event | What happens to supply/demand | Price |
|---|---|---|
| 5-bed house listed, great location | People perceive value, start bidding | $400,000 |
| Many buyers, one house | **Demand exceeds supply** | ↑ $450,000 (new fair value) |
| Bad news: roof failing, no furniture | Buyers back out → **supply exceeds demand** | ↓ $420,000 (new fair value) |
| Good news returns (free Tesla, say) | Interest returns → **demand exceeds supply** | ↑ $450,000 again |

**KEY IDEA**

This is exactly what markets do *every single day*. Buyers and sellers meet, react to new information, and constantly re-negotiate the fair value of a stock, crypto coin, or forex pair. Those negotiations *are* the buy and sell orders that make up the order book — which is the raw material of order flow.

## Why this matters for you

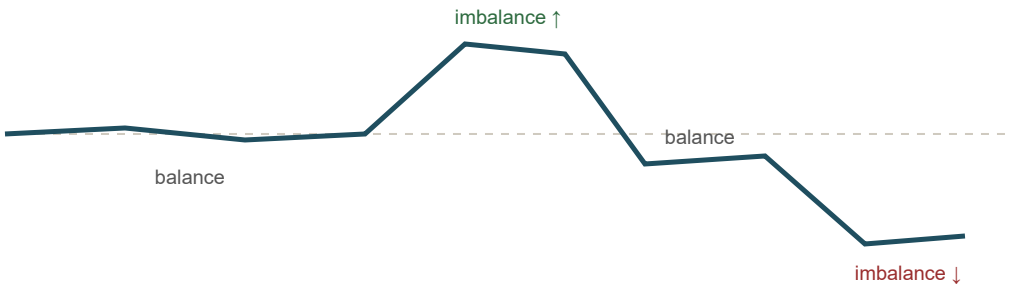
Every chart you will ever look at is a picture of an ongoing auction searching for fair value. Once you see price that way, the next concept — balance and imbalance — becomes obvious.

CHAPTER 3

# Balance & Imbalance — The Engine of Price

Markets oscillate forever between two states. Understanding this oscillation *is* understanding how price works on a fundamental level.

| State | What it means | What price does |
|---|---|---|
| **Balance** | Buyers and sellers **agree** on fair value. Low volatility. | Ranges / consolidates sideways. |
| **Imbalance** | **Disagreement** on fair value. One side turns aggressive. | Trends up or down until momentum fades. |




A market cannot stay balanced forever: new information (fundamental news or price-action signals) eventually makes one side aggressive. **Demand exits supply** (or supply exits demand), an imbalance forms, price trends, the momentum fades, and price consolidates back into balance. Then it repeats — forever.

**PRO TIP — WHERE THE MONEY IS**

Your entire job as a trader is to **capitalize on the imbalance moves.** Those big trending legs — the ones you usually "miss" — are the gold mine. The goal is to get in *before* the imbalance completes and ride it.

**MENTAL MODEL**

Picture a seesaw. When it's level, that's balance. When one side slams down, that's imbalance — too many buyers vs. sellers (or vice versa). Imbalance creates *inefficiency*, and price then hunts for balance again to restore an efficient market.

CHAPTER 4

# Candlesticks vs. Footprint Charts

A normal candlestick only tells you the **outcome**. A footprint chart tells you **how that outcome was built.**

| Candlestick chart | Footprint chart |
|---|---|
| Shows open, high, low, close only. | Dissects the candle into every price level inside it. |
| Green = price went up. Red = price went down. | Shows the **buy and sell volume traded at each individual price**. |
| You see the *result* of the buyer/seller battle. | You see the *battle itself* — supply vs. demand, level by level. |

**KEY IDEA**

A green candle tells you buyers won and price rose — but nothing about *how hard* sellers fought, where buyers absorbed selling, or whether momentum is fading. The footprint exposes all of that detail beneath the candle. "Nothing is random in the market" once you can read it.

## Anatomy of a footprint candle

Each footprint candle is split into two columns of numbers around each price:

- **Left side = SELL orders** (market sells hitting the bid).
- **Right side = BUY orders** (market buys hitting the ask).
- The number at each row = volume traded at that exact price (each "pip" / tick).
- The **darker the shade**, the more volume at that level.

**WHERE TO FIND FOOTPRINT CHARTS**

Three main platforms: **ATAS** (often considered best for this), **TradingView** (Premium plan and above — switch via the chart-type button → "Volume Footprint"), and **Sierra Chart**. None are cheap — but this is what professionals look at.

CHAPTER 5

# Reading a Footprint Candle

Here is a single footprint candle. Sell volume sits on the left, buy volume on the right, the traded price runs down the middle. The gold-outlined row is the **Point of Control** — the price with the most volume.

| ◄ SELL VOL | | BUY VOL ► |
|---|---|---|
| 812 | 1.0840 | 3,910 |
| 3,828 | 1.0838 | 4,622 |
| 2,140 | 1.0836 | 1,905 |
| 640 | 1.0834 | 980 |

**Delta** = +7,534 (buys − sells)

**Total** = 19,837 (all volume)

## The three numbers that matter

| Number | What it tells you |
|---|---|
| **Volume at price** | How many orders filled at that exact level. Higher number + darker shade = more activity / interest there. |
| **Delta** | Total buy volume − total sell volume. **Positive Delta = aggressive buying**; negative Delta = aggressive selling. |
| **Total** | The total volume that built the entire candle. |

```
Delta = (total BUY market orders) − (total SELL market orders)
```

**TRAP — THE #1 BEGINNER MISTAKE**

**Delta does NOT equal who won.** A candle can show *negative* Delta (heavy aggressive selling) and still close **bullish**. Why? Because passive buy limit orders absorbed all that selling. Never assume "negative Delta = sellers in control" or "positive Delta = buyers in control." You must read it in context (see Chapter 6).

## Footprint display modes

- **Bid × Ask (two columns):** separates buy and sell volume — best for spotting imbalance. *Use this one.*
- **Delta mode (one column):** shows net buy/sell per level.
- **Volume mode:** just total volume per level.

CHAPTER 6

# How Order Flow Actually Moves Price

At its root, order flow is the interaction between two order types. This is the single most important mechanism in this manual.

| Order type | Behavior | Trader is… |
|---|---|---|
| **Market order** | Executes **immediately** at the current price. Doesn't care what the price is. | **Aggressive** — wants in now. |
| **Limit order** | A pending order waiting at a chosen price. Fills only if price reaches it. | **Passive** — waiting. |

> **THE APPLE EXAMPLE**
>
> An apple costs $5. A **market order** = "buy it now at $5." A **limit order** = "only buy it if it drops to $3." The limit order sits pending until price comes to it. Aggressors fill market orders; passive traders post limit orders. **Order flow is the war between these two.**

## "John the institutional trader"

John manages millions and gets positive insider information not yet public. He must act *before* the news breaks. He won't post a limit order that takes hours to fill — he **slams a huge market buy**, executing in bulk at any price.

That aggressive buying **eats through all the sell limit orders** stacked on the ask. The book that showed thousands of resting sell orders gets filled — *boom, boom, boom* — and a massive **imbalance** is created on the order flow. Price jumps.

> **PRO TIP — WHY PRICE MOVES BEFORE THE NEWS**
>
> This is why price often makes a big move *before* the news is announced: institutions with information act first via aggressive market orders. Order flow lets you *see* that aggression hitting the book as it happens.

## Absorption — the other side of the coin

Aggression doesn't always win. If aggressive sellers keep hitting a level but **passive buy limit orders keep eating them up** ("like Pac-Man"), price can't break lower — and may reverse. This **absorption** is the heart of reading reversals at a zone.

CHAPTER 7

# The Method — A 6-Step Workflow

This is the practical part. Do **not** jump straight into footprint charts — a screen of raw numbers is impossible to read without context. Build context first, then drop into the footprint only at the decision point.

1. **Start on candlesticks.** Don't confuse yourself with footprint yet.
2. **Build a higher-timeframe narrative.** Map market structure — is price in bullish or bearish order flow? Look for the break of structure, higher highs / higher lows (or lower lows).
3. **Mark your points of interest.** Supply zones, demand zones, order blocks, sweep/flip zones. Identify the range you're trading inside.
4. **Wait for price to reach a point of interest.** Do nothing until price arrives at a zone you marked.
5. **Switch to the footprint** (drop to a lower timeframe) and read who is in control at that zone.
6. **Decide: respect or break?** Trade in the direction of the higher-timeframe bias.

**KEY IDEA — THE DECISION AT THE ZONE**

**Zone holds (reversal):** the aggressive side fades and passive limit orders *absorb* them. At a demand zone, buy limits eat the aggressive sellers → price reverses up. At a supply zone, sell limits eat the aggressive buyers → price reverses down.

**Zone breaks (continuation):** the aggressive side *overwhelms* the limit orders and pierces straight through.

**PRO TIP — TRADE WITH THE BIAS**

If price is bullish on the 4-hour timeframe, only hunt for **buys** at lower-timeframe demand zones. Wait for price to pull into the demand zone, then use the footprint to confirm buyers retaking control before entering. The footprint is your *final trigger*, not your idea generator.

**TRAP**

There is no point reading footprint if you can't mark a clean supply/demand zone first. Order flow without structure is noise. Master structure on candlesticks *before* you spend a dollar on footprint software.

CHAPTER 8

# Worked Examples

## Example 1 — Demand zone holds (absorption → reversal up)

Price sells off aggressively into a marked **demand zone**: negative Delta, heavy volume, strong downward momentum. But at the zone it can't break through, even after multiple attempts.

Reading the key candle that touched the zone:

```
Buy orders 2,462  >>  Sell orders 1,381   →   absorption
```

Despite aggressive selling, passive **buy limit orders (2,462) overwhelmed the sell orders (1,381)** and ate them up. Demand stepped in, price respected the zone, and a large bullish candle formed with a big positive Delta — confirmation that demand officially took control.

> **WHAT TO TAKE AWAY**
>
> Aggressive selling + a zone that won't break + buy volume overwhelming sell volume = the passive buyers are absorbing. That's your reversal tell — *not* the raw Delta sign.

## Example 2 — Supply zone, reading for the decision

Higher timeframe is in a range; price rallies up into a marked **supply zone** with strong positive Delta and rising, aggressive buying. Then the trading volume on the next candles starts to **decrease** compared to the push in — supply is beginning to enter.

The question to answer with the footprint: do the aggressive buyers **overwhelm** the sell limit orders at the zone (break up), or do the sell limits **absorb** them (reverse down)? If buying volume fades and sell limits hold, supply takes control and price reverses lower.

| You see… | It means… | Likely outcome |
|---|---|---|
| Aggressive side overwhelms resting limits | Initiative / continuation | Zone breaks, price pierces through |
| Resting limits absorb the aggression; volume fades | Absorption / exhaustion | Zone holds, price reverses |

CHAPTER 9

# Honest Assessment & Pitfalls

## What's genuinely solid

- Auction theory and balance/imbalance are **correct, durable mental models**.
- The "context first, footprint second" workflow is exactly how real order-flow traders operate.
- Absorption (passive limits eating aggressive markets) is the real, tradeable heart of order flow.

## What to be skeptical of

**READ THESE BEFORE YOU RISK MONEY**

- **It's not prediction.** "See institutional moves before they happen" is oversold. You see aggression and absorption *as they happen* — still an edge, but not a crystal ball.
- **True order-flow data lives in centralized futures** (CME: ES, NQ, etc.). Spot forex has *no* single centralized order book, so footprint data there is fragmented/broker-specific. ATAS and Sierra Chart are built for futures for this reason.
- **Ignore the marketing.** Source videos like this end with a paid-community pitch and "$25k in a month" student claims. The *concepts* are useful; the income claims are not evidence.
- **Delta sign ≠ winner.** Repeated because it's the most expensive beginner mistake.

## The correct framing

Footprint / order flow is **one confluence** stacked on top of market structure, price action, supply/demand, and liquidity. Those remain the core of any mechanical strategy. Order flow refines the entry; it does not replace the plan.

> *"There's no point understanding order flow if you cannot even identify your point of interest correctly." — the source video's most honest line.*

CHAPTER 10

# Your Learning Path & Practice Drills

## A sane order to learn in

1. **Lock the foundation** — auction theory + balance/imbalance until it's intuitive (Chapters 2–3).
2. **Master market structure on plain candlesticks.** If you can't mark a real supply/demand zone, footprint is useless.
3. **Learn the DOM + footprint + Delta** on *one* market. ES futures is the standard training ground.
4. **Drill three patterns:** absorption, exhaustion (aggression fading at a level), and initiative (one side overwhelming).
5. **Use market replay, not live money.** Rewind real sessions and watch how moves were built — fastest way to train the eye.

## Daily practice checklist

- ☐ Mark higher-timeframe bias (bullish / bearish / range) before the session.
- ☐ Mark 2–3 points of interest (supply / demand zones).
- ☐ Wait for price to reach a zone — log what the footprint showed.
- ☐ Classify it: absorption or break? Were you right?
- ☐ Note the Delta-vs-outcome relationship (did Delta sign "lie"?).
- ☐ Journal one screenshot per day with your read written underneath.

## Going deeper (beyond this manual)

- **Books:** *Mind Over Markets* & *Markets in Profile* (James Dalton) — auction theory done rigorously.
- **Tutorials:** search "Bookmap order flow" and "Jigsaw Trading DOM basics" for hands-on DOM/footprint reading.
- **Platforms to practice on:** Sierra Chart or ATAS (market replay), or a futures sim.

> **PRO TIP — THE 50-REP RULE**
>
> You don't "understand" absorption until you've watched it succeed *and* fail dozens of times in replay. Treat the first 50 zone-reactions as tuition. Log every one.

APPENDIX A

# Glossary

| Term | Definition |
|---|---|
| **Order flow** | Analyzing live buy/sell orders to see who controls price in real time. |
| **Order book / DOM** | The centralized list of all resting limit orders at each price (Depth of Market). |
| **Footprint chart** | A candle broken down to show buy & sell volume traded at every price inside it. |
| **Auction Market Theory** | The idea that markets are auctions where buyers and sellers discover fair value. |
| **Balance** | Agreement on fair value; low volatility; ranging/consolidation. |
| **Imbalance** | Disagreement on fair value; one side aggressive; a trending move. |
| **Fair value** | The price the market currently agrees an asset is worth. |
| **Market order** | Aggressive order that executes immediately at current price. |
| **Limit order** | Passive pending order that fills only when price reaches it. |
| **Aggressor** | Trader using market orders — wants in now, at any price. |
| **Passive trader** | Trader posting limit orders — waiting to be filled. |
| **Delta** | Buy volume minus sell volume. Positive = aggressive buying; negative = aggressive selling. *Not* the same as who wins the candle. |
| **Absorption** | Passive limit orders soaking up aggressive market orders, stalling/reversing price. |
| **Point of Control (POC)** | The price level with the most traded volume in a candle/profile. |
| **Point of interest** | A pre-marked decision area: supply zone, demand zone, order block, etc. |
| **Supply / Demand zone** | Price areas where sellers / buyers previously stepped in with force. |

APPENDIX B

# One-Page Cheat Sheet

Tear this out and keep it next to your charts.

### THE LOOP

Balance → new info → Imbalance (trend) → momentum fades → Balance → repeat. **Trade the imbalance legs.**

### THE 6-STEP WORKFLOW

1. Candlesticks first.
2. Higher-timeframe bias (bull / bear / range).
3. Mark supply & demand zones.
4. Wait for price to reach a zone.
5. Switch to footprint, drop timeframe.
6. Respect or break? Trade with the bias.

### AT THE ZONE — DECISION TABLE

| Footprint shows | Read |
|---|---|
| Limits absorb aggression; volume fades | **HOLD** → reversal |
| Aggression overwhelms limits | **BREAK** → continuation |

### NEVER FORGET

- Delta sign ≠ who won the candle.
- No zone = no trade. Structure before footprint.
- Footprint is a confluence, not a signal.
- Real order-flow data = centralized futures.

```
Demand holds when:   BUY volume > SELL volume  at the zone (absorption)
```

```
Supply holds when:   SELL volume > BUY volume  at the zone (absorption)
```

APPENDIX C

# Self-Test & Answer Key

Cover the answers. Write your response in the margin first.

**1. What single question does all order flow trading try to answer?**

> Who is in control of price right now — buyers or sellers.

**2. Why is order flow considered superior to RSI / moving averages?**

> It's real-time, not lagging — it reads actual orders instead of past candles.

**3. In Auction Market Theory, what are buyers and sellers always seeking?**

> Fair value of the asset.

**4. Define balance and imbalance, and say which one you want to trade.**

> Balance = agreement, ranging. Imbalance = disagreement, trending. Trade the imbalance legs.

**5. What extra information does a footprint show that a candle cannot?**

> Buy and sell volume traded at every individual price level inside the candle.

**6. What is Delta, and what is the dangerous assumption about it?**

> Buy volume − sell volume. Danger: assuming the Delta sign equals who won — a negative-Delta candle can still close bullish via absorption.

**7. Difference between a market order and a limit order? Which is the aggressor?**

> Market = executes now at any price (aggressor). Limit = pending, waits at a price (passive).

**8. Why did "John" use a market order instead of a limit order?**

> He had time-sensitive info and needed to fill millions immediately, before the news — creating an imbalance.

**9. What is absorption, and what does it signal at a zone?**

> Passive limit orders eating aggressive market orders. At a zone it signals the zone may hold and price reverse.

**10. Why should you never open the footprint chart first?**

> Without higher-timeframe structure and marked zones, the numbers are unreadable noise. Context first, footprint at the decision point.

**11. Where does the cleanest real order-flow data come from, and why not spot forex?**

> Centralized futures (CME). Spot forex has no single centralized order book.

**12. Complete the sentence: "Footprint charts are an additional ____, not a ____."**

> …additional **confluence**, not a **holy grail / standalone signal**.

APPENDIX D

# Trade Journal & Zone Log

Print extra copies of this page. Log every zone-reaction — wins and losses both count as tuition. Aim for 50 reps before you judge your read.

| Field | Entry |
|---|---|
| **Date / Time** | |
| **Market / Instrument** | |
| **HTF bias** | ☐ Bullish ☐ Bearish ☐ Range |
| **Zone type** | ☐ Demand ☐ Supply ☐ Order block ☐ Other: _____ |
| **Zone price** | |
| **Delta at zone** | ☐ Positive ☐ Negative Value: _____ |
| **Buy vs Sell vol** | Buy: _____ Sell: _____ |
| **My read** | ☐ Absorption (HOLD → reverse) ☐ Overwhelm (BREAK → continue) |
| **Did Delta "lie"?** | ☐ Yes ☐ No (sign vs. actual outcome) |
| **Action taken** | ☐ Long ☐ Short ☐ No trade (waited) |
| **Outcome** | ☐ Win ☐ Loss ☐ Breakeven R: _____ |
| **What I learned** | |

**REVIEW PROMPT (WEEKLY)**

Of the zones I read as "absorption," how many actually held? Of the "breaks," how many actually continued? Where is my read weakest — demand or supply? Big timeframe or small?

END OF MANUAL

*"Liquidity doesn't lie. Numbers can't lie."*

Study companion compiled for personal use from
"How to Master Order Flow Trading (Ultimate In-Depth Guide)."
Concepts summarized for education — not financial advice.