Volume Profile — Quick Reference

THE ONE IDEA

Normal volume = *how much & when*. Volume profile = **at what price** it traded — revealing where big money positioned, where value lives, and where price vacuums through.

The 3 Database Levels

Draw **Fixed Range VP** from swing low → swing high. Enable VAH/VAL.

Level	Meaning
VAH	Value Area High — above = "expensive."
POC	Most volume — the magnet.
VAL	Value Area Low — below = "cheap."

70% of all volume sits between VAH and VAL.

Nodes

Node	Price behavior
HVN	Balance → consolidate.
LVN	Imbalance → spike through (vacuum).

Diagnose State FIRST

State	Playbook
Balance (D-shape, ranging)	**A — Mean Reversion**
Trap (P/b on thin volume)	**B — Vacuum / Trap**

Profile Shapes

Shape	Story (not destiny)
P	Fat top — bullish, or covering trap → drop.
b	Fat bottom — bearish, or trap → pop.
D	Bell / balanced — best for reversion.

The One Question

Is smart money on **offense** (entering, HVNs throughout → continue) or **defense** (covering, thin LVN → trap/fail)?

Playbook A — Mean Reversion (balanced market)

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Below VAL = cheap → BUY toward POC  |  Above VAH = expensive → SELL toward POC
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Higher TF (e.g. weekly) for strong levels. Wait for the reclaim/rejection. Partial at POC, full at the opposite edge. Confluence with a demand/supply zone = textbook.

Playbook B — Vacuum / Trap (1·2·3)

1. **Spot the shape** — P/b with a narrow consolidation & thin LVN to vacuum through.
2. **Read the cause** — scenario: (1) end-of-day covering, (2) news/event with no value built, (3) overnight unwind cleaned up at the 9:30 open.
3. **A+ entry** — scenario + **POC fails**: enter on the POC rejection, **stop** just past POC, **target** end of the LVN, **trail** under/over each candle.

NEVER FORGET

- Diagnose state first — the two playbooks contradict if mixed up.
- Shapes aren't destiny — read the cause (entering vs covering). Ask "who is wrong?"
- Anchor the profile to a real swing. Wait for the level. Patience is the edge.
- TradingView = tick data; use ATAS / Sierra for real intraday volume.
- Hindsight %s are marketing — no strategy is 100% (a −1R then re-enter for +4R is normal).

Trade Journal — Profile Log

One row per level-reaction. Wins and losses both count as reps. Goal: 50 before judging your read.

#	Date	Mkt / TF	Shape (P/b/D)	State (Bal/Trap)	Off/Def	Level traded	Who's wrong?	Action	W/L	R
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										

WEEKLY REVIEW

Did I diagnose balance vs trap correctly? Did POC act as a magnet? Were my LVN "vacuum" reads accurate? Which playbook is actually my edge — and which should I drop for now?