

# BASIC DEFINITIONS FOR VOLUME ANALYSIS

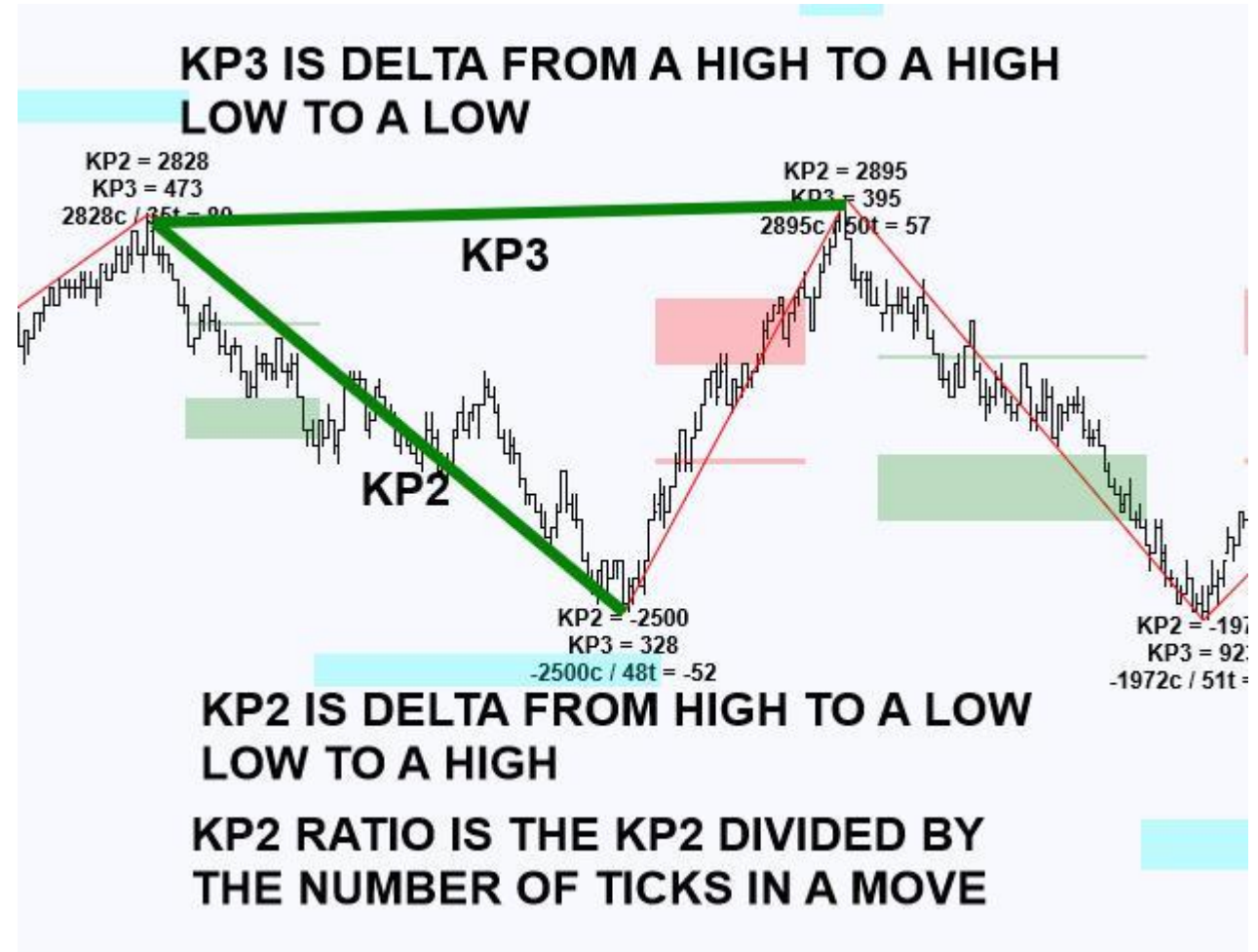
KP2 FROM HIGH TO LOW WAS -2500 CONTRACTS  
KP3 FROM HIGH TO A HIGH WAS 395 CONTRACTS  
KP2 RATIO FROM HIGH TO LOW WAS -52

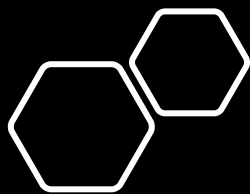
THE KP2 RATIO IS THE STRENGTH AT WHICH BUYERS OR SELLERS ARE PROVIDING SUPPORT OR RESISTANCE IN THE FORM OF LIMIT ORDERS.

A HIGHER POSITIVE NUMBER INDICATES  
LIMIT ORDER RESISTANCE

A HIGHER NEGATIVE NUMBER INDICATES  
LIMIT ORDER SUPPORT

THERE IS NO "MAGIC NUMBER" TO INDICATE SUPPORT OR RESISTANCE. YOU SHOULD REFERENCE PAST VALUES TO DETERMINE A CURRENT MOVES RELATIVE STRENGTH





# CHART SETUP ES – VOLUME ANALYSIS

- YOUR DATA SERIES MUST HAVE TICK REPLAY ENABLED FOR ANY DIVERGENCE INDICATOR TO WORK
- THE CHART HAS THE DIVERGENCE INDICATOR, KP2 RATIO, KP2, AND THE ZONES (ZIGZAG\_ZTP)



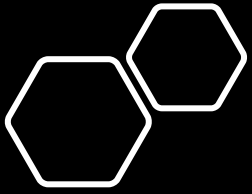
Data Series

- Price based on: Last
- Type: Tick
- Value: 300
- Tick Replay:

Time frame

Configured

- ZtpDeltaDivergence(ES 03-21 (300 Tick), 1, Points, 3.5, 3)
- ZtpDD\_KP2ratio(ES 03-21 (300 Tick), 1, Points, 3.5, 3)
- ZtpDD\_KP23(ES 03-21 (300 Tick), 1, Points, 3.5, 3)
- ZigZag\_ZTP



# CHART SETUP SPY – VOLUME ANALYSIS

- YOUR DATA SERIES MUST HAVE TICK REPLAY ENABLED FOR ANY DIVERGENCE INDICATOR TO WORK
- THE CHART HAS THE DIVERGENCE INDICATOR, KP2 RATIO, KP2, AND THE ZONES (ZIGZAG\_ZTP)



▼ Data Series	
Price based on	Last ▼
Type	Tick ▼
Value	65
Tick Replay	▼
▼ Time frame	
Load data based on	Days ▼
Days to load	2
End date	01/22/2021 ▼
Trading hours	US Equities ETH ▼
Break at EOD	▼

# INDICATOR SETUP – DIVERGENCE INDICATOR ES

THE IMPORTANT PARAMETERES ARE FIRST TO CHOOSE ANY FILTERS.

ZoneTraderPro CAN FILTER FOR THE SIZE OF THE ORDER.

TO FILTER FOR ORDER SIZE, PUT IN THE FILTERS YOU WANT, AND CHECK RECONSTRUCT TAPE.

**YOUR DATA SOURCE MUST HAVE TICK REPLAY ENABLED FOR ANY DIVERGENCE INDICATOR TO WORK**

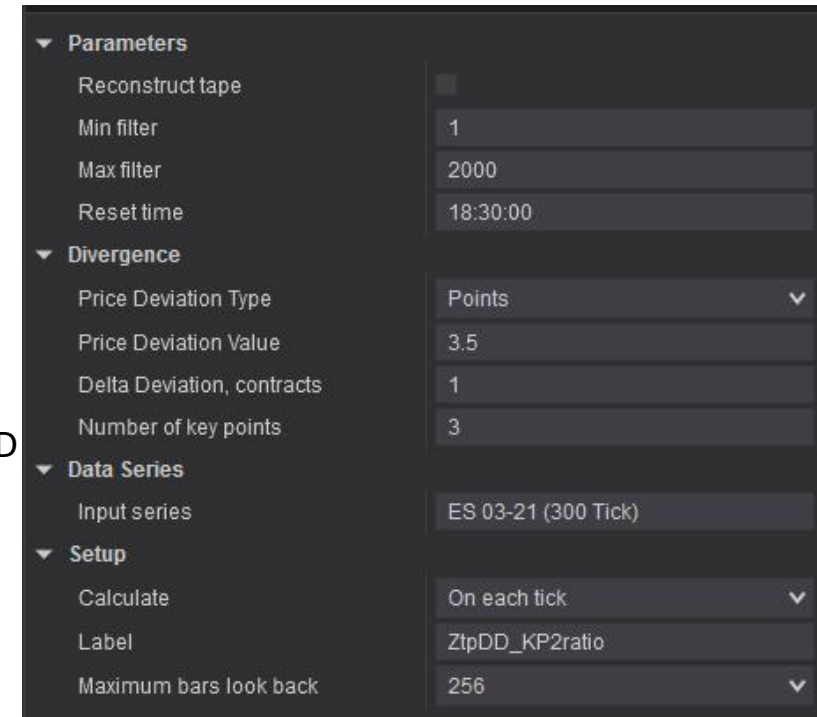
UNDER THE DIVERGENCE TAB, BOTH THE SHOW AND ACCUMULATION/DISTRIBUTION **MUST BE CHECKED**

THE MOST COMMON DEVIATION TYPE IS PRICE. THIS EXAMPLE IS SETUP FOR 3.5 POINT ZIGZAG.

DELTA DEVIATION = 1 SETS A MINIMUM NUMBER OF CONTRACTS

TO HAVE A DIVERGENCE SIGNAL  
SET NUMBER OF KEY POINTS TO 3

CHECK THE BOX FOR SHOW KEY POINTS DELTA TO SEE THE REALTIME LIVE NUMBERS UPDATE ON THE CHART



# INDICATOR SETUP – DIVERGENCE INDICATOR SPY

THE IMPORTANT PARAMETERES ARE FIRST TO CHOOSE ANY FILTERS.

ZoneTraderPro CAN FILTER FOR THE SIZE OF THE ORDER. TO FILTER FOR ORDER SIZE, PUT IN THE FILTERS YOU WANT, AND CHECK RECONSTRUCT TAPE.

**YOUR DATA SOURCE MUST HAVE TICK REPLAY ENABLED FOR ANY DIVERGENCE INDICATOR TO WORK**

UNDER THE DIVERGENCE TAB, BOTH THE SHOW AND ACCUMULATION/DISTRIBUTION **MUST BE CHECKED**

THE MOST COMMON DEVIATION TYPE IS PRICE. THIS EXAMPLE IS SETUP FOR .35 POINT ZIGZAG FOR SPY AND INCLUDES CLASSIFICATION SETTINGS.

DELTA DEVIATION = 1 SETS A MINIMUM NUMBER OF CONTRACTS TO HAVE A DIVERGENCE SIGNAL

SET NUMBER OF KEY POINTS TO 3

CHECK THE BOX FOR SHOW KEY POINTS DELTA TO SEE THE REALTIME LIVE NUMBERS UPDATE ON THE CHART

The screenshot shows the settings for the Divergence Indicator. The settings are organized into sections: Parameters, Divergence, and Key points info. The Parameters section includes options for Reconstruct tape, Min filter (1), Max filter (100000), and Reset time (18:00:00). The Divergence section includes Show (checked), Accumulation/Distribution (checked), Price Deviation Type (Points), Price Deviation Value (0.35), Delta Deviation, contracts (100), Number of key points (3), Show ZigZag (unchecked), ZigZag plots (Solid, 1px), Show price plots (checked), and Show key points delta (checked). The Key points info section includes Key points info (Arial, 15px), Price plots BEARISH (Solid, 7px), Price plots BULLISH (Solid, 7px), Show markers for criterias (checked), Divergence Color (Yellow), KP2 Ratio (1500), KP2 Ratio Color (Black), KP3 Value (40000), KP3 Positive Color (Green), KP3 Negative Color (Red), KP2 Value (20000), KP2 Positive Color (Green), KP2 Negative Color (Red), Marker width, bars (2), and Marker height, ticks (5).

Section	Parameter	Value
Parameters	Reconstruct tape	<input type="checkbox"/>
	Min filter	1
	Max filter	100000
	Reset time	18:00:00
Positive delta	Color	Solid, 5px
	Negative delta	Solid, 5px
Divergence	Show	<input checked="" type="checkbox"/>
	Accumulation/Distribution	<input checked="" type="checkbox"/>
	Price Deviation Type	Points
	Price Deviation Value	0.35
	Delta Deviation, contracts	100
	Number of key points	3
	Show ZigZag	<input type="checkbox"/>
	ZigZag plots	Solid, 1px
	Show price plots	<input checked="" type="checkbox"/>
	Show key points delta	<input checked="" type="checkbox"/>
	Key points info	Arial, 15px
	Price plots BEARISH	Solid, 7px
	Price plots BULLISH	Solid, 7px
	Show markers for criterias	<input checked="" type="checkbox"/>



# INDICATOR SETUP – KP2 AND KP2 RATIO INDICATOR

THE IMPORTANT PARAMETERES ARE FIRST TO CHOOSE ANY FILTERS.  
ZoneTraderPro CAN FILTER FOR THE SIZE OF THE ORDER.  
TO FILTER FOR ORDER SIZE, PUT IN THE FILTERS YOU WANT,  
AND CHECK RECONSTRUCT TAPE.

**YOUR DATA SOURCE MUST HAVE  
TICK REPLAY ENABLED FOR ANY DIVERGENCE INDICATOR TO WORK**

THE MOST COMMON DEVIATION TYPE IS PRICE. THIS EXAMPLE IS

SETUP FOR 3.5 POINT ZIGZAG.

THIS WOULD BE .35 FOR A .35 CENT ZIGZAG ON A SPY CHART

ADJUST MAX FILTER HIGHER FOR SPY TO 200000 OR HIGHER

DELTA DEVIATION = 1 SETS A MINIMUM NUMBER OF CONTRACTS

TO HAVE A DIVERGENCE SIGNAL

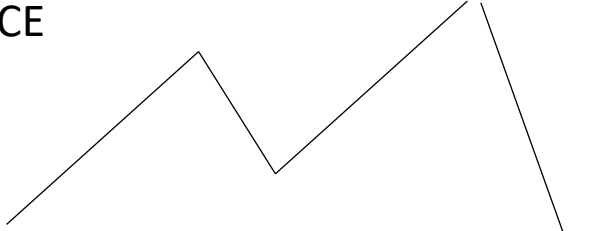
SET NUMBER OF KEY POINTS TO 3

The screenshot shows the configuration panel for the KP2 and KP2 Ratio Indicator. It is organized into several sections:

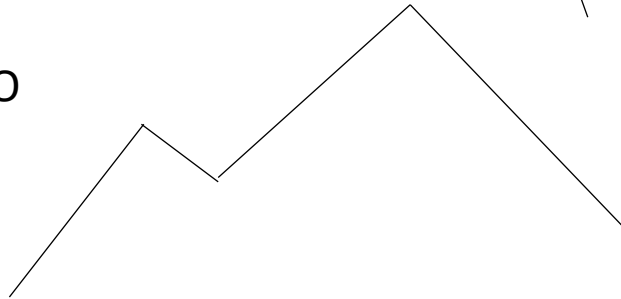
- Parameters:**
  - Reconstruct tape:
  - Min filter: 1
  - Max filter: 2000
  - Reset time: 18:30:00
- Divergence:**
  - Price Deviation Type: Points (dropdown)
  - Price Deviation Value: 3.5
  - Delta Deviation, contracts: 1
  - Number of key points: 3
- Data Series:**
  - Input series: ES 03-21 (300 Tick)
- Setup:**
  - Calculate: On each tick (dropdown)
  - Label: ZtpDD\_KP2ratio
  - Maximum bars look back: 256 (dropdown)

# PRICE AND RATIO RESPOND IN SYNC

PRICE



RATIO



PRICE AND RATIO RESPOND TOGETHER

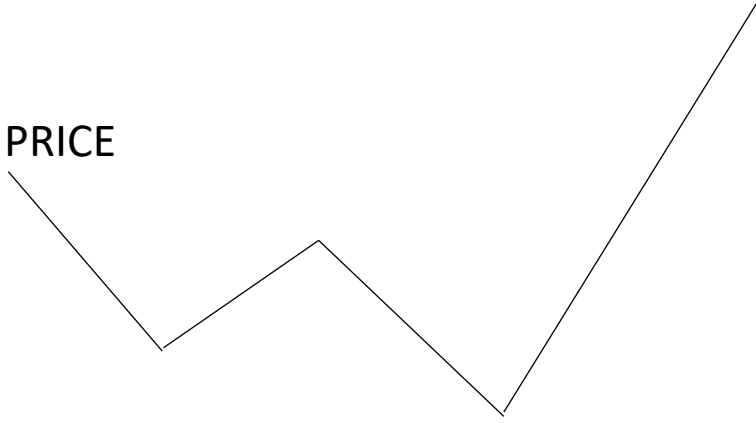
INCREASING RATIO INDICATES INCREASING SUPPORT OR RESISTANCE

NOTE THE 8 POINT INCREASE IN PRICE WHEN RATIO IS FLAT – NO INCREASING RESISTANCE

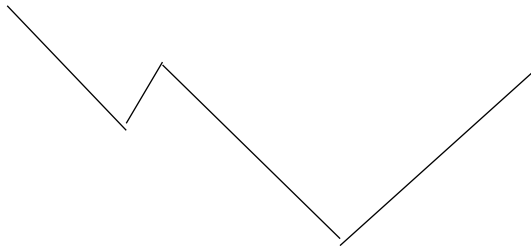


# PRICE AND RATIO RESPOND IN SYNC

PRICE



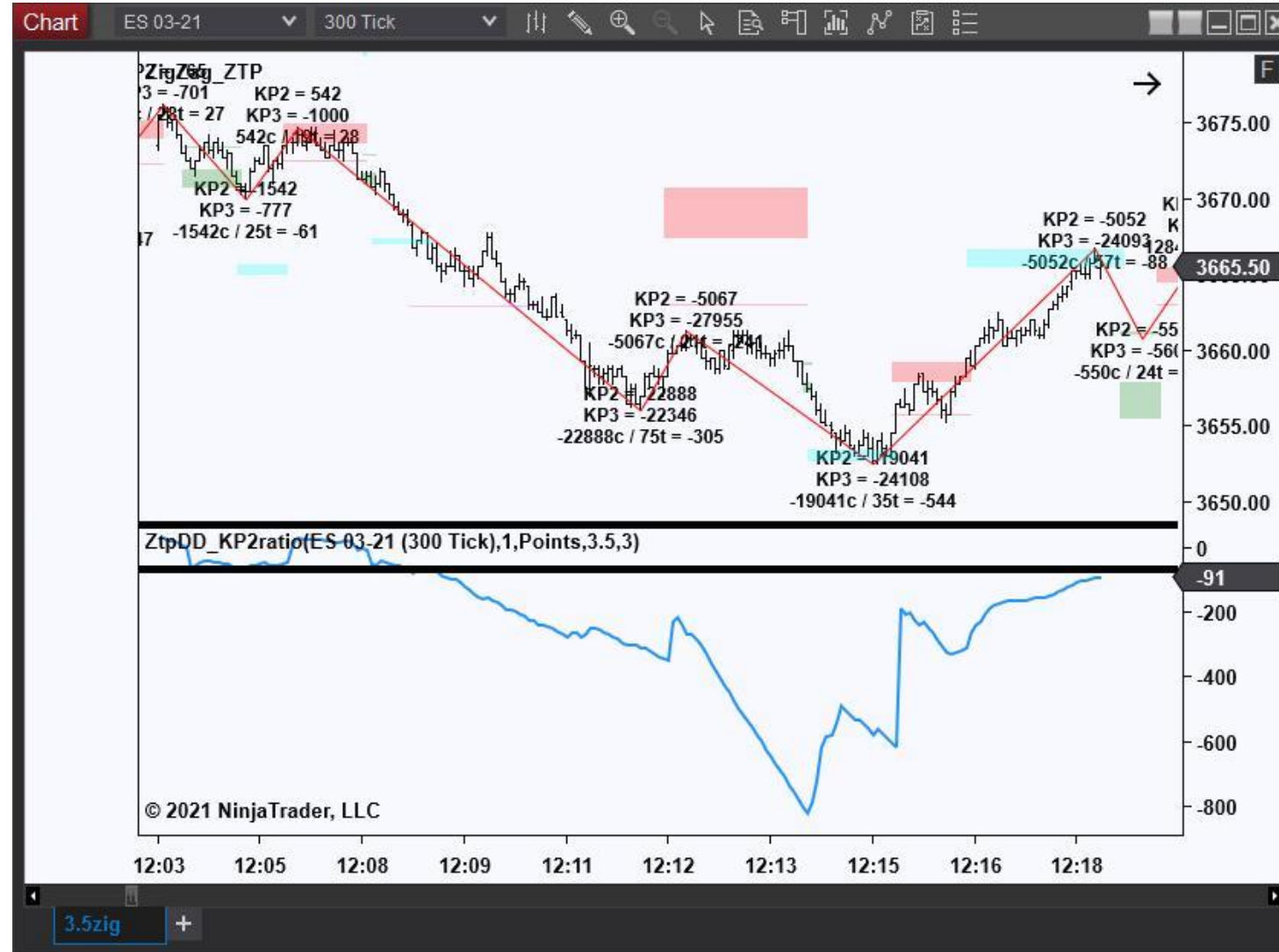
RATIO



PRICE AND RATIO RESPOND TOGETHER

INCREASING RATIO INDICATES INCREASING SUPPORT

SETUP OCCURRED 1/4/21 WITH A 120 POINT DROP FROM THE OPEN. OVER 40,000 CONTRACTS ABSORBED AT THE LOWS. PRICE ROSE 48 POINTS

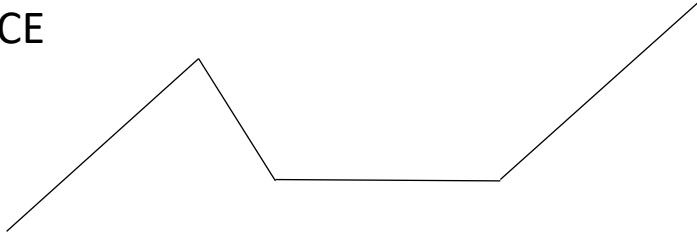


NEVER RECALL SEEING KP2 RATIO AS HIGH AS -544 AND -305 IS CONSIDERED RARE

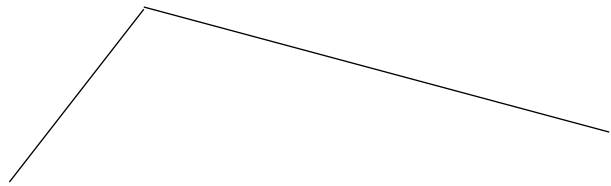


# PRICE AND RATIO NOT IN SYNC - ES

PRICE



RATIO



PRICE IS SIDEWAYS – RATIO IS INCREASING (BASED UPON ABSOLUTE VALUE)

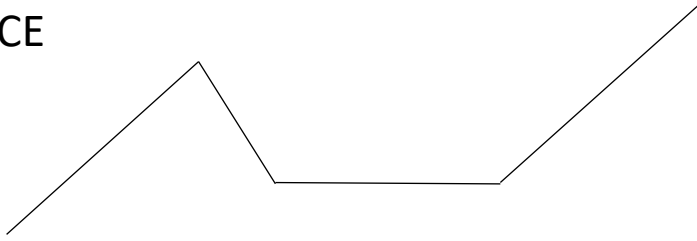
INCREASING RATIO INDICATES INCREASING LIMIT ORDER SUPPORT

NOTE THE INCREASING RATIO STARTING AT 1315

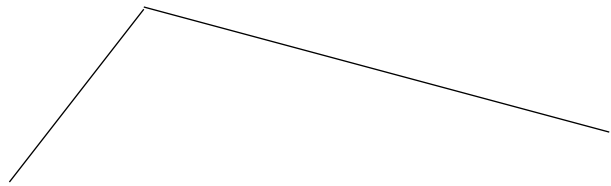


# PRICE AND RATIO NOT IN SYNC - SPY

PRICE



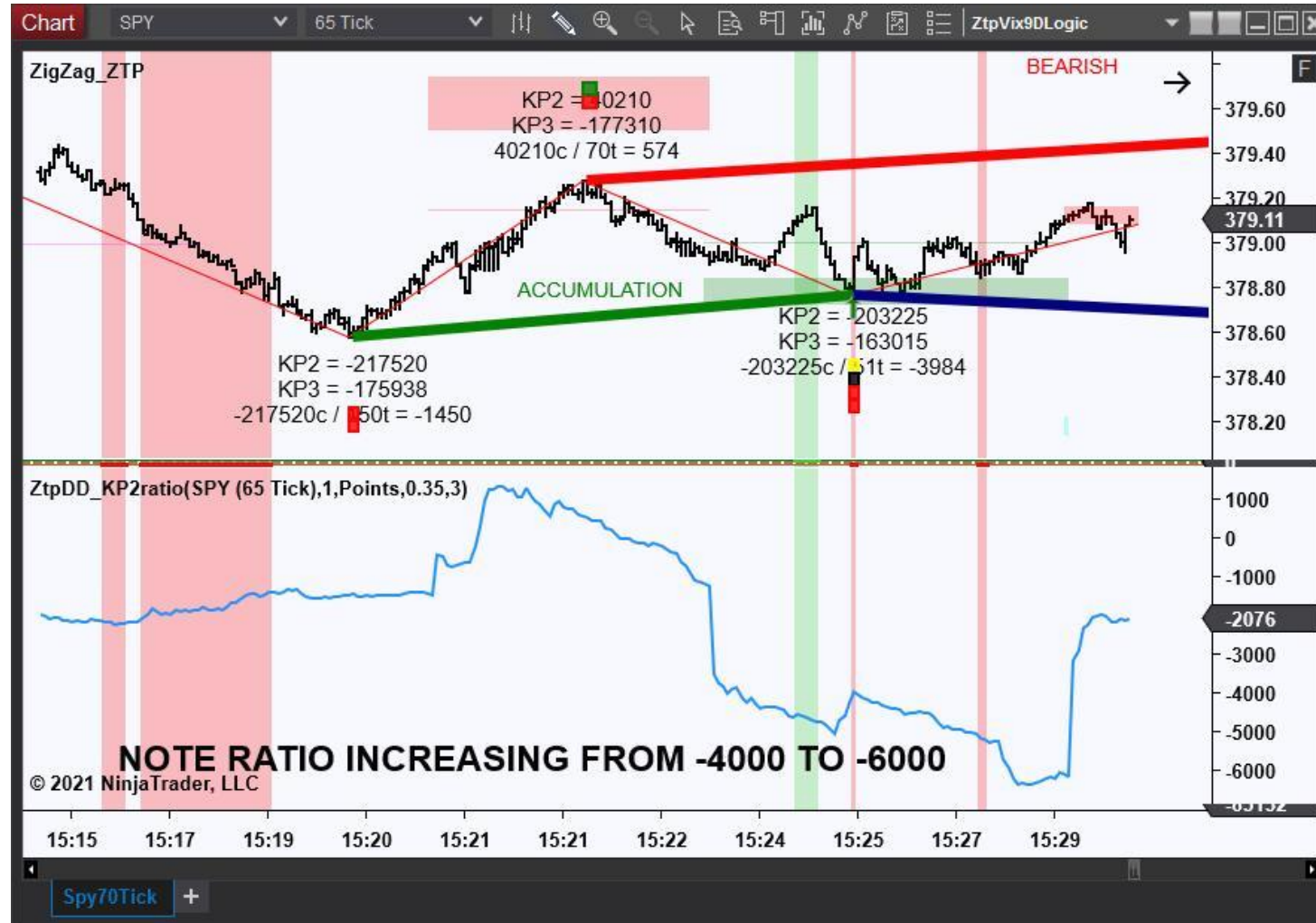
RATIO



PRICE IS SIDEWAYS – RATIO IS INCREASING (BASED UPON ABSOLUTE VALUE)

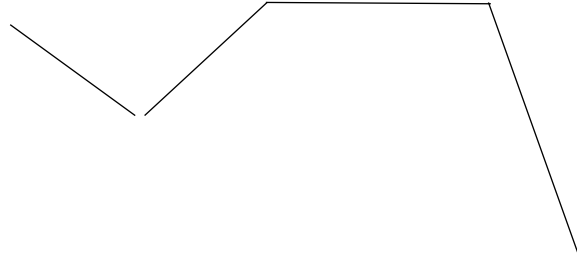
INCREASING RATIO INDICATES INCREASING LIMIT ORDER SUPPORT

COMPARE THE PREVIOUS VALUE (-1450) TO CURRENT VALUE (>-6000)

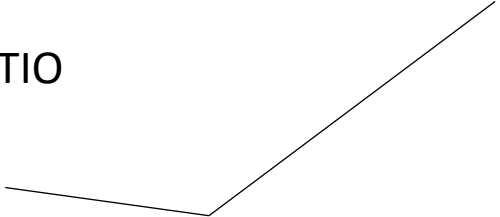


# PRICE AND RATIO NOT IN SYNC - ES

PRICE



RATIO



PRICE IS SIDEWAYS – RATIO IS INCREASING (BASED UPON ABSOLUTE VALUE)

INCREASING RATIO INDICATES INCREASING LIMIT ORDER RESISTANCE

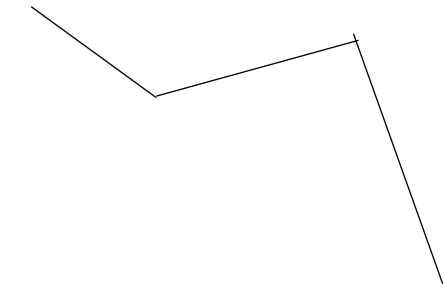
NOTE THE INCREASING RATIO STARTING AFTER 0949  
NO INCREASING SUPPORT AT 1003 – PRICE FALLS

COMPARE CURRENT RESISTANCE TO PREVIOUS

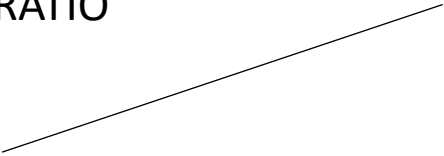


# STRONG TRENDS - ES

PRICE



RATIO



PRICE IS DOWN – RATIO IS INCREASING (BASED UPON ABSOLUTE VALUE)

INCREASING RATIO INDICATES INCREASING LIMIT ORDER RESISTANCE

NOTE THE INCREASING RATIO STARTING AFTER 0949  
NO INCREASING SUPPORT AT 1003 – PRICE FALLS

COMPARE CURRENT RESISTANCE TO PREVIOUS

