Footprint Reading Checklist

Signal Pilot Education Hub

Footprint Chart Reading Checklist

From Lesson 16: Two Identical Candles, Opposite Outcomes

Use this guide to read footprint charts and see WHO is winning the battle at each price level.

🎯 What is a Footprint Chart?

Footprint = Shows buy vs. sell volume at EACH price level within a candle.

Why it matters:
- Two candles can look identical on price chart
- But footprint reveals completely different order flow
- One shows buying strength → continuation
- Other shows selling absorption → potential reversal

The edge: You see what retail can't.

📊 Footprint Chart Basics

What You See:

Each candle shows:

- Price levels (rows)

- Buy volume (green, typically on right)

- Sell volume (red, typically on left)

- Delta (Buy volume - Sell volume)

Example:

```
Price  | Sell | Buy  | Delta
102.50 |  500 | 1200 | +700  (bullish)
102.25 |  800 |  600 | -200  (bearish)
102.00 | 2000 |  400 | -1600 (very bearish)
```

🔍 Step 1: Identify Key Levels

High Volume Nodes (Where the Battle Happened):

- [ ] **Find price levels with highest volume**

- Large numbers on both buy and sell side

- This is where institutions traded

- [ ] **Check delta at these levels**

- Positive delta = buyers won

- Negative delta = sellers won

- Large delta = decisive victory

Point of Control (POC):

  - [ ] **The price with most volume in the candle**

  - This is "fair value" for that period

  - Price tends to return to POC

  - Break above/below POC = directional move

📋 Step 2: Read Order Flow Patterns

Pattern 1: Buying Strength (Bullish)

What to Look For:

- [ ] Delta increasing as price rises
- [ ] Large buy volume at highs
- [ ] Minimal selling pressure at resistance
- [ ] Buyers lifting offers aggressively

Candle High:

```
103.00 | 200  | 1500 | +1300  ← Strong buying
102.75 | 400  | 1200 | +800
102.50 | 600  | 1000 | +400
102.25 | 800  |  800 | 0
102.00 | 1000 |  500 | -500
```

Translation: Buyers got stronger as price rose. Continuation likely.

Trade: Long continuation, targeting higher prices

Pattern 2: Selling Strength (Bearish)

What to Look For:

- [ ] Delta decreasing (more negative) as price falls

- [ ] Large sell volume at lows

- [ ] Minimal buying at support

- [ ] Sellers hitting bids aggressively

Candle Low:

```
100.00 | 1500 | 200  | -1300  ← Strong selling
100.25 | 1200 | 400  | -800
100.50 | 1000 | 600  | -400
100.75 |  800 | 800  | 0
101.00 |  500 | 1000 | +500
```

Translation: Sellers got stronger as price fell. Continuation down likely.

Trade: Short continuation, targeting lower prices

Pattern 3: Absorption (Potential Reversal - Bullish)

What to Look For:

- [ ] Massive sell volume at a level

- [ ] Price holds (doesn't break down)

- [ ] Buyers absorbing all the selling

- [ ] Delta stays positive or neutral despite heavy selling

At Support:

```
98.00 | 5000 | 5200 | +200   ← ABSORPTION!
98.25 | 1000 | 1200 | +200
98.50 |  800 | 1000 | +200
```

```
98.75 |  400 |  600 | +200
99.00 |  200 |  400 | +200
```

Translation: Sellers threw everything at $98, buyers absorbed it all. Selling exhausted.

Trade: Long reversal from support

This is THE highest-probability footprint pattern (extremely reliable)

Pattern 4: Rejection (Potential Reversal - Bearish)

What to Look For:
- [ ] Massive buy volume at resistance
- [ ] Price rejected (doesn't break out)
- [ ] Sellers absorbing all the buying
- [ ] Delta stays negative despite heavy buying

At Resistance:

```
102.00 | 5200 | 5000 | -200   ← REJECTION!
101.75 | 1200 | 1000 | -200
101.50 | 1000 |  800 | -200
101.25 |  600 |  400 | -200
101.00 |  400 |  200 | -200
```

Translation: Buyers tried to break $102, sellers absorbed everything. Buying exhausted.

Trade: Short reversal from resistance

Pattern 5: Iceberg Orders (Hidden Institutional Activity)

What to Look For:

- [ ] Same price level "refilling" with volume
- [ ] Large volume absorbed without price movement
- [ ] Continuous buying/selling at one price

Example:

```
Candle 1: 100.00 | 1000 | 3000 | +2000
Candle 2: 100.00 | 1500 | 3500 | +2000
Candle 3: 100.00 | 2000 | 4000 | +2000
```

Translation: Institution has hidden buy order at $100. Keeps absorbing selling. Very bullish.

Trade: Long with institution

🎯 Step 3: Footprint + Janus Confluence

The Power Setup:

Combine footprint with Janus Atlas for extreme edge:

Bullish Example:

- [ ] Janus marks sweep below support
- [ ] Footprint shows absorption at the low
- [ ] Price reclaims above support
- [ ] Delta reverses positive

Confluence Score: ⭐⭐⭐⭐⭐ (Extremely high accuracy when all align)

Bearish Example:

- [ ] Janus marks sweep above resistance
- [ ] Footprint shows rejection at the high
- [ ] Price fails back below resistance
- [ ] Delta reverses negative

Confluence Score: ⭐⭐⭐⭐⭐ (Extremely high accuracy)

📋 Footprint Pre-Trade Checklist

Setup Identification:

- [ ] Identified key level (support/resistance)
- [ ] Price approaching or testing level
- [ ] Footprint pattern forming (absorption/rejection/strength)

Footprint Analysis:

- [ ] Volume at level: High / Medium / Low
- [ ] Delta at level: +_ / -_
- [ ] Pattern type: Absorption / Rejection / Strength / Weakness
- [ ] POC location: Above / At / Below current price

Confluence Factors:

- [ ] Janus sweep signal present
- [ ] Plutus CVD indicating direction
- [ ] Dark pool activity supporting thesis
- [ ] Higher timeframe alignment

Entry Decision:

- [ ] Clear entry trigger defined
- [ ] Stop placement identified (beyond absorption zone)
- [ ] R:R minimum 2:1
- [ ] Confidence: High / Medium / Low

🚫 Common Footprint Mistakes

Mistake #1: Reading Single Price Level

❌ **Wrong:**

- "I see positive delta at $100, going long"

✅ **Correct:**

- "Positive delta at $100, but need to see if it continues as price rises"

Fix: Read the entire candle's footprint, not just one level

Mistake #2: Ignoring Volume Context

❌ **Wrong:**

- "Delta is +500, that's bullish"

✅ **Correct:**

- "Delta +500, but on 10K total volume vs. 100K average = weak signal"

Fix: Compare volume to average. Low volume delta = noise.

Mistake #3: Missing Absorption

❌ **Wrong:**

- "Huge selling at support, going short"

✅ **Correct:**

- "Huge selling at support, but price holding and buy delta absorbing = bullish"

Fix: Absorption (price holds despite heavy selling) = reversal signal

---

Mistake #4: Trading Mid-Range Footprints

❌ Wrong:

- Trading every footprint pattern seen

✅ Correct:

- Only trading footprint patterns at key levels (support/resistance)

Fix: Footprint most powerful at extremes, ignore mid-range

📊 Footprint Pattern Recognition Practice

Exercise 1: Identify the Pattern

Scenario:

Price at resistance ($105). Footprint shows:

```
105.00 | 3000 | 2800 | -200
104.75 | 1500 | 1300 | -200
104.50 | 1000 |  900 | -100
```

What pattern is this?
- A) Buying strength
- B) Selling strength
- C) Absorption
- D) Rejection

Answer: D) Rejection - Heavy buying but sellers absorbing, delta negative

Trade: Short the rejection

Exercise 2: Absorption vs. Breakthrough

Scenario A (Absorption):

```
Support $98:
98.00 | 4000 | 4200 | +200  ← Buyers absorbing
98.25 |  800 | 1000 | +200
Result: Potential reversal UP
```

Scenario B (Breakthrough):

```
Support $98:
98.00 | 4000 | 3500 | -500  ← Sellers overwhelming
97.75 | 3000 | 2000 | -1000 ← Accelerating down
Result: Support breaks, continuation DOWN
```

Key Difference:
- Absorption: Price holds, delta positive or neutral
- Breakthrough: Price breaks, delta heavily negative

🎓 Pro Tips

1. Volume Profile + Footprint = Complete Picture
- Volume profile shows WHERE volume is
- Footprint shows WHO (buyers/sellers) won at those levels

2. Footprint Works Best at Extremes
- Support/resistance tests
- New highs/lows
- Sweep zones marked by Janus
- Mid-range footprint = less reliable

3. Watch for Absorption Clusters
- 3-5 candles of absorption at same level = very strong

- Institution likely has large order
- Price unlikely to break through

4. Delta Divergence
- Price making new high, but delta decreasing = exhaustion
- Price making new low, but delta less negative = exhaustion
- Divergence = reversal signal

5. Time of Day Matters
- First 30 min: High volume, aggressive trading
- 10:30-11:30 AM: Lower volume, patterns more reliable
- Last 30 min: Volume spike, can produce false signals

📋 Footprint Trade Journal

Date: __ **Asset:** __

Level Tested: $__ (Support / Resistance)

Footprint Pattern:
- Type: Absorption / Rejection / Strength / Weakness
- Volume at level: _ (High / Medium / Low)
- Delta at level: +_ / -__
- Pattern confidence: High / Medium / Low

Confluence:
- [ ] Janus sweep present
- [ ] Plutus CVD indicating
- [ ] Dark pool activity aligned
- [ ] HTF support

Trade:
- Direction: Long / Short
- Entry: $_
- Stop: $_
- Target: $__

Result:
- Outcome: Win / Loss / Breakeven
- R-multiple: __
- Pattern accuracy: Validated / Failed

Lesson:

🎯 The Ultimate Footprint Setup

When All These Align (Highly Reliable Setup):

1. **Key level** (major support/resistance)

2. **Janus sweep** (liquidity grab)

3. **Footprint absorption** (5K+ volume absorbed)

4. **Plutus delta reversal** (CVD turning)

5. **Price reclaim** (back above/below level)

6. **HTF alignment** (trading with higher timeframe)

This is as close to "sure thing" as trading gets.

Master footprint reading. See what retail can't. Trade with precision.

© Signal Pilot Education Hub