

A little refresher course on Fair Value Gaps:

- Fair Value Gaps (FVG) are where you see price imbalance on one side of the market
- Fair Value Gaps are also known as 'price imbalance' or 'market inefficiency'
- Price only moves to seek liquidity. The market is always seeking to pair orders (buys and sells) in equal balance to achieve market efficiency (and because 'smart money' have SO MUCH MONEY to invest they need to place orders in every pip they can).

Market Efficiency – An equal balance of buyers and sellers on both sides of the market.



When you see lots of buyers and sellers together, there will be lots of overlap of candles (bodies or wicks) as in the picture above. This is 'Market Efficiency'.

Fair Value Gaps (FVG) occur when price moves away quickly from an order block.

They signify that the 'smart money' have their hand in the market.

How do you define a Fair Value Gap?

When you have an area of market inefficiency (a green candle with no opposing red candle or vice versa) and the candles on either side (including their wicks) do not close all the gaps.



Eventually the market makers will want to return to these inefficient market areas and fill them.

Note: This does not always happen immediately. On the larger timeframes (Daily+) this can actually take days, weeks, months or even years!

But on the intraday and scalping timeframes it is usually done much quicker.

The same rules apply to FVG's as with order blocks (they should hold the 50% level). You should see price react from the open to the 50% level of the FVG:



If price fills the whole fair value gap that usually means it was aiming for the order block above/below the FVG.



Fair Value Gaps

This indicator can assist you with the entry decisions on your trades. It is a custom indicator that has the ability to point out where price has pulled away quickly from an order block and left a market imbalance/inefficiency.

Indicator Features:

- Displays both bullish and bearish FVG's (Fair Value Gaps) on any timeframe
- Option to display only bullish or bearish FVG's
- Option to set a minimum size for highlighted FVG's
- FVG highlight lines change when a FVG has been mitigated
- Adjust how many candles to look back for FVG's
- Adjust the length of the FVG highlight lines
- Alert Delay - enter a number (of candles) from the highlighted FVG to delay the alert
- Alerts to Popup, Push & Email

Function Notes:

- Mitigated FVG's will highlight with a thicker line
- FVG highlight lines disappear from the chart completely when price moves all the way through them
- The (optional) on-chart 'look-back line' is selectable and draggable, allowing you to set the amount of candles that the indicator will look back to highlight FVG's (the "Look-back candle count" setting on the indicator input tab will determine the default amount of 'look-back candles' initially and when changing chart timeframes)
- Alerts trigger: once only & instantly on price touching the FVG dotted line
- Wicks **DO** count for the candle that touches the FVG line

Input Tab:

Variable	Value
=== FVG Settings ===	
Display_FVG_Option	Both
Minimum_FVG_Size_In_Points	5
Bullish FVG Zone Color	Lime
Bearish FVG Zone Color	Tomato
Fvg area length	0
Lines Style	Dot
Look-back candle count	160
Show lookback line	true
Look-back line color	Gold
=== Alert Settings ===	
Alert PopUp	No
Alert Email	No
Alert Push Notification	No
Alert delay (candle count)	0

Load Save

OK Cancel Reset

- **=== FVG Settings ===**
- **Display FVG Option – Allows you to display:**
 - Both Bullish and Bearish FVG's
 - Bullish FVG's only
 - Bearish FVG's only
 - Hide all FVG's
- **Minimum FVG size in Points** – Select a minimum size (in Points) to highlight a FVG (0 = all)
- **Bullish FVG Zone Color** – Select a color of your choice
- **Bearish FVG Zone Color** – Select a color of your choice
- **FVG Area length** – If set to 0 (zero) the FVG lines will extend all the way to the current candle. If any other number is used the fair value gap lines will extend that amount of candles to the right of the FVG

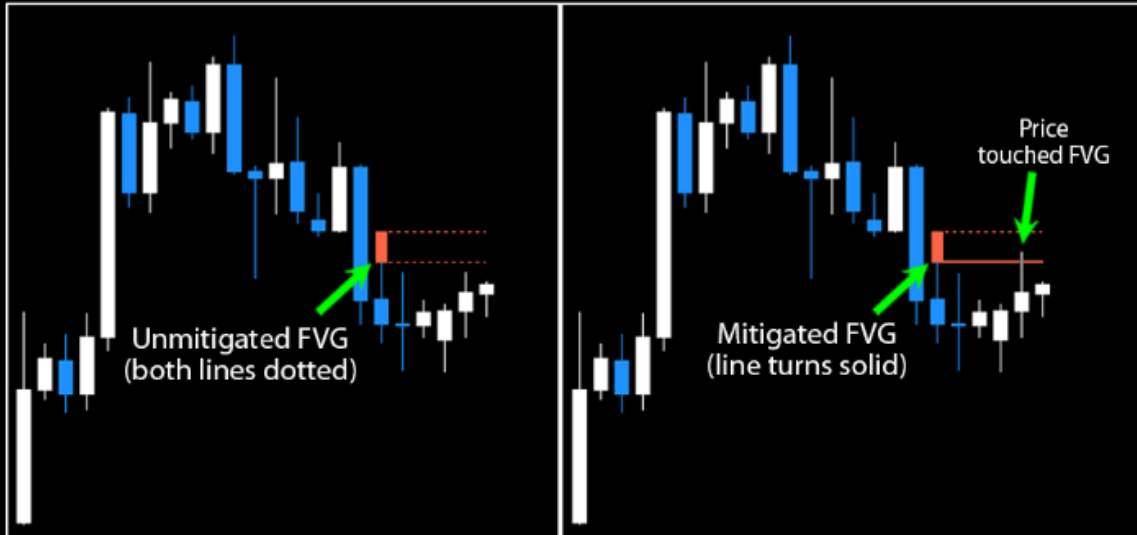
- **Lines Style** - Select the style of the FVG lines (solid, dot, etc)
- **Look-back Candle Count** - Set the amount of candles that the indicator will look back to highlight FVG's (from the current candle and back in time)
- **Show Look-back Line** – Select true or false to display the look-back line on the chart
- **Look-back Line Color** - Select the color of your choice
- **=== Alert Settings ===**
- **Alert Popup** - Alert will trigger the popup window and an alert sound
- **Alert Email** - Alert will trigger a message sent to your email address (if you have the 'email' notification activated in your MT4 Options)
- **Alert Push Notification** - Alert will trigger a message sent to your cell phone (if you have the 'push' notification activated in your MT4 Options)
- **Alert Delay (candle count)** – Enter a number (of candles) from the highlighted FVG to delay the alert (IE: if set to 3, the alert will not trigger if price touches the FVG in the first 3 candles after the FVG)

Display Options:

Option to display only bullish or bearish FVG's (or both):



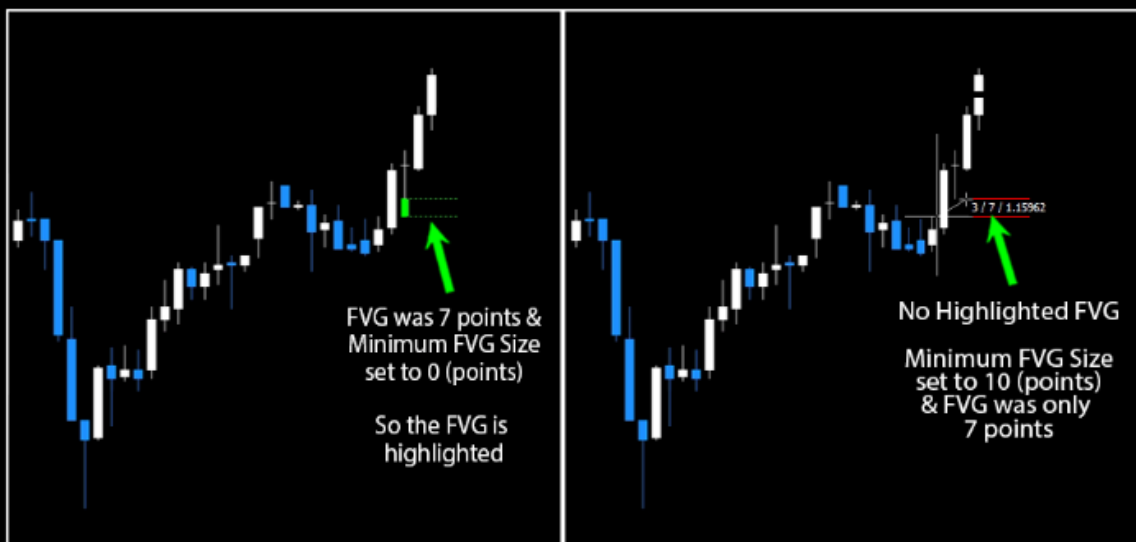
Mitigated FVG's will highlight with a thicker line when price touches the FVG:



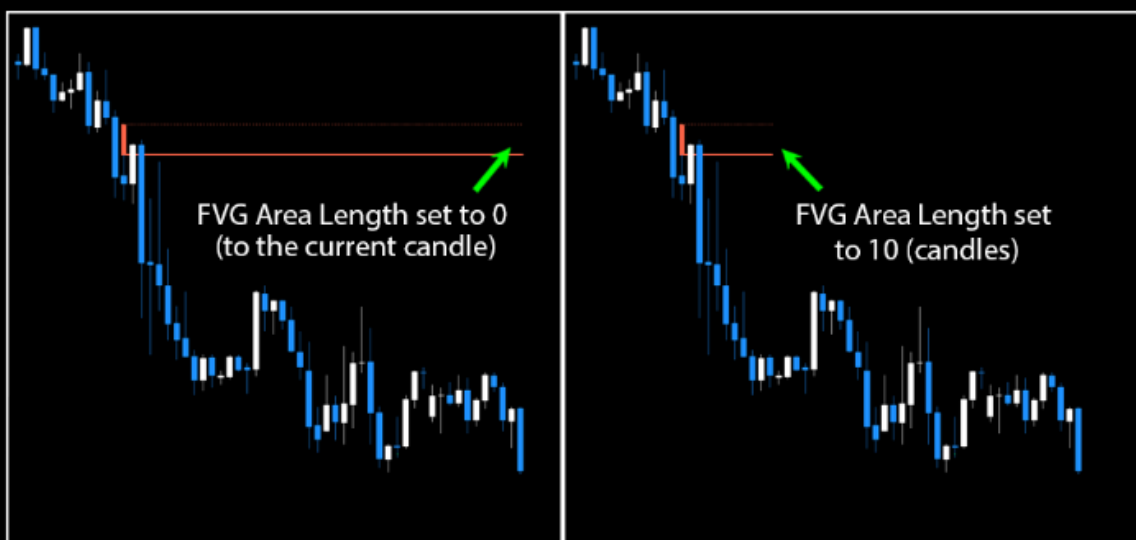
Highlighted FVG's disappear from the chart when price moves all the way through them:



Option to set a minimum size for highlighted FVG's. Select a minimum size (in Points) to highlight a FVG (0 = all):



Adjust the length of the FVG lines. If set to 0 (zero) the FVG lines will extend all the way to the current candle, if any other number is used the FVG lines will extend that amount of candles to the right of the FVG



Alert Delay – Enter a number (of candles) from the highlighted FVG to delay the alert.

IE: if set to 3, the alert will not trigger if price touches the fair value gap in the first 3 candles after the FVG:

