



opsec

@opsec\_crypto

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13:45

🔔 Educational Post!!!

### ◆ Fair Value Gaps -

- What are they?
- Why are they useful?
- What can they tell us?

📖 Understanding FVGs will take your trading skills to the next level, I encourage you to study and backtest this!

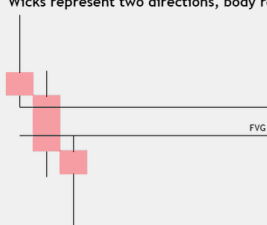
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The Fair Value Gap

To start, what exactly is a fair value gap?

A fair value gap is when in a series of three candles, there is only price action to one direction.

Wicks represent two directions, body represents one.



Ok... But what exactly does it mean?  
Fair Value Gaps are formed when there is a strong move in either direction. When price is reacting from a strong area, it will form fair value gaps. Why? Because price did not have to constantly mitigate in order to move, buyers/sellers in that area were aggressive enough to move price.

Ok, what does this mean for us though?  
Usually, when there's a move this strong, it creates a discrepancy in fair value, other sellers did not get the chance to enter on the move, and this is why these areas are so strong, because when price moves back into a fair value gap, it's basically balancing itself and allowing more people to get into the market. This is why fair value gaps are sort of a liquidity pool, the algorithm will work to deliver to certain fair value gaps, and if you're able to recognize them, you can become a very profitable trader. However, I will not be teaching you how to do that, but I will be teaching you how you can use a fair value gap to your advantage, and to better your understanding of the market.

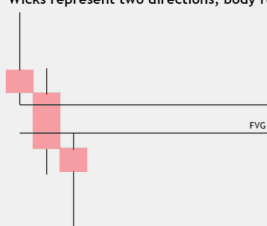
In this post, I will be teaching you how to use fair value gaps to identify strong/weak moves, targets for liquidity, and to identify good points of interest.

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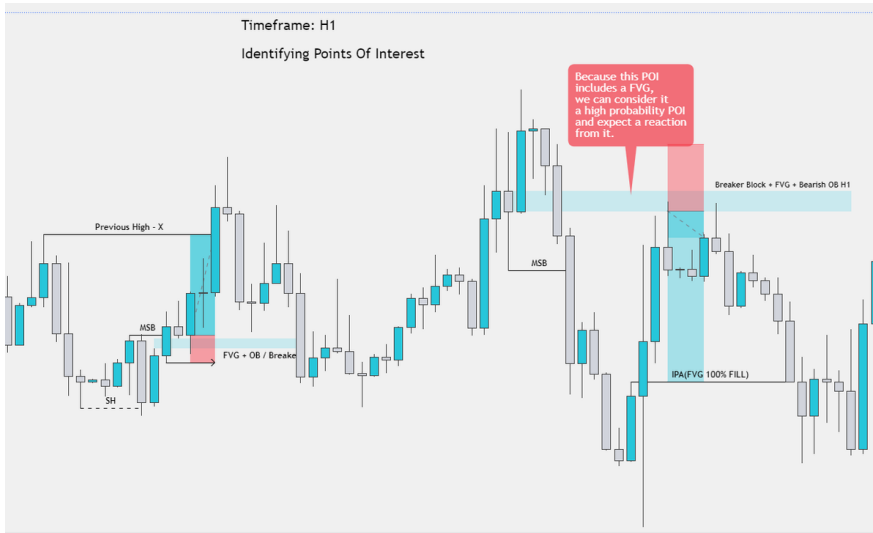
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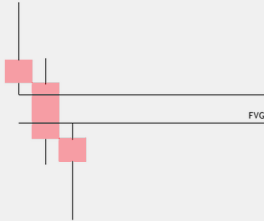


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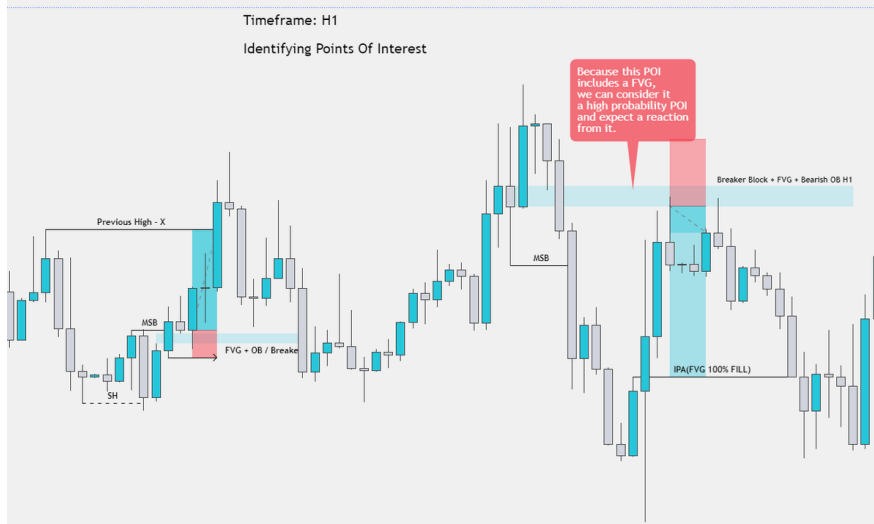
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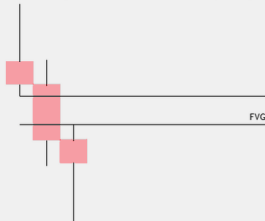


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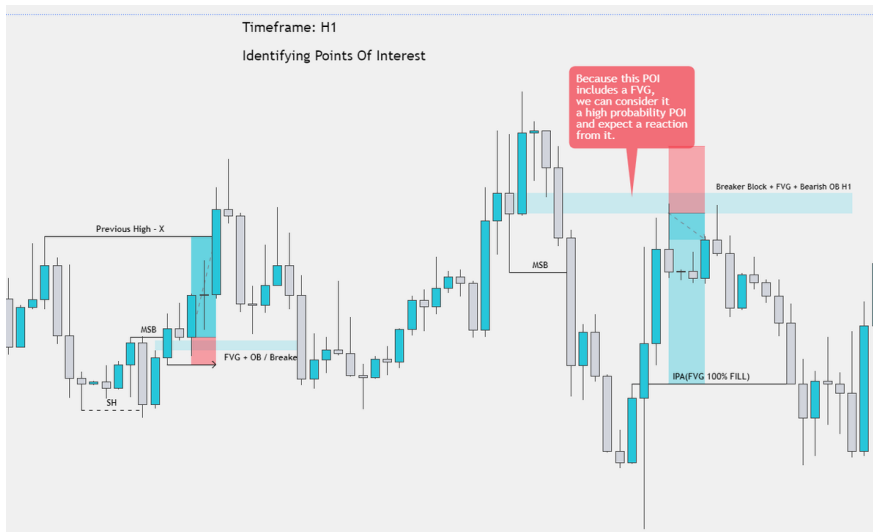
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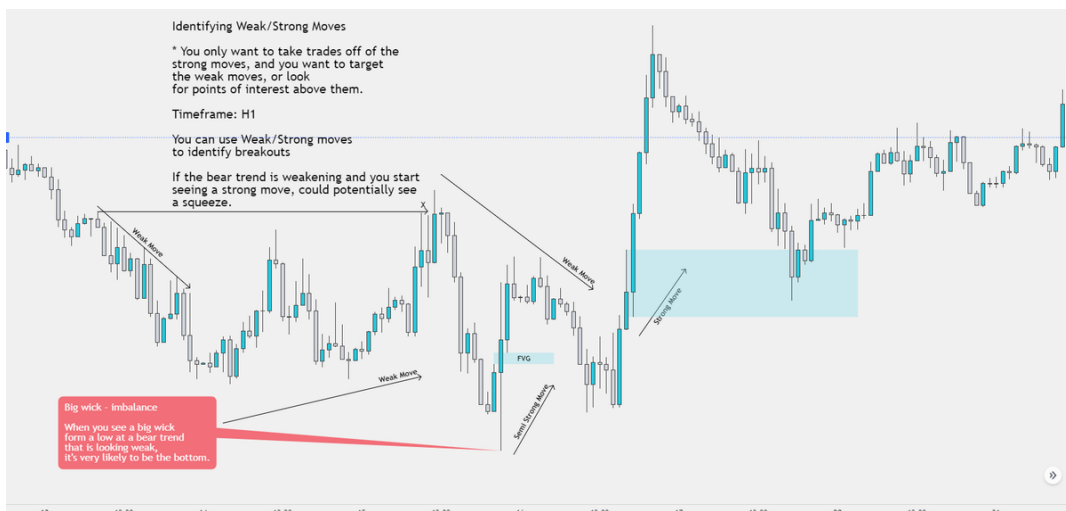
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