



# Delta Divergence Indicator

# What is the Delta Divergence?

- Unique Indicator focused on how buyers and sellers are entering the market at extremes.
  - Focused on imbalances in order flow at extreme prices.
- It is a reversal indicator - helps to define how much risk must be assumed.
- Takes an auction market theory principle and systematizes it.
  - Price auctions to a point and then draws in an opposite response.

# What is the Delta Divergence?

- Signals in real time, intrabar. Not a lagging indicator!
- Works on any time frame; not hard coded!
- Used on any instrument
- Can be used on multiple instruments at once.
- Add-on indicator for MarketDelta Professional edition or higher.

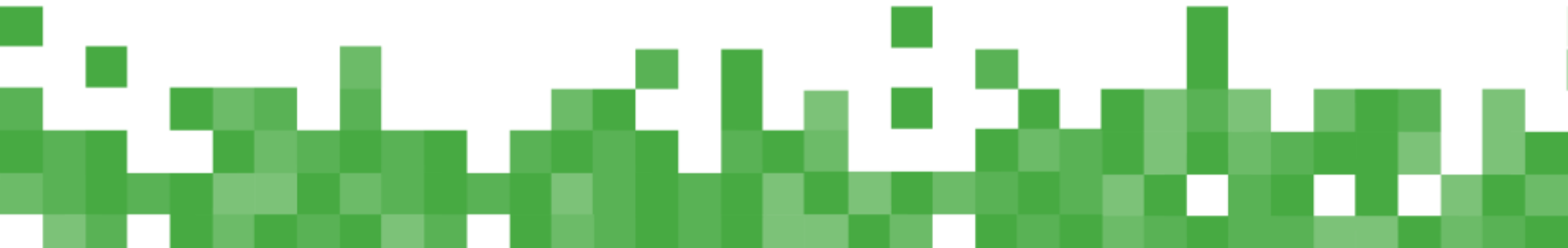
## Premise Behind Delta

- "Delta" is like volume, except it measures directionality of how the volume was transacted.
- Ideally delta should increase in direction of trend, just like volume.
  - Up trend - delta should become more positive
  - Down trend - delta should become more negative
- Reflects underlying market psychology
  - helpful to see when market psychology shifts; quantifiable.

# What The Indicator Looks For

- Divergences in price direction versus order flow
- At Highs - looks for aggressive selling
- At Lows - looks for aggressive buying

Aggressive buying and selling are defined by delta.



# Still Have Questions?

- Follow our [Blog](#) next week. Delta Divergence Week!
- Attend a Free Weekly Webinar (Monday's 3:15 CDT)
- Visit our [Video Library](http://www.marketdelta.com/Video_Library) ([www.marketdelta.com/Video\\_Library](http://www.marketdelta.com/Video_Library))
- Join the [MarketDelta Community](http://www.seeinsidethechart.com) ([www.seeinsidethechart.com](http://www.seeinsidethechart.com))
- Browse our [Knowledge Base](#)
- Contact Infinity for a [Free 30 Day Trial](#) of MarketDelta
- Price: \$399 from MarketDelta. Valid until 9/11/09 close of market. \$499 for TradeStation through [Tradethemarkets.com](http://Tradethemarkets.com).