# A Game-Changing Edge in Trading

CME Group

MARKET MINDS SUMMIT

BR
BELLVUE RUSH

WALL STREET GLOBAL
TRADING ACADEMY

DAS INC
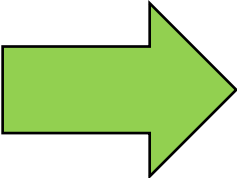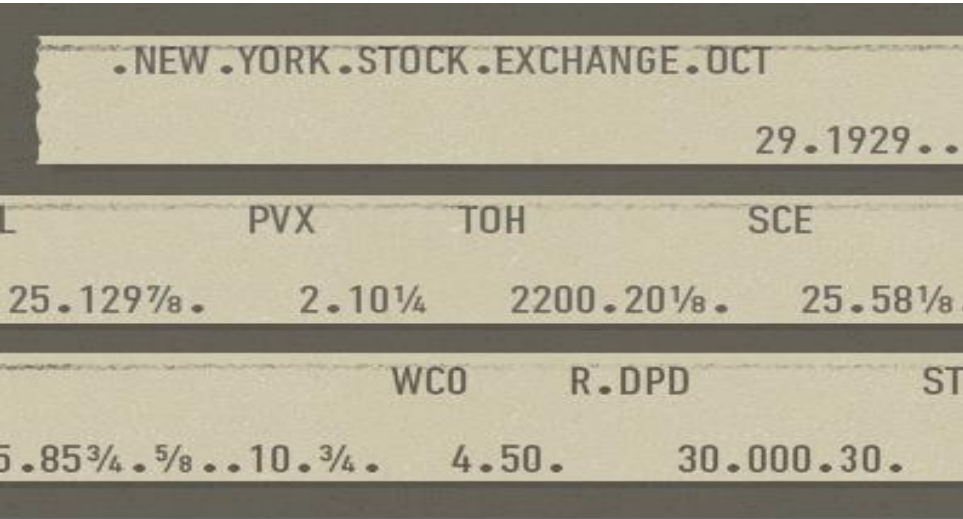Empowering Active Traders

Mondeum™

TRADING TERMINAL.com

PEAK CAPITAL
TRADING

TRADING TERMINAL.com

Presented by: Paras Jandwani

# Auction Market Theory
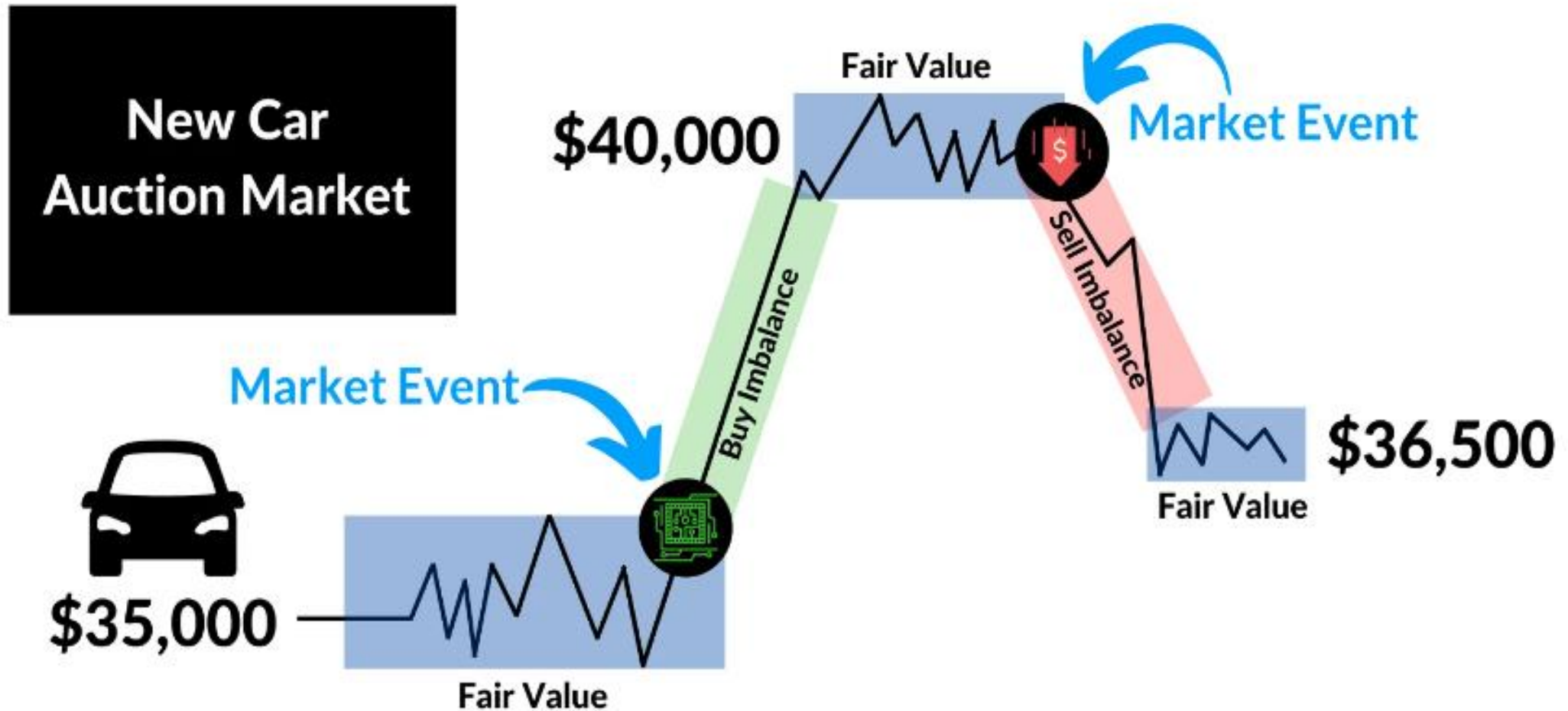
# Order Transactions – Past vs Present

**5 – Time and Sales Window** (Current Real-Time Status!)

Red Prints : Transactions at the Bid

Green Prints : Transactions at the Ask

White Prints: Transactions between the Bid and the Ask

Orange Prints : Transactions below the Bid

Blue Prints : Transactions above the Ask

# Montage (Level 2) / Box
## (Immediate Future Outlook!)

Immediate Bid

**MMID : Market Maker ID.** This shows what exchange the share are being offered on.

Bid Price

Bid Size (in lots)
Total shares = Bid Size lots x 100

Underlying Bids

Order Config Window

Volume

Spread

Immediate Ask/Offer

Ask/Offer Price

Ask Size (in lots)
Total shares = Ask Size lots x 100

Underlying Asks

---

AMZN | 85.25 -- 85.26 | Amazo...

| AMZN | 87.63 - 85.03 | PCL 87.86 | Q |
| Last 85.255 | -2.605 (-3%) | Vol 34,437,048 | |
| Lv1 85.25 | 85.26 | Bid-Ask Spread: 0.01 | S |

| MMID | BID | SIZE | MMID | ASK | SIZE |
|------|-----|------|------|-----|------|
| NSDQ | 85.25 | 3 | IEXG | 85.26 | 6 |
| ACB | 85.25 | 1 | BATS | 85.26 | 6 |
| MIAX | 85.25 | 1 | MEMX | 85.26 | 6 |
| BATS | 85.25 | 1 | ACB | 85.26 | 4 |
| NSDQ | 85.24 | 30 | NSDQ | 85.26 | 4 |
| MEMX | 85.24 | 3 | NYSE | 85.26 | 4 |
| PSX | 85.24 | 3 | IEX | 85.26 | 3 |
| ACB | 85.24 | 2 | EDGX | 85.26 | 2 |
| EDGX | 85.24 | 2 | MIAX | 85.26 | 2 |
| NSDQ | 85.23 | 4 | BYX | 85.26 | 1 |
| ACB | 85.23 | 3 | PSX | 85.26 | 1 |
| NYSE | 85.23 | 1 | ACB | | |
| ACB | 85.22 | 12 | NSDQ | 85.27 | 3 |
| NSDQ | 85.22 | 7 | NSDQ | 85.28 | 5 |
| NSDQ | 85.21 | 13 | ACB | 85.28 | 4 |
| ACB | 85.21 | 4 | NSDQ | 85.29 | 13 |
| ACB | 85.20 | 18 | ACB | 85.29 | 4 |
| NSDQ | 85.20 | 13 | NSDQ | 85.30 | 5 |
| NSDQ | 85.19 | 21 | NSDQ | 85.30 | 5 |
| ACB | 85.19 | 4 | NSDQ | 85.31 | 9 |
| NSDQ | 85.18 | 15 | ACB | 85.31 | 5 |
| ACB | 85.18 | 4 | EDGA | 85.31 | 1 |
| NSDQ | 85.17 | 11 | NSDQ | 85.32 | 8 |
| ACB | 85.17 | 4 | ACB | 85.32 | 3 |
| NSDQ | 85.16 | 12 | NSDQ | 85.33 | 4 |
| ACB | 85.16 | 5 | ACB | 85.33 | 4 |
| NSDQ | 85.15 | 33 | NQBX | 85.33 | 3 |
| ACB | 85.15 | 5 | NSDQ | 85.34 | 12 |
| NQBX | 85.15 | 3 | ACB | 85.34 | 4 |
| NSDQ | 85.14 | 5 | NSDQ | 85.35 | 3 |
| ACB | 85.14 | 3 | ACB | 85.35 | 2 |
| IEXG | 85.14 | 0 | ACB | 85.36 | 3 |
| ACB | 85.13 | 9 | NSDQ | 85.36 | 1 |
| NSDQ | 85.13 | 4 | ACB | 85.37 | 17 |
| CHX | 85.12 | 11 | CHX | 85.37 | 11 |
| ACB | 85.12 | 4 | NSDQ | 85.37 | 2 |
| NSDQ | 85.12 | 2 | NSDQ | 85.38 | 3 |
| NSDQ | 85.11 | 7 | ACB | 85.38 | 2 |
| ACB | 85.11 | 5 | NSDQ | 85.39 | 3 |
| IEXG | 85.11 | 0 | ACB | 85.39 | 2 |
| NSDQ | 85.10 | 27 | NSDQ | 85.40 | 4 |
| ACB | 85.10 | 15 | ACB | 85.40 | 3 |

\Montage \ INET \ ARCA \ IEX /

Right click here to add a button

AMZN Bid:85.38 Ask:85.39

| 495 | P | Display | Price | TMP | ? |

| LIMIT | Pref | DAY+ | ANY | LIVE TRADING |

Stop Type | Trigger Price

| Market | 85.37 | Trail | RPL |

SHRT | CXL | BUY

---

TRADING TERMINAL.com

# Benefits of Tape Reading

- Leading Indicator
- Understanding Supply and Demand Imbalances.
- Better Entry Points
- Improves Consistency
- Less Risk (Increase Risk vs Reward)
- Get Bigger in Size
- Works in every market
- Conviction/Confidence in Trading.
- Identifying Algos/HFTs
- Identifying Volume Inflection Points

# Iceberg Orders

## Iceberg Orders

- An iceberg order is a type of order in which only a small portion of the total order quantity is displayed on Level 2, while the remainder of the order is hidden. This can be used to conceal the size or nature of a trade from other market participants.

- The term "iceberg" comes from the fact that the visible lots are just the "tip of the iceberg".

- Iceberg orders are often used by market makers or other traders who want to trade a large quantity of securities without tipping their hand to the market. By hiding the majority of their order, they can potentially avoid moving the market against themselves and incurring larger losses.

# Refreshing ECNs

- One aspect of level 2 data is the electronic communication network (ECN). An ECN is a computerized system that enables market participants to trade securities with each other without the need for a traditional exchange. ECNs allow market participants to see the bids and offers for securities from other participants, and to submit their own bids and offers. On Level 2 window the ECNs are listed under MMID column.

- Refreshing ECNs is a strategy market makers use to hide a very large order on Level 2 by refreshing a tiny order lot on the ECNs. This is evident when see a tiny lot (usually between "1" and "9") on Level 2 on the immediate bid/ask but see a lot of transactions occurring at immediate bid/ask on Time and Sales.

- Example: AMD is trading at 90.02 bid and 90.04 ask, you see NSDQ 1 lot at 90.04 ask and the stock is neither lifting nor stepping down. However, you see more than 1 lot of transaction happening on the offer at 90.04 on Time and Sales which means the market makers are refreshing ECNs with 1 lot to hide an iceberg order.

- Sign: **Bullish when Refreshing ECNs occur on the immediate bid.**

  **Bearish when Refreshing ECNs occur on the immediate ask.**

# Real Time Example on Iceberg Order/Refreshing ECNs

# Reading the Tape – A Game Changing Edge in Trading

## Section 1: Course Overview and Introduction to Reading Tape

- Overview
- What is Reading the Tape?
- Why Reading the Tape?
- Rumors and Misconceptions
- From Trading Pioneers

## Section 2: Fundamentals/ Basics

- Overall Trading Setup
- Level 2 or Box
- Order Flow/ Time & Sales/ Prints
- Quiz: Test Your Knowledge

## Section 3: Order Flow Concepts and Interpretation

- Overview
- Psychological meaning behind print transactions
- Concept 1: Hold on the bid vs selling the bid
- Concept 2: Hold on the offer vs buying the offer
- Concept 3: Hefty hold on the bid
- Concept 4: Hefty hold on the offer
- Concept 5: White prints — Algos/ HFT's

- Concept 6: White prints — Hidden orders
- Concept 7: White prints: Automatic buyer/ seller
- Concept 8: Below the bid and above the ask
- Concept 9: Print size and behavior
- Concept 10: Volume at price
- Concept 11: Speed/ acceleration
- Quiz: Test your knowledge

## Section 4: Level 2/ Box Concepts and Interpretation

- Concept 1: Higher asks and lower bids
- Concept 2: Stacking on bid/ offer
- Concept 3: Iceberg orders and refreshing ECNs
- Concept 4: Spoofing
- Quiz: Test your knowledge

## Section 5: Trading Strategies Using Order Flow and Level 2

- Combining order flow and level 2
- Trading breakouts
- Trading pullbacks
- Trading ranges
- Trading opening print imbalance
- Quiz: Test your knowledge

## Section 6: Tape Reading Limitations and Expectations

- Limitations
- Expectations

## Bonus Section: Reading the Tape Archive

- Example 1: Live pullback trade TSLA held bid at 135.46
- Example 2: Breakout trade on AAPL with aggressive buyers incrementing on the offers
- Example 3: Live reversal head-and-shoulders on AMD with hefty hold on the offers and stacked offers on Level 2
- … and many many more

# Reading the Tape - A Game Changing Edge in Trading

**Enroll** ~~$1999~~ **$1499**

**SPECIAL OFFER**
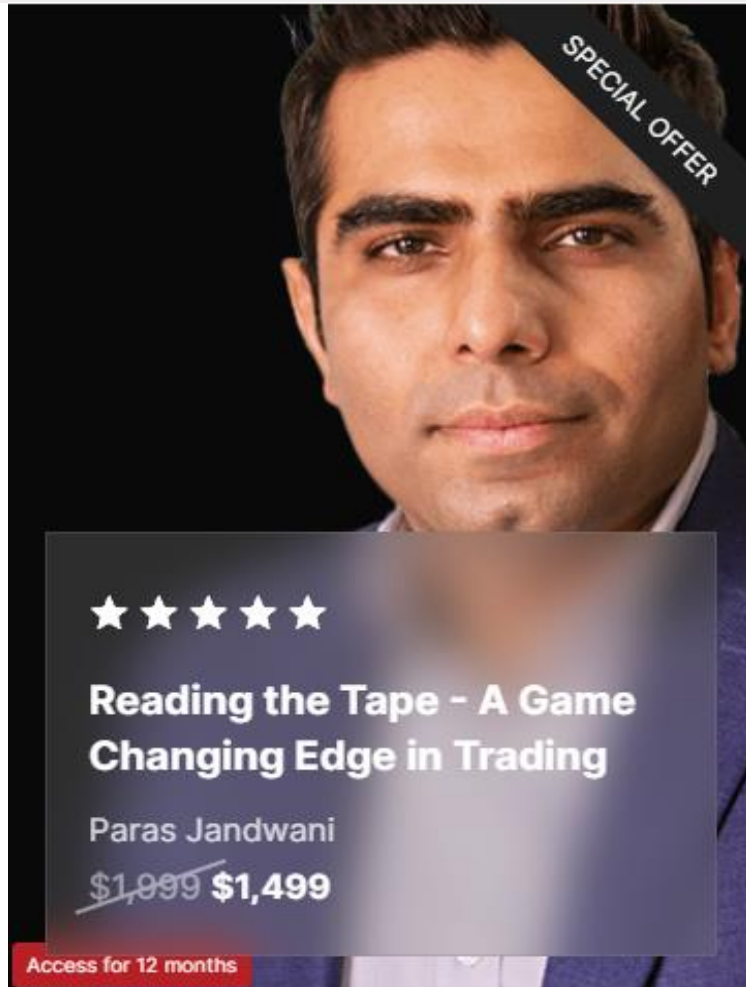
**HAVE A COUPON?**

**NYC500OFF**  | **Redeem**

★★★★★

**Reading the Tape - A Game Changing Edge in Trading**

Paras Jandwani

~~$1,999~~ **$1,499**

Access for 12 months

Promo Code:
**NYC500OFF**
**\*ONLY valid for 2 days to NYC participants**

# $999

**Access the Course:**
Go to: www.tradingterminal.com → Navigate to "Academy" Tab → Hover on "Courses" → Click on "Featured" → Click on "Reading the Tape – A Game Changing Edge in Trading" → Click on "Enroll"
**Direct Link:**
https://academy.tradingterminal.com/course/reading-the-tape-game-changing-edge