UPDATE: This Footprint type was originally named Delta Imbalance and has been renamed Volume Imbalance.
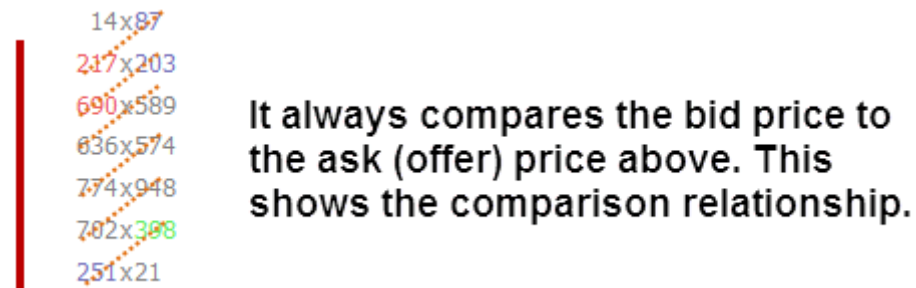
There is now a new Footprint type available in MarketDelta Charts beta 11.2.4 or higher named *Volume Imbalance.* It uses a familiar but different methodology for coloring the Footprint volume values and introduces an volume ratio algorithm for easy spotting of important areas on the chart. Let me explain.

Up to now all the footprint types offered were colored based on delta or volume at a single price. For instance, bid traded volume would be subtracted from ask traded volume at each price to determine the *delta* of that price. This would provide an indication of order flow at a particular price.

The new Volume Imbalance uses a variation and compares the bid traded volume of one price to the ask traded volume of the price located directly above. It then employs an algorithm built into the Footprint that compares the ratio of volume between the two.

The goal of the new *volume imbalance* footprint type is to automatically highlight imbalances between the volume traded at the price being offered and the volume traded at the price being bid.

The automatic highlighting is configurable and determined by a percentage of volume greater than the value it is compared against. The default setting is 140%. We have found that to be a good starting point for comparison. So in the two examples above, 398 is highlighted green because 251 x 140% equals 351. So the value of 398 is greater than 351 and therefore considered significant in comparison and highlighted green.
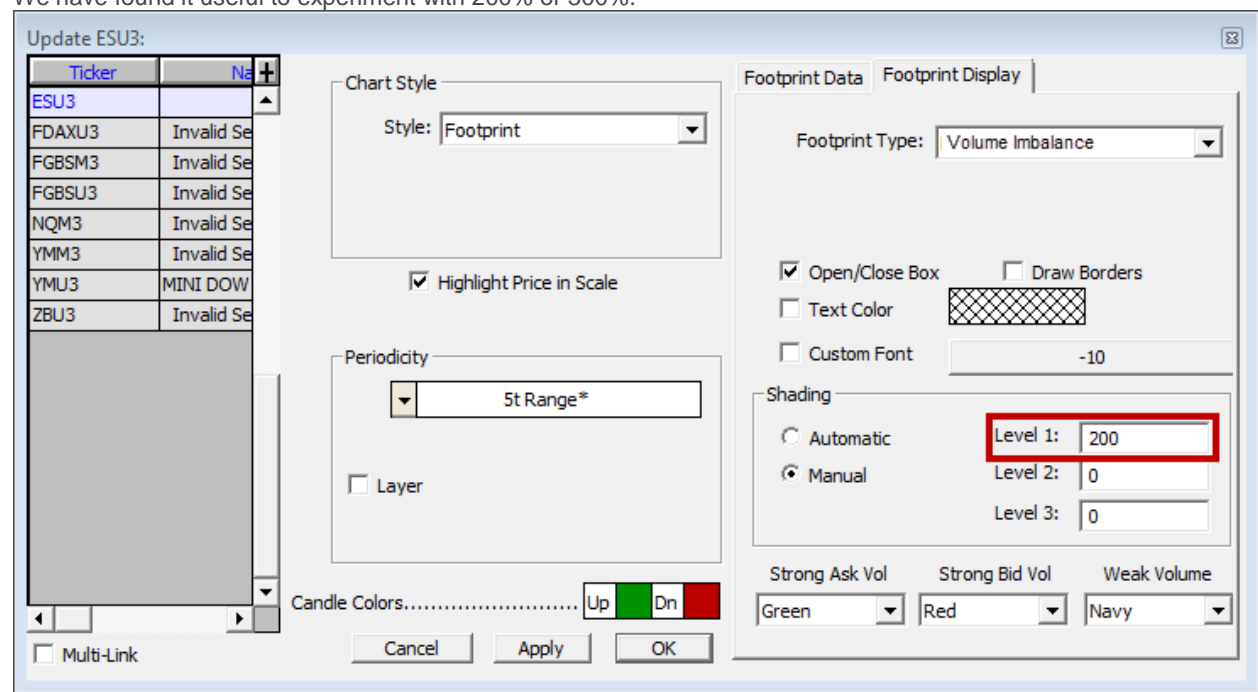
Strong Ask Volume – typically green or blue

Strong Bid Volume – typically red (aggressive sell

Weak Volume (either side) – typically navy or silver. Another way to think of weak volume is just neutral. Weak/neutral is always colored when the opposing strong bid or strong ask is colored.

Selecting *Manual* in the shading section allows for specification of a custom % to compare the bid volume against the ask volume. When set to *Automatic* the value is 140%. We have found it useful to experiment with 200% or 300%.

Here is a sample chart along with the chart **definition** showing what a chart looks like when set to 300 percent. In this chart, red represents at least 300% more volume traded on the bid and green represents at least 300% more volume traded at the ask. The gray volume numbers are meaningless for this Footprint type and are not considered significant.