

















SMART Trader Color Codes

 PaleGoldenRod	Absorption Volume	If you observe high volume accompanying wide spreads up, this shows that the professional money was prepared to absorb any selling from those locked-in traders who decided to sell – this is known as absorption volume.
 Magenta	Effort to Fall	Effort to fall is seen as a wide spread down-bar, closing on the lows, with increased volume. The volume should not be excessive, as this will show that there is also buying involved in the move.
 Lime Green	Effort to Rise	Effort to rise is seen as a wide spread up-bar, closing on the highs, with increased volume. The volume should not be excessive, as this will show that there is also supply involved in the move (markets do not like high volume on up-bars).
 Purple	Falling Pressure	This is the opposite of stopping volume. Here the high volume is on an up bar. Give more emphasis if the volume is ultra high.
 Crimson	Market Top	High volume up-bars closing off the highs indicate supply present. If the volume is ultra high this will indicate additional weakness.
 Pink	No Demand	No demand is normally seen as an up bar, closing in the middle or low, especially if the spread is narrow, and the volume is low. Market makers are always moving prices around, and here they have marked the price up, but there is no following
 Moccasin	Supply Test	A supply test is a markdown of prices, coming back to close on or near the highs. If you are looking at a cash market the volume should be low - indicating that supply is not present. If you are looking at a future then the volume may be low or high
 Dark Orange	Supply	We have seen an increase in volume on an up bar. The market has turned to close lower than the previous bar. Strong markets do not behave like this. Supply is overcoming demand
 Yellow	Stopping Volume	As a market falls a point will be reached when weak holders will start to panic and start selling their holdings. If the price closes well off the lows then we have to assume that the market makers stepped in and have absorbed most of the selling
 Gray	Shake Out	Demand appears to be overcoming supply. The following bars are important. Low volume up bars shows no demand, which is an unwillingness of the marketmakers to participate in a rising market because they know the market is still weak
 Aqua	Selling Climax	High volume on down bars can indicate that there has been professional buying hidden in the high volume. Professional money buying into the selling plus covering short positions will create high volume on a down bar
 Maroon	Buying Climax	Supply appears to be overcoming demand. A high volume up bar closing in the middle indicates professional selling.
 Hot Pink	Mt. Fuji Fakeout	A Mount Fuji Fakeout is a two bar reversal pattern meant to "Fake" Traders into the wrong side of the market. If the second leg of Mount Fuji is against trend this is typically a sign of a change (perhaps short term) or a correction.
 Hot Pink	Reverse Mt. Fuji Fakeout	A Reverse Mount Fuji Fakeout is a two bar reversal pattern meant to "Fake" Traders into the wrong side of the market. If the second leg of Mount Fuji is against trend this is typically a sign of a change (perhaps short term) or a correction.
 Blue	Reverse Upthrust (inc. Pseudo)	Prices are marked down rapidly and then move back up to close on the high. You would expect to see true reverse upthrusts after signs of strength in the background
 Red	Upthrust (inc. Pseudo)	Prices are marked up rapidly and then fall back to close near the low. You would expect to see true upthrusts after signs of weakness in the background