

DELTAZONE TRADING

SMT DIV ADAPTIVE INDICATOR

HANDBOOK

EXPECTATIONS OF SMT DIVERGENCE ON PRICE
DELIVERY

CONCEPTUALISING TRADE SET UPS USING SMT
CONFLUENCE

EXAMPLES AND PROOF OF CONCEPT

Theory

Divergences are excellent indicators that highlight the underlying dynamics of price delivery.

Efficient or symmetrical markets represent normal market behavior and participation.

Fundamentally, this reflects the normalized state of a price delivery engine — where related markets confirm each other and price move's in a predictable, symmetrical relationship. This model aims to expose times in the delivery of price when that relationship deviates thereby manifesting in the charts as a divergence. This Model using the effect on price when those conditions emerge as the foundation for entering a trade. How targets are calculated for TP and SL reflect the anticipated effect on price action these formations can have.

Inefficient price delivery between either positively or inversely correlated markets is often evidence of smart money participation and intervention in the market and may signal early participation in the form of institutional accumulation or distribution profiles that manifest on our charts in the form of Divergences. This theory about the nature of price delivery informs how we use divergence in the context of a trade idea. It gives the idea both a sound theoretical and technical base. **It gives the trader an actionable formation with logical SL and TP targets because wrapping those actions inside a testable theoretical framework is the foundations for a credible trade set idea.**

In simple terms, divergence exposes a failure of confirmation. One market begins to show strength or weakness while the related market does not mirror that move. This imbalance can reveal early clues about accumulation, distribution, liquidity engineering, or a shift in institutional positioning.

Fundamentally, markets are a product of institutional investment and control. Market sentiment is delivered algorithmically rather than being a purely organic reflection of supply and demand.

That is why price action in related markets can mirror each other. But it is also the reason it can deviate from that relationship.

If balanced markets are the normalized state of a price delivery engine, then deviations from those rules do not invalidate the model. Instead, they expose information about market maker intent.

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Theory

That is why SMT divergence is so valuable.

When markets are delivering price efficiently, correlated or inversely correlated assets tend to behave in an expected way. But when that relationship deviates, the divergence can expose a system of institutional sponsorship before that intention is fully reflected in Price action.

That deviation in symmetry may point to relative strength, relative weakness, accumulation, distribution, liquidity engineering, or a shift in institutional participation.

This script is designed to make that process easier to see. It converts mundane intermarket behavior into a clear visual and strategic model by tracking meaningful pivot point structures, comparing related markets at those key prices, and highlighting moments where price delivery becomes inefficient between them.

- This script includes a **strategy-mode framework**, **confirmation logic**, **multi-timeframe monitoring**, **session filtering**, **follow-through statistics**, and **optional webhook-based alert routing**.

In plain words:

When related markets stop confirming each other, the script brings that imbalance to the surface — and helps define when that imbalance becomes structurally meaningful.

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What the indicator aims to achieve

This indicator is built to answer one simple question:

“At important swing points, is my asset being confirmed by the comparison instrument — or is it diverging?”

Divergence can be used to:

1. Notify the trader of favourable trading conditions by monitoring markets for inefficiencies.
2. Track structural mismatches between inversely correlated pairs.
3. Identify market imbalance between two related instruments.
4. Highlight relative strength or relative weakness across positively correlated markets.
5. Strengthen trading setups by adding a qualifying intermarket condition.
6. Contextualise price action relative to larger market participation.
7. Help time entries by anticipating where volatility or displacement may appear.
8. Monitor for possible manipulation, liquidity engineering, or manual intervention.
9. Validate potential order block or value-area formation.
10. Study confirmed divergence outcomes through follow-through statistics.
11. Support structured alert workflows through TradingView, AlgoWay, and MT5.

The purpose is to automate the repetitive process of checking correlated markets, identifying structural divergence, and presenting that information in a way that can support a trading model.

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TRADING DIVERGANCES

Trading Divergences

Divergences should not be treated as isolated signals. In this model, a divergence represents a failure of confirmation between two related markets.

The trading value comes from the structure that forms between the two divergent points, the actual structure itself and the parameters implies by the formation of such a structure. Ultimately leading to the execution of a trade idea.

The model is designed to use the information derived from an imbalance to formulate a trade set up.

Divergence as a Structural Model

When two pivot points are identified as divergent, the area between those points and becomes important. It reflects the upper or lower boundary of two points identified as inefficient - While that point is a key structure the whole area between the two divergent points, including its lowest low or highest high, become a significant structure.

So while that price point represents a key level, indeed it helps define where market delivery shifted and where price may later react, the two points identified as divergent are structurally significant. This theory links imbalance to institutional sponsorship and therefore to an actionable formation.

The divergence itself highlights the imbalance. If we want to use ICT naming conventions i would identify this formation as an Order block. Order block theory implies price should react within specific parameters. The script uses these expectations as a way to frame a trade, including how to enter the trade and setting SL and TP targets. The intermediate level is how the script validates divergences - it gathers information about how the market delivered price relative to the divergence by referencing that level.

Divergence Confirmation

Once the indicator identifies a potential divergence, it does not treat the structure as fully valid until price confirms the level.

The code requires price to close beyond the relevant intermediate high or low:

- For bullish divergence, price must close above the intermediate high.
- For bearish divergence, price must close below the intermediate low.

This means the conditions for a valid divergence structure are built directly into the indicator's logic. The divergence is not only based on two pivot points showing inefficiency; it also requires price to confirm the structure by breaking through the relevant boundary.

Once this occurs, the divergence becomes a qualified divergence block.

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TRADING DIVERGANCES

Directional Bias

A valid divergence structure can infer a trading opportunity in the direction of the divergence identified.

In simple terms:

- Bullish divergence = Long bias
- Bearish divergence = Short bias

This does not mean a trade should be entered automatically. It means the indicator has identified a structural condition that may support a directional trading idea.

Trading the Structure

Trades can be planned relative to the location of the intermediate high or low identified between the divergent points.

This level can be used as a reference point for:

- Retests of the order block level
- Reactions from the value area
- Re-accumulation inside a bullish divergence block
- Redistribution inside a bearish divergence block
- Continuation after mitigation of the order block area

The key idea is that the divergence block represents a value area. Price may return to this area before continuing in the direction of the divergence.

Because of this, traders should allow for price to trade inside the order block range before the expected reaction occurs. A clean reaction may happen immediately, but in many cases price may rebalance, consolidate, re-accumulate, or redistribute within the area first.

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TRADING DIVERGANCES

The updated strategy version includes additional trade management controls.

Take-profit can be calculated by:

- Pips
- Points
- ATR Multiple

Stop-loss can be calculated by:

- Pips
- Points
- ATR Multiple
- Dynamic structure stop

The dynamic structure stop uses the confirmed divergence structure as the reference point. This gives the trade room to react within the value area while still defining a clear invalidation point if price moves beyond the structure.

Take profit should be based on the trader's own model. Possible targets may include opposing liquidity, previous swing highs or lows, session levels, range extremes, or higher-timeframe objectives.

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TRADING DIVERGANCES

Stop Loss and Take Profit

Stop loss and take profit placement are discretionary and should reflect the trader’s own risk profile, trade model, and market conditions.

However, if the divergence structure is treated as an order block, then the range of that structure should theoretically limit major encroachment beyond its high or low.

For this reason, a logical stop-loss area may be placed:

- below the lowest low of a bullish divergence range
- above the highest high of a bearish divergence range

This gives the trade room to react within the value area while still defining a clear invalidation point if price moves beyond the structure. Take profit should be based on the trader’s own model. Possible targets may include opposing liquidity, previous swing highs or lows, session levels, range extremes, or higher-timeframe objectives.

Summary

This model treats divergence as more than a signal. It treats divergence as a structural condition.

The process is:

1. Identify divergence between two related markets.
2. Locate the intermediate high or low between the divergence points.
3. Treat that level as an order block reference point or value area.
4. Wait for price to confirm the structure with a close beyond the level.
5. Use EMA ATR confirmation to filter weak breaks and require stronger price delivery.
6. Use the divergence block as a value area for trade planning, reaction, mitigation, or invalidation.
7. Use follow-through statistics to study how confirmed divergence behaves over time.

In this way, divergence provides the imbalance, while the order block structure provides the tradable location.

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Suggested Setting

LookBack

A LookBack setting between 5 and 7 provides a balanced pivot-detection range. It is sensitive enough to identify swing points at regular intervals, while still producing enough structure for the algorithm to reliably build divergence models across a variety of timeframes.

Mark LAST 10 Highs/Lows

Visual reference only - Suggested keep deselected

Pivot Right

Keep at 1. This keeps the model responsive while still allowing pivots to lock with a consistent lookahead.

Divergence types:

Keep all selected.

If the chart becomes too active, reduce the number of enabled timeframes or filter specific divergence types.

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Suggested Setting

EMA ATR Confirmation

The EMA ATR confirmation filter requires the confirming candle to show enough true range relative to recent movement.

- Divergence only confirms when price closes through the intermediate level with sufficient true range
- EMA ATR filter simulates Displacement and often manifest in the form of Fair value Gaps
- This is a powerful filter that reflects Institutional intent and participation in the market

Suggested default:

- EMA ATR confirmation length: 14
- EMA ATR confirmation threshold: 1

Show Potential Divergences BETA

The strategy includes a Developing Divergence mode.

This feature attempts to show potential divergence before the structure has fully locked. It uses the current pending pivot before final confirmation, meaning potential divergence lines can appear earlier.

Because this mode works with developing structure, the line may move, disappear, or fail to confirm. For this reason, it should be treated as a visual reference tool rather than a confirmed signal. However it is extremely useful for the user who likes to watch and monitor Price action in real time, it can give early signals priming the user towards favourable price delivery before it become confirmed. It is a way for reducing lag and feedback for the focused trader.

Confirmed divergence remains the cleaner model. Developing divergence is included to help traders monitor conditions that may be forming in real time.

This is especially useful when using lower timeframes where structure can form quickly and where early awareness of possible divergence can help the trader prepare, rather than react late.

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Suggested Setting

Pivot Value used for divergence:

Wicks values are more reliable for divergences but checking imbalances by referring to a candle closing value at two pivots can sometimes expose unique cases of divergence that often predict big price movements.

Suggested default:

- Use Wicks for general divergence monitoring.
- Test Pivot Close when studying cleaner close-based structure or larger price-delivery shifts.

MTF

Toggle this on if you want to extract the full power of this indicator.

The MTF panel checks for divergences across a range of timeframes and relays them onto your active chart.

There are 7 available slots and the trader a can customize the time frames they are interested in keeping track of.

Session Panel

The session panel can block setups and alerts during specific windows or sessions.

The only session block I would generally recommend keeping on is the Trading Day Refresh.

DXY has a daily exchange-session break where fresh comparison data may not be available. During this period, the primary chart may continue printing candles while the comparison symbol remains inactive.

This can create false divergence alerts caused by a data mismatch.

The session-blocking feature is included to reduce that problem.

- Suggested session block:
- 17:00 – 20:00 Trading Day Refresh

Other sessions can be blocked depending on the trader’s model, preferred trading time, and market conditions.

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SMT Divergence Adaptive Monitoring Strategy wit... X

Inputs Properties Style Visibility

LookBack (swing size)

7

Pivot Right (lookahead)

1

Max stored vertices

50

Max ZZ segments on chart

200

Up leg color

Down leg color

ZZ segment width

2

☐ Label ALL pivots (dense)

Label every Nth pivot (ALL pivots)

1

☐ Freeze head (only draw confirmed pivots)

How many pivots to store (highs/lows)

10

☐ Mark LAST 10 Highs/Lows

Last-10 HIGH label color

Last-10 LOW label color

☐ Show extremes of LAST 10 (H-high/L-low)

Defaults

Cancel

Ok

SMT Divergence Adaptive Monitoring Strategy wit... X

Inputs Properties Style Visibility

Comparison Symbol

DXY

Comparison Timeframe (blank = chart)

Chart

Comparison Relationship

Inverse

☒ Show chart-timeframe divergences

DIVERGENCE CONTROLS

Divergence type filter

All

SBullishD / ReStrenghtSTD color

HBullishD / ReStrenghtHID color

SBearishD / ReWeakSTD color

HBearishD / ReWeakHID color

REH / REL color

Divergence line width

2

Max divergence drawings to keep (all TFs)

120

EMA ATR confirmation length

14

Defaults

Cancel

Ok

SMT Divergence Adaptive Monitoring Strategy wit... X

Inputs Properties Style Visibility

Max divergence drawings to keep (all TFs)

120

EMA ATR confirmation length

14

EMA ATR confirmation threshold

1

STRATEGY ORDERS

☒ Enable strategy orders

Strategy order source

Chart + ...

☐ Allow overlapping order-fill alerts

☒ Trade bullish divergences

☒ Trade bearish divergences

Take-profit mode

Pips

Take-profit value

5

Static stop-loss mode

Pips

Static stop-loss value

4

☐ Use dynamic structure stop

Order size mode

Fixed

Defaults

Cancel

Ok

SMT Divergence Adaptive Monitoring Strategy wit... X

Inputs Properties Style Visibility

☐ Use dynamic structure stop

Order size mode

Fixed

Fixed order contracts/lots

1

Risk amount

100

Risk % of strategy equity

1

Sizing unit price size (0 = auto)

0

Cash value per sizing unit per 1 contract/lot

1

Order size step

0.01

Minimum order size

0.01

TradingView emulator quantity

Minimu...

TradingView minimum contract quantity

100000

ALGOWAY WEBHOOK

☒ Use AlgoWay order payload

Platform name

metatrader5

Defaults

Cancel

Ok

SMT Divergence Adaptive Monitoring Strategy wit... X

Inputs Properties Style Visibility

☒ Highlight ATR confirmation candles

☒ Show follow-through stats table

Follow-through target mode

Pips

Follow-through target value

5

Pip size override (0 = auto)

0

☒ Show outcome debugger labels

Max outcome debugger labels

80

Stats table position

Top Right

☒ Show potential divergences (BETA)

Potential divergence line width (BETA)

1

☒ Show intermediate OB lines

Bullish OB line color

Bearish OB line color

OB line width

2

Max OB lines to keep (all TFs)

120

Defaults

Cancel

Ok

SMT Divergence Adaptive Monitoring Strategy wit... X

Inputs Properties Style Visibility

Pivot value used for divergence

Wicks

MTF DIVERGENCES

☐ Show multi-timeframe divergences

☐ Slot 1 Source TF

15 seco...

☒ Slot 2 Source TF

1 minute

☒ Slot 3 Source TF

3 minutes

☒ Slot 4 Source TF

5 minutes

☒ Slot 5 Source TF

15 minu...

☒ Slot 6 Source TF

1 hour

☒ Slot 7 Source TF

4 hours

SESSION PANEL

☒ Block setups/alerts using Session Panel

Market Session TZ (NY time)

America/New

☐ 1) 20:00 - 02:00 Asia

☐ 2) 02:00 - 05:00 London Open

Defaults

Cancel

Ok

SMT Divergence Adaptive Monitoring Strategy wit... X

Inputs Properties Style Visibility

☒ Slot 2 Source TF

1 minute

☒ Slot 3 Source TF

3 minutes

☒ Slot 4 Source TF

5 minutes

☒ Slot 5 Source TF

15 minu...

☒ Slot 6 Source TF

1 hour

☒ Slot 7 Source TF

4 hours

SESSION PANEL

☒ Block setups/alerts using Session Panel

Market Session TZ (NY time)

America/New

☐ 1) 20:00 - 02:00 Asia

☐ 2) 02:00 - 05:00 London Open

☐ 3) 05:00 - 07:00 Pre Market

☐ 4) 07:00 - 10:00 NY AM

☐ 5) 10:00 - 12:00 London Close

☐ 6) 12:00 - 14:00 Lunch

☐ 7) 14:00 - 17:00 Market Close

☒ 8) 17:00 - 20:00 Trading Day Refresh

Defaults

Cancel

Ok

Quick Indicator Setup

1. Add the indicator to your chart
 - a. Open TradingView, go to Indicators, then select the indicator from your Invite-only scripts.
2. Choose your comparison symbol
 - a. In the settings panel, enter the market you want to compare against.
3. Example:
 - a. If FOCUS chart is EURUSD then select DXY
 - b. If Focus chart is BTCUSDT then select ETHUSDT
 - c. If focus chart is US100 then select SPX500
4. Select the relationship mode
5. Choose the correct comparison type:
 - a. Inverse Mode for markets that usually move opposite, such as EURUSD vs DXY.
 - b. Positive Mode for markets that usually move together, such as BTC vs ETH or EURUSD vs GBPUSD.
6. Set the LookBack / pivot sensitivity
 - a. A LookBack setting between 3 and 5 is useful for detecting pivots at regular intervals. Higher values create broader, slower structure. Lower values create more frequent micro-structure.
 - b. Choose wick or pivot-close mode
 - c. Pivot Close for cleaner close-based structure.
7. Enable the timeframes you want monitored
 - a. Use the MTF panel to select which timeframes you want projected onto your active chart, such as 15s, 1m, 3m, 5m, 15m, 1H, or 4H.
8. Set alert preferences
 - a. Turn on alerts for bullish divergence, bearish divergence, and REH / REL divergence if required.
9. Use the session filter if needed
 - a. Block alerts or drawings during sessions you do not want to trade, such as low-liquidity periods or trading day refresh.

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Quick Indicator Setup

1. Add the script to your chart.
 - a. Open TradingView, go to Indicators, then select the script from your Invite-only scripts.
2. Choose your comparison symbol.
 - a. In the settings panel, enter the market you want to compare against.
3. Example comparison symbols:
 - a. If focus chart is EURUSD, then select DXY.
 - b. If focus chart is BTCUSDT, then select ETHUSDT.
 - c. If focus chart is US100 or NAS100, then select SPX500 or another suitable index comparison.
4. Select the relationship mode.
5. Choose the correct comparison type:
 - a. Inverse Mode for markets that usually move opposite, such as EURUSD vs DXY.
 - b. Positive Mode for markets that usually move together, such as BTC vs ETH or EURUSD vs GBPUSD.
6. Set the LookBack / pivot sensitivity.
 - a. A LookBack setting between 5 and 7 is useful for detecting pivots at regular intervals across most time frames.
 - i. Higher values create broader, slower structure.
 - ii. Lower values create more frequent micro-structure.
7. Choose the pivot value mode.
 - a. Wick mode uses high / low values (RECOMMENDED)
 - b. Pivot Close mode uses the candle close at the pivot bar.
8. Enable the timeframes you want monitored.
 - a. Use the MTF panel to customise how many time frames and the value of those selected time frames

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Quick Indicator Setup Continued

9. Set alert preferences.
 - a. Turn on alerts for bullish divergence, bearish divergence, and REH / REL divergence if required.
10. Use the session filter if needed.
 - a. Block alerts or drawings during sessions you do not want to trade.
 - b. Consider blocking Trading Day Refresh where comparison data may become unreliable.
11. Decide whether to use strategy mode.
 - a. Strategy mode can generate orders from chart timeframe signals, enabled MTF signals, or both.
 - b. This is optional and should be tested before live use.
12. Configure trade management if using strategy mode.
 - a. Select TP mode: Pips, Points, or ATR Multiple.
 - b. Select SL mode: Pips, Points, ATR Multiple, or Dynamic Structure Stop.
 - c. Select order size mode: Fixed, Risk Amount, or Risk % Equity.
13. Configure AlgoWay / MT5 only if using webhook execution.
 - a. Confirm platform name.
 - b. Confirm hedge or netting trade type.
 - c. Confirm ticker symbol.
 - d. Confirm order size

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Strategy Mode

The updated version is no longer only a visual indicator.

It now includes an optional strategy-mode execution layer.

This does not mean the script should be treated as a complete trading system by itself.

Rather, confirmed divergence conditions can now be used inside a structured TradingView strategy environment for testing, monitoring, alert routing, and workflow development.

The strategy layer allows the user to decide whether confirmed divergence events should generate orders from:

- Chart timeframe only
- Enabled MTF slots only
- Chart timeframe and enabled MTF slots together

This helps bridge the gap between visual monitoring, backtesting, alert routing, and potential execution workflow.

The user can enable or disable bullish and bearish divergence trades separately.

This means a trader can choose to focus only on long-side divergence, short-side divergence, or both, depending on bias, session, market profile, or higher-timeframe context.

The strategy also includes optional overlapping order-fill alerts.

This is useful in a hedge-style workflow where multiple valid divergence events may occur before a previous idea has closed.

TradingView may still net positions internally depending on the symbol and emulator behaviour, but the alert payload can be structured to support hedge-style routing through AlgoWay and MT5.

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ALGOWAY / MT5 WEBHOOK INTEGRATION

The updated strategy includes a built-in AlgoWay webhook order payload.

This allows confirmed strategy orders to generate order-fill alert messages designed for routing into MetaTrader 5 through AlgoWay.

The webhook settings include:

- Platform name
- Trade type, including hedge or netting
- Ticker override
- Close side
- Order contracts / lots
- Stop-loss price
- Take-profit price

This feature is designed to support traders who want to move from visual signal monitoring into a more structured automation workflow.

The script can still be used visually and manually.

The webhook and strategy-order functions are optional.

They are included to expand the script from an indicator-only model into a more complete adaptive monitoring and strategy framework.

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ALGOWAY / MT5 WEBHOOK INTEGRATION

Important:

Automated execution depends on TradingView alert setup, AlgoWay configuration, MetaTrader 5 connection, broker settings, symbol mapping, and risk controls. Users should test all webhook alerts carefully before using them in live market conditions.

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FOLLOW-THROUGH OUTCOME STATISTICS

The updated strategy includes a follow-through statistics table.

This feature tracks what happens after confirmed divergence events form.
The table can show:

- Formed setups
- Moved target
- Failed outcomes
- Pending outcomes
- Win rate
- Average stop distance
- Average adverse movement before successful follow-through

The target used for the follow-through table can be calculated by:

- Pips
- Points
- ATR Multiple

This feature is not intended to guarantee results.

It is designed to help the trader study how the model behaves across different markets, sessions, timeframes, and settings.

It gives the user a way to observe whether confirmed divergence events are producing meaningful follow-through, failing quickly, or requiring more adverse movement before reaching the target.

This makes the script more useful as both a live monitoring tool and a research tool.

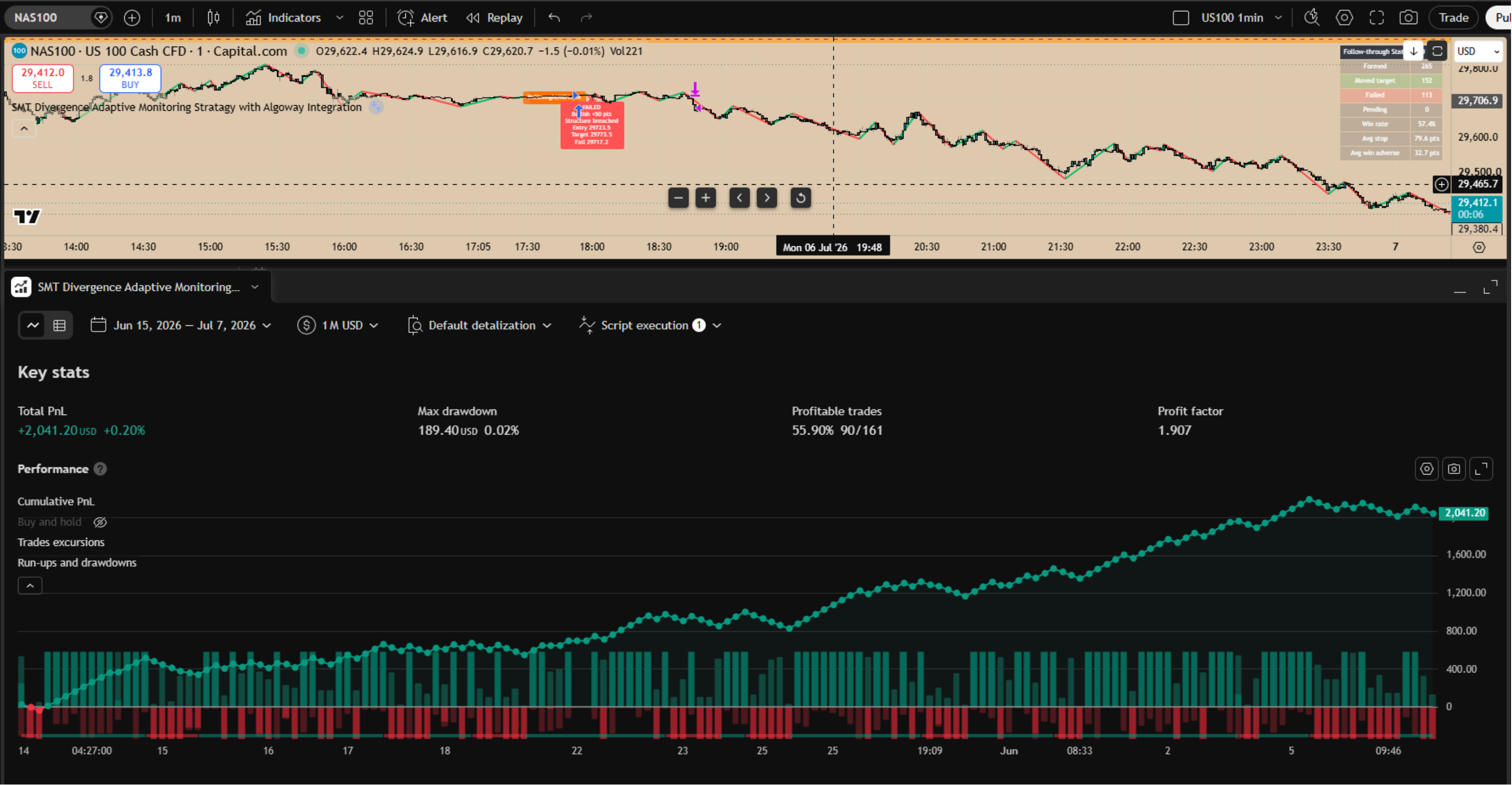
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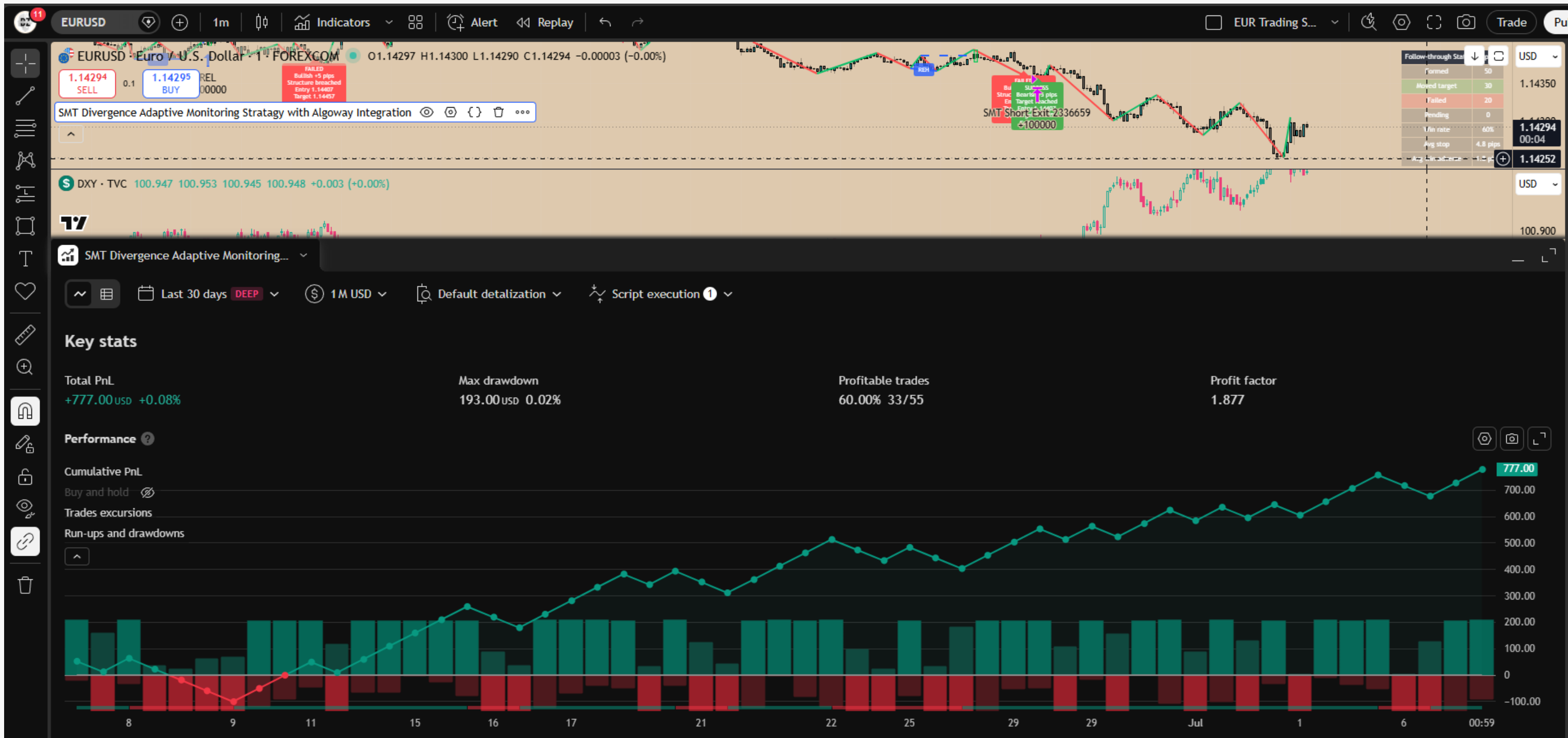
ASSET:
COMPARRISON:
MODE:
TIME FRAME:

NAS100
SPX500
POSITIVE
1MIN



ASSET:
COMPARRISON:
MODE:
TIME FRAME:

**EURUSD
DXY
INVERSE
1MIN**



ASSET:
COMPARRISON:
MODE:
TIME FRAME:

BTCUSDT
ETHUSDT
POSITIVE
1MIN



DELTAZONE TRADING

ASSET:

COMPARRISON:

MODE:

TIME FRAME:

EURUSD

TVC:DXY [DOLLAR] INDEX

INVERTED

DAILY

HTF Daily and 4H Divergences often reflect intermediate to Long term retracements in Price delivery.

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DELTAZONE TRADING

ASSET: EURUSD
COMPARRISON: TVC:DXV [DOLLAR] INDEX
MODE: INVERTED
TIME FRAME: DAILY

HTF Daily and 4H Divergences often reflect intermediate to Long term retracements in Price delivery.

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EXPECTATIONS OF SMT DIVERGENCE ON PRICE DELIVERY

CONCEPTUALISING TRADE SET UPS USING SMT CONFLUENCE



DELTAZONE TRADING

ASSET:
COMPARRISON:
MODE:
TIME FRAME:

EURUSD
TVC:DXY [DOLLAR] INDEX
INVERTED
4H

HTF Daily and 4H Divergences often reflect intermediate to Long term retracements in Price delivery.

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DELTAZONE TRADING

ASSET:

EURUSD

COMPARRISON:

TVC:DXY [DOLLAR] INDEX

MODE:

INVERTED

TIME FRAME:

1H

Divergences calculated on the 1H TF often precede intermediate to short term reversals or retracements.

They are not strictly qualifiers for such behavior but are useful signals when referenced as part of the market efficiency paradigm.

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DELTAZONE TRADING

ASSET: NZDUSD
COMPARRISON: EURNZD
MODE: POSITIVE
TIME FRAME: 1H

Divergences calculated on the 1H TF often precede intermediate to short term reversals or retracements.

They are not strictly qualifiers for such behavior but are useful signals when referenced as part of the market efficiency paradigm.

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DELTAZONE TRADING

ASSET:
COMPARISON:
MODE:
TIME FRAME:

EURUSD
TVC-DXY (DOLLAR) INDEX
INVERTED
1H

Divergences calculated on the 1H TF often precede intermediate to short term reversals or retracements.

They are not strictly qualifiers for such behavior but are useful signals when referenced as part of the market efficiency paradigm.

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CONCEPTUALISING TRADE SET UPS USING SMT CONFLUENCE



DELTAZONE TRADING

ASSET:
COMPARRISON:
MODE:
TIME FRAME:

EURUSD
TVC-DXY [DOLLAR] INDEX
INVERTED
15MIN

Divergences on the 15min TF can reflect intra-day turning point

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DELTAZONE TRADING

ASSET: NZD
COMPARRISON: EURNZD
MODE: POSITIVE
TIME FRAME: 15MIN

Divergences on the 15min TF can reflect intra-day turning point

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EXPECTATIONS OF SMT DIVERGENCE ON PRICE DELIVERY

CONCEPTUALISING TRADE SET UPS USING SMT CONFLUENCE



DELTAZONE TRADING

ASSET: S&P
COMPARRISON: US100
MODE: POSITIVE
TIME FRAME: 15MIN

Divergences on the 15min TF can reflect intra-day turning point

HANDBOOK

EXPECTATIONS OF SMT DIVERGENCE ON PRICE DELIVERY

CONCEPTUALISING TRADE SET UPS USING SMT CONFLUENCE



DELTAZONE TRADING

ASSET: EURUSD
COMPARRISON: TVC-DXY [DOLLAR] INDEX
MODE: INVERTED
TIME FRAME: 5MIN

Divergences on the 5min TF are useful structure with can lead interpretation of price relative to a trend

Useful to validate a trends strength and analysis the find opportunistic entry points during retracements

They can be used on an intra-day session bases

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DELTAZONE TRADING

ASSET: US100
COMPARRISON: SPX500
MODE: INVERTED
TIME FRAME: 3MIN

Divergences on the 5min TF are useful structure with can lead interpretation of price relative to a trend

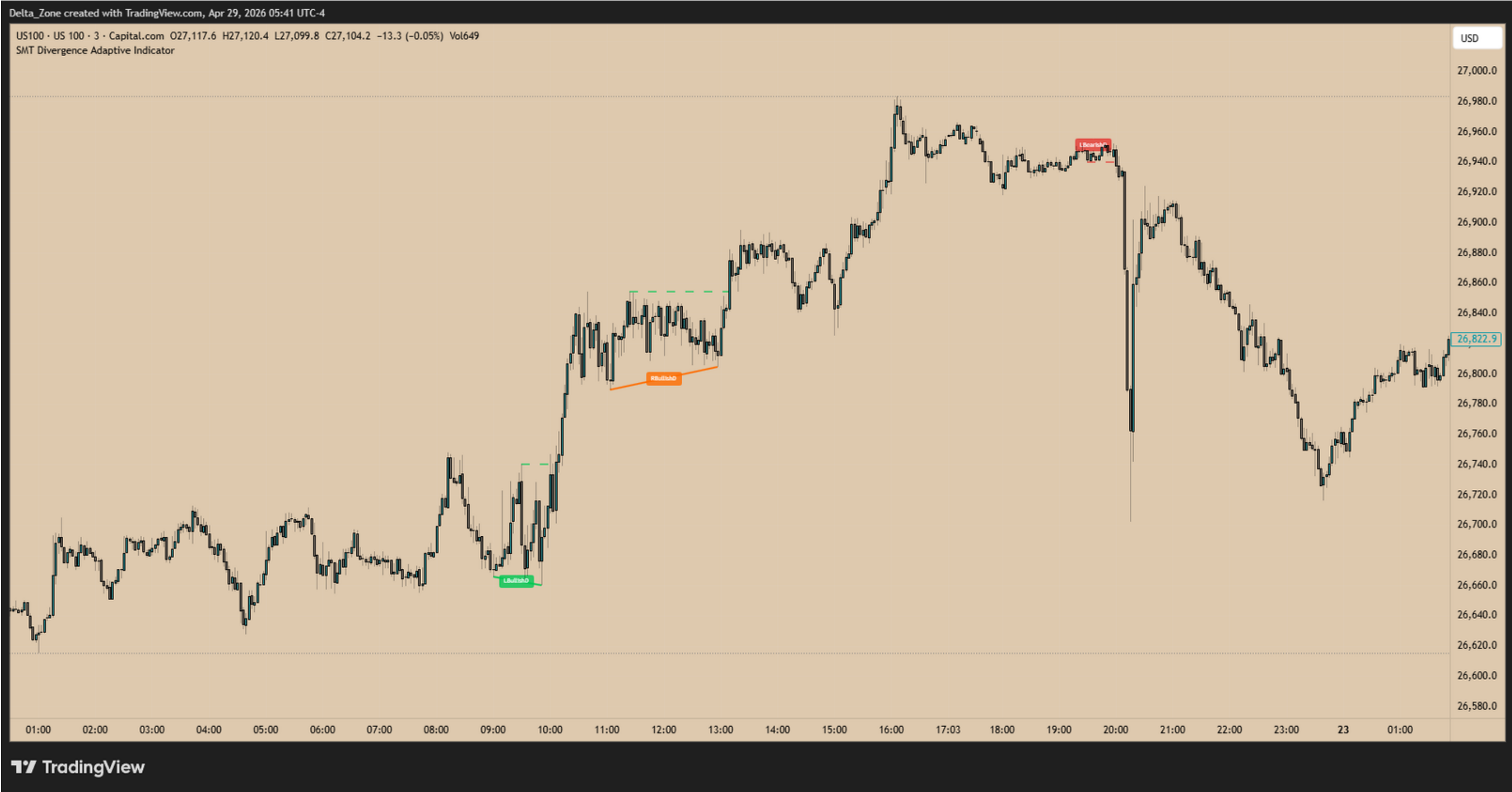
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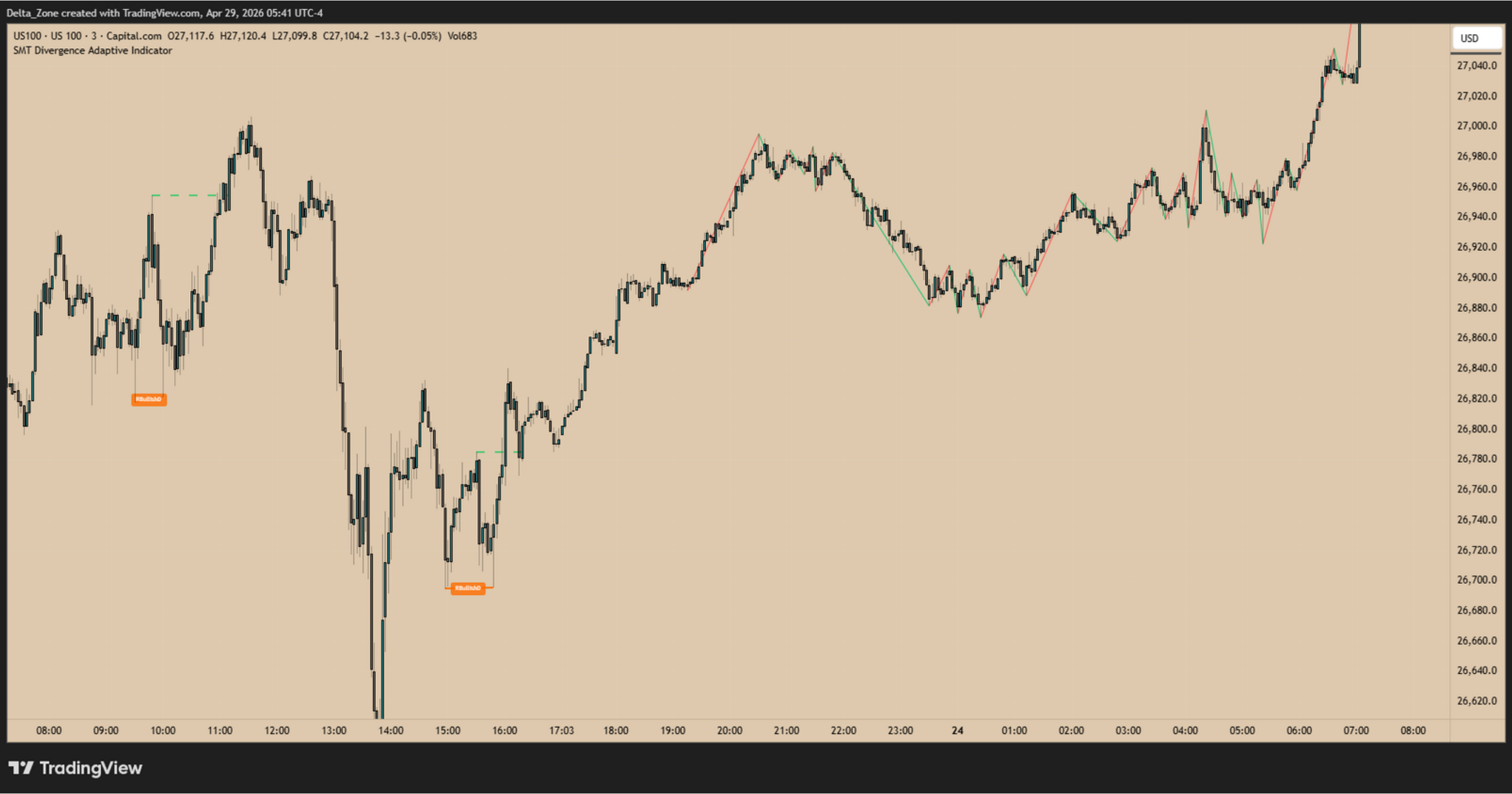
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DELTAZONE TRADING

ASSET: EURUSD
COMPARRISON: TVC-DXY [DOLLAR] INDEX
MODE: INVERTED
TIME FRAME: 1MIN

Anticipate price expansion profiles using
divergence indicator on a lower TF 1min - 15sec

Anticipate reversal points and lead price
analysis and decision making at TP levels

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TIME FRAME:

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DELTAZONE TRADING

ASSET: NZDUSD
COMPARRISON: AUDUSD
MODE: INVERTED
TIME FRAME: 1MIN

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Determine the characteristics of price action
relative to Value areas - FVG's and Order
Blocks

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MODE: INVERTED
TIME FRAME: 15SEC

This example shows inefficiency forming inside a Balanced Price Range.

A BPR is a value area created by opposing price delivery, often identified through opposing Fair Value Gaps. It acts as a bookmark in price where the market may later return to rebalance, reject, re-accumulate, or redistribute orders.

When divergence forms inside this type of value area, it can suggest that smart money is actively engaging price. In this case, the EURUSD and DXY relationship begins to show inefficiency inside the BPR, followed by nested bearish divergences on the lower timeframes.

The BPR defines the value area.
The divergence highlights inefficient delivery inside that area.

The lower-timeframe signals help refine the potential rejection.



DELTAZONE TRADING

Nested Divergence Inside the Structure

The important feature in this example is that the divergence did not appear as a single isolated signal. Instead, the market produced nested lower-timeframe bearish divergences inside a broader structural area.

The sequence can be understood as follows:

1. Price trades into or near a higher-timeframe BPR.
2. Inefficiency is detected between EURUSD and DXY.
3. A 3-minute order block provides the broader structural reference.
4. Inside that 3-minute structure, lower-timeframe bearish divergences appear on the 1-minute and 15-second timeframes.
5. These nested divergences add confirmation that price delivery is weakening inside the higher-timeframe area.

This type of alignment is important because lower-timeframe divergences are most useful when they support a higher-timeframe inefficiency. A 15-second or 1-minute divergence by itself may be minor, but when it forms inside a 3-minute order block and within the context of a BPR, it becomes more meaningful.

ASSET:
COMPARRISON:
MODE:
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EURUSD
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INVERTED
15SEC



DELTAZONE TRADING

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EURUSD
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INVERTED
15SEC



DELTAZONE TRADING

ASSET: EURUSD
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Anticipate price expansion profiles using divergence indicator on a lower TF 1min - 15sec

Anticipate reversal points and lead price analysis and decision making at TP levels

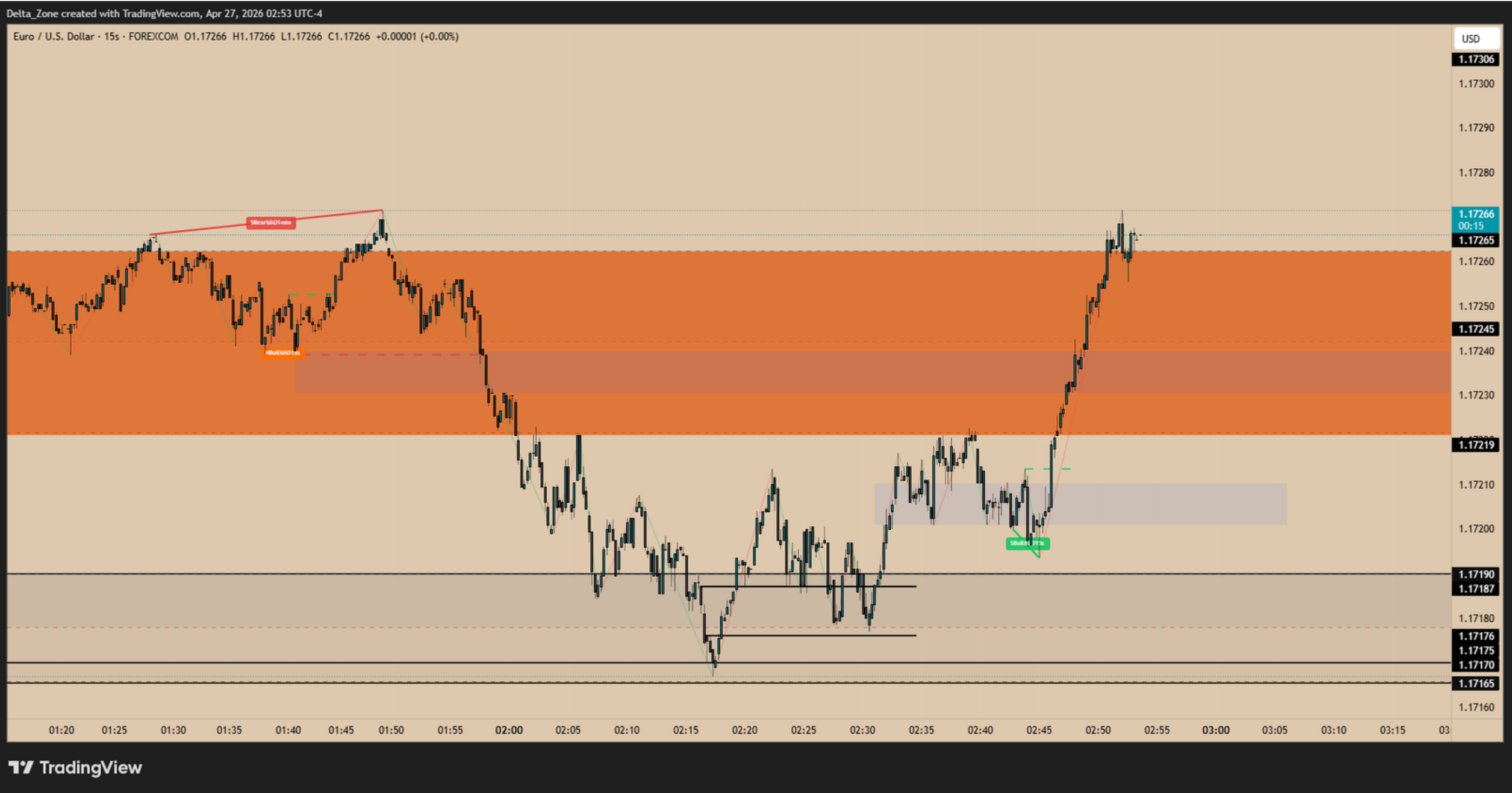
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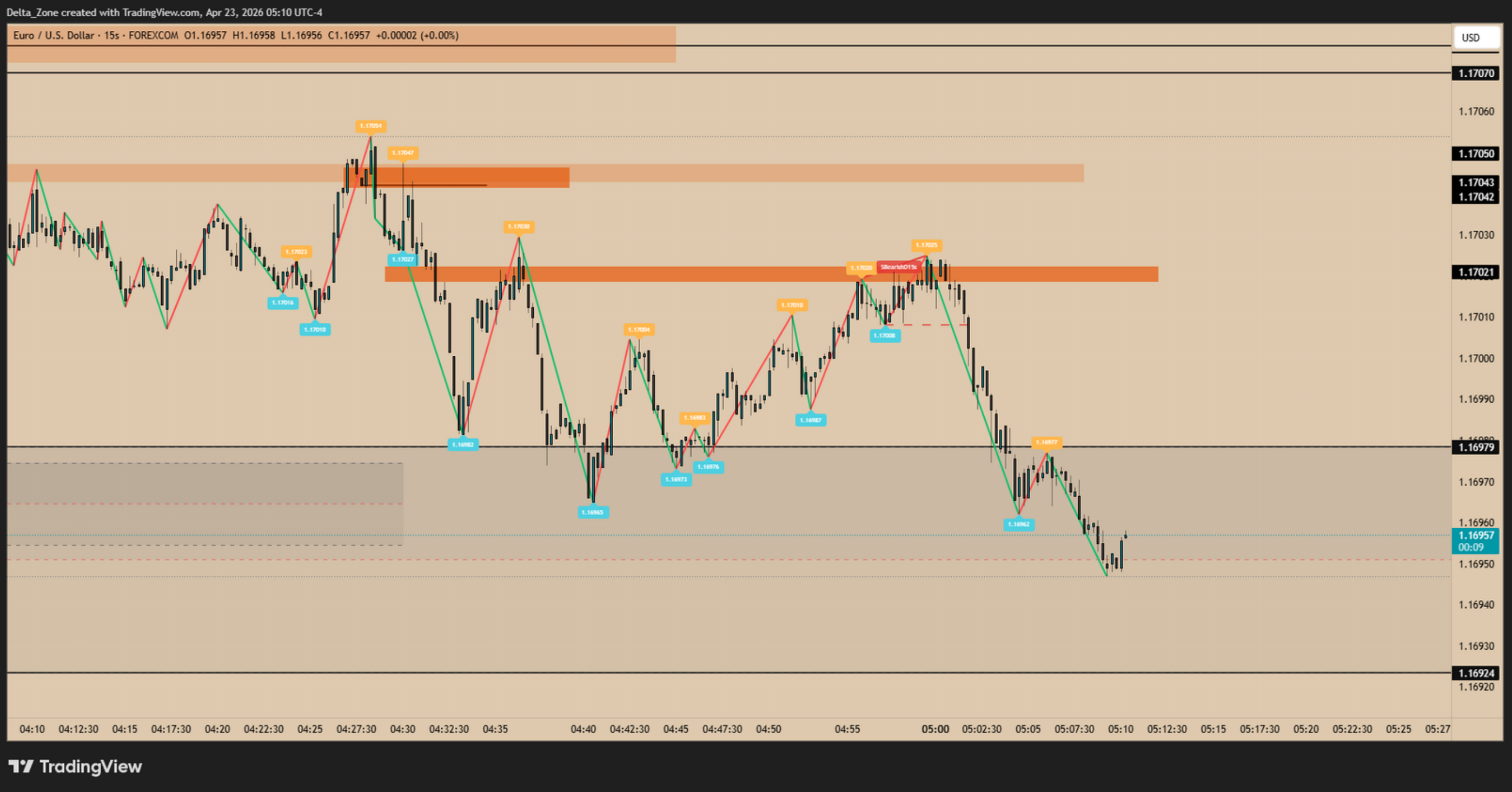
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DELTAZONE TRADING

ASSET: US100
COMPARRISON: SPX500
MODE: INVERTED
TIME FRAME: MULTI TIME FRAME

MTF analysis on the 1min chart. Build
confluence relative to your Lower TF narrative

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DELTAZONE TRADING

ASSET: BTCUSDT
COMPARRISON: ETUSD
MODE: INVERTED
TIME FRAME: MULTI TIME FRAME

This BTCUSDT example demonstrates how lower-timeframe divergences can be used within a broader higher-timeframe context.

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BTCUSDT Multi-Timeframe Divergence Analysis

Lower-timeframe divergences should be interpreted in relation to higher-timeframe inefficiencies. In this model, the lower timeframe is not treated as independent from the broader price delivery context. Instead, lower-timeframe divergence is considered subordinate to the higher-timeframe order flow environment.

Higher-timeframe divergences can be used to identify broader inefficiencies in price delivery. These conditions may reflect a larger institutional order flow event, where price is being accumulated, distributed, or repriced toward a higher-timeframe objective.

When a higher-timeframe divergence is present, lower-timeframe divergences can help refine trade execution. They may assist in identifying preferred entry areas, particularly when price returns into a value area, order block, or mitigation zone created by the broader divergence structure.

Take-profit targets can also benefit from this multi-timeframe perspective. If external range liquidity is being approached on the higher timeframe, the way price engages that liquidity becomes important. If the liquidity is engaged inefficiently, or if related markets fail to confirm the move, this may suggest a broader program of accumulation or distribution is active.

In this context, divergence is not simply a signal. It is a way to measure the efficiency or inefficiency of price delivery across timeframes. The higher timeframe provides the broader narrative. The lower timeframe helps refine the entry. The relationship between the two builds confluence at critical levels.



DELTAZONE TRADING

ASSET: BTCUSDT
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MTF analysis on the 1min chart. Build confluence relative to your Lower TF narrative

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