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November 8, 2022

# Market Chameleon

# Stock Volume Profile

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# Stock Volume Profile

Analyzing the Stock Volume

Market Hours

Dark Pool Vs Lit Exchange

Trader Cohort

Large Volume Bursts

Price Impacts

# Volume by Market Hours

Pre-Market (Before the market Opens) - Different Exchange Rules, Less Liquidity, Certain Market Participants do not participate such as mutual funds, non-approved accounts

Open Auction - Single auction handled by listing exchange specialist to match queued up morning order before the open

Market Hours - Regular Trading Hours that all participants can participate in, continuous trading with liquidity providers

Close Auction - Single Auction that matches all the orders to be executed on close price - such as mutual funds market on close

After Hours - Trading in equities after the close. Similar to Pre-market

# Dark Pool vs Lit

Dark Pool are off exchange venues that match up orders with internal matching systems. Typically, large institutional customers that do not want to display their side, retail orders that get matched against liquidity providers and large VWAPs

\*Venues can prohibit certain participants like high frequency traders

Lit Exchange are exchanges such as NYSE and NASDAQ that display bids and offers that are held. This can be last resort to access liquidity if it is not matched up in off exchanges

# Trader Cohort

Small Retail - smaller trades

Regular Retail - Trades that are retail but in the middle to higher net worth

Professional - Liquidity providers, hedge funds, prop trading firms

Institutional - Large hedge funds, large trading firms

# Large Volume Bursts

These are extremely large volume trades for a particular stock.

We look for a trade that is more than 3 standard deviations in size from the average large trade in that stock.

Volume Burst can come from a single large trade or a series of many trades that get executed in very quick succession.

# Price Impact

Every trade has a buyer and seller.

We look at the price impact of a large trade to determine if the trader stepped up or down. Uptick vs downtick analysis helps to interpret if the initiation of the execution was from a buyer or seller.