

FVG (Fair Value Gap Imbalance Reduced) detector indicator TradingView - Free



The **Fair Value Gap (FVG)** Detector indicator on [Trading View indicator](#) is an **essential technical** analysis tool within the **ICT sytle (Inner Circle Trader)** strategy system, automatically identifying **areas of imbalance** on price charts.

In strong market movements, a Fair Value Gap is created when a specific **candle** does not **cover** the **body** of the **previous** and **following candles**.

Under these conditions, due to the imbalance between **buyers** and **sellers**, the market is likely to return to these areas to address the gaps. The indicator marks **bearish gaps** with an **orange box** and **bullish gaps** with a **green box**.

Indicator Table

Indicator Category	ICT - Smart Money - Liquidity
Platforms	Trading view
Trading Skills	Professional
Indicator Types	Reversal – Leading – Non-Repaint
Timeframe	Multi Timeframe
Trading Style	All Styles
Trading Instruments	All Markets

Overview

The ICT (Inner Circle Trader) trading style developed by **Michael Huddleston** is one of the advanced **strategies** in technical analysis.

It is founded on the concepts of **liquidity** and **price imbalance**. A key element in ICT is the identification of **Fair Value Gaps (FVG)**.

This indicator can automatically detect both **bullish** and **bearish gaps** on the price chart, eliminating the need for manual chart analysis.

Fair Value Gap (FVG) in a Bullish Trend

In the image below, the price chart of **Brent Crude Oil** in a 5-minute timeframe shows a **Bullish** Fair Value Gap (FVG) that formed during an **upward** movement.

Subsequently, the price returned to this gap to **rebalance** the **area of imbalance**.

This **FVG**, highlighted with a **green box**, has effectively acted as a **support level**, facilitating the **continuation** of the **uptrend**. Bottom of Form



Bullish FVG of the FVG Detector indicator

Fair Value Gap (FVG) in a Bearish Trend

In the image below, the price chart of the **(USD/CHF)** currency pair in a 5-minute timeframe is displayed.

A **bearish Fair Value Gap (FVG)** has formed during a **downward** movement. The price has returned to this gap to **rebalance** the area of **imbalance**.

This **FVG**, highlighted with an **orange box**, has effectively acted as **resistance**, facilitating the **continuation** of the **downtrend**.



Bearish FVG of the FVG Detector indicator

Settings of the FVG Detector Indicator



Settings of the FVG Detector Indicator

- ⚡ **FVG Filter:** Set to (On) to filter out excessive FVGs;
- ⚡ **FVG Filter Type:** Set it to Defensive mode to filter gaps;
- ⚡ **Show Demand FVG:** Display bullish gaps (demand);
- ⚡ **Show Supply FVG:** Display bearish gaps (supply).

Descriptions

- ⚡ **Aggressive:** In this mode, the size of the middle candle should not be small. Therefore, a more significant number of gaps are eliminated;
- ⚡ **Defensive:** In this mode, the size of the middle candle should be relatively large and primarily composed of the body. Additionally, to identify bullish gaps, the second and third candles should be positive; for bearish gaps, the second and third candles should be negative.

Summary

In the ICT (Inner Circle Trader) trading system, detecting gaps (FVGs) is crucial; therefore, traders require high precision and skill.

Consequently, the Fair Value Gap (FVG) detector indicator provides an essential service by automatically identifying gaps in the price chart without manual chart analysis and with a minimal error rate.

This allows traders to focus on strategy and execution rather than the meticulous task of gap identification.

Sources:

1- More Information about FVG (Fair Value Gap Imbalance Reduced) detector indicator:

<https://tradingfinder.com/products/indicators/tradingview/fvg-detector/>

2- FVG (Fair Value Gap Imbalance Reduced) detector indicator in TradingView:

<https://www.tradingview.com/script/7RyvovXb-FVG-Detector-TradingFinder-Fair-Value-Gap-Imbalance-Mitigated/>

3- Watch it on YouTube:

<https://youtu.be/G-t-ybwFnDY?feature=shared>

4- All Indicators:

<https://tradingfinder.com/products/indicators/tradingview/>



[Website](#)



[Indicator link](#)



[Youtube Channel](#)



[Instagram](#)