

## Learning ICT Market Order Flow; Institutional & Smart Money Concept (SMC)

**Order Flow (OF)** reflects the stream of buy or sell orders from traders, investors, institutions, and other market participants. Ultimately, this flow determines the direction and movement of currency prices in both **ICT Style** & **SMC Strategies**.



ICT Market Order Flow Trading Guide: Institutional & Smart Money Concept (SMC)

Order Flow (OF) generally comprises candles that counter the primary market trend.

### What is ICT Market Order Flow?

**Order Flow (OF)** is an institutional concept that reveals the footprints of **Smart Money**. During **price corrections** following an **uptrend**, Smart Money executes its positions.

Since they manage substantial capital, executing all trades at once is impossible. As a result, **corrective candles** are referred to as **Order Flow**.

# Identifying ICT Order Flow

To identify Order Flow, you must first understand **Break of Structure (BOS)**. Order Flow comprises corrective candles that form before a Break of Structure (BOS) occurs.

When the price breaks the structure, identify **pullbacks** below the BOS level and mark them as Order Flow. OF is categorized into two types based on market trends:

## Bullish Order Flow

**Bullish Order Flow** represents the entry of **buy orders** and **demand pressure** from Smart Money. It consists of **bearish** (pullback) candles that form in an **upward** movement before a **Break of Structure (BOS)**.

In Bullish Order Flow, bearish candles **support** the price, encouraging traders to **buy** from these zones.

Notably, this setup highlights **valid demand zones**, **bullish order blocks**, and **PD arrays** as the key areas where price holds, while **supply zones** and **bearish order blocks** are often overlooked by the market, serving as zones to **induce liquidity grabs** before the trend resumes.

- ⚡ If there's only one pullback candle, it can be marked as Order Flow.
- ⚡ If there are multiple candles, all should be marked as the Order Flow zone.



Identifying ICT Bullish Order Flow on GBP/USD 15-min Chart

LIVEWORKSHEETS

## Trading with Bullish Order Flow

To trade using **Bullish Order Flow**, identify and mark Order Flow zones below the **BOS** level.

Multiple Bullish Order Flow zones may exist, so wait for price corrections to test these zones.

These zones often align with **demand zones**, **bullish order blocks**, or **PD arrays**, which act as **strong buy areas**, while **supply zones** or **bearish order blocks** and **PD arrays** above are typically bypassed as **liquidity traps**.

The steps for trading Bullish Order Flow are:

- 1. Testing the Order Flow Zone:** As the price approaches the **Bullish Order Flow zone**, look for **bullish** evidence, such as **Market Structure Shift (ICT MSS)** on lower timeframes.
- 2. Evaluating Evidence:** If the first Bullish Order Flow zone doesn't provide the necessary evidence, wait for the price to test the **second** Order Flow zone.
- 3. Entering the Trade:** Execute a buy trade once sufficient bullish evidence is observed. The **Stop Loss (SL)** should be placed **below** the Order Flow zone or according to your risk management strategy.
- 4. Setting Take Profit (TP):** Set the **Take Profit (TP)** at targets like the previous price high or the following liquidity draw points.

The example below illustrates this process:



## Bearish Order Flow

Bearish Order Flow represents the entry of **sell orders** and **supply pressure** from Smart Money. **Bearish Order Flow (OF)** consists of **bullish** (pullback) candles that form in a **downward** movement before a **Break of Structure** (BOS).

These bullish candles act as **resistance** to the price, prompting traders to **sell** from these zones.

In this context, **supply zones**, **bearish order blocks**, and **PD arrays** emerge as critical **resistance** levels where price reacts, while **demand zones** and **bullish order blocks** are frequently ignored, functioning as **liquidity inducement zones** to fuel the downtrend.

- ⚡ If there's only one pullback candle, it can be marked as Order Flow.
- ⚡ If there are multiple candles, all should be marked as the Order Flow zone.



Identifying Bearish Order Flow on EUR/USD 15min Chart

## Trading with Bearish Order Flow

To trade using **Bearish Order Flow**, identify and mark Order Flow zones above the **BOS level**. Multiple Bearish Order Flow zones may exist, so wait for price corrections to test these zones.

These zones typically correspond to **supply zones**, **bearish order blocks**, or **PD arrays**, serving as prime **sell** areas, while **demand zones or bullish order blocks** below are often skipped as **liquidity traps**. Steps for trading Bearish Order Flow:

- 1. Testing the Order Flow Zone:** As the price approaches the Bearish Order Flow zone, look for bearish evidence, such as **Market Structure Shift (ICT MSS)** on lower timeframes.
- 2. Evaluating Evidence:** If the first Bearish Order Flow zone doesn't provide the necessary evidence, wait for the price to test the second Order Flow zone.
- 3. Entering the Trade:** Execute a sell trade once sufficient bearish evidence is observed. The **Stop Loss (SL)** should be placed above the Order Flow zone or according to your risk management strategy.
- 4. Setting Take Profit (TP):** Set the **Take Profit (TP)** at targets like the previous price low or the following liquidity draw points.

The example below illustrates this process:



Trading Based on Bearish Order Flow on EUR/USD 15min Chart

## Conclusion

**ICT Market Order Flow** is a tool for decoding the precise entry and exit points of **Smart Money**, enabling traders to align with institutional positioning within the **market structure**.

By leveraging this concept, traders can not only determine the **correct direction of the market structure** but also pinpoint **which support and resistance zones** or **supply and demand zones** are **likely to hold**.

## Sources:

Our Website Link :

<https://tradingfinder.com/education/forex/ict-market-order-flow/>

All Education :

<https://tradingfinder.com/education/forex/>

TradingFinder Support Team (Telegram):

<https://t.me/TFLABS>



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