

INSTITUTIONAL

VOLUME TERMINAL

Elite v13.1

The Complete Trader's Handbook

From framework philosophy to live signal execution —
everything you need to read institutional volume structure.

CANTILLON RESEARCH
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CHAPTER 1

The IVT Philosophy

"Regime First. Volume Second. Price Last."

Why Most Traders Get It Backwards

The majority of retail traders lead with price. They see a chart moving, draw support and resistance lines, add a moving average, and make a decision. Price is the most visible thing on a chart — but it is also the last thing that institutions reveal.

By the time a price move is visible to you, the institutional decision has already been made. The accumulation or distribution happened in the volume structure, days or weeks before the price reflected it. This is not a theory. It is the mechanical reality of how large capital moves markets.

The IVT framework reverses the sequence deliberately. Regime context comes first, because no volume signal means anything in isolation. Then volume structure — because that is where institutional intent is visible. Price is read last, as confirmation of what the volume already told you.

The Three-Layer Decision Sequence

LAYER	QUESTION	IVT TOOL
1. Regime	Is the macro environment conducive to risk?	Cantillon Flow Dashboard
2. Volume	Is institutional volume confirming the move?	AVWAP, VP, Compression, Delta
3. Price	Has price confirmed the structural signal?	Signal tiers, AVWAP crossover

This sequence is not negotiable. A strong price setup in a bearish regime is a trap. A bearish regime with poor volume structure and a price breakdown is a high-probability continuation. The framework only generates high-conviction signals when all three layers align.

What Institutional Volume Actually Reveals

Institutions cannot buy or sell large positions quietly. A fund managing billions cannot exit a position in a single session without destroying their own exit price. They work orders in layers — selling the morning rip, selling the afternoon recovery, absorbing supply at specific price levels over days and weeks.

The footprints they leave are embedded in three measurable signals: the volume profile (where volume concentrated), the AVWAP direction (whether their cost basis is rising or falling), and the compression state (whether they are building a position or releasing one).

The IVT Terminal does not predict where price will go. It confirms what the volume structure is already telling you.

CHAPTER 2

The Cantillon Flow Framework

The Liquidity Cascade

The Cantillon Flow framework is named after Richard Cantillon, the 18th-century economist who first described how newly created money flows through an economy unevenly — reaching different asset classes at different times, benefiting those closest to the source first.

In modern markets, this translates into a three-layer cascade. Liquidity improvements show up in bonds first (as rate expectations shift). Then capital flows into equities. Then, last of all, into risk assets — crypto, high-beta equities, speculative names.

LAYER	PROXY	WHAT IT MEASURES	LEADS/LAGS
1. Liquidity	TLT (20Y Bonds)	Rate expectations, Fed pivot signals	Leads
2. Equities	SPY (S&P 500)	Broad market risk appetite	Middle
3. Risk Assets	BTC (Bitcoin)	Speculative demand, crypto cycle	Lags

This sequence has a direct implication for trading: a bullish signal on a crypto name or high-beta stock means nothing if Layer 1 (liquidity) is still bearish. The upstream conditions must be in place before the downstream assets receive institutional flow.

The Six Regime States

REGIME	CONDITIONS	BONUS	IMPLICATION
FULL RISK-ON	All 3 layers bullish	+3	Maximum long bias. All assets in flow.
EARLY CYCLE	Liq + Eq bullish, Risk neutral	+1	Equities leading. Crypto lagging.
ACCUMULATION	Liq bullish only	+2	Upstream improving. Downstream not yet.
DISTRIBUTION	Eq bullish, Liq bearish	-2	Late cycle. Dangerous for new longs.
FULL RISK-OFF	All 3 layers bearish	-3	Maximum short bias. Avoid risk assets.
SPECULATIVE	Mixed / unclassified	-1	No structural edge. Reduce size.

The Macro Bonus and VIX Layer

The Macro Bonus is an integer from -5 to +5 that is added to the Confluence Score on every signal. It is derived from the regime state, the composite score across all three layers, and the VIX volatility overlay.

CONDITION	ADJUSTMENT
Composite score ≥ 7 (all layers strongly bullish)	+1 additional

Composite score ≤ -7 (all layers strongly bearish)	-1 additional
VIX below low threshold (default 18) — low fear	+1
VIX above high threshold (default 30) — high fear	-1
VIX rising sharply (ROC > 5)	-0.5
VIX falling sharply (ROC < -5)	+0.5

The Macro Bonus tells you the quality of the macro environment. A +2 or +3 bonus means upstream conditions are genuinely supportive. A -2 or -3 bonus means institutional flow is moving against you, regardless of what the price chart looks like.

CHAPTER 3

Core Indicator Features

Anchored VWAP (AVWAP) and SD Bands

The Anchored VWAP is the single most important line on your chart. Unlike a standard daily VWAP which resets every session, the AVWAP anchors to a structural event — a swing high, a swing low, or a regime change — and tracks the volume-weighted average price from that point forward.

This gives you the institutional cost basis: the average price at which institutional volume has been transacted since that structural event. Price above AVWAP means institutions are in profit on their position. Price below AVWAP means they are underwater.

AVWAP Direction Matters As Much As Level

A static AVWAP where price is 3% below represents a very different situation than a falling AVWAP where price is 3% below. In the first case, institutions have a fixed reference point and are waiting for recovery. In the second, their reference point is declining with price — they are resetting their cost basis lower, which is the footprint of active distribution.

AVWAP STATE	READING	INTERPRETATION
Price above, AVWAP rising	Bullish structure	Institutions in profit, adding on dips
Price above, AVWAP flat	Neutral to bullish	Consolidation above cost basis
Price below, AVWAP flat	Caution zone	Institutions underwater, watching level
Price below, AVWAP falling	Active distribution	Cost basis resetting lower — sell rallies

Standard Deviation Bands (SD1 and SD2)

The SD bands represent statistical extensions of the AVWAP. SD1 (1 standard deviation) contains approximately 68% of price action. SD2 (2 standard deviations) contains approximately 95%. These are not arbitrary levels — they are derived from the actual volume-weighted variance of price.

SD2 Lower is particularly significant. When price closes below SD2 Lower, it represents a statistical extreme — institutional capitulation. The v13.1 SD2L Extreme Signal fires when price closes below SD2 Lower and then snaps back above it. Backtesting on SPX daily shows 72% win rate on this setup.

Volume Profile and Point of Control

The Volume Profile displays where volume has concentrated across price levels over the current swing. The Point of Control (POC) is the price level with the highest volume concentration — this is the institutional cost basis from a profile perspective.

The Value Area (VA) contains 70% of total volume and represents the range where the majority of institutional activity occurred. Price within the VA is 'accepted' by institutions. Price outside the VA is either

rejected (and will likely return) or breaking out into a new structure.

VP ELEMENT	SIGNIFICANCE	TRADING IMPLICATION
Point of Control (POC)	Highest-volume price level	Magnetic attraction — price gravitates here
Value Area High (VAH)	Top of 70% volume zone	Resistance from above; support from inside
Value Area Low (VAL)	Bottom of 70% volume zone	Support from below; resistance from inside
High Volume Node (HVN)	Volume spike at a price level	Strong institutional interest — hard to break
Low Volume Node (LVN)	Volume gap at a price level	Thin air — price moves quickly through here

Multi-AVWAP Convergence System

The IVT runs three simultaneous AVWAPs anchored to different structural timeframes. When all three converge within a single ATR, the indicator identifies an Institutional Convergence Zone — a level where short-term, medium-term, and long-term institutional cost bases align.

Convergence zones are high-probability reversal or continuation levels because they represent agreement across institutional timeframes. The convergence strength percentage tells you how tight the alignment is — above 80% is a high-conviction level.

Volatility Compression States

Volatility compression measures whether the market is building energy (compressing) or releasing it (expanding). The IVT uses Bollinger Band width percentile to identify three distinct states:

STATE	BB WIDTH PERCENTILE	MEANING	SIGNAL QUALITY
EXPANDED (0%)	High — above threshold	Energy just released	Avoid new entries
BUILDING	Mid-range	Compression forming	+1 confluence factor
COILED (high%)	Low — below threshold	Energy building for breakout	+2 confluence factor

Sustainable directional moves begin from COILED states, not EXPANDED ones. A 15% single-session spike on an EXPANDED reading is a tension release — not the start of a new trend. Wait for compression to rebuild.

v13.1: Instrument-Adaptive Compression Threshold

In v13.1, the compression threshold automatically adjusts based on the instrument's ATR profile. High-noise instruments (crypto 4H, typically above 2.5% ATR) maintain a strict threshold. Low-noise instruments (equity daily, typically below 1.5% ATR) receive a +10 percentage point relaxation. This prevents equity daily setups from being incorrectly classified as EXPANDED.

Delta and Absorption Detection

Delta measures the net difference between buying and selling volume within each bar. Positive delta means more volume traded on the bid (buying). Negative delta means more volume traded on the ask (selling).

CVD Divergence fires when price and delta are moving in opposite directions — a leading indicator of institutional intent. Absorption fires when high volume occurs with minimal price movement, indicating that one side is absorbing the other's orders at a specific level.

Liquidity Sweeps

Liquidity sweeps identify when price briefly breaks a recent high or low and then reverses. This is institutional order flow at work — large players engineering stops to fill their own orders at better prices. A sweep followed by a strong reversal and AVWAP crossover is one of the highest-quality setups the IVT generates.

CHAPTER 4

The Signal Tier Architecture

Every signal the IVT generates is assigned a tier from S1 to S4. The tier reflects the number of independent confirming factors — not just the total confluence score. This distinction is important: the score measures intensity, the factor count measures independence.

The Four Signal Tiers

TIER	LABEL	FACTORS REQUIRED	DESCRIPTION
S1	Basic Signal	AVWAP cross + momentum	Base condition only. Low conviction. Context-dependent.
S2	Confirmed Signal	2+ independent factors	Multiple confirmation. Worth monitoring closely.
S3	High Conviction	4+ independent factors	Strong institutional alignment. Primary trading tier.
S4	Maximum Conviction	6+ factors + Cantillon ≥ 1	All systems aligned. Highest-probability setup.

The Ten Independent Confluence Factors

These are the factors counted toward signal tier assignment. Each factor must be structurally independent — the same market condition cannot count twice through different proxies.

#	FACTOR	BULLISH CONDITION	BEARISH CONDITION
1	Volume Structure	Volume spike + positive delta	Volume spike + negative delta
2	Absorption	High volume, small range, bullish bar	High volume, small range, bearish bar
3	Liquidity Sweep	Sweep of recent low + reversal	Sweep of recent high + reversal
4	CVD Divergence	Price falling, delta rising (Moderate+)	Price rising, delta falling (Moderate+)
5	Price Structure	Near POC or inside VA, above AVWAP	Near POC or inside VA, below AVWAP
6	AVWAP Convergence	Price above convergence level	Price below convergence level
7	Vol Compression (COILED)	+2 factors if bias bullish	+2 factors if bias bearish
8	Cantillon Regime	Macro Bonus $\geq +2$	Macro Bonus ≤ -2
9	VP Delta Imbalance	POC buy volume > 15% imbalance	POC sell volume > 15% imbalance
10 (v13.1)	AVWAP Dev Filter	Dev < threshold at bullish cross	Dev < threshold at bearish cross
11 (v13.1)	SD2L Extreme	+2 factors on capitulation snapback	N/A (mean reversion only)

The Coiled Spring Setup

The Coiled Spring is the highest-quality setup the IVT identifies. It requires all of the following simultaneously: multi-AVWAP convergence active, volatility in COILED state, and breakout bias confirmed in one direction. When all three align, the indicator displays the COILED SPRING label on the dashboard and appends it to any S3 or S4 signal.

The logic is structural: convergence means institutional timeframes are aligned at a single level. Compression means energy is built up and waiting for release. Bias means the direction of that release is readable from the momentum, delta, and AVWAP position during the compression. These conditions together represent institutional positioning before a major move.

S3 and S4 signals are your primary trading tier. S1 and S2 are informational — they tell you the structure is forming but not yet confirmed. Never size into an S1 signal the way you would an S4.

CHAPTER 5

Reading the Dashboard

The IVT dashboard is a 24-row panel that gives you a complete structural read on any instrument in real time. Every row tells you something specific. Reading them in sequence is a discipline — not just a glance.

ROW	LABEL	WHAT IT TELLS YOU
0	Bias	Price vs AVWAP — the single most important directional read
1	VWAP Dev %	How far price has deviated from institutional cost basis
2	Conf Score	Weighted confluence score + independent factor count (F)
3	Signal Tier	Current signal tier — S1 through S4 or none
4	Swing Age	How many bars the current swing has been running
5	Swing Type	BULL or BEAR — direction of the current volume swing
6	Stability	Whether volume profile is consolidating into a base
7	VP Recalcs	Number of volume profile rebuilds (swing changes)
8	Conv Status	Multi-AVWAP convergence active / strength percentage
9	VP Delta	Buy vs sell volume dominance at the Point of Control
10	Vol Comp	COILED / BUILDING / EXPANDED + adaptive threshold
11	SETUP	COILED SPRING label when all conditions align
12 (v13.1)	Instr Tier	Auto-detected instrument type and threshold adjustment
13 (v13.1)	Dev Filter	Whether current deviation qualifies for +1 factor bonus
14 (v13.1)	SD2L Extreme	Capitulation snapback signal status
15	Cantillon Flow	Current macro regime state
16	Lqd Eq Rsk	Three-layer breakdown — which layers are bullish
17	Macro Bonus	Net macro bonus applied to confluence score
18	Composite	Total Cantillon composite score out of 9
19	VIX Layer	Fear/complacency read and its impact on the bonus
20	Leader	Which layer is currently leading the flow sequence
21	Transition	Whether the regime is improving or deteriorating
22	WR	Win rate tracker for the last N signals with expiry
23	W/L Detail	Wins, losses, and open positions breakdown

The Dip vs. Distribution Quick Read

Before entering any long position on a pullback, run the following three-second dashboard check:

IVT SIGNAL	DIP READING	DISTRIBUTION READING
Vol Compression	COILED — energy building	EXPANDED 0% — energy released
Stability	1/2 or 2/2 — base forming	0/2 — still dispersing
AVWAP Direction	Flat or rising — anchored cost basis	Falling — reference resetting lower
VP Delta at POC	Buy volume dominant	Sell volume dominant
Swing Age	Mature — trend exhausted	Young — trend still developing

The more signals read 'Distribution,' the more dangerous the entry. When all five align on the distribution side, the probability that you are buying into institutional selling — not institutional accumulation — is extremely high.

CHAPTER 6

Settings & Configuration Guide

Preset Modes

The IVT includes three built-in presets that configure the indicator optimally for specific use cases. Select a preset from the Quick Preset dropdown to apply all relevant settings at once.

PRESET	USE CASE	KEY CHANGES
4H Crypto Swing	Crypto swing trading on 4-hour charts	VP lookback 200, strong signals only, delta histogram on, multi-AVWAP on
1H Forex Scalp	Intraday forex on 1-hour charts	VP lookback 100, session filter on, lite mode, breakout bias on
Daily Macro Lite	Macro overview on daily timeframe	VP lookback 500, signals off, lite mode, compression on, performance mode on

Key Settings Reference

SETTING	DEFAULT	RECOMMENDATION
Compression Threshold Base	25%	Leave at default with Adaptive enabled
Adaptive Compression	ON	Always on — auto-adjusts for instrument
AVWAP Dev Filter	ON (3%)	3% for most; 1-2% for index ETFs
SD2L Extreme Signal	ON	Always on — high-accuracy mean reversion
Cantillon Flow	ON	Always on — regime context is essential
VIX Overlay	ON	Always on — removes signals in high-fear regimes
VP Rows	50	Reduce to 30 on lower timeframes for speed
VP Lookback	150 bars	200+ for daily; 100 for intraday
Multi-AVWAP	ON	ON for swing trading; optional for scalping
Performance Mode	OFF	Enable on slow charts or lower-powered devices
Strong Signals Only	OFF	Enable if you want S3/S4 signals only

Recommended Settings by Instrument Type

INSTRUMENT	TIMEFRAME	VP LOOKBACK	PRESET / NOTES
S&P 500 / NAS100	Daily	200–300	Daily Macro Lite or manual; dev filter < 2%
Individual Equities	Daily / 4H	150–200	Default; adaptive threshold handles equity daily
BTC / ETH	4H	150–200	4H Crypto Swing preset; strict compression applies

Altcoins (SOL etc.)	4H / 1H	100–150	4H Crypto Swing; reduce VP rows to 40
Forex Majors	1H / 4H	100	1H Forex Scalp preset; session filter on
Crypto (daily)	Daily	200	Default; adaptive will relax threshold for daily

CHAPTER 7

Example Trades & Case Studies

The following case studies illustrate how the IVT framework reads real market situations. Each example walks through the dashboard sequence — regime first, volume second, price last.

Case Study 1: COIN — Distribution in a Bear Regime

Date: February 13, 2026. Price: \$164.32. IVT Regime: BEARISH.

Step 1 — Regime Read

The Cantillon Flow Dashboard reads ACCUMULATION: Liquidity bullish, Equities bearish, Risk bearish. Macro Bonus +2. The upstream condition is improving, but COIN sits at the extreme downstream end of the sequence. Bitcoin must recover before COIN receives institutional flow.

Step 2 — Volume Structure Read

VWAP deviation: -2.91% against a falling AVWAP. Stability: 0/2. Volume Compression: EXPANDED 0%. The structure tells a clear story: no base forming, volatility just released, institutional reference point declining. This is not a dip. This is active distribution.

Step 3 — Price Read

COIN staged a 16.5% single-session rally on a below-consensus CPI print. The price action was violent and real. The volume structure did not confirm it. Stability remained 0/2. Compression remained EXPANDED. The AVWAP did not reclaim. One day of price strength does not change the volume structure.

IVT Framework Conclusion

Actionable Stance: OBSERVE. The rally was a sensitivity event, not a regime change. The Terminal will confirm when the regime actually flips. Until Stability reaches 1/2, compression enters COILED, and the AVWAP reclaims — the structure remains bearish.

Case Study 2: SPX — SD2L Extreme Mean Reversion

Scenario: SPX daily closes below SD2 Lower band (statistical extreme).

Step 1 — Regime Read

Cantillon Flow reads EARLY CYCLE: Liquidity and Equities bullish, Risk neutral. Macro Bonus +1. The macro environment is constructive for a mean reversion — liquidity is supportive and equities are in an uptrend on the higher timeframe.

Step 2 — Volume Structure Read

SD2L Extreme signal fires: price closed below SD2 Lower on 2 of the prior 3 bars (capitulation confirmed), and has now snapped back above SD2 Lower. Dashboard row 14 reads: FIRING NOW. The SD2L Extreme

adds +2 independent factors automatically. Combined with Cantillon bonus and volume spike, total bull factors reach 5.

Step 3 — Price Confirmation

Price crosses back above AVWAP — triggering the base signal condition. With 5 bull factors, the signal tier assigns S3. Dashboard shows: BULLISH bias, SD2L Extreme ACTIVE, Conf Score 7, S3 signal.

Backtest data: SPX daily SD2L extreme touch — 72% win rate, +2% average 10-bar return. This is one of the highest-accuracy setups the IVT identifies. Size accordingly.

Case Study 3: BTC — Coiled Spring Breakout

Scenario: BTC 4H. Multi-AVWAP convergence active, compression in COILED state, breakout bias reads Bullish.

Step 1 — Regime Read

Cantillon Flow reads FULL RISK-ON: all three layers bullish. Macro Bonus +3. VIX below 18 — low fear bonus applies. The upstream environment is maximally supportive for a risk asset move.

Step 2 — Volume Structure Read

Multi-AVWAP convergence: three AVWAPs within 0.4 ATR — convergence strength 87%. Compression: COILED at 92% strength, 34 compression bars. Breakout bias: Bullish 74% confidence. Dashboard row 11 shows: COILED SPRING UP arrow. This is the setup.

Step 3 — Entry Trigger

Price breaks above AVWAP convergence zone with volume spike (2.1x average). Delta positive. Bull factors: compression (+2), convergence (+1), volume spike (+1), sweep of prior low (+1), Cantillon (+1) = 6 factors. Signal tier: S4. Dashboard: BULLISH, COILED SPRING, Conf Score 11, star S4 signal.

S4 COILED SPRING is the highest-conviction signal the IVT generates. All structural conditions aligned. Full risk-on regime. Institutional energy compressed and now releasing with directional bias confirmed.

CHAPTER 8

Alerts & Daily Workflow

Setting Up Alerts in TradingView

The IVT includes five alert types. Enable alerts in Section 13 of the indicator settings, then create corresponding TradingView alerts via the Alert Manager.

ALERT	TRIGGER	RECOMMENDED USE
Buy Signal (S2+)	Tier 2 or higher buy signal fires	Primary long alert — all instruments
Sell Signal (S2+)	Tier 2 or higher sell signal fires	Primary short/exit alert
Coiled Spring	COILED SPRING setup activates	High-priority watchlist alert
Signal 4 (Max)	S4 signal fires on any direction	Maximum conviction — immediate attention
SD2L Extreme (v13.1)	Capitulation snapback confirmed	Mean reversion setups — high accuracy

Recommended Daily Workflow

The following workflow integrates the IVT with The Cantillon Report daily brief for a complete pre-market preparation routine.

TIME (ET)	ACTION	IVT FOCUS
Pre-market 06:30	Read the daily Cantillon Report brief	Cantillon regime, Macro Bonus, overnight developments
06:45	Check terminal.html on cantillonresearch.com	Dashboard readings for key instruments
07:00	Open TradingView — review watchlist	AVWAP bias, compression state, swing type per instrument
07:15	Identify setups	Filter for COILED or BUILDING compression + S2+ signals
09:30	Market open	Confirm volume at open aligns with pre-market structure
Intraday	Monitor active positions	Watch AVWAP holds, stability changes, compression breaks
Post-market	Review signal performance	Check WR dashboard row — track tier accuracy

The Cantillon Report Publication Cadence

The daily brief is published Tuesday through Friday at 13:00 Stockholm time (07:00 ET pre-market). A Substack Note follows 30 minutes after publication to maximize early distribution. Free subscribers receive macro regime context and framework observations. Paid subscribers receive the complete brief including specific AVWAP levels, IVT confluence scores, and position management frameworks for active instruments.

The most important discipline in the IVT framework is also the simplest: wait for the structure to confirm before committing. The dashboard will tell you when the regime has shifted, when compression has built, and when the volume structure supports the trade. Your job is to read it — not to anticipate it.

CANTILLON RESEARCH

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