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ICT New Day Opening Gap (NDOG)

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The **New Day Opening Gap (NDOG)** refers to the price difference between the market's closing price and its reopening price in the following day.

For example, in U.S. indices, the market closes at 5 PM (New York time) and reopens at 6 PM (New York time).

Traders use this analytical method to monitor liquidity flows and implement the **ICT strategy**.

For more information and access to the NDOG indicator, refer to the links below:

- ⚡ [NDOG Indicator for MetaTrader 4;](#)
- ⚡ [NDOG Indicator for MetaTrader 5;](#)
- ⚡ [NDOG Indicator for TradingView.](#)



New Day Opening Gap (NDOG) in ICT ICT strategy

Reasons for NDOG Formation

- ⚡ Release of significant news outside trading hours;
- ⚡ Changes in market **supply** and demand;
- ⚡ Sudden decisions by large institutional traders.

Advantages of Using NDOG

- ⚡ **Multiple trading opportunities:** NDOG gaps frequently occur in the market;
- ⚡ **Applicability across financial markets:** This strategy can be used in stocks, forex, futures, and cryptocurrencies;
- ⚡ **High predictability:** Price behavior around gaps often follows specific patterns.

How to Use NDOG at the Start of a New Day?

1. **Identify the gap:** Mark the previous day's closing price and the new day's opening price (NDOG) on the chart;
2. **Observe price reaction:** If the price tends to fill the gap, apply a gap-fill strategy. If the price moves toward the gap, traders should seek confirmation of trend continuation;

3. **Enter the trade:** For a gap-fill strategy, enter trades opposite to the gap direction. For a trend continuation strategy, enter trades in the gap's direction;
4. **Exit the trade:** Set your **take profit** and **stop loss** levels by using key price levels or the point where the price returns to the gap's starting position.

Finding Entry Points Using the 50% NDOG Level

One of the most important NDOG trading methods involves the **50% level** of the gap. This level often triggers significant price reactions.

To calculate the exact **50% level**, use the **0**, **0.5**, and **1 levels** of Fibonacci tool.

Applications of NDOG in Trading

- ⚡ **Identifying key levels:** NDOG and **NWOG gaps** are reference points for support and resistance levels;
- ⚡ **Plotting multiple NDOGs:** Draw at least five NDOGs on the chart for better understanding of price behavior;
- ⚡ **Analyzing lower timeframes:** After identifying NDOGs on daily charts, switch to lower timeframes (e.g., 5- or 15-minute) to find precise entry points.

Key Times for Using NDOG

1. **Early trading hours:** The first 1-2 hours after the market opens are critical for identifying and trading gaps;
2. **Trading sessions:** Price reactions to gaps vary across **different market sessions** (Asia, Europe, U.S.);
3. **London session:** High volumes and frequent gap fills;
4. **New York session:** Confirmation or continuation of gap trends.

Advanced NDOG Tips

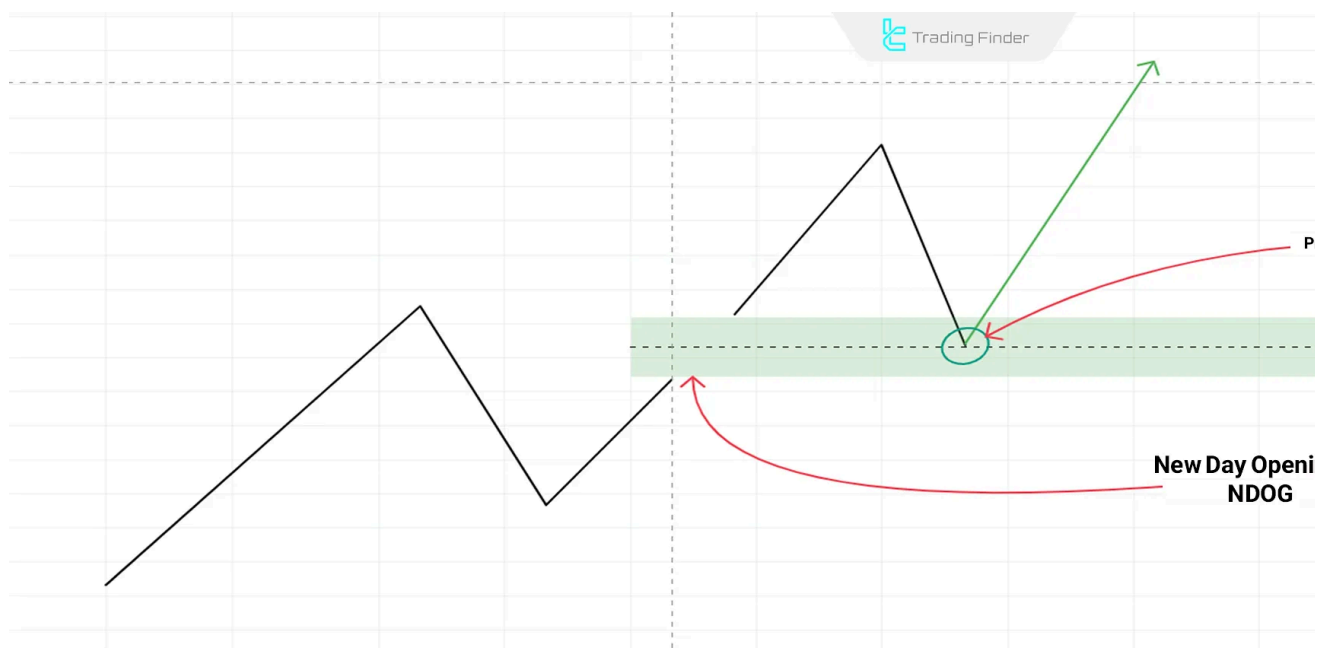
- ⚡ **Multi-day gaps:** Gaps spanning multiple trading days provide stronger levels for analysis;
- ⚡ **Larger-than-average gaps:** Pay attention to gaps larger than the daily average for significant signals;

- ⚡ **Market trend alignment:** Gaps aligned with the overall market trend are more likely to succeed;
- ⚡ **Monitor news and data:** Gaps caused by economic news or significant reports offer stronger signals.

NDOG Buy Strategy

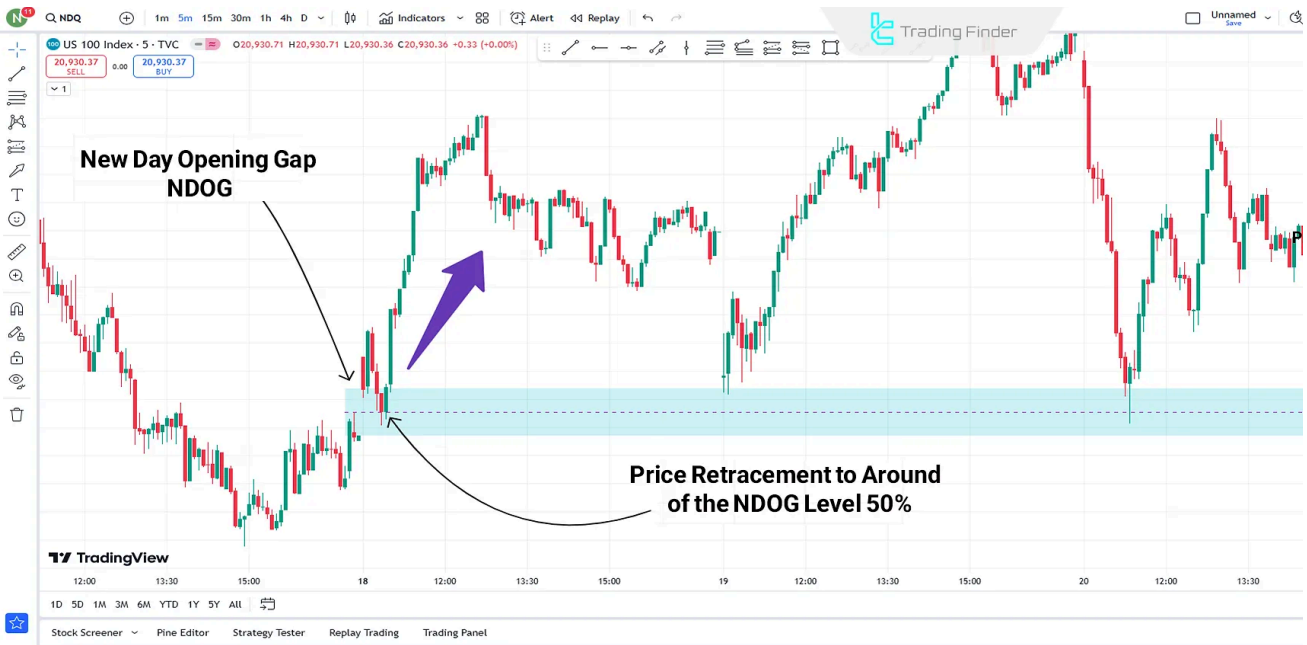
In bullish scenarios, the strategy splits into two approaches:

- ⚡ **Price above the NDOG level:** Wait for the price to return to the NDOG level and test it. After observing signs of price reversal on **lower** timeframes (like market structure shift), enter a **buy position**, targeting liquidity levels;
- ⚡ **Price below the NDOG level:** If the price tests the NDOG level and **closes** above it, this level acts as **support**; It will confirm the bullish analysis.



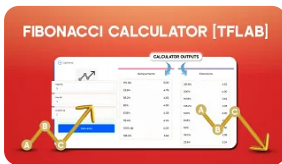
NDOG Schematic (Fair Value Gap) in a Bullish Trend

The Nasdaq chart in the 5-minute timeframe illustrates the functioning of NDOG (New Day Opening Gap) in an **uptrend**.



NDOG (Fair Value Gap) in a Bullish Trend

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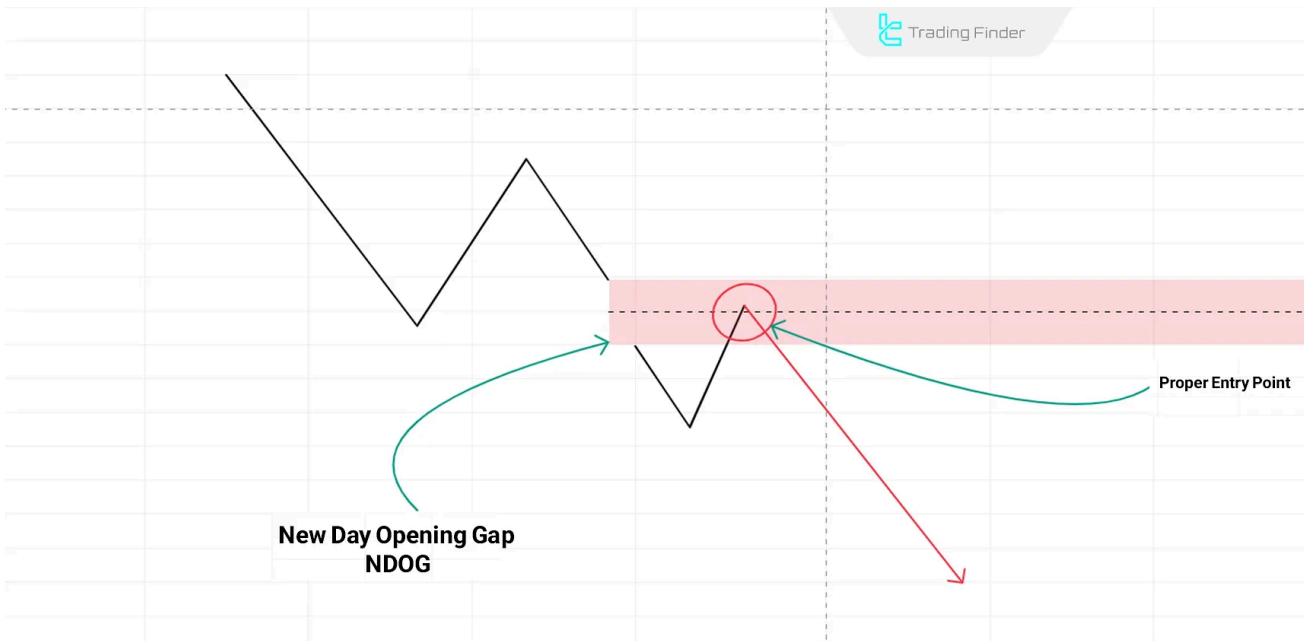


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NDOG Sell Strategy

In bearish scenarios, the strategy splits into two approaches:

- ⚡ **Price below the NDOG level:** Wait for the price to return to the NDOG level and test it. After observing signs of price reversal on lower timeframes (e.g., structure changes), enter a **sell position**, targeting liquidity levels;
- ⚡ **Price above the NDOG level:** If the price tests the NDOG level and closes below it, this level acts as resistance, confirming the bearish analysis.



NDOG Schematic (Fair Value Gap) in a Bearish Trend

The Dow Jones chart in the 5-minute timeframe illustrates how **NDOG** (New Day Opening Gap) operates in a **downtrend**.



NDOG (Fair Value Gap) in a Bearish Trend

Comparison of NDOG Across Markets

Comparing markets using NDOG provides a better understanding of how this method applies to different trading conditions:

Markets	Frequent Gaps	Gap Impact	Gap Fill Likelihood
Forex	Start of sessions	Moderate to high	High
Stocks	Daily	High	Moderate
Futures & Commodities	Weekends and overnight	Moderate to high	Moderate to high
Indices	Daily	High	Moderate
Cryptocurrency	Less frequent	Moderate	Low
Bonds	News-driven	Moderate	Moderate

Conclusion

The **NDOG (New Day Opening Gap)** is a straightforward yet effective trading method for analyzing market behavior during **daily** openings.

This approach helps identify profitable opportunities during early **market volatility**. However, success in this style requires proper **risk management, practice, and experience**.

FAQs

What is NDOG, and how does it work?



NDOG stands for **New Day Opening Gap**, referring to the price difference between the previous day's closing price and the new day's opening price.

Traders use price behavior around gaps to identify opportunities, focusing on either **gap filling** (price returning to the previous close) or **continuation** in the gap's direction.

What causes price gaps? ∨

Price gaps occur due to:

Major economic news or corporate reports;

Changes in market sentiment after the previous day's close;

Central bank decisions or interest rate adjustments;

Global events like political or economic crises.

Which markets are suitable for NDOG? ∨

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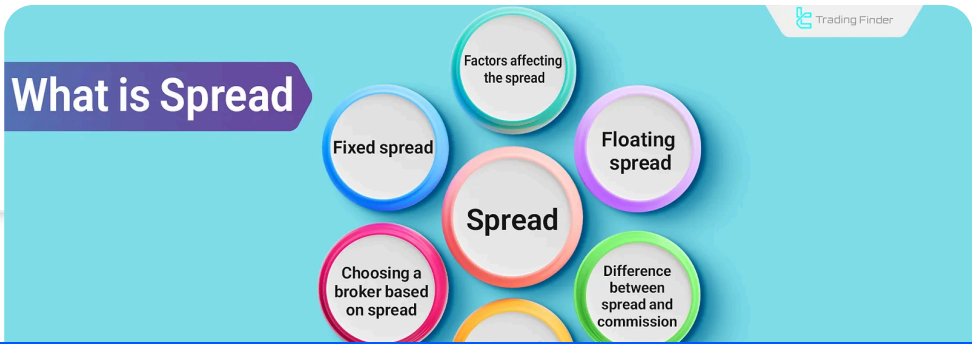
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