

Understanding Market Depth before the Open

BHP GROUP FPO

Go

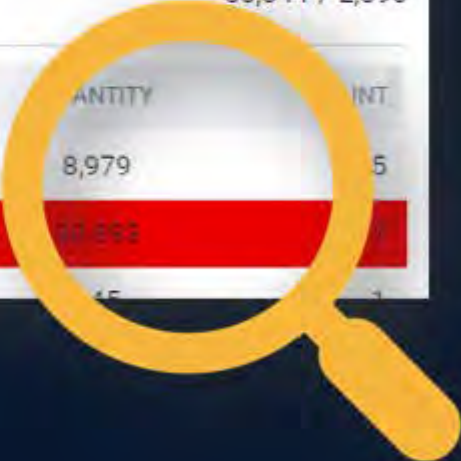
BHP.ASX

42.5200 -- (-%)

Equilibrium Price: 42.5100

Auction Volume / Surplus Volume: 80,344 / 2,890

COUNT	QUANTITY	BID	ASK	QUANTITY	INT
3	3,931	46.7700	43.0000	8,979	5
2	1,223	45.0000	42.4000	10,863	7
1	1,049	44.1000	40.1700	145	1



Trade for
Good.



What can you learn from Market Depth before the market opens?

Before the market opens at 10 a.m., the period from 7 a.m. until the opening is known as the Pre-Open. During the Pre-Open, you can place trades in anticipation of the market opening at 10 a.m.

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COUNT	QUANTITY	BID	ASK	QUANTITY	COUNT
3	3,931	46.7700	42.8000	8,979	5
2	1,223	45.0000	40.4000	23,890	17
1	1,343	44.5000	40.1700	345	1

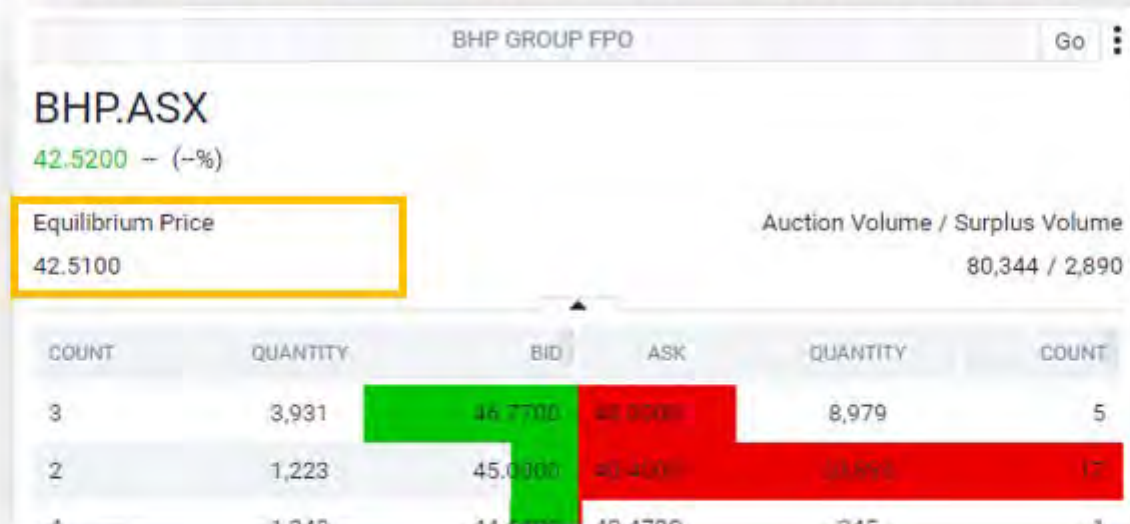
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Equilibrium Price

The Equilibrium Price is **only available before the market opens**, and it is the point at which the bid and ask orders match at a particular price.

This is the **Indicative Match Price before the market opens**, and the match occurs.



The screenshot shows a financial market interface for BHP GROUP FPO. The current price is 42.5200, which is down from the previous price. The equilibrium price is highlighted in a yellow box and is 42.5100. The auction volume is 80,344 and the surplus volume is 2,890. Below this information is an order book table with columns for COUNT, QUANTITY, BID, ASK, QUANTITY, and COUNT. The table shows several orders, with the top two rows highlighted in green and red respectively.

COUNT	QUANTITY	BID	ASK	QUANTITY	COUNT
3	3,931	46.7700	46.8000	8,979	5
2	1,223	45.0000	40.4000	23,890	17
1	1,343	44.5000	40.1700	345	1

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Equilibrium Price cont.

The Equilibrium Price serves as a reference point **guiding future transaction pricing.**

It evaluates asset valuation before trading, signaling whether it's overvalued, undervalued, or appropriately priced.

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42.5200 - (-%)

Equilibrium Price
42.5100

Auction Volume / Surplus Volume
80,344 / 2,890

COUNT	QUANTITY	BID	ASK	QUANTITY	COUNT
3	3,931	46.7700	46.0000	8,979	5
2	1,223	45.0000	44.4000	35,890	17
1	1,243	44.5000	43.1700	345	1

Trade for
Good.



Auction and Surplus Volume

Auction Volume is the volume traded at the auction match price.

Surplus Volume is the imbalance volume of orders included in the market match, showing the **surplus amount difference between the bid and ask**.

BHP GROUP FPO

BHP.ASX
42.5200 - (-%)
Equilibrium Price
42.5100

Auction Volume / Surplus Volume
80,344 / 2,890

COUNT	QUANTITY	BID	ASK	QUANTITY	COUNT
3	3,931	46.7700	46.8000	8,979	5
2	1,223	45.0000	45.4100	30,893	13
1	1,243	44.5100	46.4700	245	1

Trade for
Good.



Count and Quantity

The **Count** refers to the **number of orders at that price point**.

The **Quantity** is the **total volume of the orders at that price point**.

If the Bid has a Quantity of 3,931, it comprises the total of 3 orders in the Count.



The screenshot shows a financial data table for BHP.ASX. The table has three columns: COUNT, QUANTITY, and BID. The first row is highlighted in orange, and the second row is highlighted in green. The table data is as follows:

COUNT	QUANTITY	BID
3	3,931	46.7700
2	1,223	45.0000
4	1,243	44.6400

Trade for
Good.



The Bottom Line

Market depth before the market opens **strongly indicates the price direction of the stock before trading begins.**

Understanding:

- The Equilibrium price indicates the price at which bids and asks will match.
- Which side has higher volume: bids or asks?
- The number of orders at each price step can indicate strength.



**Trade for
Good.**