

Fake FVG (Fake Fair Value Gap); Manipulation Gap Into a POI + Free PDF

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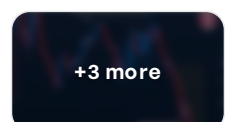
ICT Trading Concepts Desk



REVIEWER

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A fake FVG is a fair value gap printed while price pushes into a higher timeframe POI or toward a pool of liquidity. It exists to pull traders onto the losing side. Once that liquidity is collected, the gap loses its validity: a small bounce is possible, but in most cases price closes back through it and the zone flips. The gap worth trading comes after it, on the opposite side.

KEY TAKEAWAYS

- ✓ A fake FVG shows up on the approach to a valid higher timeframe POI, or just before a liquidity level gets swept.
- ✓ When liquidity is collected before price revisits the gap, treat the gap as invalid; in most cases it ends up inverted.
- ✓ Give an FVG credit only after a decisive structure break backed by displacement. A sweep made of a single wick does not qualify.
- ✓ Once the trap fails, look for the FVG that forms against it, or use the inverted zone itself as the entry.

What Is a Fake FVG (Fake Fair Value Gap)?

A fake FVG is a [fair value gap](#) built to catch traders rather than to hold price. The model labels it a **manipulation fair value gap**: an imbalance that prints while price is still travelling toward a valid higher timeframe POI.

Visually, nothing separates it from an ordinary three-candle imbalance. The difference lies outside the gap: which higher timeframe POI or liquidity level price is heading for, and how price behaves once it arrives. The one factor that tells a gap that holds from a gap that fails is **liquidity**, and traders who leave it out of the read end up picking the wrong gap.

After that liquidity is gone, the fake gap may produce a shallow bounce before price breaks back through it, and a fresh FVG appears on the opposite side. That second imbalance is the tradable one.

Is an Invalid FVG the Same as a Fake FVG?

Yes. Here, "fake", "invalid" and "manipulation" are three names for one thing: a gap whose validity ends once a key liquidity level is collected. That turns the invalid FVG question in ICT terms into a simple test. The closest gap stays in play for as long as the draw on liquidity remains untouched; if that liquidity is taken before price comes back, the gap no longer counts.

How a Fake FVG Forms

Two situations produce a fake FVG: price driving into a valid higher timeframe POI, and price sweeping a liquidity level before it returns to the gap. Both unfold in the same order:

1. Price approaches a higher timeframe POI or a resting liquidity level.
2. The approach is fast and forceful, and it leaves an imbalance behind.
3. Traders without the higher timeframe view buy that gap, some on the first bounce and some with resting limit orders inside it.
4. Price tags the POI or collects the liquidity. Because it did not come back to the gap first, **the FVG has lost its validity**.
5. A brief bounce may follow, then price closes through the gap and a new FVG forms the other way.



Fake FVG: the bullish gap under the POI was the trap; price closed back through and fell.

Bullish Fake FVG

A bullish fake FVG appears during a rally toward a bearish PD array or a higher timeframe POI. The steep climb leaves one or more bullish gaps that look like support to anyone reading them in isolation. As soon as price reaches the POI, or runs the liquidity resting above, those gaps stop being valid.

On the EURUSD 15m chart, a rally ran a liquidity level with a strong, impulsive candle, and that impulse left a bullish FVG behind. Buyers who missed the sweep entered inside the gap or parked buy limits there. Instead of holding, the gap was broken and **flipped against them (an inversion)**, and price respected the bearish FVG that formed during the drop.

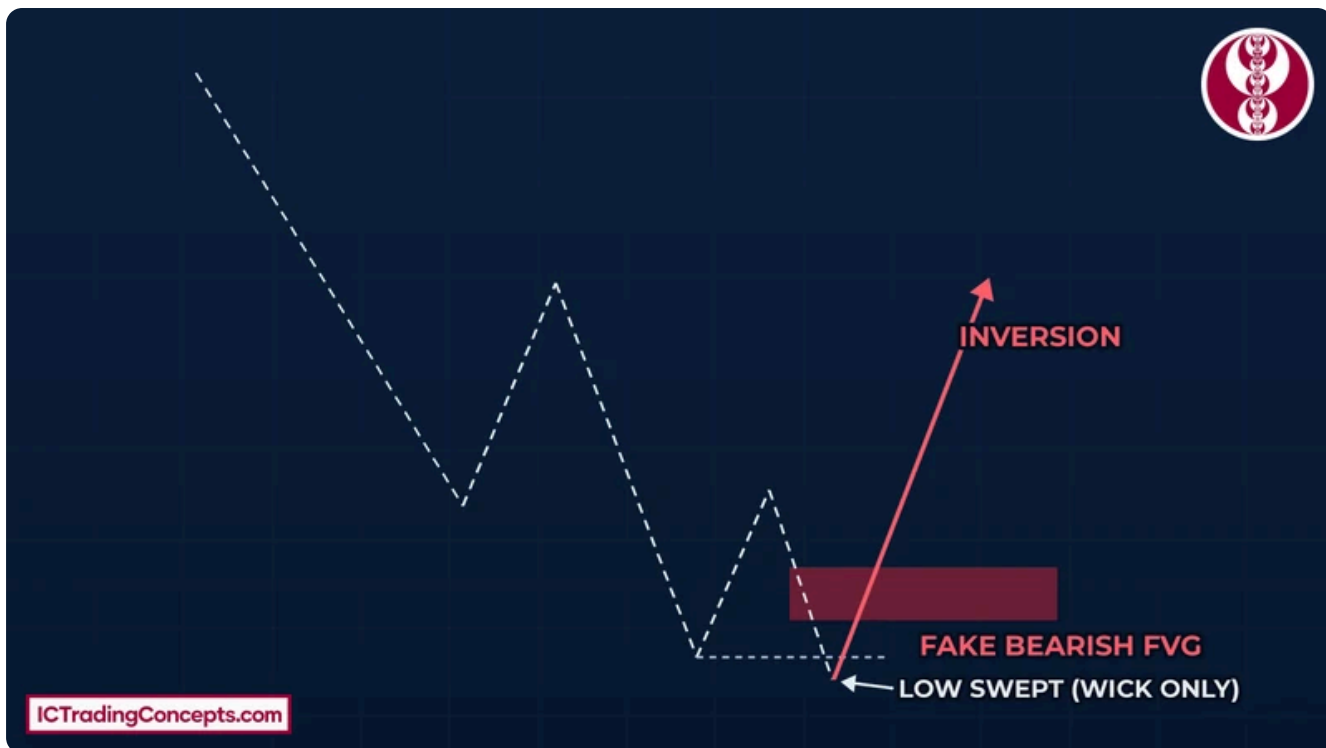


Bullish fake FVG: the sweep came first, so the gap under it failed and inverted.

Bearish Fake FVG

The bearish version is the same trap pointing down. Price steps lower through a series of lower highs, then a single wick dips beneath the previous low, and the drop leaves a bearish FVG behind. That low was pierced by a wick alone, with no displacement beneath it. This makes the gap an **invalid bearish FVG**, so skip it. In most cases price climbs back through it and the zone flips, as the diagram below shows.

The rule matches the bullish case. When sell-side liquidity is swept before price returns to the gap, the gap stops counting, and the next imbalance can appear on the move back up. Whichever gap forms after the sweep, take it in line with the trend rather than against it.



Bearish fake FVG: only a wick took the low, so the gap failed and price closed back above.

How to Identify a Fake FVG

At the moment it prints, a fake FVG cannot be told apart from a real one, so the evidence comes from its surroundings. Put four questions to any gap near a key level:

1. **Where did it form?** A gap created on the way into a valid higher timeframe POI should be treated as a manipulation FVG.
2. **Was liquidity taken first?** If the liquidity level was collected before price revisited the gap, the gap is invalid. The sweep is what shows you which gap to distrust and which one to rely on.
3. **Did price displace, or only wick?** A run above a high that fails to displace beyond it sends price, in most cases, back toward the low that produced that high. A failed run below a low works the other way. Rely on a gap only after a decisive structure break with displacement. If all you see is a sweep, typically a lone wick through the level, leave that gap alone.
4. **What did price do next?** Judge the gap by the candles that follow it, not by the gap on its own.



Fake FVG check: no displacement below the low, so price went for the high that created it.

The fourth question is easy to overlook. On this EURUSD 15m chart the gap itself looked ordinary. What gave it away was the next move. A long wick raided the prior high and kept going until it reached an order block. That was a clear sign that buying there made no sense.



Fake fair value gap warning: the wick after the FVG, not the FVG, warned against buying.

Why Price Creates Fake FVGs

It comes down to filling orders. A participant who wants to sell size near a level needs counterparties to absorb those large sell orders. A fresh FVG ranks among the simplest ways to attract buyers, because a gap read without the higher timeframe picture looks like an easy long.

That is why the trap catches traders who skipped the higher timeframe POI. They spot a new bullish gap. Some buy the first bounce, and others leave limit buys inside it. The result is a cluster of buy orders exactly where the larger seller needs them. In the first EURUSD example, the speed and size of the push into the liquidity level is what drew those traders in.

It also changes how a fast approach should be read. A sharp push into your zone is not a warning sign, so a **forceful arrival at your FVG, PD array or POI is no reason to hold back** from the trade.

Fake FVG vs Real FVG

Real and fake FVGs do not differ in size or shape. What separates them is whether liquidity and displacement still support the gap. The model boils down to this:

	Fake FVG	Real FVG
Where it forms	On the approach to a valid higher timeframe POI, or just ahead of a liquidity sweep	After a decisive structure break with displacement
Liquidity	Collected before price returns to the gap	Draw on liquidity still untouched
Typical reaction	A possible small bounce, then inversion	Price holds the gap and moves on
What to do	Skip it and wait for the opposite FVG	Trade it in the direction of the move

Real FVGs answer to the draw on liquidity as well. While a major draw is still untaken and price is close to it, in most cases price bypasses the gaps further away and heads for the closest gap that still qualifies. That closest gap becomes a manipulation FVG only if price runs the low and then fails to displace beyond it.

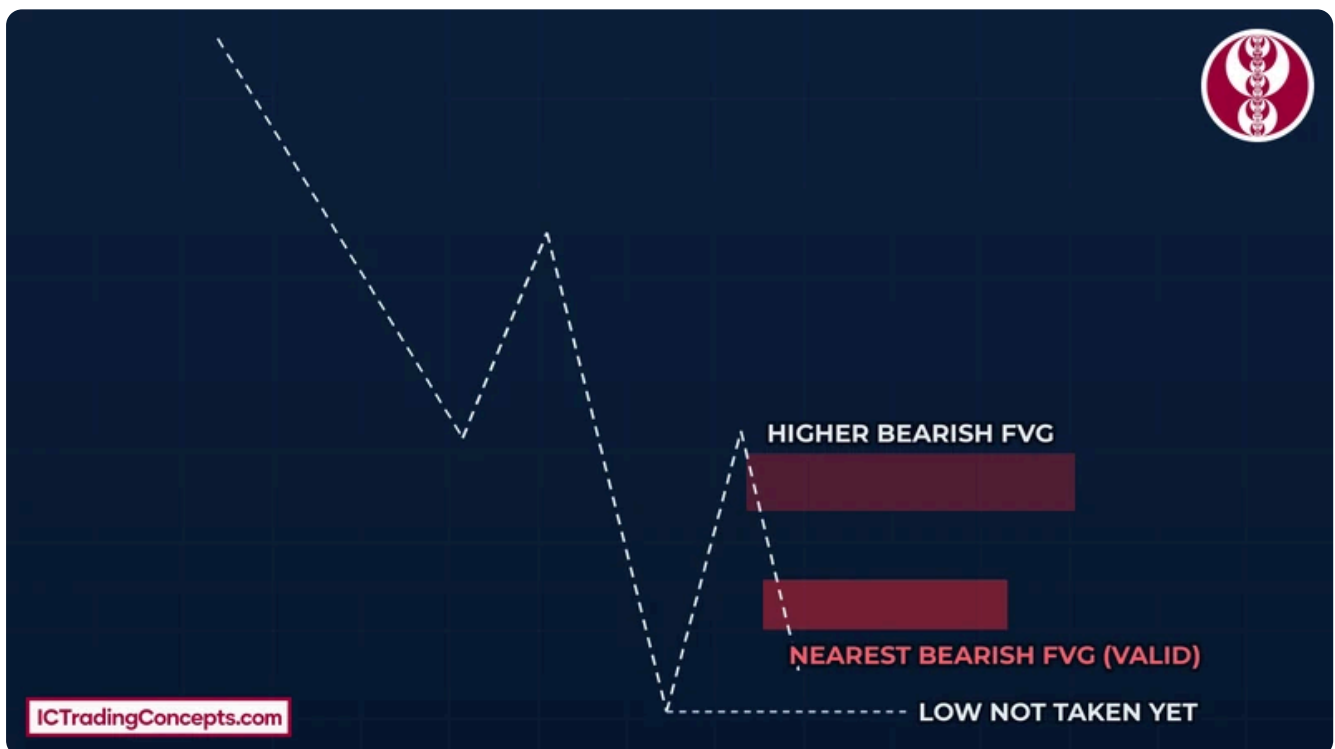
Valid vs Invalid FVG Example

This invalid FVG example on EURUSD 15m shows both types in one picture. Price came back into the POI for a second visit. A long wick ran the liquidity resting above two earlier highs. The push left back-to-back bullish FVGs under the zone (the blue box). Buyers inside those gaps got very little before price broke straight through them. The POI that held was the real FVG; **the gaps beneath it were the manipulation**.



Real vs fake FVG: the higher timeframe gap held; the bullish FVGs under it were fakes.

On the bearish side, the diagram below places two bearish gaps above a low that price has not taken yet. With that low still in place, the nearer gap is the one that holds, and price in most cases turns lower from it before reaching the higher gap. Set it beside the bearish fake FVG diagram above to see the contrast. Once a wick sweeps the low and price fails to displace beneath it, the same kind of gap loses its validity.



Real and fake FVG: with the low untaken, the nearest bearish FVG is the valid one.

Trading the Move After the Trap

A fake FVG is useful mainly because it points to the next trade. There are two ways to put it to work.

Trade the FVG in the Other Direction

When the fake gap fails, a new FVG forms against it, and **that new gap is the trade**, taken in the direction of the fresh move. After a sweep, this opposite gap can appear in more than one spot; any of them works as long as you stay with the trend rather than fight it.

Trade the Inversion

The failed gap can also serve as the entry itself once price has closed through it. In the first EURUSD example, an entry on the inverted zone was available as soon as price broke the gap and started dropping.

The full lesson below walks through these EURUSD charts, covering the sweep, the inversion and the gap price respected afterwards.

AVOID THIS FVG!

Manipulation FVG!

► Watch the video

Common Mistakes

Fake FVG mistakes share one root: reading the gap without its context. These five are the ones to watch for:

1. **Treating every FVG as equal.** Liquidity decides which gap holds and which fails the test; skipping that check means trading the wrong gaps.
2. **Hesitating when price arrives fast.** A forceful rally up to a bearish PD array scares many traders out of the short, yet that speed is part of the setup, not a reason to stay out.

3. **Missing the higher timeframe POI.** Without it, the bullish gap sitting just under the POI looks like an easy long.
4. **Judging the gap in isolation.** A fresh FVG does not mean price has to keep going; check whether a liquidity sweep happened right next to it.
5. **Handing the decision to an indicator.** An automated FVG tool marks every gap it detects and has no sense of context. It can map the levels; deciding fake or real stays with you.

Indicators That Help

Because an FVG indicator marks every imbalance without judgment, use it to speed up the marking and keep the liquidity and displacement calls for yourself. These three automate the parts of the checklist that can be automated:



FREE

ICT Setup 01 [TradingFinder] FVG + Liquidity Sweeps/Hunt Alerts

Plots FVGs next to liquidity sweeps, so a gap that formed right before a sweep stands out.

[View on TradingView](#)



FREE

Inversion Fair Value Gaps (IFVG) [LuxAlgo]

Highlights gaps that price has closed through, the inversion that often follows a fake FVG.

[View on TradingView](#)



FREE

Liquidity Sweeps [LuxAlgo]

Flags swept highs and lows, which speeds up the "was liquidity taken first?" check.

[View on TradingView](#)

Conclusion

A fake FVG is an ordinary-looking gap in the wrong location. It prints on the way into a valid higher timeframe POI or just before liquidity is collected, and its role is to put traders on the losing side. Check where it formed, whether liquidity went first, whether price displaced or only wicked, and what happened next. When the trap fails, trade the gap that forms against it, or use the inverted zone as your entry.

Sources

- Fake FVG Simplified, ICT and SMC traps: [Mulham Trading, YouTube](#)
- Market impact: [Wikipedia](#)

TAGS

FVG

Frequently asked questions

01 Can a fake FVG still give a reaction?

Yes, though only a small one. A brief bounce is possible before price closes through the gap. In the EURUSD examples, anyone who bought the gap made very little before it failed.

02 Does a fake FVG get inversed every time?

No. In most cases it ends up inverted, so treat inversion as the likely result rather than a certainty.

03 Is a fake FVG the same as an inversion FVG?

No. The fake FVG is the gap that fails; inversion is what often happens to it next. After price closes through the fake gap, the same zone can act as an entry in the new direction.

04 Is a fake FVG the same as inducement?

In this model, yes. The EURUSD examples describe the same bullish gaps as inducement, as a trap and as manipulation.

05 Can two consecutive FVGs both be fake FVGs?

Yes. In two of the EURUSD examples, a pair of back-to-back gaps formed on the way into the POI, and price broke through both.

06 Is every FVG close to a draw on liquidity a fake FVG?

No. While the major draw on liquidity is still untaken, price in most cases reaches the closest gap and carries on. The gap turns into a manipulation FVG only if price runs that level and then fails to displace beyond it.

07 Do kill zones or news affect a fake FVG?

They can. Whether price makes it to the closest gap can depend on the session, such as a kill zone, or on a news release.

08 Which timeframe does a fake FVG appear on?

No specific timeframe is set. The chart examples use EURUSD on the 15-minute chart, read against a higher timeframe POI, and one setup also refers to a 4-hour FVG close to the draw on liquidity.

09 Is a fake FVG an ICT concept?

It is built from ICT and SMC tools: FVGs, PD arrays, POIs, liquidity sweeps and displacement. "Fake FVG" and "manipulation FVG" are names for a gap that those tools mark as invalid.