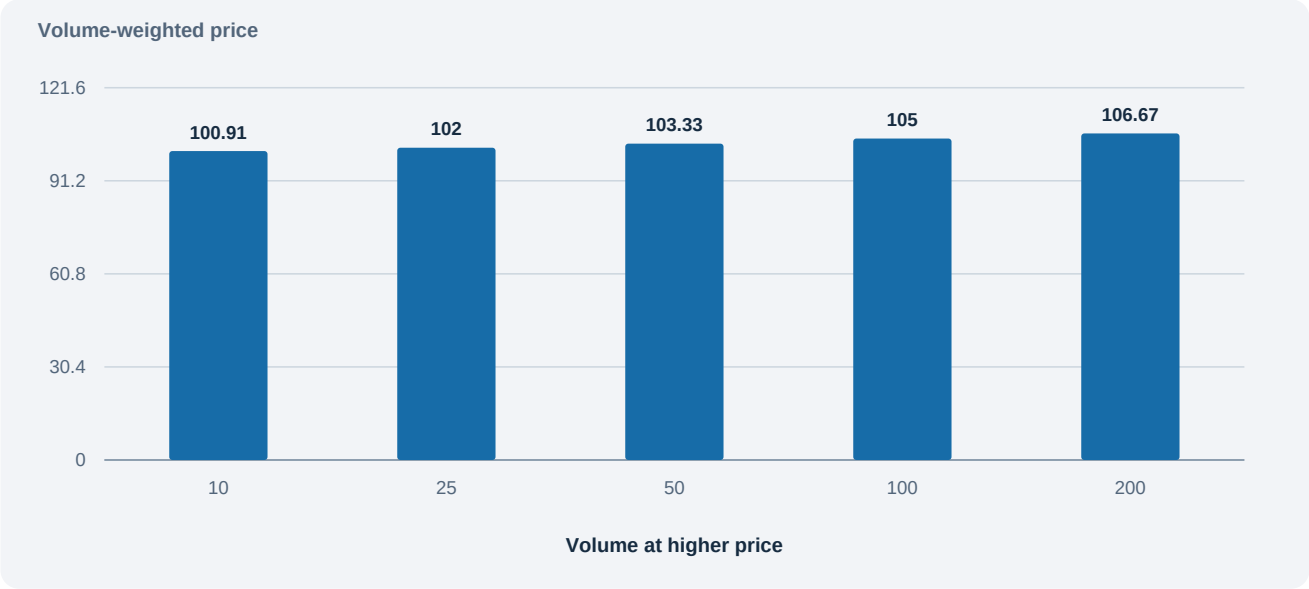
Volume-weighted average trade price

Volume and auction | Original synthetic example | Edition 2026-11-26

VWAP weights each observed trade price by its executed volume. Exact trade-level VWAP differs from an estimate that replaces every trade in a bar with a representative bar price.

FORMULA VWAP = sum(trade price x volume) / sum(volume)

SCENARIO 01: 100 units trade at 100; compare volume at 110



WORKED EXAMPLE

With 50 units at 110, weighted price is 103.33. This two-price VWAP uses exact synthetic executions.

COMMON MISTAKE

Calling an OHLC proxy an exact trade-level VWAP hides the approximation in the input data.

BEFORE YOU USE THE CALCULATION

1. Specify the reset or anchor.
2. Use positive executed volume.
3. Label bar-price approximations explicitly.

COMPARE TWO MORE INPUT SETS

Scenario 05: 100 units trade at 140; compare volume at 150. With 50 units at 150, weighted price is 143.33. This two-price VWAP uses exact synthetic executions.

Scenario 10: 100 units trade at 190; compare volume at 200. With 50 units at 200, weighted price is 193.33. This two-price VWAP uses exact synthetic executions.

Synthetic values are not historical market data. Educational material; trading can result in substantial losses.