

## TRADESTATION: Effective Volume Plug-in Manual

The Effective Volume indicator is for "**charting**" and not "Radar Screen"

### **The inputs for the indicator are:**

- iVolumeFilter (5) → volume filter
- iPriceFilter(1) → price filter
- TotalDays(10) → the number of days for analysis
- Size(0.001) → volume in thousands
- OneDayCalc(false) → if true gives only one day calculations

### **The color lines meaning is as follows:**

- LEV (blue) shows the large players
- SEV (red) the small players
- TEV (yellow) is the total effective volume.

Tradestation has a display limit of 1500 or 2000 data points (390 minutes times 4 - 5 days?). This means that if you want to see more days, you need to scroll down (See Figures 1, 2 and 3: Screenshot: TS Scroll + TS Scroll 1 + TS Scroll 2)

The separation volume - between large and small players - is calculated at the last bar of the trading day and then applied since the start of the trading day. This is repeated for each trading day (See Figure 4).

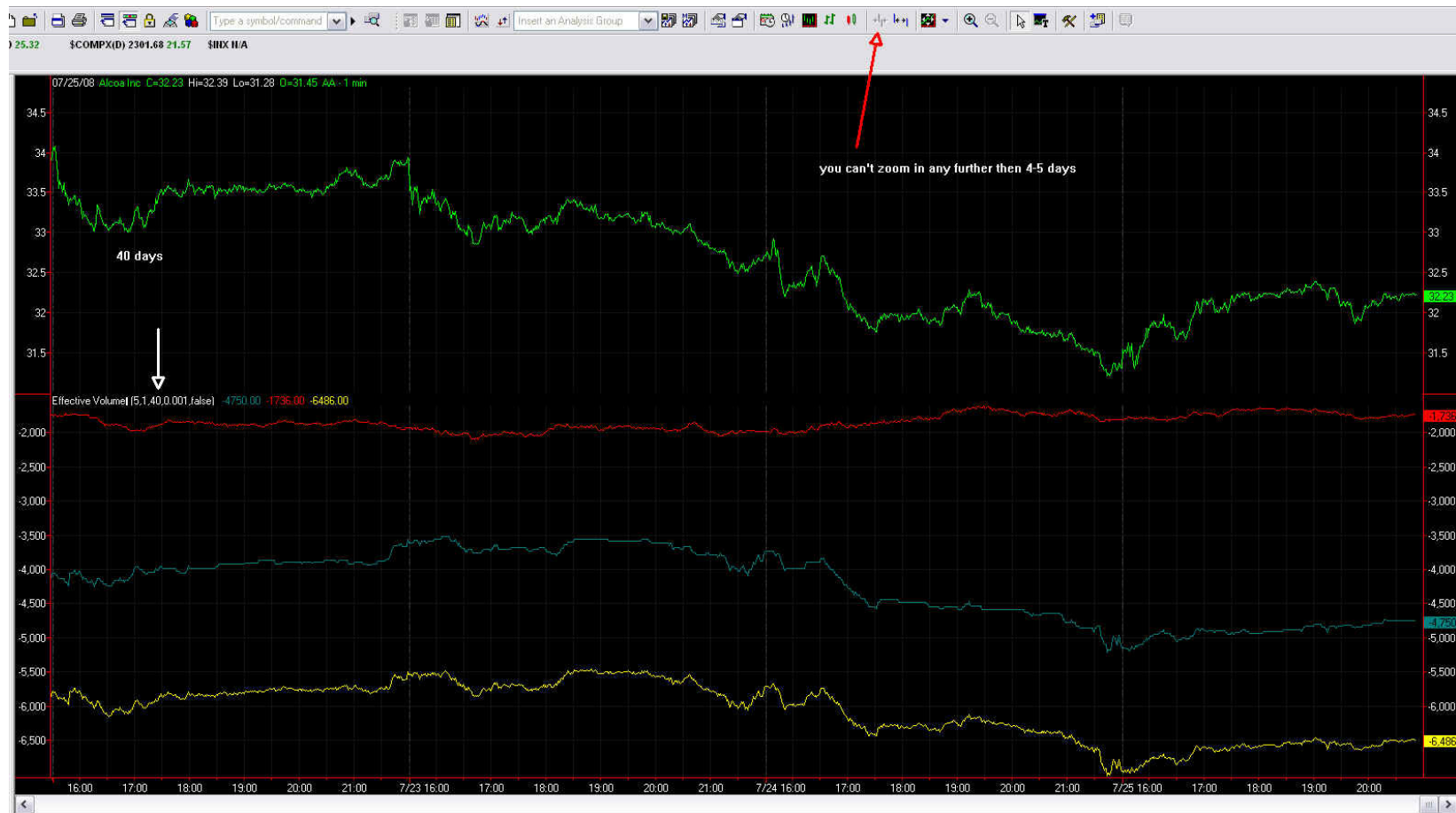


Figure 1: Shows the limitation to a few days even if 40 days is asked

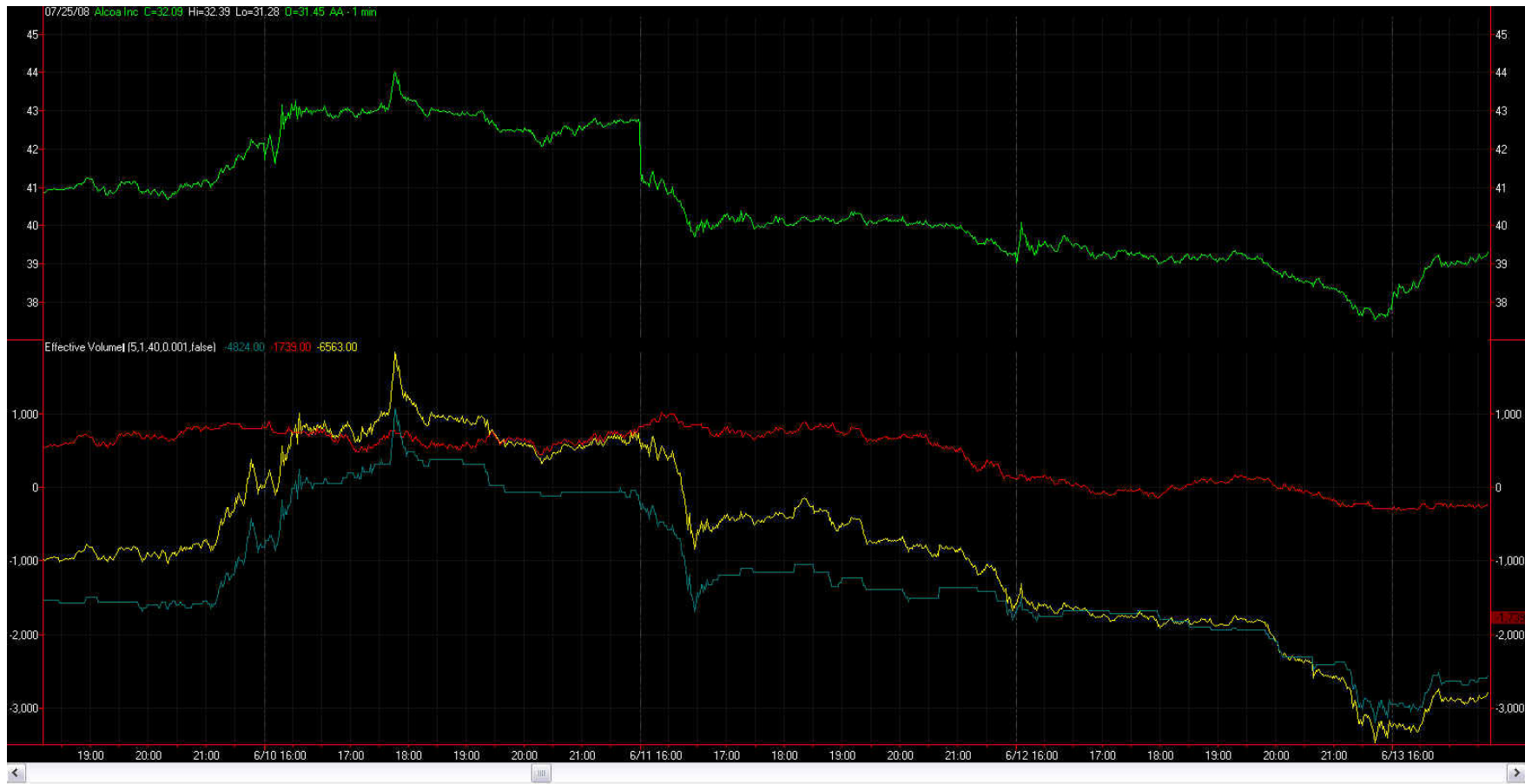


Figure 2: Scroll 1

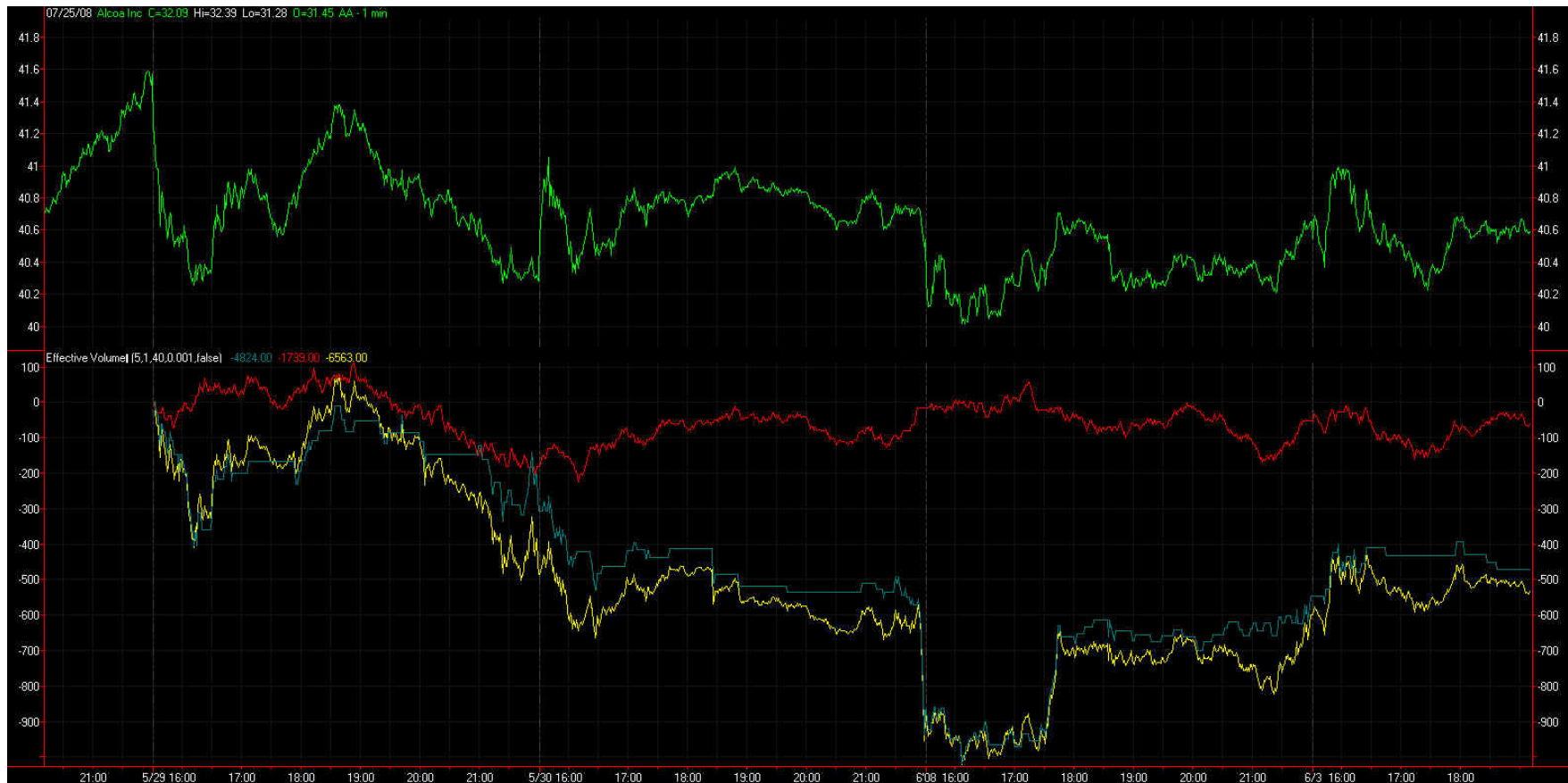


Figure 3: Scroll 2



Figure 4: The separation volume

## Importing EasyLanguage Archive, Storage, and Document Files

When importing analysis techniques and strategies, you can only import one ELA/ELS/ELD file at a time. Each ELA/ELS/ELD file may contain several analysis techniques and/or strategies. Once you specify the file to import, the wizard enables you to select individually each analysis technique and/or strategy you want import from the file. If the analysis technique or strategy already exists in your work area, the analysis technique or strategy is not imported.

### To import an EasyLanguage Archive/Storage/Document file

1. Use the **File - Import/Export EasyLanguage** menu sequence to open the Import and Export Wizard.

**Note** You can also double-click an EasyLanguage document file to open the Import and Export Wizard.

2. Select Import EasyLanguage Archive file (ELD, ELS or ELA) from the list of wizards.
3. Click **Next**.
4. In the Select the location of your EasyLanguage Archive file box, enter the appropriate path and file name (for example, C:\My Analysis Techniques\Indicators.els).

**Note** If you do not know the location and/or path of your EasyLanguage Archive file, you can scan or browse your hard drive. For more information, see [Scanning Your Hard Drive for EasyLanguage Archive Files](#).

5. Click **Next**.
6. Select the categories that you want to import.
7. Click Next.
8. Select the analysis techniques and/or strategies that you want to import.
9. Click Finish.
10. When the importing process is complete, click OK.

## Applying an Indicator to a Chart

1. Use the **Insert - Indicator** menu sequence.
2. Select an indicator.
3. To format the indicator before you insert it, select the **Prompt for Format** check box. Otherwise, clear the check box to apply the indicator using its default values. Click **OK**.

## **Formatting Indicators**

Indicators are created with certain defaults. For example, they use a default number of bars to make their calculation, the lines are plotted in a certain style or color, and they are plotted in either the same subgraph as the price data or in another. You should use the default settings and change them only if you are using the indicator in a different way than it was originally designed. You can change all these settings either as you insert the indicator into the chart or once it is plotted.

You make changes to the indicator using the **Format Indicator** dialog box, which has seven tabs: [General](#) , [Inputs](#) , **Alerts**, [Style](#) , [Color](#) , and [Scaling](#) . The options in each tab are described next.

### General

Lets you format the general properties of an analysis technique/indicator column such as its long and short name, related notes, and other parameters. The options available depend on the type of analysis technique/ indicator column you are formatting and where it is located.

### Inputs

Inputs are default values that your charting application uses in its calculation of the indicator. Most indicators contain at least one input value; some contain more than one. An example of an input value is the number of bars used to calculate a simple moving average. Your charting application uses a default value for the number of bars, however you can change that number when you format the indicator.

## Alerts

Here you format alert settings for indicator columns and analysis techniques that support alerts including: Indicators, ShowMe studies, PaintBar studies, and ActivityBar studies.

## Style

You can change the style of the plots drawn by the indicator. For example, you can change what is used to display the indicator (histogram, line, points, crosses, and so on) as well as the color or weight of the plot. You can also choose to highlight the indicator's value on the price axis of the chart to which it is applied. The style options do not affect how the indicator is calculated, but do affect the display of the indicator on your chart.

## Color

You can modify the plot color used for an indicator. Changing the color options does not affect how the indicator is calculated, only the display of the indicator on your chart.

## Scaling

Enables you to specify axis, scale type, scale range, and display settings used to plot the indicator. Your choices will depend on the indicator, and what it is designed to calculate. If the indicator values fall within the same range as the price data, you should overlay it on the price data. If they do not, you should plot it in a separate subgraph.

## **Editing Inputs for an Indicator**

### **To edit the input values of an indicator as it is applied to a chart**

**Note** If the **Prompt for Format** check box in the **Insert Analysis Techniques** dialog box is selected when applying an indicator, you can edit the indicator before it is applied to your chart. The **Format Indicator [indicator name]** dialog box will open when you click **OK** in the **Insert Analysis Techniques** dialog box.

1. Click the **Inputs** tab.
2. Click the **Value** cell of the indicator you want to modify and type the appropriate value.
3. Click **Default** to use the current input expression as the default input expression for that indicator.

4. Click **OK** to plot your indicator.

#### To edit the input values of an indicator already applied to a chart

1. Use the **Format - Analysis Techniques** menu sequence.
2. Click the **Analysis Techniques** tab.
3. Select the indicator you want to modify.
4. Click **Format**.
5. Click the **Inputs** tab.
6. Click the **Value** cell of the indicator you want to modify and enter the appropriate value.
  
7. Click **Default** to use the current input expression as the default input expression for that indicator.
8. Click **OK** until you return to your chart.

**Below is a user's comment on the best settings to use the plug-in**

I must counsel against using the TradeStation plugin for EV in any other time frame than 1 minute bars. I've looked in great detail at the code (am attempting to modify to facilitate other interests) and the code does not maintain 1 minute bars in the internal TS calculation as bar length is varied, resulting in significant error as the bar length moves from 1 minute outward. 2 minute may be tolerable for general trends, but I can guarantee you that the EV calculations for LEV, SmEV, and TEV will be incorrect for a 60 minute bar. Drawing conclusions for EV on this time frame within TS will lead you in the wrong direction. You can observe this behavior yourself by ensuring that the TS indicator for EV loads at least 40 days, then move the interval out from 1 minute bars to 60 minute or greater ... you will see the patterns of EV change in error.

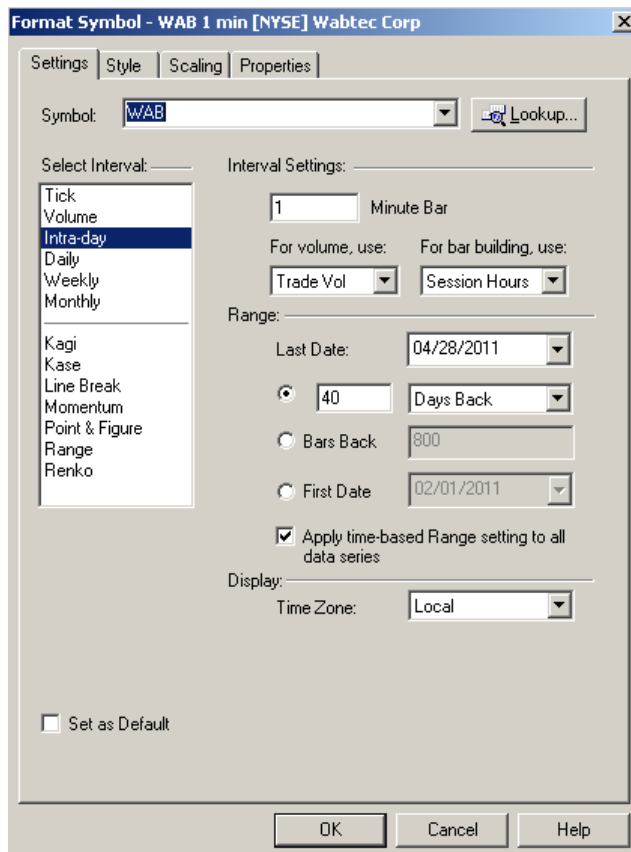
The better approach is to set up two EV windows, one that goes back 8 days and one that goes back at least 40 days, both on 1 minute bars. In doing so, look at the patterns over the 8 day period and compare this to the patterns over the 40 day period. From here, you can glean the overall behavior of the longer-term 40day trend as well as the behavior of the last few days.

Additionally, when observing ETFs, note that price behavior and LEV/SmEV become somewhat decoupled, as the ETF generally is tied to an index, and EV typically is representative of the supply/demand for the particular ETF. Correspondingly, I personally place greater weight on TEV than I do on the LEV/SmEV characteristics, but this being said, I do not ignore LEV/SmEV completely with an ETF.

Note that the inside duration to view an ETF (or stock for that matter) is about 3 days. I've learned that it is very hard to distinguish short covering on day-for-day movements, hence we need to observe the longer-day 40d trend to get a feel if the stock/ETF is experiencing a short-covering rally. Specifically, if we see good accumulation (net buying) over a longer time frame, then I have greater confidence that we have a bone fide rally in the stock, rather than if we see a significant amount of selling, then all of a sudden a tight correlation between the 8d pattern and the last few days of a selling 40d pattern. It is this latter setup that can give us great insight into what is happening with the specific equity.

### Some additional explanations

- 1) Open TS
- 2) Select the workspace that has the EV indicator by clicking once in the window
- 3) Right-click on the area above the symbol data and select "Format Symbol"
- 4) Ensure the following (my symbol is WAB, yours will be different):



Now, once in the window, select ONE of the EV traces (doesn't matter which one), and right click/select "Format Effective Volume"

Ensure the following settings:

