

## **Advanced Profile Addon Functionality**

Following extensive research on additional profile generated elements that can be employed for **trade entry** and **risk/stop** sizing the following is presented in this Advanced Profile Addon. These levels provide consistent & repeated patterns in tested zones and areas of pullback as the profile unfolds.

The additional elements provide scope and dynamic values that be used for example when using the VWAP as an entry element ; in many cases the 1<sup>st</sup> Standard Deviation Risk/Stop level can be a large tick value and you can now use other additional profile elements as Stop/Risk variables eg DWAP to reduce the stop/risk amount. These new elements should not be limited to be used as Stop variables and in some profile instances can additionally be used for Entry zones.

This Addon additionally calculates and generates the **Evolving** profile detail & data points for the existing core OFA Profile elements. Eg Standard Deviation / Volume Point of Control and Value Area. This facilitates users tracking these key profile elements adding color and dimension to zones of support and resistance ; whilst enabling backtesting of historical profiles.

The following is a summary of the main features of the Advanced Profile Addon :

**Evolving / History detail** for the following Profile lines and updated Real time for Live tracking profiles :

**Evolving Upper and Lower Standard Deviation Lines** with user specified number of bands.

**Evolving Upper and Lower Value Area Lines** – can be displayed separately in the tab settings

**Evolving Value Area Median Line (NEW)** – can be displayed separately in the tab settings

**Evolving Upper and Lower Cluster Area Lines** – can be displayed separately in the tab settings

**Evolving POC Point of Control** – see the changes and the shift in the POC and where value builds and develops in the profile & the duration of each POC level in the profile.

### **FIVE Additional New Volume Profile Data Elements for the Advanced Profile Addon :**

**DWAP – proprietary Differential CWAP** based calculation : this volume based calculation can be used as a stop / size off profile price for entries around the VWAP price for example.

When the 1<sup>st</sup> Standard Deviation price is far away and at higher risk in terms of ticks, in following examples one can see the value in employing this DWAP level as a trailing stop price location.

**CWAP / VWAP Difference** – this tracks the difference between the CWAP and VWAP and plots on the opposite side of VWAP relative to the location of the CWAP Line. This can also be used to manage risk in trending moves when a trade is entered around the VWAP price.

**TWAP POC** – time based weighting (Milliseconds) of the POC (bar point of control) for OFA Probe & Rotation and other OFA Bar types.

For Non-time based bars ie **OFA Probe&Rotation** this can give feedback for how much time is spent in building lower/upper value in the case of a downtrend/uptrend. Also as more time is spent in the downtrend/uptrend move at lower/higher prices more time is included in the weighting calculation and has the effect of pulling the line down/up. When less time is spent in a trading range : this has less impact on the weighting in the line and in the shift in prices of this line.

For OFA Minute-based charts since time weighting is the same for each bar this option functions more in line as a moving average of POC values of each bar in the profile.

**TWAP CLOSE**- this is the same as above for the TWAP POC with a time based weighting, instead using the Bar Close price in the calculations.

**MIDLINE / 50% Line** – this represents the Midline/50% Line of the evolving profile. This zone is often used by Institutions and re-tested as the trend unfolds. Observe the price interaction around this level on your charts and profile regions.

### **Features & Benefits Using the new and existing Data Elements**

**Fine tune your Entries for your Instrument and use additional profile elements for the Stop/Risk sizing enabling you to reduce your risk and potentially increase your contract size in certain instances for the trade, taking advantage of the reduced overall risk per contract.**

Ability to visually track and review patterns of how your contract/instrument volume interacts with the various existing volume profile elements that now show the evolving data points and some NEW additions to this data set.

See the clarity of the evolving Standard Deviations for the profile with the profile VWAP anchored to start of profile. Observe when VWAP flattens out into a range and price rotates from outers Standard Deviation and back to VWAP and to either SD 1 or SD 2 on the other side.

Improved ability to build confidence as to which profile elements can be used to lean on for an Entry and also used for a Stop/Risk Area for your trade plan/strategies.

The ability to backtest and note key patterns and pullback & testing zones adds more color and profile generated volume levels to use in conjunction with other elements of your trading plan. For example verifying against the higher time frames eg 30m 60m levels.

Convenient efficient Save process with the Profile Context Menu item for setting and deciding on Profile type defaults.

### **Note For ALGOX users:**

**All these new additional OFA variables will be accessible by all the Algo Categories (Execution, Management & Take Profit) and the Execute from drop down and Stop Move options defined and integral to the AlgoX Addon process.**

**This will be in a release shortly following this Advanced profile release.**

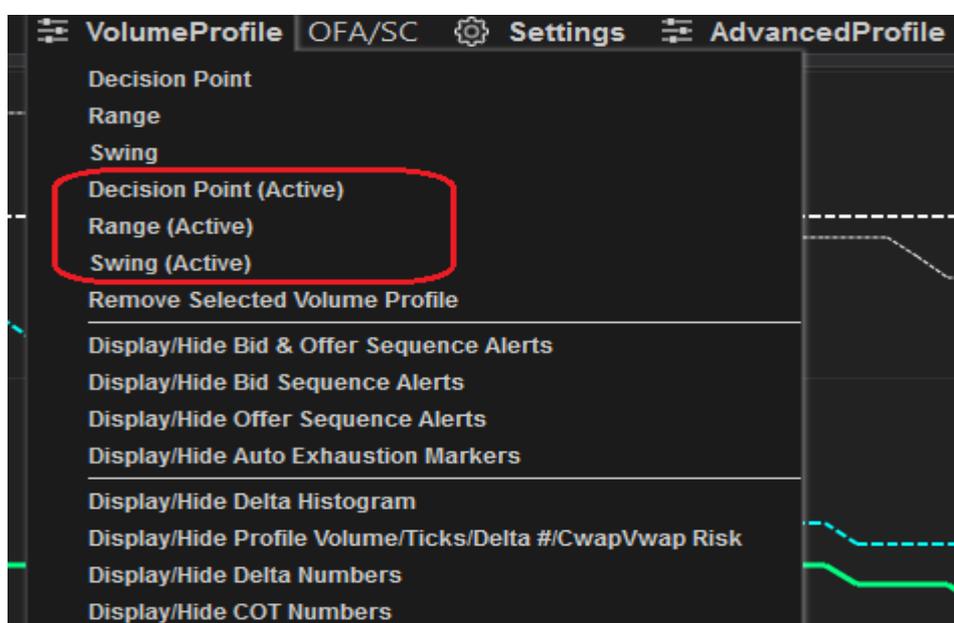
With the existing elements and evolving line detail eg Standard Deviation and the additional SIX new profile elements; this facilitates the planning and building of Algos for AlgoX users offering scope for more specific entry and stop combinations and opportunities to be managed automatically.

## How to Setup a Profile to work the Advanced Profile Menu

The Advanced Profile Menu is designed to connect to the Volume Profiles in the following two ways :

1. By setting the Profile to being an Active Profile. AlgoX users will already be familiar with this process and this same process is now used for the Advanced Profile Addon. This can be achieved in the following ways :

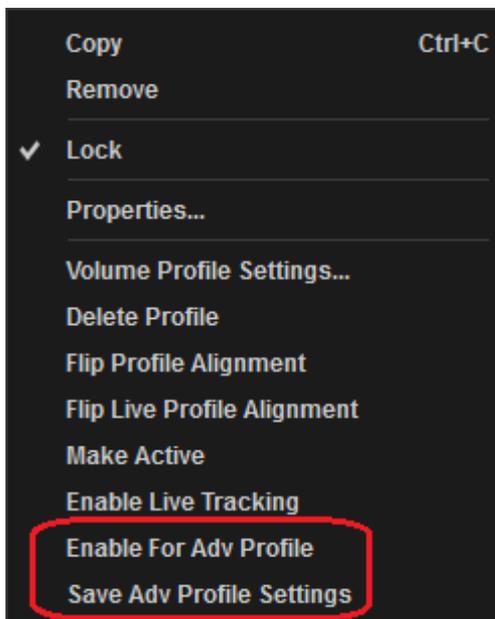
To add an Active Profile to a chart, click on the Volume Profile Menu and select from among the 3 Active Profiles grouping available:



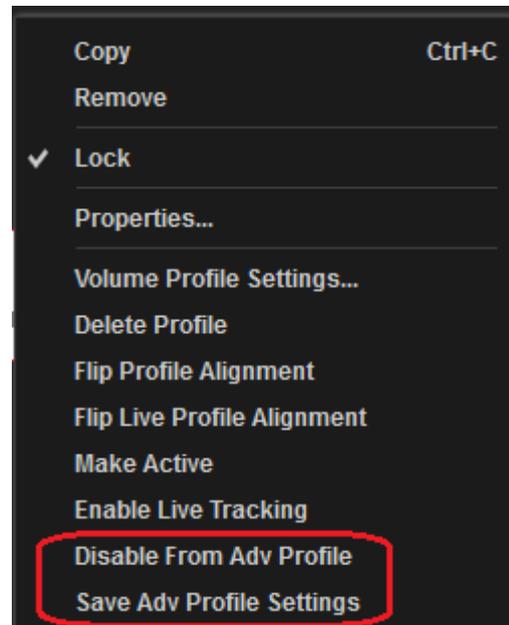
One placed on the chart this profile will override any other Active profile and become the dataset connected to the Advanced Profile Menu Interface. If the parameter '**Enable Make Active Profile Message Window**' in the AlgoX section of the OFA parameters set is set to enabled ; a pop will appear if there is an existing Active profile on the chart. This pop up can be disabled by unchecking the check box for this parameter. This also applies if the 'Make Active' context menu item for a selected Volume profile is chosen for a non active profile as explained in the next section.

In addition any Non active profile can be made active by right clicking on the profile and selecting Make Active from the pop up menu for the volume profile just selected. Active Profiles are easily identified by the translucent background fill – the color of which can be set in the OFA indicators parameters in the AlgoX parameters section. The key component of this is that only ONE profile can be designated as the Active Profile for the current chart.

2. By right clicking on the profile and selecting '**Enable For Adv Profile**' (See Fig A below) – this allow the Advanced Profile Menu options to be connected to this profile. For example any of the Display/Hide options in the top section can be used to add profile elements to the chart that are not enabled in the defaults for this profile : as shown in the Volume Profile Settings ... in the Adv Profile Tab. If a profile has been enabled in this way it can also be disabled from being connected to the Advanced Profile Menu by selecting '**Disable From Adv Profile**' option (See Fig B below) when right clicking the Profile and selecting this from the context menu. When the profile is disabled in this way the profile elements shown in the profile will ONLY be the defaults currently set for this profile type.



(Fig A)



(Fig B)

See the additional Case Illustrations PDF Page 2 for additional outline of the above process

## **Saving Advanced Profile Elements**

Once any of the AdvProfile QUICK view profile elements have been enabled for the chart eg DWAP or TWAP POC ; when the user is happy with the settings they can save these and update this profile types defaults efficiently via the context menu setting **“Save Adv Profile Settings”** (See Fig A or B above). This context menu setting will update the database settings for the current display without needing to go into the **“Volume Profile Settings...”** context menu item.

In order to ensure the settings just saved are in synch with the current display ALL the AdvProfile Menu settings will be set to Hide/disabled.

When the user selects the “Volume Profile Settings ... “ context menu item in order to change an item Color or Style or enable/disable a profile element ; when they press OK or Apply (which updates the database) all the AdvProfile menu settings will be set to Hide/disabled. This again ensures the profile settings for AdvProfile elements for this profile type are in synch and consistent with the current display settings.

## Advanced Profile Menu Dropdown Items/Options

The image shows a screenshot of the 'AdvProfile' menu in the AlgoX software. The menu is open, displaying a list of options. Two white arrows point to the 'RESTORE To Advanced Profile Saved Settings' option at the bottom of the list. To the right of the menu, there is a text box with two paragraphs of explanatory text. The first paragraph explains that the menu section applies to profiles set to Active or Enabled and that settings will show profile elements not enabled in the Profile Defaults. The second paragraph explains that the RESTORE option can be used to quickly restore the profile to only show those defaults for this profile.

AdvProfile AlgoX

QUICK Display/Hide Elements Not Enabled In Profile Settings  
(Active Profile / Enabled for Adv Profile only)

QUICK Display/Hide TWAP POC

QUICK Display/Hide TWAP CLOSE

QUICK Display/Hide CWAP/WWAP Difference

QUICK Display/Hide DWAP - Differential CWAP

QUICK Display/Hide Evolving POC

QUICK Display/Hide Evolving Value Area

QUICK Display/Hide Evolving Value Area MEDIAN

QUICK Display/Hide Evolving Cluster Value Area

QUICK Display/Hide Evolving Standard Deviation

QUICK Display/Hide Evolving MidLine/50 Line

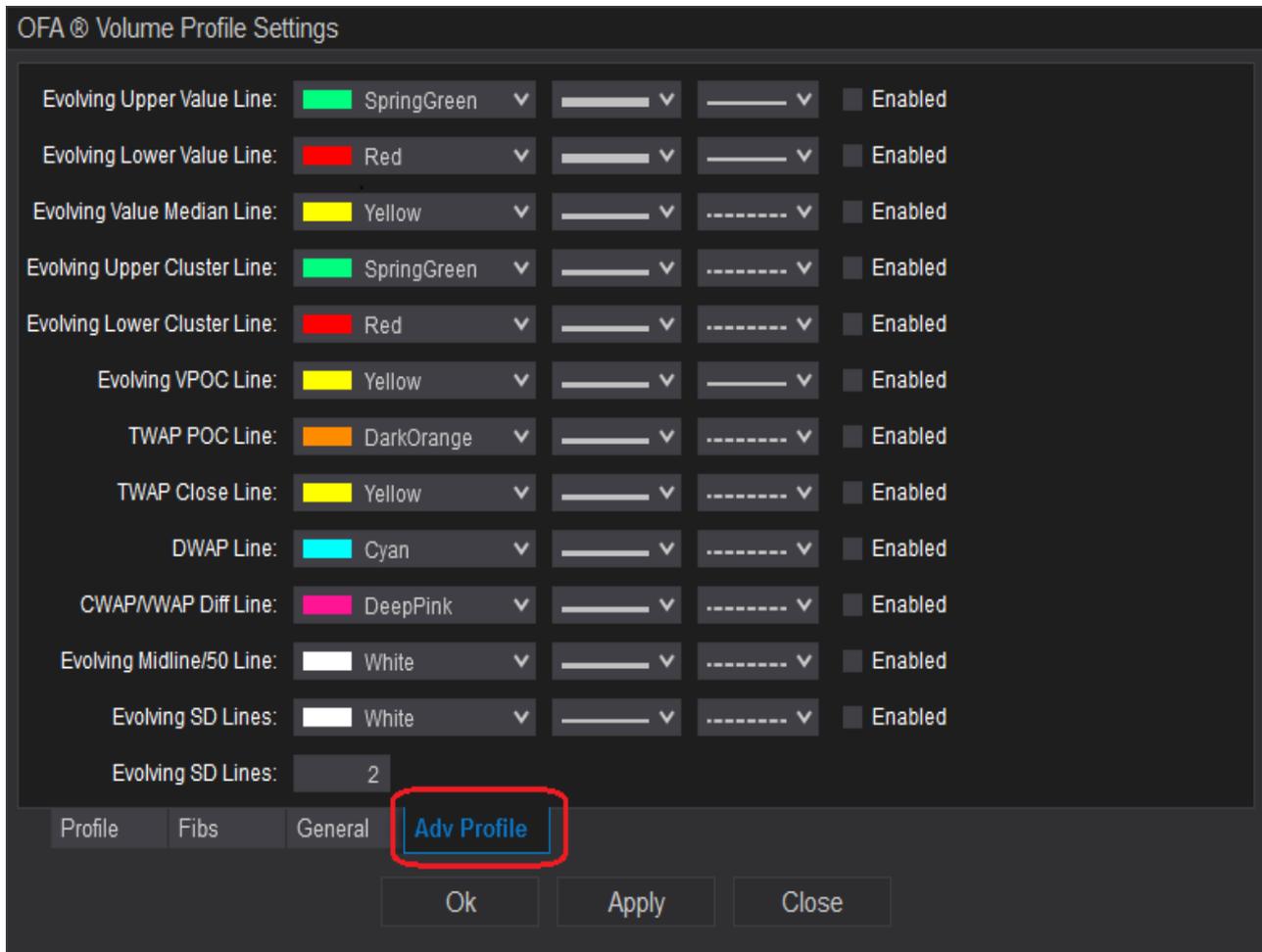
RESTORE To Advanced Profile Saved Settings

This AdvProfile Menu section applies to Profiles set to Active or Enabled via the context menu setting. The settings will show the profile element described in the menu item that has NOT been enabled in the Profile Defaults (eg if this is a Swing Profile type). This is useful for a QUICK view to show additional Profile elements to assess a trade plan for the current Swing/Profile ; without having the profile line always enabled in the AdvProfile tab settings.

---If you wish to remove the additional lines added via the QUICK menu (that are NOT enabled in the tab settings) : you can quickly restore the profile to ONLY show those defaults for this profile using the RESTORE menu option here.

(Fig C)

## Advanced Profile Tab in the Volume Profile Settings



All the settings are in the same format as the other volume profile settings in other tabs : Color/Width/Style and Enabled settings for the above outlines all the available settings for the Advanced Profile. Each Line option is covered earlier in the document.

To save the current settings for the current Profile Type – select Apply.

To only apply the settings for this selected Profile – select OK.

In the case of **Adv Profile** Tab when OK or Apply is selected, the **AdvProfile Menu** settings (in Fig C prior graphic) will be set to Hide/Disabled. This ensures consistency and to be in synch with the current saved settings for this Profile Type.