MW 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 for OFA on **MotiveWave.** This follows from the release and implementation and refinement of Advanced Profile Addon on the Ninjatrader 8 OFA platform.

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 1st 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 back-testing 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 1ˢᵗ 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 Risk/Stop sizing element & 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 conjuction with other elements of your trading plan. For example verifying against the higher time frames eg 30m 60m levels.

Extend the Profiles Value Area High/Low and POC lines:

This feature is part of the Advanced profile. Whilst primarily used for Decision Point Profiles this feature can be enabled for any of the 3 Profile types added and indeed within any of the Profile templates that you create and save. A menu setting is available in the **Advanced Profile tab** of the Volume Profile Settings to enable the **POC / Value Area High / Low** lines to be extended right.

This will greatly enhance and help your efficiency in mapping out the key structure areas around : High Volume times of the day & Key decision points. Then you can monitor how price interacts and responds or drives through these key levels. This provides effective and accurate entry and risk/size off opportunities for trades. It reduces the need to add drawing elements to the chart by having these levels automatically generated.

See example below – two decision points added with the lines enabled to help map out the structure in the period since the London open and New York open for CL contract.

Mapping out structure of CL since the London Open Adding Decision Point profile that have the Enable Extend POC/VAH/VAL option enabled - greatly faciliates key turning points and levels as the session unfolds before the NY open.

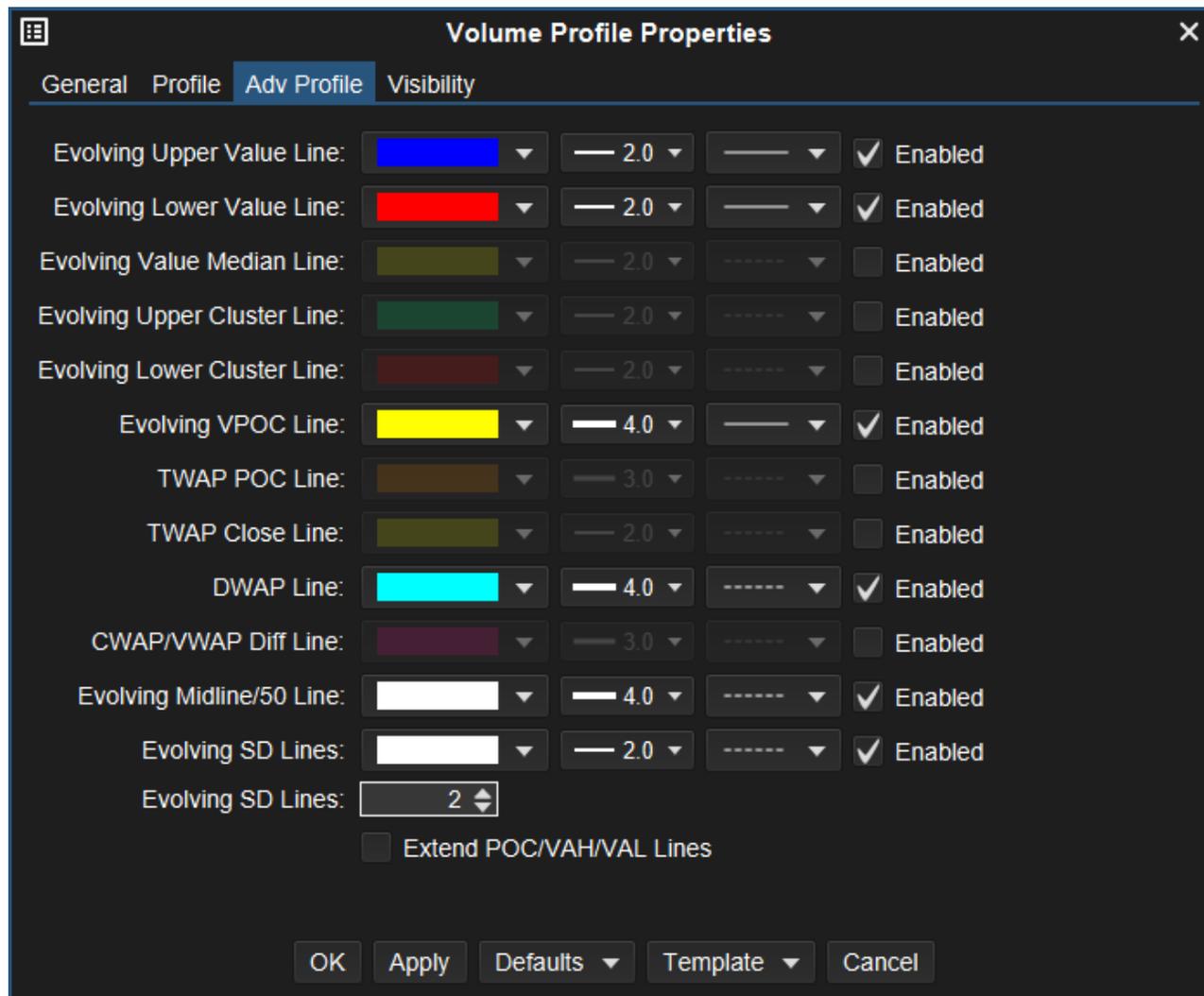## Advanced Profile Tab in the MW Volume Profile Settings

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 below outlines all the available settings for the Advanced Profile. Each Line option is covered earlier in the document.

To apply the current settings for the current selected profile – select **Apply.**

To update and save the settings for this particular Profile type (Swing – Range – Decision point & the Active versions of these) – select **Defaults and Save** defaults.

To save a version of these specific settings use the **Template option – and Save as a new template.**

To apply an existing saved template – selected from Templates your saved template then select **Apply**

Advanced Profile Tab in the MW Volume Profile Settings

<u>Note For ALGOX users:</u>

All these new additional OFA variables will be accessible by the Algox Categories (Execution, Management) and the Execute from drop down and Stop Move options defined and integral to the MW AlgoX Addon.

These will be accessible in 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.

Additional Entry Options with Advanced Profile Marked in Red Zone above

Additional Execution Algo Options with Advanced Profile Marked in Red Zone above

Additional Management Algo Options with Advanced Profile Marked in Red Zone above

Additional Move Stop Options with Advanced Profile Marked in Red Zone above