eWaves V1.0 Indicator

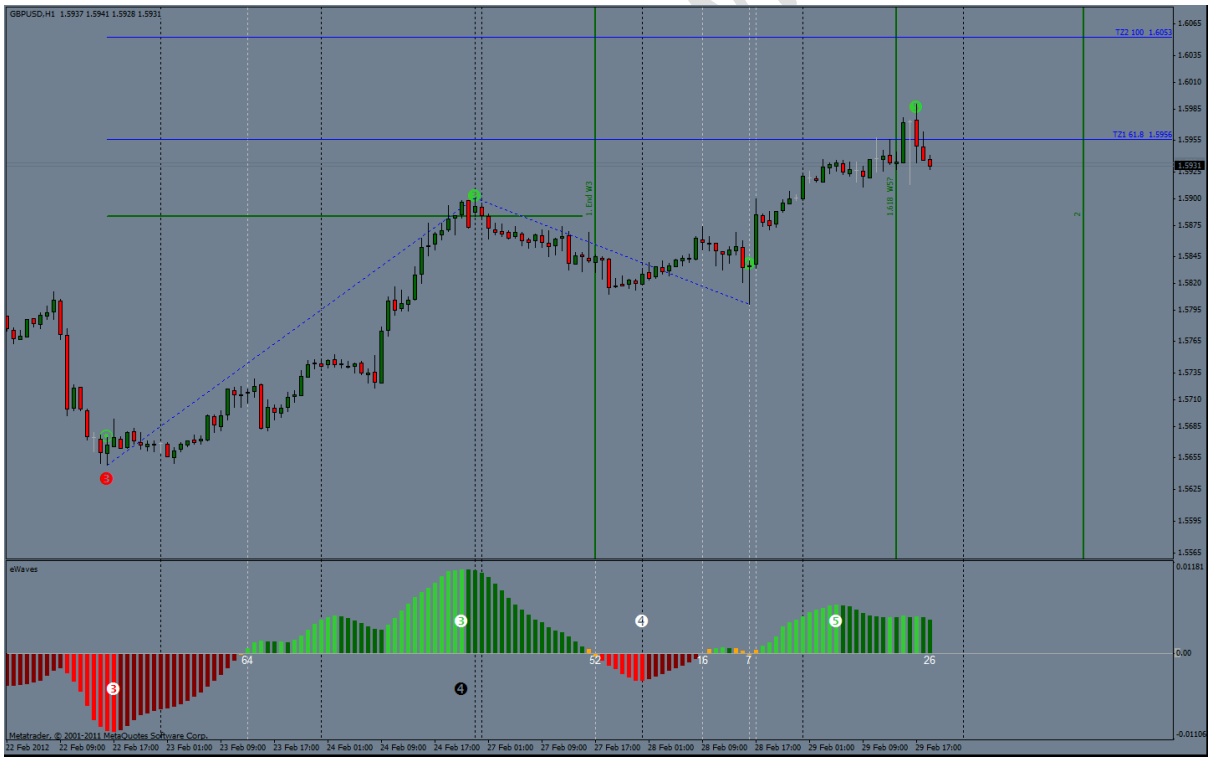
Plots colour-coded histograms (based on the Bill Williams Awesome Oscillator).

Using the histogram data, it computes Elliot Waves 3, 4 and 5 and plots the count on both the histogram window and (if the ShowEWOnChart option is set to true) the price window. After a Wave 3 has been found, it looks for a likely start of Wave 1, from which Fibonacci Expansion are plotted to forecast the price where Wave 5 could go (shown as TZ1 and TZ2 -FE 61.8 and FE 100 respectively). It will also plot Fibonacci Time Zones, based on the likely Wave 1 start and Wave 3, to determine where Wave 5 will be. There are also options to display the count of bars between cross of zero line, along with vertical lines to highlight those crosses.

The following applies if the ShowEWOnChart option is set to true ...

> It must be noted that the start of Wave 1 can be very tricky to spot, even for the naked eye, let alone to program. As such, a symbol is displayed (rather than a number) and it is from this point that Fibonacci Expansion and Time Zones are calculated. The Wave 1 start will only be looked for once a Wave 3 has been identified. After a Wave 3 has been identified, the indicator will (after a few bars) start looking for a 'dynamic' Wave 4 (shown as a black 4 on the price chart). This will move with price, along with the Fib' levels, until the Wave 4 is confirmed.

The chart below shows how the indicator automatically displayed the Fibonacci levels – with Wave 5 reaching the predicted Target Zone 1 and Time Zone (refer options below for Time Zone settings). Fibonacci levels will only be displayed when the requisite waves are displayed.



See below for explanation of all the options

If the Wave Count doesn't show on the histogram, please remove any indicators in the sub-windows, before loading the eWaves indicator.

Options

Variable	Default Value	Comments
VariableClosetoZL	true	Adjusts the value of orange bars according to recent volatility. Higher volatility sets a higher value for, what is deemed to be, 'close to zero' and thus the levels where orange histogram bars will be shown. During quiet periods, such as Asian trading times, the definition of 'close to zero' will usually be lower. Having orange bars allows the trader to maintain a perspective of what is 'close to zero' when zooming in on a chart and deciding if price is too far from its mean to enter a trade.
MaxClosetoZL	0.00060	The maximum histogram value to show orange bars when close to the zero line; anything exceeding the absolute of this value will be shown as green or red
MinClosetoZL	0.00020	The minimum for above –if the variable function thinks 0.0001 is close to zero, but the histogram value is 0.0002, the histogram will still be orange
ShowLevels	false	Option to show the Max and Min Close to ZL values on the histogram chart
LevelsColour	DarkGray	Colour for above
EWColour	White	Colour of Elliot Wave count numbers
EWLookBack	140	How many bars to look back in determining the wave count; 140 is the recommended value
ShowEWOnChart	false	Show the Wave Count numbers on price chart. Unlike the wave numbers on the histogram, the program looks for high/low values of price. Showing the Waves on the price chart shows what the indicator is using to form the Fibonacci Expansion levels – it is not necessary to display on the price chart and may just clutter the chart. We are primarily interested in the Wave Count on the histogram – the count on price chart is of lesser importance.
NumberPosOnChart	2	Allow for adjusting the distance for displaying wave count numbers on price window. In up trends, the wave numbers are displayed above price; vice versa for down trends.
DisplayBarCount	true	Show the count of histogram bars between zero line crosses
CountCol	White	Colour for above
CountFontSize	10	Font size for above
ShowFibExp	true	Show the Fibonacci Expansion Levels based on wave count
FibExpColUp	Blue	Colour of above for up waves
FibExpColDn	Red	Colour of above for down waves
W4Validator	0.4	Some believe that a Wave 4 (on histogram) is invalid if it's more than 40% of the Wave 3 maximum value. Where this is the case, a black 4 will be displayed on the histogram rather than the default white. Change to a value of 1 to allow for up to 100% of Wave 3.
W4Validator is the ratio of		Just a note ref above – not an option to change

W4 to W3 to be considered valid."		
Bad4Col	Black	As above, colour of histogram Wave 4 number when supposedly invalid by size. Also the colour of the 'dynamic' Wave 4 on the price window.
ShowFibTimeZone	true	Show the Fibonacci Time Zones
FibTimeColUp	DarkGreen	Colour of above in up-trends
FibTimeColDn	Red	Colour of above in down-trends
FibTimeWidth	2	Thickness of above levels
FibTimeLines	4	How many time zone levels to show
FibTimeLevel1	1.7	Ratio of the 1st to 3rd waves for calculating the Wave 5 time. The value of 1.618 was used in the example chart at the top of this document.
FibTimeFromPeak3=true		Some users prefer to show where Wave 5 might start; whilst other where Wave 5 might end or peak – all based on where the Wave 3 point is calculated. This option allows for starting on the Wave 3 price high/low or from where Wave 3 crossed into a possible Wave 4 – the latter seemingly being good for finding where Wave 5 might peak (there is, as yet, no statistics from using this indicator to suggest what is best)
If above false, FibTimeLevel1 will be from Zero Line Cross after W3		Just a note ref above – not an option to change
CrossVline	true	Show vertical lines when histogram crosses the zero line
VlineColor	Silver	Colour of above
VlineStyle	2	Style of above