

NeuroShell Trader

The Renko bar charts described by Sylvain Vervoort may be implemented in NeuroShell Trader through the use of the InterChart Tools Renko add-in. The InterChart Tools Renko bars are virtual and perform their calculations using the same methods as traditional Renko bars, but once a trading signal is generated by the Renko bar, both the trade and fill are correctly displayed on the open of the next bar of the base chart.

For the example chart shown (S&P futures) simply select 'New Indicator...' from the 'Insert' menu and enter the following in the appropriate locations of the indicator parameters:

IctRenko High (0.25, 1, 1, 3, High, Low, Volume) (both dots and lines displayed on the chart)

IctRenko Low (0.25, 1, 1, 3, High, Low, Volume) (both dots and lines displayed on the chart)

Ict Renko Volume (0.25, 1, 1, 3, High, Low, Volume)

IctRenko Streak Counter (0.25, 1, 1, 3, High, Low, Volume)

0.25 corresponds to the size of the base chart's range bar which is used to create the virtual Renko bars. It is the virtual (or actual) tick size. You need to specify a size that will not be overcome by noise for the security that is being traded. In the example shown it is the actual tick size. The next two parameters represent the number of ticks used to calculate the up part of the Renko bar, followed by the number of ticks used to compute the down part. The 3 represents a multiplier that is applied to the described Renko bar's up/down ratio to realize it's final size. This enables the indicators to use a different number of ticks for the up and down side of the Renko bars. Since any bar's function is to absorb noise and rising price jitter is often different from falling price jitter, our Renko bars permit an asymmetrical definition to accommodate this.

The Renko Volume indicator displays the correct volume on the base chart that corresponds to the Renko bars. The Streak Counter indicator displays the number of consecutive up or down Renko bars that appear in sequence on the chart.

NeuroShell Renko bars may, at the user's discretion, be controlled by the optimizer to identify the optimal bar size and noise absorption for a given algorithm or equity.

Users of NeuroShell Trader can go to the STOCKS & COMMODITIES section of the NeuroShell Trader free technical support Website to download a copy of any of the traders' tips.

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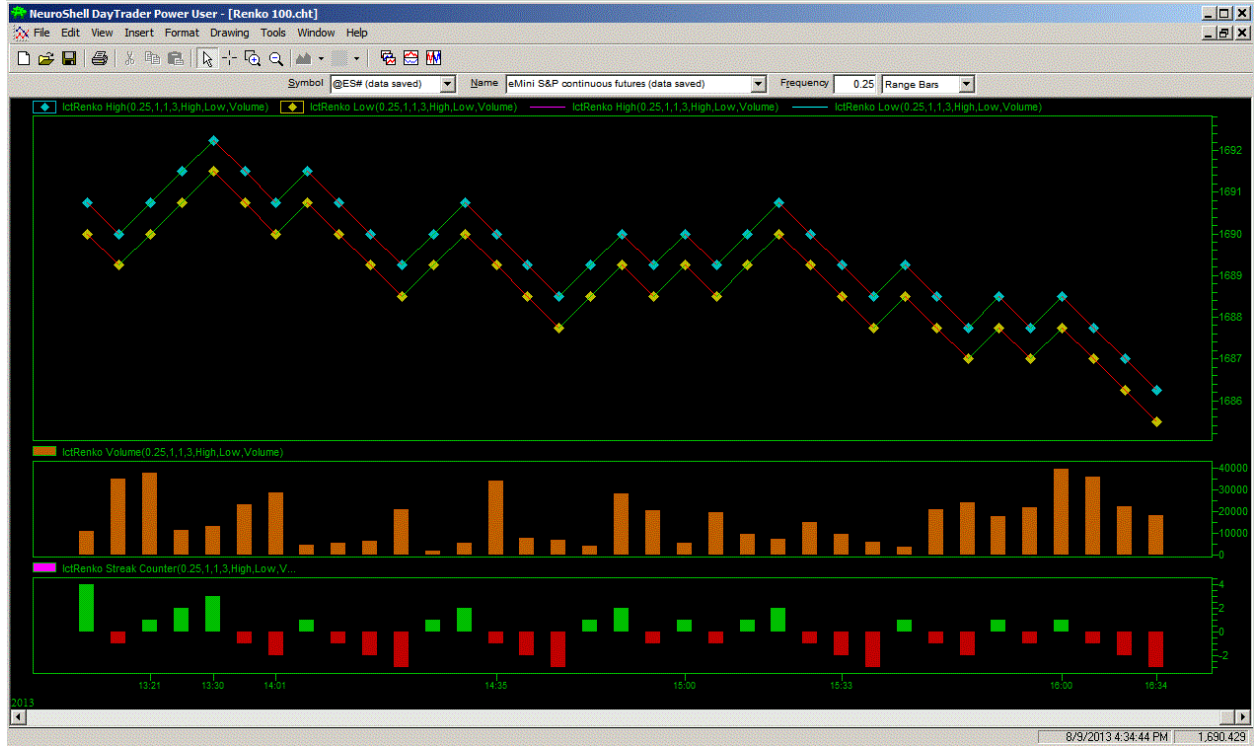


Figure 1: A NeuroShell Trader Chart showing InterChart Tools Renko bars.