

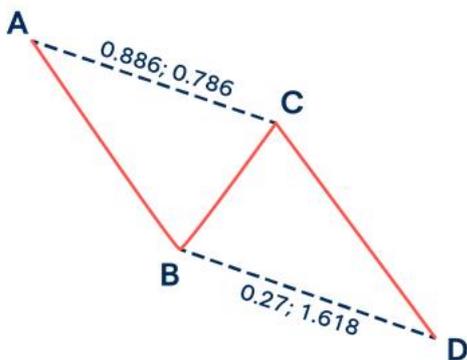
Specification Harmonic Patterns Indicator

General description

Harmonic Patterns is an indicator which displays and alerts 7 types of patterns detected on the candlestick chart:

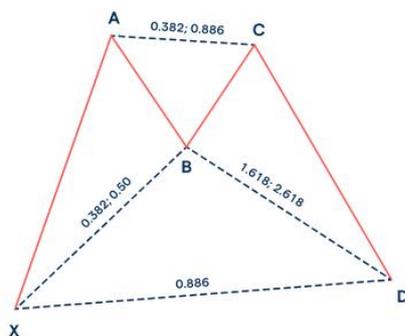
1. ABCD Pattern

The ABCD (or $AB=CD$) pattern is composed of three movements and four points. First, there is the impulsive movement (AB), then a corrective movement (BC – should reach 0.618 of AB, but not too much above (set limit is 0.654), and then another impulsive movement (DC – at least same length as AB and the time it takes for the price to go from A to B should be equal to the time it takes to go from C to D) that goes in the same direction as AB.



2. BAT Pattern

The BAT pattern has one leg more than the ABCD pattern, and one extra point(X). The first leg (XA) will lead to a BC retracement movement (not reaching A) . Point B is at maximum 50% of XA. The CD extension must be at least 1.618 of the BC leg and can reach as high as 2.618.

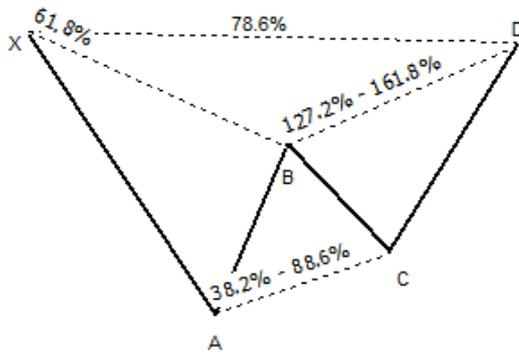


3. Gartley Pattern

The Gartley pattern has two key rules:

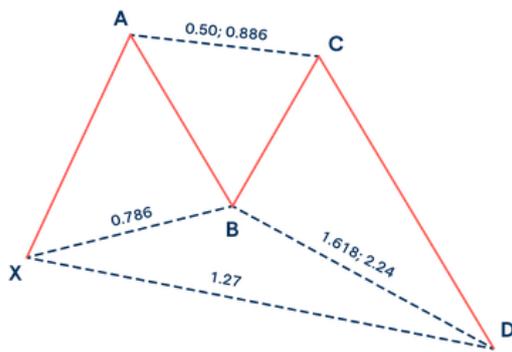
- The retracement of point B must be 0.618 of XA (but not more than 0.786)
- The retracement of point D must be 1.272 of the AB movement

It is similar to the BAT pattern in that the XA leg leads to a BC retracement



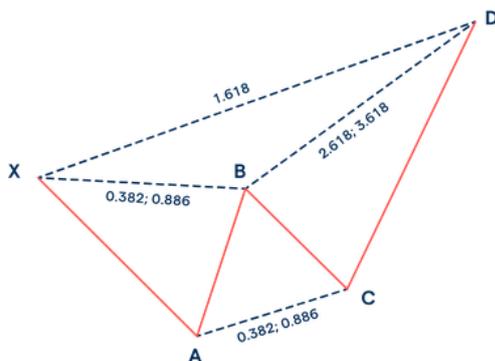
4. Butterfly Pattern

The butterfly pattern is a reversal pattern composed of four legs, marked X-A, A-B, B-C and C-D. The most important ratio to define is the 0.786 retracement of the XA leg. CD must be longer than BC and more than 1.27 of XA.



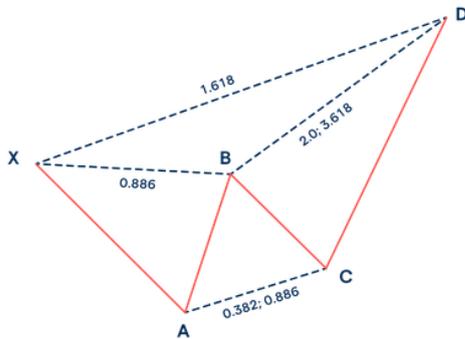
5. Crab Pattern

The Crab follows an X-A, A-B, B-C and C-D pattern. The most important feature of the crab pattern is the 1.618 extension of the XA to define final point. In its bullish version of the Crab, the first leg forms when the price rises sharply from point X to point A. The AB leg retraces between 38.2% and 61.8% of XA. This is then followed by an extreme projection of BC (2.618 to 3.618), which identifies a valid area for the completion of the pattern and the potential reversal of the current trend.



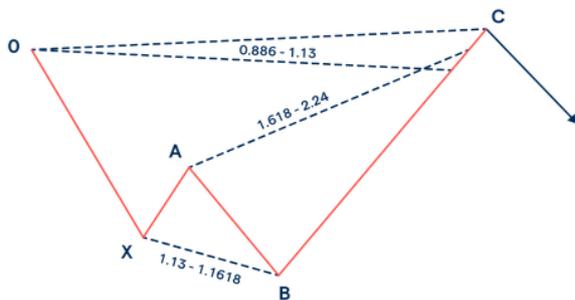
6. GOLD Deep Pattern

This is a slightly different version of the Crab pattern. Its only differential is that the retracement of point B, which must be 0.886 of the XA movement without exceeding point X. The BC projection can range from 2.24 to 3.618.



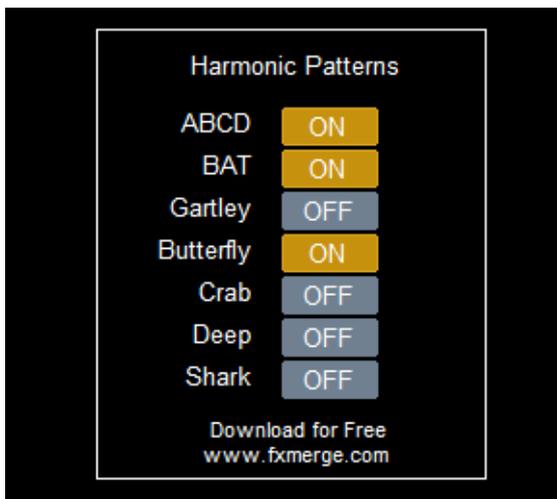
7. Shark Pattern

The the shark pattern has some similarities with the crab patterns. It is a five-leg reversal pattern: the AB leg should show a retracement of between 1.13 and 1.618 of the XA leg and the BC leg will be 113% of the OX leg.



Patterns are visible on the chart as triangles and arrows at the end candle of the pattern.

The user can set (in the settings of the indicator) initial activation of pattern detection, colors for displayed patterns and visible text, type of alerts(Pop-up window, email) send by the indicator and maximum number of bars in which patterns are detected.



Management of the chosen pattern might be turned on/off by the buttons on the chart. The location of the panel on the chart can be set in the parameters.

Indicator is working only on H1, H4 and Daily chart.

Displayed patterns



Fig. 2 Patterns displayed on the chart

Parameters of the Indicator

„PATTERNS SETTINGS”

- ...pattern (true/false) – initial activation of chosen pattern detection (initial state of the button on the panel)
- ...triangleColor (color) – color of triangles displayed on the chart as detected pattern

“GENERAL SETTINGS”

- maxBars (number) – maximum number of candles on which indicator looks for the patterns (if 0 – indicator is working on all bars in history)
- letterColor (color) –color of the text and letters displayed on the patterns (X, A, B, C, D and name of the pattern)
- letterFontSize (number) – size of the displayed text in pixels
- panelColor (color) – main color of the panel (visible text)
- panelLocation (type of corner) – location of the panel to choose from four corners of the chart

“ALERT SETTINGS”

- PopUpAlert (true/false) – activation of alerts as pop-up message on the platform
- EmailAlert (true/false) – activation of alerts as mails send to chosen email address (mail is specified in the platform settings)