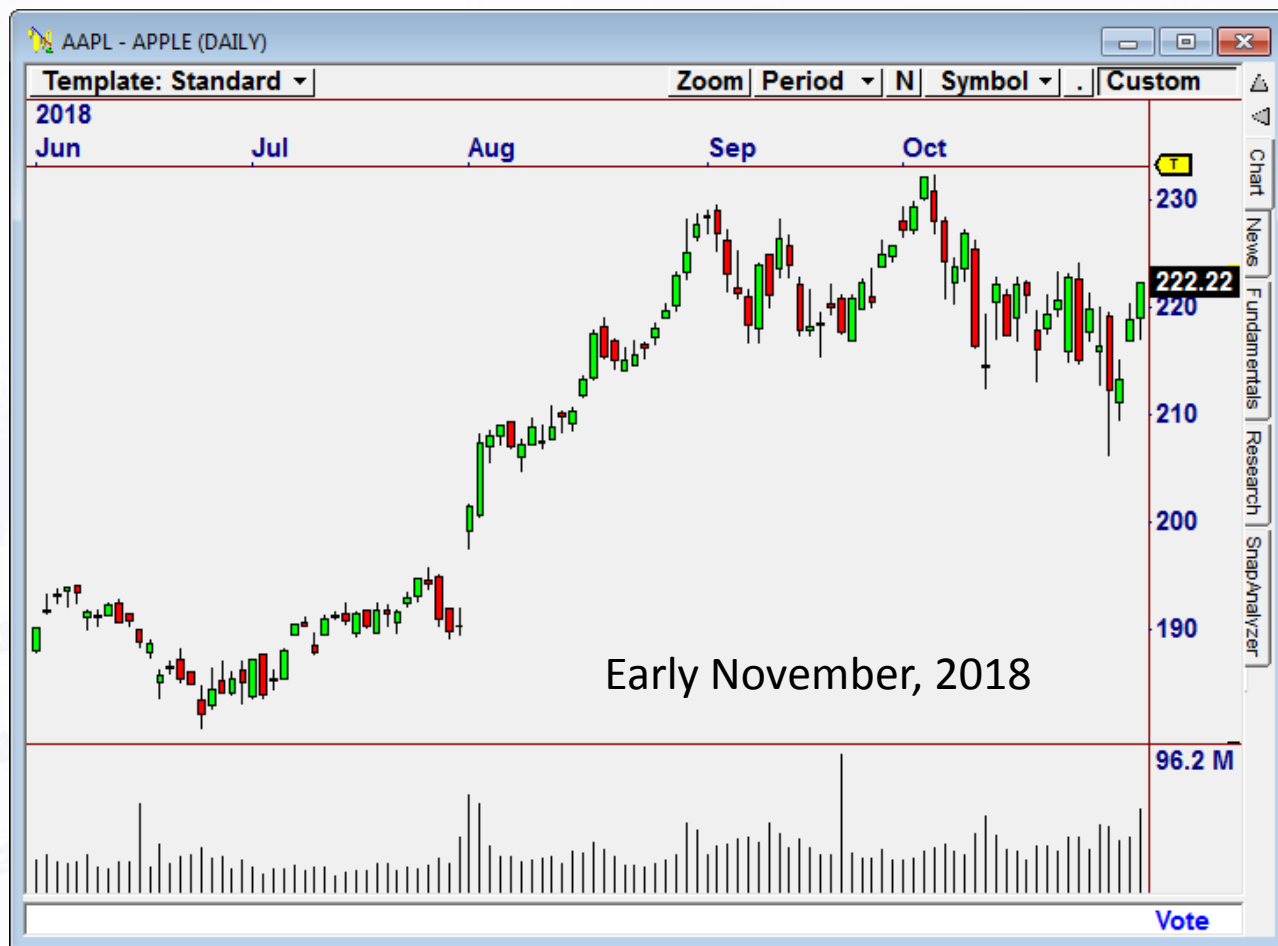


The Nirvana Club

EWI – The Early Warning Indicator

We all want to know...

When is a Market (or Stock) likely to turn up or down?



Indicators are not always clear.

Indicators like the Relative Strength Index are often not clear as to potential movement.



Relative Strength yields no information.

We need a LEADING Indicator

The Early Warning Indicator shows likely change in direction.



Introducing the Early Warning Indicator

EWI can indicate the likelihood of a coming decline.



What is EWI?

EWI is based on the change in Linear Regression Slope (trend) over a prior period.

EWI is defined as:
$$\text{Inreg_slope}(\text{EMA}(\text{MP}(),3),7) - \text{Inreg_slope}(\text{EMA}(\text{MP}(),3),7)[5]$$

That is, EWI is the change in the 7-period Slope of the Median, compared to the value of the 7-Period Slope, 5 bars ago.

The EWI OmniLanguage Indicator

OmniLanguage Indicator has all values parameterized.

```
#Indicator

#Param "Periods",7
#Param "Smoothing",3
#Param "Lookback",5

dim r as single

r = Inreg_slope(EMA(MP(),Smoothing),Periods)
- Inreg_slope(EMA(MP(),Smoothing),Periods)[Lookback]

Plot("EWI",r)
Plot("EWIS",ema(r,Smoothing))

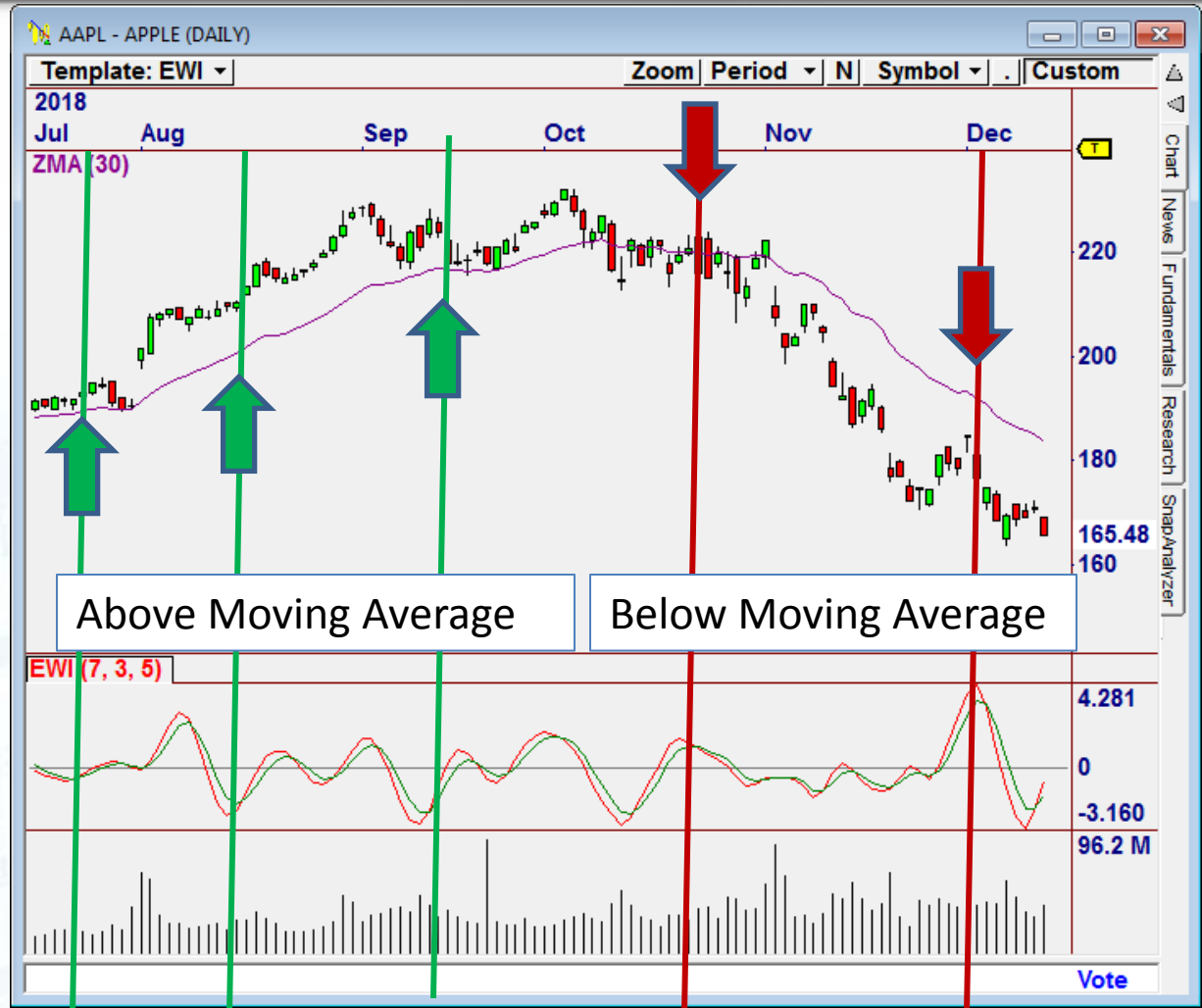
Return r ' Return the value calculated by the indicator
```

Confirm with Moving Average

Buying Lows and
Selling Highs is
easy with EWI

Just confirm with
a 30 period Zero
Lag Moving
Average. *

* ZMA[30]



Cycle Detection

CYCLES in a chart are MUCH easier to see if EWI is plotted.



Downloading & Using the Indicator

Standard Edition OmniTrader Users: The Indicator can be used in the QuickIndicator function by downloading the following file, and copying the formula into a Quick Indicator in OmniTrader (Rt-Click, Add Quick Indicator)

[EWI_QuickIndicator.txt](#)

OmniTrader Professional Users: The Indicator file can be downloaded and placed in the directory: OT2019/VBA/Indicators and then called up in OmniTrader (Rt-Click, Add Indicator → OmniLanguage → EWI)

[EWI.txt](#)

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