

Harmonic Oscillator v1.0 Guide

7-Component Momentum Voting System

What is Harmonic Oscillator?

Harmonic Oscillator is Signal Pilot's momentum consensus indicator. It combines **seven independent components** into a unified voting system. Instead of watching multiple oscillators separately, you get one aggregated momentum reading with regime classification.

The Seven Voting Components

Each component casts a bullish or bearish vote based on its analysis:

#	COMPONENT	WHAT IT ANALYZES
1	RSI	Momentum-aware RSI with directional confirmation
2	Stochastic RSI	Smoothed stochastic with slope analysis
3	MACD	Histogram acceleration detection (not just direction)
4	EMA Trend	Price position relative to trend with slope confirmation
5	Momentum	Rate of change analysis
6	Volume	Confirming volume on directional candles
7	Divergence Zone	Extreme zone detection with price confirmation

Regime Classification

Based on vote count, Harmonic Oscillator classifies the market:

VOTE COUNT	REGIME	MEANING
5-7 votes	TRENDING	Strong directional momentum
3-4 votes	BIAS	Moderate directional lean
0-2 votes	RANGING	No clear momentum direction

Displayed as: TRENDING▲, TRENDING▼, BIAS▲, BIAS▼, or RANGING—

Adjustable Settings

Important: Oscillator parameters are internally optimized and **not user-adjustable**. This ensures consistent, tested behavior across all users.

User-Configurable Settings

SETTING	OPTIONS	DESCRIPTION
Signal Mode	Conservative / Balanced / Aggressive	Adjusts consensus thresholds for alerts
Higher Timeframe Filter	On / Off	Filter divergence signals by HTF trend direction
HTF Timeframe	Dropdown selection	Which higher timeframe to reference

Display Settings

SETTING	OPTIONS
Show Divergences	On/Off
Show Consensus Meter	On/Off
Show Status Panel	On/Off
Show OB/OS Zone Fills	On/Off

Table Settings

SETTING	OPTIONS
Position	9 locations (corners/edges)
Font Size	Multiple size options
Layout Orientation	Vertical/Horizontal

Visual Elements

Status Panel

Displays current regime and vote count: - **TRENDING▲ (6/7)** = Strong bullish momentum (6 of 7 components bullish) - **BIAS▼ (4/7)** = Moderate bearish lean - **RANGING— (2/7)** = No clear direction

Composite Oscillator

- 0-100 scale oscillator line
- Signal line for crossover detection
- Overbought/oversold zones highlighted

Divergence Labels

- ▲ **DIV** = Bullish divergence detected
- ▼ **DIV** = Bearish divergence detected

Zone Fills

Optional shading in overbought (top) and oversold (bottom) regions.

Consensus Meter

Visual representation of how many components agree on direction.

Signal Mode Explained

Conservative Mode

- Requires higher vote consensus for signals
- Fewer signals, higher conviction
- Best for: Swing trading, fewer trades

Balanced Mode (Default)

- Standard consensus thresholds
- Moderate signal frequency
- Best for: Most trading styles

Aggressive Mode

- Lower consensus required for signals
 - More signals, requires filtering
 - Best for: Active trading, scalping
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How to Use Harmonic Oscillator

Reading the Regime

1. Check current regime (TRENDING, BIAS, or RANGING)
2. Note vote count (X/7)
3. Consider direction (▲ bullish, ▼ bearish, — neutral)

Trading with Regime

REGIME	APPROACH
TRENDING	Trade breakouts, ride momentum
BIAS	Trade pullbacks in bias direction
RANGING	Fade extremes, mean reversion

Using the HTF Filter

Enable HTF filter to only receive divergence signals that align with the higher timeframe trend direction. This reduces false signals during counter-trend moves.

Divergence Signals

Harmonic Oscillator automatically detects divergences between price and the composite oscillator:

Bullish Divergence (▲ DIV)

- Price makes lower low
- Oscillator makes higher low
- Potential reversal up

Bearish Divergence (▼ DIV)

- Price makes higher high
 - Oscillator makes lower high
 - Potential reversal down
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Integration with Other Indicators

Harmonic Oscillator + Pentarch

- Harmonic identifies momentum regime
- Pentarch provides cycle timing
- Use Harmonic to filter Pentarch signals (only trade IGN in TRENDING▲)

Harmonic Oscillator + Volume Oracle

- Both provide regime classification
- Harmonic = momentum-based regime
- Volume Oracle = volume-based regime
- Alignment = higher conviction

Harmonic Oscillator + Janus Atlas

- Harmonic shows when momentum is strong
 - Janus shows where to enter
 - Trade key levels when momentum supports direction
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Best Practices

- 1. Trust the voting system** - 7 components > any single oscillator
- 2. Match strategy to regime** - Don't fade TRENDING markets
- 3. Use HTF filter** - Reduces counter-trend false signals

- 4. **5+ votes = high conviction** - Best setups have strong consensus
 - 5. **Divergences need confirmation** - Don't trade divergence alone
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For momentum trading strategies, see the Education Hub curriculum on oscillators and regime-based trading.

Signal Pilot Education Hub

signalpilot.io | education.signalpilot.io

Educational purposes only. This is not financial advice. Always do your own research.