

# NVI2

September 29, 2021

## 1 Negative Volume Index (NVI)

<https://www.investopedia.com/terms/n/nvi.asp>

```
[1]: import numpy as np
import pandas as pd
import matplotlib.pyplot as plt

import warnings
warnings.filterwarnings("ignore")

# fix_yahoo_finance is used to fetch data
import fix_yahoo_finance as yf
yf.pdr_override()
```

```
[2]: # input
symbol = 'AAPL'
start = '2018-08-01'
end = '2019-01-01'

# Read data
df = yf.download(symbol,start,end)

# View Columns
df.head()
```

[\*\*\*\*\*100%\*\*\*\*\*] 1 of 1 downloaded

```
[2]:
```

	Open	High	Low	Close	Adj Close	\
Date						
2018-08-01	199.130005	201.759995	197.309998	201.500000	198.478760	
2018-08-02	200.580002	208.380005	200.350006	207.389999	204.280457	
2018-08-03	207.029999	208.740005	205.479996	207.990005	204.871445	
2018-08-06	208.000000	209.250000	207.070007	209.070007	205.935257	
2018-08-07	209.320007	209.500000	206.759995	207.110001	204.004639	

	Volume
Date	

```

2018-08-01    67935700
2018-08-02    62404000
2018-08-03    33447400
2018-08-06    25425400
2018-08-07    25587400

```

```

[3]: returns = df['Adj Close'].pct_change()
vol_decrease = (df['Volume'].shift(1) > df['Volume'])

nvi = pd.Series(data=np.nan, index=df['Adj Close'].index, dtype='float64')

nvi.iloc[0] = 1000
for i in range(1,len(nvi)):
    if vol_decrease.iloc[i]:
        nvi.iloc[i] = nvi.iloc[i - 1] * (1.0 + returns.iloc[i])
    else:
        nvi.iloc[i] = nvi.iloc[i - 1]

nvi = nvi.replace([np.inf, -np.inf], np.nan).fillna(1000)

df['NVI'] = pd.Series(nvi)

```

```

[4]: df.head()

```

```

[4]:

```

	Open	High	Low	Close	Adj Close \
Date					
2018-08-01	199.130005	201.759995	197.309998	201.500000	198.478760
2018-08-02	200.580002	208.380005	200.350006	207.389999	204.280457
2018-08-03	207.029999	208.740005	205.479996	207.990005	204.871445
2018-08-06	208.000000	209.250000	207.070007	209.070007	205.935257
2018-08-07	209.320007	209.500000	206.759995	207.110001	204.004639

	Volume	NVI
Date		
2018-08-01	67935700	1000.000000
2018-08-02	62404000	1029.230820
2018-08-03	33447400	1032.208409
2018-08-06	25425400	1037.568237
2018-08-07	25587400	1037.568237

```

[5]: fig = plt.figure(figsize=(14,10))
ax1 = plt.subplot(2, 1, 1)
ax1.plot(df['Adj Close'])
ax1.set_title('Stock ' + symbol + ' Closing Price')
ax1.set_ylabel('Price')
ax1.legend(loc='best')

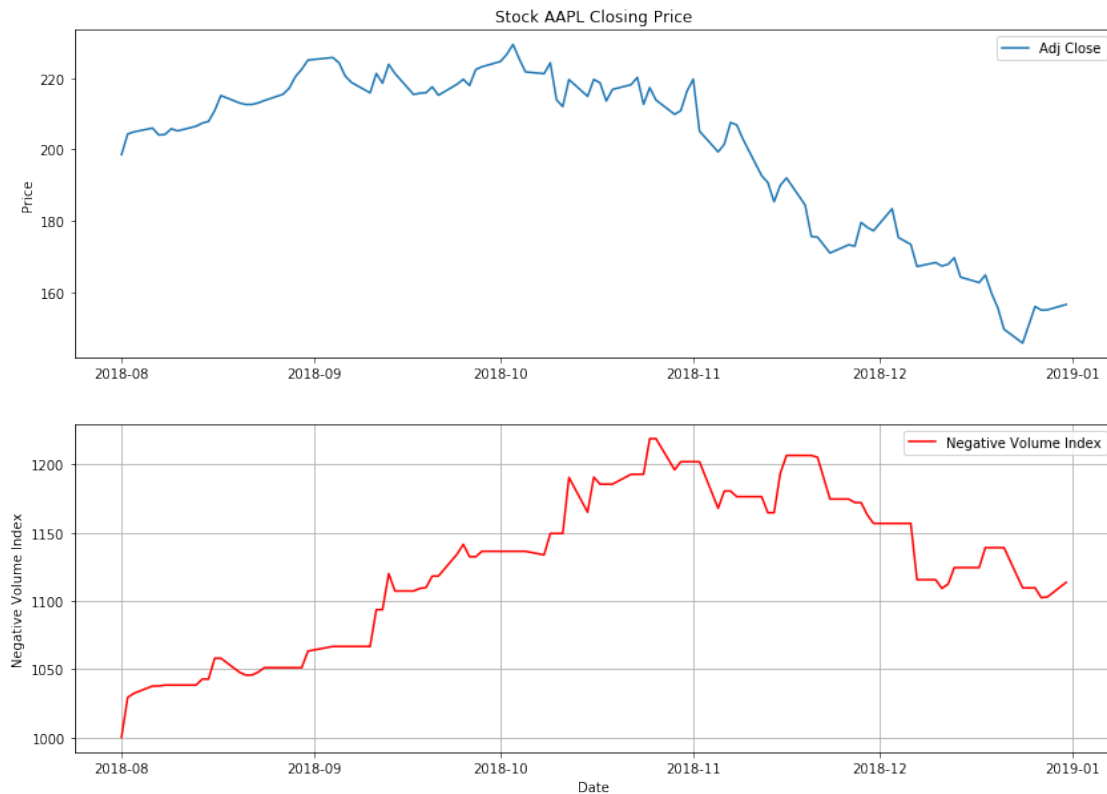
```

```

ax2 = plt.subplot(2, 1, 2)
ax2.plot(df['NVI'], label='Negative Volume Index', color='red')
ax2.grid()
ax2.legend(loc='best')
ax2.set_ylabel('Negative Volume Index')
ax2.set_xlabel('Date')

```

[5]: Text(0.5,0,'Date')



## 1.1 Candlestick with Negative Volume Index

```

[6]: from matplotlib import dates as mdates
import datetime as dt

dfc = df.copy()
dfc['VolumePositive'] = dfc['Open'] < dfc['Adj Close']
#dfc = dfc.dropna()
dfc = dfc.reset_index()
dfc['Date'] = mdates.date2num(dfc['Date'].astype(dt.date))
dfc.head()

```

```
[6]:
```

	Date	Open	High	Low	Close	Adj Close	\
0	736907.0	199.130005	201.759995	197.309998	201.500000	198.478760	
1	736908.0	200.580002	208.380005	200.350006	207.389999	204.280457	
2	736909.0	207.029999	208.740005	205.479996	207.990005	204.871445	
3	736912.0	208.000000	209.250000	207.070007	209.070007	205.935257	
4	736913.0	209.320007	209.500000	206.759995	207.110001	204.004639	

	Volume	NVI	VolumePositive
0	67935700	1000.000000	False
1	62404000	1029.230820	True
2	33447400	1032.208409	False
3	25425400	1037.568237	False
4	25587400	1037.568237	False

```
[7]: from mpl_finance import candlestick_ohlc

fig = plt.figure(figsize=(14,10))
ax1 = plt.subplot(2, 1, 1)
candlestick_ohlc(ax1,dfc.values, width=0.5, colorup='g', colordown='r', alpha=1.
    ↪0)
ax1.xaxis_date()
ax1.xaxis.set_major_formatter(mdates.DateFormatter('%d-%m-%Y'))
ax1.grid(True, which='both')
ax1.minorticks_on()
ax1v = ax1.twinx()
colors = dfc.VolumePositive.map({True: 'g', False: 'r'})
ax1v.bar(dfc.Date, dfc['Volume'], color=colors, alpha=0.4)
ax1v.axes.yaxis.set_ticklabels([])
ax1v.set_ylim(0, 3*df.Volume.max())
ax1.set_title('Stock ' + symbol + ' Closing Price')
ax1.set_ylabel('Price')

ax2 = plt.subplot(2, 1, 2)
ax2.plot(df['NVI'], label='Negative Volume Index', color='red')
ax2.grid()
ax2.legend(loc='best')
ax2.set_ylabel('Negative Volume Index')
ax2.set_xlabel('Date')
```

```
[7]: Text(0.5,0,'Date')
```

