

Relative_Volatility_Index

September 29, 2021

1 Relative Volatility Index

<http://www.chart-formations.com/indicators/rvi.aspx?cat=oscillator>

```
[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	199.243088	
2018-08-02	200.580002	208.380005	200.350006	207.389999	205.067123	
2018-08-03	207.029999	208.740005	205.479996	207.990005	205.660416	
2018-08-06	208.000000	209.250000	207.070007	209.070007	206.728317	
2018-08-07	209.320007	209.500000	206.759995	207.110001	204.790268	

	Volume
Date	

```

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

```

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[3]: n = 14 # Number of period
change = df['Adj Close'].diff(1)
df['Gain'] = change.mask(change<0,0)
df['Loss'] = abs(change.mask(change>0,0))
df['AVG_Gain'] = df.Gain.rolling(n).std()
df['AVG_Loss'] = df.Loss.rolling(n).std()
df['RS'] = df['AVG_Gain']/df['AVG_Loss']
df['RVI'] = 100 - (100/(1+df['RS']))

```

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[4]: df.head(20)

```

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[4]:

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	Open	High	Low	Close	Adj Close	\
Date						
2018-08-01	199.130005	201.759995	197.309998	201.500000	199.243088	
2018-08-02	200.580002	208.380005	200.350006	207.389999	205.067123	
2018-08-03	207.029999	208.740005	205.479996	207.990005	205.660416	
2018-08-06	208.000000	209.250000	207.070007	209.070007	206.728317	
2018-08-07	209.320007	209.500000	206.759995	207.110001	204.790268	
2018-08-08	206.050003	207.809998	204.520004	207.250000	204.928696	
2018-08-09	207.279999	209.779999	207.199997	208.880005	206.540436	
2018-08-10	207.360001	209.100006	206.669998	207.529999	205.925232	
2018-08-13	207.699997	210.949997	207.699997	208.869995	207.254883	
2018-08-14	210.160004	210.559998	208.259995	209.750000	208.128067	
2018-08-15	209.220001	210.740005	208.330002	210.240005	208.614273	
2018-08-16	211.750000	213.809998	211.470001	213.320007	211.670471	
2018-08-17	213.440002	217.949997	213.160004	217.580002	215.897522	
2018-08-20	218.100006	219.179993	215.110001	215.460007	213.793930	
2018-08-21	216.800003	217.190002	214.029999	215.039993	213.377167	
2018-08-22	214.100006	216.360001	213.839996	215.050003	213.387085	
2018-08-23	214.649994	217.050003	214.600006	215.490005	213.823685	
2018-08-24	216.600006	216.899994	215.110001	216.160004	214.488495	
2018-08-27	217.149994	218.740005	216.330002	217.940002	216.254745	
2018-08-28	219.009995	220.539993	218.919998	219.699997	218.001129	

	Volume	Gain	Loss	AVG_Gain	AVG_Loss	RS	\
Date							
2018-08-01	67935700	NaN	NaN	NaN	NaN	NaN	
2018-08-02	62404000	5.824035	0.000000	NaN	NaN	NaN	
2018-08-03	33447400	0.593293	0.000000	NaN	NaN	NaN	
2018-08-06	25425400	1.067901	0.000000	NaN	NaN	NaN	
2018-08-07	25587400	0.000000	1.938049	NaN	NaN	NaN	

2018-08-08	22525500	0.138428	0.000000	NaN	NaN	NaN
2018-08-09	23469200	1.611740	0.000000	NaN	NaN	NaN
2018-08-10	24611200	0.000000	0.615204	NaN	NaN	NaN
2018-08-13	25869100	1.329651	0.000000	NaN	NaN	NaN
2018-08-14	20748000	0.873184	0.000000	NaN	NaN	NaN
2018-08-15	28807600	0.486206	0.000000	NaN	NaN	NaN
2018-08-16	28500400	3.056198	0.000000	NaN	NaN	NaN
2018-08-17	35427000	4.227051	0.000000	NaN	NaN	NaN
2018-08-20	30287700	0.000000	2.103592	NaN	NaN	NaN
2018-08-21	26159800	0.000000	0.416763	1.789956	0.728255	2.457870
2018-08-22	19018100	0.009918	0.000000	1.279155	0.728255	1.756466
2018-08-23	18883200	0.436600	0.000000	1.283258	0.728255	1.762100
2018-08-24	18476400	0.664810	0.000000	1.284822	0.728255	1.764246
2018-08-27	20525100	1.766250	0.000000	1.274560	0.573451	2.222613
2018-08-28	22776800	1.746384	0.000000	1.259145	0.573451	2.195732

Date	RVI
2018-08-01	NaN
2018-08-02	NaN
2018-08-03	NaN
2018-08-06	NaN
2018-08-07	NaN
2018-08-08	NaN
2018-08-09	NaN
2018-08-10	NaN
2018-08-13	NaN
2018-08-14	NaN
2018-08-15	NaN
2018-08-16	NaN
2018-08-17	NaN
2018-08-20	NaN
2018-08-21	71.080462
2018-08-22	63.721659
2018-08-23	63.795660
2018-08-24	63.823776
2018-08-27	68.969278
2018-08-28	68.708267

```
[5]: from mpl_finance import candlestick_ohlc

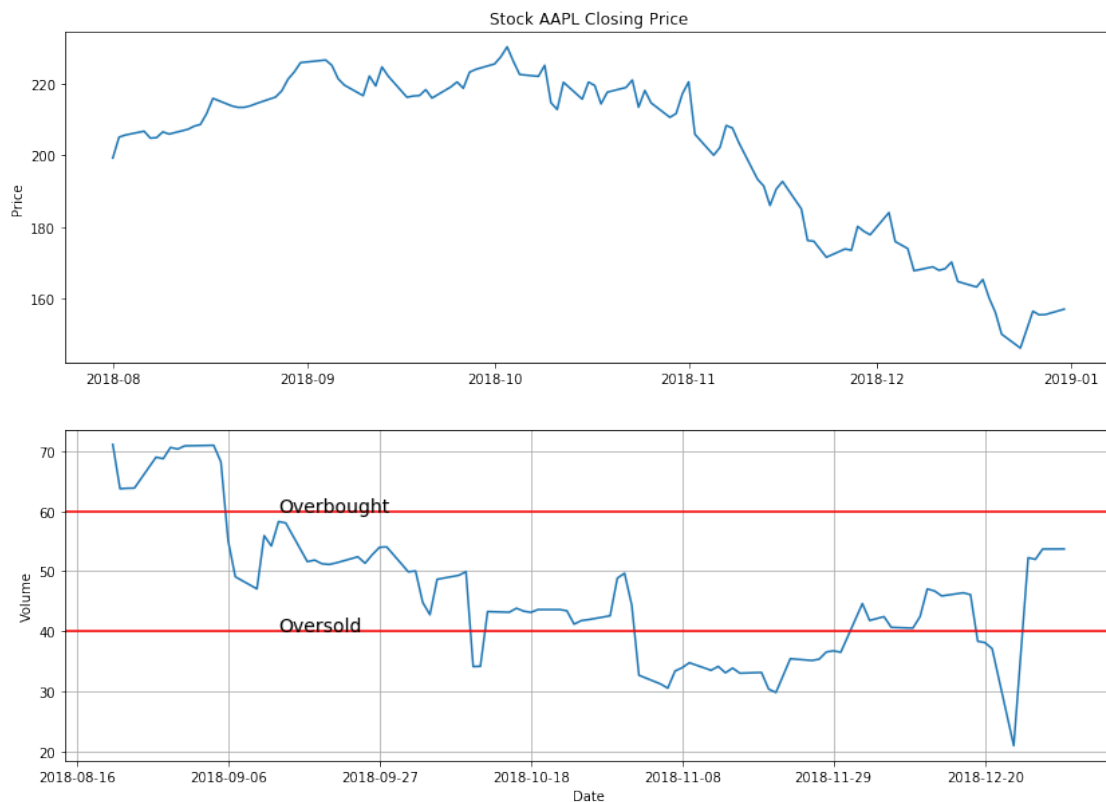
fig = plt.figure(figsize=(14,10))
ax1 = plt.subplot(2, 1, 1)
ax1.plot(df['Adj Close'])
ax1.set_title('Stock ' + symbol + ' Closing Price')
ax1.set_ylabel('Price')
```

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ax2 = plt.subplot(2, 1, 2)
ax2.plot(df['RVI'], label='Relative Volatility Index')
ax2.text(s='Overbought', x=df.RVI.index[30], y=60, fontsize=14)
ax2.text(s='Oversold', x=df.RVI.index[30], y=40, fontsize=14)
ax2.axhline(y=60, color='red')
ax2.axhline(y=40, color='red')
ax2.grid()
ax2.set_ylabel('Volume')
ax2.set_xlabel('Date')

```

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



```

[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	199.243088	
1	736908.0	200.580002	208.380005	200.350006	207.389999	205.067123	
2	736909.0	207.029999	208.740005	205.479996	207.990005	205.660416	
3	736912.0	208.000000	209.250000	207.070007	209.070007	206.728317	
4	736913.0	209.320007	209.500000	206.759995	207.110001	204.790268	

	Volume	Gain	Loss	AVG_Gain	AVG_Loss	RS	RVI	VolumePositive
0	67935700	NaN	NaN	NaN	NaN	NaN	NaN	True
1	62404000	5.824035	0.000000	NaN	NaN	NaN	NaN	True
2	33447400	0.593293	0.000000	NaN	NaN	NaN	NaN	False
3	25425400	1.067901	0.000000	NaN	NaN	NaN	NaN	False
4	25587400	0.000000	1.938049	NaN	NaN	NaN	NaN	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.set_title('Stock ' + symbol + ' Closing Price')
ax1.set_ylabel('Price')
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['RVI'], label='Relative Volatility Index')
ax2.text(s='Overbought', x=df.RVI.index[30], y=60, fontsize=14)
ax2.text(s='Oversold', x=df.RVI.index[30], y=40, fontsize=14)
ax2.axhline(y=60, color='red')
ax2.axhline(y=40, color='red')
ax2.grid()
ax2.set_ylabel('Volume')
ax2.set_xlabel('Date')
ax2.legend(loc='best')
```

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[7]: <matplotlib.legend.Legend at 0x25f20f979b0>
```

