

How the Indicator Works — Methodology & Tear-Sheet Overview

Executive Summary

The XRP Top/Bottom Indicator highlights statistically significant cycle extremes by blending multiple proprietary signal layers into a weekly composite. A MAJOR TOP/BOTTOM prints only when the composite and timing window align. A parallel RADAR track provides a complementary confirmation path. EARLY labels function as intra-week staging marks that resolve at the weekly close, and LIGHT marks act as structure-aware timing cues separate from confirmations. For non-XRP charts, the engine projects market-wide WARNING labels, while optional RISK/HIGH RISK markers provide context windows for elevated caution.

Layer Overview

- MAJOR (TOP/BOTTOM) — Primary weekly confirmations produced when multi-layer consensus and timing alignment are present.
 - RADAR (TOP/BOTTOM) — Complementary weekly confirmations recognizing alternative late-phase structures. The BOTTOM path is optional.
 - EARLY (TOP/BOTTOM) — Provisional staging signals during the week; finalize only on the weekly close.
 - LIGHT (TOP/BOTTOM) — Structure-aware timing cues; excluded from the confirmation logic.
 - WARNING (MAJOR/RADAR/EARLY, non-XRP) — Projection of XRP top-side risk to alt charts for market-wide awareness.
 - RISK / HIGH RISK — Context markers indicating elevated caution windows; independent of confirmations.
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Calculation Highlights

- Each analytical layer produces a normalized signal value; layers are blended via a proprietary multi-layer logic tree into a single weekly composite confidence.
- A label prints only when composite confidence exceeds a proprietary threshold and the timing window aligns with a statistically defined peak/trough zone.
- Dual-track confirmations (v1.0.6): MAJOR (primary) and RADAR (complementary) operate on the same weekly horizon; the RADAR BOTTOM path is optional.
- Staging lifecycle: EARLY labels are intra-week and transient; the historical record retains finalized confirmations only.
- Timing cues (LIGHT): structure-aware heads-ups excluded from confirmation logic.
- Alt-chart projection: XRP top-side confirmations are projected to non-XRP crypto charts as WARNINGS to communicate market-wide risk without duplicating internals.
- Refresh cadence: inputs are evaluated on a weekly schedule; calibration is reviewed at major cycle boundaries.
- Continuity: MAJOR confirmation recipe remains consistent with v1.0.5; v1.0.6 formalizes RADAR, staging lifecycle, timing cues, projection behavior, and safeguards.
- Proprietary details: exact formulas, inputs, thresholds, and weights remain confidential.

Known Limitations

- Weekly-close scope — Confirmations (MAJOR/RADAR) evaluate on the 1-week bar close only; moves between weekly closes are not confirmations.
- Data & platform dependency — Signals and alerts depend on TradingView-provided market data and its alert infrastructure; provider delays or platform limits may postpone labels/alerts.
- Versioned behavior & settings — Results reflect v1.0.6 defaults. Changing feature toggles or spacing alters eligibility and historical classification.

- Hypothetical-results caveat — Back-tests rely on historical data quality and modeled costs. With few closed trades, certain ratios can be unstable; emphasize CAGR, maximum drawdown, and forward out-of-sample tracking.
- Regime-shift & upside-break risk — In rare, abrupt structural repricing (e.g., sudden regime shifts), a weekly-close model can lag initial upside. Some users mitigate opportunity-cost by separating exposure into (a) a rules-tracked account aligned to confirmations and (b) a separate long-term holding account. This is a risk-management consideration, not advice.
- No advice — Signals are for research and risk awareness only and do not constitute investment advice.

Validation & Robustness

Pre-release validation included a bar-accurate replay of the full XRP history and a matching TradingView strategy test. Historically, MAJOR bottoms preceded advances and top labels were followed by declines; however, no single test guarantees future performance.

Back-test Overview

The snapshot below summarizes a bar-accurate TradingView strategy replay of XRP using the v1.0.4 Early-Buy → MAJOR-Sell recipe over 01/01/2015–07/12/2025, with default costs (0.40% per side, 5-tick slippage) and no leverage. It contextualizes the MAJOR engine that v1.0.6 retains; RADAR/LIGHT/WARNING features are documented separately and are not part of these metrics. Results are hypothetical—prioritize CAGR, drawdowns, and forward out-of-sample tracking. Note: one MAJOR-Bottom position that began 06/13/2022 at \$0.34335 remains open and is included in the totals.

Method note — The snapshot below reflects the v1.0.5 Early-Buy → MAJOR-Sell recipe. Version v1.0.6 retains the MAJOR logic and formalizes RADAR/LIGHT/WARNING without changing the MAJOR test recipe.

Back-test Snapshot

Back-test version	v1.0.4 — Weekly Early-Buy ↔ MAJOR-Sell logic
Time window	01/01/2015 – 07/12/2025

Performance Summary

Total Return	+420,540% (includes open position gains)
Net P&L	\$4,205,404 — TradingView Total P&L
CAGR (geometric)	≈ 120.9% p.a. (assumes default start balance; includes open gains)
Sharpe Ratio (weekly)	0.104
Sharpe Ratio (annualized)	≈ 0.75 (derived from weekly × √52)
Sortino Ratio (weekly)	2,727.6

Profit Factor	250.5 (gross profit ÷ gross loss)
Max Entry Drawdown	-16.7%
Max Equity Drawdown	-16.8%
Total Trades (closed)	2
Win Rate	100%
Average Holding Period	53 weekly bars
Commission (per side)	0.40% (spot assumption)
Slippage	5 ticks (TradingView cost simulation)

Open Position Note — As of 07/12/2025, the strategy holds an open long entered at \$0.34335. Metrics will be refreshed once this trade closes.

How to Read These Metrics

Sharpe ratio can appear low because the strategy spends most weeks flat; volatility is overstated relative to realized gains. Sortino inflates when negative weeks are scarce. Profit Factor can be extreme when no losing trades are recorded. Treat these as context and emphasize CAGR, drawdowns, and forward out-of-sample tracking when evaluating persistence.

Methodology & Disclosures

- Data sources — Market data as provided by TradingView; specific venues and any transformations are proprietary.
- Back-test integrity — No look-ahead: the back-test does not access future data; all signals evaluate on bar close.
- Costs — Commission: 0.40% per side; Slippage: 5 ticks.
- No leverage — Strategy trades spot without leverage.
- Reliability — Confirmation prints and alerts are prioritized for legibility. If the platform ever constrains rendering, non-essential visuals (e.g., LIGHT/RISK) may be temporarily deprioritized; confirmation alerts are unaffected.
- Hypothetical results — No guarantee of future performance; educational use only; not investment advice.
- Distribution — Proprietary code distributed as an invite-only TradingView script. Independent audit and code escrow available upon request.
- Publisher status — Published by Azro Labs LLC under applicable publisher exemptions.

Changelog (v1.0.4 → v1.0.6)

- v1.0.6 — RADAR TOP (weekly close), optional RADAR BOTTOM, LIGHT cues, optional RADAR WARNING (non-XRP). Core MAJOR logic unchanged vs v1.0.5.
 - v1.0.5 — Cross-pair support; EARLY/MAJOR WARNING on non-XRP (risk-only).
 - v1.0.4 — Baseline XRP weekly MAJOR TOP/BOTTOM (1W, close-based).
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Trade Log (unchanged from v1.0.4)

#	Entry Date	Entry Px	Exit Date	Exit Px	P&L	Run-Up	Drawdown
1	03/13/2017	\$0.00629	01/08/2018	\$2.75794	+\$431,910 (+43,397%)	\$521,755	-\$87 (-8.79%)
2	03/23/2020	\$0.14753	05/17/2021	\$1.45013	+\$3,783,043 (+875%)	\$5,308,334	-\$9,106 (-2.11%)
3	06/13/2022	\$0.34335	OPEN	\$2.83714	+\$30,393,820 (+719%)	\$37,428,050	-\$706,639 (-16.73%)

Note: "Indicator" is the official TradingView listing. "Detector" may appear in some marketing copy; both refer to the same XRP Top/Bottom model.

For further questions, contact support@azrosystems.com

Educational only. Trading involves risk; hypothetical results have limitations. See Master Disclaimer & Notices.

