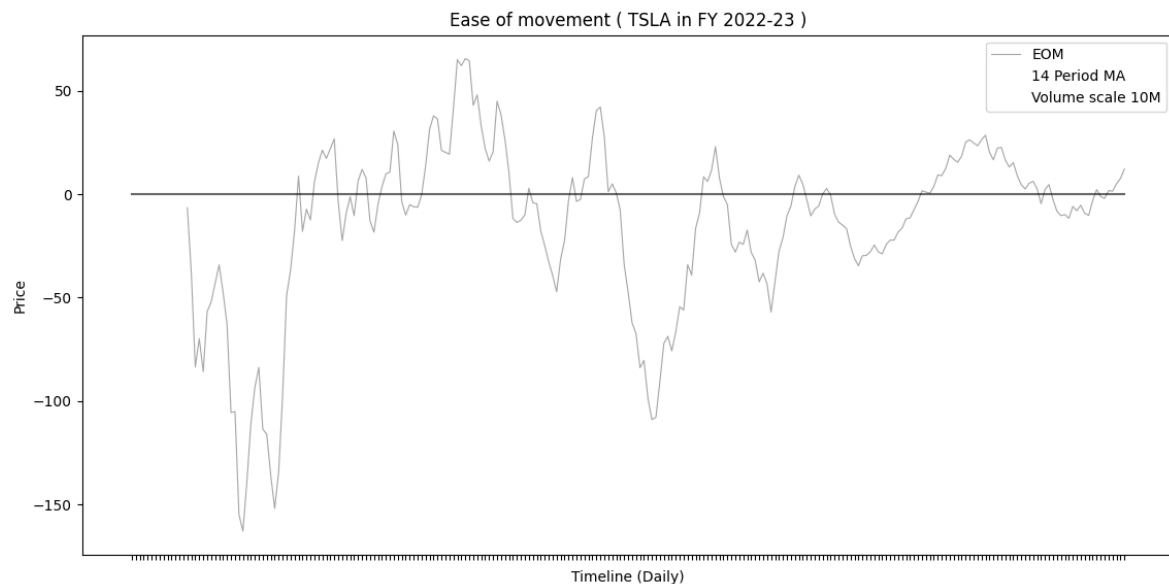


Ease of movement

Volume indicator



The Ease of Movement (EMV) indicator is a technical analysis tool used to assess the relationship between price changes and trading volume. It helps traders identify the ease or difficulty of price movement and potential trend reversals. The EMV indicator is calculated using the following steps:

1. Calculate the Distance Moved:

- Distance Moved = $((\text{High} + \text{Low}) / 2) - ((\text{Previous High} + \text{Previous Low}) / 2)$
- The distance moved represents the average price change between two periods. It captures whether the price is moving up or down.

2. Calculate the Box Ratio:

- Box Ratio = $(\text{Volume} / 10\text{M}) / (\text{High} - \text{Low})$
- The box ratio measures the relationship between trading volume and the price range. It normalizes the volume by the price range and a scaling factor (10M).

3. Calculate the Ease of Movement Value:

- Ease of Movement Value = Distance Moved / Box Ratio
- The EMV value represents the rate at which the price is moving relative to the volume and price range.

Traders use the Ease of Movement indicator for several reasons:

1. **Trend Confirmation:** The EMV indicator can confirm the strength or weakness of a trend. If the EMV value is positive, it suggests that prices are moving upward with relative ease, indicating a bullish trend. Conversely, a negative EMV value suggests prices are declining with ease, indicating a bearish trend.
2. **Divergence Analysis:** By comparing the EMV indicator with price movements, traders can identify divergences. For example, if prices are making higher highs, but the EMV indicator is making lower highs, it may indicate a potential trend reversal.
3. **Support and Resistance Levels:** The EMV indicator can help identify support and resistance levels. Sudden spikes in the EMV value indicate a strong potential for price breakouts or breakdowns.
4. **Volume Confirmation:** The EMV indicator considers trading volume in its calculations. By incorporating volume data, it provides additional insights into the validity of price movements.

While the EMV indicator can be useful, it is important to note that it is not a standalone tool. It should be used in conjunction with other technical indicators and analysis techniques to confirm signals and make informed trading decisions.

We can't manipulate EOM indicator input settings however, we can change the smoothening period of EOM typically we use 14 periods and as I backtested it works great.