# Documentation: XLimitless - Smart Money Intelligence (SMI)

## Introduction



The "XLimitless - Smart Money Intelligence (SMI)" indicator is designed to provide traders with detailed insights into market dynamics by tracking extreme positioning and open interest across various participant groups, including Commercials, Non-Commercials, and Retail Traders. The indicator is built to normalize and visualize these metrics, enabling informed decision-making gauging the market sentiment.

**Key Features**

1. **Open Interest Extremes**



- Displays normalized open interest data for the selected lookback period.

- Highlights market activity intensity, providing clues about potential reversals or trend continuations.

1. **Participant Extremes**

- Tracks Commercials (Users & Producers, Hedgers).

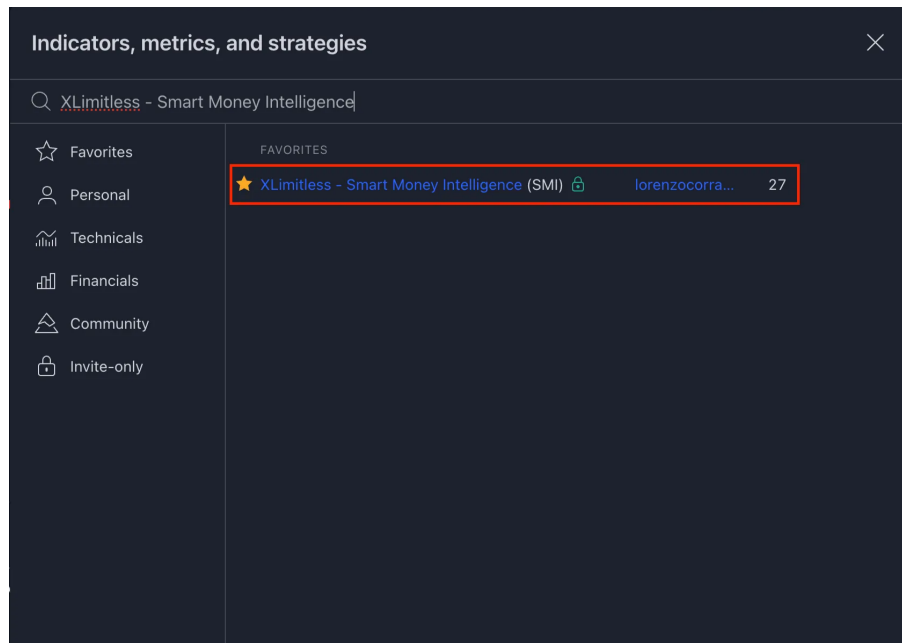- Tracks Non-Commercials (Banks or Institutional Funds, Large Traders).

- Tracks Retail Traders (Non-Reportables, Small Traders).



Offers normalization to identify overbought or oversold conditions based on historical ranges.
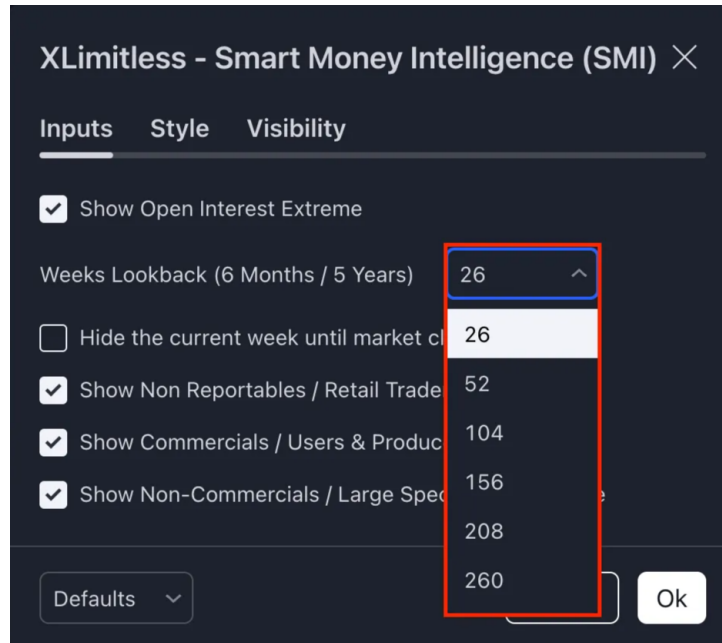
2. **Graphical Representation**

# Adding the Indicator

1. **Add the Indicator**

   - Open TradingView.

   - Navigate to the "Indicators" tab and click on "Invite Only".

   - Search for "XLimitless - Smart Money Intelligence (SMI)" and add it to your chart.

   - Apply the Weekly Timeframe.

2. **Customize Inputs**

- **Weeks Lookback:** Select a lookback period for normalization (In Weeks):

  *26 weeks - 6 months*
  *52 weeks - 1 year*
  *104 weeks - 2 years*
  *156 weeks - 3 years*
  *208 weeks - 4 years*
  *260 weeks - 5 years*

- **Hide Current Week:** Enable to exclude the current week's data until market closure.

- **Show Open Interest Extreme:** Toggle the visibility of the open interest plot.

- **Show Non Reportables Extreme:** Toggle the visibility of the Retail Traders index.

- **Show Commercials Extreme:** Toggle the visibility of the Commercials index.

- **Show Non-Commercials Extreme:** Toggle the visibility of the Large Speculators index.

## 3. Interpret the Plots

- **Green Line:** Represents the normalized index of Commercials (Users & Producers).

- **White Line:** Represents the normalized index of Non-Commercials (Large Speculators).

- **Red Line:** Represents the normalized index of Retail Traders (Non-Reportables).

- **Purple Bars:** Represents the normalized open interest index.

- Horizontal lines (20%, 80%) indicate extreme zones where market activity may signify reversals.
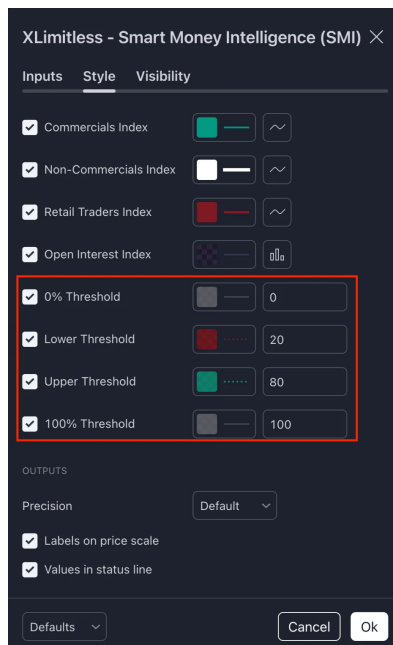
Includes horizontal threshold lines for easy interpretation (e.g., 0%, 20%, 80%, 100%).

0% - Maximum Bearish Extreme

20% - Bearish Extreme

80% - Bullish Extreme

100% - Maximum Bullish Extreme

## How It Works

1. **Data Normalization**

   - For each participant group, the indicator calculates net long positions:

     - **Commercials**: Bullish vs Bearish Extreme.

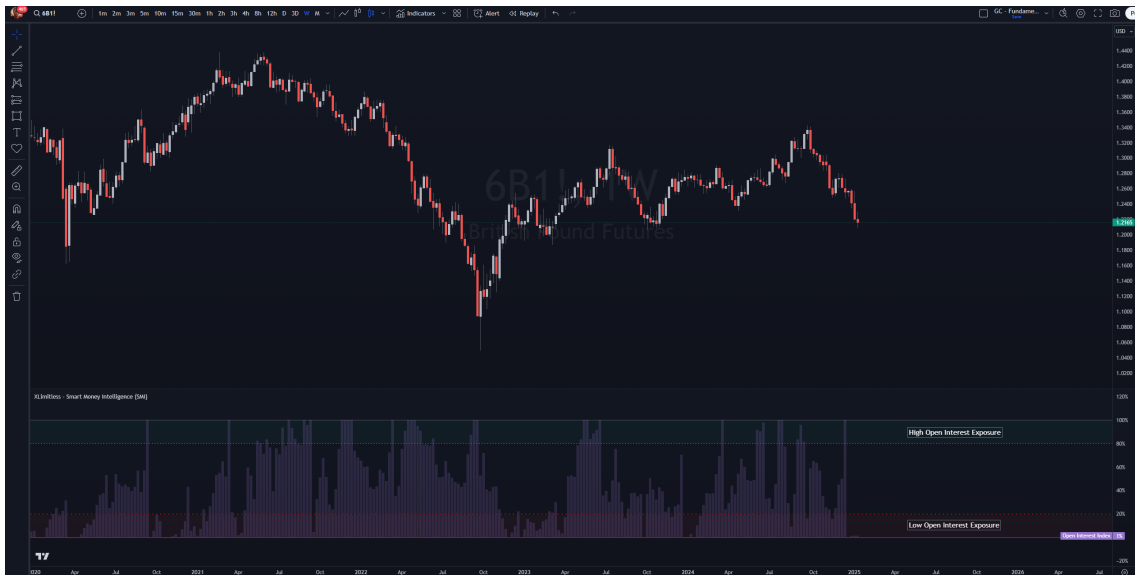- **Large Speculators**: Bullish vs Bearish Extreme.



- **Retail Traders**: Bullish vs Bearish Extreme.

- The data is normalized to a 0-100% scale using historical minimum and maximum values within the selected lookback period.

2. **Open Interest**

- Open interest data is also normalized over the chosen lookback period to highlight extreme activity levels.

1.  **Dynamic Updates**

    - Data updates daily or weekly (depending on the selected timeframe) to reflect the latest market positioning.

## Best Practices

1.  **Combine with Other Analysis**

    - Use SMI in conjunction with technical indicators (e.g., moving averages) for more robust trading strategies (Trend Following).

2.  **Focus on Extremes**

    - Look for alignment between participant extremes and open interest for high-confidence trade setups.

3.  **Long-Term Trends**

    - Use longer lookback periods (156 weeks or more) to capture broader market sentiment.

## Example Use Case

- **Scenario:** You're analyzing Dollar Futures.

- **Setup:** Select a 52-week lookback period and enable all participant groups and open interest.

- **Observation:**

  - Retail Traders index is near 80% (Bearish Extreme).

  - Commercials index is near 20% (Bullish Extreme).

  - Open interest shows a sharp decrease.

- **Conclusion:** A potential trend reversal is imminent. Consider entering a Long position, aligning with Commercials' sentiment, or look for a counter pair such as the Euro, Pound Futures or CFD (EUR/USD, GBP/USD).

**FAQs**

1. **Why is my chart showing "No relevant data"?**

   - Ensure the asset you are analyzing has associated Commitment of Traders (COT) data, and use the right Futures Instrument. "Click here for the Futures Tickers Link"

- Ensure that you only use the Smart Money Intelligence on the **Weekly Timeframe.**

2. **What does "Hide Current Week" do?**

   - This option prevents incomplete data from influencing your analysis before the market closes.

3. **Can I use this indicator for non-futures markets?**

   - No, this indicator is designed for assets with available COT data (futures).

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**Support and Community**

- **Discord:** Join the Limitless fam for discussions and support.

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# Disclaimer

The Net Edge is designed to gauge market sentiment, making it a valuable tool for additional confluence. However, it is not intended to serve as a timing tool.

Trading involves substantial risk and is not suitable for all investors. Always perform your own due diligence before making financial decisions.