

Accumulation / Distribution

The Accumulation Distribution study adds or subtracts a percentage of a bar's Volume to a cumulative sum. The direction of the study line is more important than the actual value of the study. The study is based on the premise that Volume will flow in or out of a market shortly before a top or bottom. When the study line fails to move in the same direction as the chart prices, a divergence exists and warns of a possible reversal in the market direction.



Properties

Average - Number of periods used in the optional moving average of the Accumulation Distribution line (red line shown in example above).

%Range - Place a check mark in this box to change the formula for this study. The calculation data point will change to: $(Volume * (High - Open) / Range) - (Volume * (Open - Low) / Range)$

William's A/D - Place a check mark in this box to change the formula for this study to a William's Accumulation/Distribution

Formula

$Acc.Dist = Previous\ Bar's\ Acc.Dist + (Current\ Volume * (Close - Open) / (High - Low))$

Credits

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