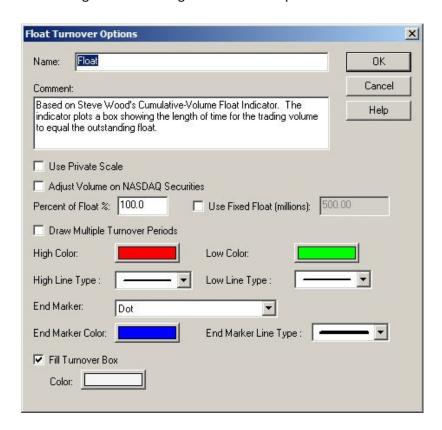# HGSI Float Turnover Indicator

INTRODUCTION

This charting indicator is loosely based on Steve Woods' book "The Precision Profit Float Indicator". There is also a newer book "Float Analysis Powerful Technical Indicators"

http://www.amazon.com/Precision-Profit-Float-Indicator-Techniques/dp/188327284X
http://www.amazon.com/Float-Analysis-Powerful-Technical-Indicators/dp/0471215538

This indicator uses a stock's float, the available shares outstanding, to compare with volume traded. It give visual guidance as to how volume in the stock has moved in relation to the outstanding float. This is mostly a theoretical framework, since there is no access to actual trading patterns. It isn't actually possible to tell if all the shares of a stock have changed hands during a float turnover period.

Adjust Volume on NASDAQ Securities: This feature defaults to disabled i.e. the box is unchecked. This option is meant for traders who understand that the NASDAQ before 2000 would double count volume. This is not so much the case since 2000. It is provided to be consistent with Steve Woods' book on Cumulative-Volume Float. The following article explains this NASDAQ rule.
https://www.researchgate.net/publication/228844731ReportedTradingVolumeontheNYSEandtheNasdaq

Percent of Float: Allows adjustment of the float as a percentage. If a symbol has a float of 2 million shares and this is set to 50%, computations will be made as if the outstanding float was only 1 million. This still applies when using the fixed float option; the fixed float will be adjusted by this percentage.

Use Fixed Float (millions):   This lets you set the float to use for the indicator. When enabled the stock's own float will be ignored and this value will be used. This option can be used to more accurately adjust a stock's float value or can be used as a way of exploring volume turnover by just using fixed values like 100 or 500 million. When using a fixed value this indicator becomes an interactive volume exploration tool.

Draw Multiple Turnover Periods: When checked the indicator will draw turnover boxes repeatedly from the start date selected by using the crosshair date on the chart. When not enabled only two turnover boxes will be drawn. The two boxes are the full turnover before the crosshair date and the next turnover after the crosshair date. If there is not enough volume in the date range before or after the crosshair to complete a full turnover, no box will be drawn.

High Color/Low Color: During each turnover period, the highest high and lowest low the stock makes is recorded. These two values form the upper and lower bounds of the turnover box. The width of the box is the number of periods (days in a daily chart, weeks/months/years in other chart modes) that the stock takes for the cumulative volume to add up to the float. These lines can be made invisible.

End Marker: The end marker controls how the beginning of the turnover period is drawn on the chart, choices include:

Dot ▼
No End Marker
Dot
Line at End
Line at Start and End

- **Dot**: A small dot (size controlled by End Marker Line Type) using the End Marker Color will be drawn slightly above the first day of the turnover period's high.
- **Line at End**: A line will be drawn at the beginning of the turnover period.
- **Line at Start and End**: Lines will be drawn at both sides of the turnover box.

Fill Turnover Box: When checked the area of the turnover box will be filled with the color selected. When using this option it's important to move the Float Turnover indicator so that it draws first in the chart window view (by moving the indicator to the top of the indicators in the sub- Window) since it will block out anything that draws underneath it.

HOW IT WORKS

This indicator is fully interactive. As you click on a chart date or move the crosshair to change the date the Float Turnover indicator is recomputed relative to that point. As a result you can see various windows of Float Turnover by choosing important dates.

Areas without a turnover box appear when there isn't enough volume traded in that date range to complete a full turnover of the float.

Everything is rounded to a single period on the chart, when moving the starting date with the cross hair the flow of turnover boxes will change due to some chart periods trading more than the float/less than the float.

When HGSI has no float data available, this indicator will draw nothing unless you specify a fixed float amount.

When used with HGSI indexes the adjustments for exchange are not possible, so an index with mixed NASDAQ and NYSE symbols will have distorted volume amounts. Normally HGSI indexes have their volume scaled by 100, this indicator adjusts for that since the rolled up float values for indexes is pure float. The value of this kind of analysis on indexes is still somewhat unknown.