Jurik CFB Adaptive QQE [Loxx] is a Double Jurik-Filtered, Composite Fractal Behavior (CFB) adaptive, Qualitative Quantitative Estimation indicator. This indicator includes both fixed and the CFB adaptive calculations as well as three different types of RSI calculations including Jurik's RSX.

What is Qualitative Quantitative Estimation (QQE)?

The Qualitative Quantitative Estimation (QQE) indicator works like a smoother version of the popular Relative Strength Index (RSI) indicator. QQE expands on RSI by adding two volatility based trailing stop lines. These trailing stop lines are composed of a fast and a slow moving Average True Range (ATR).

There are many indicators for many purposes. Some of them are complex and some are comparatively easy to handle. The QQE indicator is a really useful analytical tool and one of the most accurate indicators. It offers numerous strategies for using the buy and sell signals. Essentially, it can help detect trend reversal and enter the trade at the most optimal positions.

What is Wilders' RSI?

The Relative Strength Index (RSI) is a well versed momentum based oscillator which is used to measure the speed (velocity) as well as the change (magnitude) of directional price movements. Essentially RSI , when graphed, provides a visual mean to monitor both the current, as well as historical, strength and weakness of a particular market. The strength or weakness is based on closing prices over the duration of a specified trading period creating a reliable metric of price and momentum changes. Given the popularity of cash settled instruments (stock indexes) and leveraged financial products (the entire field of derivatives); RSI has proven to be a viable indicator of price movements.

What is RSX RSI?

RSI is a very popular technical indicator, because it takes into consideration market speed, direction and trend uniformity. However, the its widely criticized drawback is its noisy (jittery) appearance. The Jurk RSX retains all the useful features of RSI , but with one important exception: the noise is gone with no added lag.

What is Rapid RSI?

Rapid RSI Indicator, from Ian Copsey's article in the October 2006 issue of Stocks & Commodities magazine.

RapidRSI resembles Wilder's RSI , but uses a SMA instead of a WilderMA for internal smoothing of price change accumulators.

What is Composite Fractal Behavior (CFB)?

All around you mechanisms adjust themselves to their environment. From simple thermostats that react to air temperature to computer chips in modern cars that respond to changes in engine temperature, r.p.m.'s, torque, and throttle position. It was only a matter of time before fast desktop computers applied the mathematics of self-adjustment to systems that trade the financial markets.

Unlike basic systems with fixed formulas, an adaptive system adjusts its own equations. For example, start with a basic channel breakout system that uses the highest closing price of the last N bars as a threshold for detecting breakouts on the up side. An adaptive and improved version of this system would adjust N according to market conditions, such as momentum, price volatility or acceleration.

Since many systems are based directly or indirectly on cycles, another useful measure of market condition is the periodic length of a price chart's dominant cycle, (DC), that cycle with the greatest influence on price action.

The utility of this new DC measure was noted by author Murray Ruggiero in the January '96 issue of Futures Magazine. In it. Mr. Ruggiero used it to adaptive adjust the value of N in a channel breakout system. He then simulated trading 15 years of D-Mark futures in order to compare its performance to a similar system that had a fixed optimal value of N. The adaptive version produced 20% more profit!

This DC index utilized the popular MESA algorithm (a formulation by John Ehlers adapted from Burg's maximum entropy algorithm, MEM). Unfortunately, the DC approach is problematic when the market has no real dominant cycle momentum, because the mathematics will produce a value whether or not one actually exists! Therefore, we developed a proprietary indicator that does not presuppose the presence of market cycles. It's called CFB (Composite Fractal Behavior) and it works well whether or not the market is cyclic.

CFB examines price action for a particular fractal pattern, categorizes them by size, and then outputs a composite fractal size index. This index is smooth, timely and accurate

Essentially, CFB reveals the length of the market's trending action time frame. Long trending activity produces a large CFB index and short choppy action produces a small index value. Investors have found many applications for CFB which involve scaling other existing technical indicators adaptively, on a bar-to-bar basis.

What is Jurik Volty used in the Juirk Filter?

One of the lesser known qualities of Juirk smoothing is that the Jurik smoothing process is adaptive. "Jurik Volty" (a sort of market volatility) is what makes Jurik smoothing adaptive. The Jurik Volty calculation can be used as both a standalone indicator and to smooth other indicators that you wish to make adaptive.

What is the Jurik Moving Average?

Have you noticed how moving averages add some lag (delay) to your signals? ... especially when price gaps up or down in a big move, and you are waiting for your moving average to catch up? Wait no more! JMA eliminates this problem forever and gives you the best of both worlds: low lag and smooth lines.

Ideally, you would like a filtered signal to be both smooth and lag-free. Lag causes delays in your trades, and increasing lag in your indicators typically result in lower profits. In other words, late comers get what's left on the table after the feast has already begun.