

DARVAS ADD-ON

TABLE OF CONTENTS

BRIEF DESCRIPTION DARVAS ADD-ON	3
INSTRUCTIONS PACKAGE INSTALLATION	4
1. DARVAS STANDARD ADD-ON	5
2. DARVAS PROFESSIONAL ADD-ON	9



BRIEF DESCRIPTION DARVAS ADD-ON

WARNING!

Dear customers, before you start working with the Darvas workspace and indicators, we ask that you read these instructions thoroughly before modifying any settings. The Darvas Add-On is an advanced tool that contains a large number of settings and parameters – incorrect settings made due to "curiosity" may lead to undesired behavior.

IMPORTANT!

You can carry out any changes you want in the indicator settings; however, we strongly recommend that you only touch the parameters with which you are familiar.

The Darvas Add-On is designed for End-of-Day trading, since the original trading strategy was not developed for intraday trading. You can use the trading signals in every timeframe, but you must be aware that the trading strategy is not optimized for this.

Wishing you much success in trading with the Darvas Add-On Your AgenaTrader support team



INSTRUCTIONS PACKAGE INSTALLATION

- I. After making your purchase, you will receive the following file sent to you by email:
 - DarvasStandardPackage.atpack / DarvasProfessionalPackage.atpack: this file is the actual package including all components contained within.

ATTENTION! If you are using Internet Explorer or Microsoft Edge, the .atpack file may automatically be renamed as a zip file by your browser. After downloading, therefore, you need to rename the DarvasStandardPackage.zip / DarvasProfessionalPackage.zip to DarvasStandardPackage.atpack / DarvasProfessionalPackage.atpack!

- II. Save the .atpack file on your hard drive.
- III. Now you still need to enter your license for the package in AgenaTrader. To do so, click on the symbol with the question mark, select About -> Enter activation key, then navigate to "DarvasStandardPackage" / "DarvasProfessionalPackage" and enter your activation key, which you received via email. Click on "Activate". Once you see the message that your license has been successfully activated, close this window.
- IV. Open Tools->Packages->Import package, read the subsequent backup information and, if you have already carried out a backup, click on OK. In the next window, navigate to the storage location of the DarvasStandardPackage.atpack file, click on it and then select "Open". Confirm the request to restart AgenaTrader by clicking on "OK".
- V. After restarting, the first step is to establish a connection to the data feed.
- VI. Once you have established a connection to your data feed, select Main -> Workspace -> DarvasStandard/DarvasProfessional to load the Darvas workspace. As soon as all charts are fully loaded, the DarvasStandardPackage is completely ready for use.



1. DARVAS STANDARD ADD-ON

The DarvasStandardAddOn offers great support if you wish to implement Nicolas Darvas' famous signals semi or fully automatically. However, in order to enable pre-filtering of the values according to Darvas' logic as well as for the PotentialDarvasBreakout signal, which predicts when a Darvas boundary will be broken through, you do need the DarvasProfessionalAddOn.

1.1. Indicators:

1.1.1. DarvasPro

This indicator is the evolution of the DarvasBox indicator that is contained in AgenaTrader by default. What has been improved is the underlying calculation, which has also been equipped with further data series so as to ensure optimal calculation of the signals. Furthermore, we have developed background coloring within the boxes in order to provide a better graphic display of the Darvas boxes. This background color is also the only parameter you can set in the DarvasPro.

You can find details on setting up Darvas boxes and how these are constructed in the description of the old Darvas boxes – the logic of the box construction has remained the same: \underline{LINK}



1.2. ScriptedConditions:

1.2.1. Darvas Breakout

The classic Darvas breakout signal arises when either the upper boundary of the Darvas box is broken in an upward direction (= long signal) or the lower boundary is broken in a downward direction (= short signal). In addition, the breakout must also have an above-average volume, which suggests a strong movement and enough strength for a breakthrough with high momentum.



The parameters that you are able to set for these scripted conditions are the arrow colors of the signal markings, the arrow size and the basic display of the arrows.

1.3. Stops

1.3.1. DarvasInitialStop

Darvas' strategy is based on the fact that a successful signal should immediately be followed by a strong movement. This is why it is possible to place the initial stop very close with this strategy.

The DarvasInitialStop is placed at a distance of exactly 0.5 x ATR(14) from the upper or lower Darvas boundary. This enables very good risk management, since a trade is quickly stopped out if the idea is not successful, meaning that the margin is rapidly freed up and you can immediately look for the next trade.

On the other hand, a tight initial stop means that with a successful trade idea, you very quickly generate profit in your account and targets are rapidly reached.

1.3.2. DarvasStop

Just as in the original strategy by Nicolas Darvas, the DarvasStop is always trailed at the high/low of the current, confirmed (!) box.

For a short trade, it is always the current, most recently confirmed upper boundary of the Darvas box that is used.

For a long trade, vice versa; the lower boundary is used as a stop price.



1.3.3. DarvasGhostStop

With the DarvasGhostStop, the stop is trailed at so-called ghost boxes, which are a development from Daryl Guppy. This further development of the usual Darvas stop is intended to enable fast, tight trailing of the stop when it comes to market movements with great momentum.

A ghost box is formed when the price breaks through a box boundary and the subsequent movement is so fast that for several bars, no new box can be generated. As soon as the price has run the length of the last box above the upper boundary (for long trades) or below the lower boundary (for short trades), the first ghost box is formed, which has exactly the same height as the last active and valid Darvas box.

The stop is now trailed at the low (for long trades) or the high (for short trades) of the ghost box, making it possible to place the stop closer to the market.

An unlimited number of ghost boxes can form one after the other; the stop is always trailed at the respective high/low of the ghost box, either until the trade is stopped out or a new, valid Darvas box is formed – then the stop is trailed at the high/low of the valid Darvas box.



1.4. Workspace

1.4.1. Darvas Standard

In this workspace, Darvas breakout signals are searched for in the 1Day and 1Week basis; the SP500 stock list is loaded by default.

So as not to miss out on any notifications of breakout signals, the daily chart is screened for new signals every 5 minutes, and the weekly chart is screened every hour. Therefore, as soon as the market makes a breakout in the daily or weekly basis, the signal is immediately displayed and you can trade it!

Only long signals are searched for in the DarvasLong LCG, and only short signals in the DarvasShort LCG.



2. DARVAS PROFESSIONAL ADD-ON

The Darvas Professional Add-On provides you with optimal support when trading the famous Darvas strategy. From the fully-automated filtering of the instruments according to Darvas' criteria, all the way to the signal search in the highly potential instruments, everything is integrated and prepared for you in the workspace.

2.1. Indicators:

2.1.1. Darvas Pro

See 1.1.1

2.1.2.MoveSinceLastHighLow

This indicator calculates the percentage of an instrument's movement, measured by the high/low of the last x periods. In the parameter settings, under "Last high or low", you can select whether the calculation should start from the last high or low. Here, the setting "Lookback period" determines how many bars should be used to detect the last highest high or lowest low.

This indicator forms the basis for the filter conditions described in the following point.



2.2. Conditions:

The following conditions use the MoveSinceLastHighLow indicator to measure the performance of an instrument. Depending on which value this indicator outputs, the respective condition is either "True" or "False".

These conditions are used in the form of filter conditions as an input for the AQConditionFilter to carry out the automatic sorting of the instruments. The names of the conditions here are self-explanatory.

The following conditions are included in the DarvasProfessional Add-On:

- SixtyToSeventyPercentUpmove
- SeventyToEightyPercentUpmove
- EightyToNinetyPercentUpmove
- NinetyToHundredPercentUpmove
- MoreThanHundredPercentUpmove
- ThirtyToThirtyFivePercentDownmove
- ThirtyFiveToFourtyPercentDownmove
- FourtyToFourtyFivePercentDownmove
- FourtyFiveToFiftyPercentDownmove
- MoreThanFiftyPercentDownmove

You can build your own conditions exactly how you would like them, and you can then use these as an input for the ConditionFilter, so you do not have to use the pre-prepared conditions. With the MoveSinceLastHighLow indicator, for this purpose, you can query any performance value since the last highest high / lowest low and include these values in filter conditions.

2.3. ScriptedConditions

2.3.1. Darvas Breakout

See 1.2.1

2.3.2.PotentialDarvasBreakout

The PotentialDarvasBreakout signal is outputted when a value runs right up next to the upper or lower Darvas boundary and, in addition, a confirmed Darvas box is also already present.

This means that the signal comes earlier than the DarvasBreakout signal, which is only activated when the price actually exceeds the upper or lower boundary of the box. With the PotentialBreakout signal, you have the possibility to place your orders early on, meaning you no longer miss any top signals.

When you start the PotentialDarvasBreakout signal by double-clicking in the list, the entry order is placed directly at the boundary of the Darvas box, and once this is crossed, the trade is opened in accordance with Nicolas Darvas' rules.

2.3.3. AQ ConditionFilter

The AQConditionFilter serves to manage the automatic sorting of the values into the corresponding instrument lists. This is a separate product by our tech partner AlgoQuantics that has been integrated into the DarvasProfessional package.

You can find a detailed description of this tool in the second attached description, which you should have received when you purchased the DarvasProfessional Add-On.

Symbol	Name	Ask Size	Ask	Bid	BidSize	Exchange	Volume	Performan	MainSector	DetailSector	60 - 70 %	70 - 80 %	80 - 90 %	90 - 100	100+ % Up	MoveSinc	30 - 35 %	35 - 40 %	40 - 45 %	45 - 50 %	50+ % Do	MoveSinc	^
DATA	Tableau Software, Inc. Class A		84,70	84,61	200	Nyse	200	1,90	Technology	Application Software	0		0	0	0	75,30	0	0 📜	0	0	0	3,84	
DBD	Diebold, Inc.	800	14,85	14,80	700	Nyse	200	1,81	Technology	Diversified Computer	0	0	0	0	0	13,95	0	0	0	0	1	52,60	
DCI	Donaldson Co. Inc.		44,56	44.52	600	Nyse	600	1,14	Industrial Goods	Diversified Machinery	0	0	0	0	0	5.05	0	0	0	0	0	14.30	
DDD	3D Systems Corp. (DE)	2900	11,36	11,35	500	Nyse	200	0.49	Technology	Computer Peripherals	0	0	0	0	0	46.10	0	0	0	0	1	51,20	
DDR	DDR Corp.	10700	6,98	6,97	37300	Nyse	1399	1.64	Financial	REIT - Retail	0	0	0	0	0	5.47	0	0	0	1	0	45,15	
DDS	Dillard's Inc.		78,84	78,65	200	Nyse	200	-2,91	Services	Department Stores	1	0	0	0	0	68.25	0	0	0	0	0	13,50	
DE	Deere & Co.	1700	155,12	155,00	1200	Nyse	100	2,05	Industrial Goods	Farm & Construction	0	0	0	0	0	43.25	0	0	0	0	0	12,50	
DECK	Deckers Outdoor Corp.		91,54	91,41	200	Nyse	100	1,11	Consumer Goods	Textile - Apparel Foot	1	0	0	0	0	64,50	0	0	0	0	0	8.03	
DEI	Douglas Emmett Inc	500	36.01	35,99	200	Nyse	825	0.70	Financial	REIT - Diversified	0	0	0	0	0	3.54	0	0	0	0	0	13,55	
DFS	Discover Financial Services		71,97	71.95	100	Nyse	100	1.40	Financial	Credit Services	0	0	0	0		24.85	0	0	0	0	0	12.40	
DG	Dollar General Corp	300	92,96	92,93	300	Nyse	200	1,32	Services	Discount Variety Stores	0	0	0	10	10	40,45	0	0	0	0	0	12,45	
DGX	Quest Diagnostics, Inc.	500	100,48	100,38	100	Nyse	600	0.55	Healthcare	Medical Laboratories	0	0				11,45	0	0	0	0	0	11,10	
DHI	Horton (D.R.) Inc.	1800	44,28	44,27	1600	Nyse	100	1.51	Industrial Goods	Residential Constructi	0	0				39,70	0	0	0	0	0	16,10	
DHR	Danaher Corp.	8000	98,59	98,53	1800	Nyse	100	1.26	Industrial Goods	Diversified Machinery	0	0	Co	nditionFilte		24.30	0	0	0	0	0	6.35	
DIS	Walt Disney Company (The)	200	100.52	100.53		Nyse	100	0.60	Services	Entertainment - Divers.	0	0				4.02	0	0	0	0	0	13.80	
DISCA	Discovery Communications, Inc	500	21,63	21,62	2500	Nasdag	100	2.07	Services	CATV Systems	0	0				35,95	0	0	0	0	0	28,15	
DISH	DISH Network Corporation - Class A	100	37,46	37,44	200	Nasdag	100	0,49	Services	CATV Systems	0	0	0	0	0	1.67	0	0	1	0	0	44,25	
DKS	Dick's Sporting Goods, Inc	300	34,23	34,21	1000	Nyse	200	3,35	Services	Sporting Goods Stores	0	0	0	0	0	46,60	1	0	0	0	0	33,05	
DLB	Dolby Laboratories Inc	300	65,03	64,93		Nyse	100	0.72	Technology	Diversified Electronics	0	0	0	0	0	34,95	0	0	0	0	0	12,70	
DLR	Digital Realty Trust, Inc.	100	102.43	102.35	200	Nyse	700	-0,10	Financial	REIT - Office	0	0	0	0	0	5.74	0	0	0	0	0	19,75	
DLTR	Dollar Tree, Inc.	500	94,80	94,75	300	Nasdag	300	1.41	Services	Discount Variety Stores	0	0	0	0	0	45.05	0	0	0	0	0	18.40	
DNB	Dun & Bradstreet Corp (DE)	200	121,97	121,72		Nyse	100	1,26	Technology	Information & Delivery	0	0	0	0	0	20,60	0	0	0	0	0	6.82	
DNKN	Dunkin' Brands Group, Inc.	200	59,74	59,72	100	Nasdag	100	1,42	Services	Restaurants	0	0	0	0	0	19,20	0	0	0	0	0	11,40	
DNOW	NOW Inc.	1800	10,33	10,32	2700	Nyse	400	2.83	Basic Materials	Oil & Gas Equipment	0	0	0	0	0	13,50	0	0		0	0	43,65	
DNR	Denbury Resources, Inc. (DE)	4300	2.83	2.82	36800	Nyse	500	3.25	Basic Materials	Independent Oil & Gas	0	0	0	0	1	208.2	0	0	0	0	0	0.704	
DO	Diamond Offshore Drilling, Inc.	2200	15,22	15.21	1100	Nyse	100	-0.35	Basic Materials	Oil & Gas Drilling & E	0	0	0	0	0	52,75	0	0	0	0	0	24.75	
DOV	Dover Corp		98,59	98,57		Nyse	100	1,36	Industrial Goods	Diversified Machinery	0	0	0	0	0		0	0	0	0	0	8.48	
DOX	Amdocs Limited - Ordinary Shares	200	66,39	66,34	300	Nasdag	100	0,79	Technology	Business Software &	0	0	0	0	0	10,45	0	0	0	0	0	7,14	
DPS	Dr. Pepper Snapple	100	118.21	118,15	200	Nyse	100	0.24	Consumer Goods	Beverages - Soft Drinks	0	0	0	0	0	44,95	0	0	0	0	0	6.50	
DPZ	Dominos Pizza Inc.	300	232.71	232.37		Nyse	100	1,31	Services	Restaurants	0	0	0	0	0	38,70	0	0	0	0	0	2.00	
DRE	Duke Realty Corp.	1200	25.89	25.88	5700	Nyse	278	0.37	Financial	REIT - Industrial	0	0	0	0	0	4.61	0	0	0	0	0	15.65	
DRI	Darden Restaurants, Inc.	300	84,99	84,96		Nyse	100	-0,46	Services	Restaurants	0	0	0	0	0	11,20	0	0	0	0	0	15.25	
DRQ	Dril-Quip, Inc.	200	45,80	45,65	500	Nyse	200	1,80	Basic Materials	Oil & Gas Equipment	0	0	0	0	0	29,30	0	0	0	0	0	18,05	
DST	DST Systems Inc. (DE)	3200	83,30	83,29	300	Nyse	600	0.00	Technology	Business Software &	1	0	0	0	0	66.00	0	0	0	0	0	1.33	
DSW	DSW Inc	700	22,35	22,34	300	Nyse	100	1.82	Services	Apparel Stores	0	0	0	0	0	47,30	0	0	0	0	0	1.85	
DTE	DTE Energy Co.	300	102.61	102.52	500	Nyse	200	0.49	Utilities	Electric Utilities	0	0	0	0	0	4.57	0	0	0	0	0	12.50	
DUIK	Dute Come One	4500	70.40	70.40	4700	Marca	4000	0.50	LIEDE	The state 1 Million	0	0	0	0	0	4.40	0	0	0	0	0	47.00	1

2.4. Stops

Same stops as DarvasStandard, see 1.3

2.5. Workspace

- 2.5.1. Darvas Professional
 - 2.5.1.1.Pre-prepared watch list

With the help of the pre-prepared watch list, you receive an excellent overview of all markets that interest you. From the current bid/ask, the volume, the daily performance, main and sub-sectors and the entire pre-screening to the AQConditionFilter, everything is processed and displayed in the watch list. Here, the Russell1000 is loaded as the default instrument list, but you can load any instrument list you like – depending on which instrument you would like to trade.

The AQConditionFilters are loaded in the columns 60-70%, 70-80% etc. Whenever a green "1" appears in a column, the filter condition applies and the value is sorted into the instrument list of the same name.

The green column "MoveSinceLastLow" measures the increase of the value since the lowest low of the past year. The value measured here is crucial for the sorting into the lists. If, for example, a value of 62.50 is outputted, the instrument will be sorted into the list 60-70%, and therefore the green "1" will also show up in the 60-70% Upmove column.

For the red column "MoveSinceLastHigh", the same thing goes but vice versa, i.e. here, the decrease since the highest high of the past year is measured and is again a decisive value for sorting the Downmove values.



2.5.1.2. Fully automatic pre-screening

The following instrument lists are created independently:

- 60-70 % Upmove
- 70-80 % Upmove
- 80-90 % Upmove
- 90-100 % Upmove
- > 100 % Upmove
- 30-35 % Downmove
- 35-40 % Downmove
- 40-45 % Downmove
- 45-50 % Downmove
- > 50 % Downmove

Upmove refers to a movement since the lowest low of the past year. Thus 60-70% Upmove means that all values that have increased their value by 60-70% since the lowest low of the past year are sorted into this list.

The opposite goes for Downmove; here, the loss in value is established by the highest high of the past year. So all values that have lost 30-35% of their value since the highest high of the past year are sorted into the list 30-35% Downmove.

This pre-sorting makes it possible to determine relatively strong and relatively weak stocks. In the strong values, the software searches only for long signals, and in the weak values, only short signals. Here, the Darvas strategy assumes that the behavior exhibited by a value up to the present moment will continue in the same direction, which is equivalent to a trend-following approach.

2.5.1.3. ListChartGroups

In the individual list chart groups that are set up in the workspace by default, therefore, the values are automatically sorted as described. Then, AT screens for the

DarvasBreakout and the PotentialDarvasBreakout signal in the 1Day and 1Week basis directly in the LCGs. The third column in the list is the "MoveSinceLastLow" in the Upmove lists and the "MoveSinceLastHigh" in the Downmove lists, and therefore displays the same values as in the watch list described above.



