

★ **YOPSEE CPH** is a specialized bullish/bearish pressure analyzer that generates likely direction of the next (future) candle and enables user to trade it. Indicator defines the likelihood of this future candle direction in percentage. This is done by analyzes of defined by user lookback period and identifying how successful was correlation of projected and actual candles in past.

---

## ★ How It Works

- User defines number of latest candles which become subject of analyzes. Based on result of analyzes, indicator generates direction of next, coming candle.
- For example: user defines number of latest candles as 8. Indicator analyzes these 8 candles and projects next candle direction (bullish/bearish) as a transparent histogram. If projected histogram is above zero line – likelihood of next candle is green. If projected histogram is below zero line – likelihood of next candle is red.
- All histograms behind projected one show what was projected before and what was actual price movements.
- Indicator analyzes what is correlation between projected histograms and actual price movements for specific lookback period, defined by user.
- For example, if label says Pos Corr 20 = 80% (sample = 15, min 14) this must be interpreted as following:
  - There are 15 bars (sample = 15) within lookback period of 20 bars (Pos Corr 20), when positive histogram was projected under given conditions.
  - Correlation between these projected 15 positive histograms and actual price movement is equal to 80%.
  - min 14 shows, that in the settings, there is 70% threshold defined for minimum sample percentage (lookback period of 20 x 70%=14). This minimum number of samples is used as validation threshold - guarantee that correlation is not by chance but is statistically confirmed several times.

In other words, we say, that in order to believe that result is not by chance and is statistically viable, out of lookback period of 20 bars at least 70% of them must *have a projection* on the chosen side (positive in this case) in order for the correlation calculation to be statistically reliable. Result shows that this condition is satisfied – the number of projected positive histograms is 15 out of 20. Finally, indicator calculates most important information, that 80% of this valid sample projections was successful.

- The indicator displays dynamic bands that represent the average magnitude of successful projected bars within the recent analysis window. These bands serve as a strength benchmark:
  - If the projected histogram stays within the bands, the signal is weaker than the average of historically successful projections.
  - If the projected histogram breaks out above or below the bands, the signal is stronger than the average of historically successful projections. A stronger projection beyond the bands indicates that the current pressure signal has greater strength, making the already-displayed correlation value more meaningful and more convincing.
- Finally, indicator has built-in powerful mechanism of optimizing various data for best result. The toggable in settings table displays best N and wick/body weights for highest correlation %. Be advised, that since optimizing calculation with many variables is related with heavy performance issues, optimizer tests best results only for N = 3...12 and wick/body weights = 1 and 1.3. Therefore, there may be still better tuning possible by experimenting with data - not used by optimizer. If minimum sample% condition is not satisfied table will be empty despite the correlation %.

---

## ★ Key Settings

### Wick Weight & Body Weight

Assigns weight to the wick and body of a candles. By default, equal to 1.

### N for Projection

Defines how many recent candles are used to calculate the projected histogram.

### **Ghost Opacity**

Defines opacity of projected histograms.

### **Min Sample %**

Ensures reliability by requiring a minimum frequency of repeating patterns.

### **Volatility Bands**

Indicate whether the projected bar is stronger or weaker compared to average of past successful cases.

---

### **★ Important Notes**

- The projected bar indicates the expected direction of the next candle. It does not attempt to predict the candle's size or price range — only the pressure bias (bullish or bearish).
  - In some cases, a red candle on the price chart may appear on the histogram as a small positive (bullish) bar, and a green candle may appear as slightly negative. This is normal — the indicator does not use candle color in calculations, but uses bullish/bearish pressure bias, calculated through formula developed by author.
  - You, not simply can, but must (!) experiment with wick/body weighting, number of analyzed candles, lookback period and timeframes for tuning highest effective result (correlation %).
  - YOPSEE CPH is especially effective but not limited to trending markets.
  - Author suggests Min Sample % in settings not less than 70% for trending market structure and not less than 50% for horizontal market structure.
  - For effective trade author suggests to work with correlation not less than 70%.
  - While we give a flexibility, it is strongly not recommended (!) to use wick/body weights more than 1.5
- 

### **★ Additional Benefits**

Besides its direct function – identification of coming candles bullish/bearish nature with high probability, indicator provides important information about market structure at given timeframe. Namely,

- Finding proper number of latest candles which give best correlation percentage says, that for a given period (number of bars) market is structured to (responsive/reactive) bullish/bearish pressure and enables monitoring and further development of this pressure.