



Brainy's Articles on BullCharts

Twiggs Money Flow Indicator

Article No:
BC-08-210
page 1 of 3
30 Nov 2009
Rev: 2 Jan 1020
This article
is NOT free*

Introduction

This article in Brainy's series on BullCharts (number BC-08-210) looks at how the *Twiggs Money Flow* indicator can be implemented in BullCharts. At the time of writing, this indicator is not included in the standard BullCharts software; but it can be added by the user. The steps to do this are straight forward, and included in detail below.

Twiggs Money Flow (TMF) indicator

The *Twiggs Money Flow* indicator is a variation of the Chaikin Money Flow, and was devised by Colin Twiggs of Incredible Charts (www.incrediblecharts.com).

For a discussion of this indicator, and the Chaikin Money Flow indicator, refer to Brainy's Technical Analysis article TA-4630, "*Money Flow and the Twiggs Money Flow indicator*".

The reader is also encouraged to refer to the relevant page on Colin's own web site for a more detailed discussion: http://www.incrediblecharts.com/indicators/twiggs_money_flow.php. Especially for suggested trading signals for both long and short trades.

Note the following key points regarding the indicator:

- Look for a price breakout (above resistance or below support), coinciding with key aspects of *Twiggs Money Flow*.
- Look for divergence with price.
- Look for the indicator being above or below zero.
- Look for the indicator respecting the horizontal zero line.
- Like many indicators, *Twiggs Money Flow* can tend towards the zero line over time.

TMF in BullCharts

When implemented in BullCharts, the TMF (*Twiggs Money Flow* indicator) can look like the sample in Figure 1 at right.

This chart shows the XAO index making Higher Highs in late 2007, while the *TMF* is making Lower Highs while well above the zero line — bearish divergence.



Figure 1: *Twiggs Money Flow* indicator on the Weekly XAO chart in 2007 (a bull market peak).

* — Brainy's eBook (PDF) Articles are only available to **Share Market Toolbox** members. Visit www.robertbrain.com/articles/ for more information.

The first page of every article is free, and some of the articles are completely free (eg. shorter ones and Table of Contents).



Brainy's eBook (PDF) Articles

This article
is NOT free*

Unfortunately,
the remaining pages of this article
are not available for free.

Some of the eBook Articles are available for free,
including the Table of Contents pages,
and the Introduction and Overview pages.

These articles take a lot of time, experience,
knowledge and expertise to compile.

However, there is some good news.

You can subscribe as a Toolbox MEMBER
and have unlimited access to all Articles,
plus a whole lot more.

Visit: www.robertbrain.com

Robert writes and updates Articles on three topics:

- ✓ Share Trading & Investing
- ✓ Technical Analysis
- ✓ BullCharts (charting software)

See a list of Articles in the free section of the Toolbox:
www.robertbrain.com/members-area/articles.html
(the green shaded articles are free)

* — Brainy's eBook (PDF) Articles are only available to **Share Market Toolbox** members.
Visit www.robertbrain.com/articles/ for more information.
The first page of every article is free, and some of the articles are completely free (eg. shorter ones and Table of Contents).