KLL: Kerry Lovvorn Toolbox
for TradeStation

Thank you for purchasing this package. These tools help implement a structured approach to analyzing markets in a top-down manner. Their parameters and settings are based on several years of research.

Kerry began Investing in the late 1980's and has been an private trader since 2000, as the tech bubble burst and a new bear market began. Kerry has spent the last 12 years trading, researching and developing a system that helps make trading decisions in gear with the current market conditions.

Kerry combines the study of trends with volatility, via the average true range. His is a top-down approach: begin by studying the current market environment, then trend condition, followed by support and resistance, momentum and price action.

Kerry thanks Dr. Alexander Elder and David Weis as his personal mentors. Without their influence and teaching this research would not have been possible.

This Toolbox includes the following indicators:

- **ATR Channels**
  Tri-band channels help defines trends, stops and target levels.
- **ATR Trend**
  Color price bars to visualize trend conditions
- **Elder Impulse Histogram**
  Elder Impulse system determines when price and momentum are in sync
- **Squeeze Indicator**
  Alerts traders to possible price explosions
- **MACD**
  Momentum indicator to determine the strength of trend and divergence patterns
- **Force Index with ATR**
  Helps determine accumulation, distribution, exhaustion and divergence patterns
- **Price Entry Triggers**
  Price formations that signal when to enter or exit trades

The following instructions will guide you through settings that Kerry uses.

Installation

1. Extract the Indicator files, as explained below
   a. Copy the KLL_Chart_Temp_White.zip folder to a temporary folder. (ex: C:/TEMP)
   b. Right-click the KLL_Chart_Temp_White.zip folder and select extract all
2. Log into your TradeStation.
3. Import the KLL_Chart_Temp_White.ELD file into your TradeStation platform.
4. If you do not know how to import indicators in TS, see instructions [here](#).
5. When importing files, if you are asked to overwrite any file, check the date of the file and if the date of the new imported file is more recent than the one on your system, answer YES.

   NOTE: If you have done any custom adjustments to your indicators and choose to overwrite those files, you will lose your previous custom programming of those files.

6. Go to TradeStation – click File – select Workspace.
7. Select the Temp folder which contains the extracted downloaded files.
8. Open the KLL_STD Chart.tsw workspace file.
   It should look as you see below:
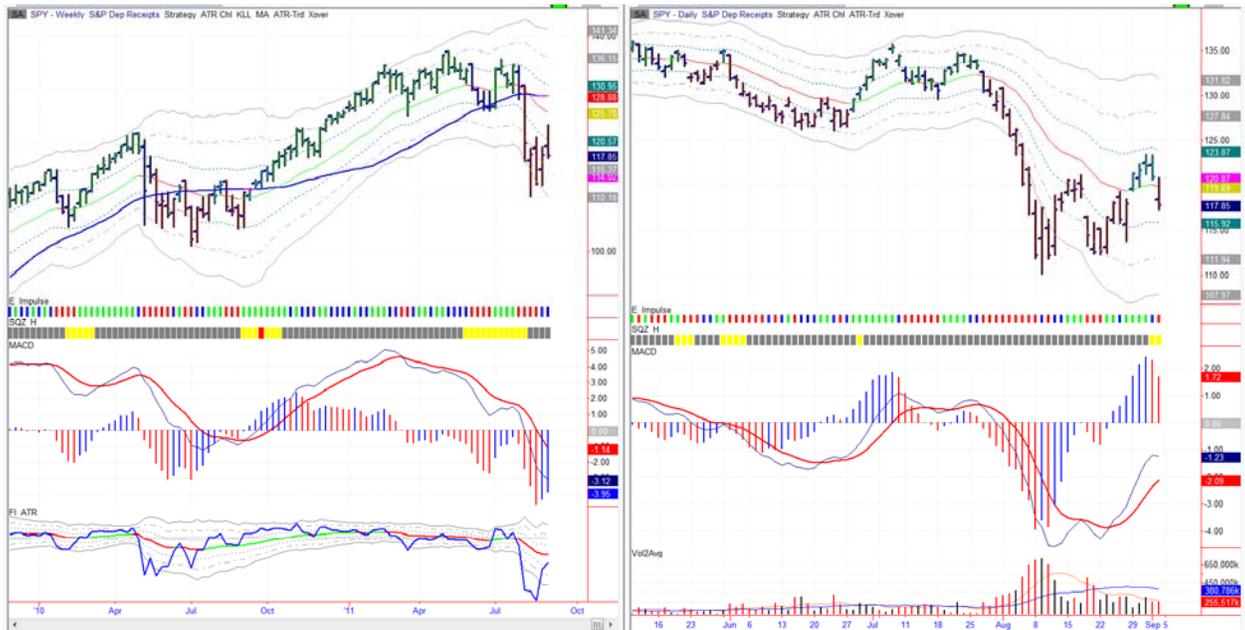
9. Save this workspace by clicking File - Save workspace as - navigate to your MyWork folder in TradeStation. Save the workspace in that folder.
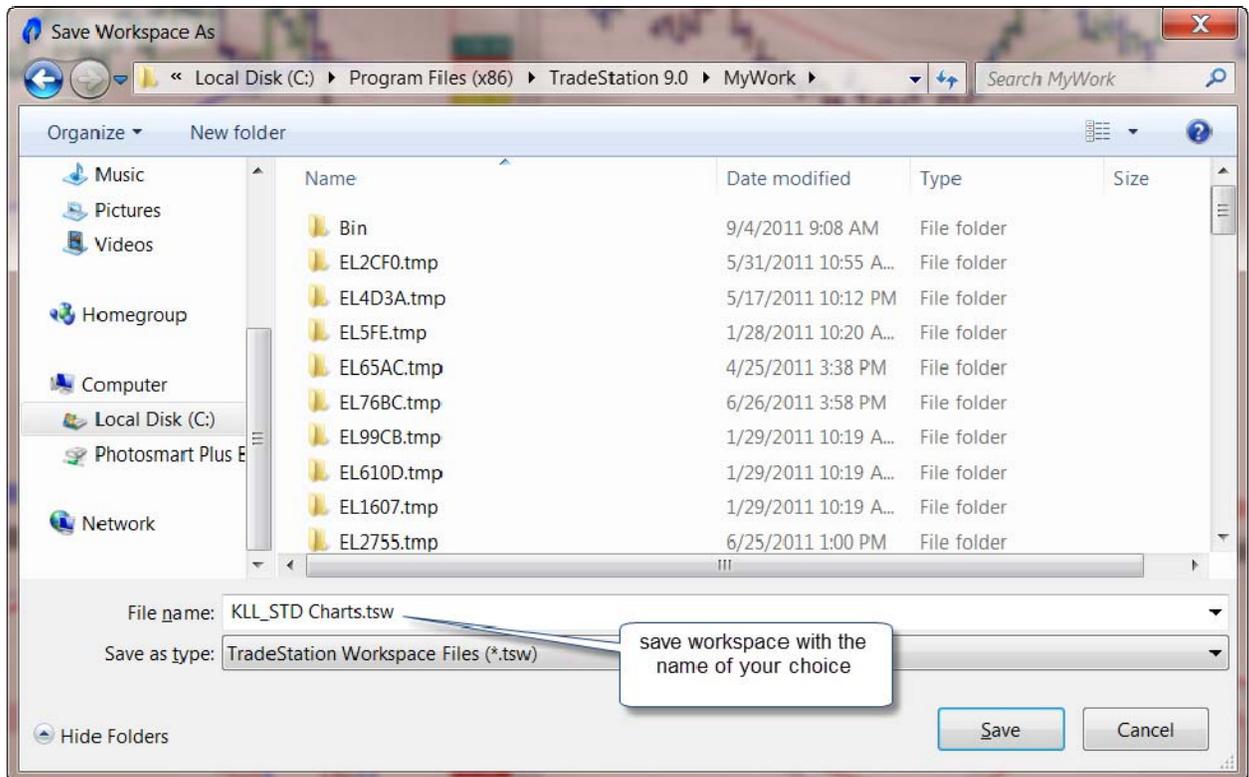
10. The indicators and workspace are now included in your TradeStation Software.

Indicator Videos

The following is a brief description of each indicator with a link to video tutorials.

ATR Channel

The Tri-band ATR channel is a multipurpose tool, central to Kerry's analysis. It helps determine trending conditions, value zones, overbought – oversold areas, stop placements and profit targets.

The channels are a function of ATR, Average True Range. ATR measures the average range of price fluctuation. It reflects volatility, helping us adjust to current market conditions.

ATR Trend

It helps identify the current trend by coloring price bars on the basis of the ATR Channels.

Elder Impulse Histogram and MACD Crossover

The Impulse System was introduced in Dr. Alexander Elder's book Come into my Trading Room (Wiley, 2002). It shows when the trend and the momentum are in sync. Originally designed as a paint bar indicator, this indicator is re-coded here as a histogram bar because two paint bar studies cannot be used on the same chart. The Elder Impulse and MACD Crossover allow us to know when the color of the Impulse will change.

Force Index with ATR

Originally developed by Dr. Elder, Force Index is a measurement of price and volume. It can help determine accumulation, distribution, exhaustion and divergence patterns. This indicator has been modified with the added ATR channels, bringing an extra dimension to this popular and effective tool.

MACD

One of the most popular indicators in technical analysis was invented by Gerald Appel. Dr. Alexander Elder's book Trading for a Living (Wiley, 1993) popularized it among technical analysts. This momentum indicator helps determine the strength of a trend; its divergences often precede reversals.

Price Entry Triggers

Every indicator signal needs an entry confirmation. Like a green light at a traffic stop, it lets us know when to proceed. These entry triggers use price formations to give entry and exit signals. Price action is a key component determining entry points. Kerry studied under David Weis and his book Trades about to Happen is a must read (Wiley, 2011).

Squeeze Indicator

The Squeeze indicator identifies conditions of low volatility which often precede price explosions. This indicator is used for the Squeeze play strategy, described in the interview Kerry Lovvorn in Dr. Alexander's book *Entries and Exits* (Wiley 2006).

Technical support & private consulting

The tools provided here are explained in the videos. You may ask questions by contacting info@kerrylovvorn.com .

Kerry offers private consulting to traders. For a free initial consultation please contact info@kerrylovvorn.com .