

MarketVolume.com

BY ACTIVE TRADER STAFF

Traders often look to volume for additional insight into price behavior. Although it is typically seen as a secondary subject of analysis, MarketVolume (www.marketvolume.com) focuses entirely on this topic.

The site provides a wide range of volume indicators for major stock indices — individual stocks are not analyzed — and shows interactive charts for all of them. Fourteen indices are available for analysis — four S&P indices, three Russell, three Dow Jones, the Nasdaq 100, and the NYSE, Nasdaq, and AMEX composites. MarketVolume also tracks five other measures — S&P Market Movers, S&P Large Cap, S&P Market Leaders, Nasdaq Internet, and Nasdaq Market Movers.

Each index has three different charts — index volume, selling and buying volume, and advance/decline volume — that display price on top and a volume measure on the bottom. The charts are Java-enabled and are similar in that they all display price in either line, bar, or candlestick format, and a cursor on the chart can be used to highlight the details for a particular bar — high, low, open, close, and whatever volume information is available. You can also draw trendlines on the charts.

Chart time frames range from two hours to 10 years, although the duration of the price bars is tied to the length of the chart (i.e., daily charts use one-minute bars, three-month charts use daily bars). A moving average (or two) can be added to the charts.

The differences in the charts are how the volume data is calculated. In the index volume charts, total volume is plotted at the bottom, and the chart can be changed from total volume to up volume or down volume. One or two moving averages of volume can be plotted.

In the selling-volume and buying-volume charts, total volume is still shown, but moving averages of selling and buying volume, or buying volume subtracted from buying volume, can be plotted (either as a whole number or a percentage).

The advance/decline volume is similar — a/d volume (which measures volume on advancing/declining stocks) can be displayed with moving averages,

advance minus decline, or advance divided by decline (Figure 1). The raw volume totals are also shown on the chart.

You can choose between advance/decline volume and advance/decline momentum volume (momentum volume totals are not cumulative; they are an indication of volume activity for a specific bar), or advance/decline issues.

In addition to the charts, MarketVolume has a page with detailed information about advancing/declining issues for the various indices — total number of issues, total volume, and new highs/lows. Another page shows an advance/decline ratio, an advance/decline volume ratio, and the TRIN (a/d ratio divided by a/d volume ratio). This information is automatically updated every minute.

The site has an extensive help section, featuring FAQs and a tutorial on modifying the charts to your liking. There is also myriad information on using the data gathered from the chart to make trading decisions, as well as a section on buy/sell signals triggered by the volume info. As with any Web site, traders can choose to act on this information at their own peril.


MarketVolume has three membership levels, which range in price from \$44.95/month to \$157.95/month. Quarterly and annual discounts are available, as is a 30-day free trial. 

FIGURE 1 ADVANCE/DECLINE CHARTS

The advance/decline ratio for the Nasdaq 100 is plotted at the bottom of the chart, below the index and the actual volume totals.

