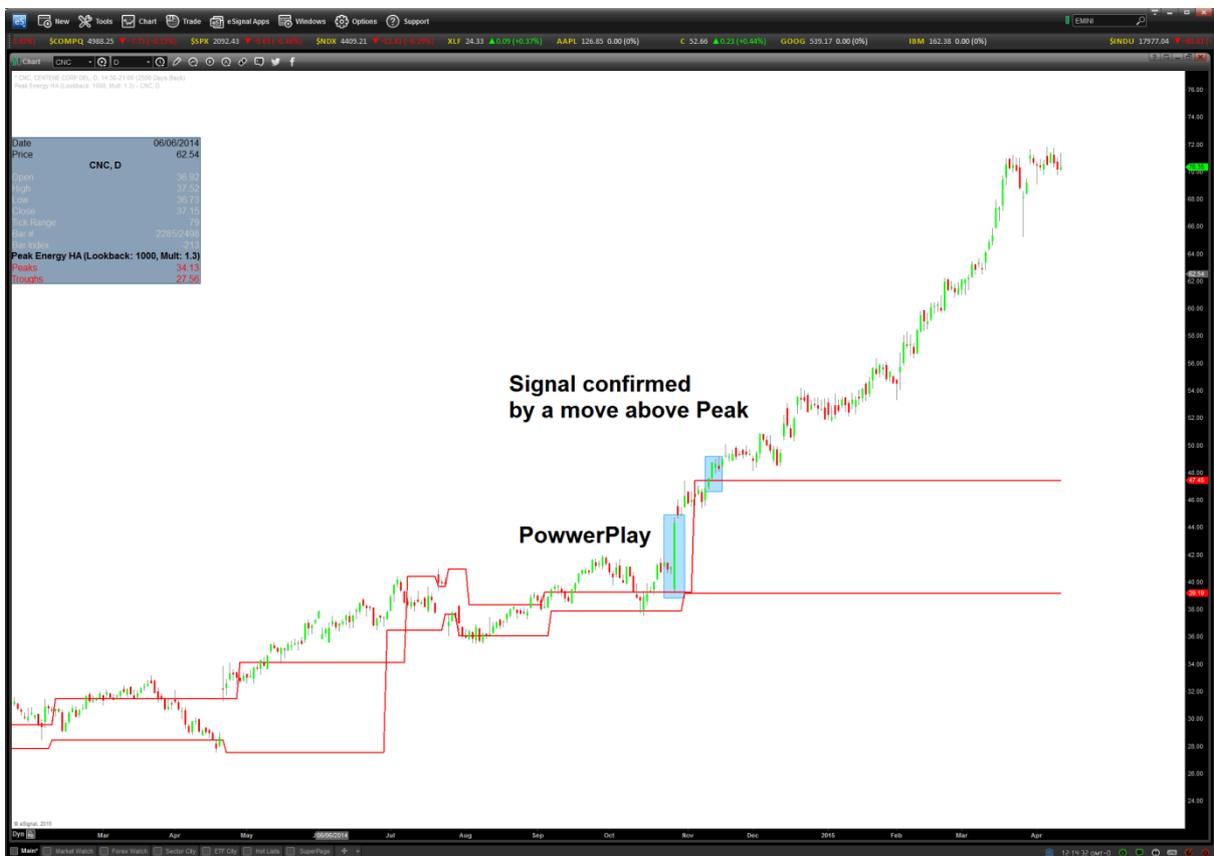# Peak Energy HA

The Peak Suite of studies is relatively simplistic in their concept, but this betrays the huge amount of both insight and opportunities that they present. The subject warranted over 100 pages in Trading Time, when in fact a whole book would not do the subject justice.

Peak Energy HA plots Swing or Fractal points, but in contrast to Peak, it plots those values based on Heiken Ashi charts. Its default setting has this set as a 5 bar pattern, meaning that the middle bar of 5 is the high or low point. Every time this occurs it holds this value as a horizontal line until the next time the pattern is true.

However, the energy element means that the behavior of the study can be radically different to normal Peaks and therefore is used in a different manner. The chart below of CNC highlights how radical this difference can be. Normal PeakHA is in black whilst Peak EnergyHA is in red. Whilst there are times when the values match, there is a stark contrast in the past few months. This is due to the fact that the Energy calculates the volume of the current Peak and measures that against the average of Peaks over the last 1000 bars. In order for its value to change the current peak must be above a certain threshold against the average. The default is 30% above.
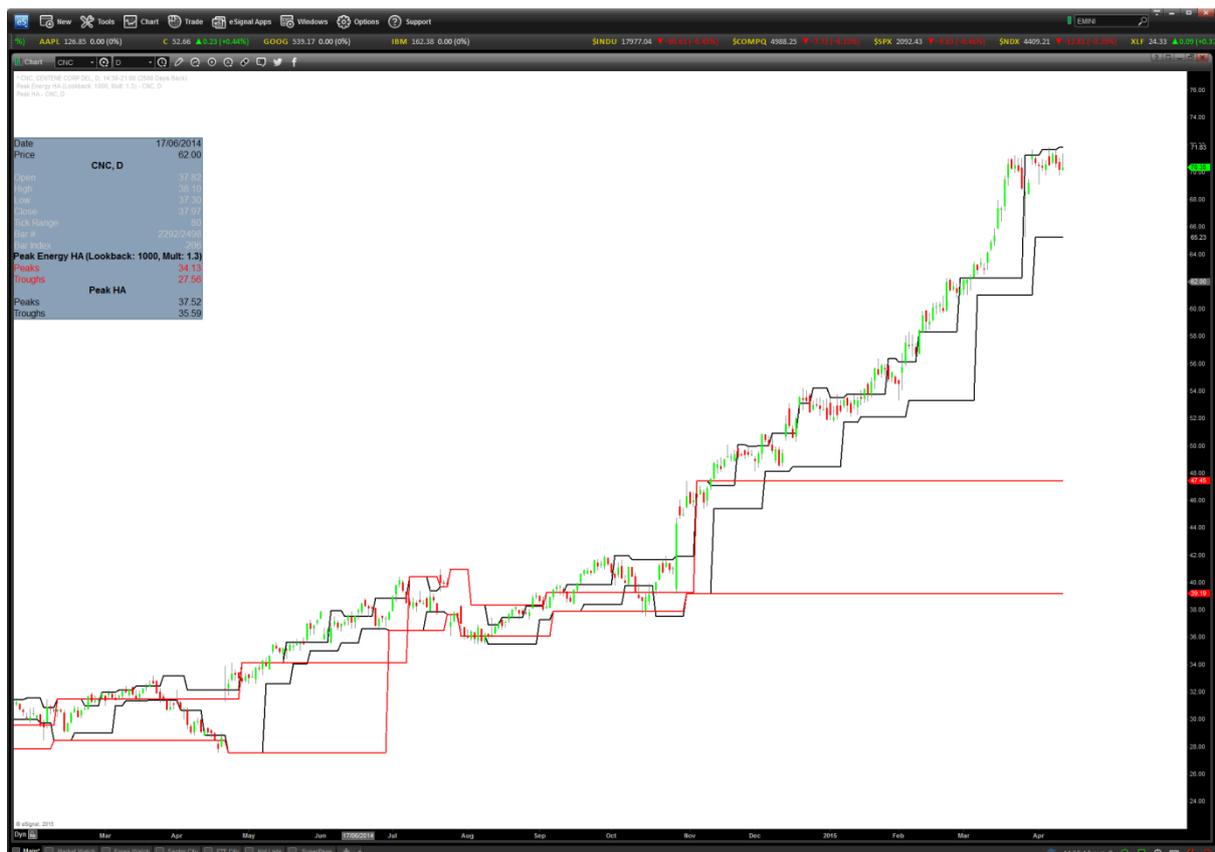
There are a multitude of interpretations and applications of this study, so let's look at a few basic uses. The first is an understanding of the relationship between buyers and sellers. On the CNC chart the fact that the Energy level has not changed throughout the rally, means that buyers remain in charge as sellers cannot force a meaningful correction in high volume. The second is highlighted below. A PowwerPlay signal was generated that was based on earnings. These moments are often key in picking potential winners, the difficulty being whether the news has simply been priced in on the news, or that it is the beginning of acceptance of a higher value. The nature of earnings events means that they often create changes in energy and therefore reference points that can be traded. A few days after the PowwerPlay signal the Peak EnergyHA level moves higher and this becomes a resistance. The original PowwerPlay signal is confirmed when price closes above the Peak EnergyHA level, and an extended uptrend begins.

Within the Set-Up there is the option to place a different timeframe Peak EnergyHA, the ability to change the length of the pattern and change the multiplication factor.