SIT-Stochastic Exhaustion Buy/Sell Indicator R2: Settings Guide

For informational purposes only. Not trading advice. Always test settings in simulation first. See the full disclaimer at the end.

How to use this guide

This guide explains what each setting in the SIT-Stochastic Exhaustion Buy/Sell Indicator R2 does, in plain language. The indicator draws its own Stochastics panel below your chart and BUY, SELL and EXIT markers on your price chart. **It does not place trades.** It does not tell you what to set or when to trade; those decisions are yours.

- **Where to find the settings:** in NinjaTrader, right-click your chart, choose **Indicators**, select the SIT-Stochastic Exhaustion Buy/Sell Indicator R2, and look at the settings list on the right.
- **Sections are numbered** in the same order you see them in NinjaTrader, from 1. Stochastic Settings down to 6. Filter - Trend.
- **Default** means the value the indicator comes with. A default is only a starting point, not a recommendation.
- **Change one setting at a time,** then test it in simulation, so you can see what that one change does.

Note on NinjaTrader's own settings: NinjaTrader also shows its own standard settings for every indicator (such as Calculate, Input series, Visual, Plots and Lines). These belong to NinjaTrader. This indicator is made to run on **Calculate: On bar close**, so a marker appears once the candle closes. The %K and %D line colors are set in NinjaTrader's Plots section.

1. Stochastic Settings

These are the indicator's own Stochastics settings. They match NinjaTrader's Stochastics, so the signals line up with the panel.

Setting	Default	What it does
%K Period	14	The number of candles Stochastics looks back over. A lower number reacts faster but gives more signals; a higher number is slower and gives fewer.
%D Period	3	Smooths %K into the %D line. A higher number is smoother and slower.
Smooth	3	Extra smoothing on %K. A higher number is smoother and slower.

2. Extreme Levels

Setting	Default	What it does
Upper Level	80	The top extreme level. A higher number asks for a more stretched move before a SELL, so you'll usually see fewer SELL signals.
Lower Level	20	The bottom extreme level. A lower number asks for a more stretched move before a BUY, so you'll usually see fewer BUY signals.

3. Signal Settings

Setting	Default	What it does
Signal Trigger	KDCrossInZone	When a signal shows. KDCrossInZone = %K and %D cross inside the extreme zone. CrossBackOutOfZone = %K moves back out of the extreme zone.
Enable BUY Signals	On	Shows BUY signals. Uncheck to see SELL signals only.
Enable SELL Signals	On	Shows SELL signals. Uncheck to see BUY signals only.

- Only one signal is active at a time. An opposite signal ends the current one and starts the new one.

4. Exit Settings

Setting	Default	What it does
Enable Exit Signals	On	Shows an EXIT marker after a BUY or SELL, using the Exit Type below.
Exit Type	OppositeExtreme	When the EXIT shows. OppositeExtreme = %K reaches the other extreme level. KDCrossAfter50 = %K and %D cross after %K has passed 50. KCrosses50 = %K reaches 50. KDCross = the next %K and %D cross.

- **Earlier exit types** (such as KCrosses50) usually show EXIT sooner. **Later exit types** (such as OppositeExtreme) show it later.

5. Chart Markers

These settings control how the BUY, SELL and EXIT markers look. They are display only and do not change when a signal happens.

Setting	Default	What it does
Show Arrows	On	Shows an arrow at each signal.
Show BUY/SELL/EXIT Text	On	Shows the word BUY, SELL or EXIT at each signal.
Arrow Size / Text Size	22 / 14	How big the arrows and words are.
Arrow Offset (ticks) / Text Offset (ticks)	4 / 16 ticks	How far above or below the candle the arrow and words sit.
BUY Color / SELL Color / EXIT Color	Green / Red / Orange	The marker colors.

6. Filter - Trend

Uses a longer moving average (the Trend EMA) to keep signals on the side of the trend. Off by default. EXIT markers are never blocked by this filter.

Setting	Default	What it does
Use 50 EMA Trend Filter	Off	When on, BUYs only show when price is above the Trend EMA, and SELLs only when price is below it.
Trend EMA Period	50	The length of the Trend EMA. A longer period follows the bigger trend.
Show Trend EMA	On	Draws the Trend EMA on your price chart, even when the filter is off. Display only.
Trend EMA Color	Gold	The color of the Trend EMA line.

Important reminders

- **Signals are information, not instructions.** A BUY, SELL or EXIT marker shows that the indicator's conditions were met. It is not a recommendation to trade.
- **You make every trading decision.** The indicator places no orders and does not manage any trade.
- **Test every change in simulation first.** Market conditions change, so settings that work well in one period may not work as well in another.
- **Markers on past candles** show where conditions were met after those candles closed. Live signals form one candle at a time.

Disclaimer

This guide is for informational and educational purposes only. It explains what each setting does. It is not trading, investment or financial advice, and it does not recommend any setting, market or strategy. Default settings are starting points only, not recommendations.

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