

The Indicator ZeroLag Stochs_true is an George C. Lane's indicator Stochastic Oscillator (Stoch) with zero delay. The Indicator ZeroLag Stochs_true in contrast with standard Stochastic Oscillator gives the signals on several bars earlier, but divergences/convergence denominated more obviously.

ZeroLAG Stochs_true calculates on formula:

$$\text{Fast\%K}(i) = 100 * (\text{Close}(i) - \text{MaxHigh}(N)) / (\text{MaxHigh}(N) - \text{MinLow}(N));$$
$$\%K(i) = 2 * \text{MA}(\text{Fast\%K}(i), N) - \text{MA}(\text{MA}(\text{Fast\%K}(i), N), N);$$
$$\%D(i) = 2 * \text{MA}(\%K(i), P) - \text{MA}(\text{MA}(\%K(i), P), P);$$

where:

Fast%K(i) - fast %K of the current bar;

Close(i) - close price of the current bar;

MaxHigh(N) - maximum High for N preceding periods;

MinLow(N) - minimum Low for N preceding periods;

MA - moving average;

N - the range of High/Low computation;

P - smoothing period for %D(i).

