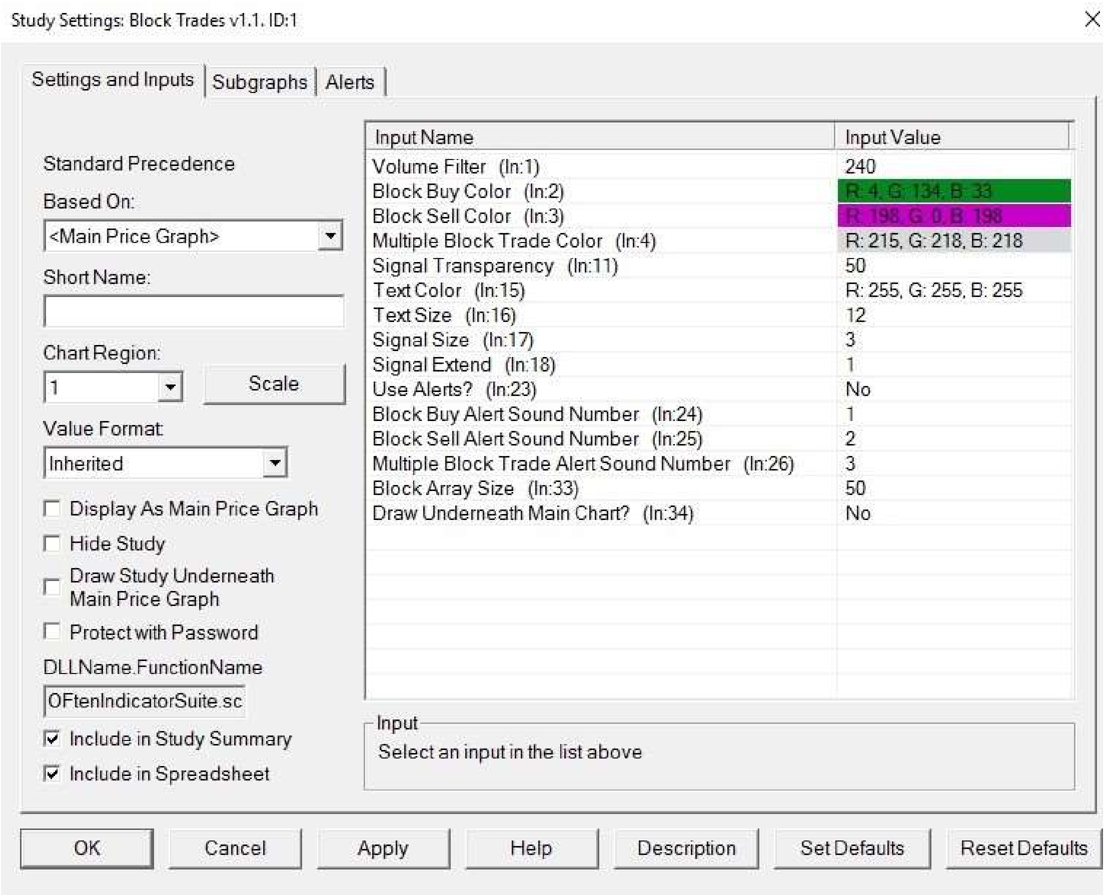
Block Trades

This indicator signals large buy and sell trades that identify price levels that are of key interest to institutional traders. By monitoring the size and direction of these block trades, we can build a picture of current institutional activity and gain some insight into the likely direction of the market.

Note: this indicator automatically opens a 1-tick chart, which is used to calculate block trade sizes. This tick chart will be displayed when you first add the Block Trades indicator to the main price chart. Simply click on the main chart tab at the bottom of the window to re-display the main price chart.

Parameters



- Volume Filter – this parameter specifies the minimum volume that can be considered to be a block trade. Only trades with a volume equal to or greater than this value will be displayed.
- Block Buy Color - this color will be used on all block buy trade signals and will be used for the text in cases where both buy and sell block trades occur at the same price, but the larger volume is on the buy side.
- Block Sell Color - this color will be used on all block sell trade signals and will be used for the text in cases where both buy and sell block trades occur at the same price, but the larger volume is on the sell side.

- Multiple Block Trade Color – this color will be used for the signal in cases where both block buying and block selling occur at the same price. In such cases, the color of the text will indicate whether the larger volume was on the buy side or the sell side.
- Signal Transparency – Set this parameter to the level of transparency required on block trade signals on the chart. Values can be in the range 0 (not transparent, i.e. totally opaque) to 100 (totally transparent, i.e. not visible).
- Text Color – this color will be used for the text in cases where the block trading is all in one direction.
- Text Size – the size of the text showing the block trade details can be adjusted using this parameter.
- Signal Size – this parameter controls the height of the colored rectangle that signals the buy or sell block trade.
- Signal Extend – this parameter controls the width of the signal rectangle over a number of bars, allowing you to extend the price levels at which block trades have occurred.
- Use Alerts? – Set this parameter to “Yes” to display an alert message and play a sound when a block trade is identified.
- Alert Sound Numbers – you can select the Alert sound to be played, depending on whether the trade is a Block Buy, a Block sell, or forms part of a Multiple Block trade situation.
- Use Debug? – Set this parameter to “No” unless you are asked to provide a copy of the Message Log in the event of an indicator error.
- Block Array Size – this parameter controls the maximum number of price levels within a bar for which block trade data will be calculated. A value of 50 means that the indicator will display block trade signals for up to 50 different price levels on an individual bar. The value may need to be increased in times of extreme volatility and/or when using large time frames when bar sizes (and, therefore, the number of price levels on the bar) may be exceptionally large. A large array size will mean that the indicator reserves a large amount of memory to store the array, and this will increase the Working set Memory of Sierra Chart. Example

On this 1-minute ES chart, most of the block trades in the initial part of the up move are on the buy side, but as the move continues, block selling becomes more evident, and eventually, we see a reversal in price.