

Chaikin Flow Pullback

Expert Advisor Documentation

PLATFORM

MetaTrader 5 (MT5)

TYPE

Trend Continuation (Pullback)

TIMEFRAME

H1 (configurable)

WEBSITE

www.algotbot.live

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Overview

Chaikin Flow Pullback is a money-flow, trend-continuation Expert Advisor. It combines two complementary tools: one indicator supplies conviction about who controls the market, and a moving average supplies the timing of the entry.

Conviction comes from the **Chaikin Money Flow (CMF)**, which measures buying versus selling pressure by looking at where each bar closes inside its range and weighting that by the bar's volume. A persistently positive CMF signals *accumulation* (buyers repeatedly close bars near the highs on volume); a persistently negative CMF signals *distribution* (sellers dominate the closes). Because it accounts for both close location and volume, CMF is a cleaner pressure gauge than price alone.

Timing comes from an **Exponential Moving Average (EMA)**. Rather than chasing an extended move, the EA waits for a shallow pullback that briefly loses the EMA, then buys (or sells) the *reclaim* — the bar that closes back on the correct side of the EMA in the direction of the flow. Entering on the reclaim rather than the extension keeps the stop close and the risk defined.

The strategy uses a single timeframe: every calculation is performed on the chart's own timeframe, so it runs on whatever timeframe you attach it to. Risk is managed with an ATR-based stop and a take-profit set to a fixed reward:risk multiple of that stop, with one position open per magic number at a time.

How It Works

On each newly completed bar, the EA evaluates three quantities on the chart timeframe: the Chaikin Money Flow over `CmfPeriod` bars, the `EmaPeriod` EMA of closes, and the `AtrPeriod` ATR. It then checks two mirror-image conditions.

The Money-Flow Regime

Chaikin Money Flow sums each bar's Money-Flow Volume and divides by total volume over the window:

```
MFV = ((Close - Low) - (High - Close)) / (High - Low) * Volume
CMF = Sum(MFV) / Sum(Volume)    -> ranges roughly [-1, +1]
```

A CMF at or beyond `+CmfThreshold` flags an accumulation regime (favouring longs); a CMF at or beyond `-CmfThreshold` flags a distribution regime (favouring shorts). Volume here is the bar's *tick volume*.

Entry Logic

Two bars matter for timing: the just-closed bar (`c0`) and the bar before it (`c1`). The EA acts only when the flow regime and the pullback-then-reclaim pattern line up.

- **Long entry** — `CMF ≥ +CmfThreshold` (accumulation) **AND** the prior bar closed *below* the EMA **AND** the just-closed bar reclaimed *above* the EMA with a bullish body (close > open).
- **Short entry** — `CMF ≤ -CmfThreshold` (distribution) **AND** the prior bar closed *above* the EMA **AND** the just-closed bar lost the EMA, closing *below* it with a bearish body (close < open).

Note: The signal requires a genuine *round-trip* across the EMA — the price must first lose the EMA and then reclaim it (for longs), or first hold above and then lose it (for shorts). A single bar drifting through the EMA without the prior bar being on the opposite side will not trigger a trade.

Exit Logic — Stop Loss & Take Profit

Every trade is fully bracketed at entry; there is no trailing or discretionary management. The stop distance (`risk`) is the larger of an ATR multiple and the broker's minimum stop distance:

```
minDist = (StopLevelPoints + 1) * Point
risk     = max(AtrStopMult * ATR, minDist)
```

- **Long:** entry at Ask; `SL = price - risk`; `TP = price + RewardRiskRatio × risk`.
- **Short:** entry at Bid; `SL = price + risk`; `TP = price - RewardRiskRatio × risk`.

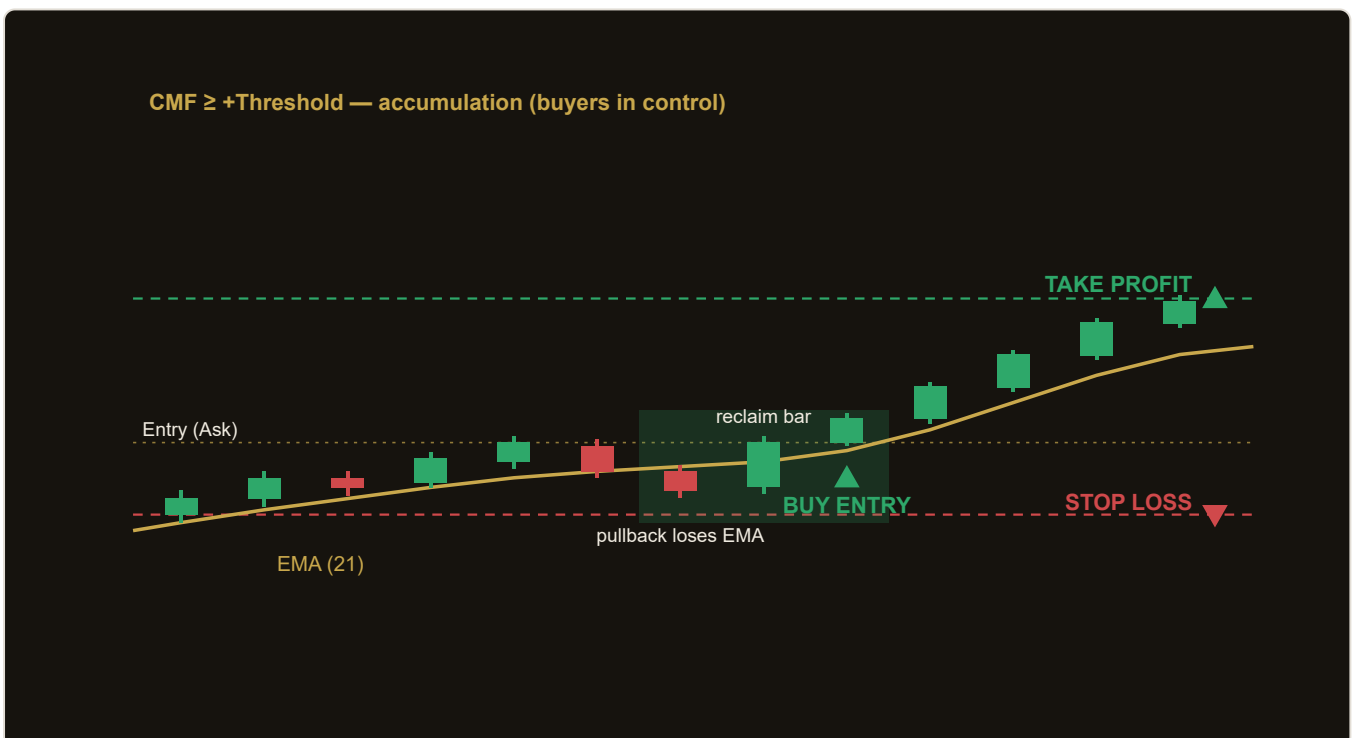
Because the take-profit is a fixed multiple of the stop, the reward:risk ratio is constant regardless of volatility — an ATR-based stop simply widens or narrows both brackets together as market conditions change.

Trade & Risk Management

- **One position per magic:** a new signal is ignored while a position with the same magic number is already open.
- **Volume normalisation:** the requested `Lots` is snapped to the symbol's volume step and clamped between its minimum and maximum volume.
- **Price normalisation:** all stop and target prices are rounded to the symbol's digit precision.
- **Bar-close evaluation:** logic runs once per completed bar, avoiding intrabar repainting of signals.

Strategy in Action

The illustration below shows an example of how the strategy identifies a setup and triggers its entry and exit. This is a simplified, illustrative example for educational purposes — not real market data. It depicts a **long** setup: an accumulation regime (positive CMF), a shallow pullback that loses the EMA, and the reclaim bar that fires the entry.



Illustrative example only. Actual market behaviour varies.

Parameters

All inputs below map directly to the EA's `input` block. Values shown are the defaults; the listed ranges reflect the optimiser bounds defined in the strategy.

Parameter	Default	Description
<code>CmfPeriod</code>	20	Window (in bars) for the Chaikin Money Flow accumulation/distribution gauge. Range 8–50, step 2.
<code>CmfThreshold</code>	0.05	How far CMF must be from zero to confirm a one-sided flow regime. Higher values demand stronger conviction. Range 0.00–0.30, step 0.01.
<code>EmaPeriod</code>	21	Period of the EMA that price pulls back to and must reclaim to trigger the entry. Range 8–80, step 1.
<code>AtrPeriod</code>	14	Window for the ATR used to size the stop distance. Range 5–40, step 1.
<code>AtrStopMult</code>	1.5	Stop distance expressed in ATRs. Larger values place a wider stop. Range 0.5–4.0, step 0.1.
<code>RewardRiskRatio</code>	2.0	Take-profit distance as a reward:risk multiple of the stop distance. Range 1.0–5.0, step 0.5.
<code>Lots</code>	0.10	Trade volume, later snapped to the symbol's volume step and min/max limits. Range 0.01–1.0, step 0.01.
<code>Magic</code>	5321	Magic number identifying this EA's trades. Enforces the one-position-per-magic rule; give each instance a unique value.

Recommended Settings

The Chaikin Money Flow relies on **tick volume**, so the strategy performs best on liquid instruments with an active, representative tick stream. Thinly traded symbols can produce noisy CMF readings.

SUGGESTED STARTING POINT

- **Instruments:** major FX pairs (EUR/USD, GBP/USD), major indices, or liquid metals.
- **Timeframe:** H1 as a baseline; the logic is timeframe-agnostic, so M30–H4 are reasonable to explore.
- **Flow conviction:** keep `CmfThreshold` around 0.05–0.10 — too high and setups become rare, too low and weak regimes slip through.
- **Risk shape:** a `1.5x` ATR stop with a `2.0` reward:risk gives a defined, symmetric risk profile; widen `AtrStopMult` on choppier instruments.

Example configuration — EUR/USD, H1

```
CmfPeriod=20, CmfThreshold=0.07, EmaPeriod=21, AtrPeriod=14, AtrStopMult=1.5,  
RewardRiskRatio=2.0, Lots=0.10
```

Tip: Always validate any parameter set with the MT5 Strategy Tester on your specific broker's data before committing real capital. Because stops are ATR-based and take-profit is a fixed multiple of the stop, the reward:risk ratio you configure is the ratio you get — position sizing and instrument choice then determine the monetary risk per trade.

How to Install on MetaTrader 5

- 1 Copy `ChaikinFlowPullback.ex5` to your MT5 `MQL5\Experts\` folder
- 2 Restart MetaTrader 5 and refresh the Navigator panel
- 3 Drag the EA onto a chart matching the recommended symbol and timeframe
- 4 Configure the input parameters and click **OK**
- 5 Enable **Algo Trading** in the MT5 toolbar

Risk Warning

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