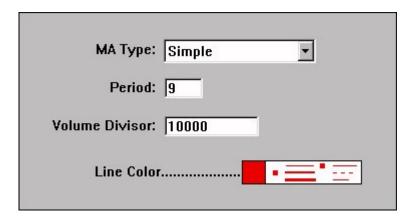Home > Arms Ease of Movement

Arms Ease of Movement [1]

The Arms' Ease of Movement Value (EMV) is a momentum indicator developed by Richard W. Arms, Jr. The indicator takes into account both volume and price changes to quantify the ease (or difficulty) of price movements. The calculation is as follows: EMV = (HI + LO)/2 - (HI1 - LO1)/2 all divided by VOL/(HI-LO) HI, LO, VOL are the high, low, and volume for the current period HI1 and LO1 are the high and low for the previous period The volume is scaled by dividing by a constant divisor, usually 10000. This divisor may be varied by the user in the Arms EMV setup. If the EMV line appears flat, try increasing the divisor by a factor of 10 or 100. The Arms EMV values for each period are then smoothed with a moving average. The period and type of moving average smoothing are user specified in the Arms setup window. The smoothed Arms EMV line oscillates around zero. The decision rule is to buy when EMV goes positive and sell when it goes negative. This indicator is seldom used by itself, but as a confirming indicator in concert with other signals.

Presentation

Above is a Daily Chart of Apple Computers (AAPL). The red line in the lower window pane represents the Arms Ease of Movement, as specified in the preferences below.

Preferences:

- **MA Type** -Smoothing type, smoothing is applied the the EMV vales, if you prefer no smoothing, the place a 1 in the Period.
- **Period** -Smoothing Period.
- **Volume Divisor** -This divisor is used to bring the volume down to a more reasonable number in the above calculation of the EMV.
- **Line Color** -Color of the EMV line in the chart.

Formula Copy

```
EMV = [(HI + LO)/2
- (HI.1 - LO.1)/2]
/ [VOL/(HI - LO)]
where VOLADJ =
VOLUME / VOLDIVISOR
```

[Price Based](#) [2][Volume Based](#) [3]

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Links
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