



# **EDO MULTI STOCH**

# **Official Manual**

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English



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# Section 1 — Introduction

Edo Multi Stoch is a four-layer stochastic system designed to provide a complete reading of market momentum across different time horizons, from macro context to entry timing, all within a single panel.

The indicator combines four stochastics with periods of 89, 50, 14, and 5 in a hierarchical architecture where each slower layer acts as context for the immediately faster one, eliminating the need for individual signal lines and offering instead structurally more valuable information: crosses between layers of different time horizons.

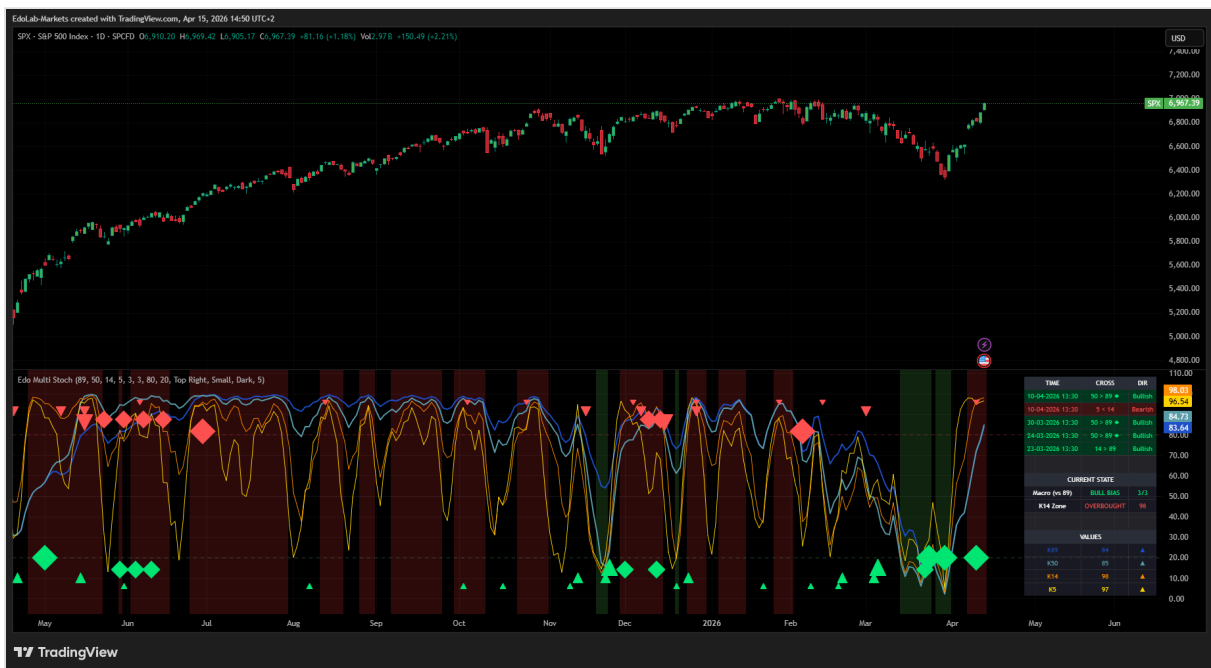


Figure 1 — Overview of the indicator with the four active layers and the information panel.

## Section 2 — What Edo Multi Stoch Is and Is Not

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Edo Multi Stoch is a multi-layer momentum oscillator designed to analyze market state across four time horizons simultaneously. It is a context and confirmation tool, not an automatic signal system. Its primary function is to answer the question of whether momentum across different market layers is aligned or contradictory, and what weight that alignment carries.

It is not an automatic entry and exit indicator. It does not generate buy or sell signals that should be executed mechanically. The crosses it records are momentum events, not trading orders. Its real value appears when combined with structural price analysis, key levels, and higher timeframe context.

It is also not a classic overbought and oversold system. Although it includes background zones for K14 extremes, the indicator is designed primarily to analyze the relationship between layers, not to trade bounces from extremes.

## Section 3 — Indicator Architecture

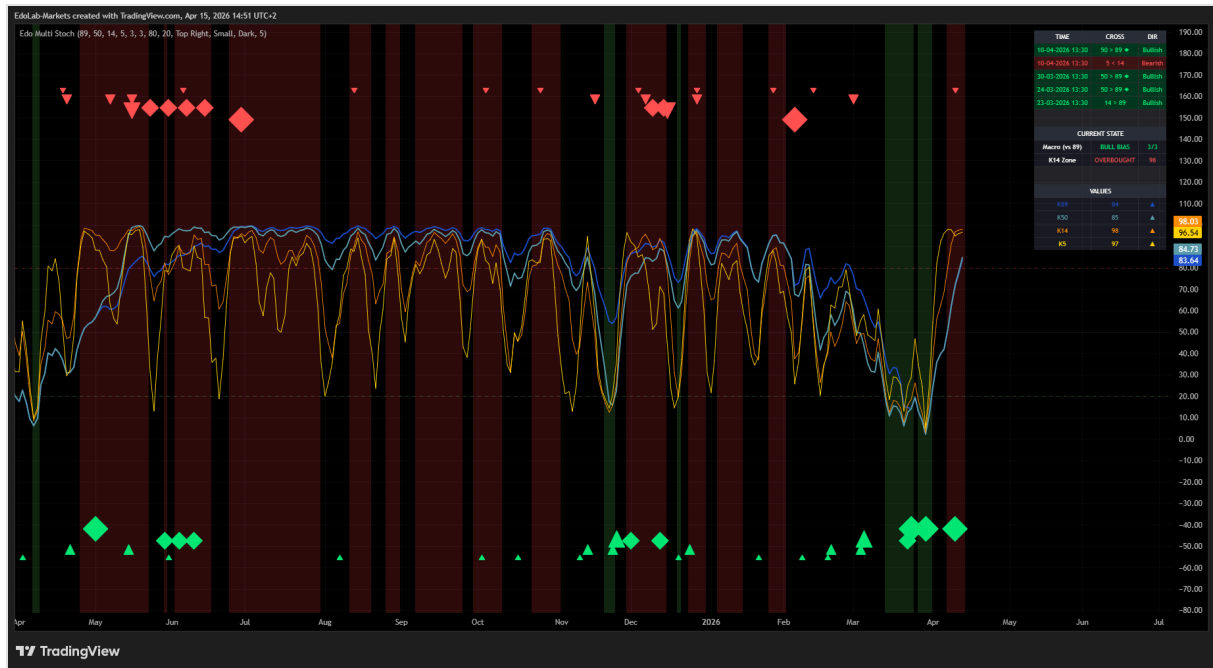


Figure 2 — Overview with all active functions: four layers, cross markers and information panel.

Edo Multi Stoch is organized into three main visual elements.

The first is the oscillator panel, where the four stochastic lines are plotted on a scale from 0 to 100, with configurable overbought and oversold levels and a midline at 50. The panel background is colored in extreme K14 situations to reflect overbought or oversold conditions.

The second are the cross markers, which appear directly on the oscillator panel the moment two layers cross. The size and shape of the marker vary according to the weight of the cross, from small triangles for the least relevant crosses to large diamonds for crosses with the greatest structural weight.

The third is the information panel, located in a configurable corner of the chart, which displays in real time the history of recent crosses, the current state of the system, and the numerical values of the four layers.

## Section 4 — The Four Stochastic Layers

The indicator works with four stochastic periods, each with a specific role within the system. The default periods are 89, 50, 14, and 5, which represent the optimal system configuration. All are configurable from the indicator settings.

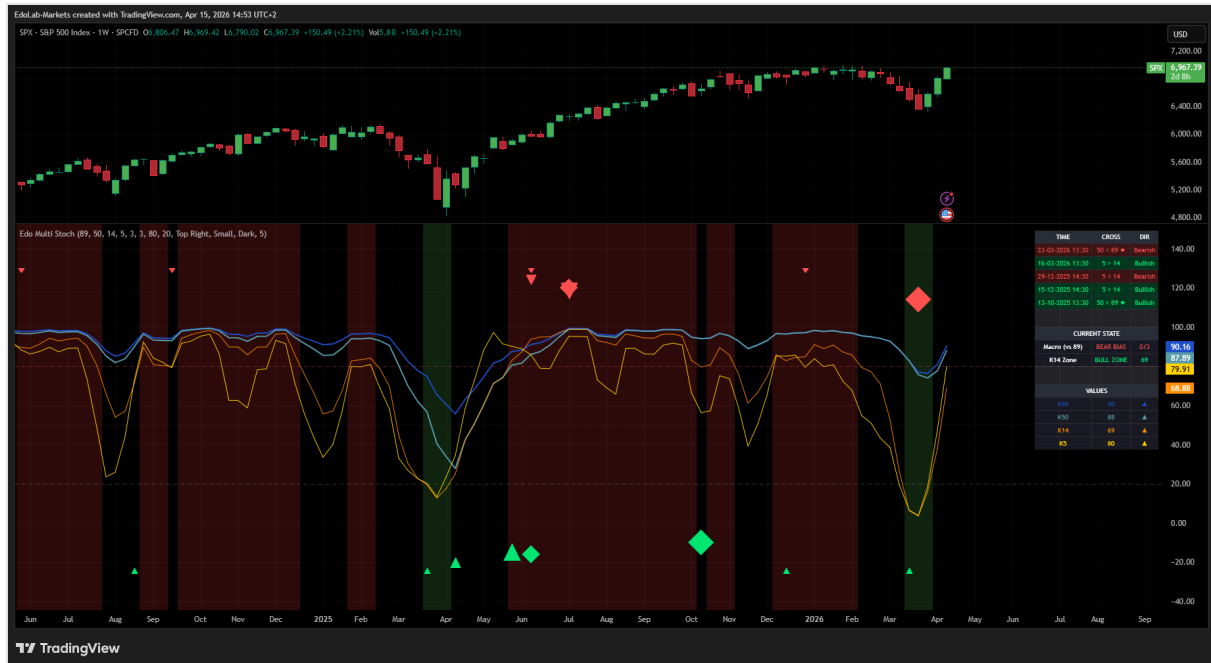


Figure 3 — The four lines with their differentiated colors on a trending chart.

### K89 — Dark blue — Macro context

The slowest stochastic in the system. It operates on a broad time horizon and moves little, which gives it the greatest structural weight of the four layers. When K89 is above 50 the market has a bullish background bias. When it is below the bias is bearish. It is the system anchor: the reference level against which the state of the other layers is measured.

### K50 — Light blue — Operating context

The intermediate layer of the system. It represents the operating trend, the context in which medium-term movements develop. When K50 and K89 are aligned in the same zone the trend is clean. When they diverge the market is in transition or correction. The cross of K50 over K89 is the highest weight event in the indicator.

### K14 — Orange — Standard momentum

The classic reference stochastic. It is the layer that the market respects most frequently at its extreme levels and the one the system uses as a reference for overbought and oversold zones. In the information panel, K14 is also the layer whose zone is shown in the current state.

## **K5 — Yellow — Fast momentum**

The most sensitive layer of the system. It captures immediate momentum and reacts first to any directional change. It generates more events than the other layers, but its real value appears when it is aligned with the upper layers. A bullish K5 against bearish K89 and K50 is noise. A bullish K5 with all layers aligned upward is entry timing in total confluence.

## **Color coding by pairs**

The four periods are grouped into two pairs with their own visual logic. The dark blue K89 and light blue K50 form the long context pair. The orange K14 and yellow K5 form the short momentum pair. When the blues are up and the warm colors cross upward there is confluence. When the blues are down and the warm colors try to rise there is structural contradiction.

## Section 5 — Cross System

Edo Multi Stoch monitors five cross pairs between the four layers, ordered from lowest to highest structural weight. Each cross is recorded in the information panel with its date, time, and direction.

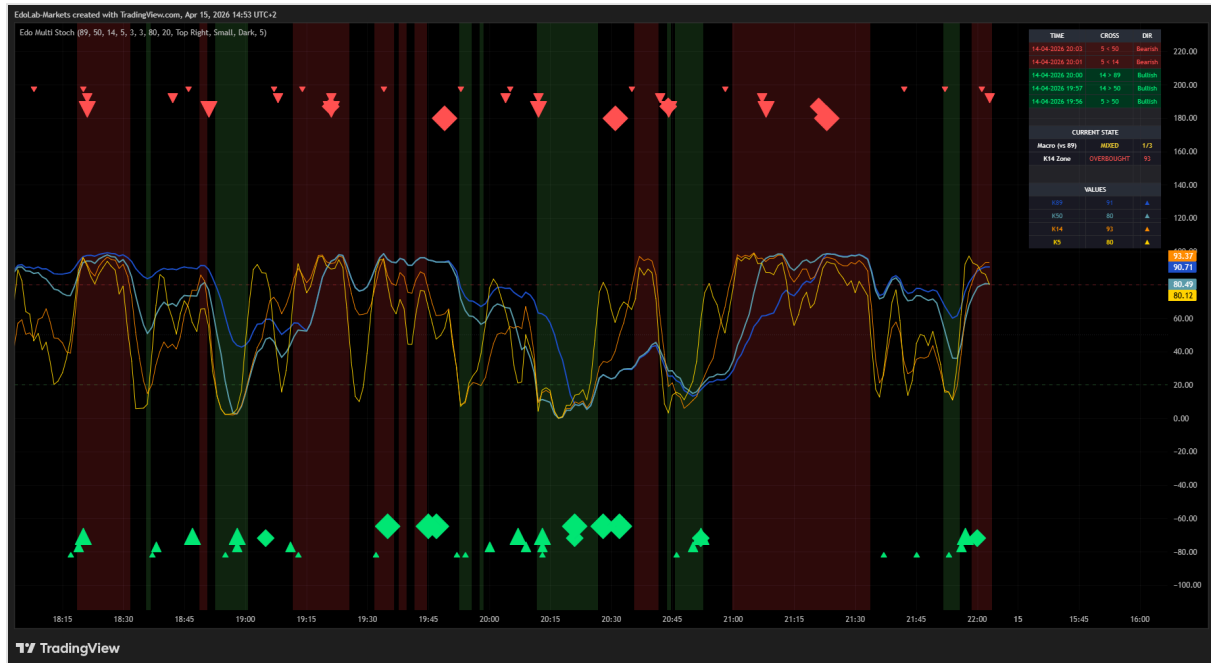


Figure 4 — Cross markers visible on the oscillator panel with different sizes according to weight.

### K5 × K14 — Small triangle

The most frequent cross in the system. Fast momentum crossing the classic stochastic. It has value primarily as a timing signal when context is already defined by the upper layers. By itself it does not constitute an actionable signal.

### K5 × K50 — Medium triangle

Fast momentum crossing the intermediate operating context. It indicates that K5 is aligning or misaligning with the structure. It carries more weight than the previous cross but still requires confirmation from the macro layers.

### K14 × K50 — Large triangle

Classic momentum crossing the operating structure. Medium-high weight cross. It indicates that standard momentum has changed sides relative to the intermediate context. It begins to have relevance as an independent signal when it coincides with key technical levels in price.

### K14 × K89 — Medium diamond

Classic momentum crossing macro context. Important cross. It signals that standard momentum is breaking the structural background bias, which equals a context change in the K14 horizon.

### **K50 × K89 — Large diamond ♦**

The highest weight cross in the system, identified with the ♦ symbol in the panel log. Operating structure crossing macro context. It is equivalent to the Golden Cross or Death Cross within the stochastic system. It is the most infrequent cross and has the greatest structural significance. When it occurs, the rest of the system should be aligned to validate the signal.

## Section 6 — Information Panel

The Edo Multi Stoch information panel is organized into three sections and is fully configurable in position, size, and color mode.

TIME	CROSS	DIR.
13-04-2026 13:30	14 < 50	Bearish
10-04-2026 13:30	5 < 50	Bearish
06-04-2026 13:30	5 < 14	Bearish
27-03-2026 17:30	5 > 50	Bullish
27-03-2026 17:30	5 > 14	Bullish
CURRENT STATE		
Macro (vs 89)	BULL BIAS	3/3
K14 Zone	OVERBOUGHT	100
VALUES		
K89	92	▲
K50	100	▲
K14	100	▲
K5	99	▲

Figure 5 — Complete information panel with the three sections.

### Cross Log

Historical record of the most recent crosses produced on the active chart. Each row shows the date and time of the cross, the pair of periods involved, and the resulting direction. Green rows correspond to bullish crosses and red rows to bearish crosses. The K50×K89 cross appears marked with ♦ in the CROSS column. The number of history rows is configurable between 3 and 15.

### Current State

Two real-time readings of the system state. The first, Macro, counts how many of the three lower layers (K50, K14, K5) are above K89 and shows the result as X/3. With 2 or 3 layers above the state is BULL BIAS in green. With 1 layer the state is MIXED in yellow. With no layers the state is BEAR BIAS in red. The second reading shows the current zone of K14 with its numerical value: OVERBOUGHT, OVERSOLD, BULL ZONE or BEAR ZONE.

### Values

The current values of the four layers rounded to whole numbers, each in its corresponding line color, with an ▲ arrow if the value is above 50 or ▼ if it is below.

## Section 7 — Background Zones

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The indicator colors the oscillator panel background in two extreme situations based on K14.

**Green background** — K14 has reached the oversold zone (value equal to or below the configured level, default 20). It indicates bearish exhaustion and potential reversal zone. The green color signals that the market is at an extreme where bullish opportunities have historically appeared, not that buying should be immediate.

**Red background** — K14 has reached the overbought zone (value equal to or above the configured level, default 80). It indicates bullish exhaustion and potential correction zone. The red color warns that buying momentum is at an extreme that has historically preceded corrections or consolidations, not that selling should be immediate.

Both levels are configurable from the indicator settings.

## Section 8 — Indicator Configuration

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### Edo Multi Stoch ✕

**Inputs**   **Style**   **Visibility**

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PERIODS

Period A (Macro)

Period B (Intermediate)

Period C (Classic)

Period D (Fast)

SMOOTHING

Smooth %K

Smooth %D

LEVELS

Overbought Level

Oversold Level

Show Midline (50)

VISIBILITY

Show Stoch A

Show Stoch B

Show Stoch C

Figure 6 — Complete indicator configuration panel.

## **Periods**

The four system periods are fully configurable. The default values are 89, 50, 14, and 5. If modified, the panel labels and cross log automatically update to reflect the new values.

## **Smoothing**

Smooth %K controls the smoothing applied to the raw stochastic before plotting each line. The default value of 3 is recommended to maintain the balance between sensitivity and visual clarity.

## **Levels**

Configures overbought and oversold levels, default 80 and 20. These levels affect background coloring and the zone reading in the Current State panel. It also allows enabling or disabling the middle level line at 50.

## **Visibility**

Allows hiding any of the four lines individually without affecting the rest of the system or the information panel.

## **Cross Panel**

Controls all aspects of the information panel. Show Cross Panel enables or disables the entire panel. Panel Position selects the anchor corner between Top Right, Top Left, Bottom Right and Bottom Left. Panel Size toggles between Small and Medium. Panel Mode toggles between Dark for dark backgrounds and Light for light backgrounds. Cross History rows configures the number of log rows between 3 and 15.

## Section 9 — Use Cases

### Total Alignment Reading

The clearest case for the indicator is when Current State shows 3/3 BULL BIAS or 0/3 BEAR BIAS. In both cases all four layers are completely aligned in the same direction, indicating that momentum is consistent across all time horizons. This is the highest weight reading of the system.

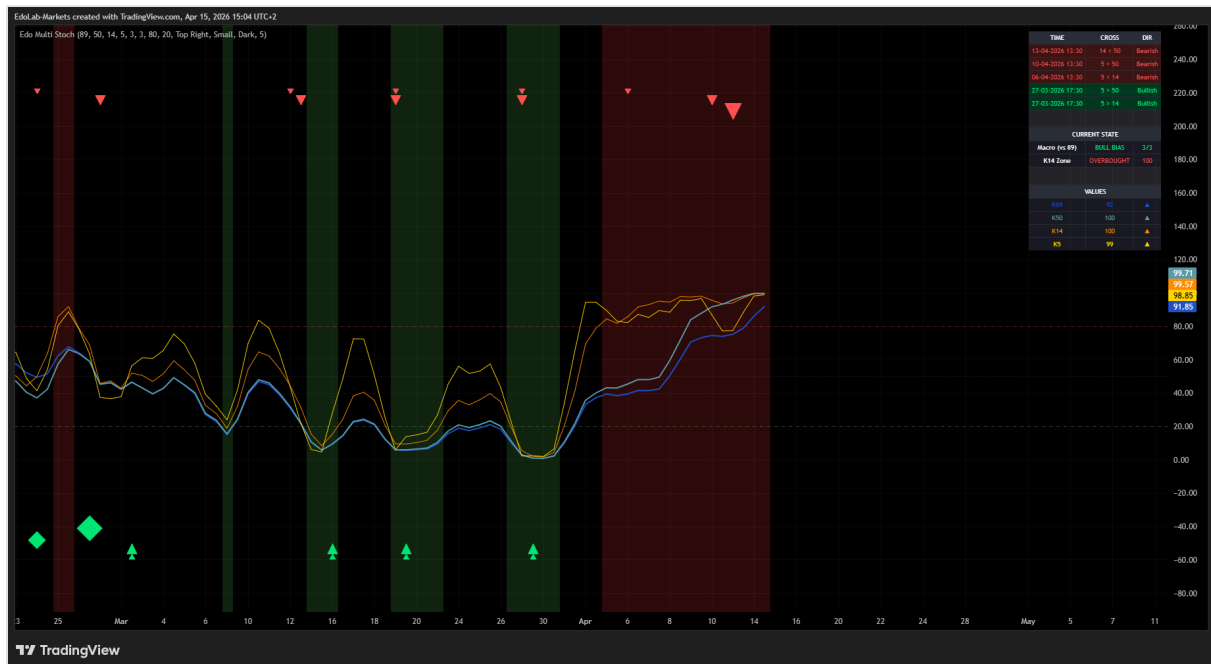


Figure 7 — Example of complete bullish alignment: K89, K50, K14 and K5 above 50, Current State 3/3 BULL BIAS.

### Transition Detection

When Current State shows 1/3 or 2/3 the system is in the process of change. The faster layers have already changed sides but the slower ones have not yet confirmed. This is the time to increase attention, not to execute. The Cross Log in this situation will show recent crosses of K5 and K14 but not yet of K50 or K89.

### Confluence with Price Levels

The system gains greater value when a weighted cross, especially K14×K89 or K50×K89, coincides temporally with a bounce at a structural support, a relevant Fibonacci zone, or a key EMA in price. The confluence between the momentum event in the oscillator and the technical level in price significantly reinforces the reading.

### Noise Filter in Ranging Markets

In markets without a defined trend K89 remains near the 50 level and crosses between layers occur more frequently. In these contexts the most useful data from the indicator is the position of K89: as long as it remains oscillating around 50 without defining direction, crosses from the faster layers have lower structural reliability.

## Section 10 — Open Source Indicator

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Edo Multi Stoch is a free indicator published as open source on TradingView. Any user can access the source code, study it, and adapt it freely. This decision responds to the Edolab Markets philosophy of contributing to the trading community with quality educational tools.

The fact that the indicator is open source does not reduce its usefulness or technical rigor. It is part of the Edolab Markets free tools ecosystem along with Edo EMA Core Cross, Edo Sentiment Map, Edo SuperTrend Core, and Edo ZigZag Auto Fib SR.

## Section 11 — Risk Warning

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Edo Multi Stoch is a technical analysis tool. It does not constitute financial advice or an investment recommendation. Trading in financial markets involves significant risk of capital loss. Past results do not guarantee future results.

No technical indicator, by itself, is sufficient to make trading decisions. Edo Multi Stoch should be used as part of a broader analysis methodology that includes risk management, structural price analysis, and understanding of market context.

Edolab Markets is not responsible for trading decisions made based on the use of this indicator.

## Section 12 — Conclusion

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Edo Multi Stoch solves a structural limitation of the classic stochastic: operating on a single time horizon with a signal line derived from the same calculation. By replacing that individual slow line with a hierarchy of four periods, the indicator transforms each cross into an event with real meaning between different time horizons.

The result is a cleaner, more informative system that is more consistent with the Edolab Markets approach: reading the market in layers, understanding context before seeking signals, and operating with confluence rather than isolated momentum.

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