



EDO RSI DUAL

Official Manual

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English

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Section 1 — Introduction

Edo RSI Dual is a momentum indicator that coordinates two RSI readings of opposite nature —a structural RSI 14 and a reactive RSI 2— in a single panel coloured by zones. On top of that base it adds a filtered signal system, a momentum histogram referenced to the 50 level, slow smoothing lines and a real-time status dashboard.

Its purpose is to deliver a compact reading of the oscillator state on every bar: where the structural RSI sits within its five-zone range, what the ultra-fast RSI is doing relative to that structure, and whether the conditions for a clean signal in overbought or oversold territory have been met.

It is part of the Edolab ecosystem as a free and open-source indicator, available on TradingView and designed to integrate naturally into any workflow based on momentum reading.

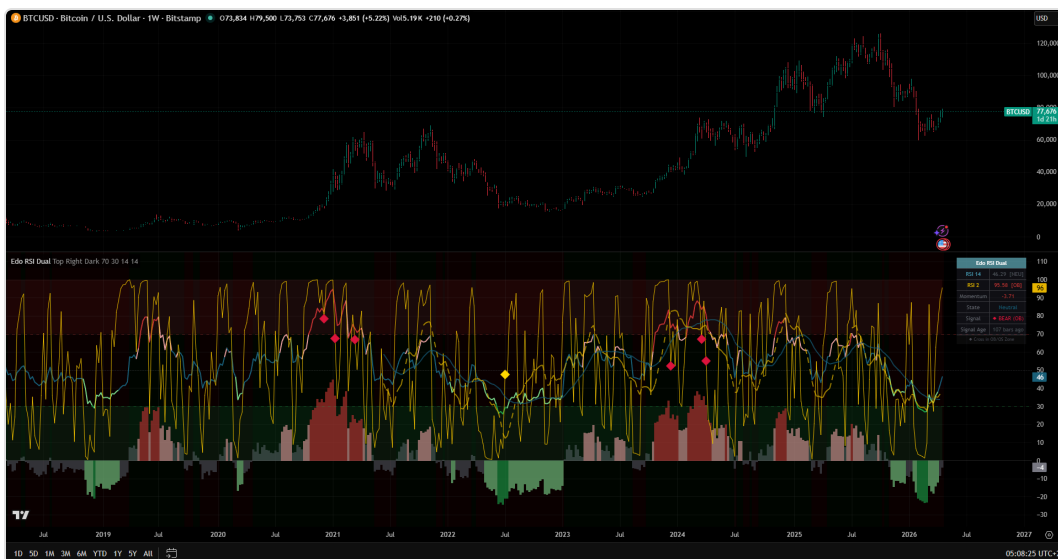


Chart with Edo RSI Dual active, showing the two RSI lines, the five colour zones, the momentum histogram, the background bias, the slow lines and the dashboard.

Section 2 — What Edo RSI Dual is and isn't

What Edo RSI Dual is

- A momentum indicator that combines RSI 14 and RSI 2 on the same panel.
- A five-zone dynamic colour system that classifies the RSI 14 into overbought, near overbought, neutral, near oversold and oversold.
- A filtered cross detector (Diamond Signals) that only triggers when the RSI 2 crosses the RSI 14 inside the overbought or oversold zone.
- A momentum histogram referenced to the 50 level that directly measures how far the RSI 14 sits from its centerline.
- A real-time dashboard with numeric values, zone state, last signal and bars-since-signal counter.

What Edo RSI Dual is NOT

- It is not a closed trading system.
- It does not generate orders or define automatic entries or exits.
- It does not predict price highs or lows.
- It does not replace risk management or trader judgment.

Section 3 — Indicator Philosophy

Wilder's classic RSI is one of the most widely used oscillators in technical analysis, but its traditional binary reading —overbought versus oversold— leaves out a large part of the information the oscillator actually carries. An RSI at 65 is not the same as an RSI at 75, and a cross inside the neutral zone does not carry the same significance as one in extreme territory.

Edo RSI Dual is built on a specific idea: read the RSI not as a binary value but as a zone-based structure, and combine it with a much faster second RSI capable of catching early turns inside each zone. The interaction between those two readings is the key to the indicator.

The RSI 14 acts as a structural reference and is dynamically coloured according to the zone it currently sits in. The RSI 2, popularised by Larry Connors as a tool for identifying short-term extremes, is an ultra-fast oscillator that reacts several bars in advance and lets you anticipate exhaustion within extreme zones. The signal only appears when both oscillators align inside a zone where reacting actually makes sense.

The result is an oscillator that keeps the familiarity of the classic RSI but adds a contextual filtering layer: every cross, every zone and every histogram reading is interpreted within a coloured map that already does much of the visual classification work for you.

Section 4 — Technical Foundation: Classic RSI and Connors RSI 2

The classic RSI

The Relative Strength Index (RSI) was developed by J. Welles Wilder in 1978 and is calculated from the average of gains and losses over a chosen period:

1. Compute the difference between the current close and the previous close.
2. Split those differences into gains (positive) and losses (positive in absolute value).
3. Compute Wilder's smoothed average of each series over the chosen period.
4. Compute RS (Relative Strength) as the ratio of the average gain to the average loss.
5. The RSI is obtained with the formula **$RSI = 100 - (100 / (1 + RS))$** .

The result is an oscillator bounded between 0 and 100, where readings above 70 are traditionally interpreted as overbought and readings below 30 as oversold. The default period is 14 bars.

The Connors RSI 2

The RSI 2 uses the same formula as the standard RSI but with a period of just two bars. It was popularised by Larry Connors as a tool for identifying short-term extremes in mean-reversion strategies. With such a short window, the RSI 2 reacts almost instantly to price moves, sweeping the entire 0–100 range frequently and accelerating to extremes in very few bars.

The RSI 2 is never read in isolation. It becomes useful when contrasted against a more structural reference —here the RSI 14— to detect the exact moment the fast oscillator crosses the slow one inside relevant zones.

Note: The structural RSI 14 and the reactive RSI 2 behave very differently on the same price. The first one moves progressively within its range; the second one performs rapid jumps from extreme to extreme. Edo RSI Dual leverages that tempo difference as actionable information.

Section 5 — Structure: The Two RSI Layers

The indicator is built from two layers that coexist in the same panel and complement each other in their reading:

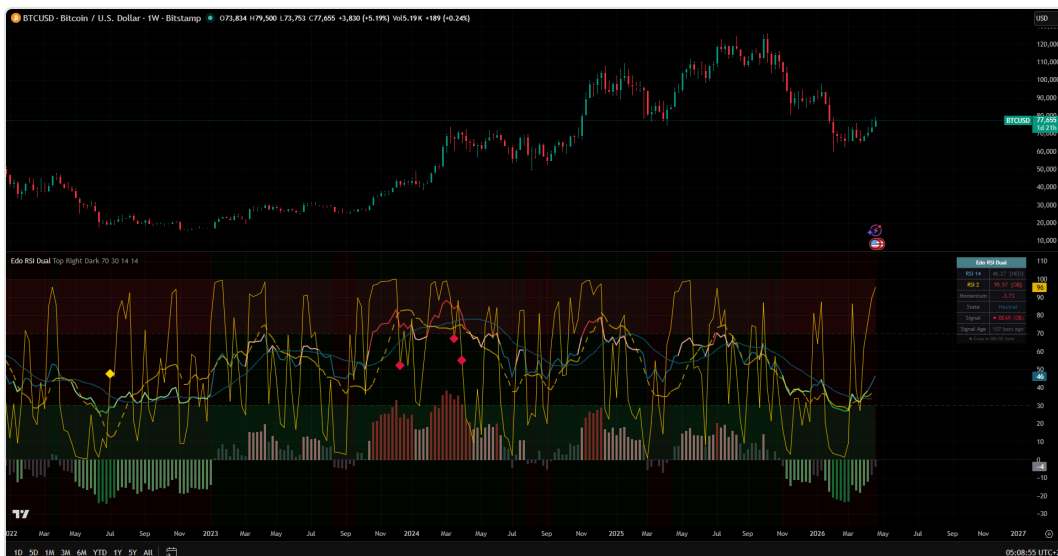
Structural layer — RSI 14

- **Main line:** width 2, dynamically coloured according to the zone the RSI 14 value sits in (five different shades).
- **Function:** structural momentum reference. Marks the bias of the market on the analysed timeframe.

Reactive layer — RSI 2

- **Main line:** width 1, fixed gold colour (#E6B800), clearly differentiated from the structural layer.
- **Function:** ultra-fast oscillator. Sweeps the range with greater amplitude and speed, generating the crosses the indicator filters in order to emit signals.

Both lines share the standard 0–100 RSI axis, but their behaviour within that axis is radically different: the RSI 14 moves smoothly while the RSI 2 oscillates with sharp jumps. That difference is what makes their crosses meaningful and what allows the OB/OS zone filter to provide real operational information.



Structural RSI 14 layer (dynamically coloured line) and reactive RSI 2 layer (gold line) coexisting in the panel.

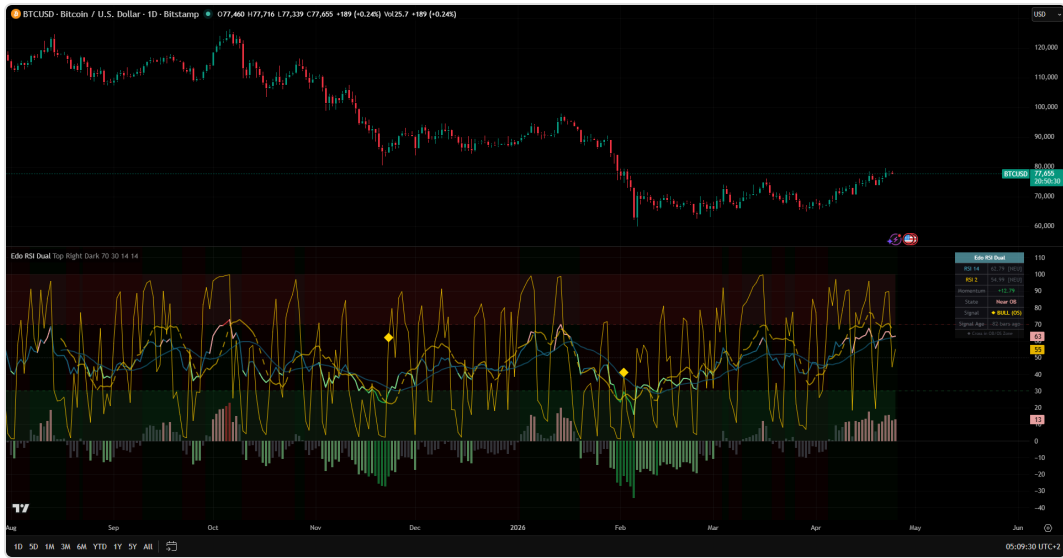
Section 6 — Five-Zone System and Dynamic Coloring

One of the distinctive features of Edo RSI Dual is its five-zone scheme for the RSI 14. Instead of the traditional binary (overbought / oversold) or triple (overbought / neutral / oversold) classification, the indicator splits the 0–100 range into five bands with their own colour coding:

Zone	Condition	Colour	Reading
Overbought	$RSI\ 14 \geq \text{Overbought Level}$	Dark red	Sell zone. Stretched bullish momentum.
Near overbought	$60 \leq RSI\ 14 < \text{OB Level}$	Light red	Approach to overbought. Bullish bias on watch.
Neutral	$40 < RSI\ 14 < 60$	Dark teal	Neutral zone. Momentum without extreme direction.
Near oversold	$\text{OS Level} < RSI\ 14 \leq 40$	Light green	Approach to oversold. Bearish bias on watch.
Oversold	$RSI\ 14 \leq \text{Oversold Level}$	Dark green	Buy zone. Stretched bearish momentum.

The colour scheme follows a contrarian logic to the directional bias: overbought is painted red (potential sell zone) and oversold green (potential buy zone). This convention is applied consistently throughout the indicator: RSI 14 main line, momentum histogram, dashboard state row and signal filters.

The RSI 14 line changes colour in real time as it crosses between zones. That visual transition is one of the key elements of the indicator: it lets you tell at a glance which segment of the range the oscillator currently sits in without checking the numeric value.



RSI 14 line shifting colour as it crosses zones: from dark red overbought through neutral teal to dark green oversold.

Section 7 — The Momentum Histogram (RSI 14 vs 50)

The indicator includes a momentum histogram calculated as the difference between the RSI 14 and the 50 level:

$$\text{Momentum} = \text{RSI 14} - 50$$

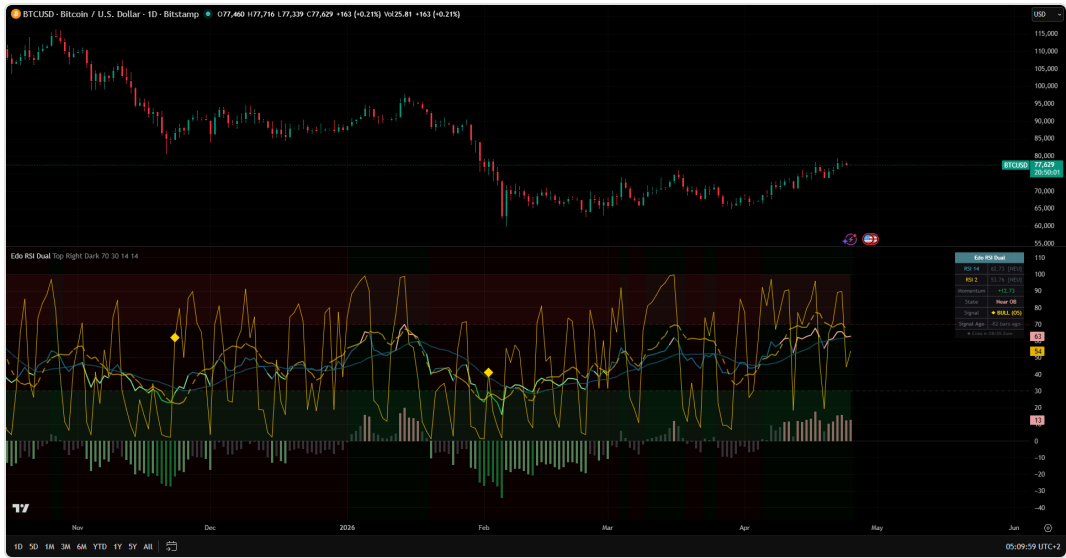
The 50 level is the structural centre of the RSI: above it reflects predominant bullish strength over the measured period, below it predominant bearish strength. The histogram translates that reading into a direct visual representation of momentum: bars above zero when the RSI sits above 50 and bars below zero when it sits under 50.

Histogram coloring

The histogram uses the same five-zone palette as the RSI 14 line, providing a coherent reading between both representations:

- **Solid red:** RSI 14 in overbought. Bullish momentum is stretched and entering extreme territory.
- **Faded red:** RSI 14 near overbought. Bullish momentum on watch.
- **Grey:** RSI 14 in neutral zone. Momentum without extreme bias.
- **Faded green:** RSI 14 near oversold. Bearish momentum on watch.
- **Solid green:** RSI 14 in oversold. Stretched bearish momentum.

This colouring turns the histogram into a simultaneous double reading: direction (side of the zero line) and zone (five-shade palette).



Momentum histogram with bars above and below the zero line, showing colour transitions between zones.

Section 8 — Slow Lines: Visual Bias Smoothing

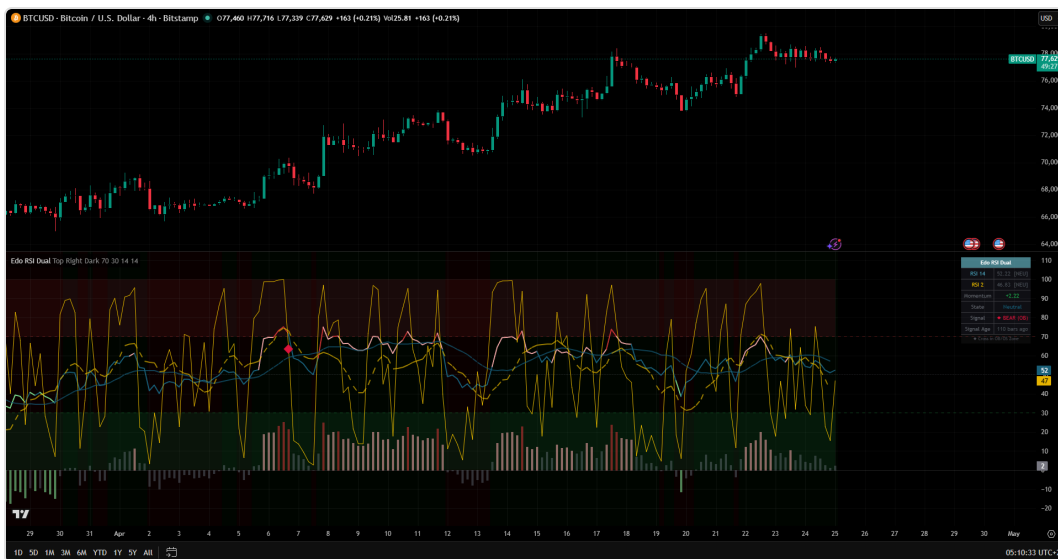
Edo RSI Dual adds two slow lines drawn in dashed style that act as an additional reference layer over the two main RSI lines:

- **Slow RSI 14:** simple moving average (SMA) of the RSI 14, default period 14, drawn in faded teal and dashed style.
- **Slow RSI 2:** simple moving average of the RSI 2, default period 14, drawn in faded gold and dashed style.

The slow lines do not generate signals on their own but provide a visual reference of the average bias of each oscillator. When the RSI 14 main line sits above its Slow Line, structural momentum is in an expansive phase; when it sits below, in a contractive phase. The same applies to the RSI 2, although its volatility makes the reading less stable.

The slow lines are rendered bar by bar through line objects, which allows them to keep their dashed style with visual consistency even on compressed or stretched charts.

Note: Both the Slow RSI 14 and the Slow RSI 2 periods are independently configurable. Their default value is 14 in both cases, providing neutral smoothing without biasing one over the other.



Dashed slow lines acting as a visual reference for the average bias of the RSI 14 and RSI 2.

Section 9 — Diamond Signals: Filtered Crosses in OB/OS Zones

The signal system in Edo RSI Dual is built on a strict premise: a cross is only relevant when it occurs inside an extreme zone. All other crosses between the RSI 2 and the RSI 14 are ignored by the indicator.

Bullish signal condition

A **Bull Diamond** (gold diamond) is plotted when two conditions are met simultaneously:

1. The RSI 2 crosses above the RSI 14 (bullish cross).
2. The RSI 14 sits in the oversold zone ($RSI\ 14 \leq \text{Oversold Level}$).

The diamond is drawn exactly at the RSI 2 value on the cross bar, inside the green lower zone of the panel. Its location makes it immediately visible and distinguishable from other markers.

Bearish signal condition

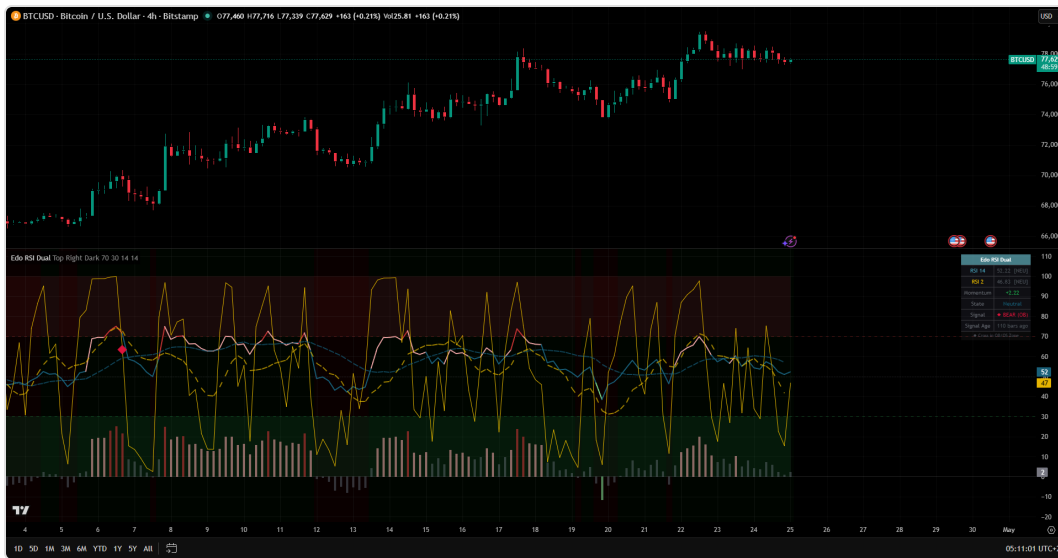
A **Bear Diamond** (crimson diamond) is plotted when two conditions are met simultaneously:

1. The RSI 2 crosses below the RSI 14 (bearish cross).
2. The RSI 14 sits in the overbought zone ($RSI\ 14 \geq \text{Overbought Level}$).

The diamond is drawn exactly at the RSI 2 value on the cross bar, inside the red upper zone of the panel.

Signal logic summary

- Bull Diamond → RSI 2 bullish cross over RSI 14 + oversold.
- Bear Diamond → RSI 2 bearish cross under RSI 14 + overbought.
- Any cross outside the extreme zones is discarded.



Gold Bull Diamond drawn on the RSI 2 / RSI 14 cross inside the green oversold zone.



Crimson Bear Diamond drawn on the RSI 2 / RSI 14 cross inside the red overbought zone.

The indicator records each signal in the dashboard with its type (◆ BULL or ◆ BEAR) and the number of bars since it appeared. That age allows you to distinguish recent signals — where the condition is still contextually valid— from older ones that may have lost validity.

Section 10 — Background Bias and Midline

Background Bias

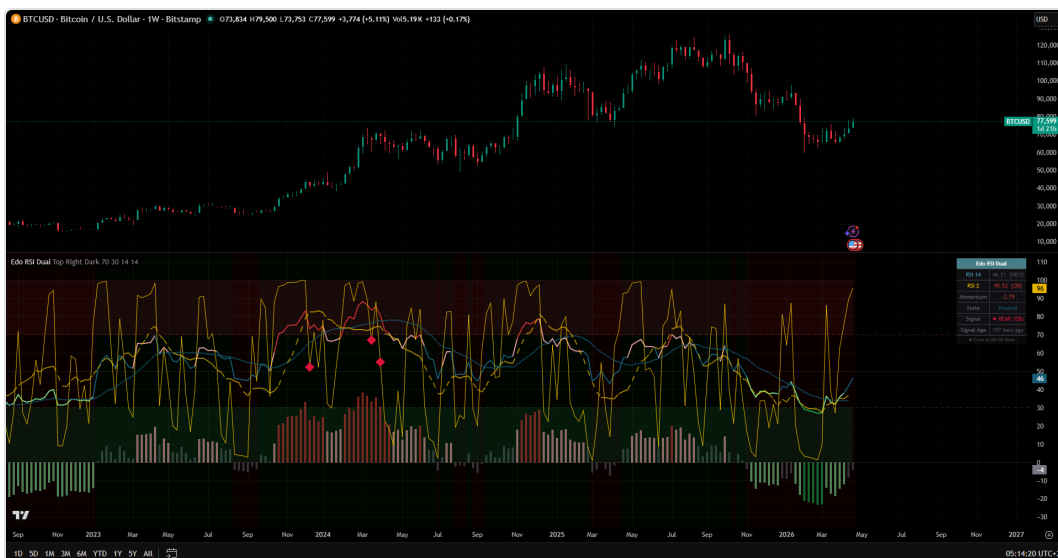
The indicator colours the panel background according to the RSI 14 position relative to the 50 line:

- **Faint green background:** RSI 14 above 50. Active bullish bias.
- **Faint red background:** RSI 14 below 50. Active bearish bias.
- **No background:** RSI 14 exactly at 50.

The background bias is a fast-reading element: it lets you identify the average momentum bias at a glance without checking the numeric value. Colour transparency is high so it does not interfere with line and histogram readability.

Midline 50

The 50 level is drawn as a horizontal grey dotted line in the centre of the panel. It serves as a visual reference for the axis on which the momentum histogram is calculated and as the threshold for the background bias. The midline can be disabled from the configuration.



Background bias colouring the panel according to the RSI 14 side relative to the 50 midline.

Section 11 — Overbought and Oversold Zones

The extreme zones are one of the central pieces of the indicator. They are defined by two configurable parameters:

- **Overbought Level:** level above which the RSI 14 is considered overbought. Default 70.
- **Oversold Level:** level below which the RSI 14 is considered oversold. Default 30.

The zones are visually represented by two elements:

1. **Dashed horizontal lines** at the OB and OS levels, drawn in red and green respectively.
2. **Fill bands** between each level and the panel edges (100 and 0), painted in a faded shade of the corresponding colour. The upper band stays in faint red, the lower one in faint green.

The bands serve two operational purposes: they visually frame the extreme zones and act as a validation area for the Diamond Signals. A cross only becomes a signal when it occurs inside one of these bands.

Note: The 70 and 30 levels are the conventional values of the classic RSI. Highly volatile assets may require wider levels (80/20), while more sideways markets may work better with levels closer to the centre (65/35). The indicator allows both values to be adjusted independently.

Section 12 — Information Panel

The Edo RSI Dual dashboard condenses the full reading of the indicator into a compact panel that updates bar by bar. Its rows are as follows:

Row	Content	Reading
Edo RSI Dual	Fixed panel header	Indicator identifier
RSI 14	RSI 14 numeric value + state [OB / NEU / OS]	Real-time structural reading
RSI 2	RSI 2 numeric value + state [OB / NEU / OS]	Real-time reactive reading (internal thresholds 90/10)
Momentum	RSI 14 – 50 difference with sign	Position of momentum relative to the midline
State	RSI 14 zone label	Overbought, Near OB, Neutral, Near OS or Oversold
Signal	Last detected Diamond signal	◆ BULL (OS), ◆ BEAR (OB) or — if no prior signal
Signal Age	Bars since the last signal	X bars ago. Highlighted in green if ≤ 3 bars (recent signal)
Panel footer	Fixed reminder text	"◆ Cross in OB/OS Zone"

Edo RSI Dual	
RSI 14	64.48 [NEU]
RSI 2	86.69 [NEU]
Momentum	+14.48
State	Near OB
Signal	◆ BEAR (OB)
Signal Age	63 bars ago
◆ Cross in OB/OS Zone	

Full dashboard showing RSI 14, RSI 2, momentum, zone state, last signal and bars-since-signal counter.

Panel position and theme

The panel can be placed in any of the four corners of the indicator panel (Top Right by default) and switched between Dark theme (default) and Light theme. Both themes keep the same content structure and only change background and auxiliary text colours to match the overall chart scheme.

Section 13 — Configuration and Customization

The indicator settings are organised in three groups:

Display

Parameter	Default	Description
Show RSI 14	Enabled	Shows or hides the RSI 14 structural line.
Show RSI 2	Enabled	Shows or hides the RSI 2 reactive line.
Show Slow Lines (SMA)	Enabled	Shows or hides the dashed smoothing lines for each RSI.
Show Momentum Histogram	Enabled	Shows or hides the RSI 14 – 50 histogram.
Show OB/OS Zones	Enabled	Shows or hides the overbought and oversold fill bands.
Show Background Bias	Enabled	Enables or disables the background colouring driven by the RSI 14 bias.
Show Midline (50)	Enabled	Shows or hides the dotted horizontal line at the 50 level.
Show Diamond Signals	Enabled	Shows or hides the Bull / Bear Diamond markers.
Show Dashboard	Enabled	Shows or hides the information panel.
Table Position	Top Right	Panel position: Top Right, Top Left, Bottom Right or Bottom Left.
Dashboard Theme	Dark	Panel visual theme: Dark or Light.

Levels

Parameter	Default	Range	Description
Overbought Level	70	50–95	Threshold above which the RSI 14 is considered overbought.

Parameter	Default	Range	Description
Oversold Level	30	5–50	Threshold below which the RSI 14 is considered oversold.

Slow Lines

Parameter	Default	Range	Description
RSI 14 Slow SMA Period	14	2–50	Period of the SMA applied to the RSI 14 for the slow line.
RSI 2 Slow SMA Period	14	2–50	Period of the SMA applied to the RSI 2 for the slow line.

Section 14 — Alerts

The indicator includes three alert conditions that can be configured from TradingView. They allow you to receive automatic notifications when the most relevant indicator events occur, without keeping the chart open.

Alert	Condition	Message
Bull Cross ◆ (OS)	RSI 2 bullish cross over RSI 14 inside the oversold zone	Edo RSI Dual — Confirmed Bull Cross in OS Zone ◆
Bear Cross ◆ (OB)	RSI 2 bearish cross under RSI 14 inside the overbought zone	Edo RSI Dual — Confirmed Bear Cross in OB Zone ◆
Momentum Zero Cross	The RSI 14 crosses the 50 midline (directional bias change)	Edo RSI Dual — RSI 14 crossed the 50 midline

Alerts are configured from TradingView's standard alert dialog by selecting the desired condition and trigger type (once per bar, on close, etc.). The first two alerts correspond directly to the Diamond Signals visible on the panel; the third one captures the moment momentum changes sign relative to the midline, regardless of whether a Diamond Signal is triggered.

Section 15 — Risk Disclosure

Trading involves risk. Edo RSI Dual is a momentum analysis tool, not a guarantee of results.

The user is solely responsible for their own trading decisions. No indicator, on its own, constitutes a complete trading system. The signals, zones and alerts of the indicator must always be interpreted within the context of a personal methodology and a coherent risk management framework.

Section 16 — Conclusion

Edo RSI Dual is a momentum indicator that reinterprets the classic RSI through a five-zone dynamic colour system, combines it with a reactive RSI 2 capable of catching early turns and filters relevant crosses through a strict OB/OS zone validation.

The momentum vs 50 histogram, the background bias, the dashed slow lines and the full dashboard build a coherent visual map in which every element reinforces the others. The reading is direct yet rich in nuance: direction, zone, strength and signal age all show up on the panel without further calculations.

As a free and open-source indicator within the Edolab ecosystem, it is designed to integrate naturally into any momentum-based workflow, complementing other Edolab indicators or serving as a standalone tool for RSI oscillator analysis.

