PSEDYS | TECHNICAL REFERENCE MANUAL V3.0

POC Price — Point of Control

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Technical Reference Manual v1.0

PSEDYS | Volume Profile Indicators

1. What is POC?

Point of Control (POC) is the price at which the highest volume was traded within a defined lookback window. It is the peak of the Volume Profile histogram.

POC represents the "fair price" accepted by the market. Price gravitates towards the POC during consolidation phases and uses it as support/resistance in a trend.

POC Naked (untouched after formation) = high-priority magnetic level.

2. Calculation Formula — 4 Steps

Step 1 — Lookback

```
lookback = 100 bars (5M = ~8.3 hours intraday)
```

Context	Lookback 5M	Equivalent Time
Intraday scalp	50 bars	~4.2 hours
Standard PSEDYS	100 bars	~8.3 hours
Intraday swing	200 bars	~16.7 hours

Step 2 — Price Bins

```
price_range = max(high[-lookback:]) - min(low[-lookback:])
bin_size = price_range / 50   # num_bins = 50 standard
price_min = min(low[-lookback:])
```

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Step 3 — Volume Accumulation in Bins

```
volume_bins = [0.0] * 50
avg_volume = sum(c["volume"] for c in candles[-lookback:]) / lookback

for candle in candles[-lookback:]:
    typical_price = (candle["high"] + candle["low"] + candle["close"]) / 3
    bin_index = int((typical_price - price_min) / bin_size)
    bin_index = max(0, min(49, bin_index))
    # Spike filter: cap at 3x average
    vol = min(candle["volume"], avg_volume * 3)
    volume_bins[bin_index] += vol
```

Step 4 — Identify POC

```
poc_bin_index = volume_bins.index(max(volume_bins))
poc_price = price_min + (poc_bin_index + 0.5) * bin_size
# +0.5 = center of the bin, not the lower edge

# POC invalid if total volume too low (thin market):
if sum(volume_bins) < avg_volume * lookback * 0.3:
    poc_price = None
```

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Numeric Example

```
lookback=5, num_bins=5
Candles (H, L, C, V):
  [1] H=105, L=100, C=103, V=1000  HLC3=102.67  bin 2
  [2] H=104, L=101, C=102, V=1500  HLC3=102.33  bin 2
  [3] H=107, L=103, C=106, V=800   HLC3=105.33  bin 4
  [4] H=103, L=98,  C=100, V=600   HLC3=100.33  bin 0
  [5] H=105, L=102, C=104, V=1200  HLC3=103.67  bin 3

price_min=98, price_range=9, bin_size=1.8
Bins:
  bin 0 [98.0-99.8]:   V=600
  bin 1 [99.8-101.6]:  V=0
  bin 2 [101.6-103.4]: V=2500  <- MAXIMUM -> POC
  bin 3 [103.4-105.2]: V=1200
  bin 4 [105.2-107.0]: V=800

poc_bin_index = 2
poc_price = 98 + (2 + 0.5) x 1.8 = 102.5
```

3. PSEDYS Parameters

```
POC_LOOKBACK     = 100      # bars on 5M
POC_NUM_BINS     = 50       # granularity
POC_PRICE_SOURCE = "hlc3"   # (H+L+C)/3
```

4. PSEDYS Trading Signals

POC as support (LONG):
- Price retraces to POC from a bullish move (coming from above)
- POC below price dynamic support
- LONG entry at touch + confirmation of bullish 5M candle

POC as resistance (SHORT):
- Price rises to POC from a bearish move (coming from below)
- POC above price dynamic resistance
- SHORT entry at touch + confirmation of bearish 5M candle

POC Naked (maximum priority):
- POC formed in the previous session, untouched by price
- As price approaches, high-priority magnetic level

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SKIP — when not to use POC:
- Extreme volatility (spike >3x ATR)
- Total volume in lookback < 30% of average
- POC moves >0.5% per bar unstable

5. Validation vs TradingView

```
Price source: HLC3 = (H+L+C)/3 identical to TV default
Num bins: TV default=80, PSEDYS=50
  Possible difference of 1 bin (+-bin_size)
  Acceptable tolerance: <0.1% compared to TV
Lookback: TV default=200 bars, PSEDYS=100 bars
  Different lookback different POC (not an error, it's a setting)
Tolerance: < bin_size / 2 (half the width of a bin)
```

6. Cheat Sheet POC

Concept	Value / Rule
Standard lookback 5M	100 bars (~8.3 hours)
Granularity	50 bins
Price source	HLC3 = (H+L+C)/3
Bin formula	bin_idx = int((hlc3 - price_min) / bin_size)
POC price formula	price_min + (poc_bin + 0.5) x bin_size
Recalculation	At each closed candle
Spike filter	Cap volume at 3x average lookback
POC invalid	Total volume < 30% of period average
Tolerance vs TradingView	< bin_size / 2
POC naked	Priority magnetic level until first touch

PSEDYS Indicators Technical Manual v1.0 — June 2026

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