

Point and Figure Tutorials (12)

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What is the best moving average to apply for point and figure charts ?

normally most traders will use simple moving averages in a point and figure chart but this can be a little confusing. Every box in a point and figure chart is a statistical container of price movements of the upper and lower boundary of the box (column) regardless of the time frame. To build a moving average we need to summarize the price that best represents the whole column. Some boxes of the column were built on high volume and some were built with low volume. So we cannot go to the midpoint of the column and use this value to build the moving average. For that reason we have to use price movement in conjunction with volume to get the best results to apply moving averages on point and figure charts. Please refer to my paid online point and figure seminars to learn more about to use this kind of moving averages.

Advertising

If you like to participate in my point and figure training courses which gives you an edge as a trader feel free to contact me. After this training you will see the market moves much clearer as before don't trade every pattern you see. Don't make your broker rich because you have to make money.