

# Twitter Thread by EquiAlpha- Price Cycle Trading



**EquiAlpha- Price Cycle Trading**

[@equialpha](#)



## Moving Averages Full guide ■

How to use them ? Which one is best ? What I use ?

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First let us go through 2 cases of how moving averages are used

1) For finding trend - Prices are volatile on day to day, week to week basis to smooth them MA are used . It tells clear direction of the trend without getting lost in volatility (1/n)

Look in 1 chart it's only Prices & 2nd one with only MA. Things look neat in 2nd one (2/n)

dev777 published on TradingView.com, Aug 03, 2022 18:28 UTC+5:30



Eg - In this pic black is SMA & blue is EMA  
Look how EMA stays ahead of SMA & aligns fast with current prices (6/n)

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3) Double EMA - This is more filtered form of EMA where the latest price is given double weight compared to what given in EMA . So this moves even faster than EMA. Below is EMA vs double EMA. Effectively a 5 DEMA = 10 EMA (7/n)

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4) Triple EMA - Just like in DEMA the recent prices are given double weight, here it is giving triple weight, hence triple EMA below is all EMA v/s DEMA v/s TEMA

High to low TEMA>DEMA & EMA

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Now the question comes which MA are best ?

I will answer that in below tweets now. Do like if you like till now

Using SMA - I use 50 SMA as this is used by institutions as buying area as the stock moves ahead.

Eg Deepak Nitrite, Balaji amines, LTTS

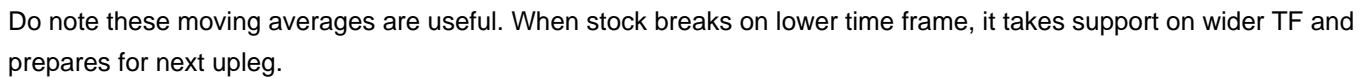
It's always a area near to 50 SMA - not exactly the line at which insti buys. On weekly 50 day is 10 week

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Using EMA - Most MA that I use is EMA

Each has its own purpose. Daily helps in swing, Weekly helps in Mid term trends & Monthly in trend following & LT investments. Below is 10/20/30 EMA on weekly guiding trend



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INDIAN ENERGY EXCH, 1W, NSE +6.75 (+4.23%)

Moving Averages 170.98 184.87 191.81

Vol 39.063M 38.431M

The chart displays the weekly price movement of the Indian Energy Exchange (INR) from July 2020 to July 2022. The price starts around 32.00 INR in July 2020, rises to a peak of approximately 325.00 INR in late 2021, and then declines to around 166.35 INR by July 2022. A red shaded area highlights a period of volatility in early 2022. The current price is 166.35 INR.

Date	Price (INR)	Volume (M)
Jul 2020	32.00	39.063
Oct 2020	32.00	38.431
Apr 2021	32.00	39.063
Jul 2021	32.00	38.431
Oct 2021	32.00	39.063
Apr 2022	32.00	38.431
Jul 2022	166.35	39.063

30 Month EMA are good add points for Long term holding investors  
10/20 Weekly EMA are good add points for trend followers

10/20 Daily EMA are good add points -swing/positional

MA helps in understanding the price cycle of stock as stock moves in stages & helps identifying Trends

So what the best is probably what WORKS the best for you. For me above is working

That's it

Thanks for reading do take out your time to like & retweet this. Also join our telegram channel for max learning - <https://t.co/IJ00OKnSb2>

FREE PDF on price cycle breakout trading - Learn more about price cycles & bases here <https://t.co/b4jA3Ce050>

Thanks ! Done. Let me know if any queries