

Twitter Thread by Quant Guy



Quant Guy

@QuantMan_



For traders who are fond of moving averages, Here are some practical pointers:

1. Get rid of the shorter term moving average completely in case of crossovers (unless its 5 period or less, or used for smoothing data)

(1/3)

2. Considering moving to Moving Average Bands

- baseline with high and low
- baseline with ATR bands
- baseline with STDev bands (Bollinger)

my chart study with moving average is like this■

(2/3)



3. Avoid trades on a moving average crossover (unless its long term averages used for direction bias)

Below are the trades from a 3x5 moving average crossover system

(3/3)

