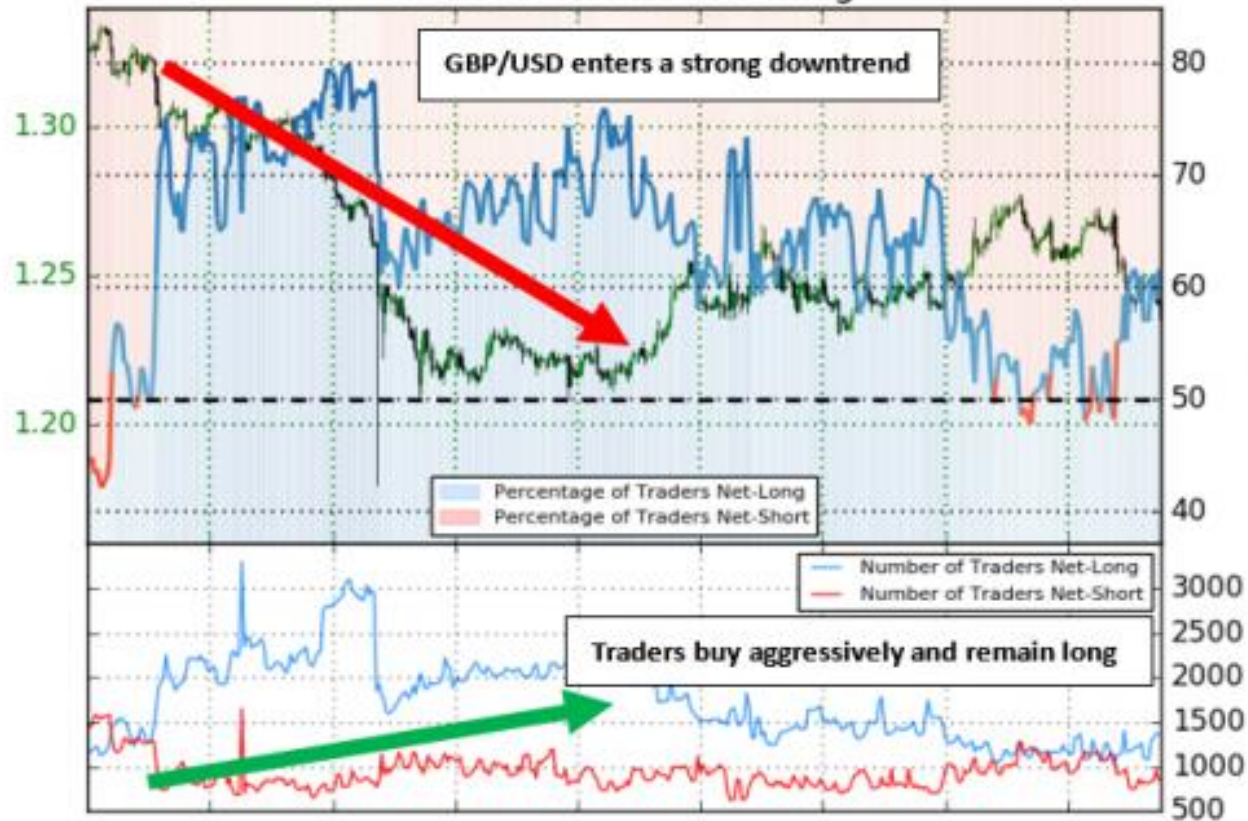


# Best Technical Indicators for Stock Trading

GBPUSD Client Positioning

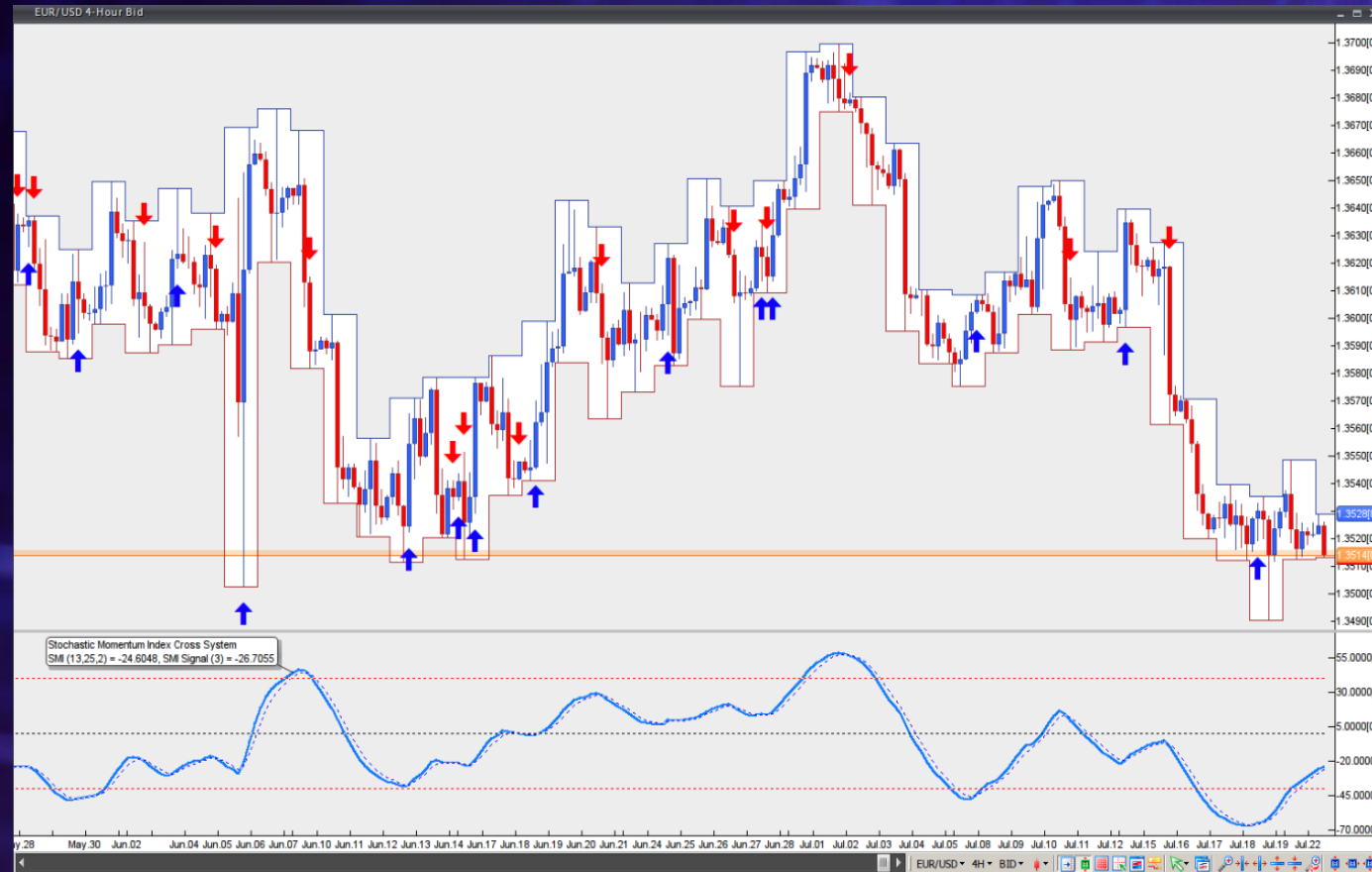


# Client Sentiment

- ∅ Shows client positioning of the market
- ∅ Indicates when markets are nearing extremes
- ∅ Leading indicator
- ∅ Useful in trending markets

# Stochastic Indicator

- ∅ Plotted between 0 – 100
- ∅ Consists of two lines, %K and %D line
- ∅ Indicates when the market is overbought or oversold
- ∅ Leading indicator
- ∅ Useful in rangebound markets



## Simple Moving Average (SMA)

Daily Chart - Dow Jones Industrial Average ETF (DIA)



# Simple Moving Average (SMA)

- ∅ The SMA represents the average price of a security over a specified period
- ∅ Equal weighting is given to all points in the data set
- ∅ Used to confirm the direction of the current trend
- ∅ Lagging indicator
- ∅ Useful in trending markets

## Exponential Moving Average (EMA)

Daily Chart - eBay (EBAY)



# Exponential Moving Average (EMA)

- ∅ The EMA represents the average price of a security over a specified period with a greater emphasis on recent prices
- ∅ Higher weighting is given to recent points in the data set
- ∅ Lagging indicator
- ∅ Useful in trending markets



# Moving Average Convergence Divergence (MACD)

- ∅ The MACD measures both momentum and the trend
- ∅ Overbought and oversold signals occur above and below the zero-line
- ∅ Lagging indicator
- ∅ Useful in trending markets

# Relative Strength Index (RSI)

Daily Chart - Wal-Mart (WMT)



## Relative Strength Index (RSI)

- Plotted between 0 – 100
- Indicates when the market is overbought or oversold
- Leading indicator
- Useful in trending markets