



LESSON 2 NOTES

ALT FINS **Education**

CRYPTO TECHNICAL ANALYSIS (TA) AND
TRADING USING ALTFINS PLATFORM

LESSON 2 NOTES

Lesson 2 (strategy): **Trend trading MA crossovers**

STRATEGY DESCRIPTION

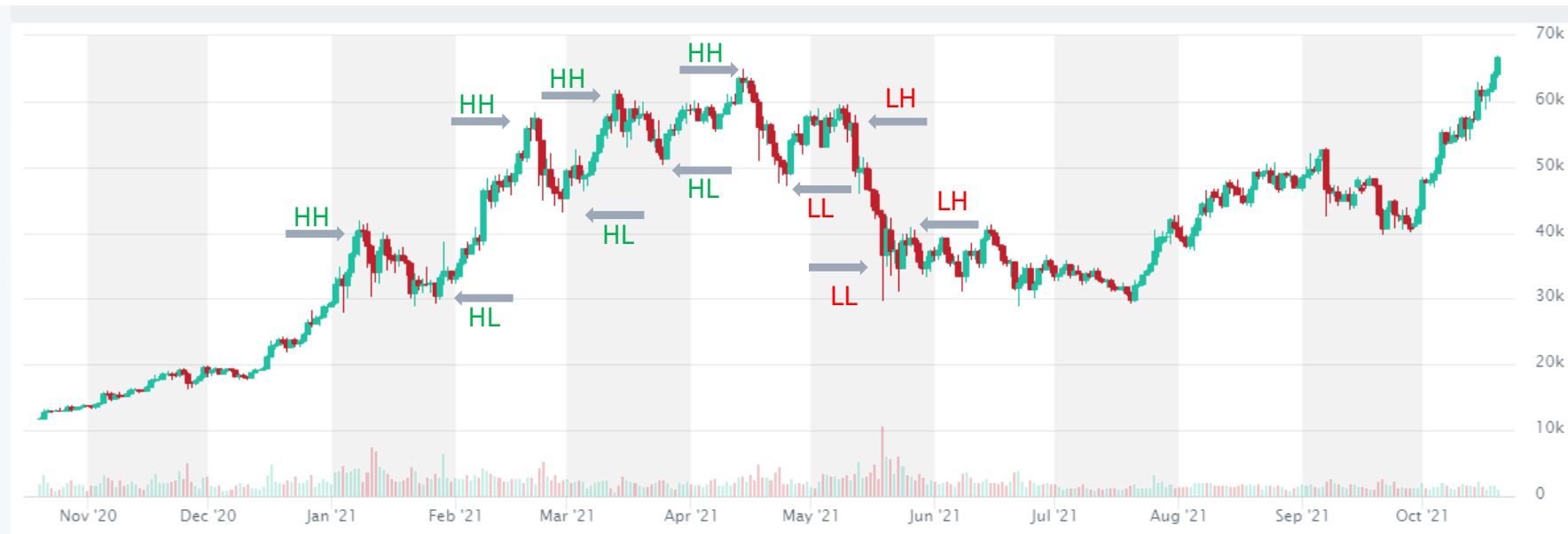
This is a simple yet powerful trend trading strategy. Find a trend and ride it for big gains. Moving averages are used to spot trends.

TA CONCEPTS COVERED

- Trend trading
- Moving Averages (SMA v. EMA)
- MA crossovers
- Golden / Death cross
- MA slope
- MA Ribbon

Lesson 2: What's trend trading?

- Identifying a trend and riding it higher
- **What's a trend?** Textbook definition: Series of Higher Highs and Higher Lows (example BTC):



Lesson 2: How to identify a trend?

- Trend = series of Higher Highs and Higher Lows
- Using altFINS' trend ratings (Short- Medium- and Long-Term)MA slope
- Moving Averages (SMA, EMA) crossovers
 - Using EMA 12 / EMA 50 crossovers
 - Golden / Death cross (SMA 50 / SMA200)

Lesson 2: Using Trend Ratings

- Filter coins based on altFINS' Trend Ratings score:
 - Signals Summary
 - Custom Screen

Lesson 2: SMA vs. EMA

- **Simple Moving Average (SMA)** – just a plain average of 5, 10, 20...etc. prices
- **Exponential Moving Average (EMA)** – puts greater weight on the most recent prices, and thus has less lag than SMAs; it will react quicker to price changes.
- **SMAs change slower than EMAs** and thus SMAs are better for traders with longer time frames. EMA reflects price changes faster and thus is better for short-term traders.

Lesson 2: Which MAs to use?

- **Shorter-term MAs (5, 10, 20) will identify an emerging trend sooner**
 - Positive: catch a trend early, more upside potential
 - Negative: there will be more false breakouts
- **Medium-term MAs (20, 30, 50) and Long-term MAs (50, 100, 200) will identify a trend later**
 - Positive: trend will be more established
 - Negative: less upside potential
- **Good compromise is using EMA 12 / EMA 50 crossovers as signals**
 - BUY when EMA 12 crosses above EMA 50
 - SELL when EMA 12 crosses below EMA 50

Lesson 2: MA crossovers

- **Bullish:** when shorter MA crosses above longer MA
 - Example: EMA 12 crosses above EMA 50
- **Bearish:** vice versa...when shorter MA crosses below longer MA
 - Example: EMA 12 crosses below EMA 50

Set up Alerts for MA crossovers

"Technical Analysis is the only way to measure the emotional component of the market. We know that many times an ounce of emotion can be worth a pound of facts. How else to explain a sudden shift in the market without a change in the fundamentals?"

- STEVEN NISON

credited for bringing Japanese techniques to the western world

Instructor

Richard Fetyko, CEO and Founder, altFINS



Mr. Fetyko spent 14 years on Wall Street as an equity research analyst at investment banks like Janney Montgomery Scott, covering Internet and Tech sectors, and then 6 years as a portfolio manager at a family fund Twin Capital.

During his Wall Street career, Mr. Fetyko was ranked among top analysts for his coverage of Internet:

[Ranked No. 2](#) by StarMine Analyst Awards in 2010 for ratings performance in Internet Software & Services industry

Ranked No. 4 and No. 2 by The Wall Street Journal's "Best of the Street" Analyst Survey in Advertising and Publishing sector in 2008 and 2007, respectively.