



Lesson 4 NOTES

# **ALT FINS** **Education**

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CRYPTO TECHNICAL ANALYSIS (TA) AND  
TRADING USING ALTFINS PLATFORM

Lesson 4 NOTES

# Lesson 4 (strategy): **Momentum & Uptrend**

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## STRATEGY DESCRIPTION

This trading strategy looks for altcoins in an uptrend and identifies opportunistic entry and exit points using momentum indicators (MACD, RSI).

## TA CONCEPTS COVERED

- Trend trading
- MACD Signal Crossovers
- MACD Histogram inflection

# Momentum & Uptrend

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## PRACTICAL IMPLEMENTATION

- Scan for coins in Uptrend and a bullish momentum swing
- Creating MACD crossover Alerts
- Using Signals Summary page

## TRADING RULES

- Find altcoins in an Uptrend
- Buy when MACD line crossed above MACD Signal Line
- Sell when MACD line crossed below MACD Signal Line

# Lesson 4: MACD

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- **Moving Average Convergence/Divergence oscillator (MACD)** is a simple and effective momentum indicator. MACD offers the best of both worlds: trend following and momentum.
- **MACD Line:** EMA 12 – EMA 26 (of price)
- **Signal Line:** EMA 9 of MACD Line
- **Histogram:** MACD Line – Signal Line
- MACD works best in trending markets (not sideways range)

Read more: <https://altfins.com/knowledge-base/macd-line-and-macd-signal-line/>

# Lesson 4: MACD indicator



# Lesson 4: How to trade MACD?

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To generate signals, crypto traders can look for:

1. **Signal line crossovers** – most used
2. **Slope of MACD histogram** – earliest signal, but many false signals
3. **Centerline crossovers** – least used (belated)
4. **Divergences** – good to spot potential reversals



# Lesson 4: Signal Line Crossovers

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## RULES:

1. **BUY** signal occurs when **MACD Line** crosses **ABOVE** the **Signal line**.
2. **SELL** signal occurs when **MACD Line** crosses **BELOW** the **Signal line**.
3. **Trade with trend.**
4. **Mind the resistance levels.** Make sure price isn't just below resistance level, instead, ideally above it.
5. **Take profit:** trim position near next major resistance – use Limit Sell orders
6. **Stop Loss:** just below the last swing low or nearest support zone

# Lesson 4: Signal Line Crossovers

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How to find? :

Custom filter:

MACD crossed above MACD Signal Line within last 2 intervals ✖ Medium Term Trend is Up ✖ Long Term Trend is Up ✖ RSI 14 is above 50 ✖

Custom filter:

MACD crossed above MACD Signal Line within last 2 intervals ✖ Medium Term Trend is Up ✖ Long Term Trend is Up ✖

Custom filter:

MACD crossed above MACD Signal Line within last 2 intervals ✖ Medium Term Trend is Up ✖



# Lesson 4: MACD Histogram Inflection

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MACD Histogram inflections occur even before the Signal Line crossovers

**Positive:** It's an early indicator of momentum inflection

**Negative:** It can give false signals and is prone to whipsawing

When the slope of the MACD Histogram changes, traders should take notice. When MACD Histogram peaks and begins to decline, that's a potential sell signal to a trader and it can occur sooner than the "Sell" Signal Line crossover. And when MACD Histogram troughs and begins to rise, that's a potential buy signal.

# Lesson 4: MACD Histogram Inflection



Slope of MACD Histogram changes ahead  
of Signal Line crossover

*"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

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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.