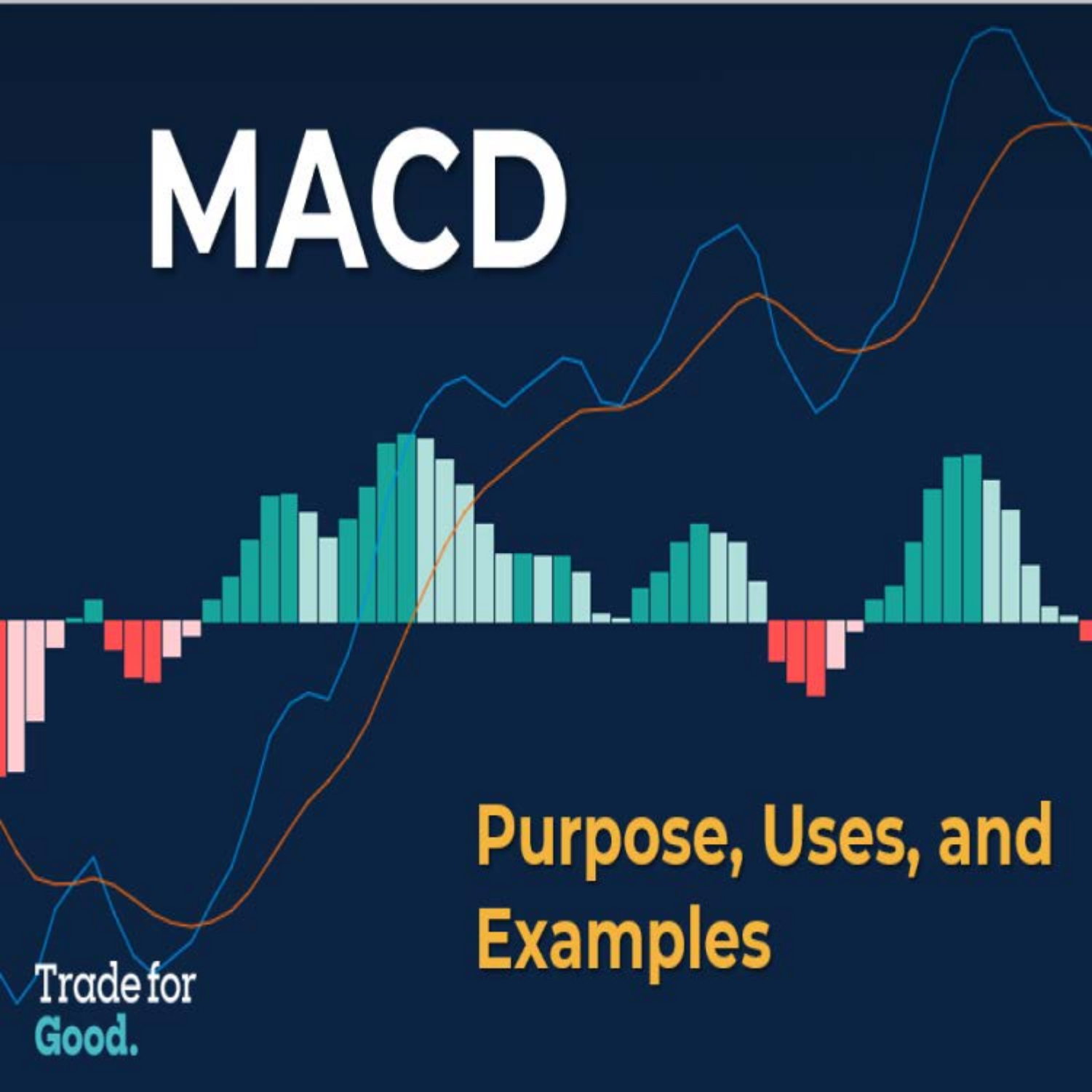


# MACD



**Purpose, Uses, and Examples**

Trade for  
Good.

# What Is MACD?

The moving average convergence divergence (MACD) is a **trend-following momentum indicator** used to monitor the relationship between two moving averages.

The “**signal line**” plotted on the MACD line, which can function as a **trigger for buy and sell signals**.



Trade for  
Good.

# MACD - Uptrend

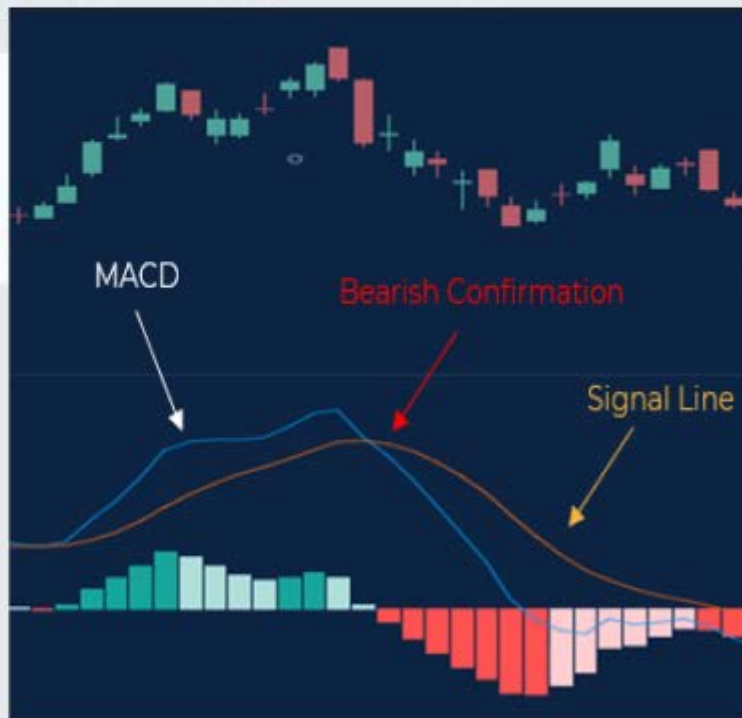
When the MACD is positive, the short-term average is located **above the long-term average** and is an indication of **upward momentum**.



Trade for  
Good.

# MACD - Downtrend

When the short-term average is **below the long-term average**, it's a sign that the **momentum is downward**.



Trade for  
Good.

# What Is a MACD Positive Divergence?

Is when the MACD does not reach a new low, despite the price of the stock **reached a new low**. This is seen as a bullish trading signal, a **“positive divergence.”**



Trade for  
**Good.**



# Is MACD a Leading or a Lagging Indicator?

MACD is a lagging indicator. As the data used in MACD is based on the historical price action of the stock. Some traders use MACD to **predict when a change in trend**, the MACD is used as a leading indicator.



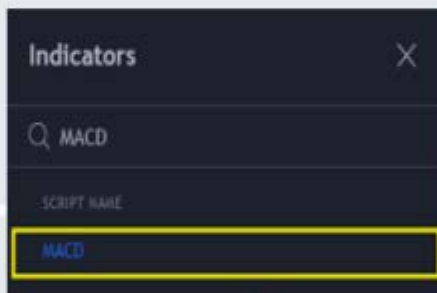
Trade for  
Good.

# How Add the MACD?

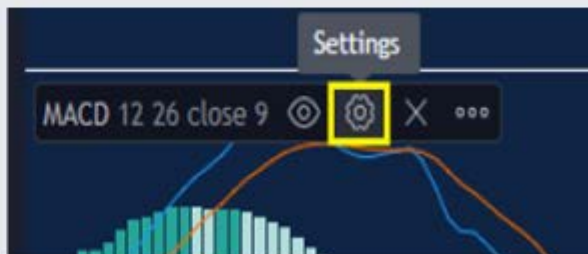
1. In the chart, click on **Indicators**



2. Search and select **MACD**



3. To modify, click on the **Cog**, and update the values



Trade for  
**Good.**