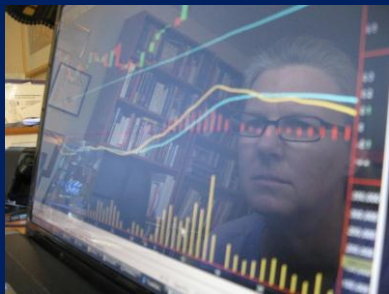


## THE TRUTH ABOUT MACD

By Jackie Ann Patterson  
Editor, BackTesting Report

# COURSE OUTLINE



What Worked  
What Didn't Work  
How to Avoid Mistakes Even Experts Make

# Required Disclaimers

- Trading involves risk of loss and may not be suitable for everyone.
- The author actively trades stocks and ETFs. By the time you see this video, she may or may not hold a position in any instrument mentioned in the video.
- This video class is for educational purposes and is not a recommendation to buy or sell securities.
- We are an affiliate of StockFinder<sup>®</sup> by Worden Brothers, Inc.
- **HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING. ALSO, SINCE THE TRADES HAVE NOT BEEN EXECUTED, THE RESULTS MAY HAVE UNDER-OR-OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFIT OR LOSSES SIMILAR TO THOSE SHOWN.**

# What You'll Learn in this Session: How to Make MACD Work for You

---

- ① How MACD Signals Are Used and Misused
- ① How BackTesting Helps You Choose a Strategy
- ① BackTesting Results of MACD Strategies
  - How to Pick the Best MACD Strategy
  - When NOT to Rely on MACD
- ① Critical Skills to Manage Risk
- ① Bringing it All Together: Trading with MACD

# Introduction to MACD

---

- ① MACD Overview
- ② Anatomy of MACD
- ③ MACD Signals

# What You Can Learn About MACD By Back Testing

---

- ⦿ What Signals Had Best Track Record
- ⦿ What Didn't Work
- ⦿ When Stops Got Jumped
- ⦿ How to Improve Risk-Adjusted Results

# Identifying MACD Divergences

---

- ① Divergence definition
- ① Types of divergences overview
- ① BackTesting Report rules for divergences
- ① Examples

# MACD Buy Signals and Settings

---

- ◎ Win Rates of Basic Buy Signals
- ◎ Seasons of MACD

# Expectancy for Basic MACD Signals

---

- ⦿ Strategies Back tested
- ⦿ Expectancy without stop losses
- ⦿ Stop losses back tested
- ⦿ Calculating # of shares with stop losses
- ⦿ Expectancy with stop losses

# Finding the Missing Link

---

- ⦿ What is it?
- ⦿ Back test results
- ⦿ Bonus software

# MACD/H Divergence Performance Standalone and with other indicators

---

- ⦿ Win rates of MACD positive divergences
- ⦿ MACD divergences expectancy
- ⦿ 200-day MA filter didn't help divergences
- ⦿ ADX + MACD divergences

# Short Selling MACD Divergences

---

- ⦿ What is a short sale?
- ⦿ Strategies tested
- ⦿ Back test results
  - Timed Exits
  - Table
  - Expectancy

# Dimensions of Risk

---

## ⦿ Assessing Risk

- Nothing is Without Risk
- Estimating Streaks
- Maximum Adverse Excursion (MAE)
- Frequency Distributions of Results

## ⦿ Managing Risk

- Choosing Markets and Times
- Setting Stop Losses
- Sizing

# Trade with a Plan

---

- ⦿ Calmly decide what you will and will not do
  - And how much you'll do it with!
- ⦿ Write it down
- ⦿ Track how well you follow your plans
- ⦿ Keep it simple!

# Coming Soon!

## Two New Modules

---

- ◎ Divergence Count Indicator
  
- ◎ Advanced Tips for MACD Divergences

---

TruthAboutMACD.com