

Trend

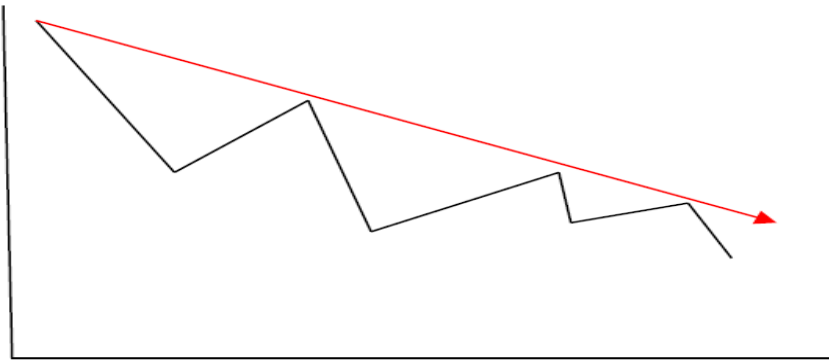
Bloomberg Definition

The general direction of a market or of the price of an asset. Trends can vary in length from short, to intermediate, to long term. If you can identify a trend, it can be highly profitable, because you will be able to trade with the trend. As a general strategy, it is best to trade with trends, meaning that if the general trend of the market is headed up, you should be very cautious about taking any positions that rely on the trend going in the opposite direction.

Downtrend

Describes the price movement of a financial asset when the overall direction is downward. A formal downtrend occurs when each successive peak and trough is lower than the ones found earlier in the trend. Downtrend is the opposite of uptrend. (Chart below is a downtrend) Notice how each successive peak and trough is lower than the previous one. ***This pattern is a series of lower highs and lower lows and trend resistance/the place to sell is at the downtrend line.***

DOWNTREND



Uptrend

Describes the price movement of a financial asset when the overall direction is upward. A formal uptrend is when each successive peak and trough is higher than the ones found earlier in the trend. (Chart below is an uptrend) Notice how each successive peak and trough is located above the previous ones. ***This pattern is a series of higher highs and higher lows and trend support/the best place to buy is at the uptrend line.***

UPTREND

