

# The New High – New Low Index (e-book)

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## *The stock market's best leading indicator*

By Dr Alexander Elder and Kerry Lovvorn

I have never come across a book that deals in detail with the New High – New Low indicator. Some years ago I tried to use it, but gave it up because it did not seem to help me in my investment plan. However, I now suspect that the real problem was that I did not fully comprehend why I should use it and how it is best used.

I had come across references to the New High – New Low indicator in books from time to time, but at best they mentioned it and little more. Up until now, the best explanation I had come across had been by Dr Alexander Elder in *Trading for a Living*, who devoted seven pages to it, including three charts.

Now Dr Alexander Elder and Kerry Lovvorn have devoted an entire e-book to the New High – New Low indicator. Its title is: ***The New High – New Low Index: Stock Market's Best Leading Indicator***. Although e-books do not have page numbers (it depends on the e-book reader you use, the print size settings you choose and the screen aspect) the PDF version is 62 A4 pages, so it is the most complete exposition that I have ever come across. However, it is even more than that. It explains ways to construct, chart and interpret the indicator. I had seen Dr Elder teaching it live and on webinars, but I did not fully understand its implications and power as a trading and investing tool until I read this e-book.

This new e-book has no less than 54 charts that illustrate and explain the explanation. E-books have some limitations on how clearly charts can be reproduced. Dr Alexander Elder and Kerry Lovvorn have got around this by posting superb charts on their *SpikeTrade* website. If readers click on any chart in the book, then provided they are online, they will be taken to the crystal clear chart versions on the website (at least they are on my high resolution laptop).

Here is the Table of Contents to give you an idea of the scope of the e-book:

### **A Leading Indicator**

#### **Basic Definitions**

#### **The Weekly New High – New Low Index**

- How to Construct
- Bull Market Confirmations
- Divergences
- Spikes

#### **The Daily New High – New Low Index**

- Confirmations
- Divergences

#### **Taking a Short-Term View**

- The 20-day NH-NL
- The 20/-500 Bounce Signal
- The 65-day NH-NL; Bounce Follow-Up

## **An Alternative Method: The NH-NL Ratio**

Major Trends

Intermediate Trends

**NH-NL in Worldwide Markets**

**Databank**

I guarantee that having read this book, you will never look at this indicator the same way again. Many traders and investors will want to build it into their analysis routines. I intend to set up scans on my software to produce the data for the ASX. When I have collected enough daily history to be useful, I will post it daily on the members' website and monthly on the free website.