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Better Volatility

Duration:06:42

Variable speed version: [Watch](#) [1]

This video explains a better method of computing volatility which has several advantages over the more tradition methods such as average true range. This method computes the expected volatility at each bar based on the average range of bars at the same time of day over the previous 20 days. Instead of relying on the previous 20 bars to predict what will happen on the next bar, it uses the same time period over the past 20 days to do so, avoiding the major pitfall of possibly using low range overnight bars to compute volatility of the first bar of the day session or vice versa. This provides an expectation of what is going to happen now based on what happened at same time on previous days, instead of what happened during the 2 hours prior to that bar on same day. A simple combination of Mixed Periodicity Data and Session Statistics makes this easy to implement.

Chart Reference [AvgRangeAtTime \(@ES#\)](#) [2]

[SESSION STATISTICS](#) [3]

[VOLATILITY](#) [4]

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Links

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