

JUST SIT BACK AND LET THE GIRTH MODEL MAKE MONEY FOR YOU

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Abstract

The Girth Model will use the 10-period exponential moving average (EMA) and the 20-period EMA as their proxy for market trend. The Girth Model is a trend following model incorporating volatility, momentum and velocity. We will use girth as an early close indication to both long and short positions. Typically, early exit due to decreasing girth results in a more favorable profit position than that taken if the trader simply waited for an exit on the EMA cross to the downside.

Key words and phrases: Exponential Moving Average (EMA), Girth, Momentum, Moving Average, Velocity, Volatility.