Linton Price Targets™ on TradingView

TOP 10 TIPS



Making the most of the Price targets

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Technical Analysis is my life

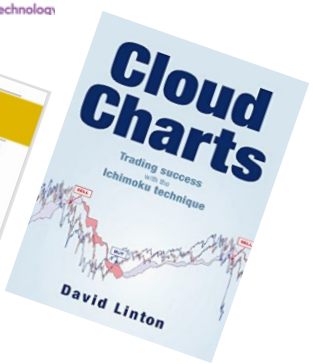
- 1980s - Started out trading London Traded Options
- 1990s - Founded Updata Technical Analysis Software
- 2000s – Qualifications CFTe, MSTA, **MFTA**
- 2010s - Training – STA, Courses, Cloud Charts
- Regular Commentator and Conference Speaker











www.chartstoday.com

www.updata.co.uk/training

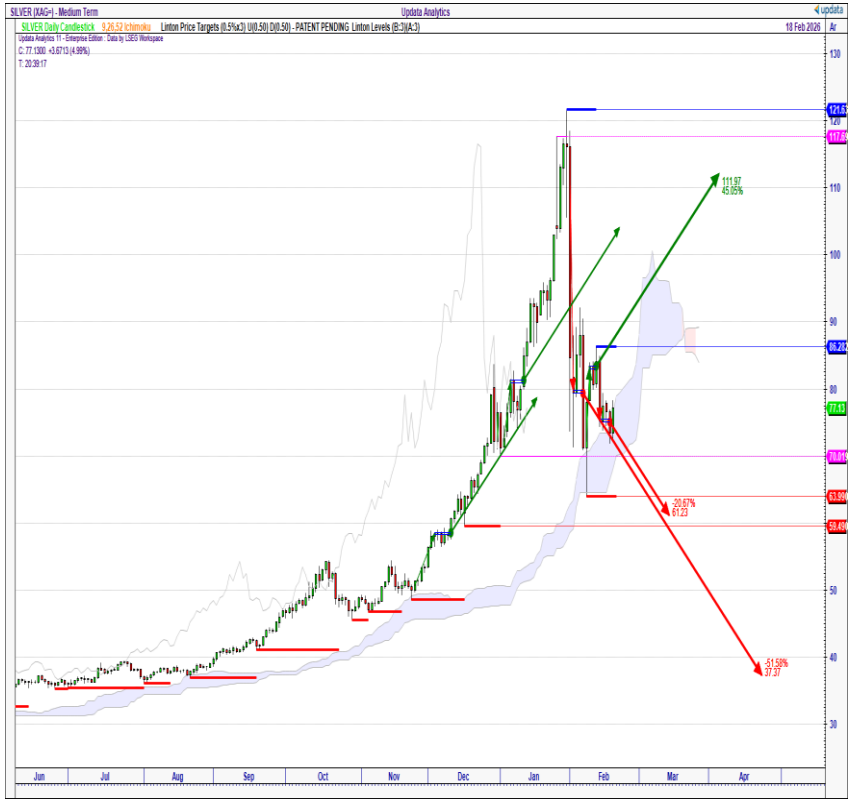
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Disclaimer – There is no silver bullet

This session is educational to help you to learn how to develop skills & strategies for yourself.

There is no holy grail. Just education, discipline, skill and hard work.

The picture Can and Will change!



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Linton Tools – Not just about Targets

- Automated Price Targets
- Automated Support and Resistance
- Midpoint Average – LIN OBOS
- Linton OBOS *NEW*
- Target OBV *NEW*
- Target Stoplosses *NEW*

TREND, LEVELS, TARGETS, *STOPS*

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A Better Way to think of this….

1. TREND(S)
2. KEY PRICE LEVELS
3. PRICE TARGETS
4. VOLUME
5. STOPS

TREND, LEVELS, TARGETS, *STOPS*

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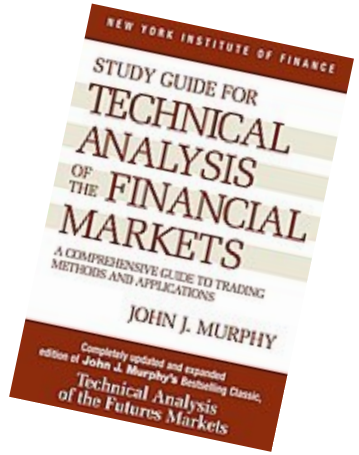
Three Key Elements to Success



3) Money Management

2) Trading Tactics

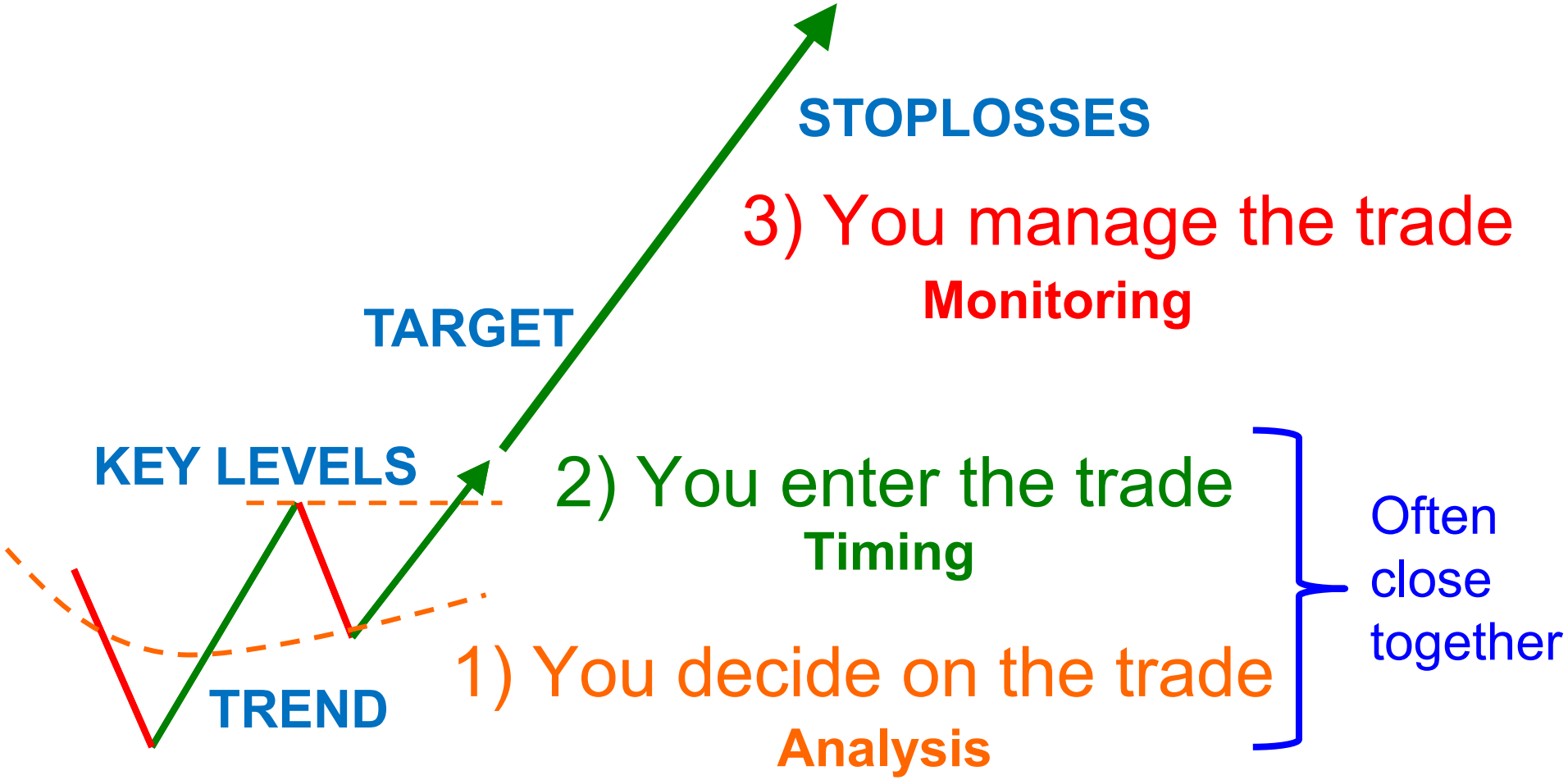
1) Price Forecasting



Chapter 16

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The Process



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TOP 10 TIPS

DAY 1. Remember where the targets come from

DAY 2. What's Your Time Horizon? Chart frame/Unit size

DAY 3. Target Notation - Activation and Negation

DAY 4. Targets with Trend and Key Levels

DAY 5. Multiple Targets and Conflicting Targets

DAY 6. Targets are approximate! Trade Construction/Pitfalls

DAY 7. Should you use Log or Arithmetic?

DAY 8. Achievement and Non-achievement of Targets

DAY 9. Time to Target

DAY 10. Taking your Targets to the Next Level - *NEW TOOLS*

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DAY 1

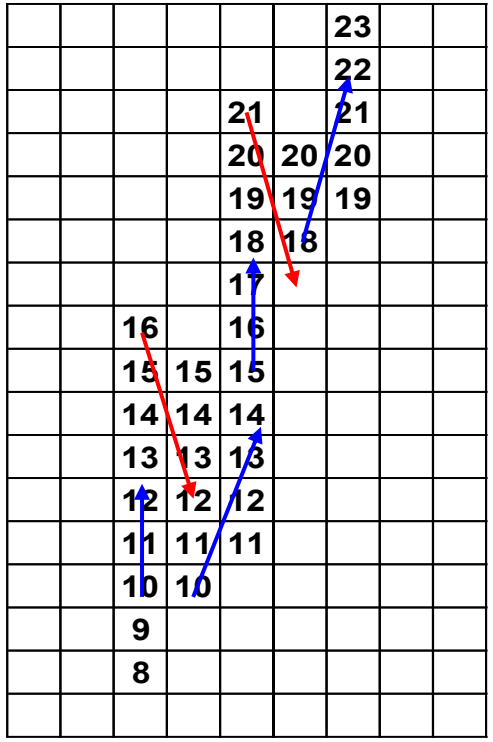
Remember where the targets come from

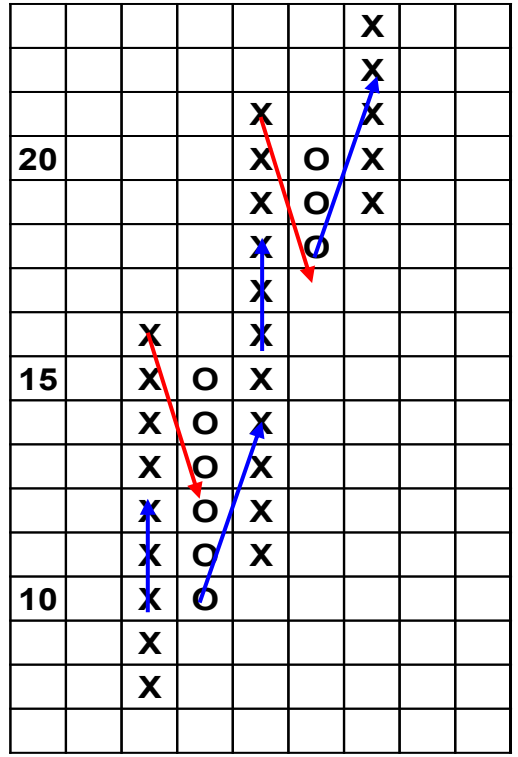
An old Technical Analysis technique reimagined

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Before we had computers



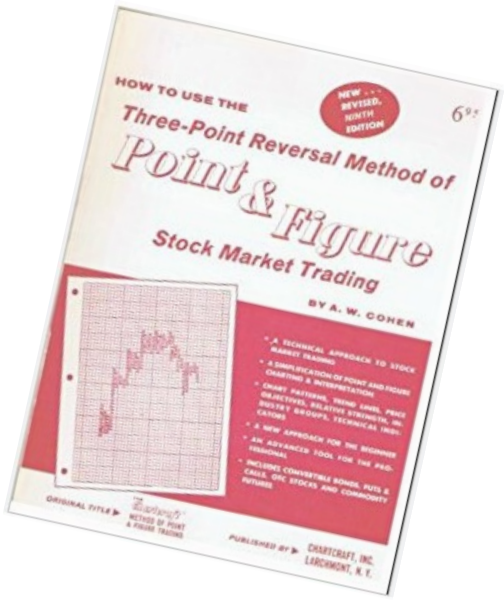




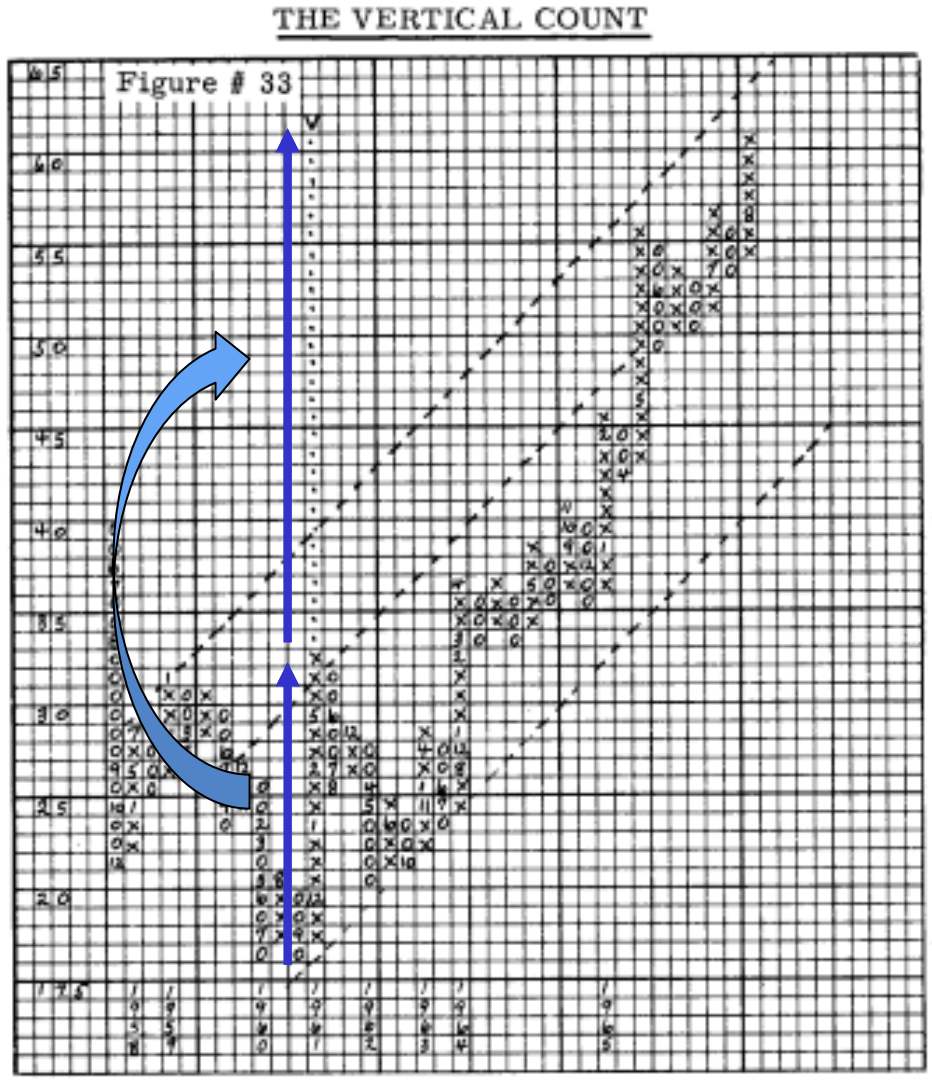
A necessary trading shorthand, became a noise filter

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The Vertical Count Target Method

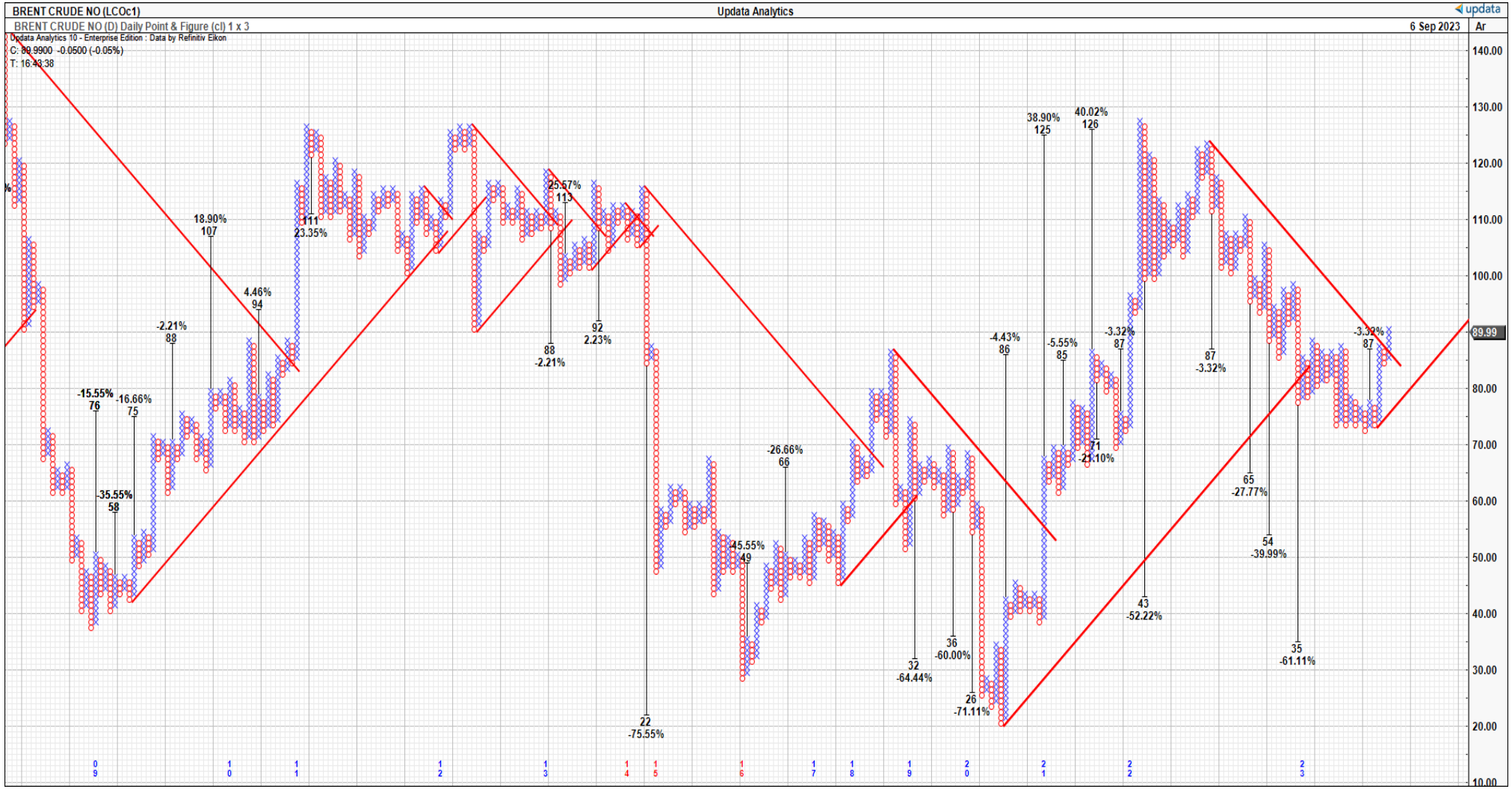


A.W. Cohen, 1947



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Point and Figure Charts



Hard to understand and Point and Figure and Targets have no time element

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Applying the Targets to Time Based Charts





Which chart is easier to understand?

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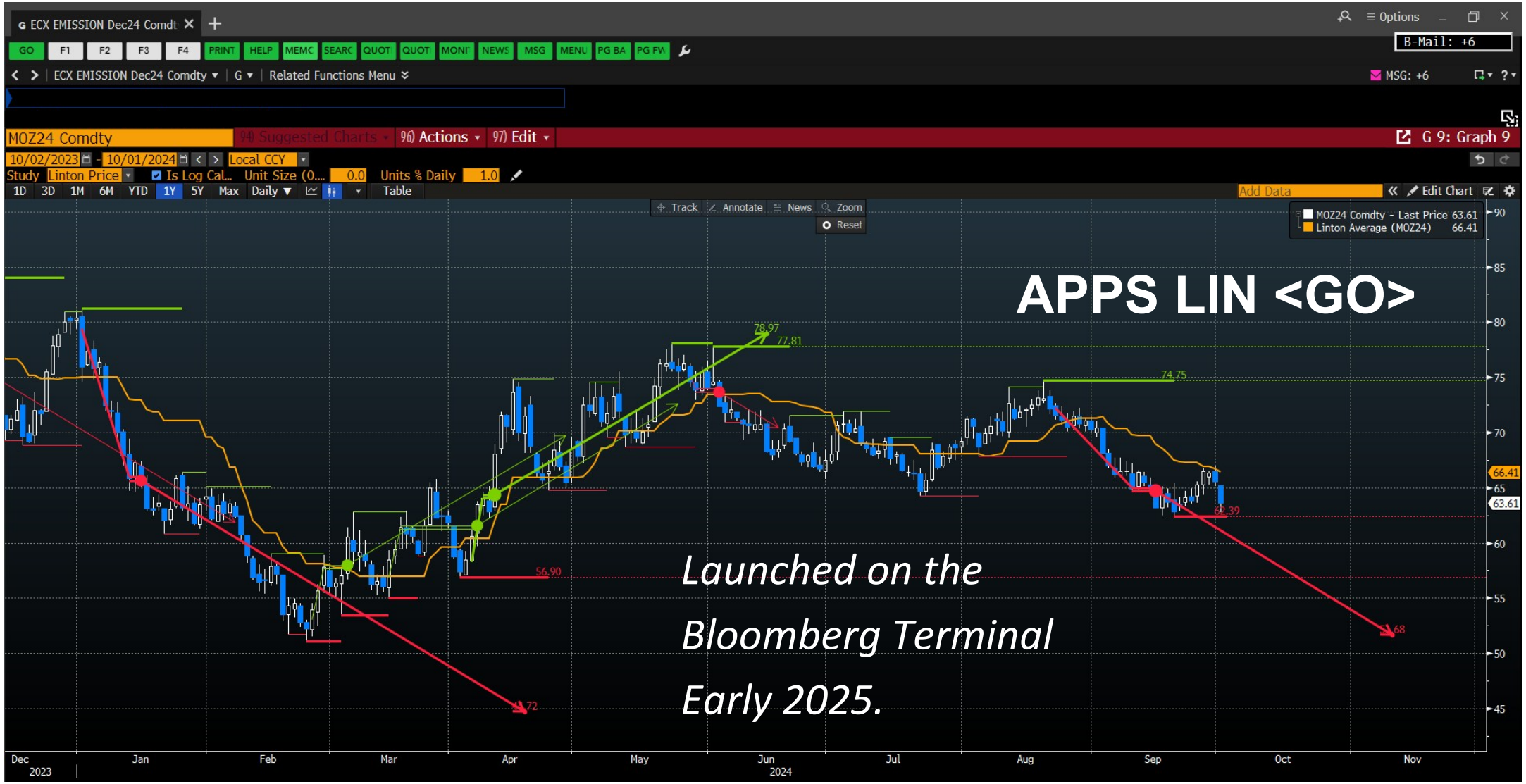
Linton Price Targets

PATENT PENDING



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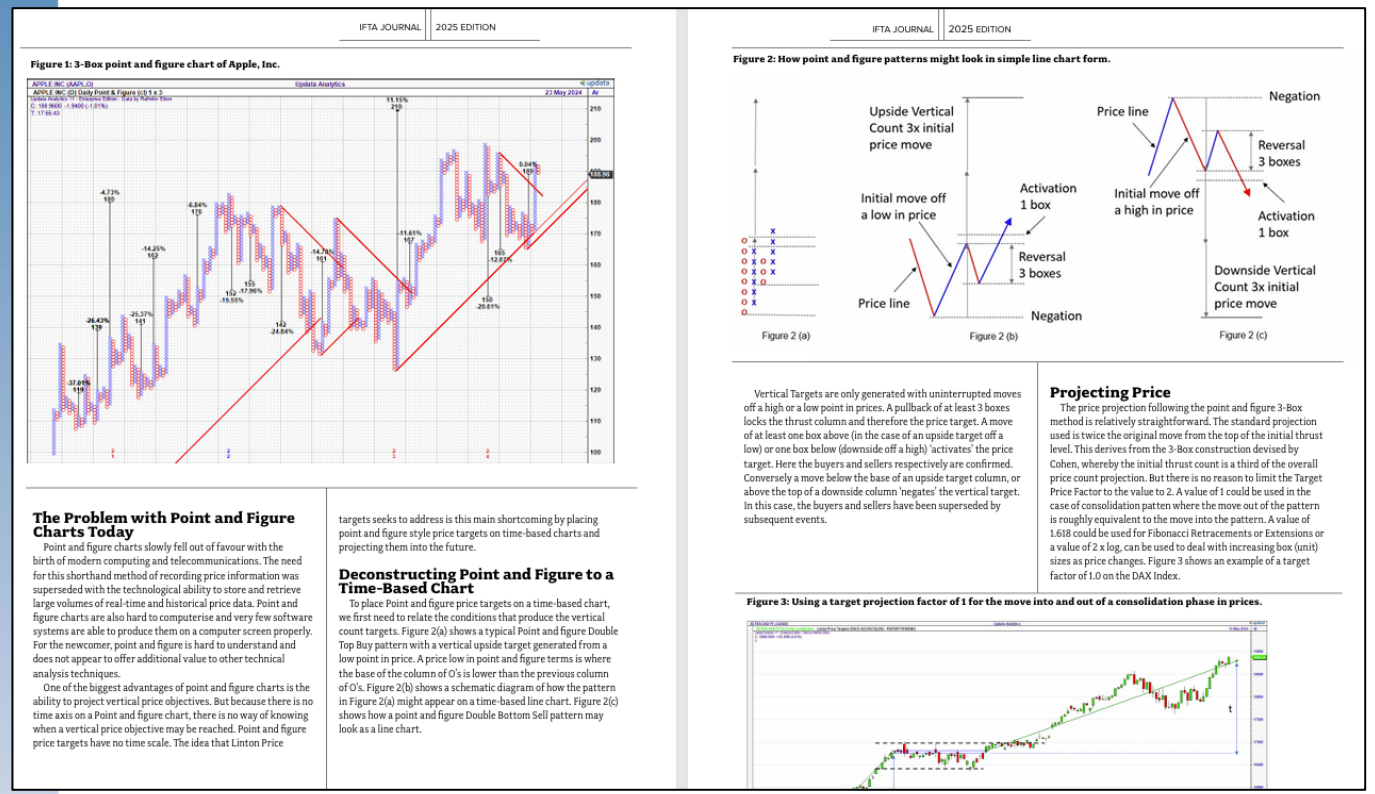
Linton Price Targets™ on Bloomberg



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Targets have been Peer Reviewed





Linton Price Targets - IFTA Journal 2025

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And now YOU have them

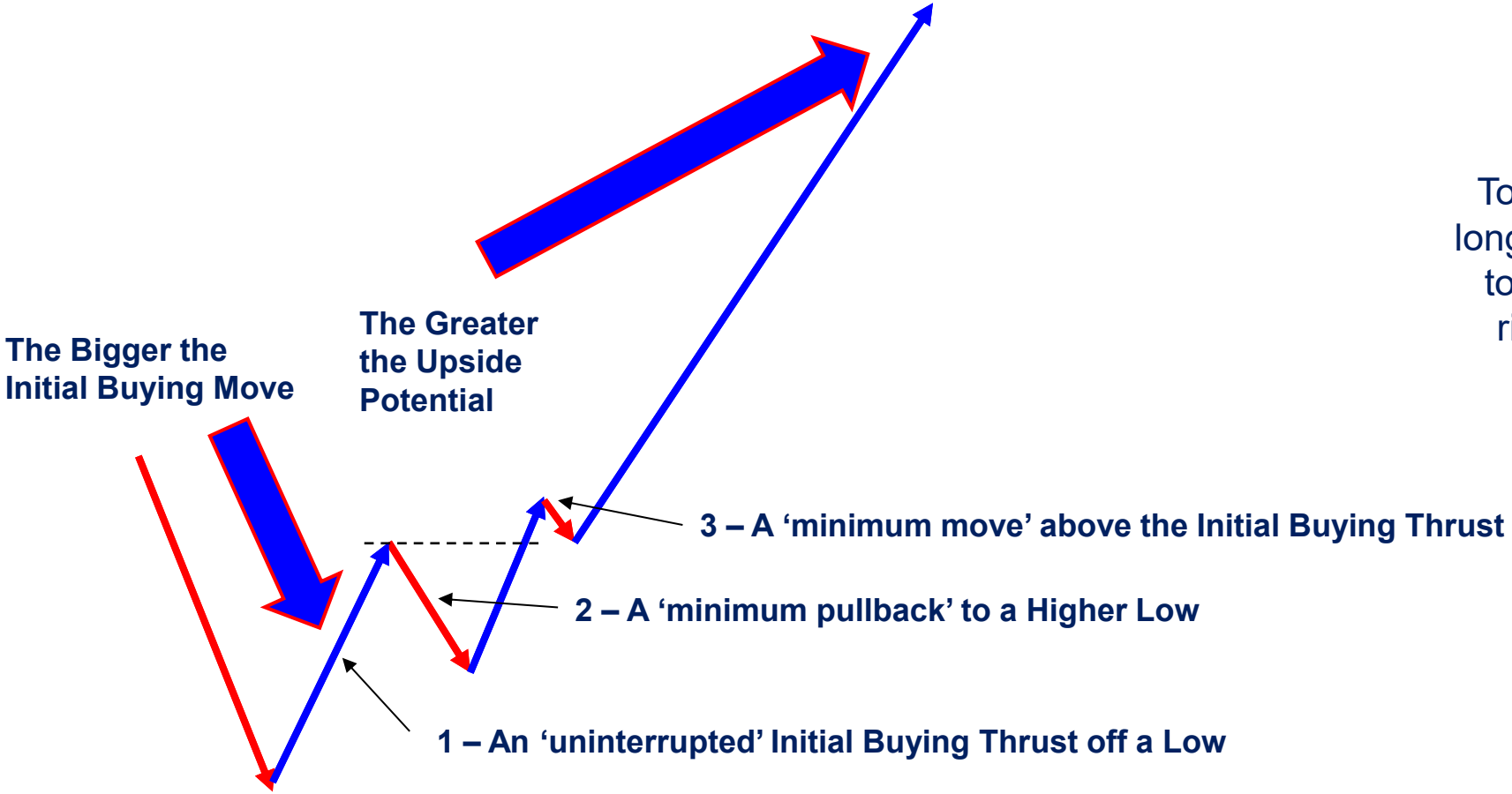


Run on PC, Web, Mac OS, iPad, iPhone, android

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Targets are about Thrust

KEY INGREDIENTS

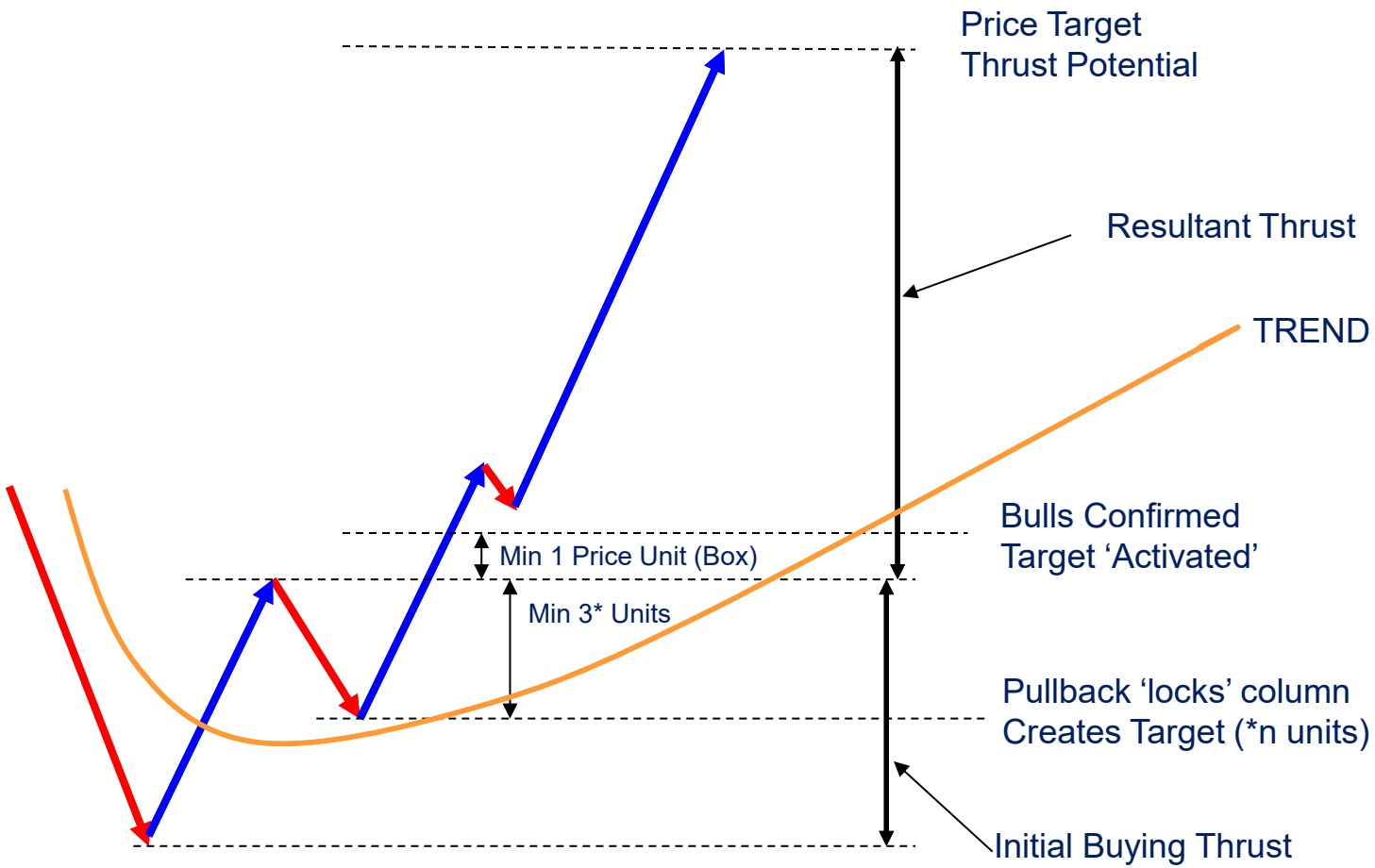




To throw a ball a long way, you have to pull your arm right back first

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Target Structure - Rules



The 'Setup'

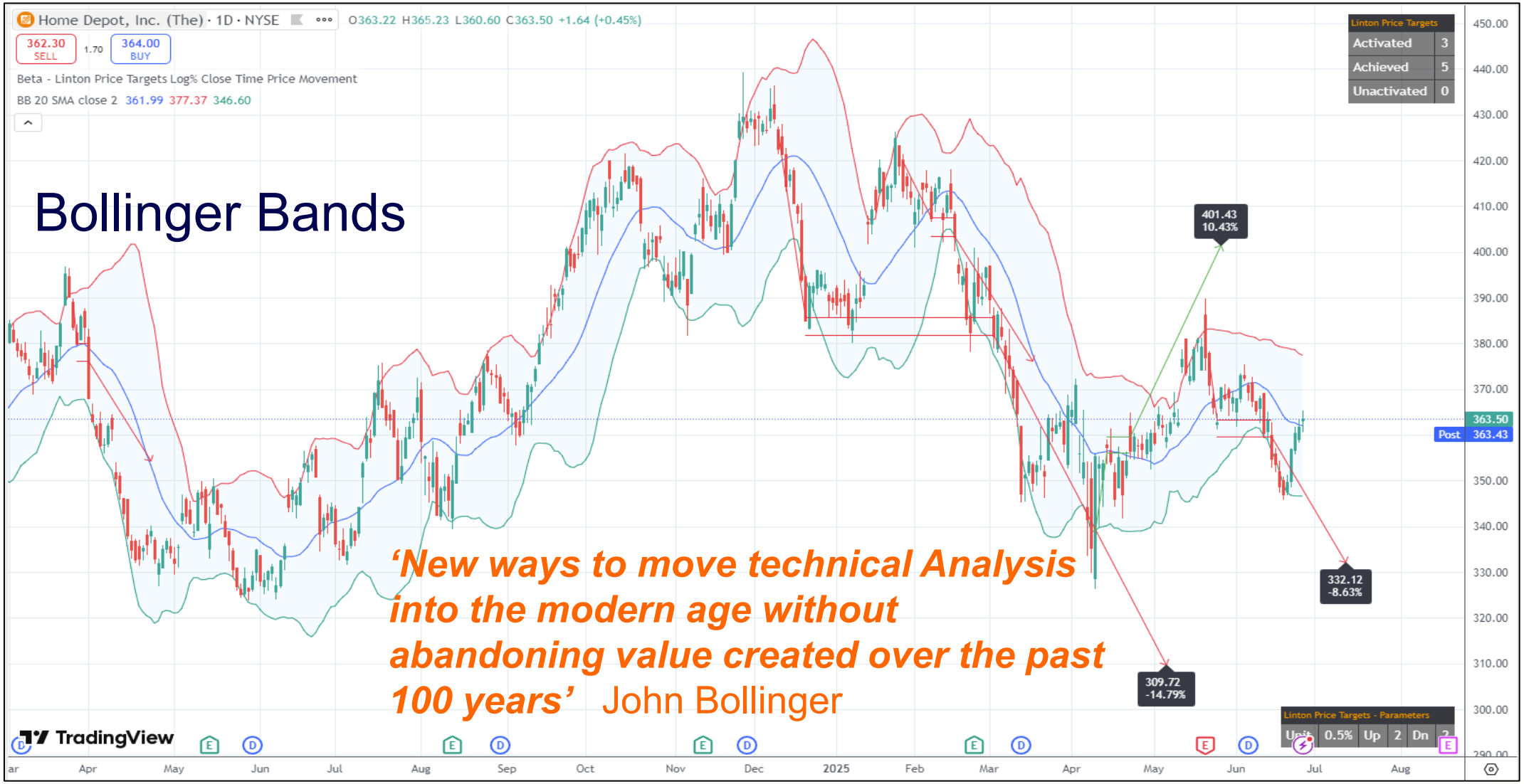
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The Target principle is simple



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Use with other Techniques



All the time-based indicators become available – unlike Point and Figure

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DAY 2

What's Your Time Horizon?

Chart Frame

Unit size

Important when using Price Targets

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What's your Time Horizon?

	ULTRA SHORT	VERY SHORT	SHORT TERM	MEDIUM TERM	LONG TERM	VERY LONG	ULTRA LONG
Chart Interval*	Tick-1 min	5-10 mins	Hourly	Daily	Weekly	Monthly	Quarterly
Predict Forward	Minutes	Hours	Days	Weeks	Months	Years	Many Years
Lookback	Hours	Days	Weeks	Months	Years	Many Years	Decades

SHORT TERM TRADER	SHORT TERM	MEDIUM	LONG TERM	VERY LONG			
LONG TERM INVESTOR				SHORT TERM	MEDIUM	LONG TERM	VERY LONG

Chart Time Frame is also a filter

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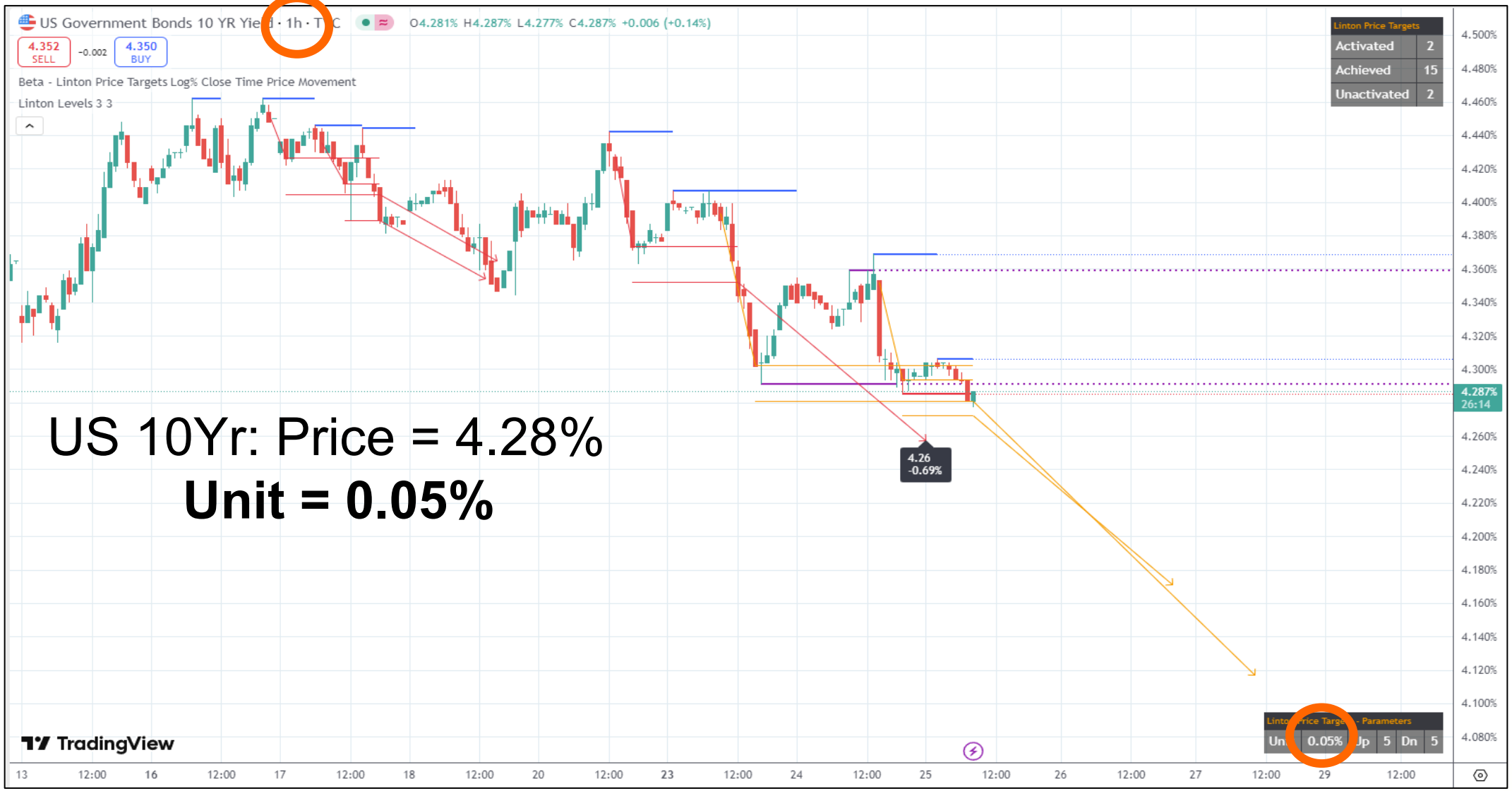
Daily Chart – Medium Term



0.5% seems to work best on Daily charts

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Hourly Chart – Short Term



Highlights the different picture between medium and short term charts

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Weekly Chart – Long Term

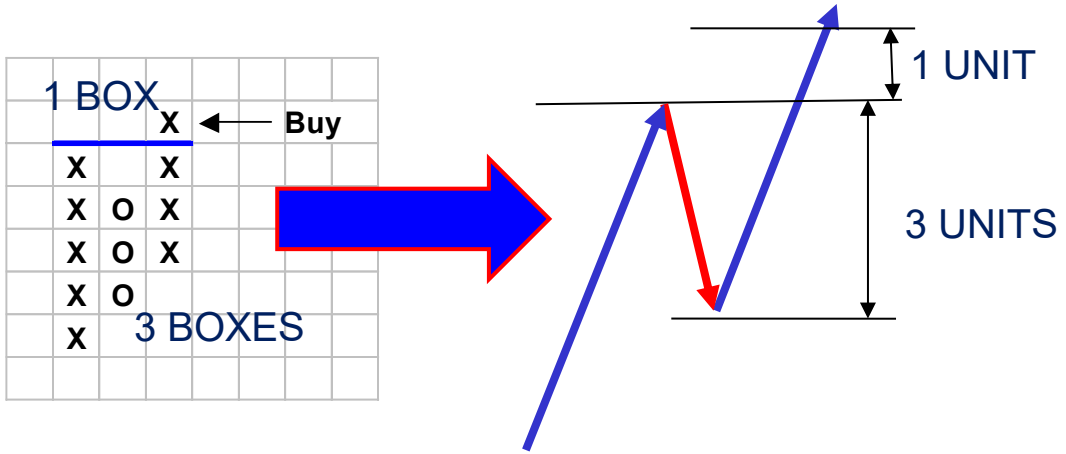


Would not normally use Weekly for Point and Figure but has value with Time Projections

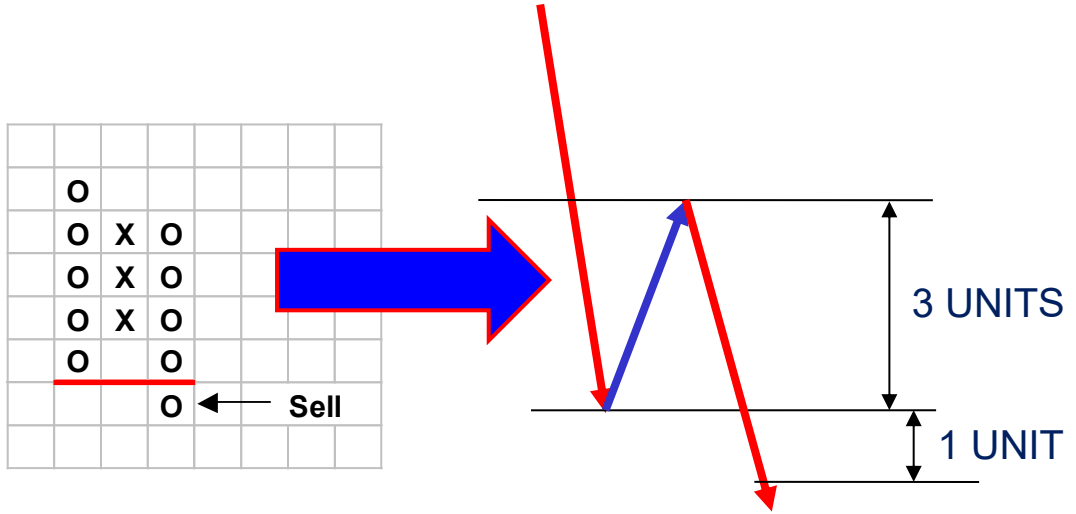
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Definition of a Point and Figure Breakout/Breakdown

Double Top **BUY**



Double Bottom **SELL**



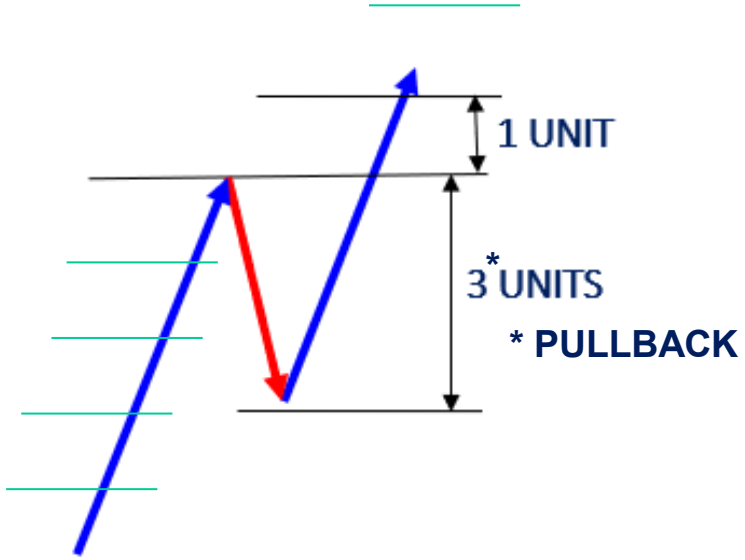
BOXES replaced with UNITS of Price

Reversal (by 3*) and Break (by 1) a filter

Becomes Rules Based *variable

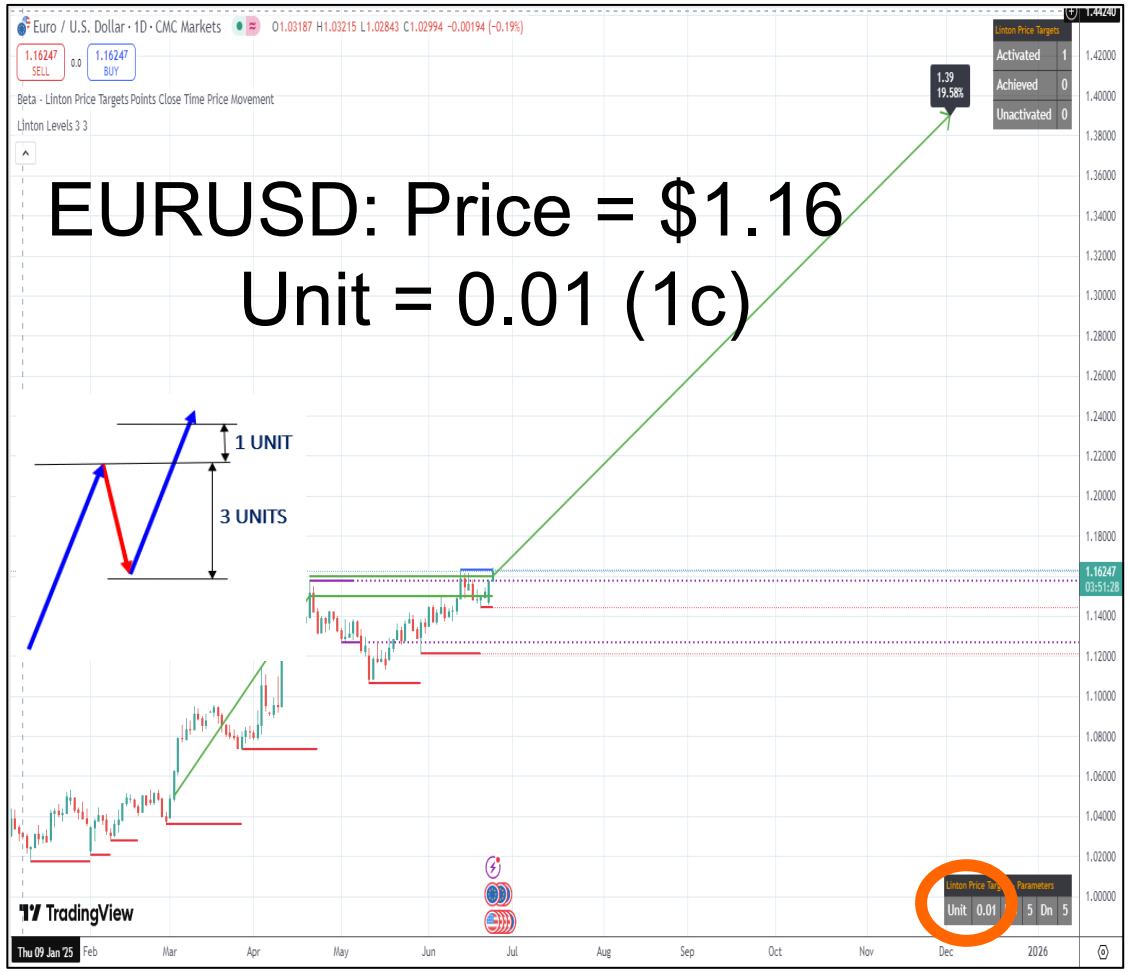
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Unit Size



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Unit Size is based on Price





Arithmetic Unit Size – the rule of thumb is start with a sensible Unit Size near 1% of the price

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Unit Size – Sensitivity





Small Unit Size means more small thrusts and reversals generating more targets

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Unit Size and Time Horizon

	ULTRA SHORT	VERY SHORT	SHORT TERM	MEDIUM TERM	LONG TERM	VERY LONG	ULTRA LONG
Chart Interval*	Tick-1 min	5-10 mins	Hourly	Daily	Weekly	Monthly	Quarterly
Predict Forward	Minutes	Hours	Days	Weeks	Months	Years	Many Years
Lookback	Hours	Days	Weeks	Months	Years	Many Years	Decades
		0.05%	0.1%	0.5%	1%	2.5%	
SHORT TERM TRADER LONG TERM INVESTOR	SHORT TERM	MEDIUM	LONG TERM	VERY LONG SHORT TERM	MEDIUM	LONG TERM	VERY LONG

Chart Time Frame is also a noise filter

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DAY 3

Target Notation
Activation and Negation

Understanding the status of Price Targets

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Understanding Target Status



More recent targets are of greater importance

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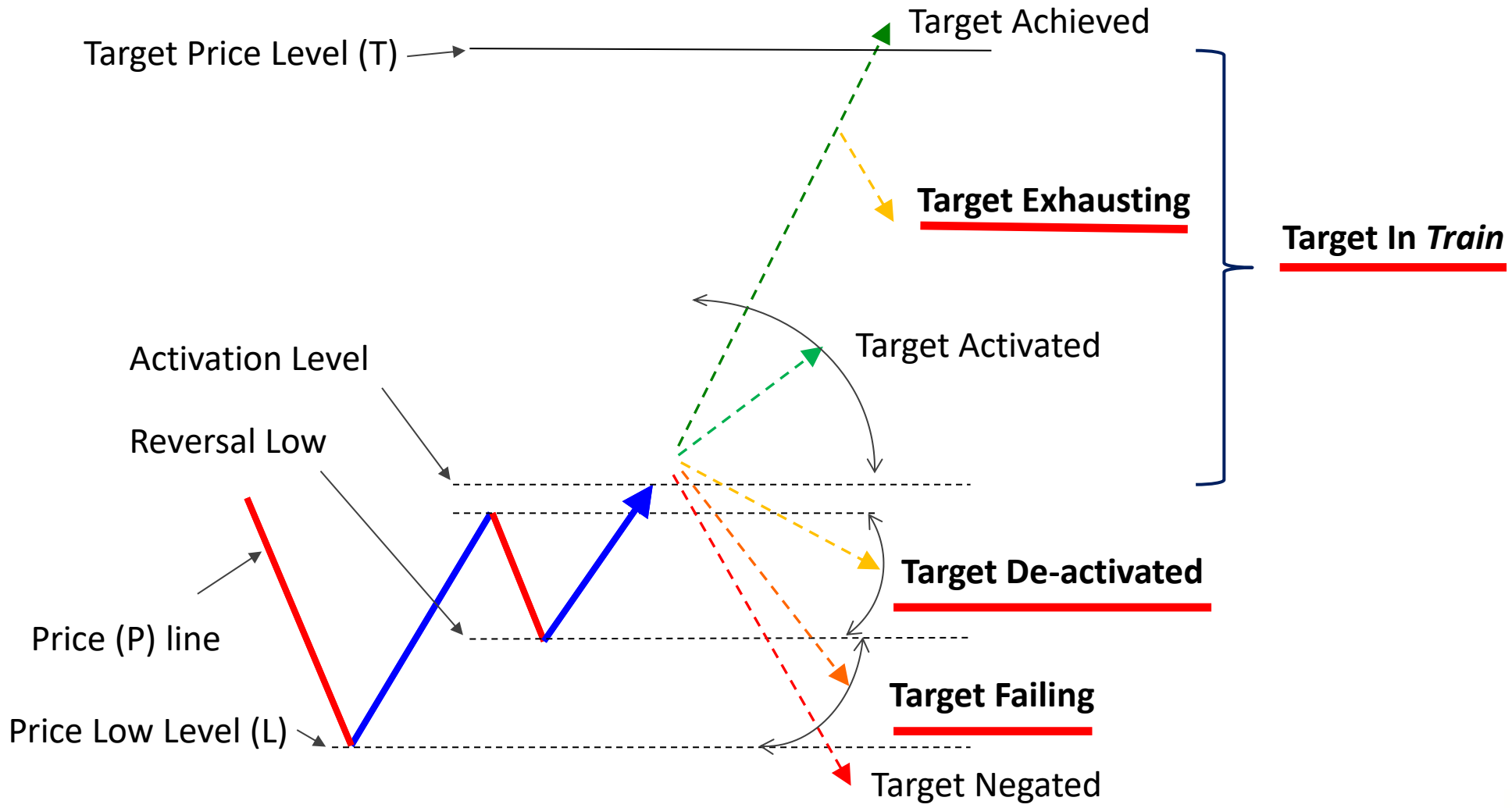
Target Notation



All configurable in Indicator Settings

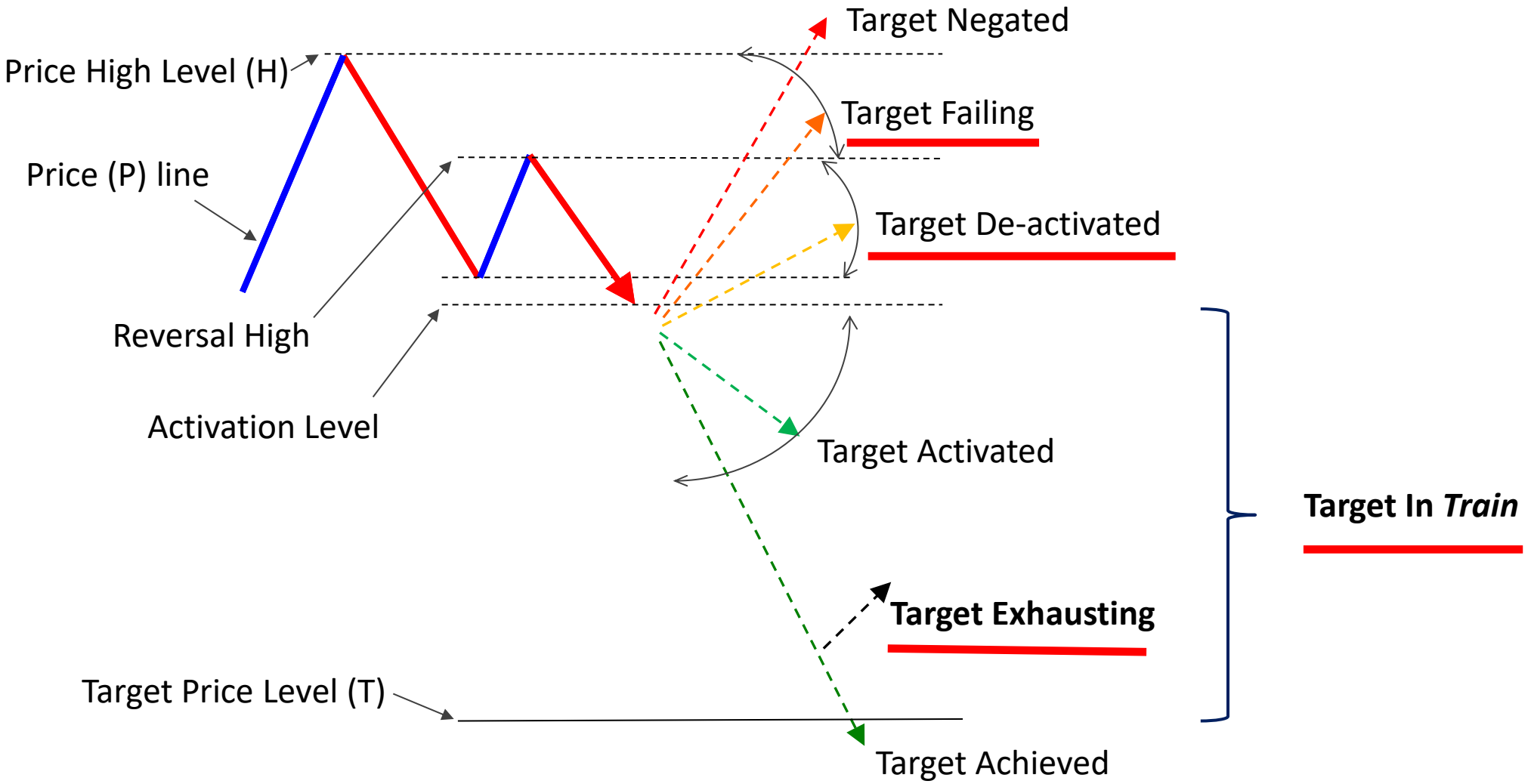
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Status of Upside Price Targets



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Status of Downside Price Targets



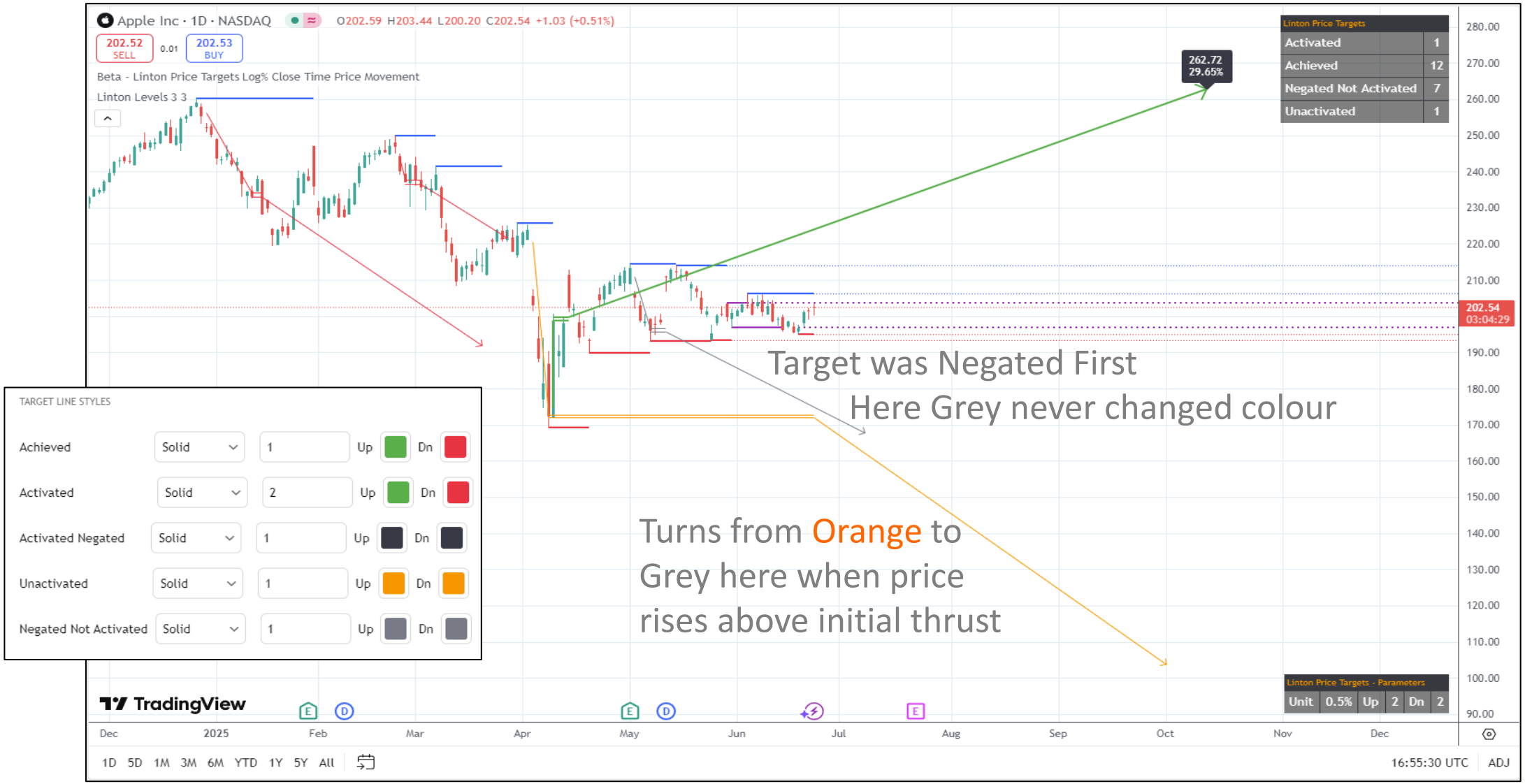
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Target Status Settings on TradingView



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Target Negation BEFORE Activation



More common than Negated after Activation – hence always wait for Activation

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Target Negation AFTER Activation



In reality Negated best not shown on charts – Negated Targets will then disappear

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DAY 4

Targets with Trend
and
Key Levels

Vital to consider Trend and Support and Resistance Levels

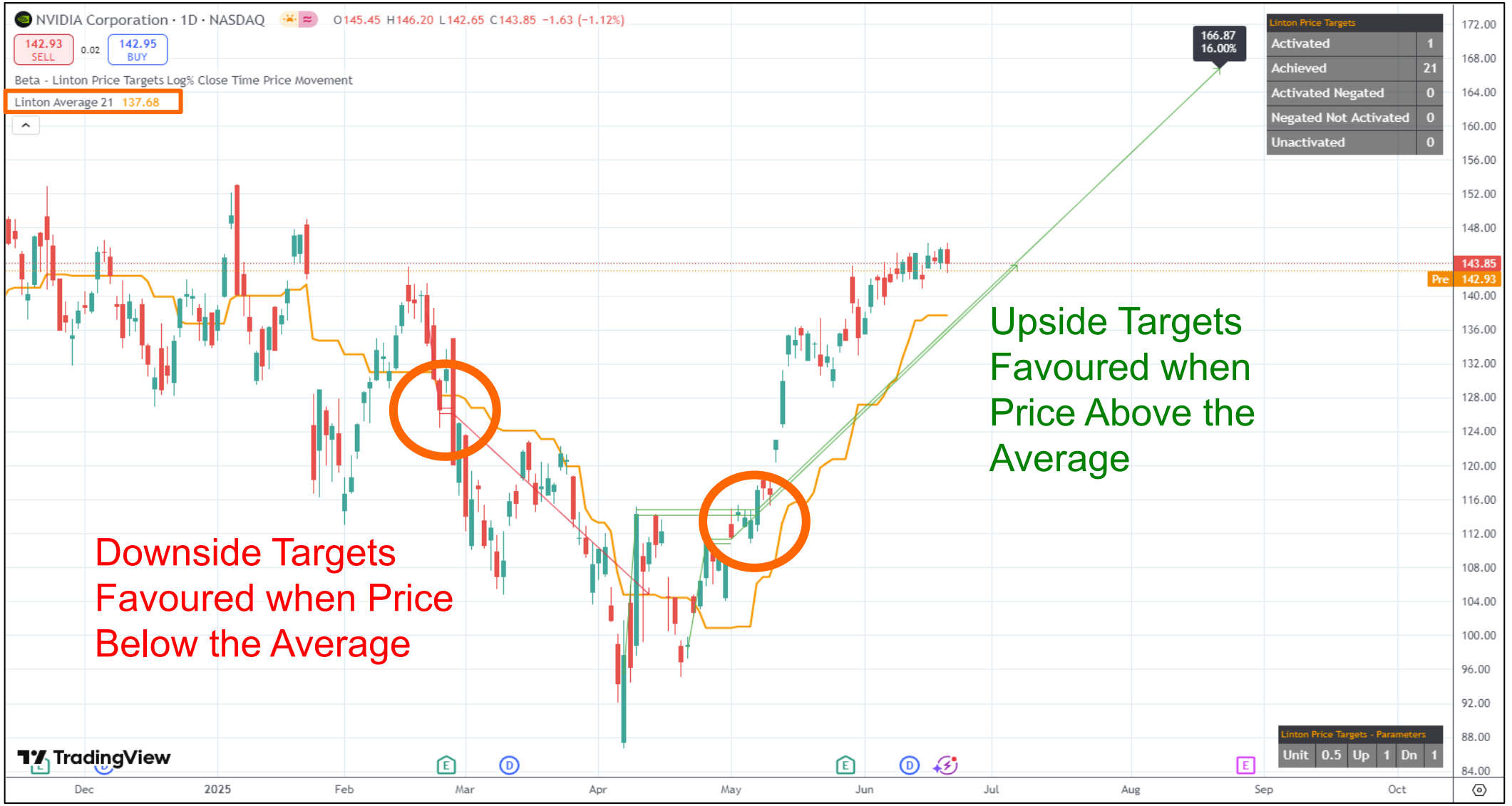
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Trend Definition and Targets

Price Targets with the prevailing trend should be favoured

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The Mid-Point Average



Plots the Mid-Point of the Trading Range of the last ‘n’ Bars (Here 21 days)

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The Mid-Point Average



Whatever Technique you use – Define the prevailing trend

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How do we define Support/Resistance?



Increase the number of bars for more significant turning points in price

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Watch for Levels lining up with Targets



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DAY 5

Multiple Targets
and
Conflicting Targets

When Targets are stronger and weaker

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Clusters of Price AND Time



Multiple Price Targets pointing to the same Price Area and at Similar Times

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Multiple Targets are Stronger



Targets in Train - Follow the 'Train Tracks'

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May see a fall before a rise



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Watch for Target Activation



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Resolving Conflicting Targets



Home Depot:
Price/Time 2

The Trend is your Friend – More downside Targets, and last target lower – Remember Target Achievement

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DAY 6

Targets are approximate!
Trade Construction
Pitfalls

There is no silver bullet!

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Increased Accuracy of Targets

Taking Time Frame, Linton Levels and Trend into account

- Time Frame
- Support & Resistance
- Trend State

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Always note Key Price Levels



Mixed Targets, last target, watch key levels – Remember Target Achievement

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Always study the wider chart



Mixed Targets, last targets, watch key levels – Remember Target Achievement

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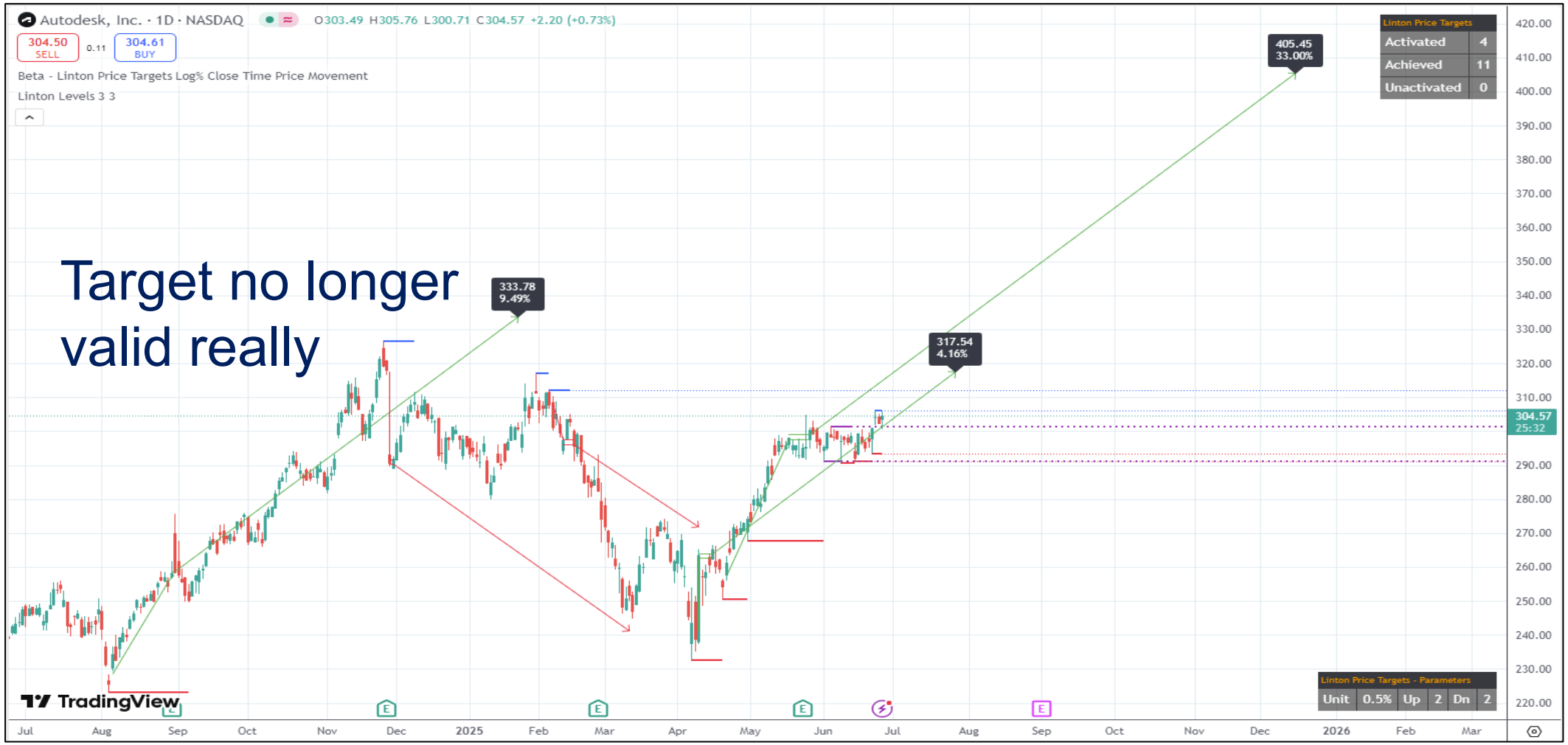
More Recent Targets Stronger



Focus on Nearest Targets first

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When Targets no longer valid



Focus on Nearest Targets first

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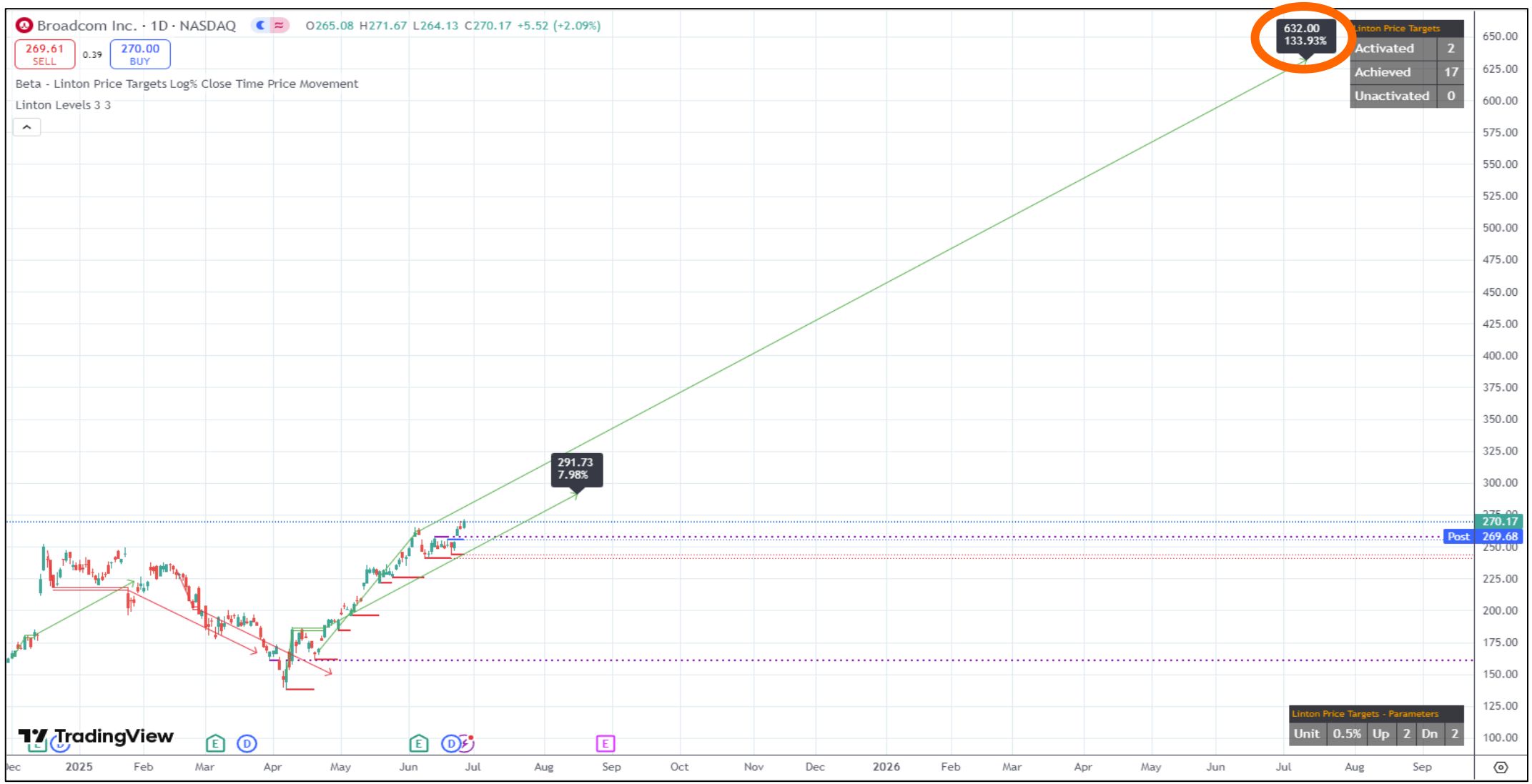
Target Exhausted



Upside Target was not quite met, bearish confirmation – trend change, level break

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Beware Improbable Targets



Likely either box size or time frame exaggerating targets, although default here

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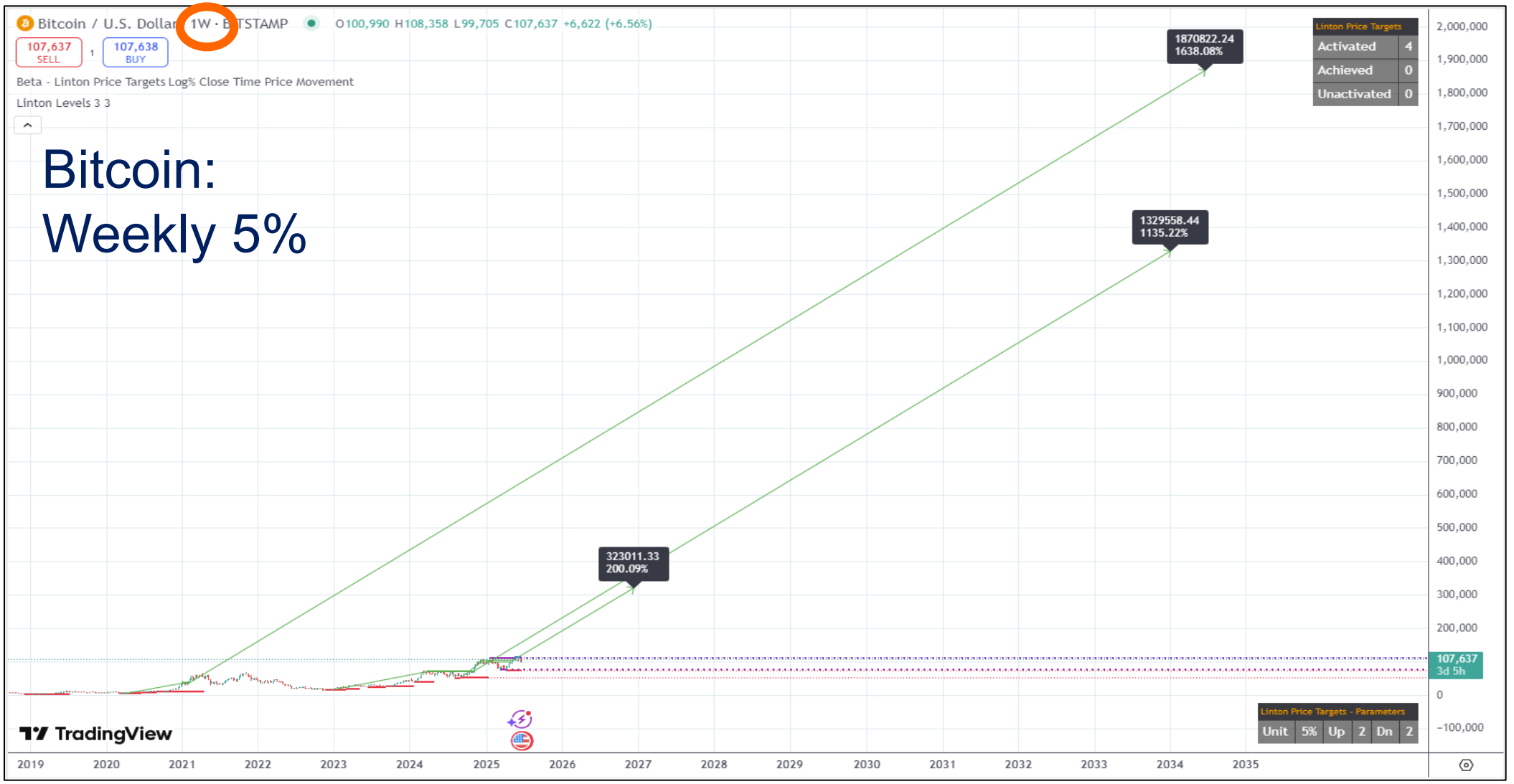
Careful with Long Term Charts



Log Scale will dramatically exaggerate upside targets

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Beware charts with big moves



Likely either box size or time frame exaggerating targets

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Data variation with different providers





Frequently produces different Price Target results

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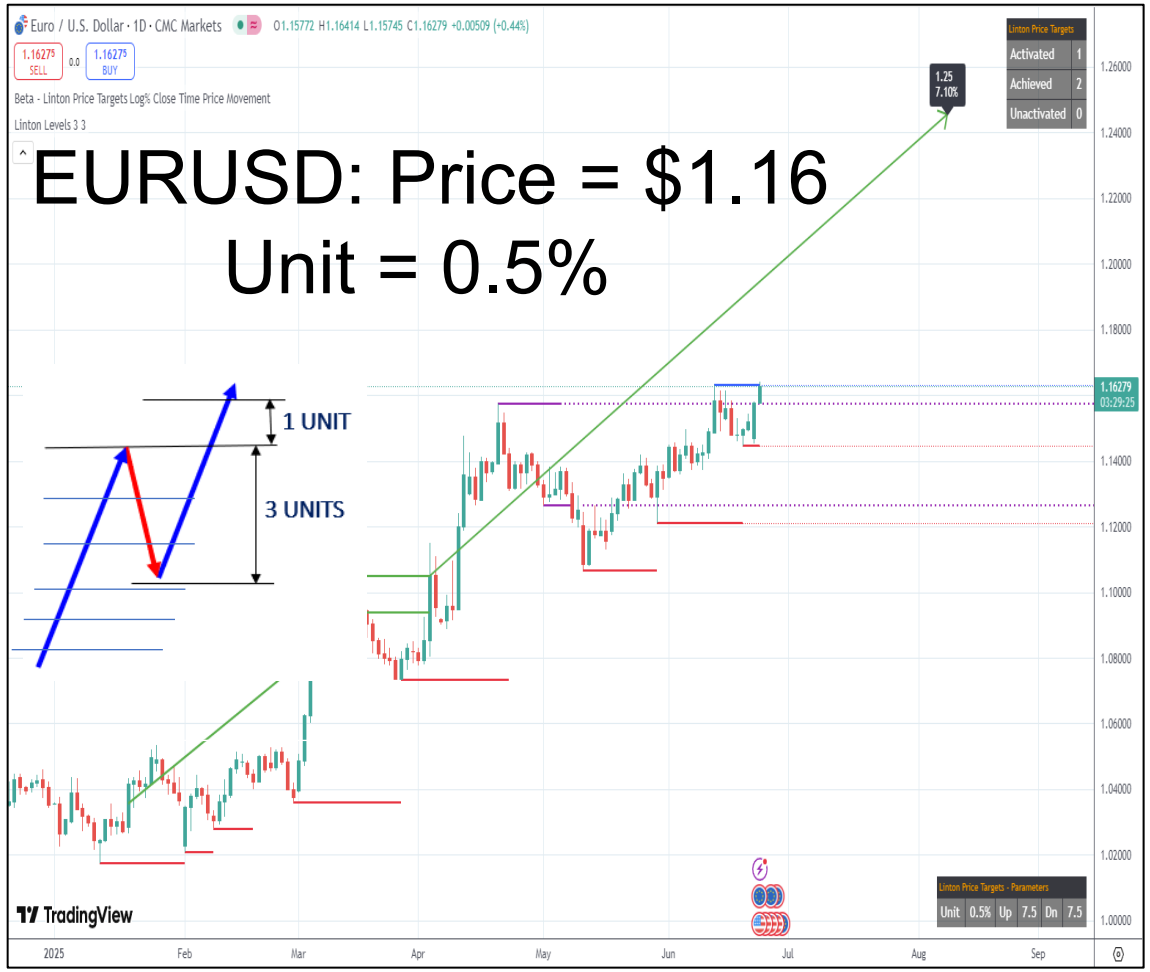
DAY 7

Should you use Log or Arithmetic?

It depends on how and what you trade

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Using True 0.5% Log of Price

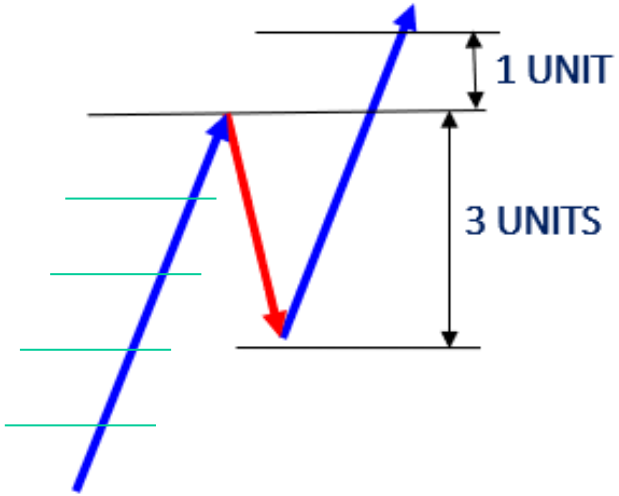




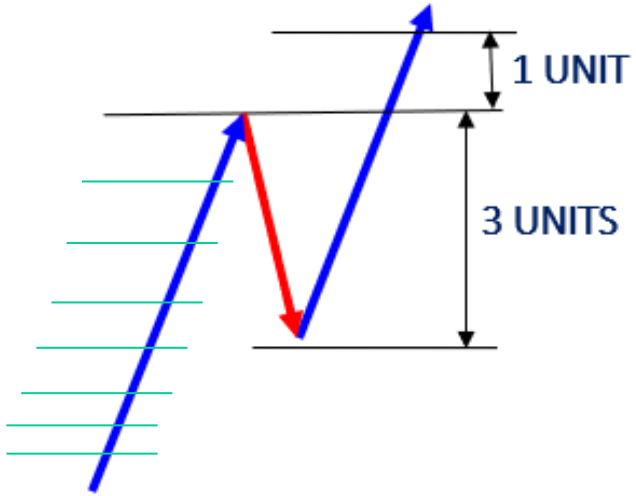
Unit Size varies as Price changes which can lead to exaggerated Upside Price Targets

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So should you use Arithmetic or Log Scale Price Units for the Targets?



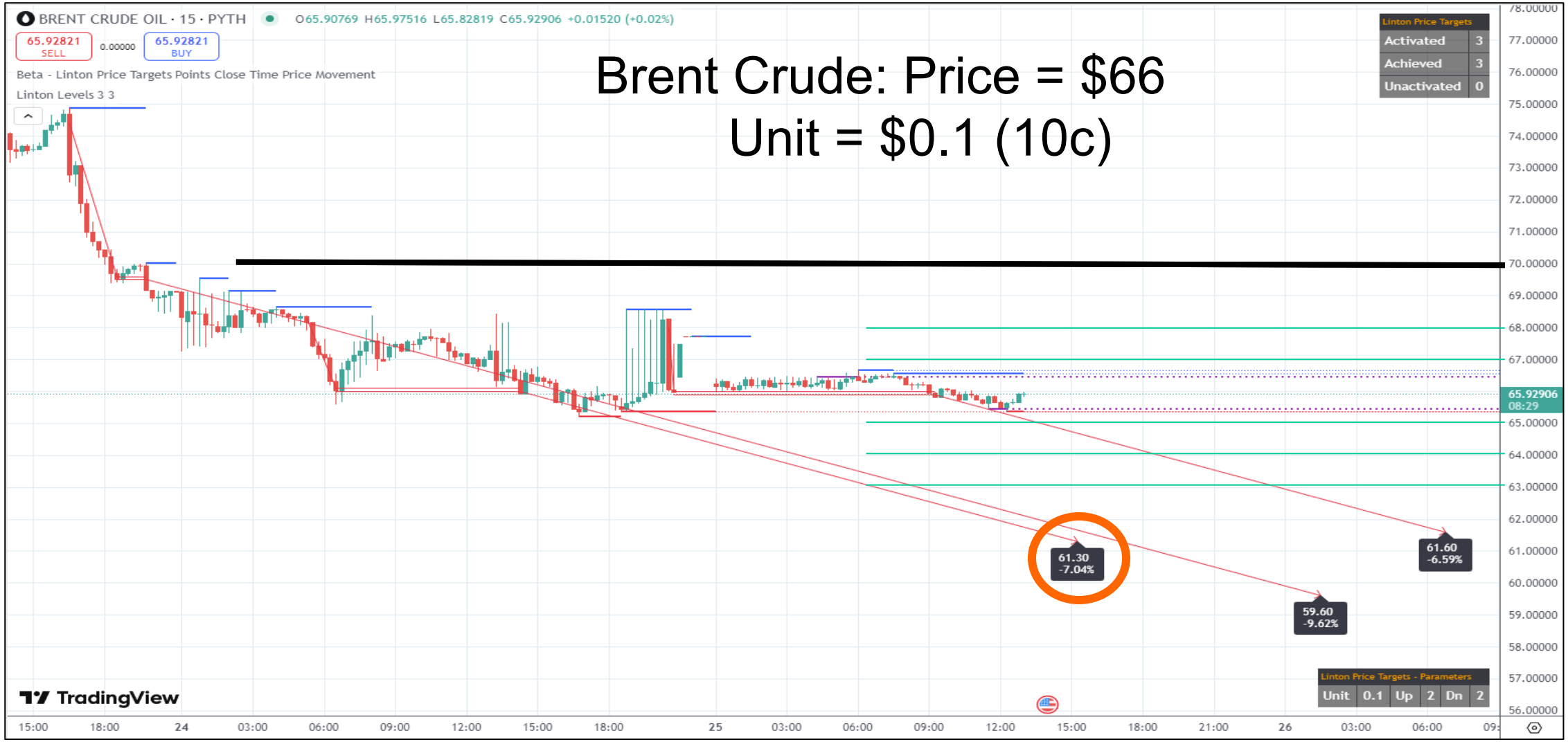
ARITHMETIC



LOG

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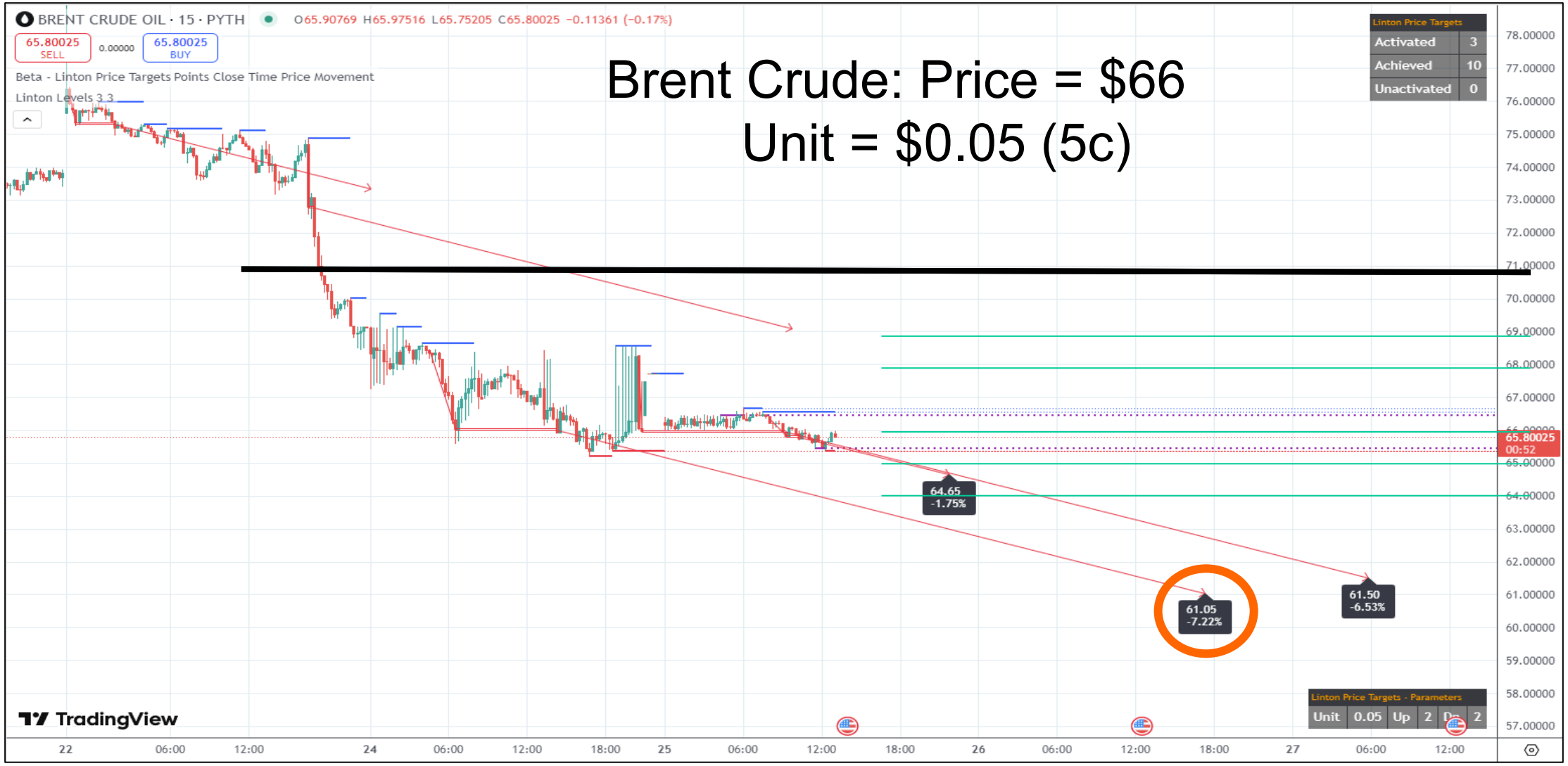
Crude Oil – 15 Minute 10c



Moves through psychologically important round $ levels are important to traders

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Crude Oil – 15 Minute 5c



Look at the different chart intervals and unit sizes

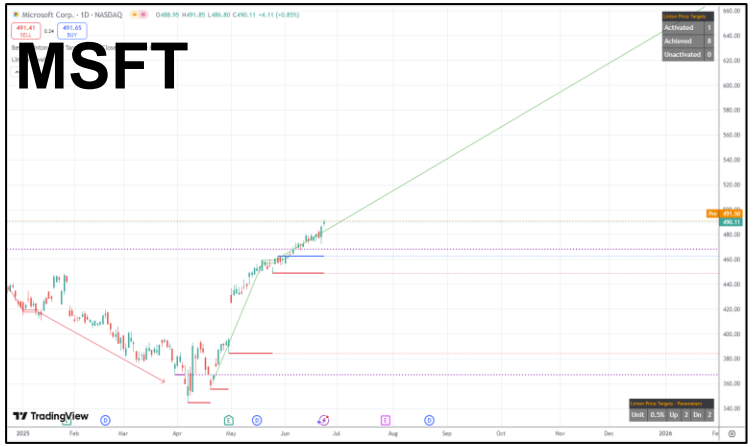
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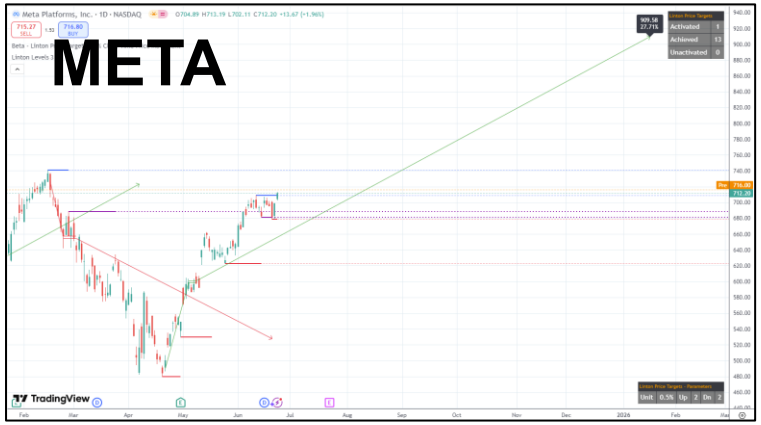
US Tech Stocks – Daily 0.5%













If in doubt use % Log - The defaults will choose Unit Size for you

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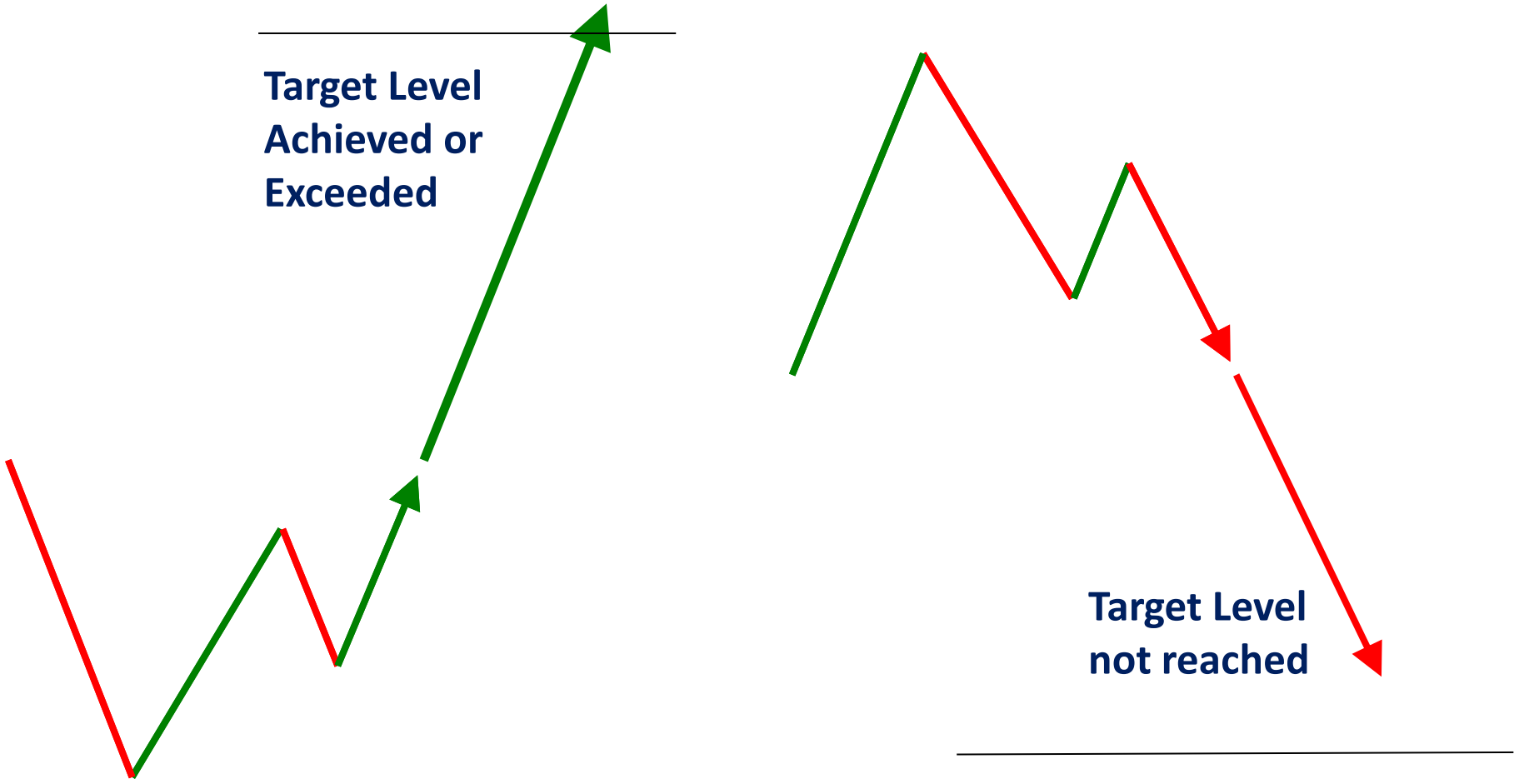
DAY 8

Achievement and Non-achievement of Targets

Gives us clues to Bullish and Bearishness

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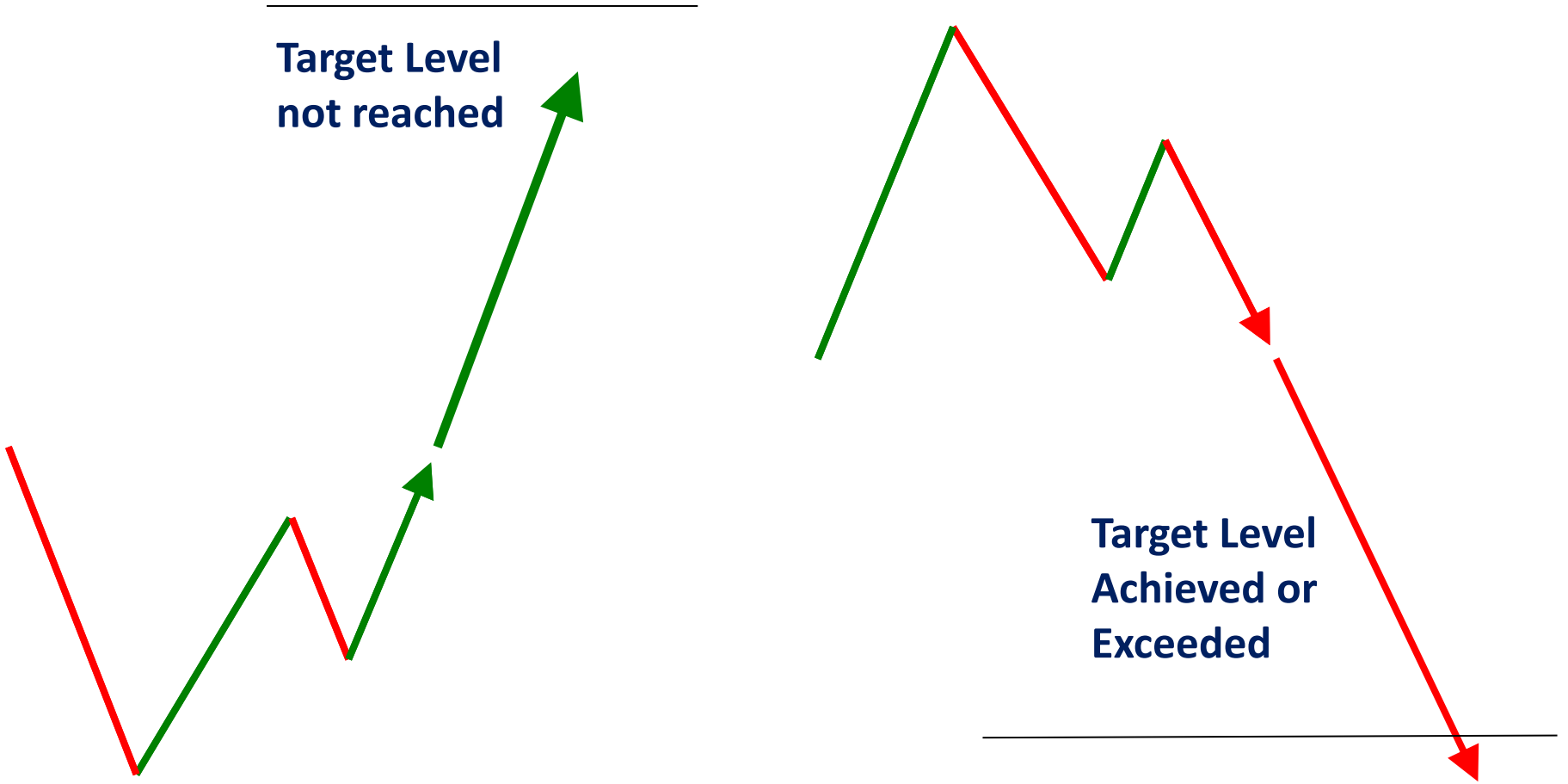
Bullish Confirmation



Initial wave of Buying or Selling – Continued conviction – Sentiment change

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Bearish Confirmation



Initial wave of Buying or Selling – Continued conviction – Sentiment change

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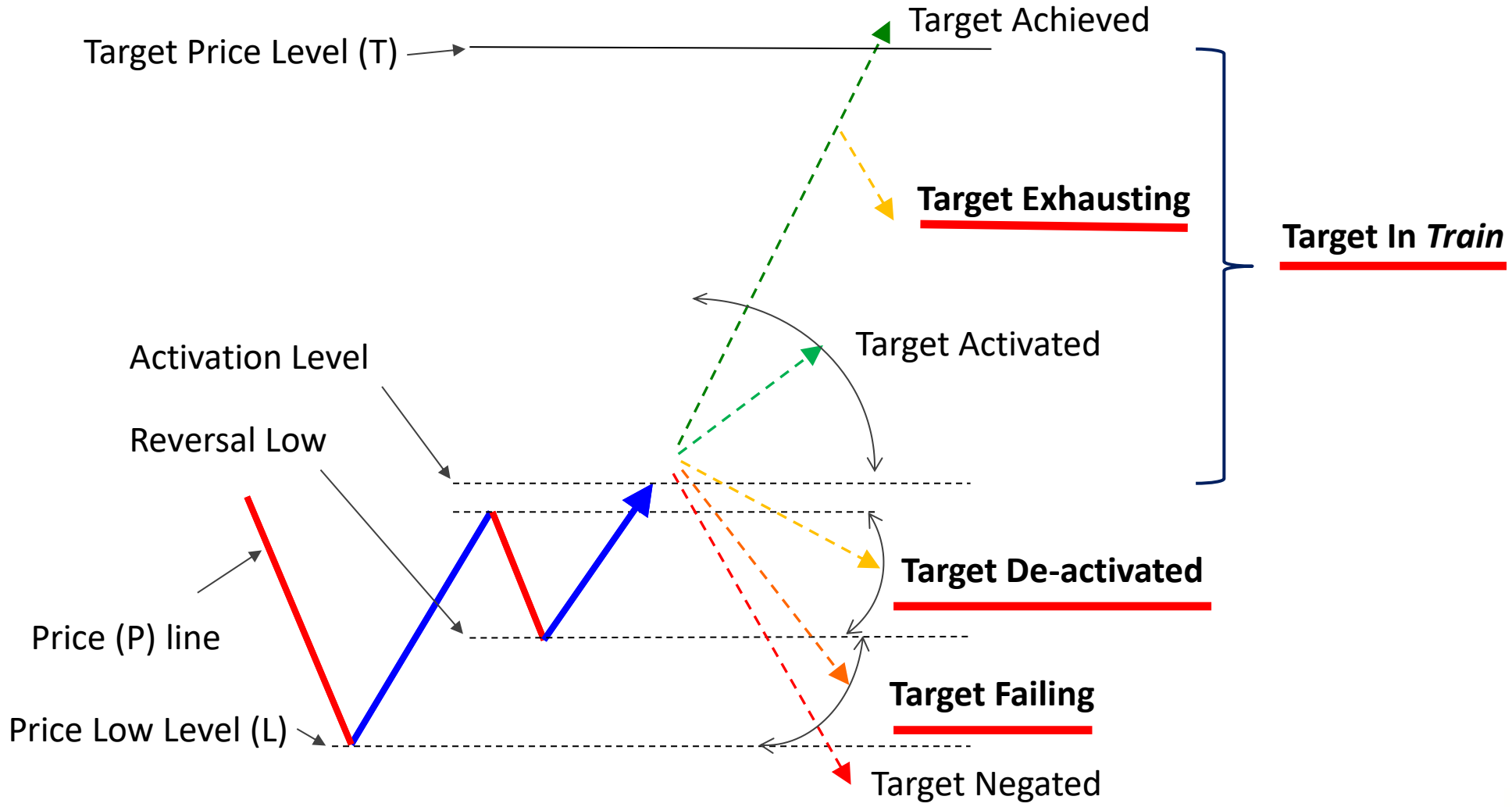
Knowing when a Target is exhausted



Look for new targets – signs of lower high/lower low etc

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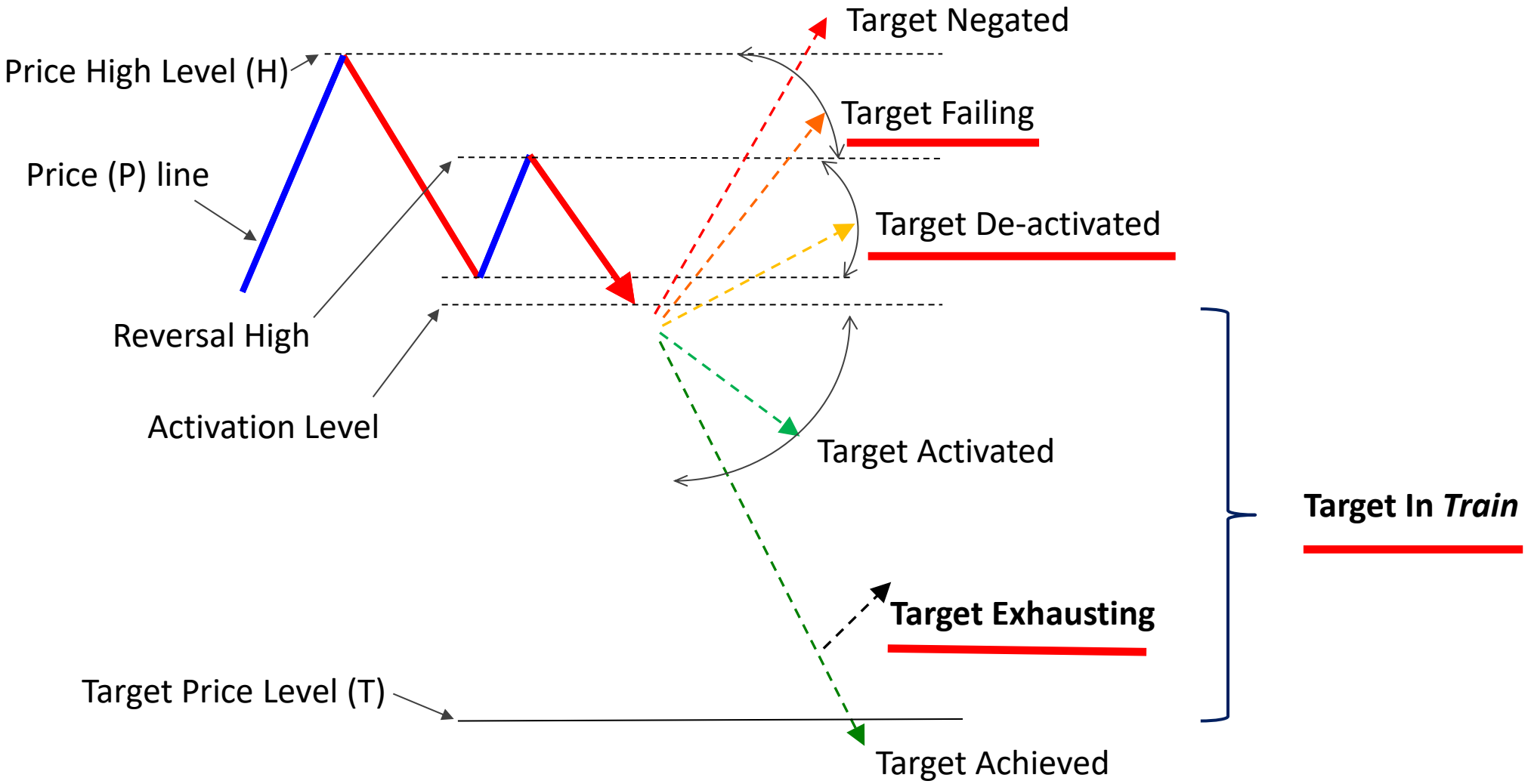
Status of Upside Price Targets



Targets need monitoring

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Status of Downside Price Targets



Targets need monitoring

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How well have Targets worked?



Trust the Targets less if they haven't worked well in the past

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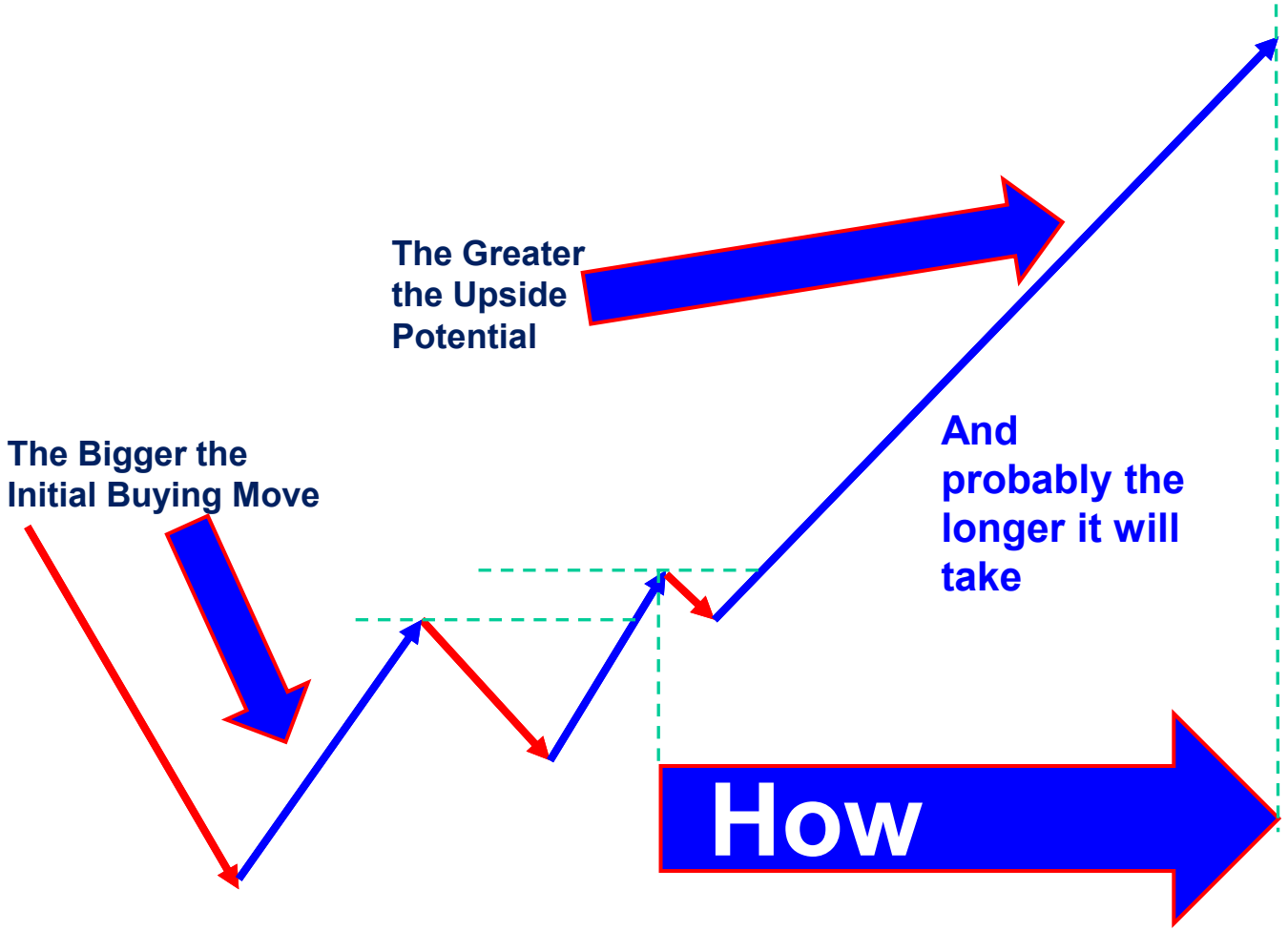
DAY 9

Time to Target

Don’t get too obsessed with Target Time (or Level)

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Time to Target



Target Price is about 'Factor'

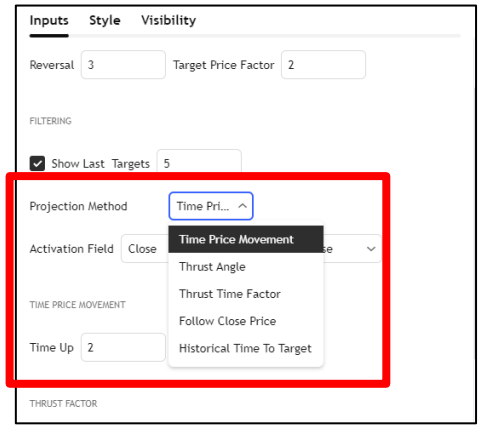
Target Time is about 'Method'

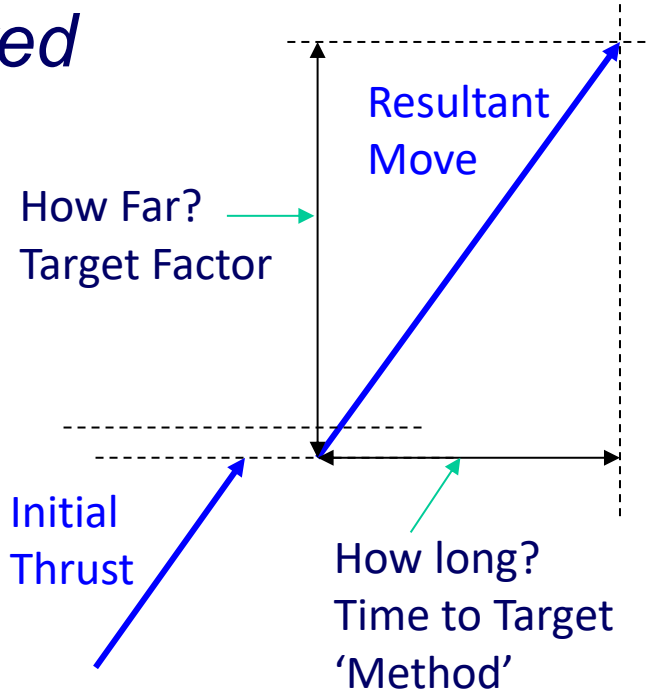
In Point and Figure charts – First Rule - Targets have no time scale

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Five types of Time to Target Projection

1. **Price/Time Ratio –** *simplest and preferred*
2. Thrust Angle
3. Time to Activation
4. Follow the Price
5. Historical Average of Achieved Targets





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1 - Price/Time Ratio*



*Default - 2 Units of Price/2 Units of Time (a Bar) – This is 2 to 2 (1% every 2 days) – Has that been right?

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Price Time Ratio



3 Unit of price/3 Unit of Time (a Bar) – This is 3 to 1 (1.5% every 3 days) – Better?

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2 – Thrust Angle/Target Angle



Takes no account of time to activate – Targets not parallel

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3 – Time to Activation



Nothing to do with speed of Thrust, a function of Time taken to Activate

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4 – Follow the Price



Here we just adjust the target as we go, ignoring last n bars so we see divergence from target

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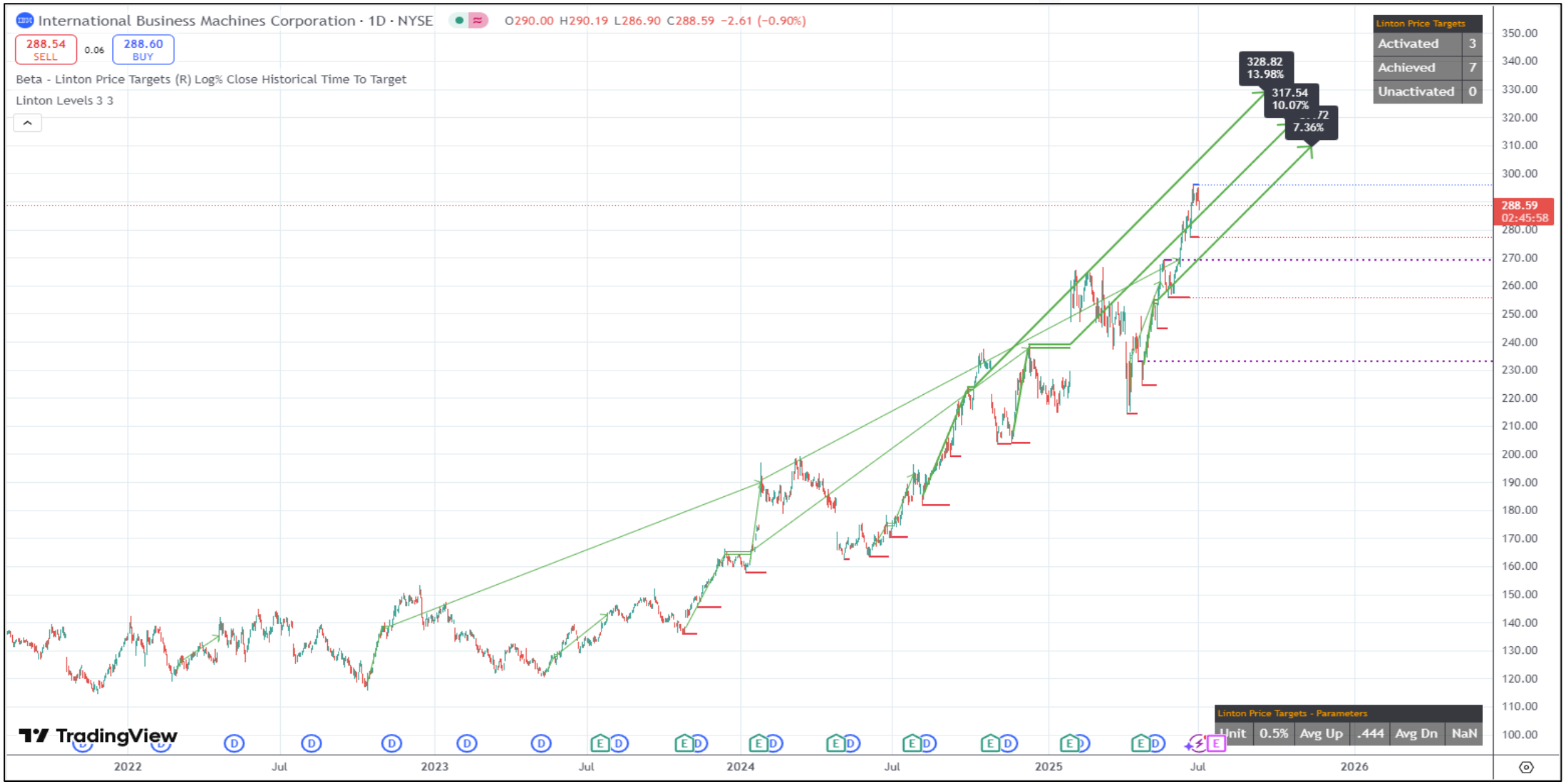
5 – Historical Average



Average of number of Targets – uses number of targets configured – Up and Down

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Last 20 Targets here



When were Targets met historically – How long did it take – Slope?

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Nvidia – Average last 20 Targets



Up **Targets** 0.35 units a day (1% in 6 days) – Down **Targets** 0.68 units a day (-1% in 3 days)

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How far back can you go?



The Trading View scripting language has processing limitations

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DAY 10

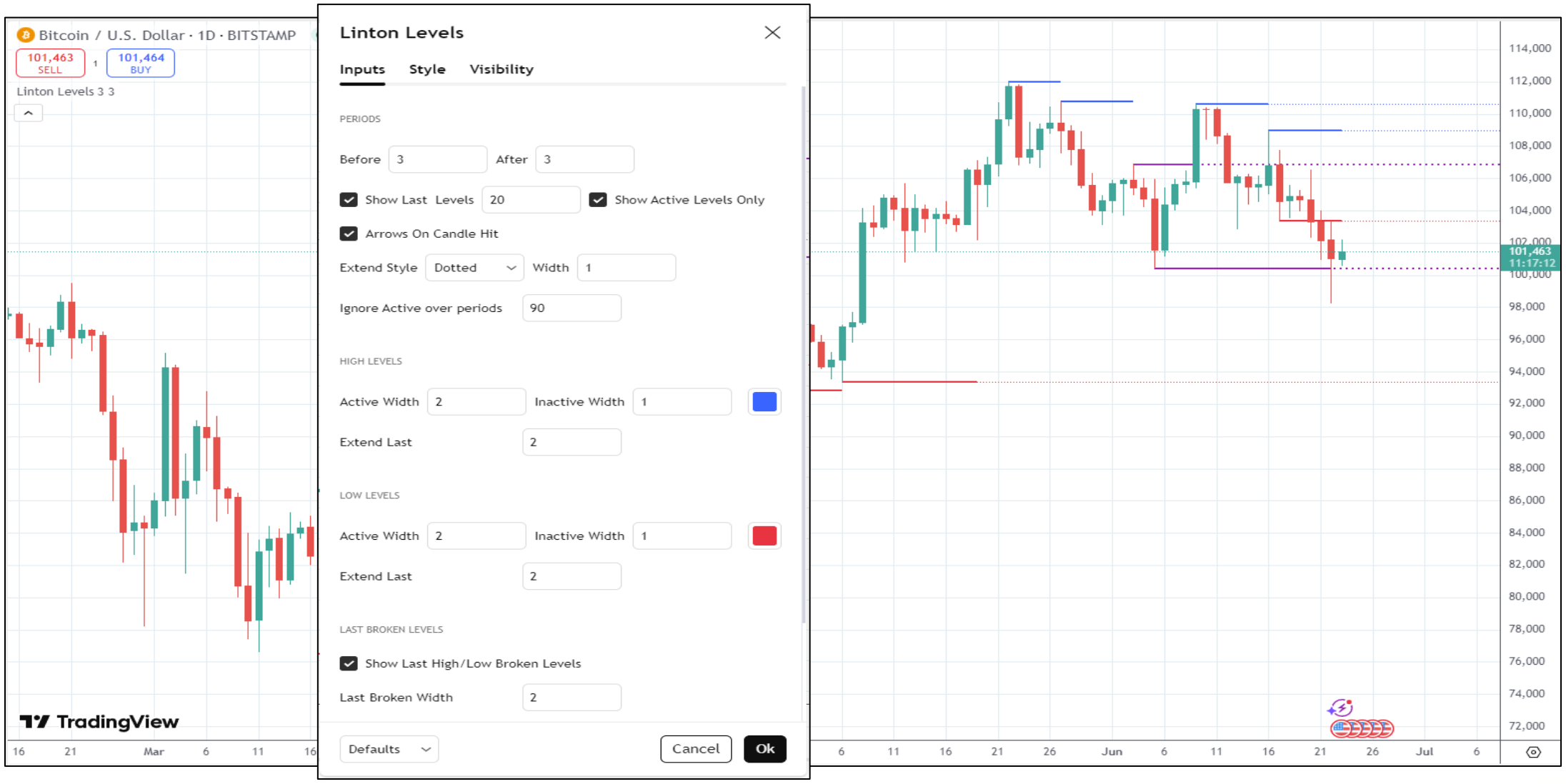
Taking your Targets to the Next Level

Playing with some Settings – Following me

NEW TOOLS

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Levels Settings are fairly straightforward



Two levels either way is a good number

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Average Settings are Very straightforward



21 Days a good period on Daily Charts

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Close Prices v High/Low Prices

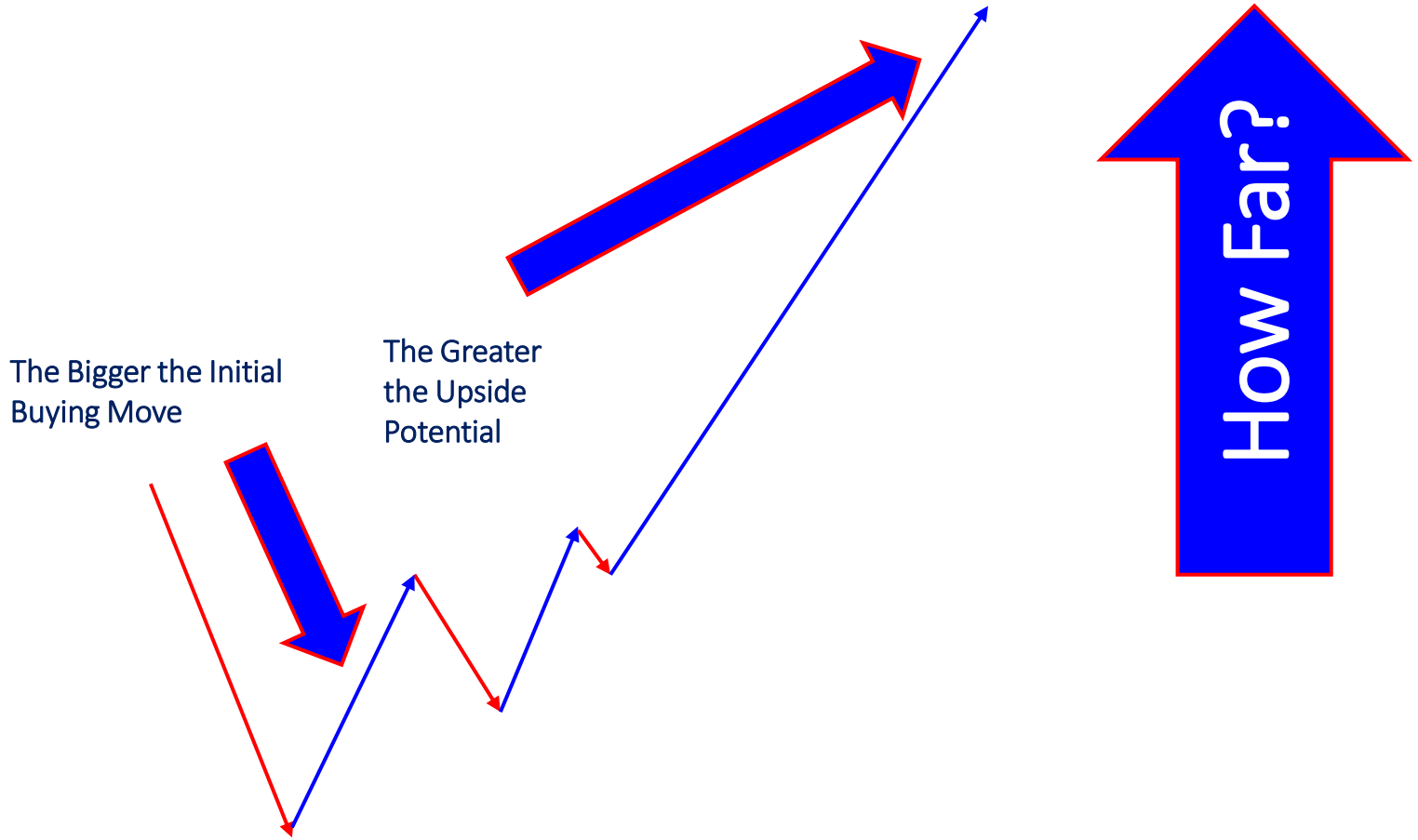




Using Highs and Lows for Activation and Negation

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Target Price Factor



- 1 X
- 1.618 X
- 2 X
- 2 %Log X
- Any Factor X

- Pullback Factor

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Target Factor 1X – ‘Pattern’



TA Rule of Thumb – ‘Move out of the Pattern roughly equal to the move into the pattern’

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Target Factor 1.618X – ‘Fibonacci’



This is effectively Rules Based - ‘Automated Fibonacci style extensions’

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Target Factor 2X – ‘Classic P&F’



The original Point and Figure 3 Box projection method

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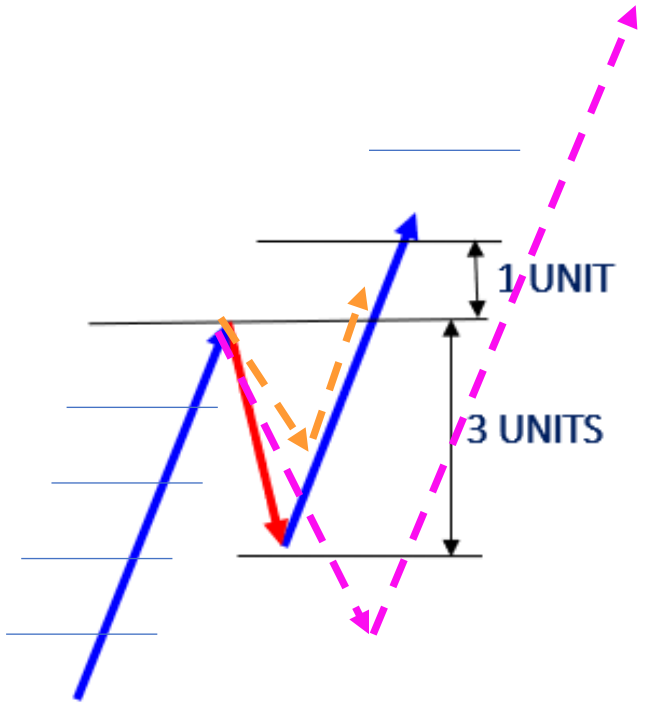
Target Factor 2X – ‘Log Scale’



Log Scale means upside targets over exaggerated, Downside Targets under

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Adjusting The Pullback



The Pullback is like a coiled spring or elastic

3 Units comes from P&F 3 Box Method – The Bigger the Reversal the Bigger the Target
Smaller Reversals means more Targets, Bigger means Fewer

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Targets and Varying the Reversal



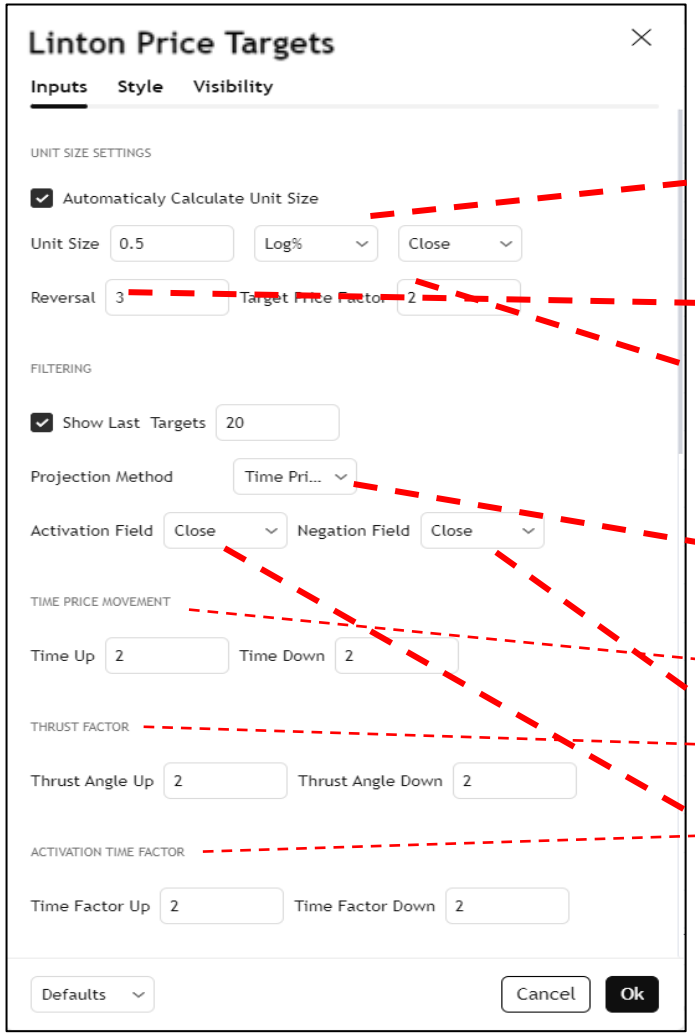


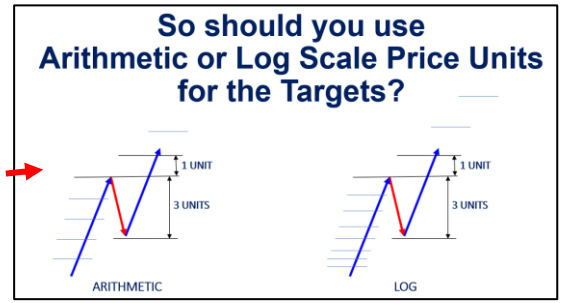


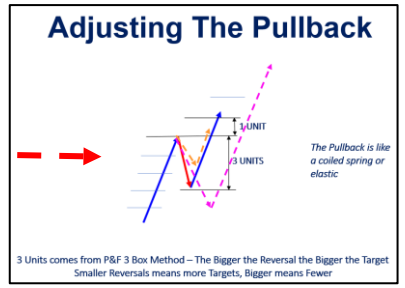
3 is probably the sweet spot, 2 produces more targets, 5 too few and too exaggerated

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Predict the Price

Settings on TradingView - 1

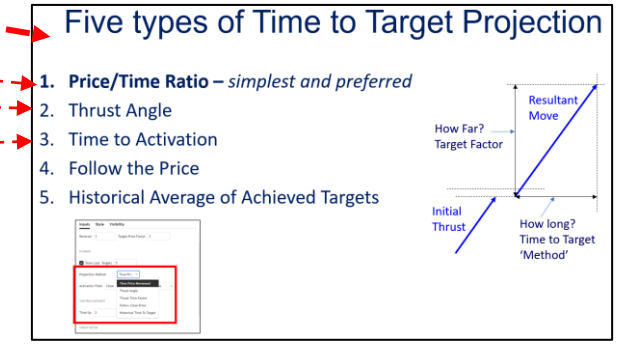








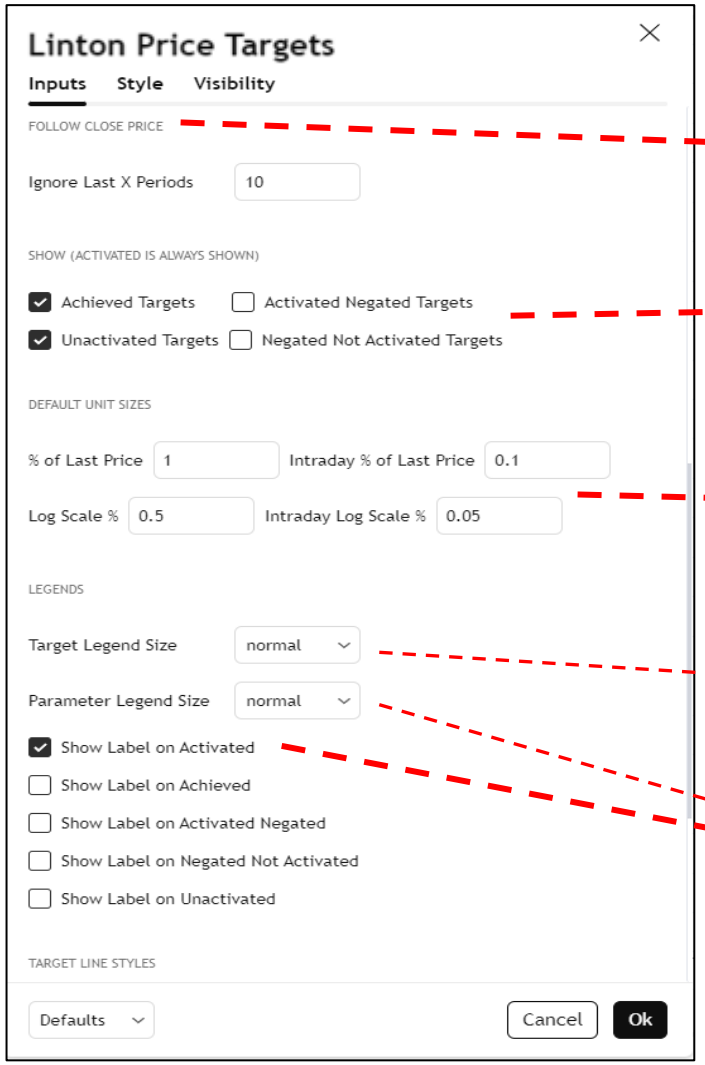




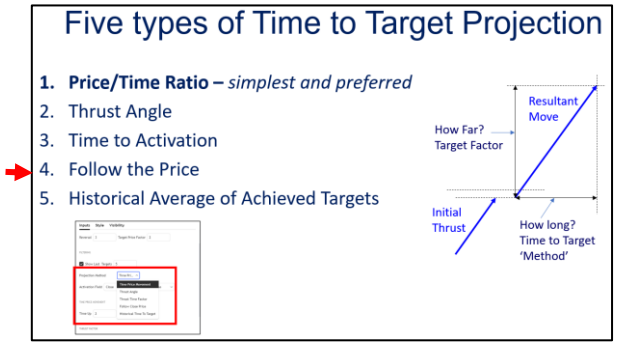
Each of these have been covered in the Presentation

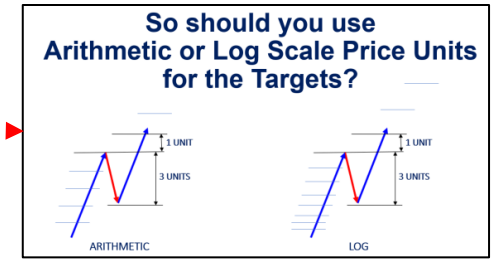
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Settings on TradingView - 2







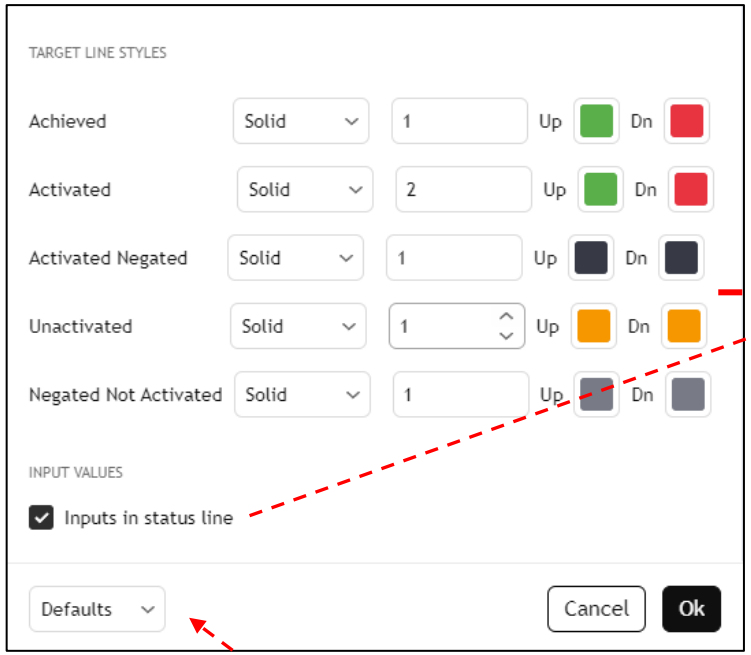




Each of these have been covered in the Presentation

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Settings on TradingView - 3



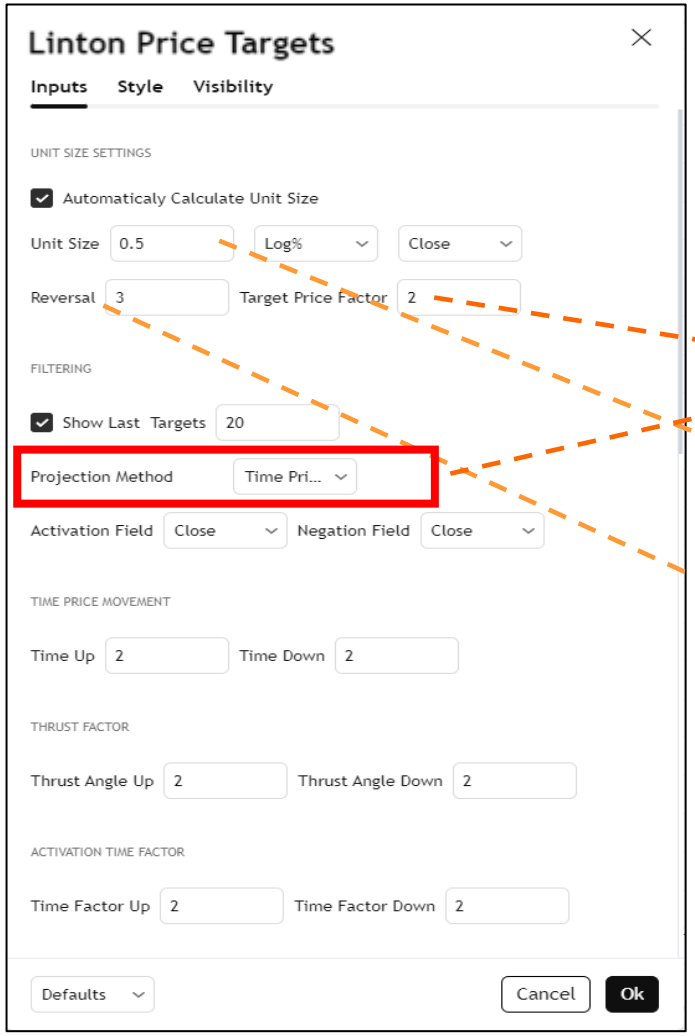


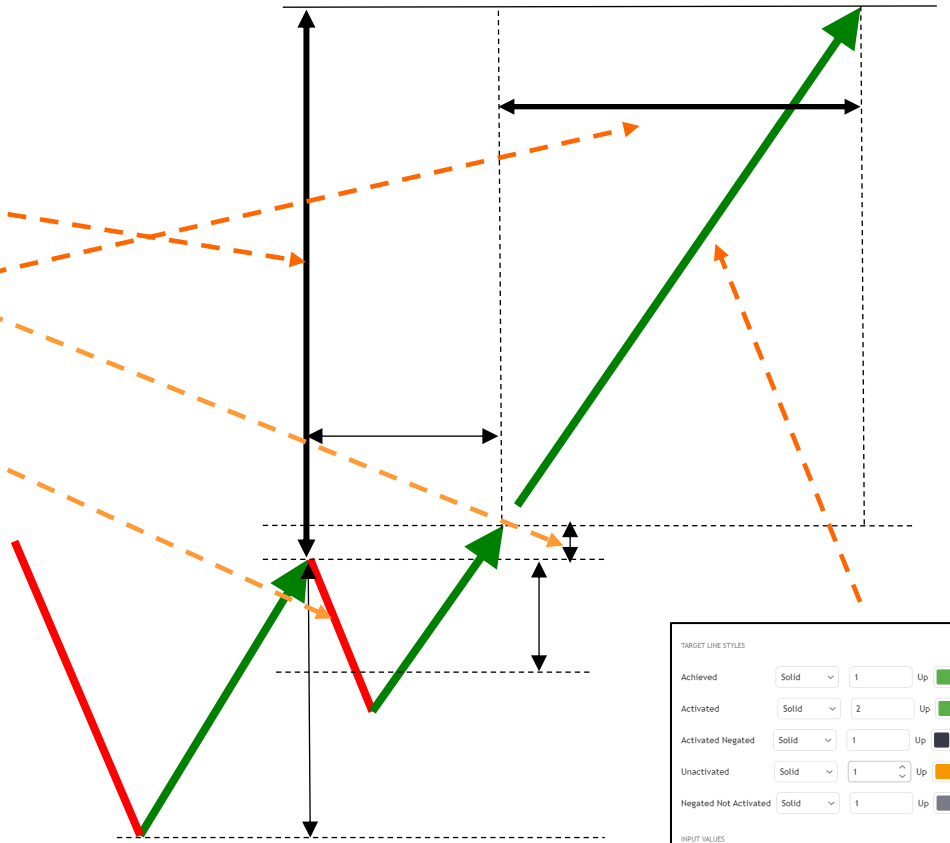
You can save your own Defaults

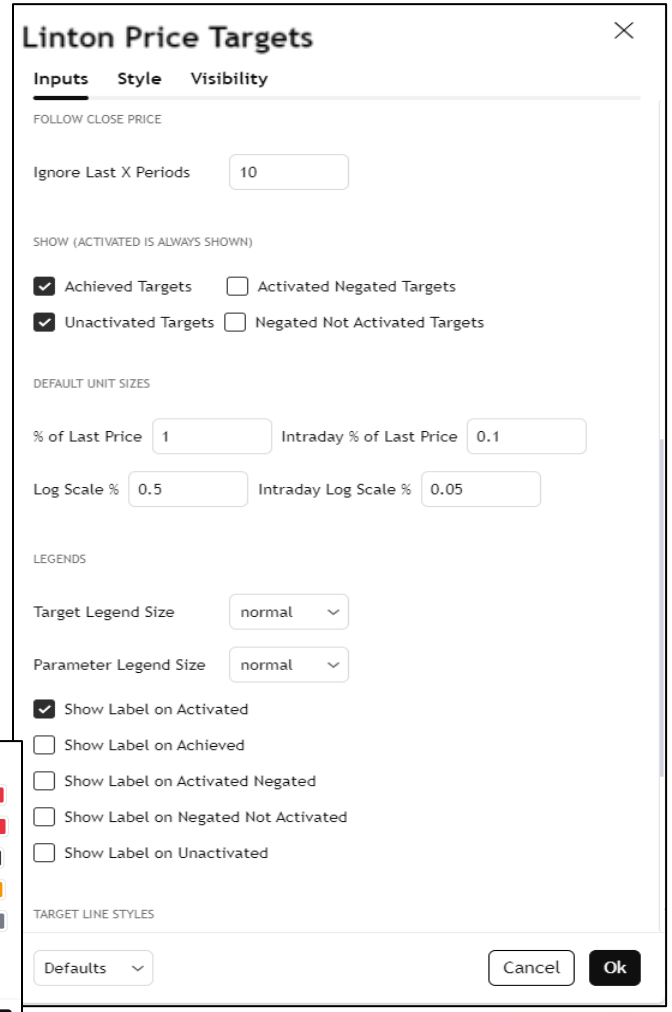
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Settings Visualised







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Regular Updates



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Target On Balance Volume (OBV)



Has a Price Target been generated on high or low volume?

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Target Stoplosses

Targets may..

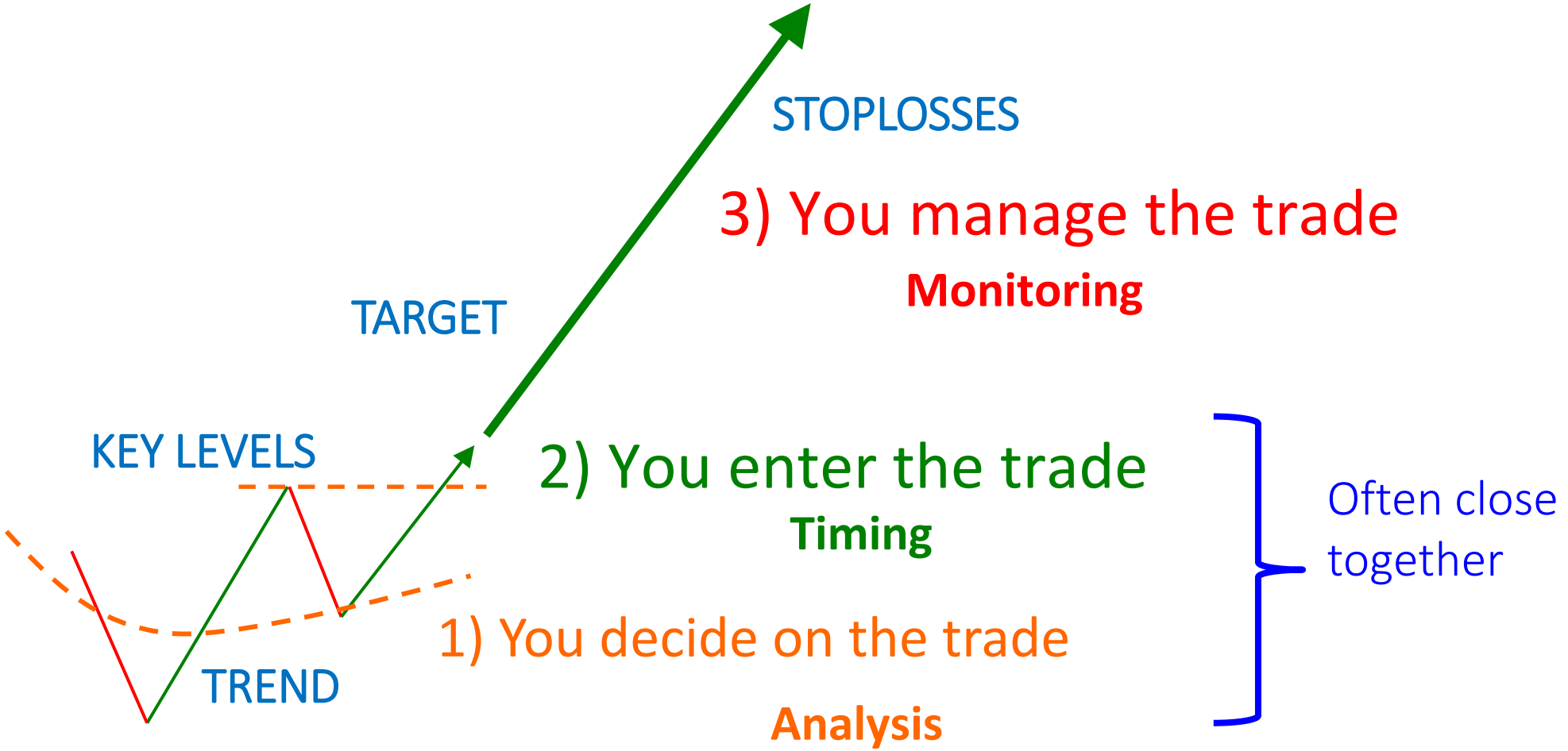
Not be reached

Or Exceeded

Cut your losses – Let your profits run

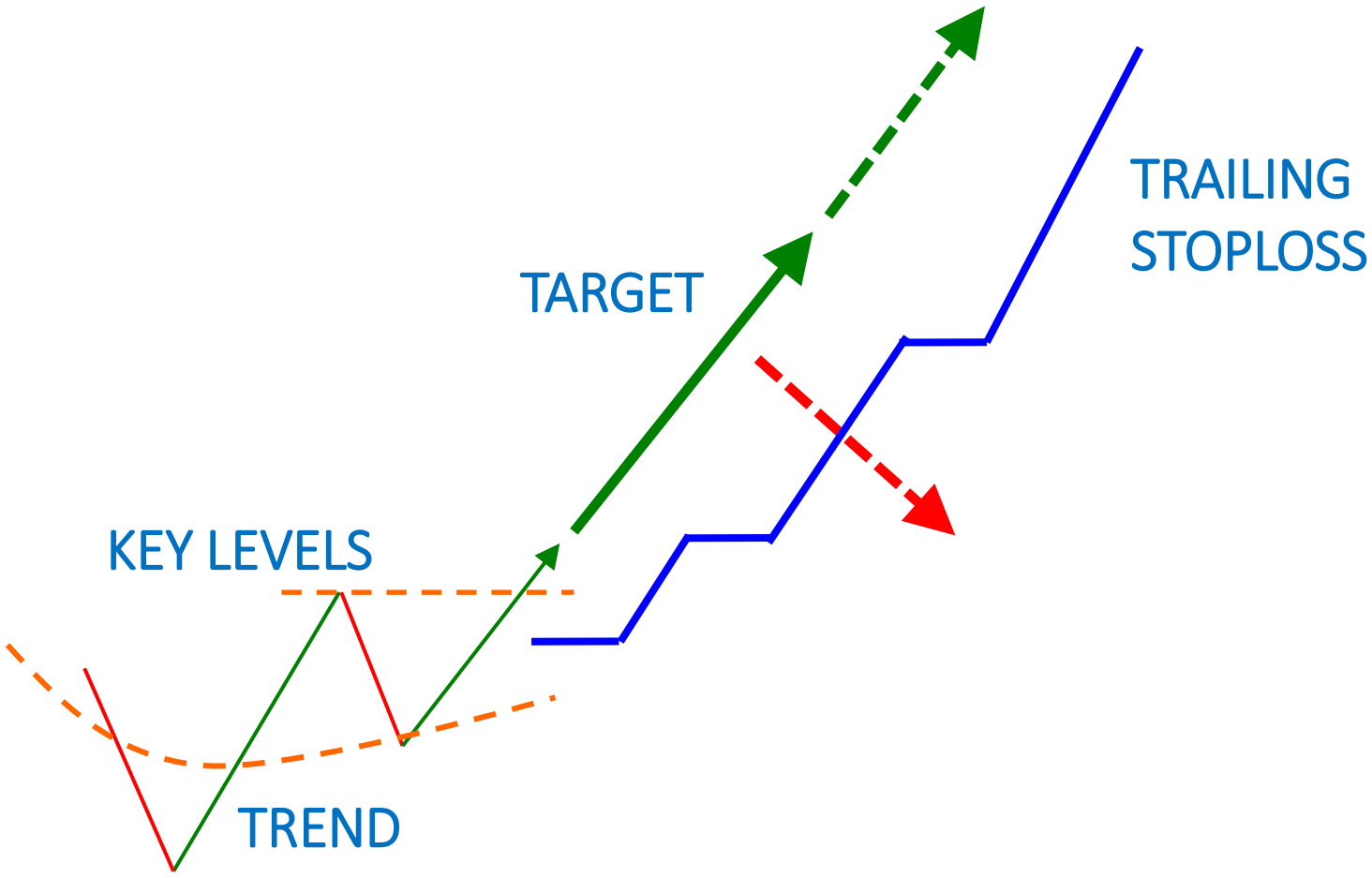
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Once in a trade, all about Money Management



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Once in a trade, all about Money Management



Accepting a Target Price will not normally be exact

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Optimisation of Stoplosses





IFTA JOURNAL | 2008 EDITION

Optimisation of Trailing Stoplosses

by David Linton, MFTA

Abstract

Technical Analysts can greatly improve their trading results on virtually any chart by optimising their stops. Most technicians are familiar with the idea of a "trailing stop" or "stoploss." Optimising this simple tool to "best fit" the data for a given instrument will normally provide a better exit than most other technical indicators. Through comparison with several widely accepted technical indicators, the paper will show that Optimised Stoploss is a valid tool derived from price for exiting, and with the potential for, entering trades.

Introduction

The idea behind the trailing stoploss is simple. First, a number of points or a percentage, representing a small fraction of the price of an instrument, is set below the price such that it provides a price exit level or stop. With a trailing stop, the stop level rises (trailing the price) when the price rises and moves sideways when the price falls back from a peak. The trailing stop can only start rising again when the last high (where the trailing stop started to move sideways) is exceeded. The formula from a set low or entry of a position may be expressed as an expression or routine as follows:

Set SL=Price*(100-stop%)

If (Price*(100-stop%)>SL) SL=Price* (100-stop%) – i.e. raise stop level

If Price<SL then Exit Position

The weekly chart (Figure 1) of the S&P 500 Index below shows a trailing stoploss calculated on the closing level of each candle. Highs and intra-day breaches have been ignored here for clarity. On this chart, a stop level of 10% is set to start in October 1999, when the price was 984. This gives a stop level of 886, i.e. 10% below the price. Thereafter, the stoploss trails the price such that it moves up when the price moves to a higher closing level. In order to lock in profits, the trailing stop does not move down with the price at any time and instead runs sideways. For instance, once the price high at A is made, the trailing stop line runs sideways until a new high is made at B, where the trailing stop line starts to rise again.

The stoploss gives a signal when the price closes below the stoploss line. From the high set at C, the stoploss line goes sideways with no new high until it is breached with a close below the stoploss at D. In this case, the 10% stoploss, an arbitrary level that is often used by investors, worked well in identifying a safe retracement in the price in late 1999 and more importantly did its job in identifying the end of the trend in late 2000.

Advantages:

1. The extent of a loss can be set and kept small with the ability to run a profit.
2. It is a guaranteed exit when the price turns down. Other derived indicators may never give an exit signal while the price is deteriorating (i.e. RSI falling through 70, but 70 is never reached).
3. It is an objective mechanical system. Trend lines are more subjective in establishing a support level, and most technical indicators require a period to be set.
4. Trailing stops allow for sideways translation in the price action to occur by moving sideways with the price during a period of consolidation. In a congestion phase, periodic indicators can give false sell signals.

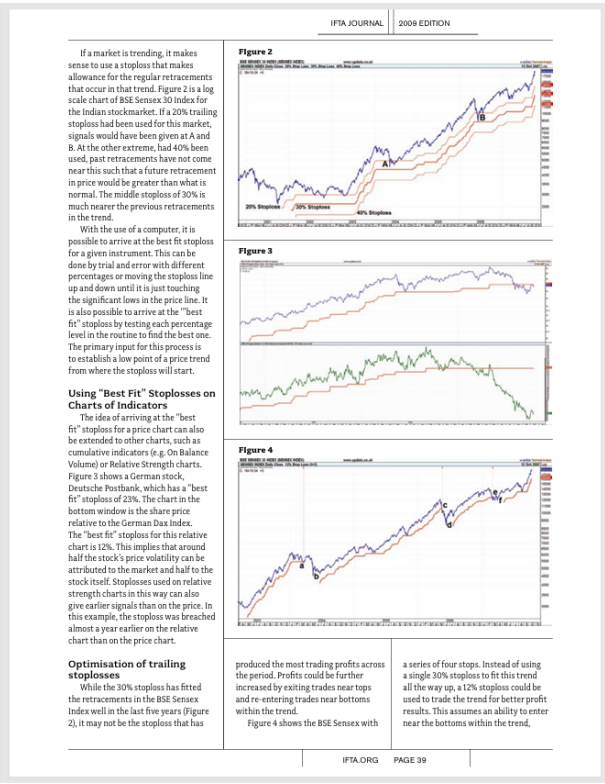
Disadvantages:

1. The user needs to set a percentage or points amount, and this may not be optimum.
2. A chosen level may not be appropriate for a given time horizon or instrument class.
3. Temporary breaches can occur with whipsaws or spiking, leading to being "stopped out."

Method

Using a stoploss that fits the data best

Figure 1



IFTA JOURNAL | 2009 EDITION

If a market is trending, it makes sense to use a stoploss that makes allowance for the regular retracements that occur in that trend. Figure 2 is a log scale chart of BSE Sensex 30 Index for the Indian stockmarket. If a 20% trailing stoploss had been used for this market, signals would have been given at A and B. At the other extreme, had 40% been used, past retracements have not come near this such that a future retracement in price would be greater than what is normal. The middle stoploss of 30% is much nearer the previous retracements in the trend.

With the use of a computer, it is possible to arrive at the best fit stoploss for a given instrument. This can be done by trial and error with different percentages or moving the stoploss line up and down until it is just touching the significant lows in the price line. It is also possible to arrive at the "best fit" stoploss by testing each percentage level in the routine to find the best one. The primary input for this process is to establish a low point of a price trend from where the stoploss will start.

Using "Best Fit" Stoplosses on Charts of Indicators

The idea of arriving at the "best fit" stoploss for a price chart can also be extended to other charts, such as cumulative indicators (e.g. On Balance Volume) or Relative Strength charts. Figure 3 shows a German stock, Deutsche Postbank, which has a "best fit" stoploss of 23%. The chart in the bottom window is the share price relative to the German Dax Index. The "best fit" stoploss for this relative chart is 12%. This implies that around half the stock's price volatility can be attributed to the market and half to the stock itself. Stoplosses used on relative strength charts in this way can also give earlier signals than on the price. In this example, the stoploss was breached almost a year earlier on the relative chart than on the price chart.

Optimisation of trailing stoplosses

While the 30% stoploss has fitted the retracements in the BSE Sensex Index well in the last five years (Figure 2), it may not be the stoploss that has produced the most trading profits across the period. Profits could be further increased by exiting trades near tops and re-entering trades near bottoms within the trend.

Figure 4 shows the BSE Sensex with a series of four stops. Instead of using a single 30% stoploss to fit this trend all the way up, a 12% stoploss could be used to trade the trend for better profit results. This assumes an ability to enter near the bottoms within the trend,

Figure 2

Figure 3

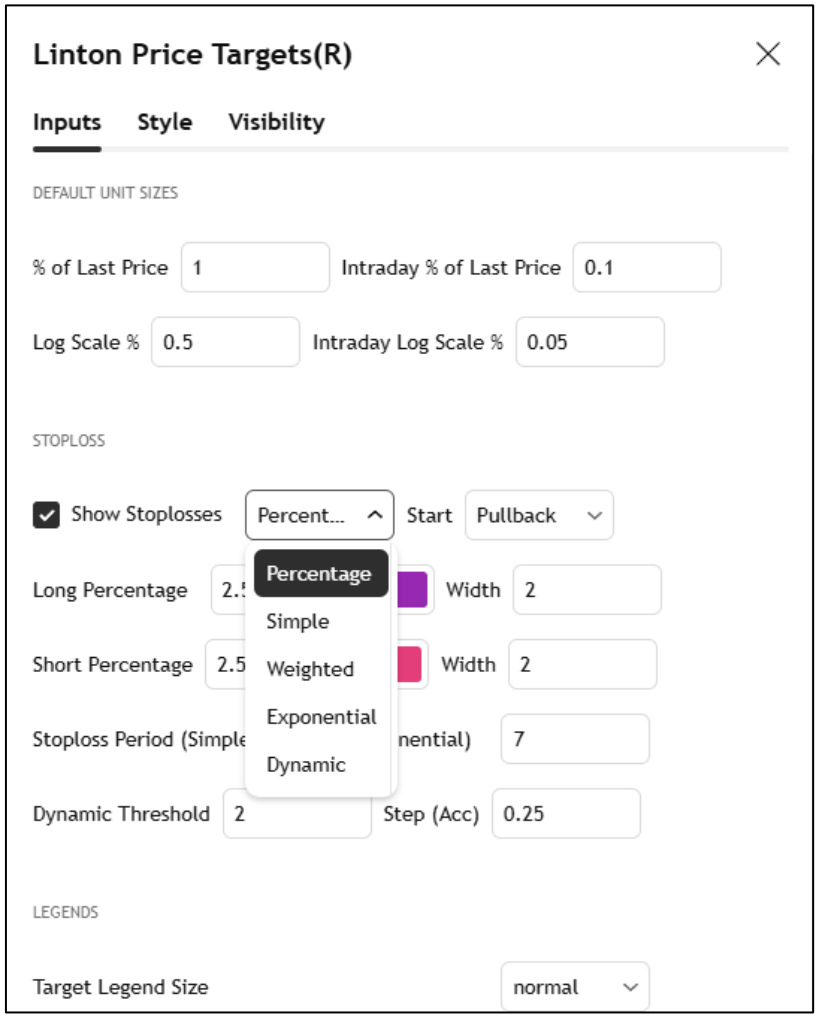
Figure 4

https://www.ifta.org/assets/docs/d_ifta_journal_09.pdf

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Target Stoplosses – from activation point

- Percentage – user specified value
- Simple - user specified, smoothed
- Weighted - user specified, smoothed
- Exponential - user specified, exponential
- Dynamic – tightens as price runs



Find in the Updata analytics tools menu

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Predict the Price

Percentage – sets a user defined % of price



Traditional hard coded trailing stop

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Simple – Simple Average % of over x periods



A simple average value of the last x periods

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Weighted – Weight Average % of over x periods



A weighted average value of the last x periods

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Exponential – Exp Average % over x periods



An Exponential average value of the last x periods

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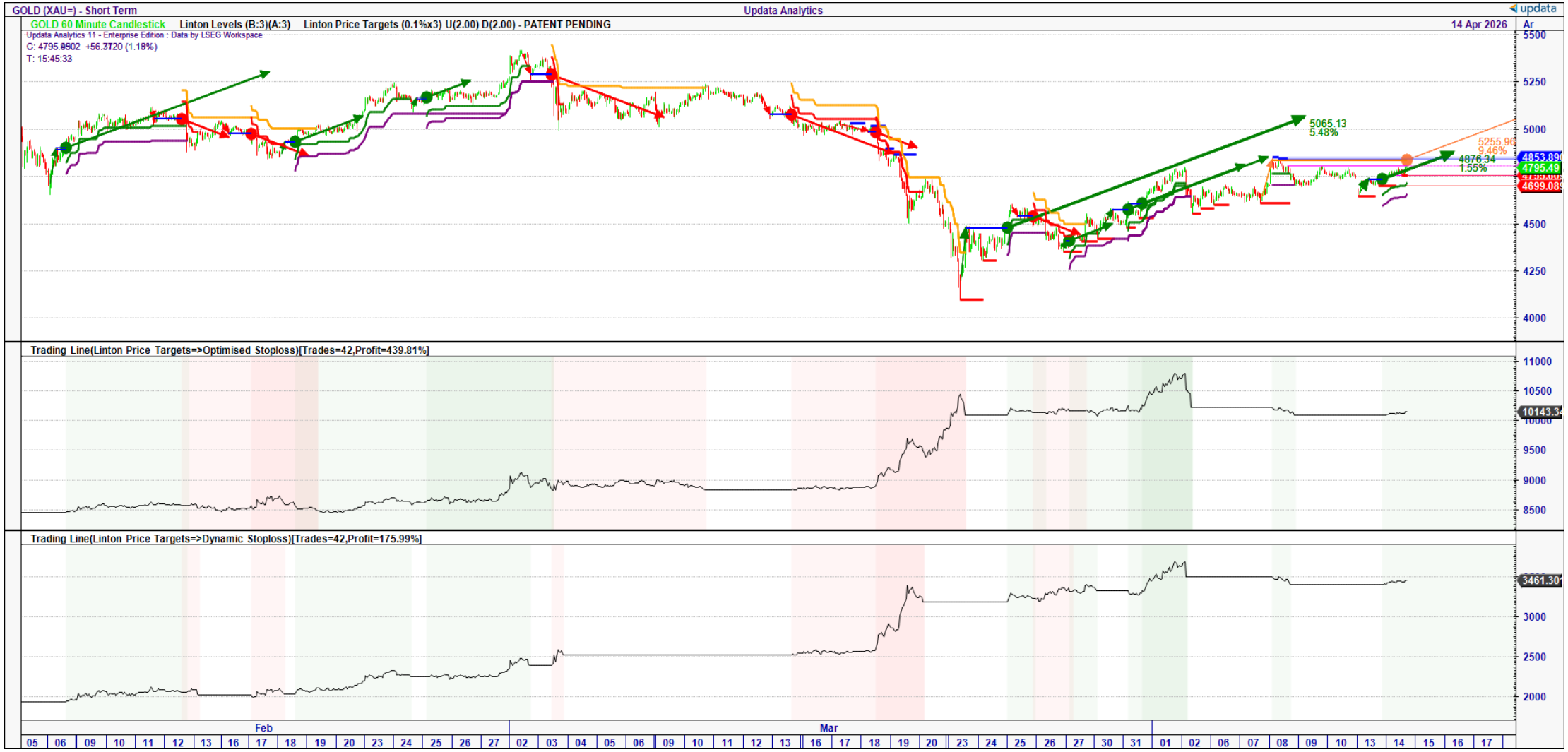
Dynamic – Tightens if prices run from stop



If price hits threshold % away from Stoploss – Stop tightens by step

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Comparing and testing different stoploss types



The stop will normally make the bigger difference to trading profit than target unit size

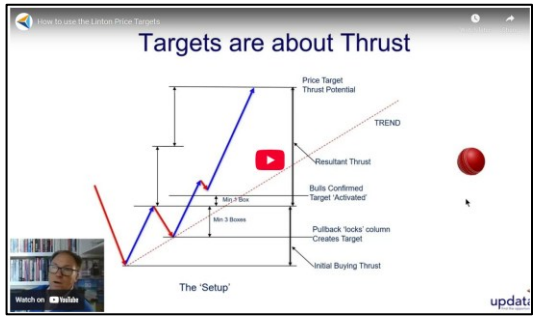
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Key Points about Targets

- Targets are approximate – not all targets are achieved
- Targets pointing to key price levels increase likelihood R/S
- Multiple Targets pointing to same price area – ***clustering***
- Nearest Targets must be met first, beware improbable ones
- Targets not reached/exceeded - indicates bullish/bearish
- Can have opposing targets – favour with trend
- Understand Negation and Activation
- Use Stoplosses

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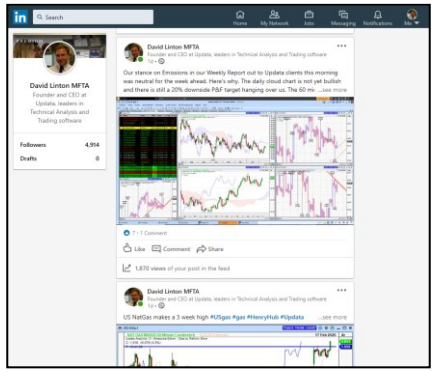
How to keep your Technical Analysis skills up



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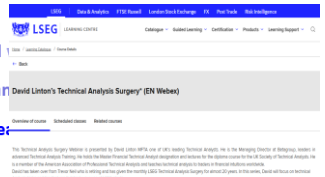
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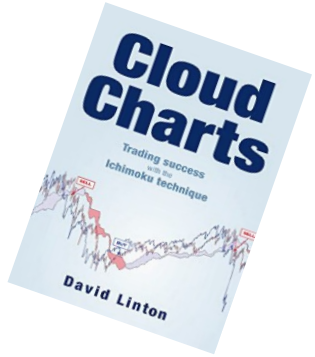
December 2025 – Understanding Ichimoku Cloud Charts



Monthly – LSEG Surgeries



Conferences



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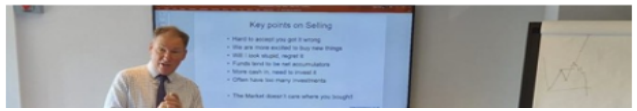


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Appearing on more platforms

Linton Price Targets™ on Bloomberg



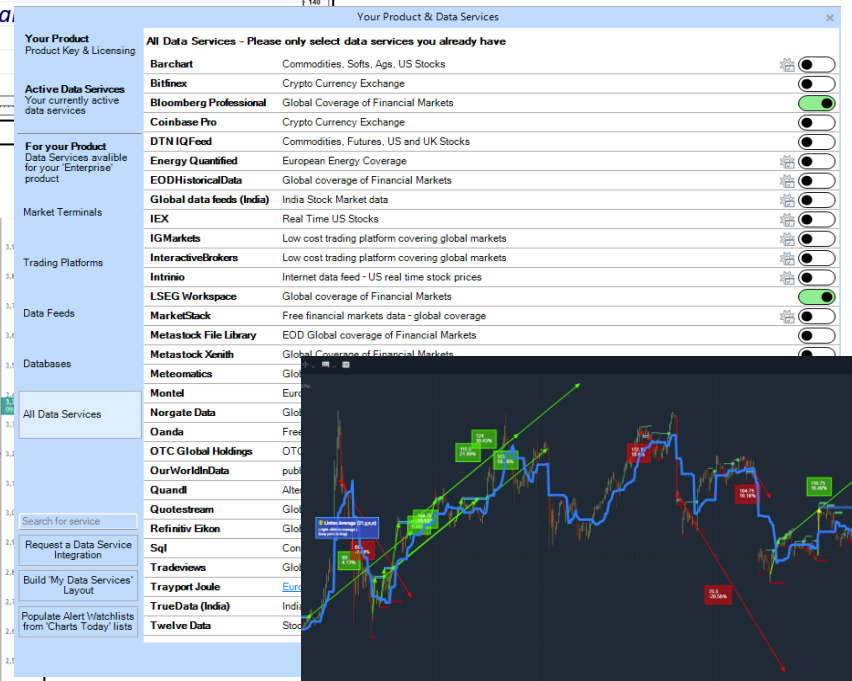
Linton Price Targets



Three Development Tracks

1. Improve in Updata Analytics
2. Add more data feeds
3. Add on more platforms

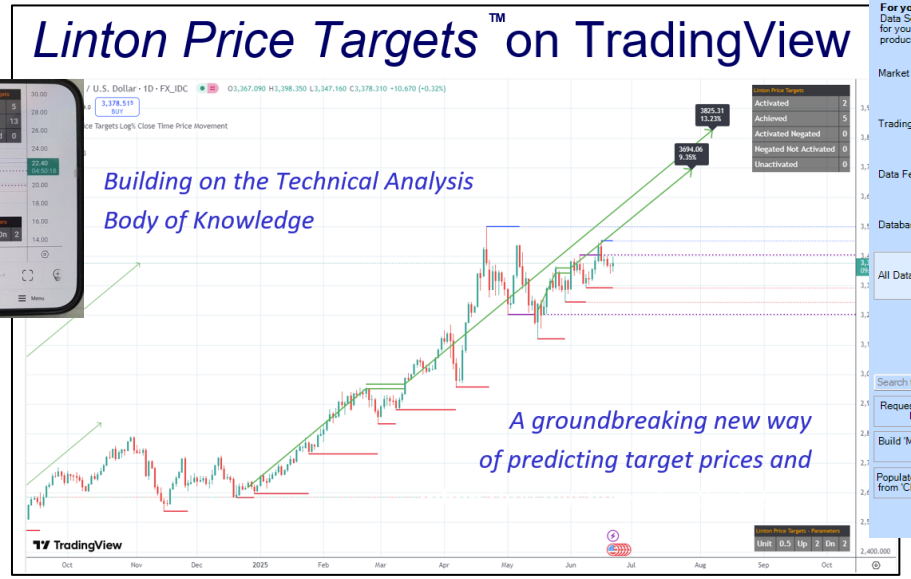
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Advantage with TradingView



Linton Price Targets™ on TradingView



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Predict the Price

TREND, LEVELS, TARGETS, *STOPS*



David Linton MFTA

ta@updata.co.uk

More resources and sign up at:

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