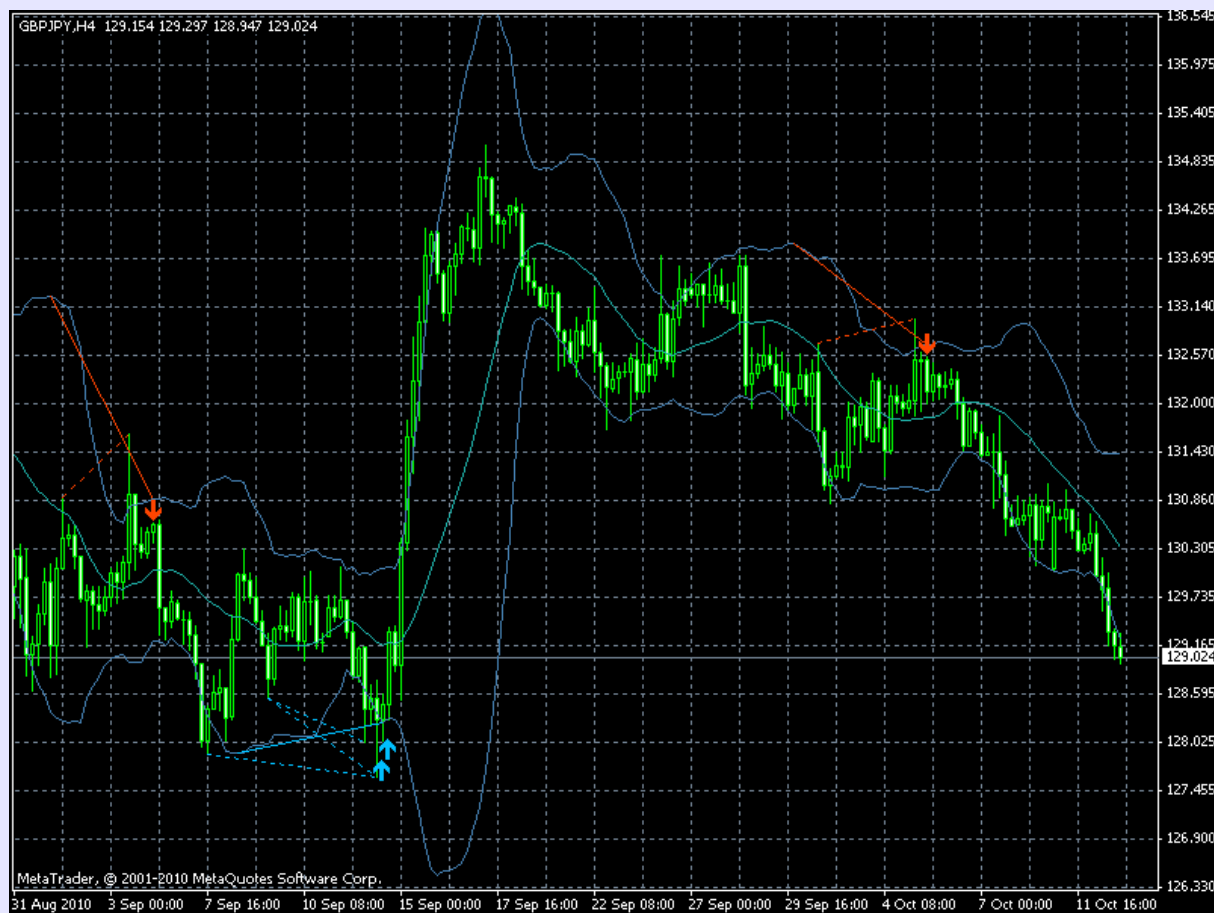


## Bollinger Bands Divergence Indicator generation III

### Bollinger Bands Explanation

Bollinger bands consist 3 lines. First one, central line and other two price channels lines. Channel lines also called bands. The center line is an exponential moving average; the price channels lines are the standard deviations of the forex market being studied. The bands will expand and contract as the price action of an issue becomes volatile (expansion) or becomes bound into a tight trading pattern.

For our opinion this indicator will be useful for scalping. Very strong signal for position opening is Bollinger bands forex divergence.



### **Bollinger Bands Divergence Explanation**

[BollingerBands Divergence](#) Generation III is new professional [forex divergence](#) indicator with complex mathematical algorithm (BJF Trading Group invention).

#### **Forex Divergence Algorithm short explanation**

- Search for significant peaks on the both chart and indicator;
- Match pairs of peaks from the chart to pairs of peaks from the indicator;
- Apply main divergence conditions to accept divergence pattern;
- Apply user defined filters.

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