

Finding the Trend Direction Using Atr

I am looking at higher tf trends here – specifically the D1 trend as I trade lower time frames.

Here is what I am doing:

- 20 period Atr: D1 time frame.
- The trend level is determined by $\text{Atr} * 2$.
- Take the opening price 10 days ago.
- Compare this with the current price:
 - market is twice Atr higher than at open ten days ago: trend is rising.
 - market is twice Atr lower than at open ten days ago: trend is falling.
 - market is $<$ twice Atr higher/lower than at open ten days ago: market is ranging.