Bollinger Bands

INTERMEDIATE PRACTICE WORKSHEET

Pull up a real chart (any free charting site works, most show Bollinger Bands as a built-in indicator) for a stock or index you're curious about. There's no wrong answer, the goal is just practice.

Section 1 - Read the Current Bands

Which stock or index, and what timeframe? Is price currently near the upper band, lower band, or the middle band?

Section 2 - Calculate the Bands by Hand

Using a 20-period SMA of $50 and a standard deviation of $2, calculate the upper and lower bands.

Section 3 - Spot a Squeeze

Scroll back on your chart - can you find a point where the bands pulled unusually tight together? What happened to price shortly afterward?

Section 4 - Check for a Band Walk

Can you find a stretch where price rode along one band for several periods without reverting to the middle? What was the broader trend doing at the time?

Section 5 - Reflection

What other tool from an earlier lesson (RSI, MACD, volume) would you want to check alongside a Bollinger Band signal before trusting it?