RSI

INTERMEDIATE PRACTICE WORKSHEET

Pull up a real chart (any free charting site works, most show RSI 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 RSI

Which stock or index, and what timeframe? What is its current RSI(14) reading? Is it overbought (>70), oversold (<30), or neutral?

Section 2 - Calculate RSI by Hand

Using an average gain of 1.8 and an average loss of 0.6 over the lookback period, calculate RS and then RSI using the formula from the explainer.

Section 3 - Spot Divergence

Looking at your chart's last few weeks, does price and RSI agree on direction (both making higher highs, or both making lower lows)? Or do you see divergence?

Section 4 - Combine With Another Tool

Is the current RSI reading lining up with a support or resistance level, or a trend line from an earlier lesson? Does that make the signal stronger or weaker?

Section 5 - Reflection

What would make you trust this RSI reading more, and what would make you trust it less?