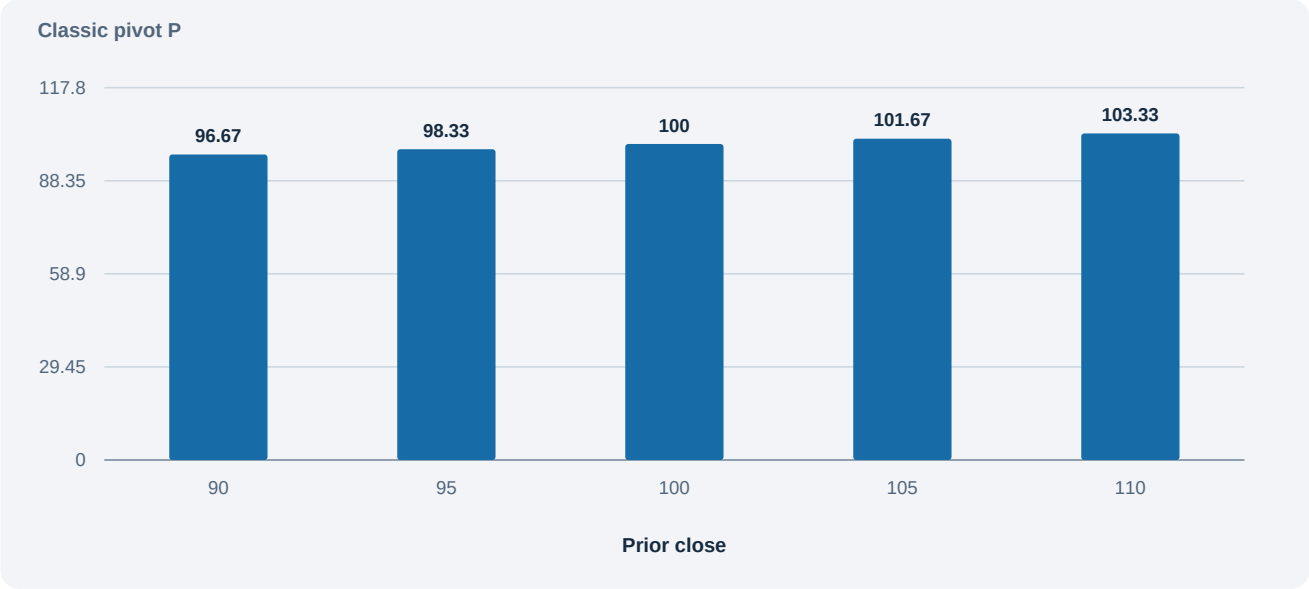
Classic pivot arithmetic

Auction and levels | Original synthetic example | Edition 2026-11-26

The classic central pivot is the arithmetic average of the previous period's high, low and close. It is a deterministic reference level, not evidence that price will react there.

FORMULA Pivot P = (prior high + prior low + prior close) / 3

SCENARIO 01: Prior high 110; low 90; vary prior close



WORKED EXAMPLE

With prior close 105, pivot is (110 + 90 + 105) / 3 = 101.67.

COMMON MISTAKE

Using the current unfinished session's high and low changes a prior-period pivot definition.

BEFORE YOU USE THE CALCULATION

1. Use a completed prior period.
2. Check high-low-close consistency.
3. State the session and timeframe.

COMPARE TWO MORE INPUT SETS

Scenario 05: Prior high 150; low 130; vary prior close. With prior close 145, pivot is (150 + 130 + 145) / 3 = 141.67.

Scenario 10: Prior high 200; low 180; vary prior close. With prior close 195, pivot is (200 + 180 + 195) / 3 = 191.67.

Background context: Fidelity: Technical indicator guide

Learn. Analyze. Practice. Trade Smarter. | Original calculations; background sources provide context.

Synthetic values are not historical market data. Educational material; trading can result in substantial losses.