Price rate of change

Price and indicators | Original synthetic example | Edition 2026-11-26

Rate of change expresses a price difference relative to the earlier price. It is a percentage change over a specified lookback and is not comparable without that horizon.

FORMULA ROC = (current / earlier - 1) x 100

SCENARIO 01: Lookback reference price 100



WORKED EXAMPLE

Current 110 relative to earlier 100 gives ROC 10%. The lookback duration must also be stated.

COMMON MISTAKE

Comparing a one-day ROC with a one-month ROC without naming horizons mixes different questions.

BEFORE YOU USE THE CALCULATION

1. State the lookback.
2. Use a nonzero earlier price.
3. Check corporate-action adjustments in real data.

COMPARE TWO MORE INPUT SETS

Scenario 05: Lookback reference price 140. Current 150 relative to earlier 140 gives ROC 7.14%. The lookback duration must also be stated.

Scenario 10: Lookback reference price 190. Current 200 relative to earlier 190 gives ROC 5.26%. The lookback duration must also be stated.

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