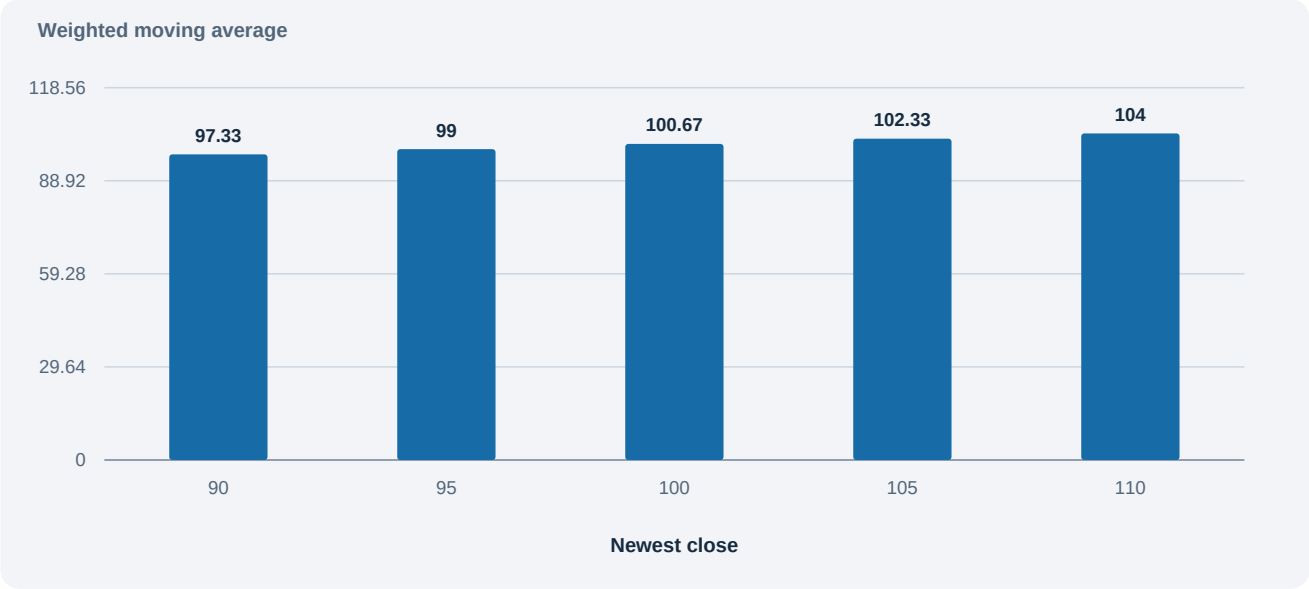
Linearly weighted moving average

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

A weighted moving average gives more influence to chosen observations. This worksheet uses linearly increasing weights from oldest to newest, normalized by their sum.

FORMULA WMA = sum(price x weight) / sum(weights)

SCENARIO 01: Five-close WMA; weights 1 to 5 from oldest to newest



WORKED EXAMPLE

At newest close 100, WMA is 100.67; the newest observation has weight 5/15.

COMMON MISTAKE

Reversing the weight order gives the oldest observation the greatest influence.

BEFORE YOU USE THE CALCULATION

1. Name the oldest-to-newest order.
2. Normalize the weights.
3. Use a complete window under the stated rule.

COMPARE TWO MORE INPUT SETS

Scenario 05: Five-close WMA; weights 1 to 5 from oldest to newest. At newest close 140, WMA is 140.67; the newest observation has weight 5/15.

Scenario 10: Five-close WMA; weights 1 to 5 from oldest to newest. At newest close 190, WMA is 190.67; the newest observation has weight 5/15.

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.