

The Swing Setup Strategy & How It Compares to the Pros

How the dashboard scores short-term swing-trade setups across 60 tickers — the six technical signals it reads, how a candidate is chosen, and an honest comparison against the methods used by championship swing traders.

Market Intelligence by [@CoachZubair](#) · coachzubair-trading-signals.netlify.app/swing.html

Swing trading means holding a position for **days to a few weeks** to capture one defined price move — from a technical entry near support up to a pre-set target. It sits between day trading and long-term investing. The edge is timing: entering when momentum and trend align, and exiting at a defined target or stop. The dashboard does not predict; it scores how strongly today's price action matches a disciplined pullback-in-an-uptrend setup, then leaves the decision to you.

The six signals

Each ticker is scored on six technical signals, one point each. The same six apply to every ticker — the watchlist (crypto, stocks, halal ETFs, commodities) and the wider 60-name halal universe alike.

1 Uptrend

The 50-day EMA is above the 200-day EMA *and* the 200-day EMA is rising over roughly a month. Swing entries work best in the direction of the dominant trend — this is stricter than a plain "golden cross" because it also requires the long-term trend to be improving, not merely positive.

2 RSI pullback (< 48)

In an uptrend, RSI rarely falls to the textbook "oversold" 30 — it tends to bottom in the 40–50 zone and bounce. A reading under 48 marks a pullback into that support band: a dip to buy into, not a collapse to avoid. A reading under 25 is treated as a falling knife and vetoed.

3 EMA50 support

Price is within $\pm 3\%$ of the 50-day EMA, with support holding. The 50 EMA acts as dynamic support in uptrends — institutions tend to accumulate near it. Far above it means the move is extended, not a support play. When price is below the EMA50, the signal only fires if the trend or momentum confirms, so it never catches a downtrend slicing through broken support.

4 MACD improving

The MACD histogram has risen for two consecutive bars from a recently negative reading — momentum shifting from bearish to bullish. A tighter filter that reduces false signals early in a move.

5 Volume healthy

Either the pullback is on *contracting* volume (sellers exhausted, not dumping) or the latest up-day came on *expanding* volume above 1.2× the recent average (buyers confirming). Volume is how you tell a healthy dip from distribution — it is cited by virtually every serious swing methodology.

6 Relative strength

The ticker's trailing 3-month return beats the broad-market benchmark (the SPUS halal S&P 500 ETF). Professional swing traders buy leaders, not laggards — a name beating the index on the way up tends to keep leading. The margin of out- or under-performance is shown on every card.

Two context flags (shown, not scored)

In buy zone

For watchlist tickers, whether price sits inside the curated 1-month buy zone. Shown for context only — it does not add to the score, so watchlist and halal-universe tickers compete on the same six signals.

Reversal confirmed

The most recent close was up *and* reclaimed the 50-day EMA — the reversal has actually started, not just lined up. "Awaiting confirmation" means the setup is primed but hasn't triggered; the disciplined move is to wait for a green confirmation candle.

How a candidate is chosen. A ticker surfaces as a setup when it fires at least 60% of its available signals (minimum three) and is not vetoed. Two vetoes apply regardless of score: *overbought* (RSI > 70 or Bollinger %B > 85 — already in take-profit territory) and *falling knife* (RSI < 25 or %B < -15 — most likely still dropping). Candidates are ranked by score, then by relative strength, so the strongest market leader appears first within a tier.

How this compares to what top swing traders use

The established swing-trading canon — Mark Minervini's SEPA / trend template, William O'Neil's CAN SLIM, Stan Weinstein's stage analysis, and the standard EMA/RSI/MACD/Bollinger toolkit — converges on a consistent set of filters. Here is an honest read of where this system matches them and where it doesn't.

Signal-by-signal provenance

OUR SIGNAL	WHO USES IT	HOW OURS COMPARES
Uptrend	Minervini trend template; Weinstein Stage 2	Partial. We implement 2–3 of Minervini's 8 trend-template criteria. He also requires the full 50>150>200 MA fan and price within 25% of the 52-week high. We have the cross + slope, not the 52-week-high proximity.
RSI pullback	Universal; Connors (pullback timing)	Strong, well-calibrated. The 40–50 floor matches documented uptrend RSI behaviour. Connors uses RSI(2) for tighter timing; we use RSI(14) — slower, appropriate for multi-day swings.
EMA50 support	Raschke "holy grail"; institutional accumulation	Good. The dynamic-MA pullback entry is textbook; 50 is the conservative institutional level.
MACD improving	Universal momentum confirmation	Good. Histogram-inflection-from-negative is a standard early-reversal filter.
Volume healthy	Universal — the most-cited confirmation tool	Basic match. We capture dry-up + a 1.2x confirmation. The pros go deeper: OBV/VWAP trend, and Minervini's VCP looks for a <i>sequence</i> of contracting volume across several pullbacks.
Relative strength	Minervini & O'Neil's #1 filter (RS rating \geq 70)	Directionally right, simpler. They rank each stock's percentile vs the whole market (want top 20–30%). Ours is "beat the S&P, yes/no" plus a margin.

The full professional checklist

DIMENSION	STATUS	GRADE	NOTES
Trend identification	Have	B+	EMA stack + 200-slope; missing 52-week-high proximity & full 3-MA fan.
Momentum & timing (RSI/MACD)	Have	A-	Textbook; RSI(14) vs Connors RSI(2) is a defensible style choice.
Volume confirmation	Have (new)	B	Dry-up + confirm captured; no OBV/VWAP or VCP contraction sequence.
Relative strength	Have (new)	B	Beat-the-index binary, not a market-wide percentile rank ≥ 70 .
Risk / position sizing	Have	A- (watchlist)	R:R ≥ 2 gate, stops, sizing formula. Universe tickers have no preset levels.
Entry trigger / confirmation	Partial	C+	"Reversal confirmed" is surfaced but not required — pros wait for the confirming close.
Market-regime filter	Partial	C	O'Neil's "M" — don't buy in a down market. We proxy it via per-ticker trend + RS; no explicit index-trend gate.
Pattern / base recognition	Missing	D	No VCP, cup-and-handle / bases, or stage analysis. The biggest conceptual gap.
Fundamentals / catalyst	By design	—	We separate this deliberately — halal screening is our fundamental layer; the signals are technical-only.

Where we beat typical retail systems

- **Dual veto** — overbought *and* falling-knife. Most signal-counters happily flag a clearly-bearish ticker as a "buy."
- **Falling-knife guard** on EMA50 support — won't flag a downtrend slicing through the MA.
- **RSI tuned to 48 for trends**, not the naive 30 that misses every pullback in a bull move.
- **Settled-close basis** — no intraday-wick false signals.
- **Honest, slippage-adjusted tracking** with a disclosed Hold-accountability gap.

Where the gaps remain

- **Chart-pattern layer** — VCP, bases, cup-and-handle, stage analysis. Hard to automate; best left to a human eye or the AI commentary on inspection.
- **Percentile relative strength** — ranking each ticker against the whole market (top 20–30%), not just "beat the index." The clearest worthwhile mechanical upgrade still on the table.
- **Hard entry trigger** and an explicit market-regime gate — both are "tighten the existing signals," not new data.

Verdict

The system now covers the **entire quantifiable core** of professional swing screening — trend, momentum/timing, volume, relative strength, and a risk framework. That is essentially "the filters the champions use that can be computed from price and volume alone." The remaining gaps are concentrated in the discretionary chart-reading layer (intentionally left to judgment), a market-wide percentile RS rank (the one clear mechanical upgrade still available), and a hard trigger / regime gate. For an automated daily scanner, that is a strong and defensible place to be.

Not financial advice. *These are technical signals only — they say nothing about whether a business is sound, and they describe how the dashboard's own signals scored, not how a real portfolio would perform. Swing trading carries real risk of loss; 35–50% of trades will be losers even in a profitable system. Halal-universe tickers show indicator scoring only — set your own entry, stop, and target. Build a long-term halal foundation first. Always do your own financial and Shariah due diligence.*