

9 and 21 EMA Crossover strategy

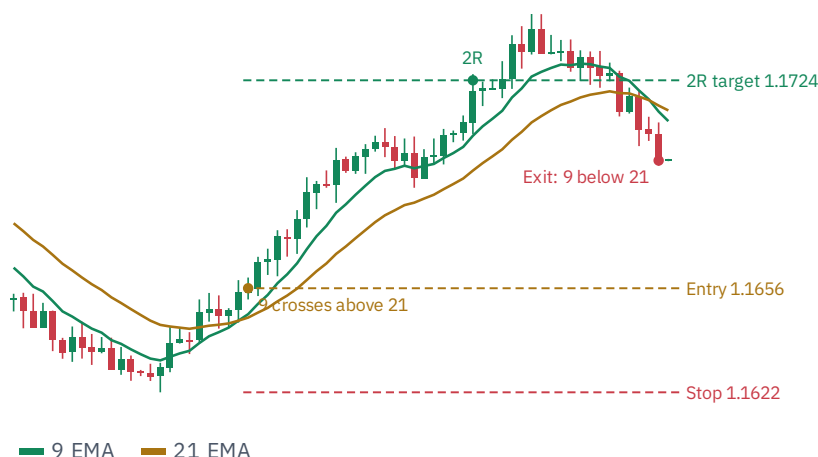
How EMAs work, crossover rules with a 200 EMA filter, two exits compared and a free Pine Script. By M. A. Horaira, updated 5 October 2026.

THE RULES

- **Indicators:** a 9-period EMA, a 21-period EMA and a 200-period EMA as the trend filter
- **Long:** the 9 EMA crosses above the 21 EMA at a candle close, with the price above the 200 EMA
- **Short:** the 9 EMA crosses below the 21 EMA at a candle close, with the price below the 200 EMA
- **Stop loss:** the lowest low of the last 10 candles for a long (highest high for a short), or $1.5 \times \text{ATR}$
- **Exit:** when the EMAs cross back the other way, or at a fixed 2R target; you choose in the settings

WORKED EXAMPLE

EURUSD long at 1.1656 on the cross, stop 1.1622 (10-candle low, 34 pips). \$10,000 at 1% = $\$100 \div (34 \times \$10) = 0.29$ lots. Opposite-cross exit at 1.1698: +42 pips (\$121.80) after 42 hours. Fixed 2R exit at 1.1724: +68 pips (\$197.20) after 23 hours.



Illustrative chart drawn to show the rules, not a real day's prices.

LOT SIZE

Lots = money at risk $\div$ (stop in pips $\times$ pip value per lot).
On EURUSD and GBPUSD one standard lot is \$10 a pip. Risk the same 0.5% to 1% on every trade.

BEFORE EVERY TRADE

- ☐ Cross confirmed at a candle close?
- ☐ Price on the right side of the 200 EMA?
- ☐ EMAs not flat and tangled (no range)?
- ☐ Exit rule chosen before entry?
- ☐ Lot size from the stop distance?

BACKTEST IT BEFORE YOU TRADE IT

1. Open the chart on TradingView.
2. Pine Editor → paste the free script → Add to chart.
3. Settings → Properties: add your commission and slippage.
4. Look for 100+ trades, a profit factor above 1 after costs, and a drawdown you can live with.
5. Check the same settings on other dates, then demo trade for a few weeks.
6. Free script: pipledgerfx.com/downloads/9-21-ema-crossover-strategy.pine

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