What is a Fund Score?

Similar to the Technical Attribute system used for rating stocks, the Dorsey Wright Fund Score applies a similar rating methodology to funds, but on a scale of 0.00 to 6.00. The Fund Score expands the horizon of analysis to other parameters including Chart Patterns, Moving Averages, and Momentum. Additionally, the Fund Score incorporates a Percentile Ranking for the fund versus several Market and Peer Groups over varying time periods. The Dorsey Wright Fund Score reflects a two thirds weighting toward relative strength measures and a one third weighting toward absolute price measurements. In general, when deciding on positions to include in a portfolio, a fund should meet a threshold of 3.00 or higher, but ideally above 4.00.

Where are Fund Scores found?

At the top of a fund chart, the Fund Score is displayed. In the illustration below, the fund has a favorable score of 4.40. Generally speaking, a high fund score will translate into a security that possesses positive trend and relative strength characteristics. By focusing on those ETFs and Mutual Funds with a high Fund Score, you further stack the odds in your favor.

For more information on Nasdaq Dorsey Wright products please contact your financial advisor or visit business.nasdaq.com/dorsey-wright

Example Fund ABC (ABCX)
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