Levels where something actually traded

> **TRADED LEVEL**
>
> A price at which meaningful volume actually changed hands: an auction cross, a high-volume session, a heavily traded consolidation. Equity charts are unusually honest about levels - no contract splices, no roll seams, real prints all the way back - with one big caveat module 8 owns: corporate actions rewrite the whole history when they happen.

Commodities taught suspicion of old chart levels - the splice manufactures ghosts. Equities deserves a recalibration: a share's chart is one continuous instrument, and its old prices really traded. That honesty is worth something, spent carefully.

Why equity levels carry more memory

No seams: a share needs no roll and no stitching - the price at any point in history is a price somebody paid for this exact instrument.Anchored prints: auction crosses are single prices where the whole market met - the close before results, the open after; heavy-volume days mark prices where large holdings actually changed hands.Real position anchoring: holders remember their entry; a price where millions of shares traded is a price where millions of decisions can break even - a mechanism, not just a line.

The honest uses, and the caveat

A level where a name repeatedly found buyers, on volume, is an observation with a mechanism - worth marking, worth watching for behaviour change, never worth trading on its own. And the one structural caveat: corporate actions re-base everything. A split divides every historical price; a large special dividend shifts the series; charts are usually adjusted, which keeps changes true but moves the levels - the equity version, mild but real, of the back-adjustment lesson. Module 8 covers what each action does; the reading habit until then is to check a name's action history before trusting a multi-year level.

Levels against the tiers

Module 1's tiers apply here too: a level in a megacap represents the memory of enormous, diverse participation - durable. The same-looking level in a micro-cap might be one market maker's old quote range - decoration. The chart draws both identically; the tier decides which deserves attention, which is by now this track's standing pattern: every reading tool inherits the liquidity context of the name it reads.

Check your understanding

1. Why do equity chart levels deserve more trust than commodity chart levels?

a. Equity charts use better data feeds

b. A share's history has no splice: every old price actually traded in this exact instrument, while commodity continuous charts manufacture seams

c. Equity levels are set by the exchange

Answer: b. One continuous instrument, real prints throughout - plus auction crosses and position memory as mechanisms. The commodities suspicion was about the chart's construction; equities mostly removes it.

2. What is the structural caveat on multi-year equity levels?

a. Old data is less accurate

b. Corporate actions re-base the series: splits and large distributions move every historical price, so the action history needs checking before a level is trusted

c. Levels expire after two years

Answer: b. Adjustment keeps returns true and relocates levels - the mild equity cousin of back-adjustment. Module 8 details each action; the habit is checking for them first.