# Bollinger Bands (2sd)

## Python Code

# Define the Bollinger Bands with 2-sd  
upper\_2sd, mid\_2sd, lower\_2sd = talib.BBANDS(bitcoin\_data['Close'],  
 timeperiod=20,  
 nbdevup=2,  
 nbdevdn=2,  
 matype=0)  
  
# Plot the upper and lower Bollinger Bands  
plt.plot(bitcoin\_data['Close'], color='green', label='Price')  
plt.plot(upper\_2sd, color='orange', label='Upper 2sd')  
plt.plot(lower\_2sd, color='orange', label='Lower 2sd')  
  
# Customize and show the plot  
plt.legend(loc='upper left')  
plt.title('Bollinger Bands (2sd)')  
plt.show()

## Simple Explanation (50 Words)

This code computes Bollinger Bands using 2 standard deviations above and below the 20-day average. These wider bands show more extreme volatility, giving a clearer signal when the price is unusually high or low. Traders use them to spot potential price reversals or trends.

## Screenshot

