

# Glossary - L [ChartSchool]

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 [stockcharts.com/school/doku.php](http://stockcharts.com/school/doku.php)

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## Glossary - L

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### Laggard

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An industry or company that is underperforming the market.

### Leader

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An industry or company that is outperforming the market.

### Limit Order

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An order to buy or sell a security at a specific price. As opposed to a market order, limit orders might not be filled immediately if the market moves away from the specified price.

### Line Chart

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Price charts that connect the closing prices of a given market over a span of time, forming a curving line on the chart. This type of chart is most useful with overlay or comparison charts that are commonly employed in intermarket analysis. It is also used for visual trend analysis of open-end mutual funds.

### Linear Regression

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The least-squares line-of-best-fit for a price series. Even though the formula is quite complicated, a linear regression is relatively easy to understand. Imagine a scatter plot (dots) for the closing prices of a security. A linear regression is a line that passes through

these points with the best possible fit. See also ChartSchool article on the [Raff Regression Channel](#).

## Linear (Arithmetic) Scaling

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On a linear (arithmetic) scale chart, the spacing between each point on the vertical scale is identical. Thus the vertical distance between 10 and 20 is the same as the vertical distance between 90 and 100. While this kind of scaling is intuitive and easy to recreate by hand, linear scaling should not be used on charts with large vertical ranges. A move from 10 to 20 is much better than a move from 90 to 100, but on a linear scale, they both appear the same.


## Liquidity

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The ease with which a stock may be bought or sold in volume on the marketplace without causing dramatic price fluctuations. A highly liquid stock is characterized by a large volume of trading and a large pool of interested buyers and sellers.

## Livestock Commodities Index (\$GVX)

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The [Livestock Commodities Index \(\\$GVX\)](#)  charted by StockCharts.com is published by Goldman Sachs. Cattle and hogs are the livestock included.

## Logarithmic (Percentage) Scaling

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On a logarithmic scale chart, the vertical spacing between two points corresponds to the percentage change between those numbers. Thus, on a log scale chart, the vertical distance between 10 and 20 (a 100% increase) is the same as the vertical distance between 50 and 100. Because these charts show percentage relationships, logarithmic scaling is also called “percentage” scaling. It is also called “semi-log” scaling because only one of the axes (the vertical one) is scaled logarithmically. See ChartSchool article on [price scaling](#).

## Long-Legged Doji

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This candlestick has long upper and lower shadows with the [Doji](#) in the middle of the day's trading range, clearly reflecting the indecision of traders.

## Low Pole (LP)

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A situation on a [Point and Figure Chart](#) that occurs when a down column that falls 3 boxes or more reverses to an up column. The reversal retraces more than 50% of a down move that has an odd number of “O's”, or retraces more than 62.5% of a down move that has an even number of “O's”. Because it is not an actual P&F buy signal but offers a good probability of leading to one, this formation is considered a “buy alert”.