What is 'Choppiness index' in Finance?

This refers to an index used by traders in financial markets to determine whether prices are trending in a particular direction, either upward or downward, or are moving sideways in a choppy manner. The choppiness index was created by Australian commodity trader E.W. Dreiss to determine the strength of a trend in any market. Traders generally prefer to trade in the direction of the trend, buying when prices trend up or selling short when prices trend down, and use the index to find the right entry and exit points for a profitable trade. The choppiness index is used in combination with other technical indicators to identify a change in the prevailing market direction.

The new U.S. Fed Chairman is unlikely to opt for policies that might upset the President’s plan

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