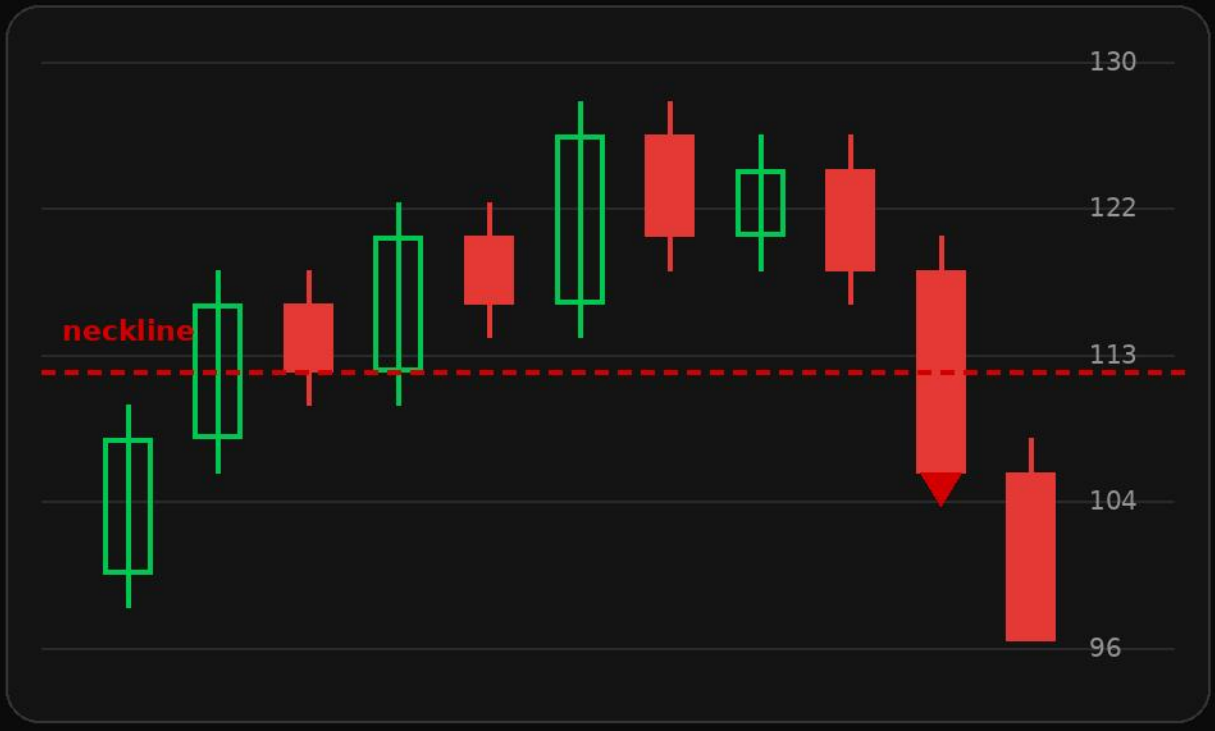
Head & Shoulders

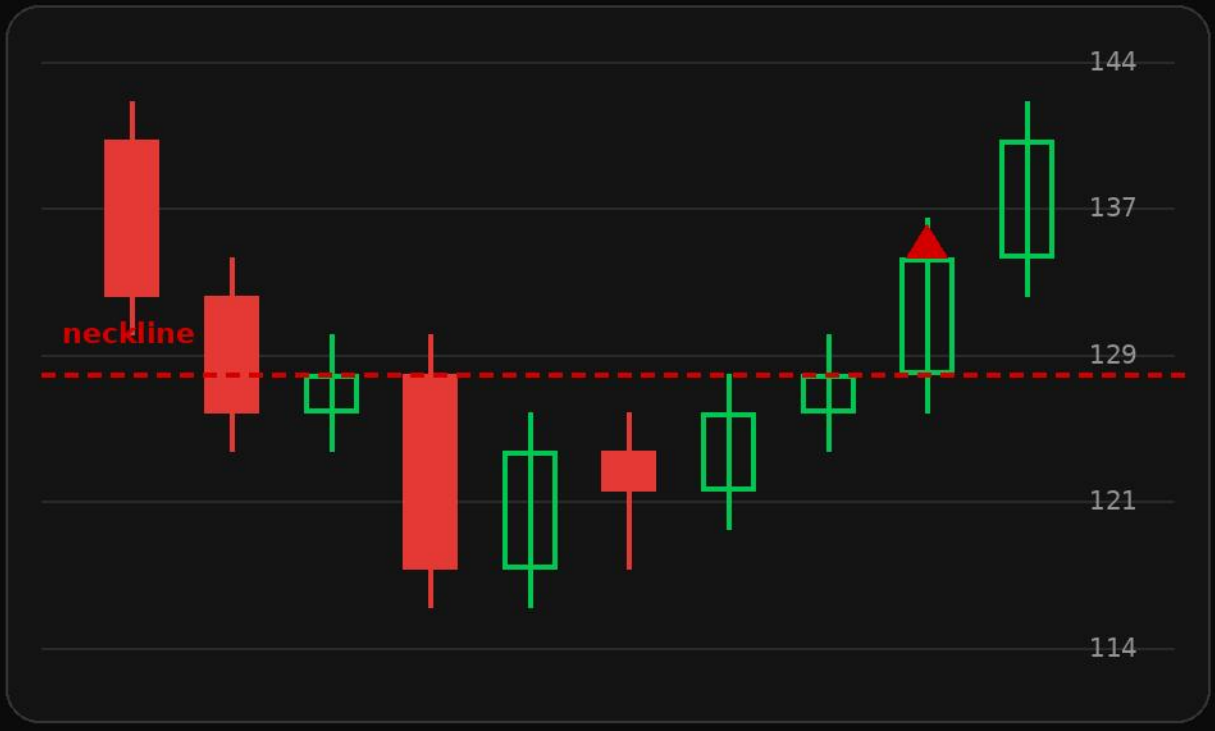
BEARISH REVERSAL



- Three peaks — the middle (head) is the tallest.
- The break of the neckline confirms the reversal.
- Target: measure head-to-neckline, project it downward.

Inverse Head & Shoulders

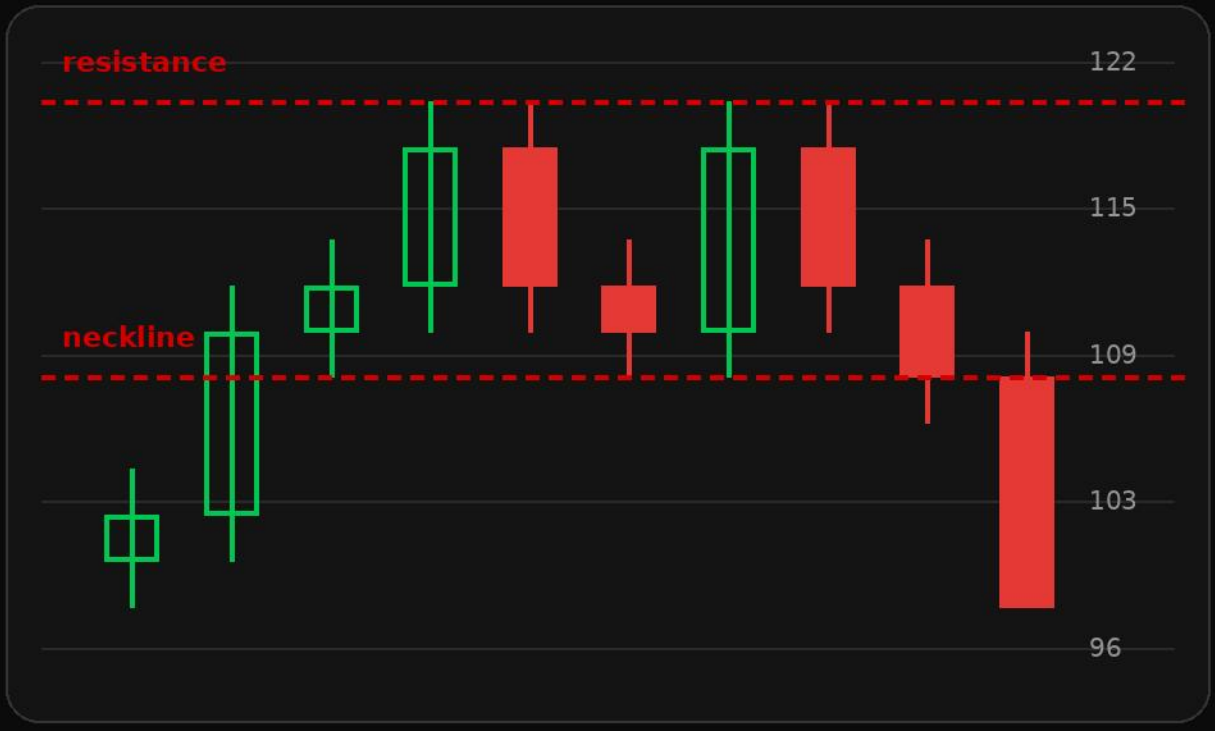
BULLISH REVERSAL



- Three valleys — the middle (head) is the deepest.
- The break of the neckline confirms the reversal.
- Target: measure head-to-neckline, project it upward.

Double Top

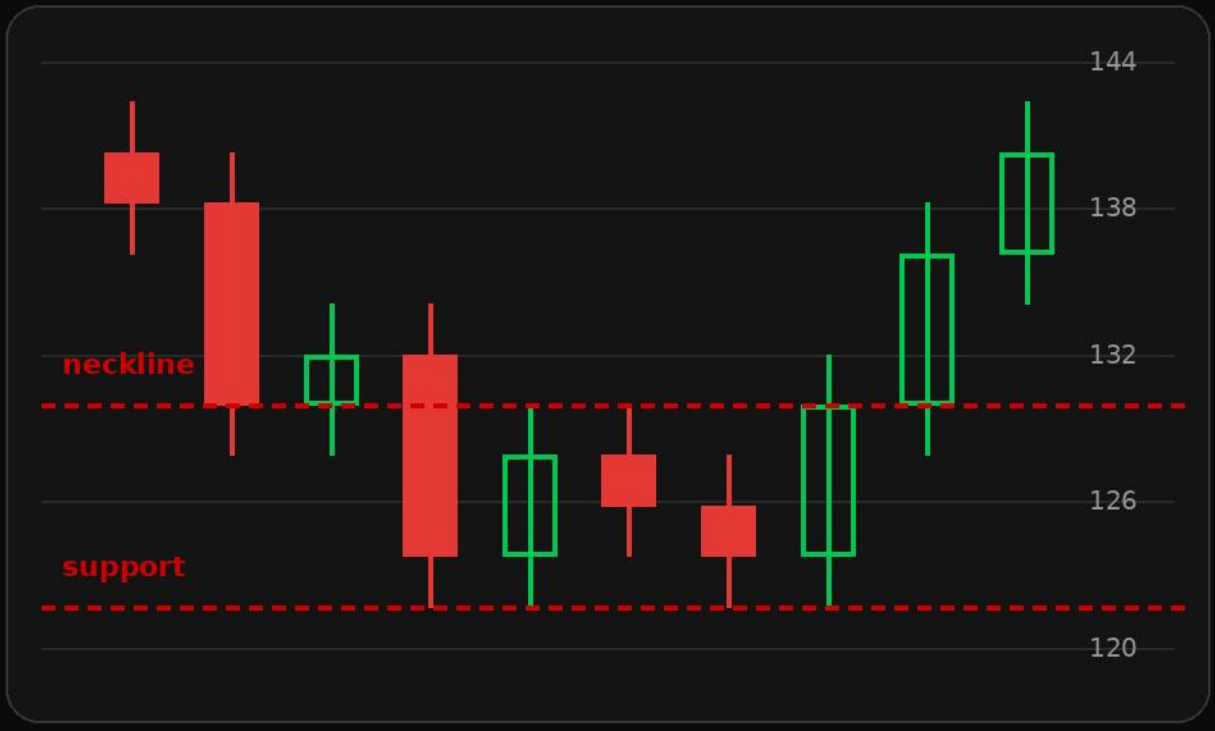
BEARISH REVERSAL



- Two rejections at the same ceiling — buyers failed twice.
- The break below the middle valley triggers the short.
- Never short the second top blind — wait for the break.

Double Bottom

BULLISH REVERSAL



- Two bounces off the same floor — sellers failed twice.
- The break above the middle peak triggers the long.
- The old resistance often becomes support on the retest.

Ascending Triangle

BULLISH CONTINUATION



- Flat ceiling + rising floor = buyers getting aggressive.
- Enter the breakout with a strong close above resistance.
- After the break, the old ceiling usually becomes support.

Bull Flag

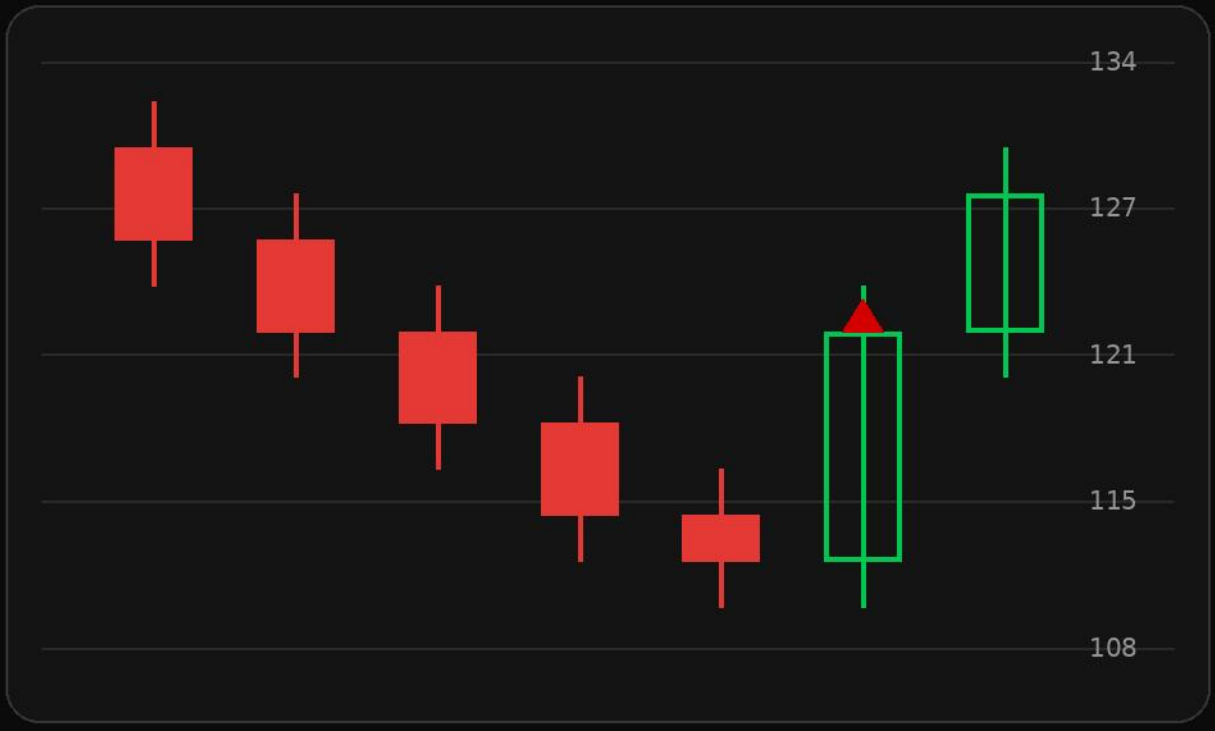
BULLISH CONTINUATION



- Sharp pole up, then a tight downward drift — a healthy pause.
- Trade the breakout of the flag, not the drift inside it.
- The flag should drift gently — steep drops kill the pattern.

Bullish Engulfing

BULLISH REVERSAL



- A big green candle completely swallows the prior red one.
- Only trust it at support or a key level — context is everything.
- Stop goes below the engulfing candle's low.

Bearish Engulfing

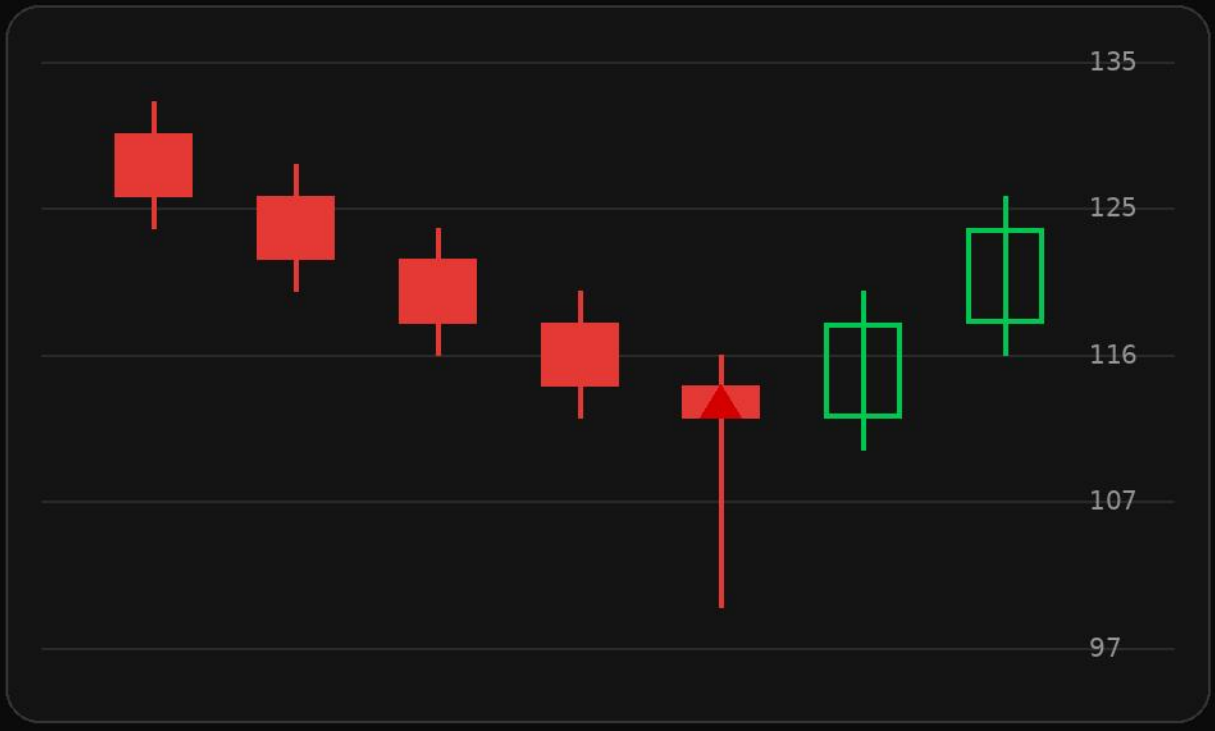
BEARISH REVERSAL



- A big red candle completely swallows the prior green one.
- Only trust it at resistance or a key level.
- Stop goes above the engulfing candle's high.

Hammer

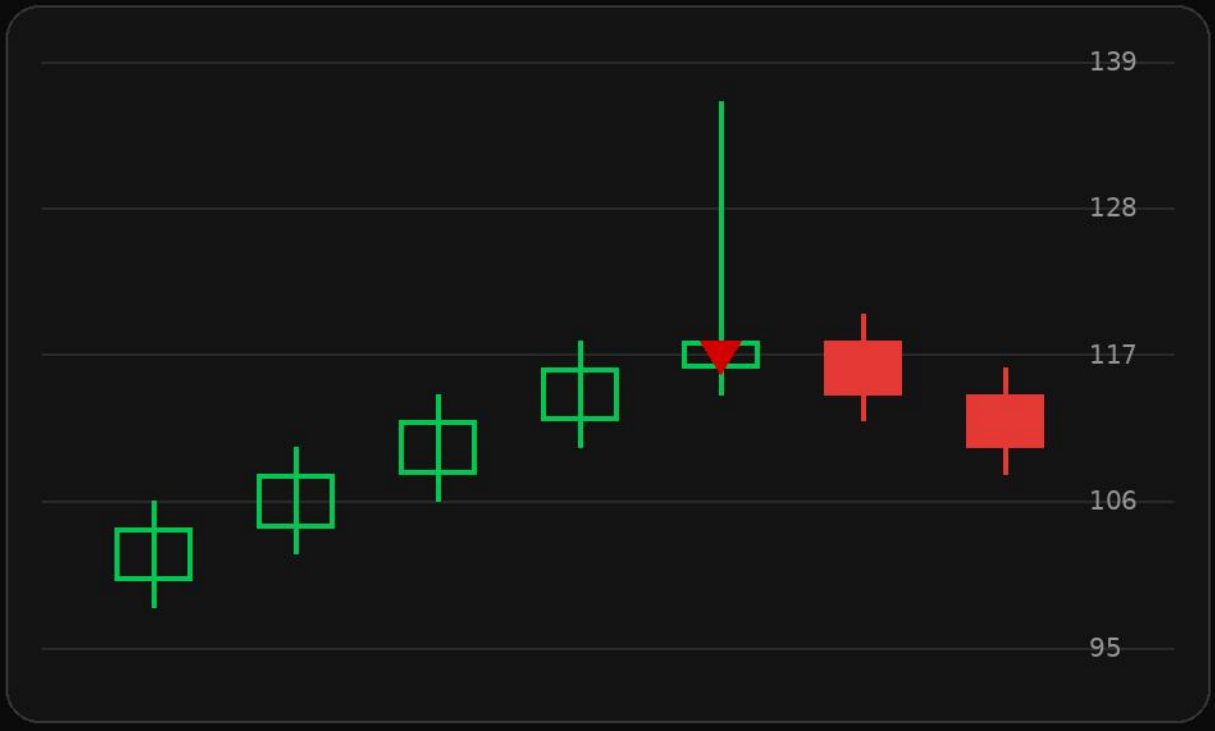
BULLISH REVERSAL



- Long wick down, small body on top — sellers got rejected.
- The wick should be 2x+ the size of the body.
- Wait for the next candle to confirm before entering.

Shooting Star

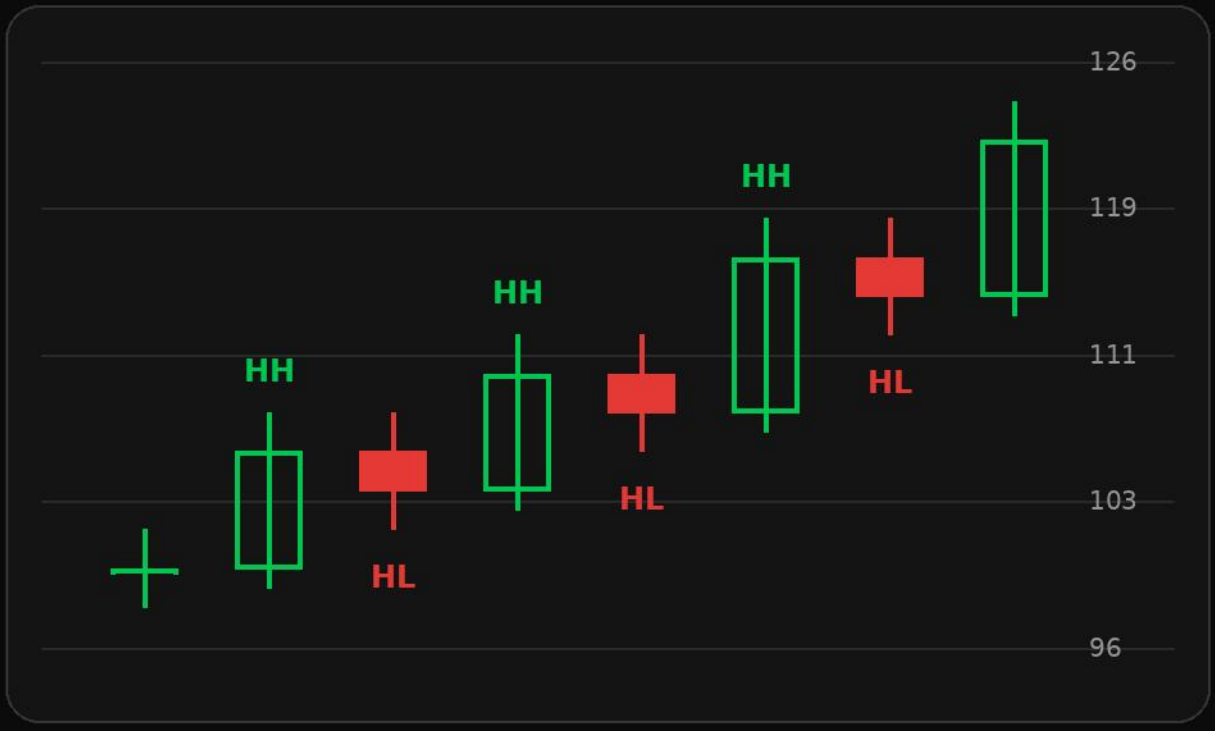
BEARISH REVERSAL



- Long wick up, small body at the bottom — buyers got rejected.
- Deadliest at the top of a strong rally, into resistance.
- Wait for the next candle to confirm before entering.

Trend Structure

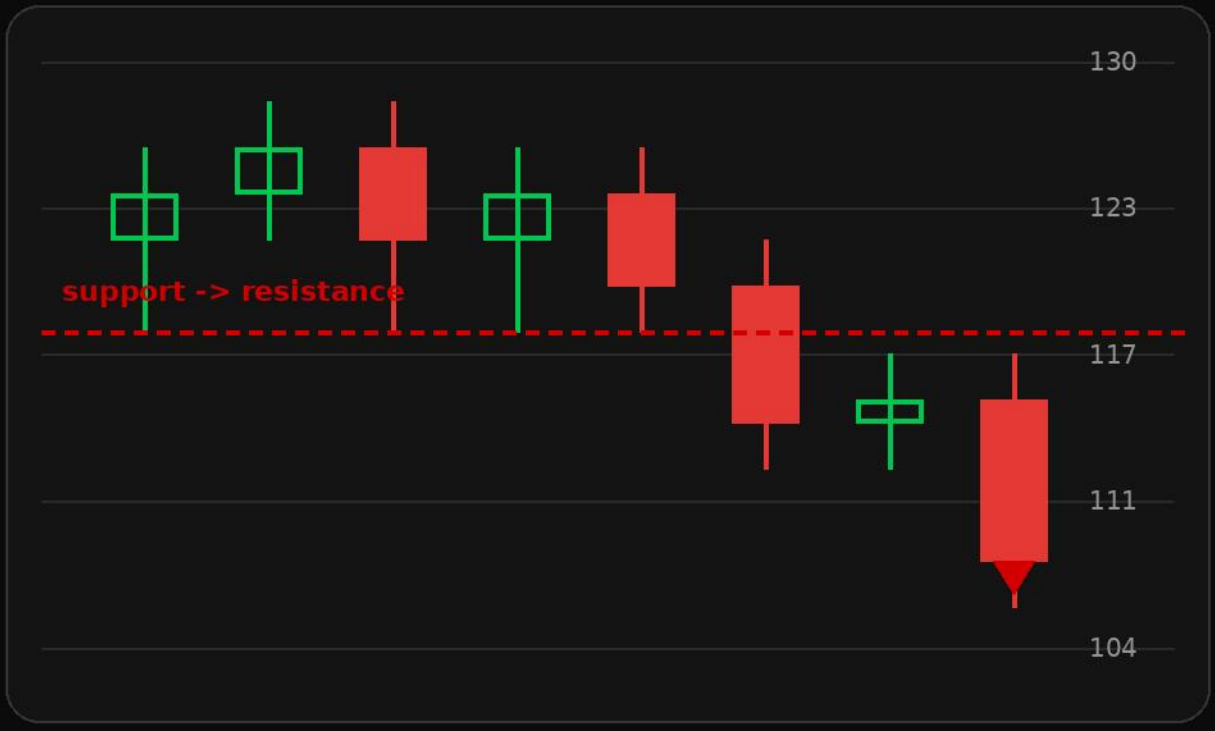
READ THE TREND



- Uptrend = higher highs + higher lows. Downtrend = lower highs + lower lows.
- Name the trend FIRST — every trade starts here.
- Only look for buys in uptrends, only sells in downtrends.

Support Becomes Resistance

KEY CONCEPT



- Old floor becomes the new ceiling — once support breaks, it resists.
- The retest of the broken level is the safest entry.
- Weak retest + rejection = sellers are in full control.

Trendlines

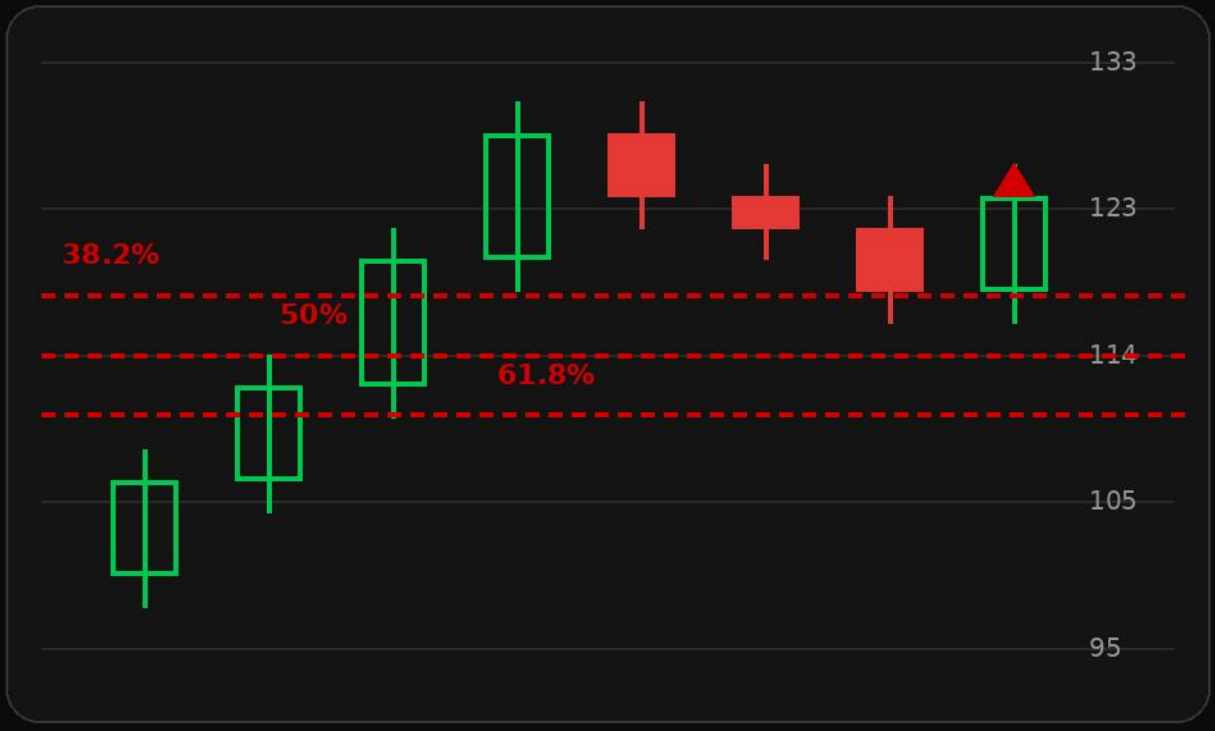
DRAW IT RIGHT



- Uptrend: connect the rising lows. Downtrend: connect the falling highs.
- 2 touches to draw it, 3+ touches to trust it.
- Never force a line — if it doesn't connect cleanly, it isn't real.

Fibonacci Retracement

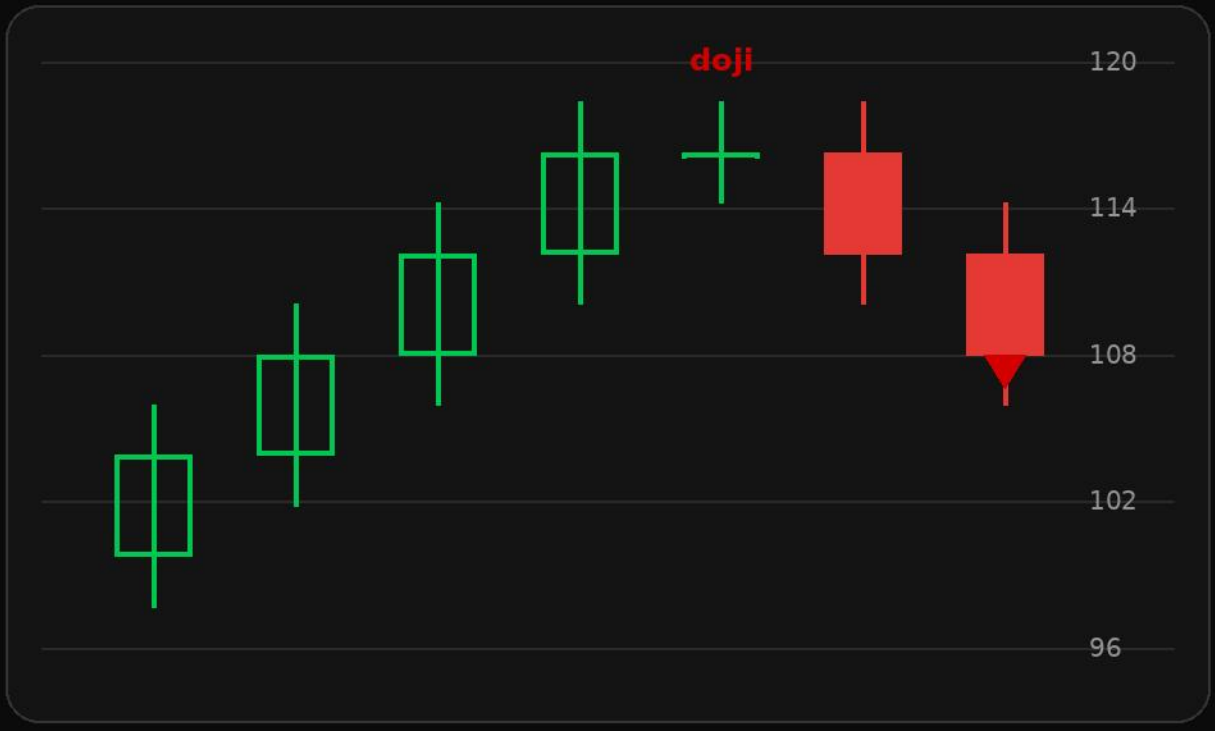
GOLDEN ZONE



- Draw from swing low to swing high in an uptrend (reverse for down).
- The 50–61.8% zone is the golden zone — watch it closest.
- Fib shows you WHERE — price action shows you WHEN.

Doji

INDECISION



- Open equals close — buyers and sellers fought to a draw.
- At a key level after a strong move, it warns a reversal is brewing.
- Alone it means nothing — always wait for confirmation.