Gyanendra Sharma

learn Most reliable patterns

Develop the skill of chart reading.

Hi

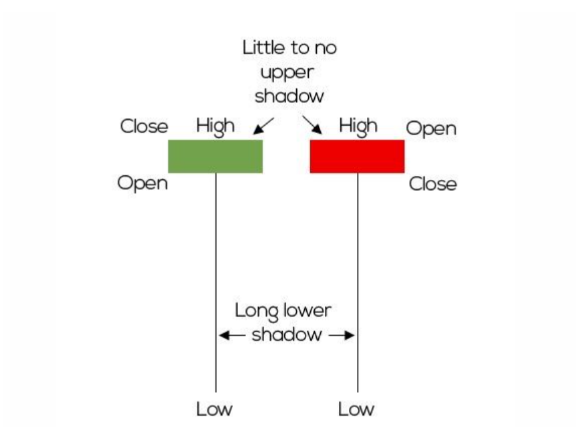
My name is Gyanendra Sharma, I am a 6-Figure trader. I am on the mission to increase the awareness about trading with minimizing risk to make good profits consistently.

I have learned advanced techniques from an Indian as well as a mentor from another country. I teach you the same tools and techniques.

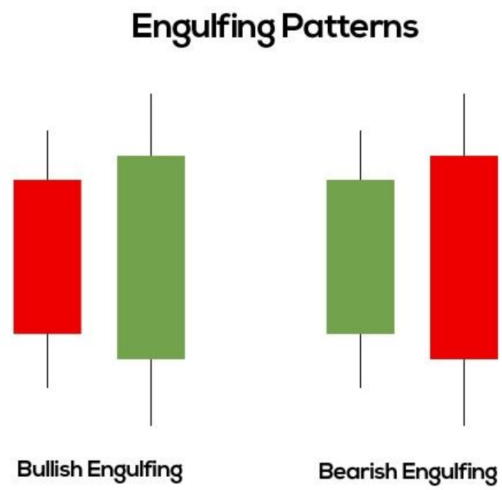
So lets start from here

Candlestick patterns are a popular tool used in technical analysis to help traders and investors make decisions about buying or selling assets, such as stocks, commodities, currency or crypto. While no candlestick pattern is foolproof, some are considered more reliable than others based on historical performance.
Here are some of the most reliable candlestick patterns:

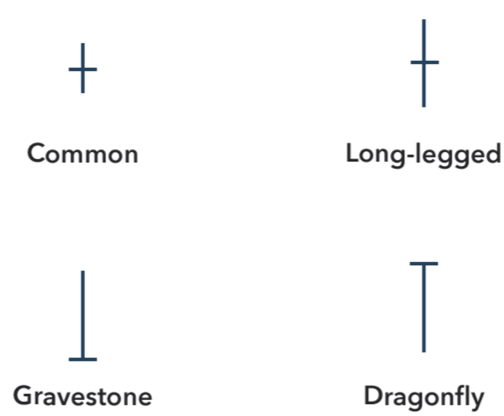
1. **Hammer and Hanging Man**: These patterns look similar but have opposite implications. The hammer occurs at the bottom of a downtrend and suggests a potential reversal to the upside. The hanging man appears at the top of an uptrend and indicates a potential reversal to the downside.



2. **Bullish and Bearish Engulfing**: A bullish engulfing pattern occurs when a small bearish candle is followed by a larger bullish candle. It suggests a reversal from a downtrend to an uptrend. Conversely, a bearish engulfing pattern suggests a reversal from an uptrend to a downtrend.



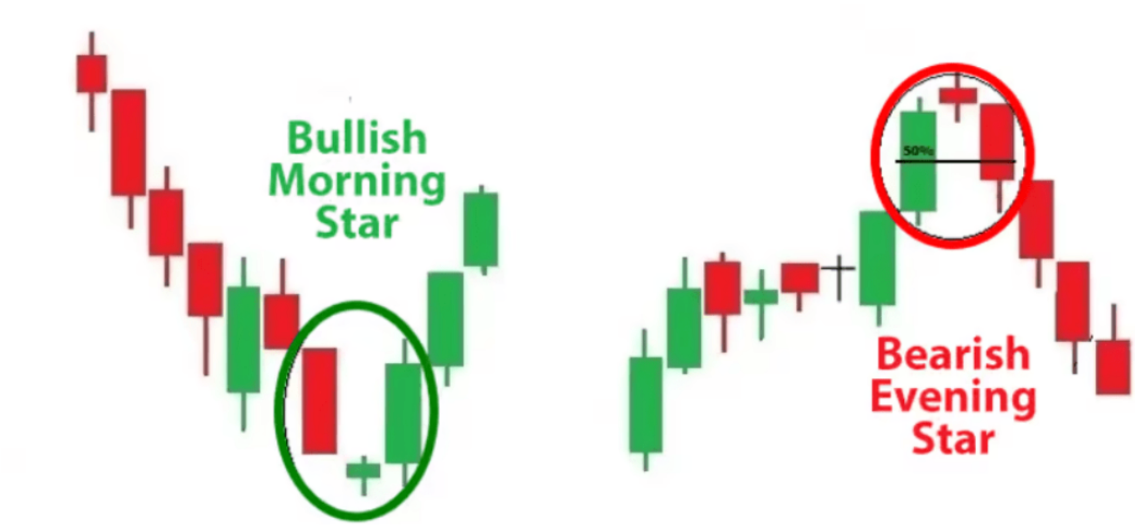
3. **Doji**: A doji forms when the opening and closing prices are nearly equal. It represents indecision in the market and can signal a potential reversal if it appears after a strong trend.



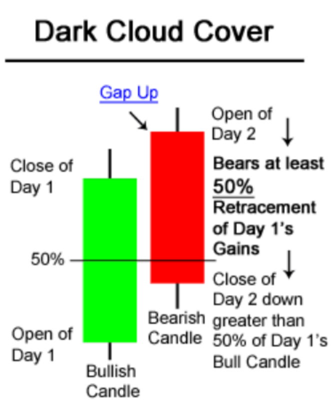
4. **Bullish and Bearish Harami**: A bullish harami is a small bearish candle followed by a larger bullish candle, indicating a potential reversal from a downtrend. A bearish harami is the opposite and suggests a reversal from an uptrend.

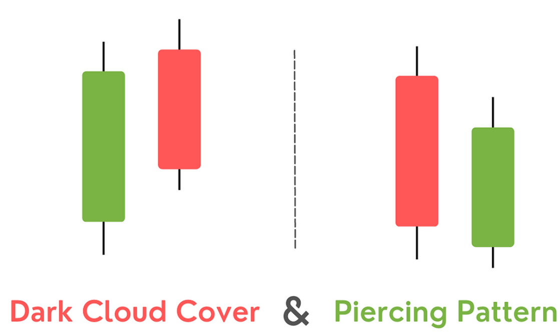
5. **Morning Star and Evening Star**: These patterns are made up of three candles. The morning star is a bullish reversal pattern and consists of a large bearish candle, followed by a small doji or spinning top, and then a large bullish candle. The evening star is the bearish counterpart, signaling a potential reversal from an uptrend.

The Morning and Evening Star

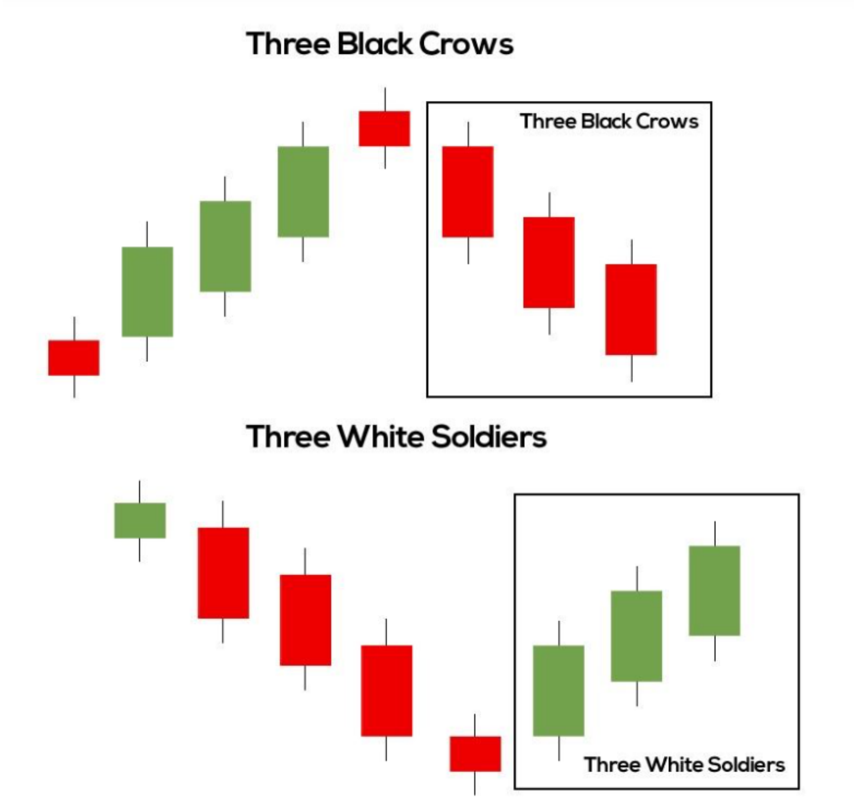


6. **Piercing Pattern and Dark Cloud Cover**: The piercing pattern is a bullish reversal signal and occurs when a bullish candle follows a bearish one, with the bullish candle closing above the midpoint of the previous bearish candle. The dark cloud cover is bearish and occurs when a bearish candle follows a bullish one, with the bearish candle closing below the midpoint of the previous bullish candle.



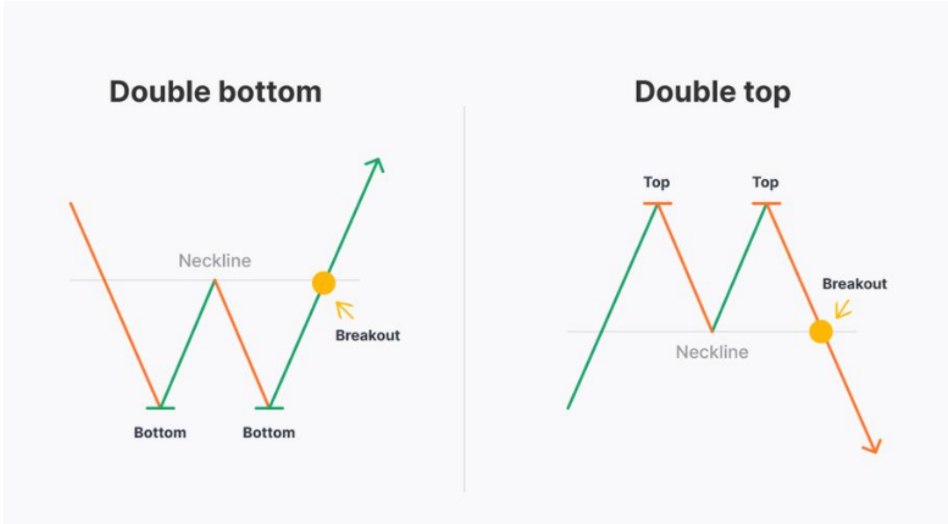


7. **Three White Soldiers and Three Black Crows**: These patterns consist of three consecutive bullish (white) or bearish (black) candles. Three white soldiers suggest a strong uptrend, while three black crows indicate a strong downtrend.

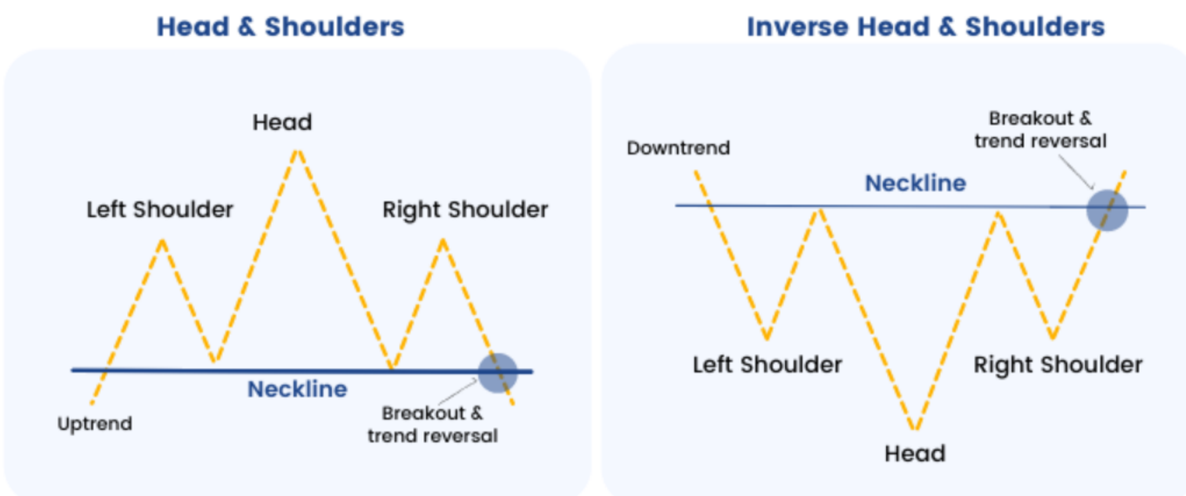


Here are some of the more reliable chart patterns:

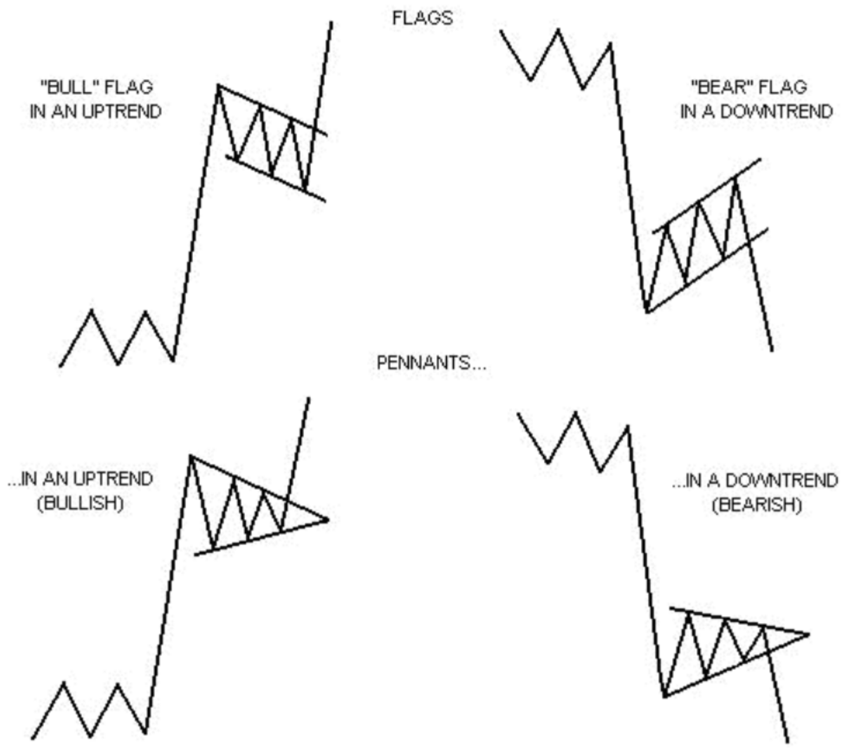
1.Double Bottom and Double Top: These patterns indicate potential reversals in the price trend. A double bottom suggests a bullish reversal, while a double top suggests a bearish reversal.



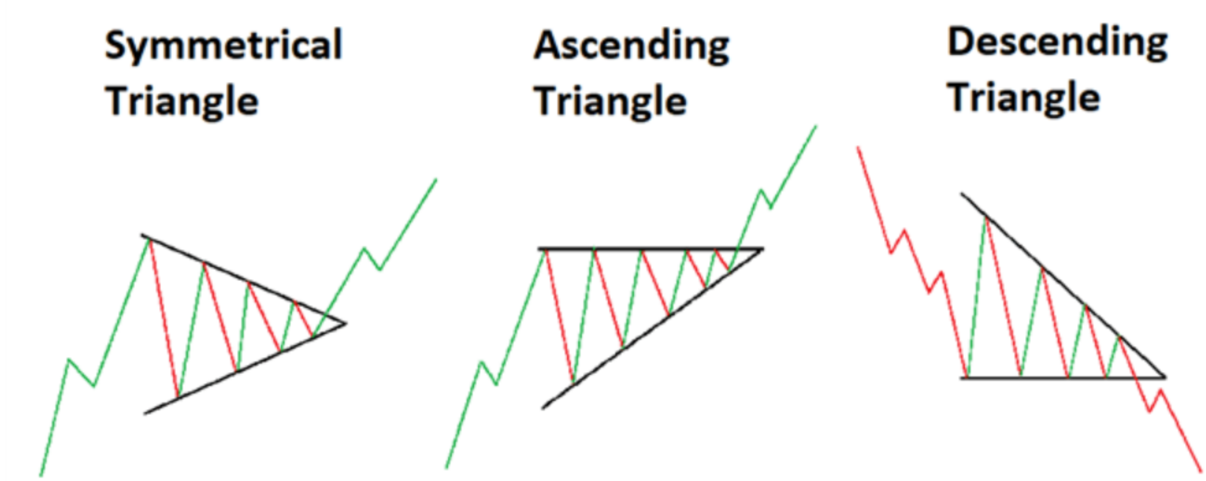
2.Head and Shoulders (and Inverse Head and Shoulders): The head and shoulders pattern is a reversal pattern. A head and shoulders top signals a potential bearish reversal, while an inverse head and shoulders signals a potential bullish reversal.



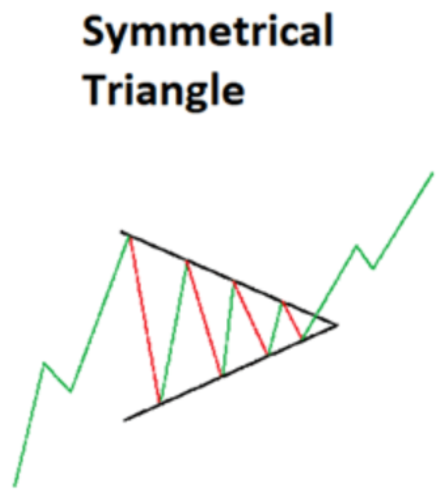
3.Flag and Pennant Patterns: These are continuation patterns that often appear after a strong price movement. A bullish flag and pennant suggest the continuation of an uptrend, while a bearish flag and pennant suggest the continuation of a downtrend.



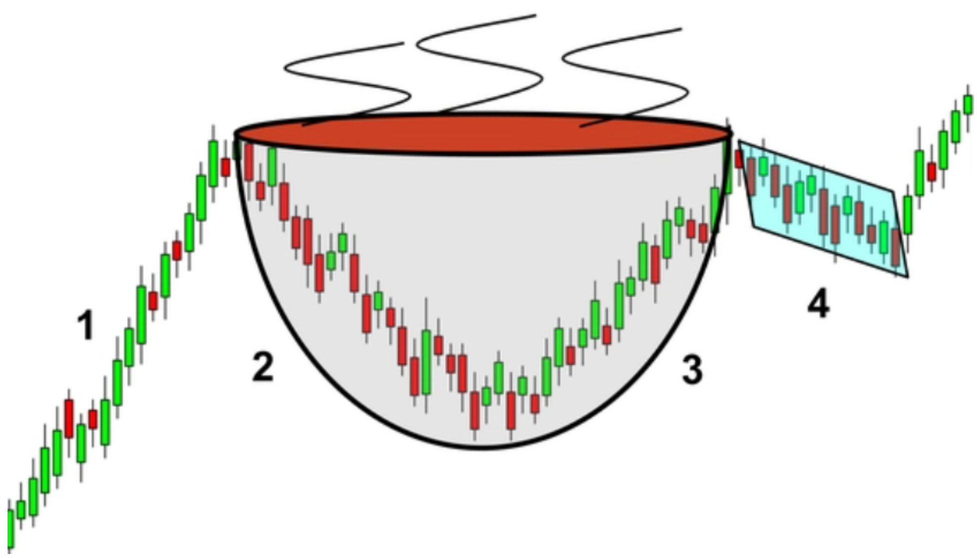
4.Ascending and Descending Triangles: These are continuation patterns that provide insights into potential breakout directions. An ascending triangle suggests a bullish breakout, while a descending triangle suggests a bearish breakout.



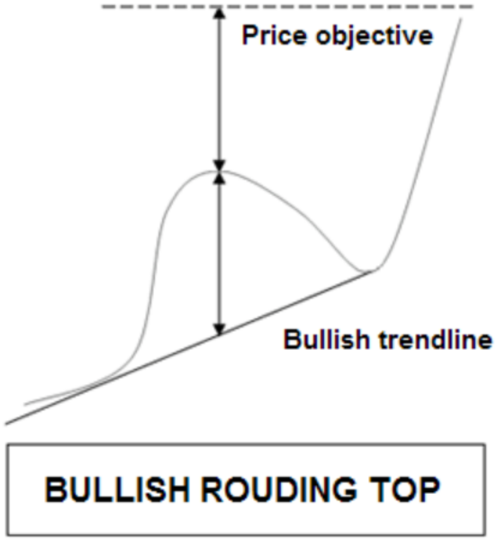
5.Symmetrical Triangle: This pattern can be a continuation or reversal pattern, depending on the preceding trend. It signifies a period of consolidation before a potential breakout.

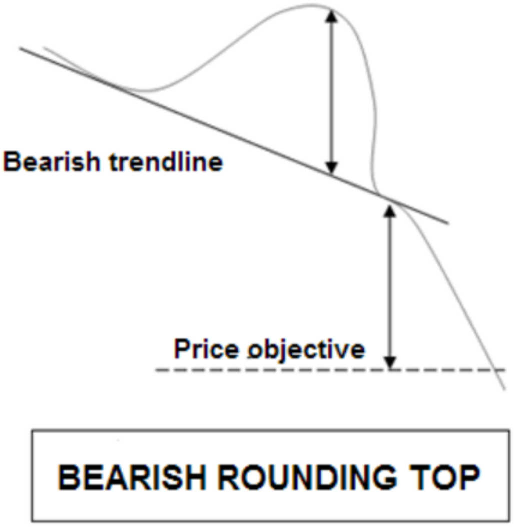


6.Cup and Handle: This pattern is often seen as a bullish continuation pattern. It indicates a consolidation phase (the cup) followed by a breakout (the handle) to the upside.

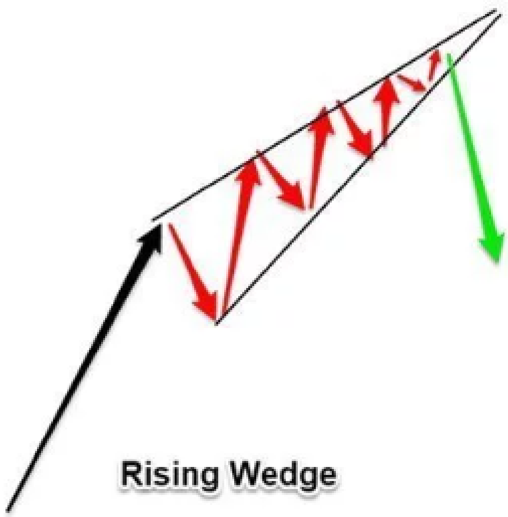


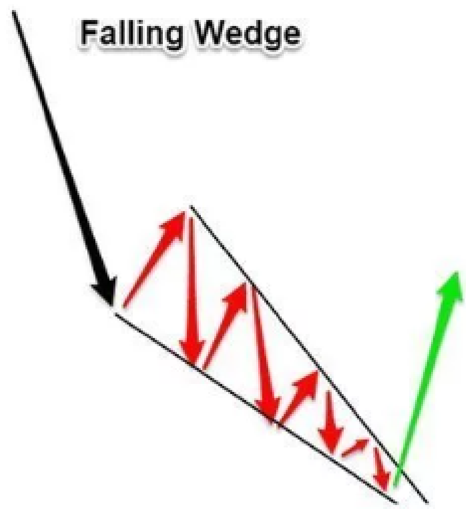
7.Rounded Bottom and Rounded Top: Similar to the cup and handle, these patterns suggest potential reversals. A rounded bottom is bullish, while a rounded top is bearish.





8.Rising and Falling Wedges: These patterns can be continuation or reversal patterns, depending on the context. A rising wedge often leads to a bearish breakout, while a falling wedge often leads to a bullish breakout.





Remember that chart patterns should be used in conjunction with other technical indicators, such as moving averages, oscillators, and volume analysis, to increase their reliability.

Remember that while these patterns can be helpful, they should not be used in isolation. It's essential to consider other technical and fundamental factors when making trading or investment decisions. Additionally, no pattern is 100% reliable, and risk management should always be a priority when trading. Traders often use candlestick patterns in conjunction with other analysis techniques to increase the accuracy of their predictions.

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