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February 6, 2023

# Candlestick Forum

## Potential Gains on Candlestick Patterns

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Founder & Managing Director  
Candlestick Forum

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# ***Candlestick Patterns High Probabilities***

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[www.stephenbigalow.com](http://www.stephenbigalow.com)



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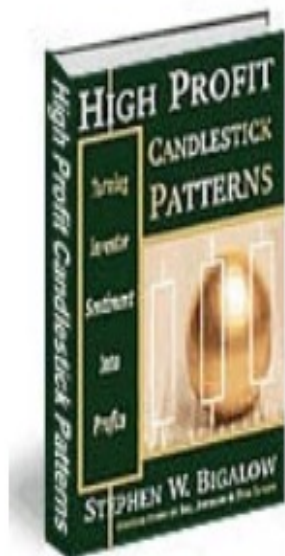
***Charts provided by CQG and Metastock***

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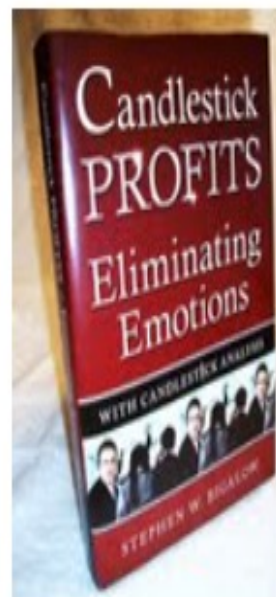
# BOOKS

Sort by



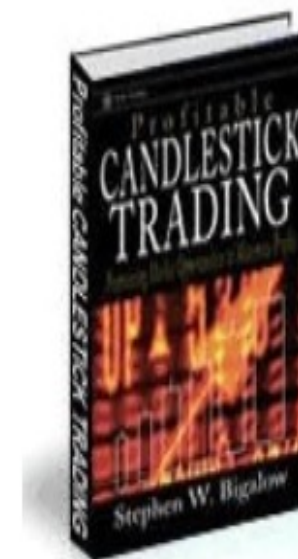
High Profit Candlestick Patterns

**\$55<sup>77</sup>**



Candlestick Profits - Eliminating Emotions With Candlestick Analysis

**\$67<sup>77</sup>**



Profitable Candlestick Trading

**\$47<sup>95</sup>**

# The Major Candlestick Signals

- Doji
- Bullish & Bearish Engulfing Signals
- Hammer
- Hanging Man
- Piercing Pattern
- Dark Cloud
- Bullish Harami
- Bearish Harami
- Morning & Evening Stars
- Kicker Signals
- Shooting Star
- Inverted Hammer

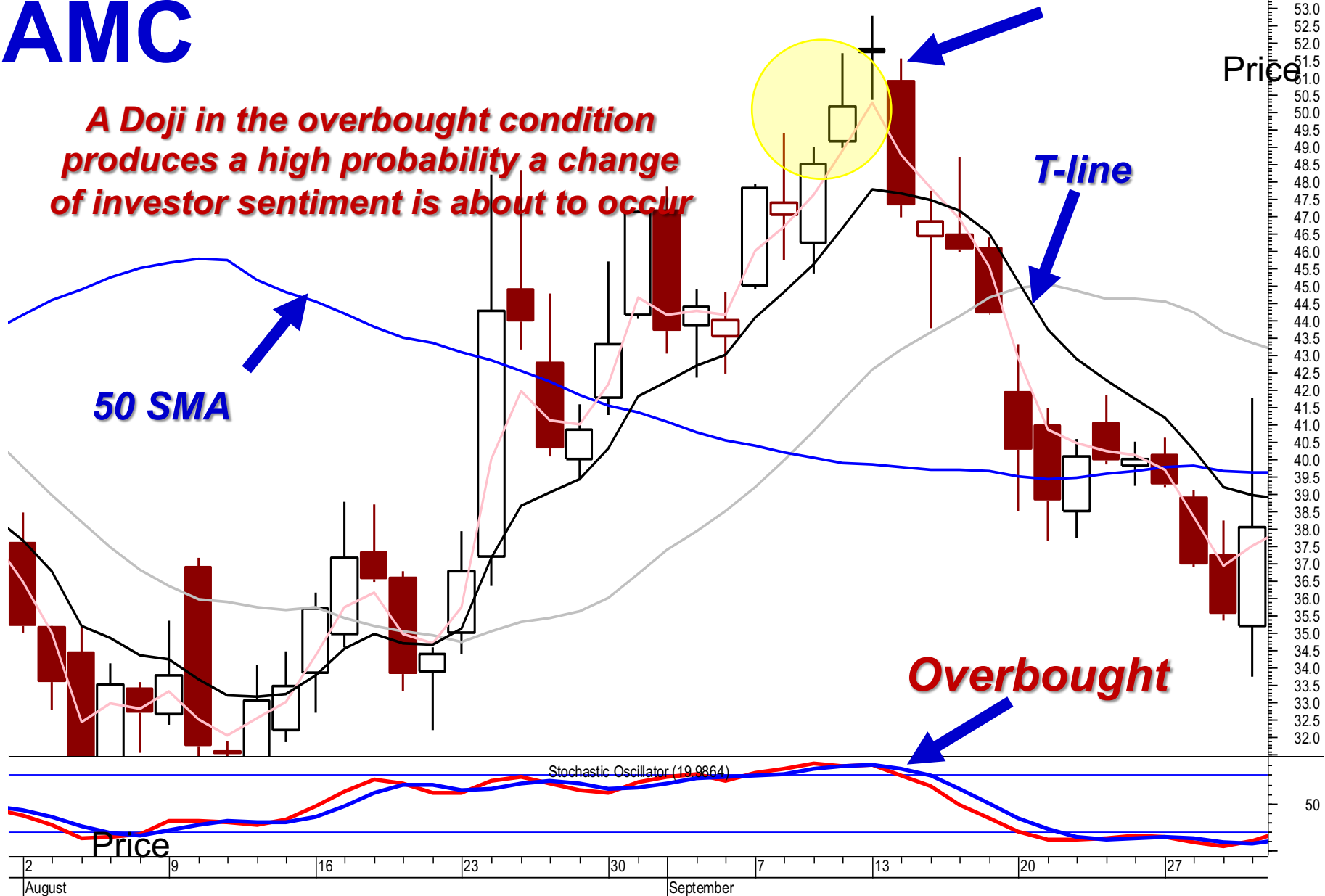
***Metastock Scans***

***12 Major signals***

***50 -60 signals***

# AMC

**A Doji in the overbought condition produces a high probability a change of investor sentiment is about to occur**



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# ***Candlestick Patterns***

**Fry Pan bottom patterns**

**Dumpling Top**

**Cradle pattern**

**Jay-hook pattern**

**Scoop pattern**

**Belthold patterns**

**Gaps**

# CANDLESTICK

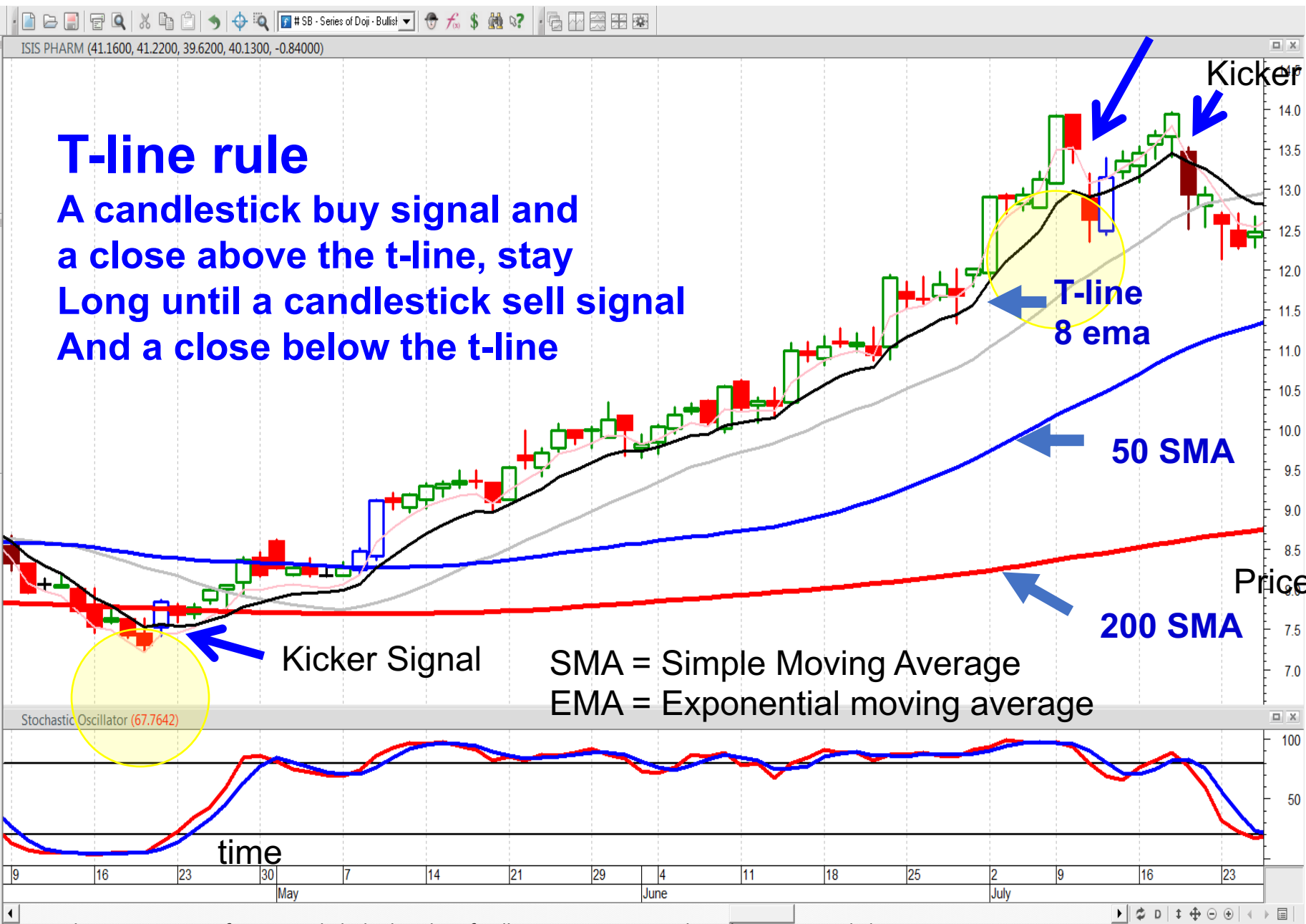
*Trading Forum*



## •T-line

## •What is the T-line?

## •Fibonacci Characteristics



# T-line rule

A candlestick buy signal and  
 a close above the t-line, stay  
 Long until a candlestick sell signal  
 And a close below the t-line

Kicker Signal

SMA = Simple Moving Average  
 EMA = Exponential moving average

50 SMA

200 SMA

T-line  
 8 ema

Kicker

Price

time

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# T-line Truism

**A candlestick Buy signal and  
a close above the t-line**

**Extremely High **probability**  
an uptrend is confirmed**

FIXX 1 Y 1D [NASDAQ]

D: 2/3/20

O: 15.8

H: 16.79

L: 15.66

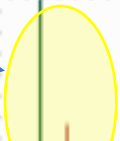
C: 16.76

R: 1.13

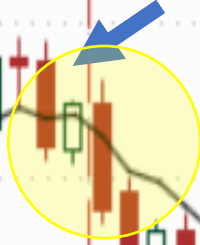
SimpleMovingAvg ...



Shooting Star



Evening Star



T-line rule

A candlestick sell

Signal and a close below

The t-line, stay short until

A candlestick buy signal

And a close above the t-line

FIXX

T-line



Morning Star



Lo: 11.05 0.67



Time

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CQG

Price  
24  
22  
20  
18  
16  
14  
12  
10

18.63  
16.76

9/20/19

10/18/19

# T-line Truism

**A candlestick Sell signal and  
a close Below the t-line**

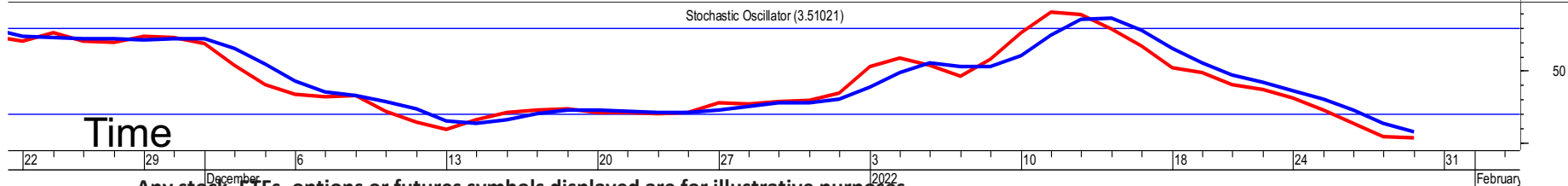
**Extremely High **probability** a  
down trend is confirmed**

# Evening star signal

# LCID



**High probability trade – witnessing a candlestick signal at a technical level everybody else is watching**

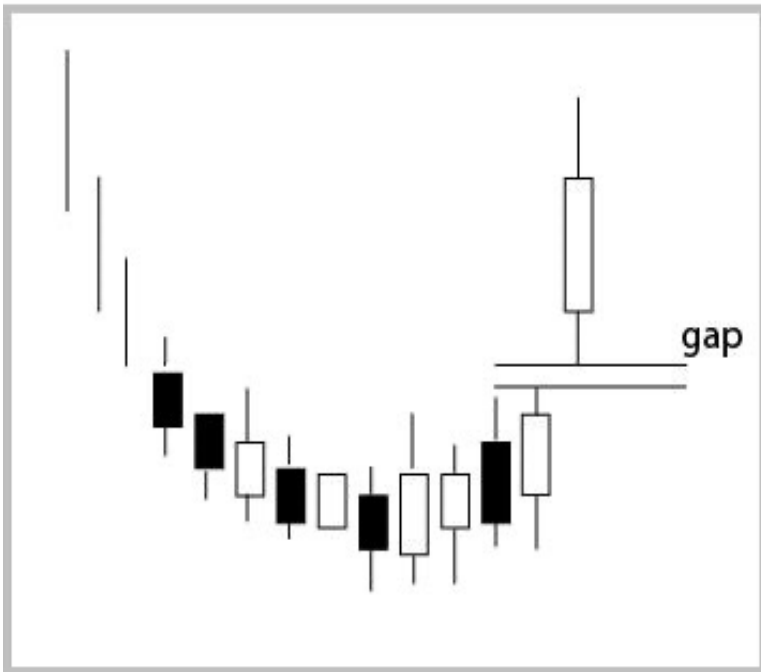




# *High Probability Pattern Expectations*

# Fry Pan Bottom

Fry Pan Bottom



- The downtrend starts waning with the appearance of small trading bodies
- As the trend starts slowly curling up, a gap up in price indicates that strong buying sentiment has now returned

TFS FIN CORP (10.4500, 10.5800, 10.3700, 10.5100, +0.12000)

# Classic Pattern

## What is expected coming out of A Fry Pan Bottom?



# Fry Pan Bottom

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Meta stock



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**CQG**

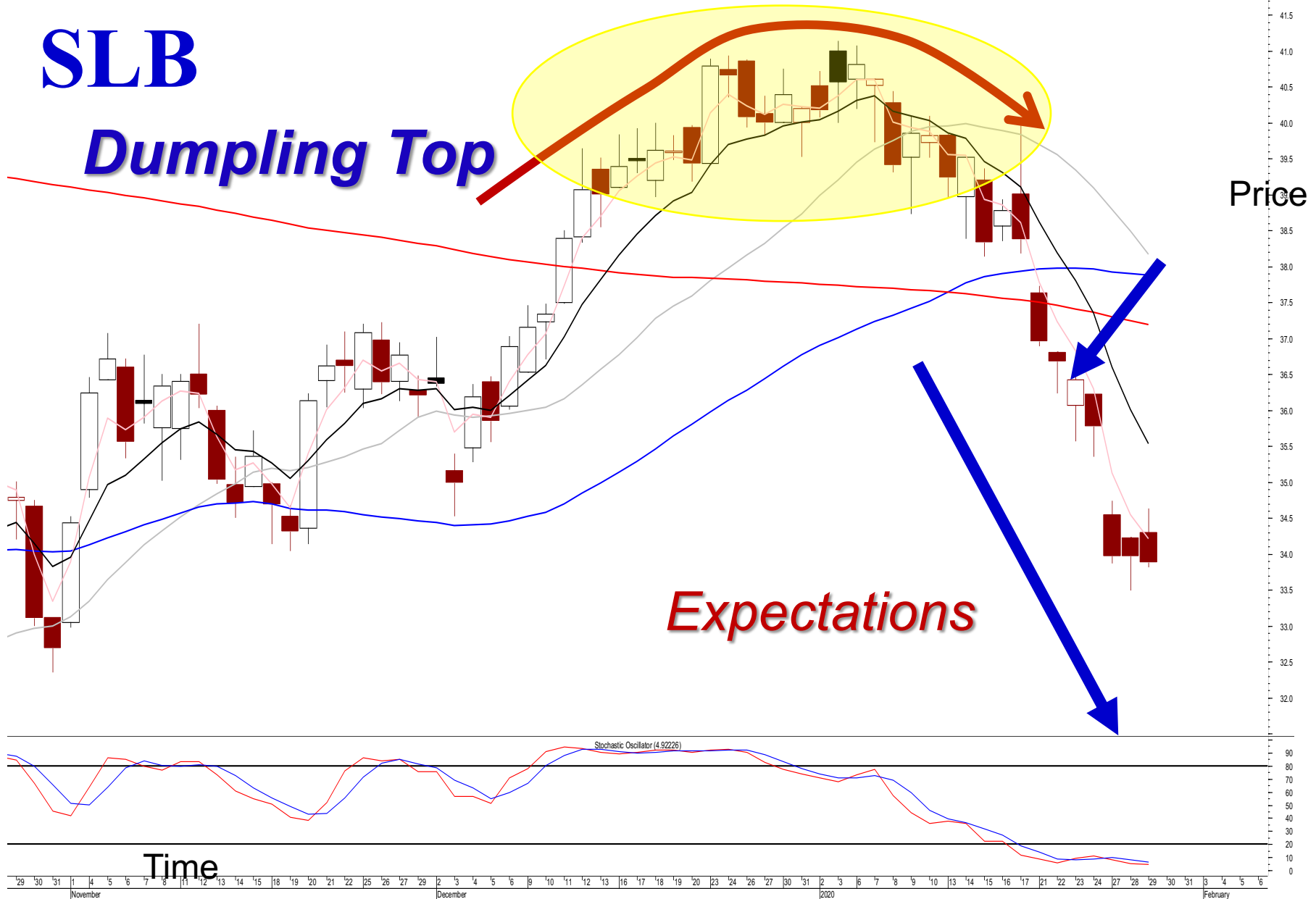
**CANDLESTICK**  
*Trading Forum*



**Dumpling Top**

# SLB

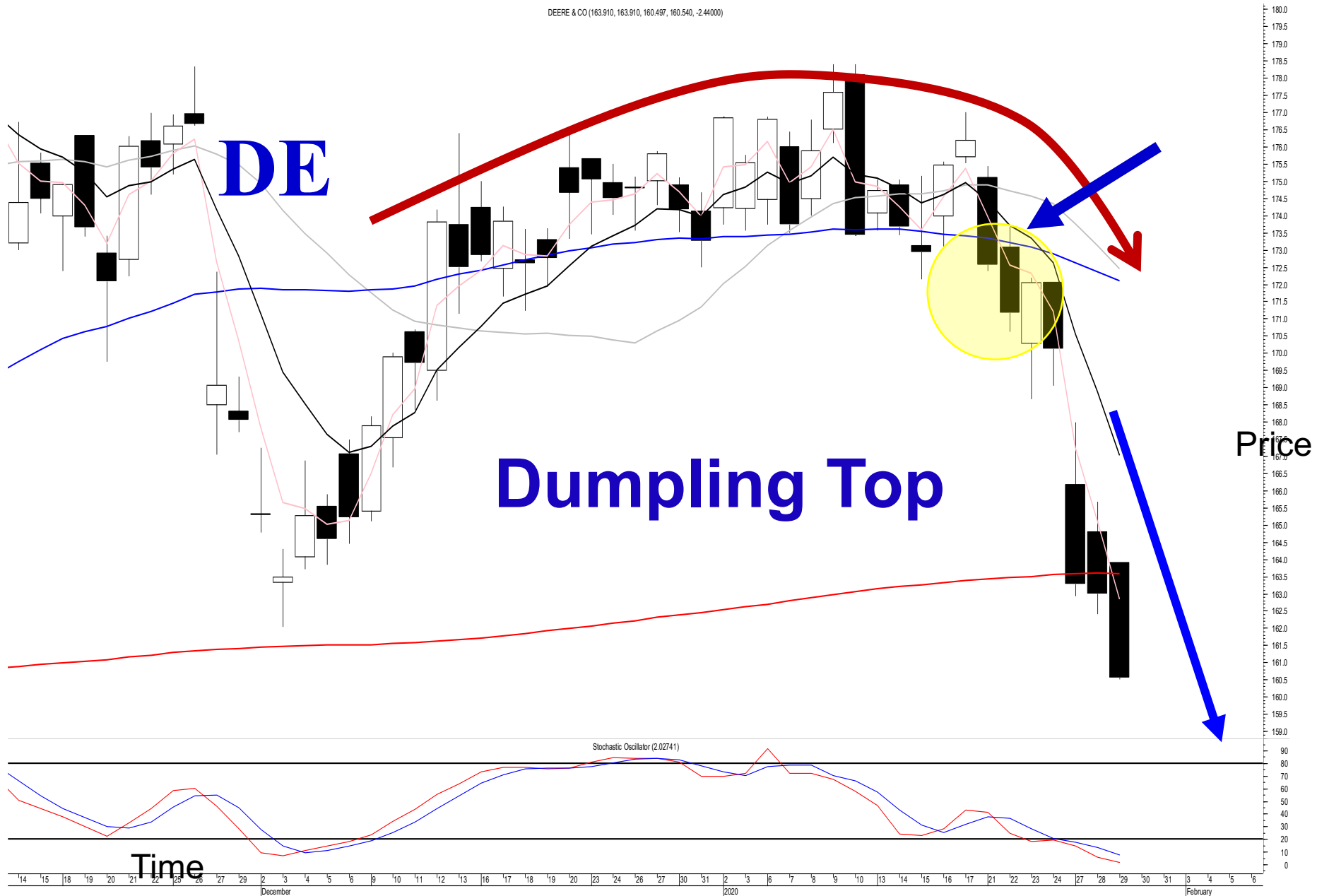
## Dumpling Top



### Expectations

Metastock

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**DE**

**Dumping Top**

Price

Time

Stochastic Oscillator (2, 10, 74, 1)

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**Metastock**

# Jay Hook Pattern

Jay Hook Pattern



- The first move of the uptrend is very strong.
- A candlestick sell signal indicates a pullback about to occur.
- After a few days, small indecisive candles start to appear
  - Doji, small Hammers, Bullish Engulfing signals

# The benefit of Candlestick patterns

- 1. High probability direction**
- 2. Magnitude of a price move**
- 3. Reversals not as immediate**

**Risk**

**Pattern failure seen immediately**



# ***What Moves Prices? Investor Sentiment***

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[www.stephenbigalow.com](http://www.stephenbigalow.com)

# ***J-hook***

***J-hook plus***  
***Bobble Breakout***  
***Classic Pattern***

FOSSIL INC (102.950, 104.830, 102.010, 104.540, +1.18000)

# J-hook Expectations

## Wave 3 will usually Equal Wave 1



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TIM PARTICIPACS (21.8400, 22.0300, 21.6300, 21.6900, -0.19000)

# Why is a J-hook anticipated?

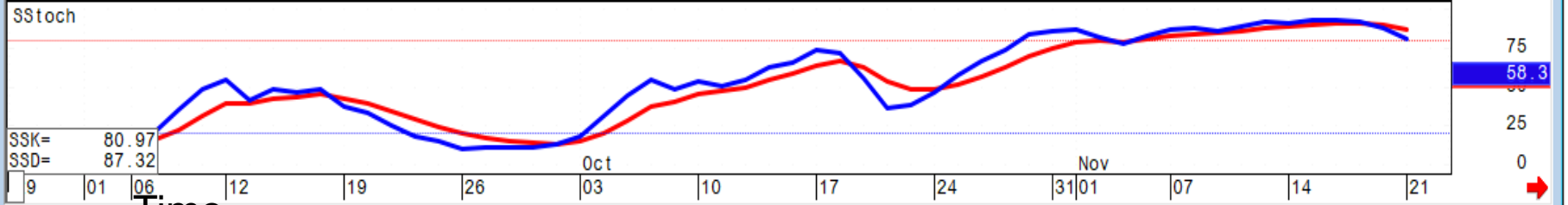


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O= 185.00  
H= 185.40  
L= 177.10  
L= 177.35  
Δ= -7.35

# MRNA J-hook

*The T line produces high probability trends/pattern results*

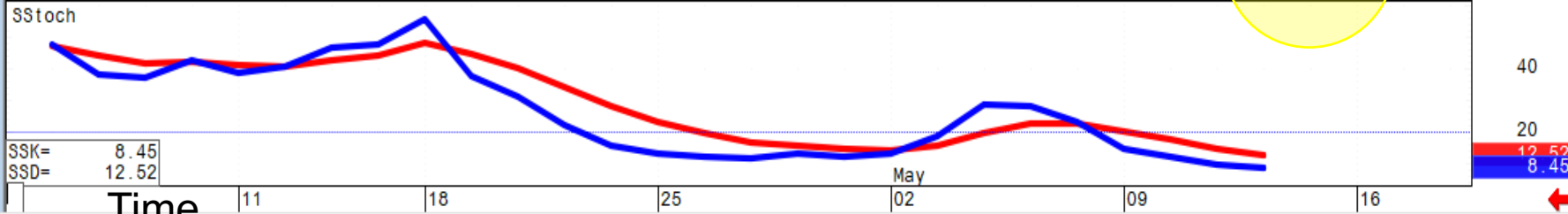


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O= 16.33  
H= 16.68  
L= 15.87  
C= 16.27  
Δ= -0.84



**Alerts revealing when it is time to take profits on put trades**



# ***J-hook Plus***

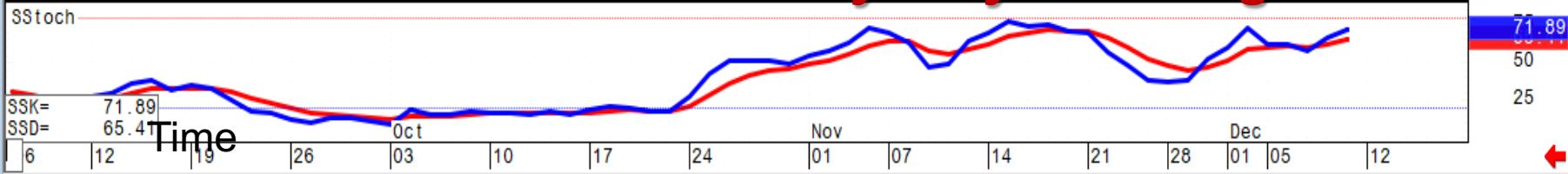
O= 3.75  
H= 3.89  
L= 3.57  
L= 3.67✓  
Δ= +0.02

# J-Hook Plus

# IQ



## What is everybody watching?



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O= 75.96  
H= 76.29  
L= 74.61  
L= 75.71  
Δ= +0.04

# ADM

# J-Hook Plus

## Where and How?



76.00  
75.71  
74.71  
74.00  
72.00  
Price  
70.66  
70.00  
67.96  
66.00  
64.04  
62.00  
91.4  
75  
50  
25

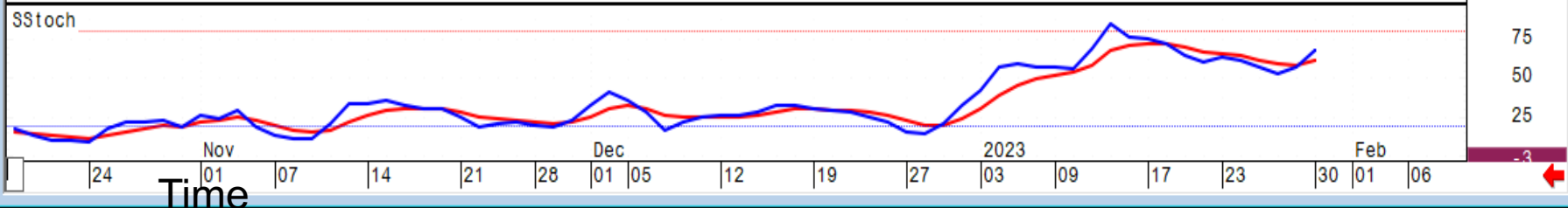
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# CQG

O= 8.35  
H= 10.86  
L= 8.11  
L= 10.00✓  
Δ= +2.23

# J-Hook Plus Expectations

# CVNA



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# CQG



Any stock, ETFs, options or futures symbols displayed are for illustrative purposes only and are not intended to portray recommendations. Past performance does not guarantee future results.

**CQG**

# AU

# J-hook Plus

**Greatly improving sector position probabilities**



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**CQG**

O=2226.25  
H=2280.00  
L=2159.14  
C=2175.78  
Δ=-119.67

# AMZN

*Bearish Harami signals*

## Bearish J-hook Plus

*Price trends are much easier to identify when using candlestick signals and confirming indicators*





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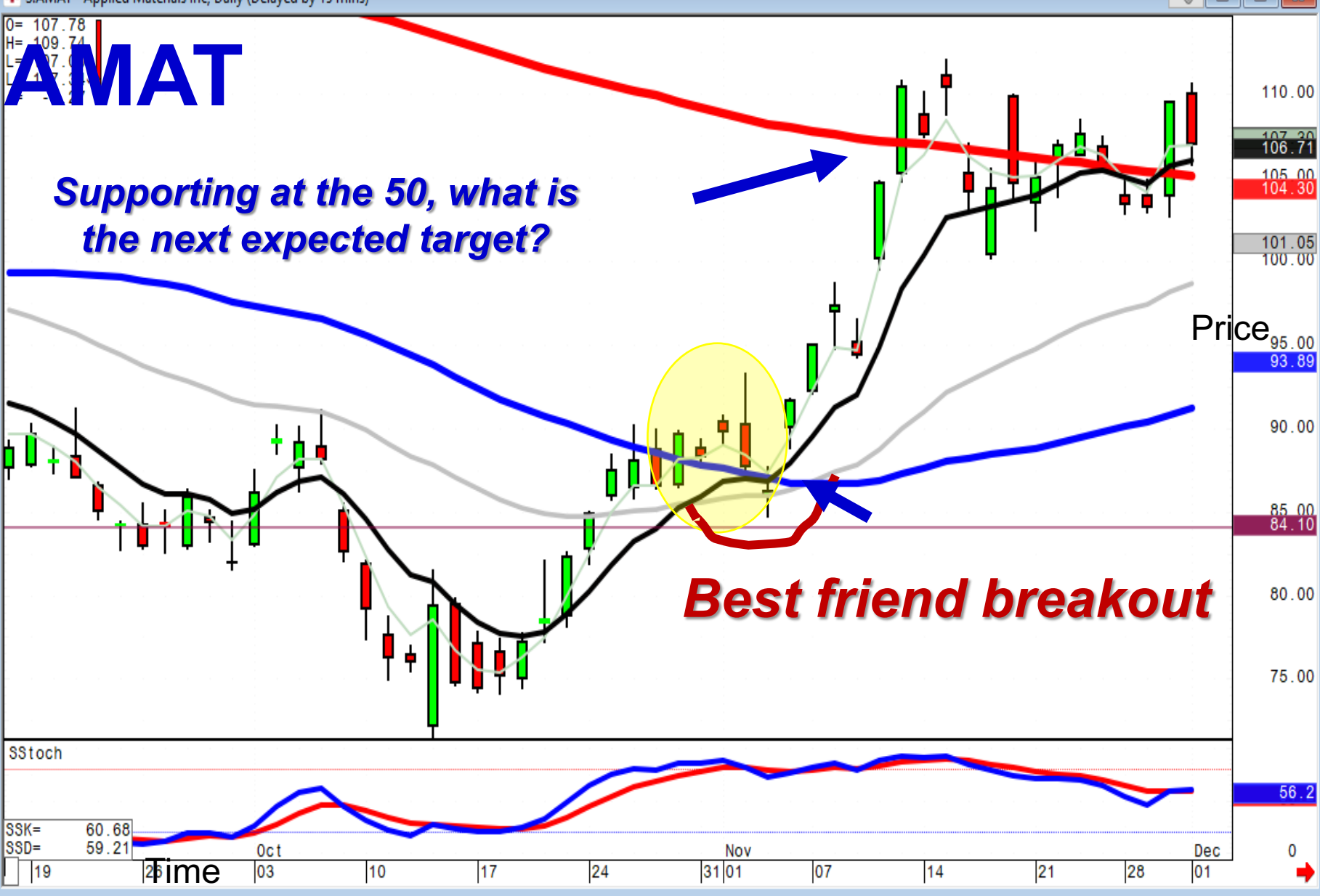


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O= 107.78  
H= 109.74  
L= 107.00  
C= 107.30

# AMAT

**Supporting at the 50, what is the next expected target?**



**Best friend breakout**

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O= 29.70  
H= 30.03  
L= 28.88  
L= 28.97  
Δ= -0.67

# CVI

**What is the expected target area?**



# J-Hook Plus

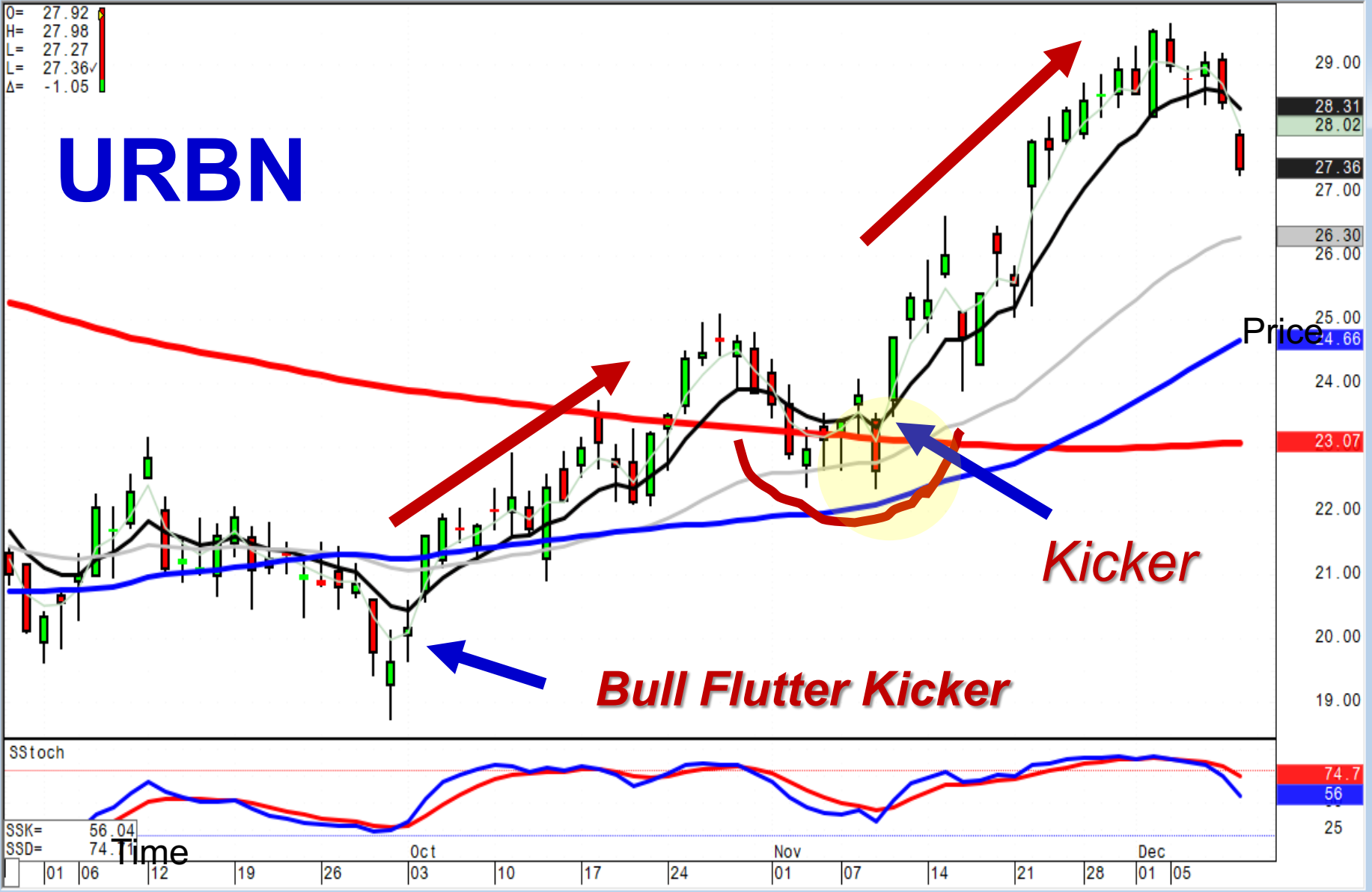
SSK= 47.31  
SSD= 55.19

Price

42.00  
40.00  
38.00  
36.72  
36.01  
34.00  
32.51  
32.00  
31.70  
29.96  
28.97  
28.00  
26.00  
75  
50  
25  
3.1

O= 27.92  
H= 27.98  
L= 27.27  
C= 27.36  
Δ= -1.05

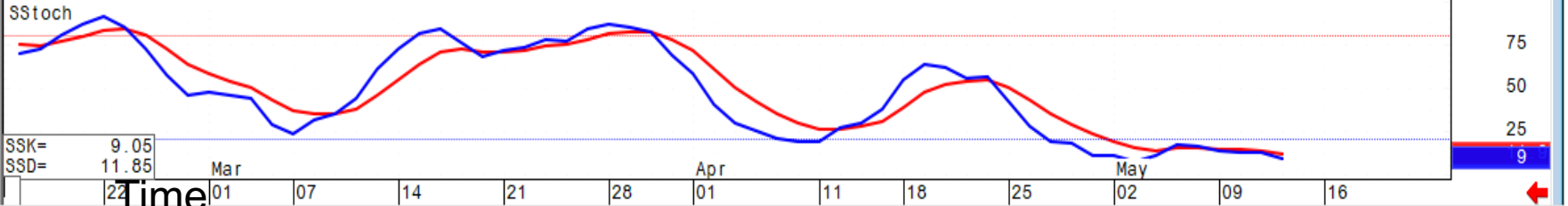
# URBN



O=100.375  
H=100.850  
L= 97.100  
L= 97.475  
Δ= -3.375

# HOGS

*Analyzing the daily chart  
~~improves~~ the probabilities  
of day trades*



SSK= 9.05  
SSD= 11.85

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O=100.375  
H=100.850  
L= 97.100  
L= 97.475  
Δ= -3.375

# HOGS 10 min



SSK= 25.35  
SSD= 27.00

Time

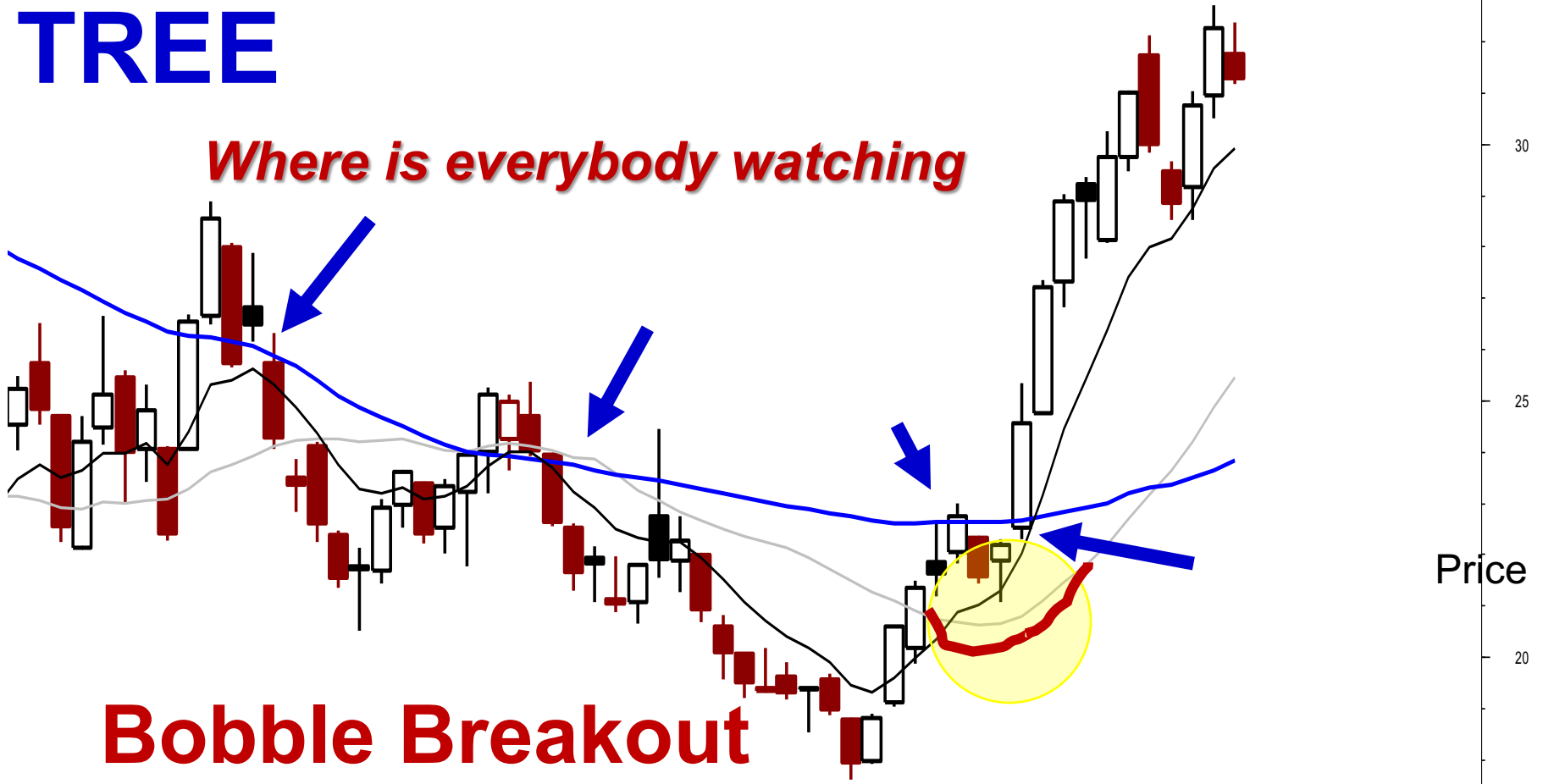
Price

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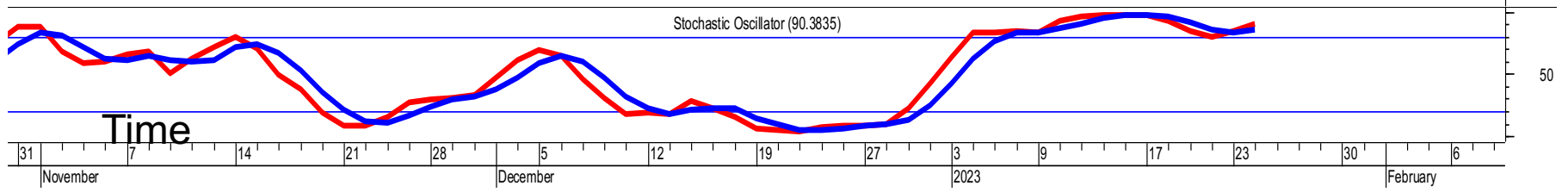
# ***Bobble Breakout***

# TREE

*Where is everybody watching*



**Bobble Breakout**



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**Metastock**

O= 55.70  
H= 57.99  
L= 54.25  
C= 57.74  
Δ= +2.99

# BROS

# Bobble Breakout



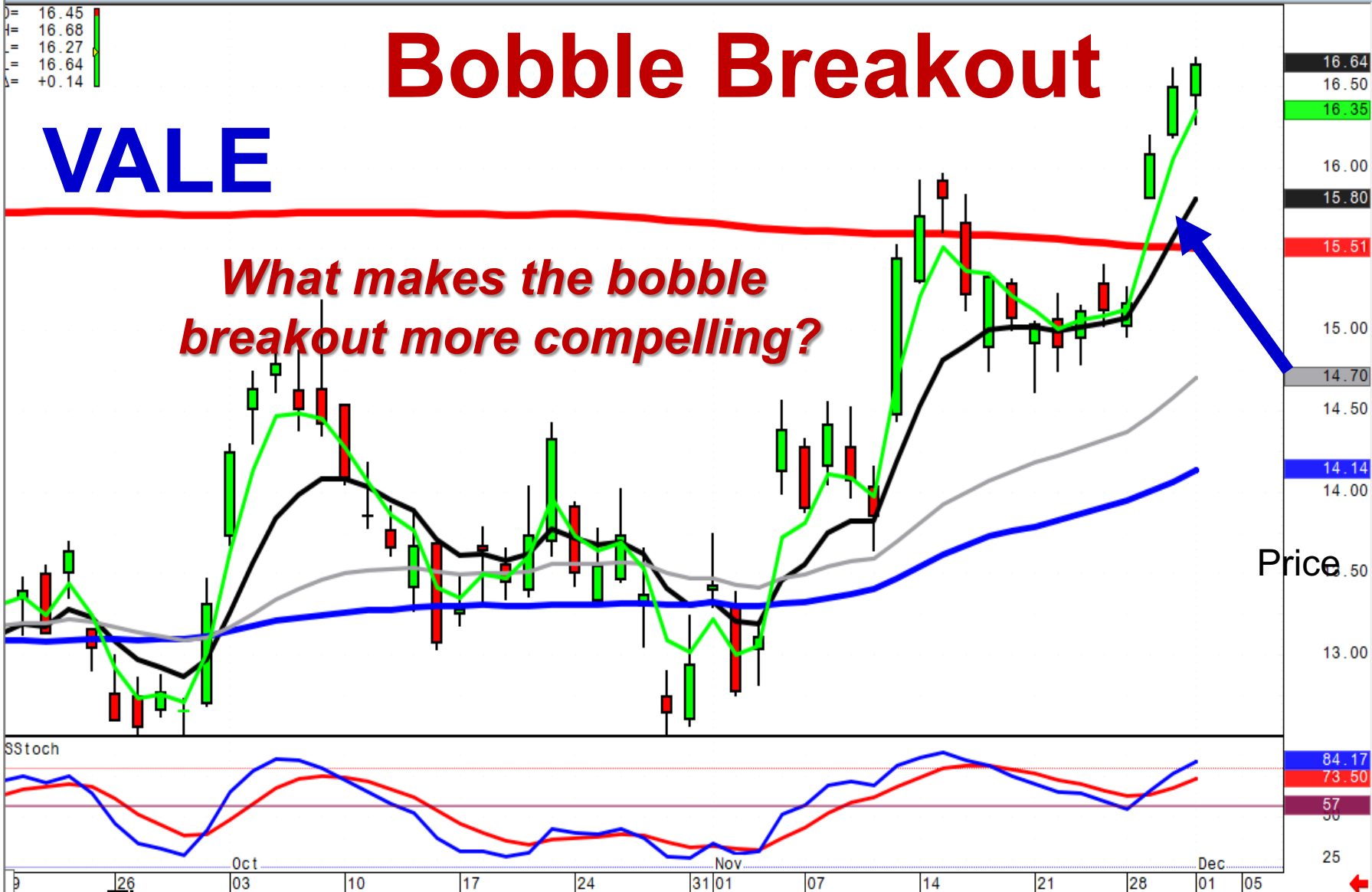
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O= 16.45  
H= 16.68  
L= 16.27  
C= 16.64  
Δ= +0.14

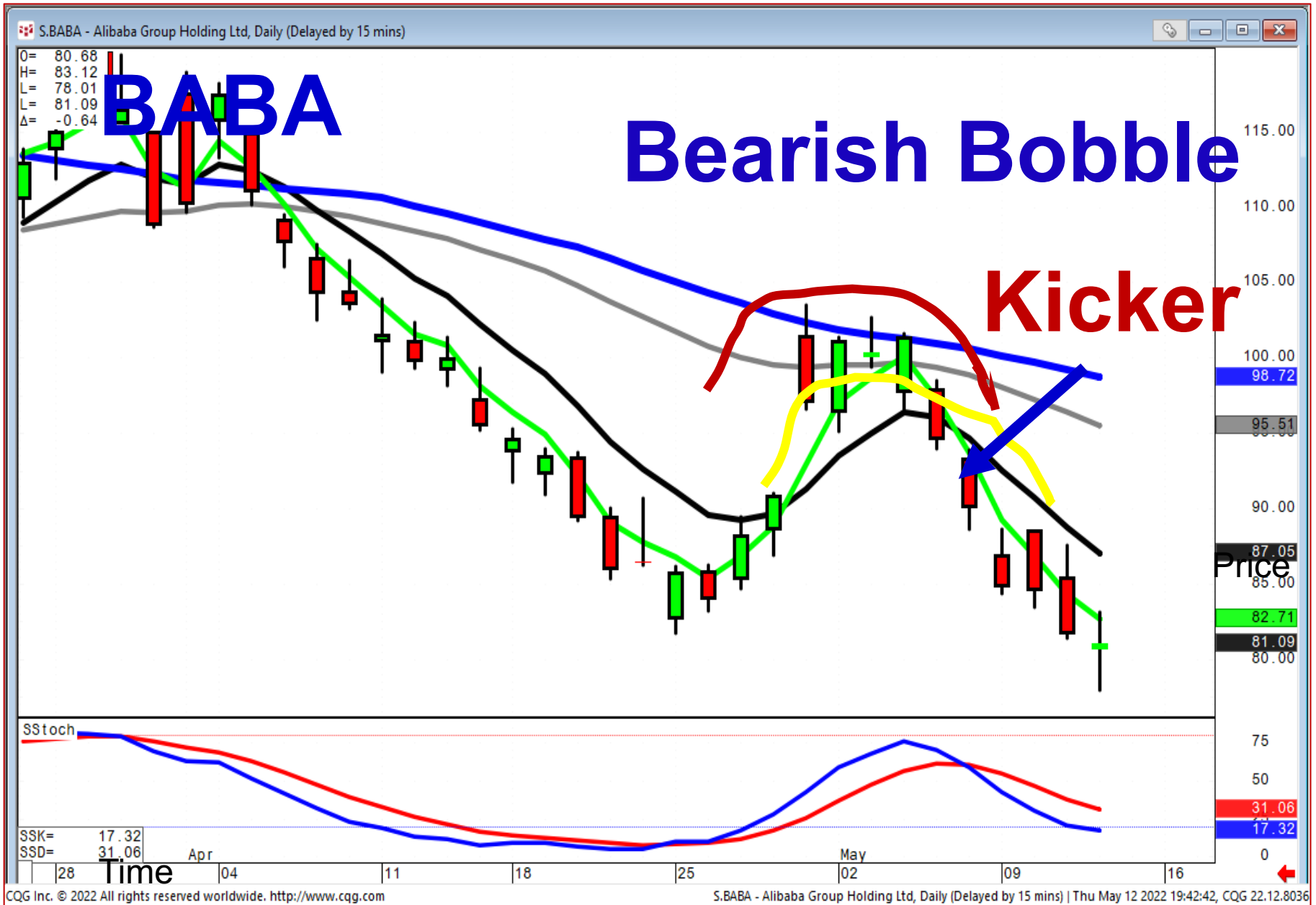
# Bobble Breakout

# VALE

*What makes the bobble breakout more compelling?*



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not guarantee future results.

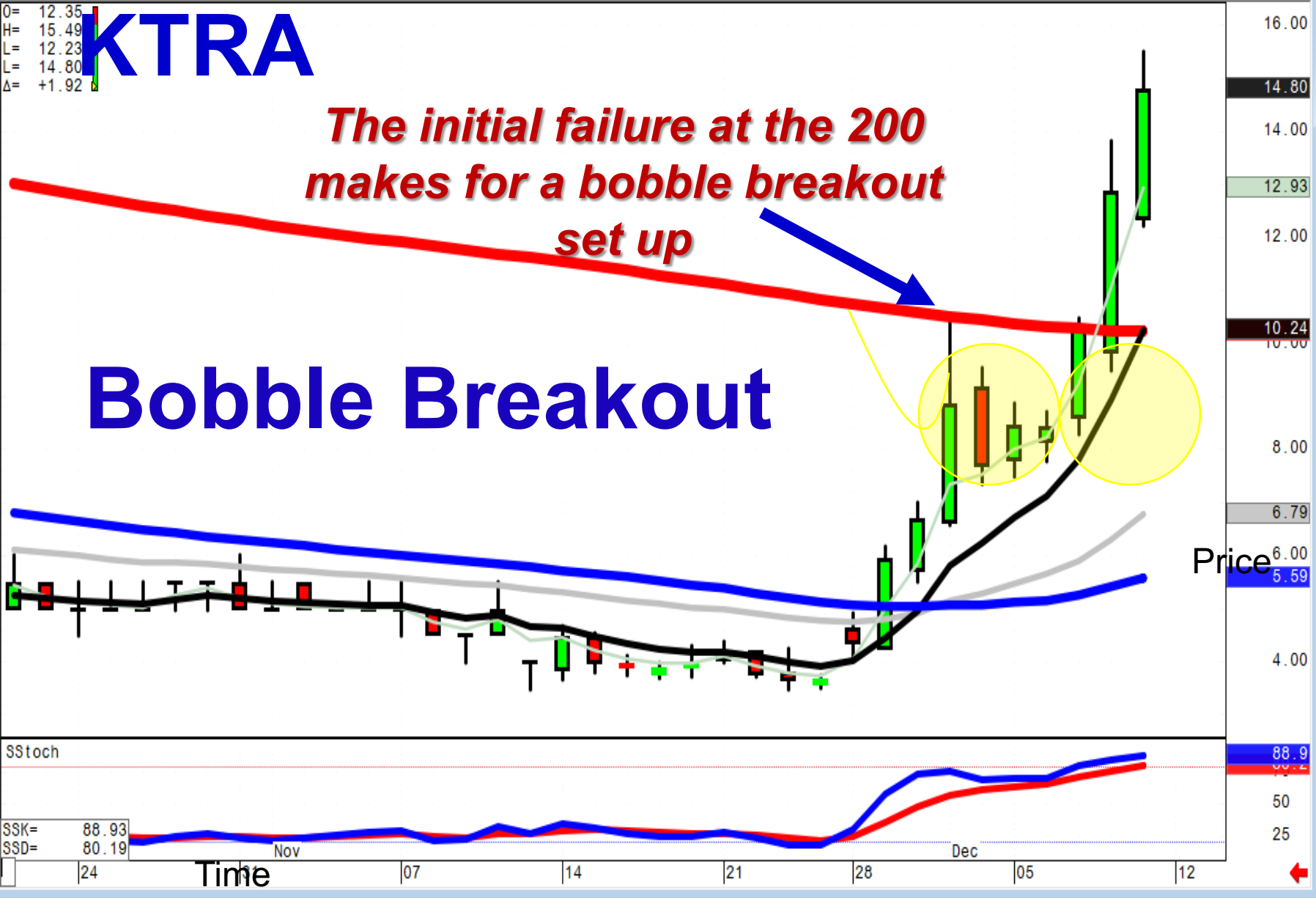
**CQG**

O= 12.35  
H= 15.49  
L= 12.23  
L= 14.80  
Δ= +1.92

# KTRA

*The initial failure at the 200 makes for a bobble breakout set up*

## Bobble Breakout



Price

SSK= 88.93  
SSD= 80.19

Time

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# *Common Patterns Of Human Nature*

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[www.stephenbigalow.com](http://www.stephenbigalow.com)

O= 7.53  
H= 7.53  
L= 6.90  
C= 7.297  
Δ= -0.07

# DADA

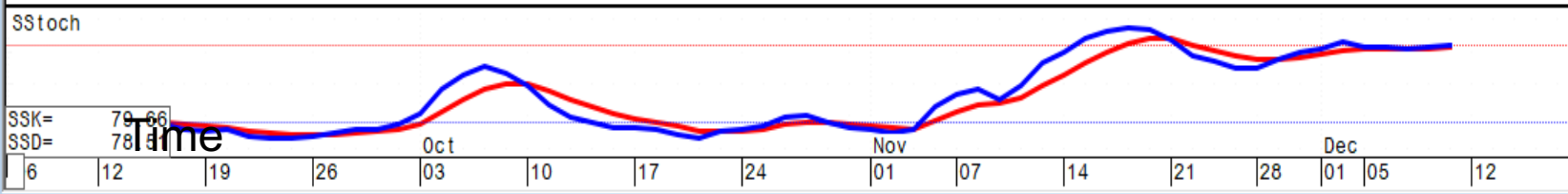
# J-Hook Set ups

**Step one of a J-hook pattern analysis**



Price

|   |       |
|---|-------|
| 9 | 7.200 |
| 8 | 7.297 |
| 7 | 6.825 |
| 6 | 6.679 |
| 5 | 5.414 |
| 4 | 4.661 |
| 3 |       |
| 2 |       |
| 1 | 79.7  |
| 0 |       |



SSK= 79.66  
SSD= 78.11

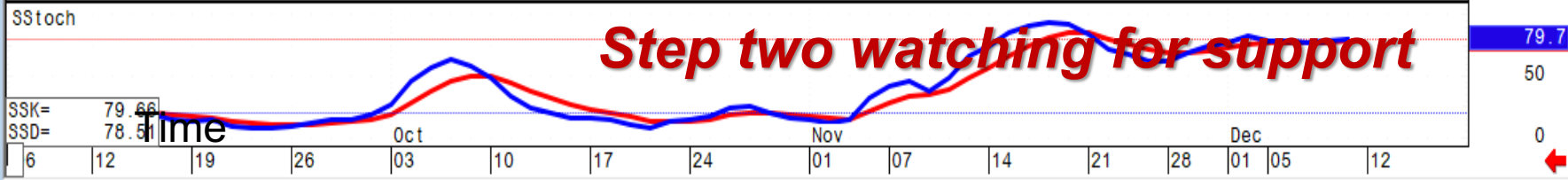
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## CQG

O= 7.53  
H= 7.53  
L= 6.90  
C= 7.19  
Δ= -0.7

# DADA

## J-hook Expected results



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O= 7.53  
H= 7.53  
L= 6.90  
C= 7.39  
Δ= -0.07

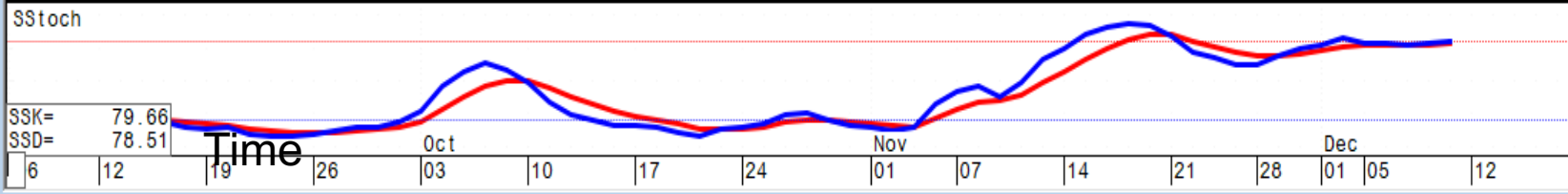
# DADA

# J-Hook Expected Target

*Wave three produces strong target expectations*



|       |
|-------|
| 7.200 |
| 7.297 |
| 7     |
| 6.825 |
| 6.679 |
| 6     |
| 5.414 |
| 5     |
| 4.661 |
| 4     |
| 3     |
| 79.7  |
| 50    |
| 0     |



SSK= 79.66  
SSD= 78.51

# Probabilities

**1. Direction**

**2. Magnitude of the move**



# Best Friend signals

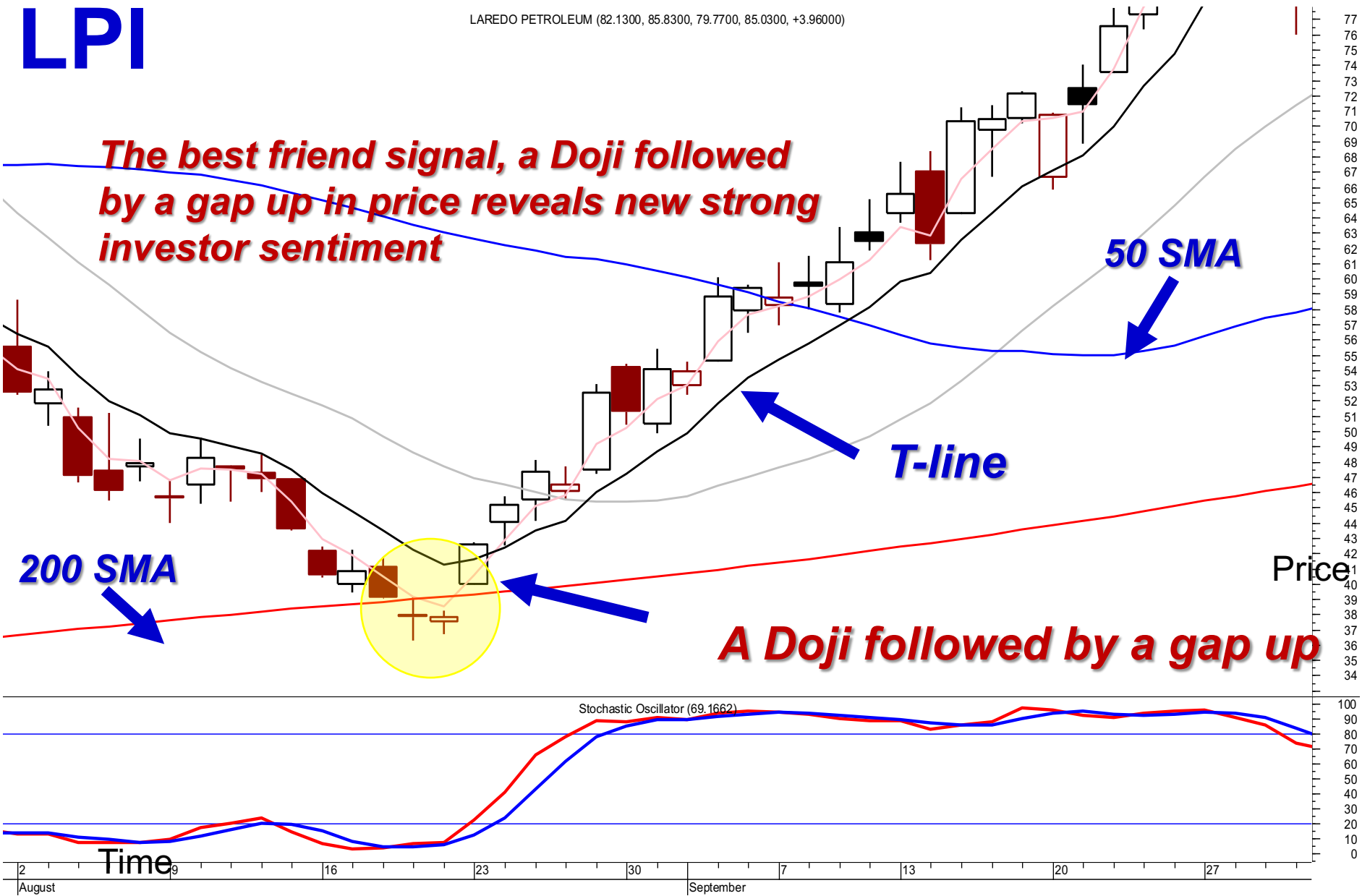
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[www.stephenbigalow.com](http://www.stephenbigalow.com)

# LPI

LAREDO PETROLEUM (82.1300, 85.8300, 79.7700, 85.0300, +3.96000)

**The best friend signal, a Doji followed by a gap up in price reveals new strong investor sentiment**



**50 SMA**

**T-line**

**200 SMA**

**A Doji followed by a gap up**

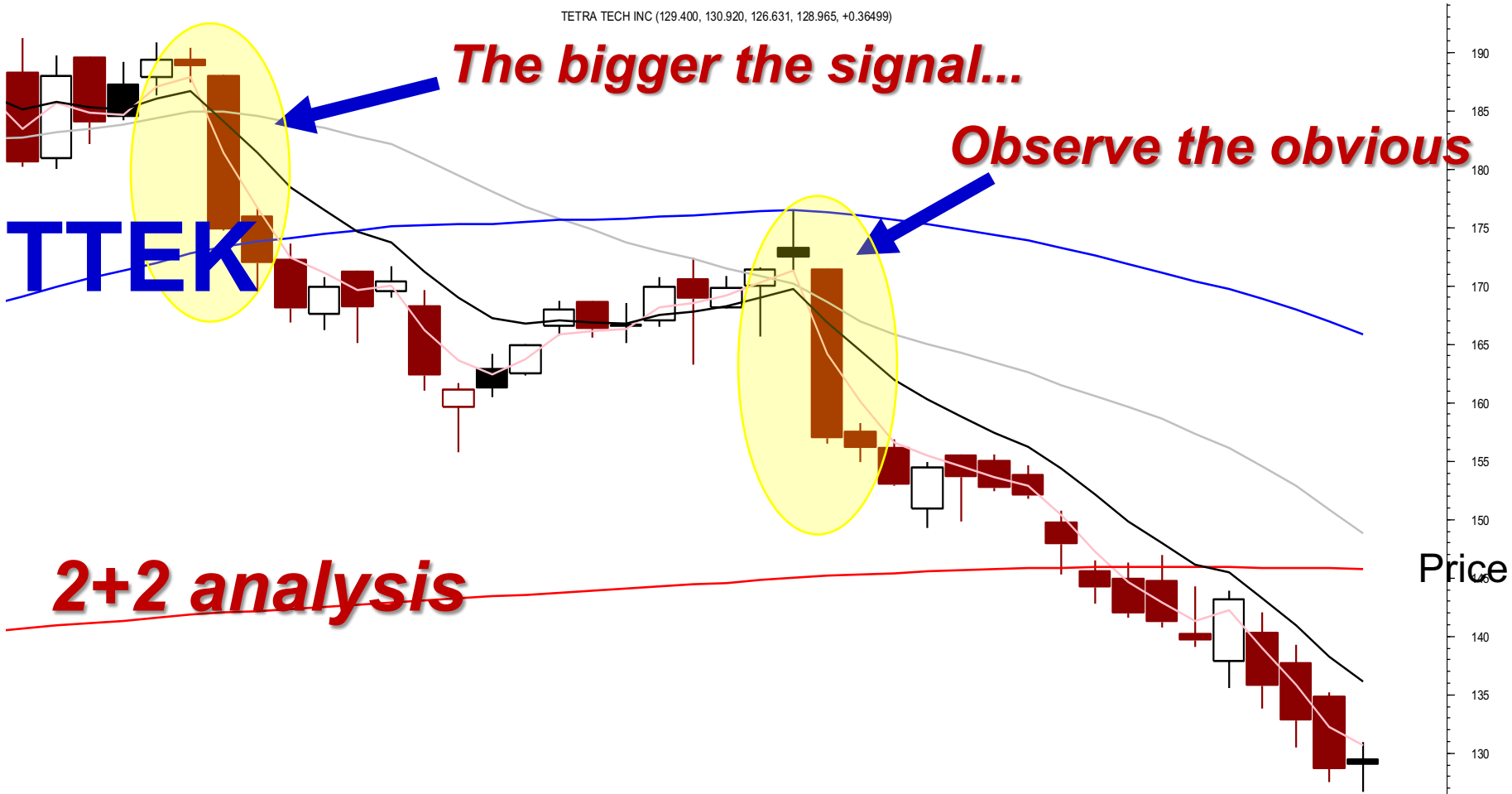
**Metastock**

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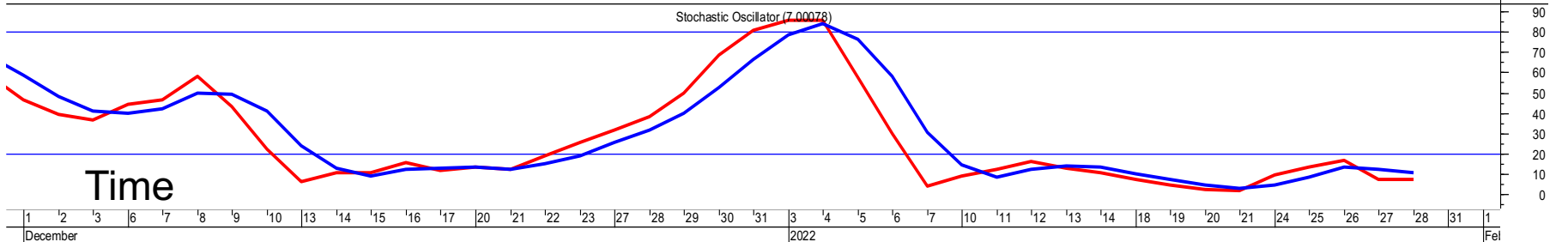
**The bigger the signal...**

**Observe the obvious**

**TTEK**



**2+2 analysis**



**Metastock**

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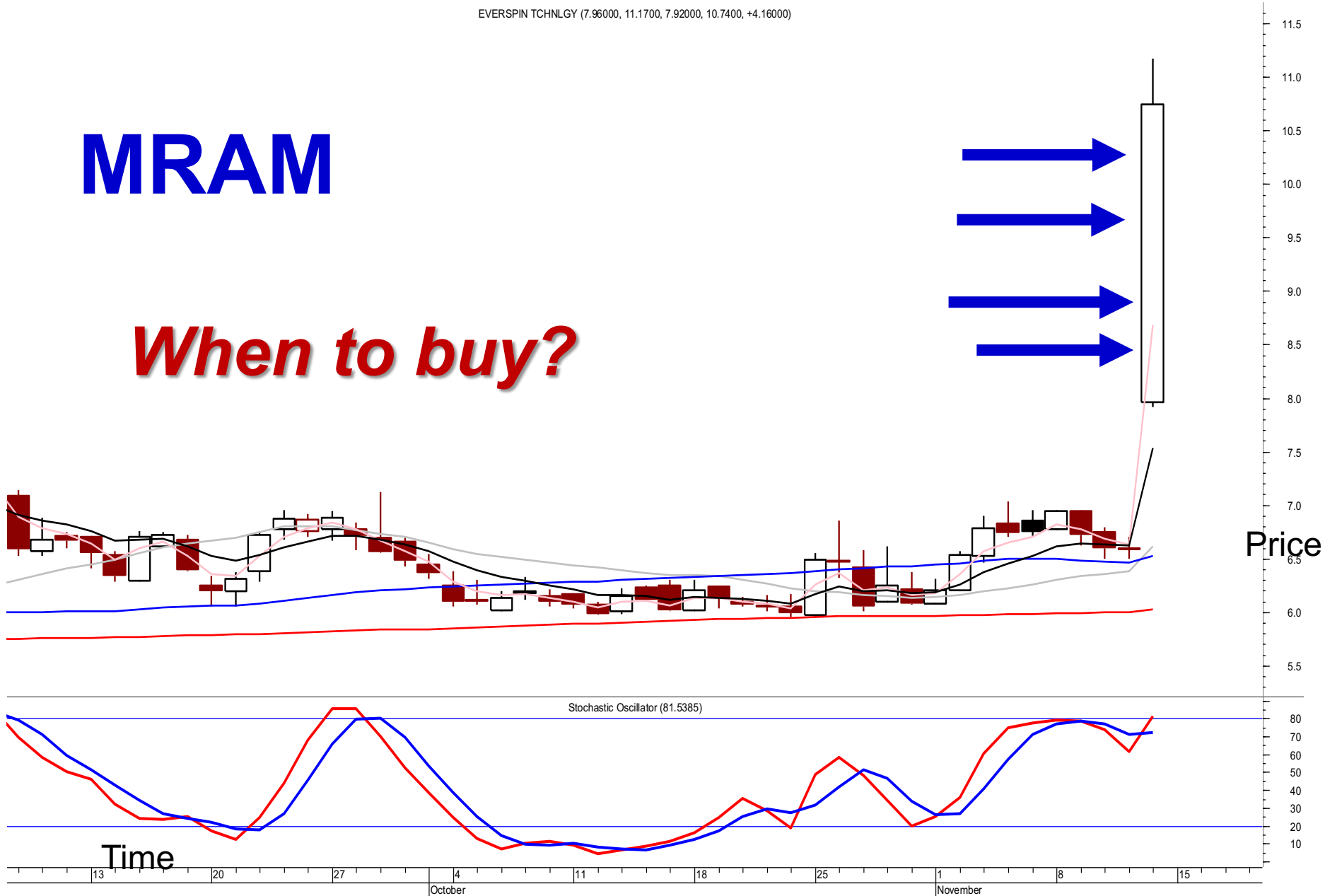


Any stock, ETFs, options or futures symbols displayed are for illustrative purposes only and are not intended to portray recommendations. Past performance does not guarantee future results.

Metastock

# MRAM

## *When to buy?*

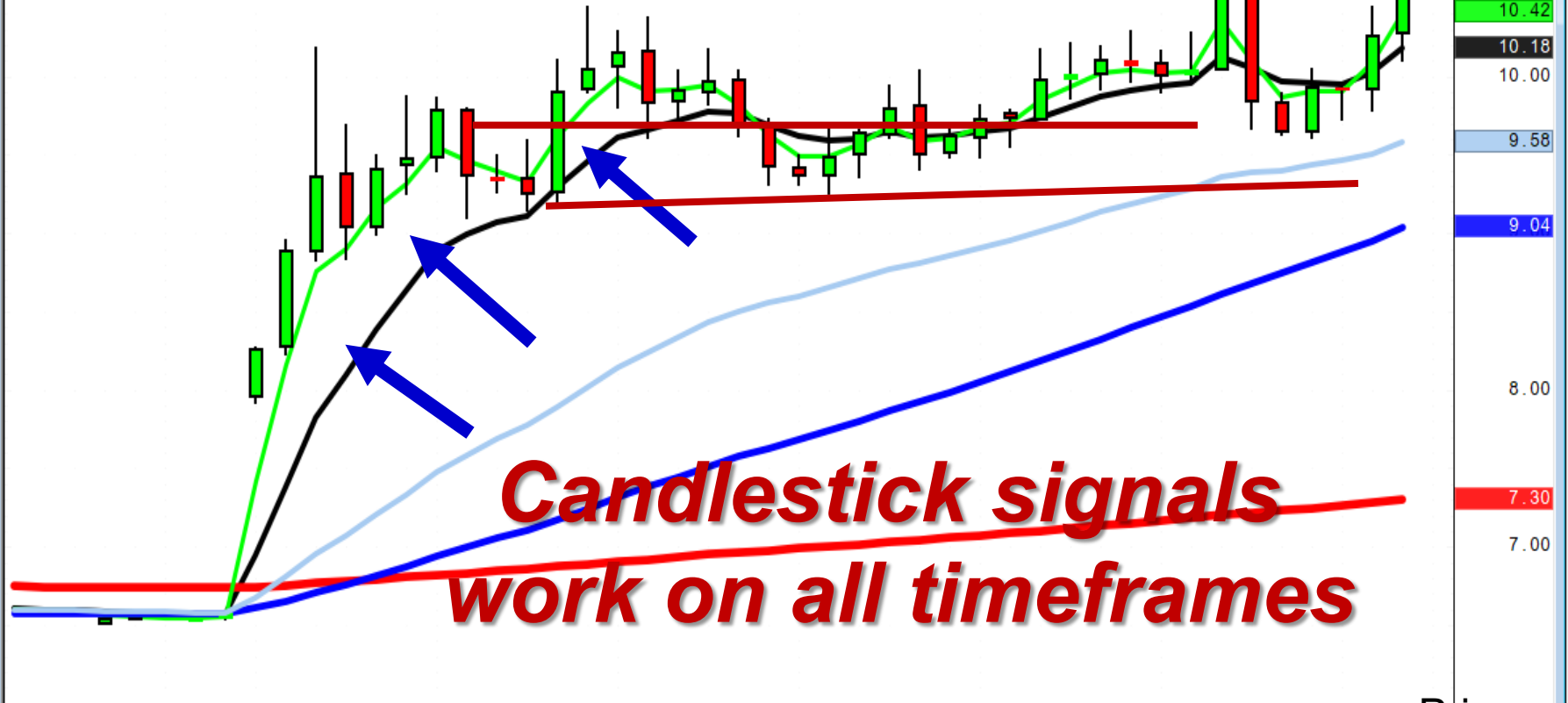


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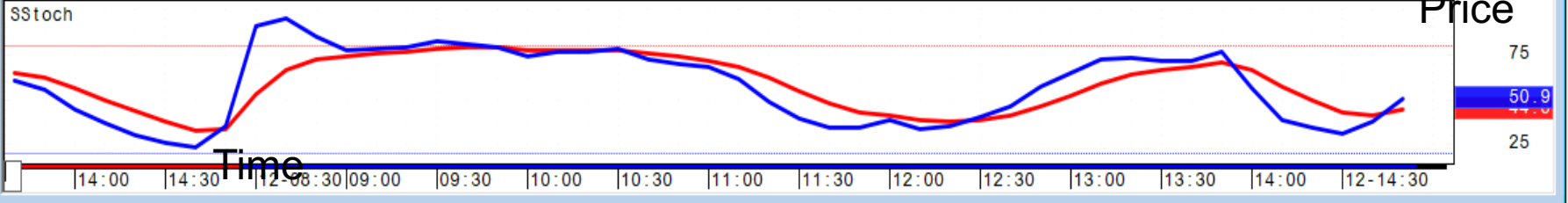
**Metastock**

O= 7.96  
H= 11.17  
L= 7.97  
C= 10.42  
Δ= +4.1%

# MRAM 10 min chart



**Candlestick signals  
work on all timeframes**



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# Kickers

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[www.stephenbigalow.com](http://www.stephenbigalow.com)

O= 4.40  
H= 4.43  
L= 4.02  
C= 4.05  
Δ= -0.38

# IMTE

**Do all candlestick signals  
Produce big profits?**

**Bearish kicker  
\$30.00**

**\$4.00**



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Metastock



**Candlestick charts  
indicate what investor  
sentiment is 'actually'  
doing**

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**Candlestick signals and patterns are the result of 400 years of analysis**

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***High Probability  
Expected results  
Human Nature***

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# ***Candlestick Patterns High Probabilities***

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