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March 9, 2023

Candlestick Forum

Common Sense Candlestick Analysis: Identifying the Strongest Bearish Signals In A Market Downtrend

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Candlestick Bear Patterns High Probabilities

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Charts provided by CQG and Metastock

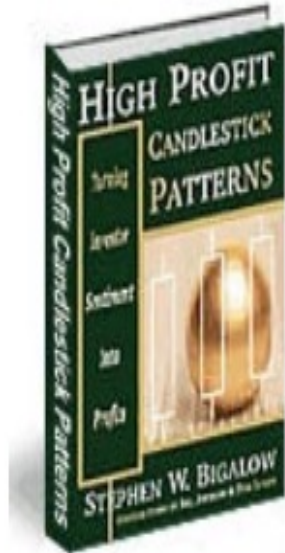
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BOOKS

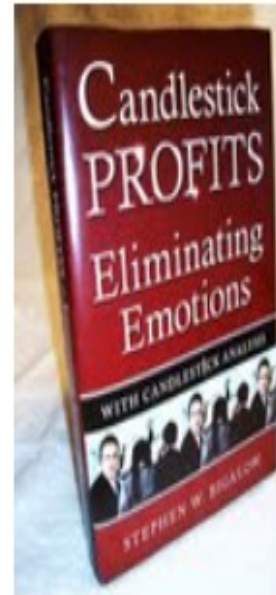
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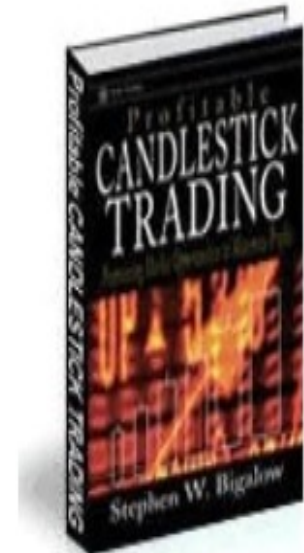
High Profit Candlestick Patterns

\$55⁷⁷



Candlestick Profits - Eliminating Emotions With Candlestick Analysis

\$67⁷⁷



Profitable Candlestick Trading

\$47⁹⁵

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

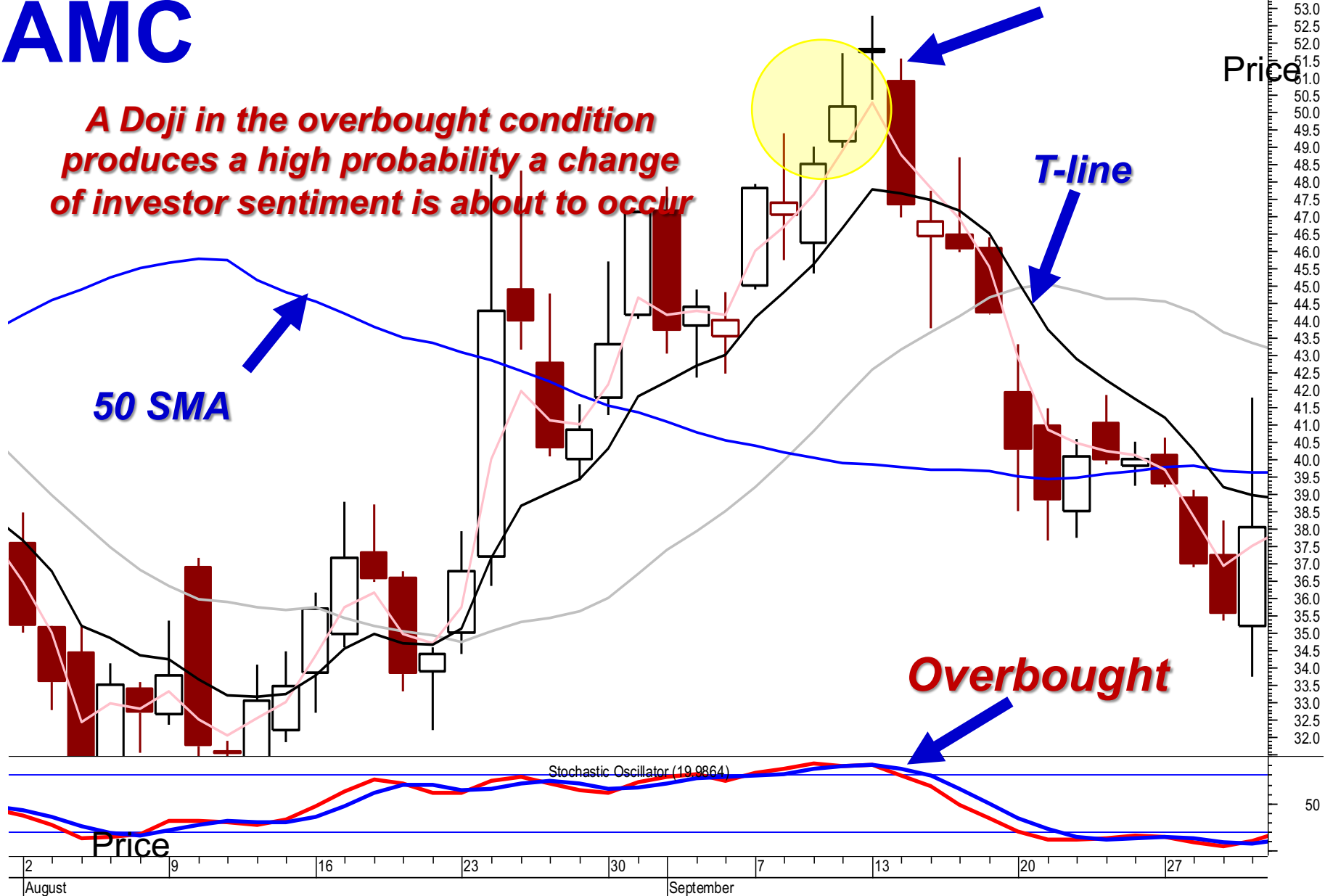
Metastock Scans

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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Metastock

Candlestick Patterns

Fry Pan bottom patterns

Dumpling Top

Cradle pattern

Jay-hook pattern

Scoop pattern

Belthold patterns

Gaps

CANDLESTICK

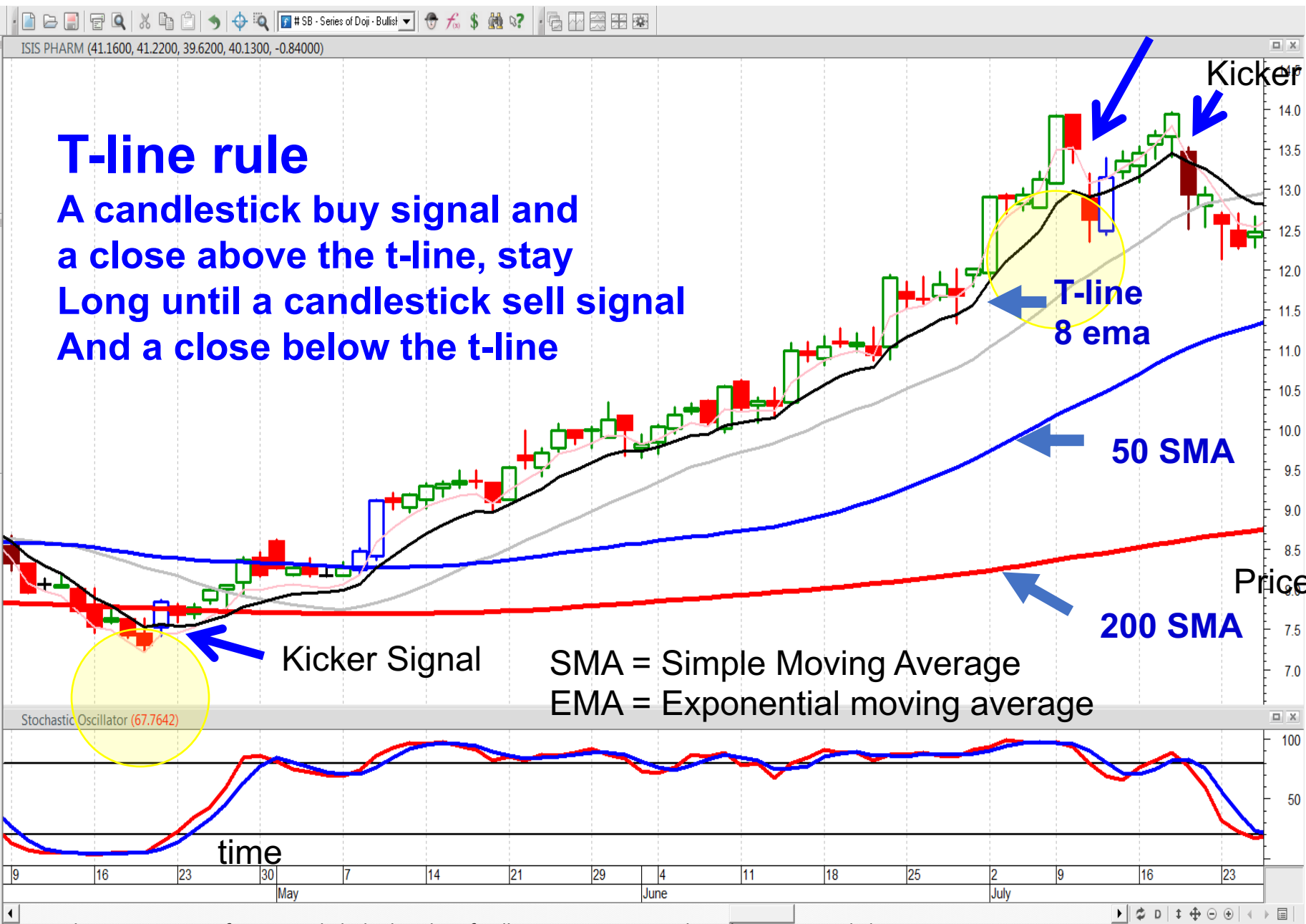
Trading Forum



•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

Kicker

T-line
 8 ema

50 SMA

200 SMA

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

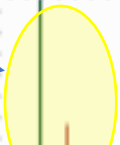
C: 16.76

R: 1.13

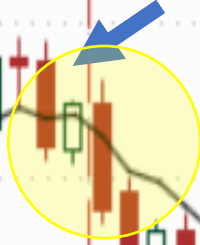
SimpleMovingAvg ...



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



T-line Truism

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

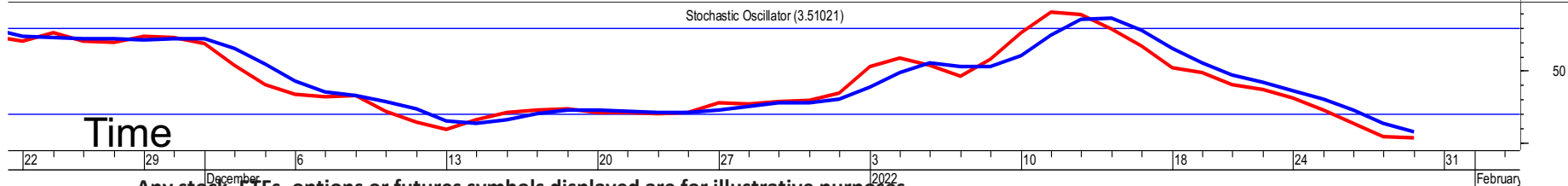
Extremely High **probability a
down trend is confirmed**

Evening star signal

LCID



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





High Probability Pattern Expectations



Market Direction



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Meta stock



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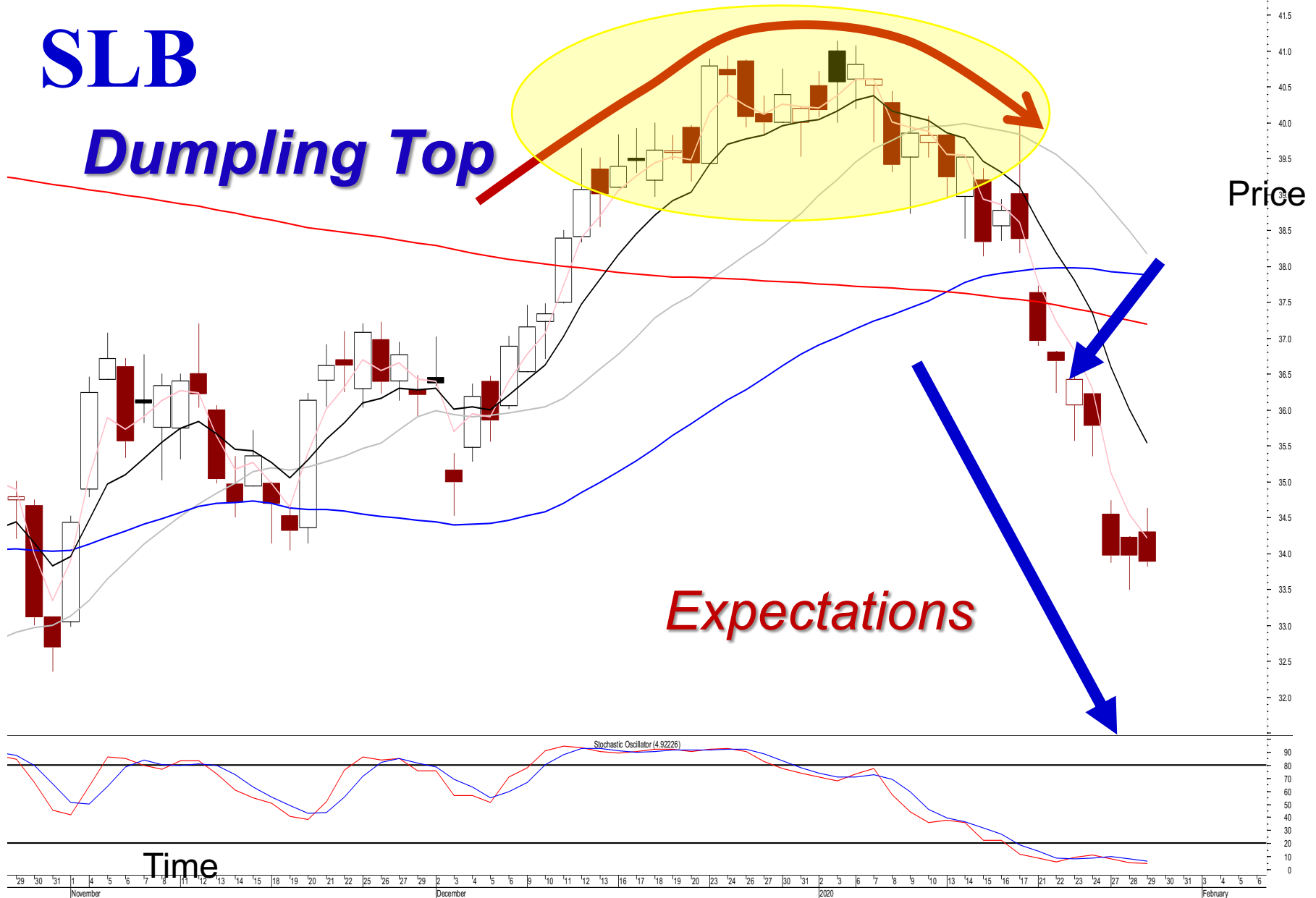
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Dumpling Top

SLB

Dumpling Top



Expectations

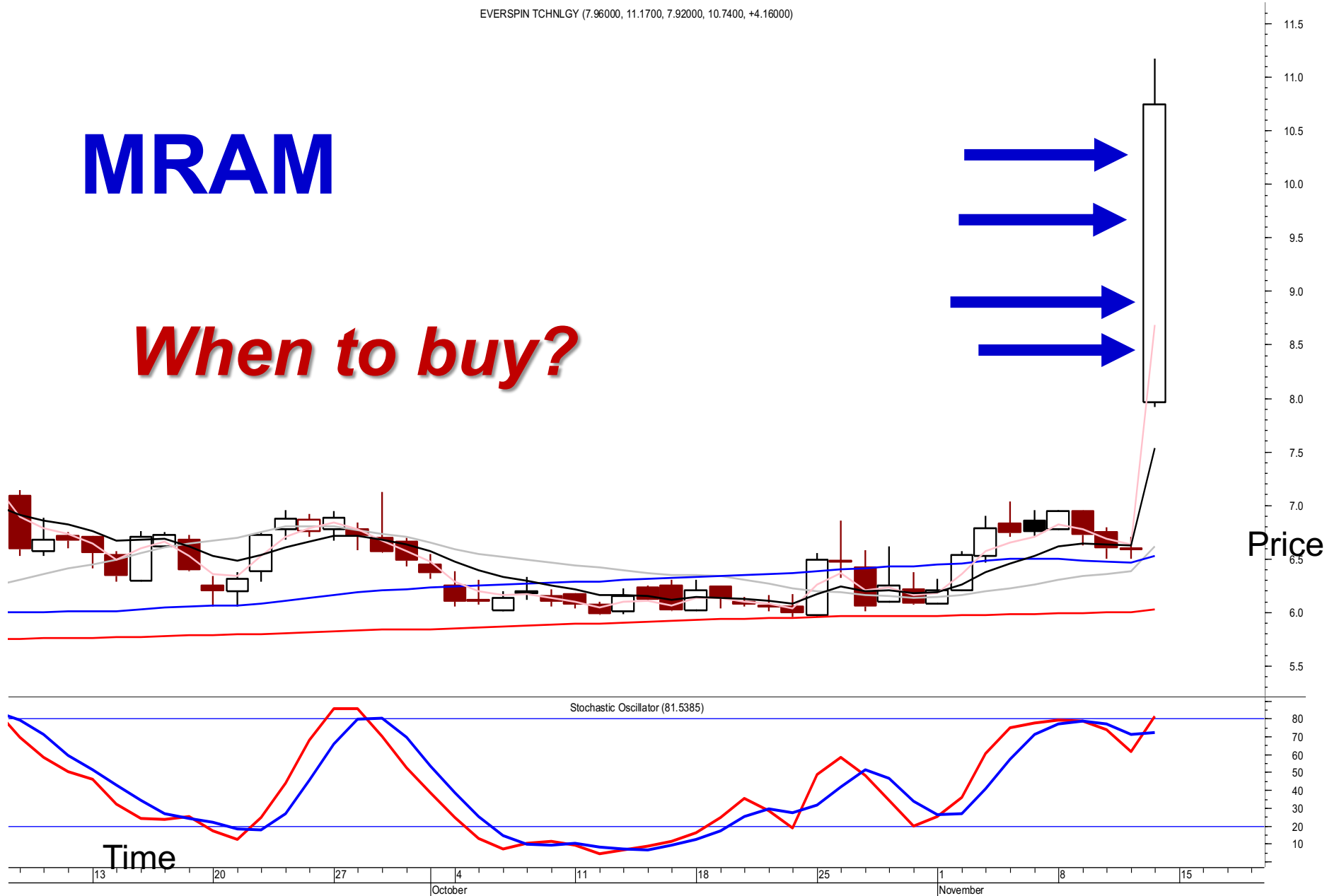
Metastock

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MRAM

When to buy?

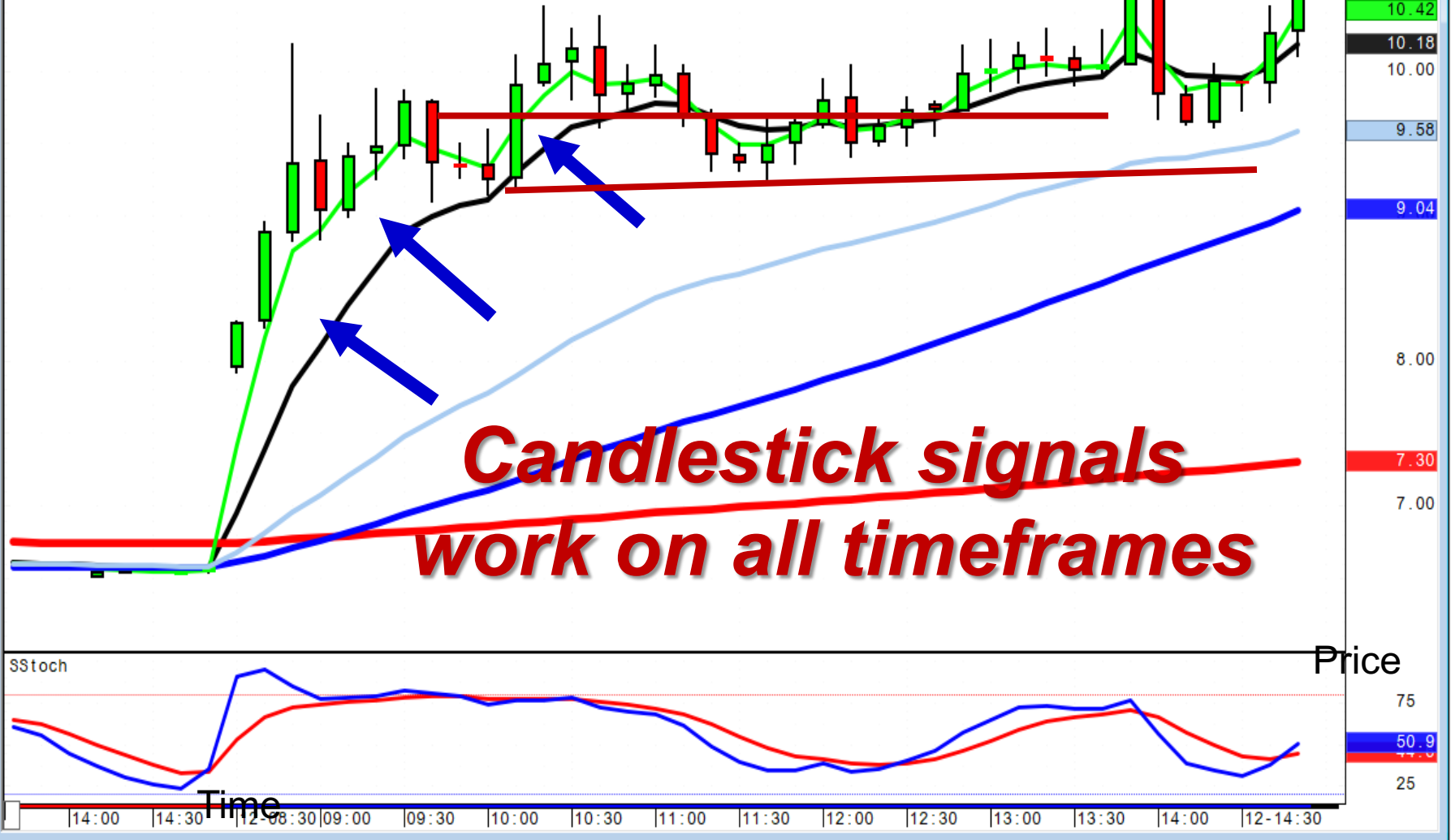


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Metastock

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

MRAM 10 min chart



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CQG

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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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



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*



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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

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Common Patterns Of Human Nature

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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



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Probabilities

1. Direction

2. Magnitude of the move



Best Friend signals

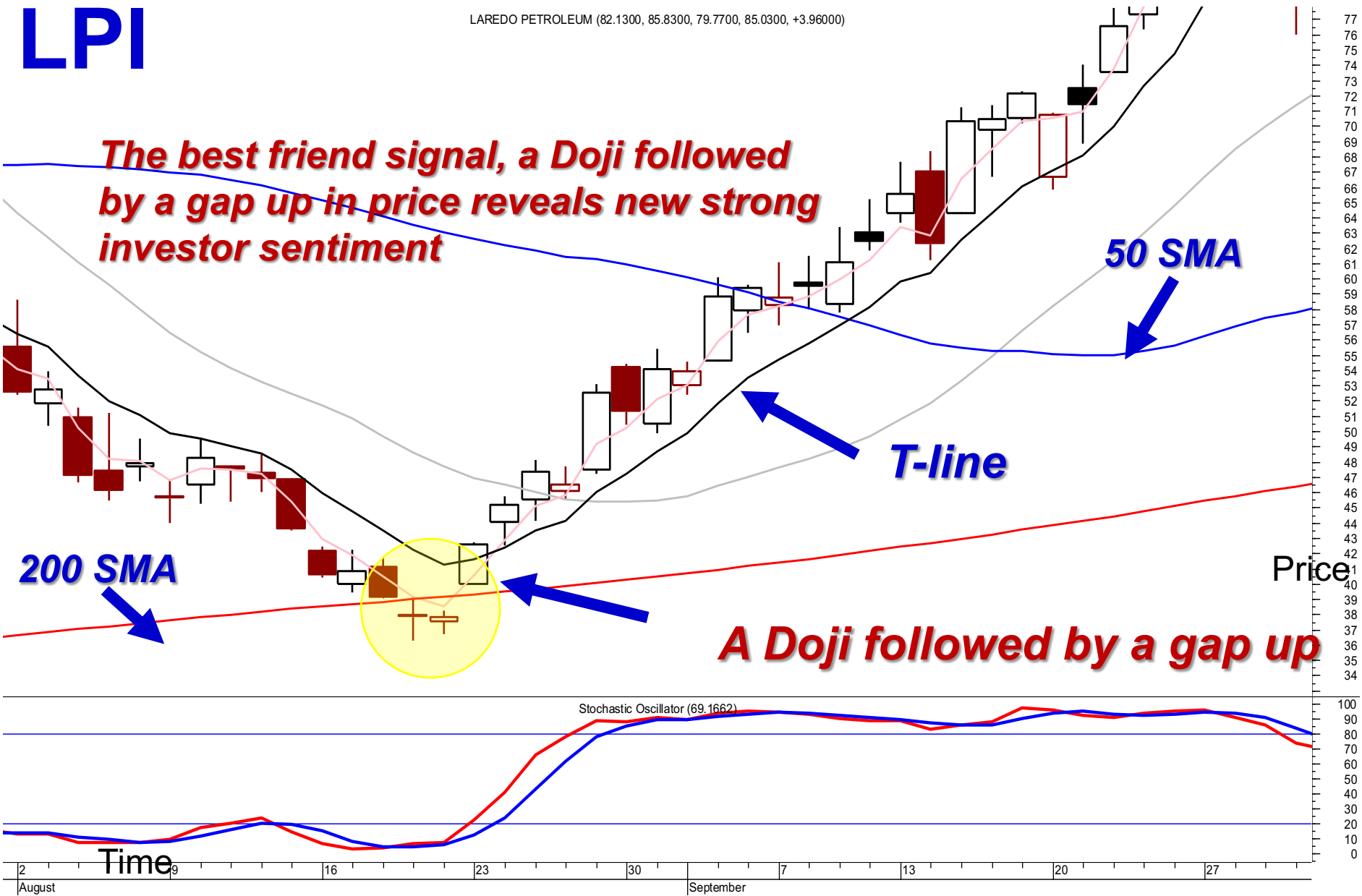
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LPI

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

Price

Stochastic Oscillator (69.1662)

Time

August 2 9 16 23 30 September 7 13 20 27

Metastock

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Metastock



Kickers

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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

O= 13.22
H= 13.30
L= 12.72
L= 12.74
Δ= -0.46

AMPL



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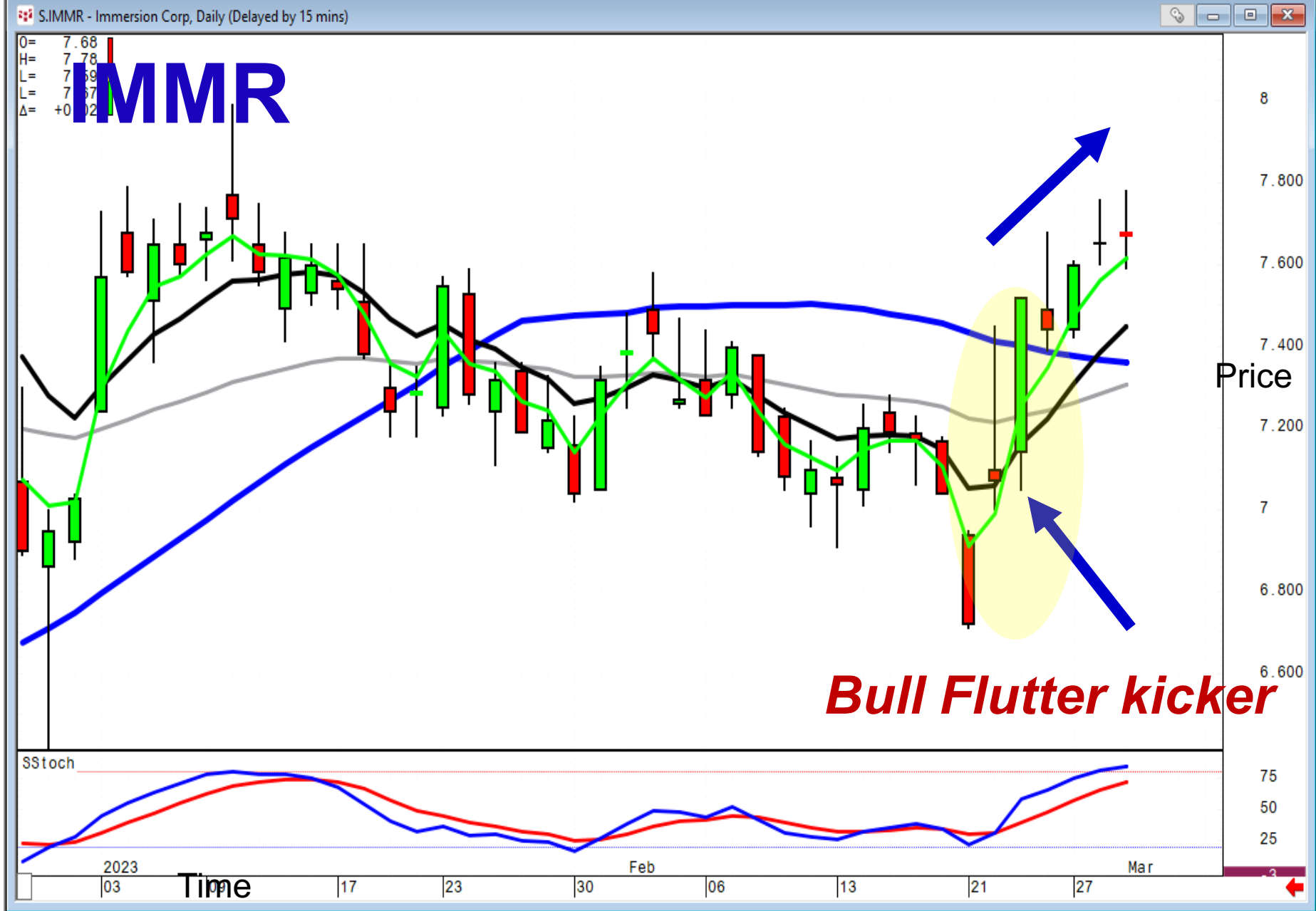




Flutter Kickers

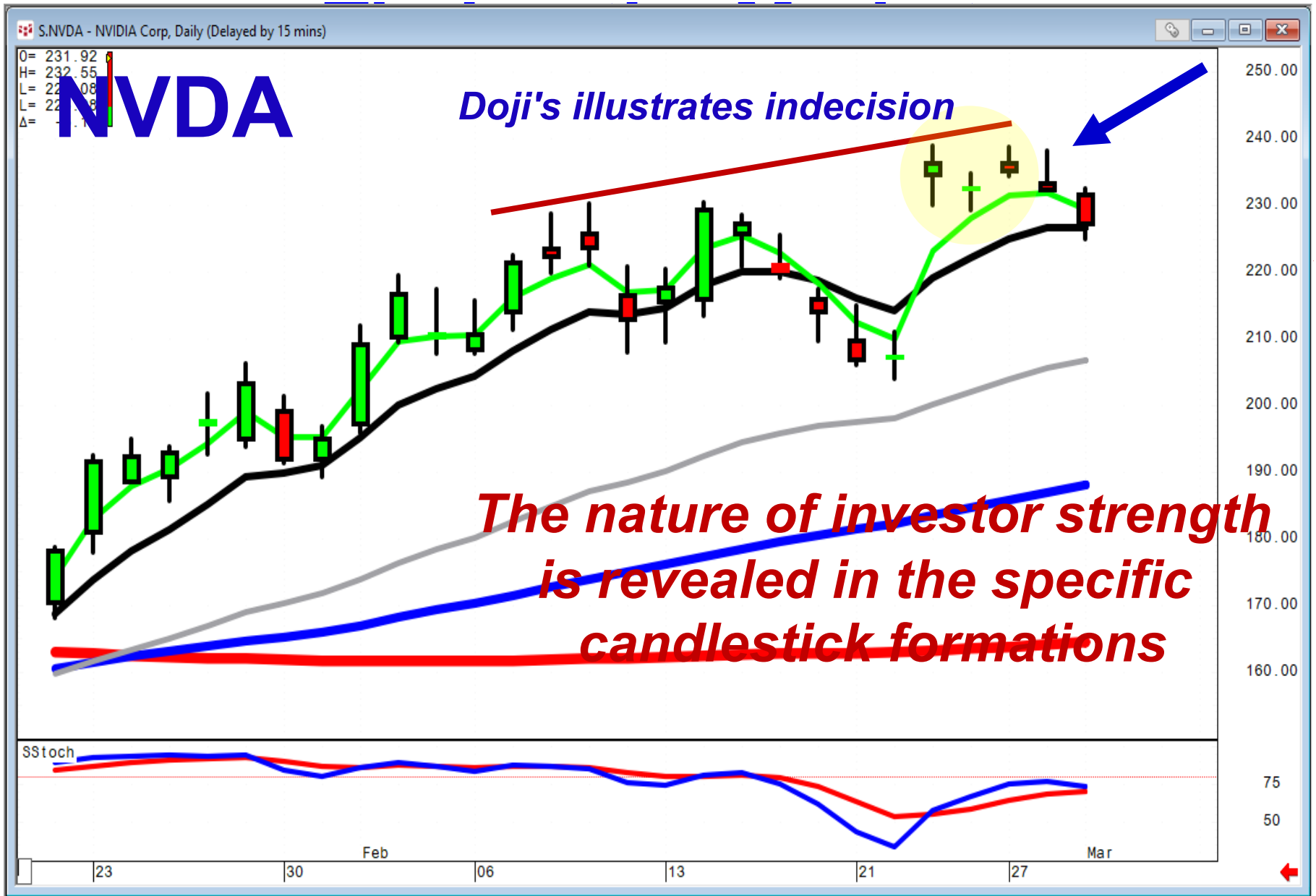
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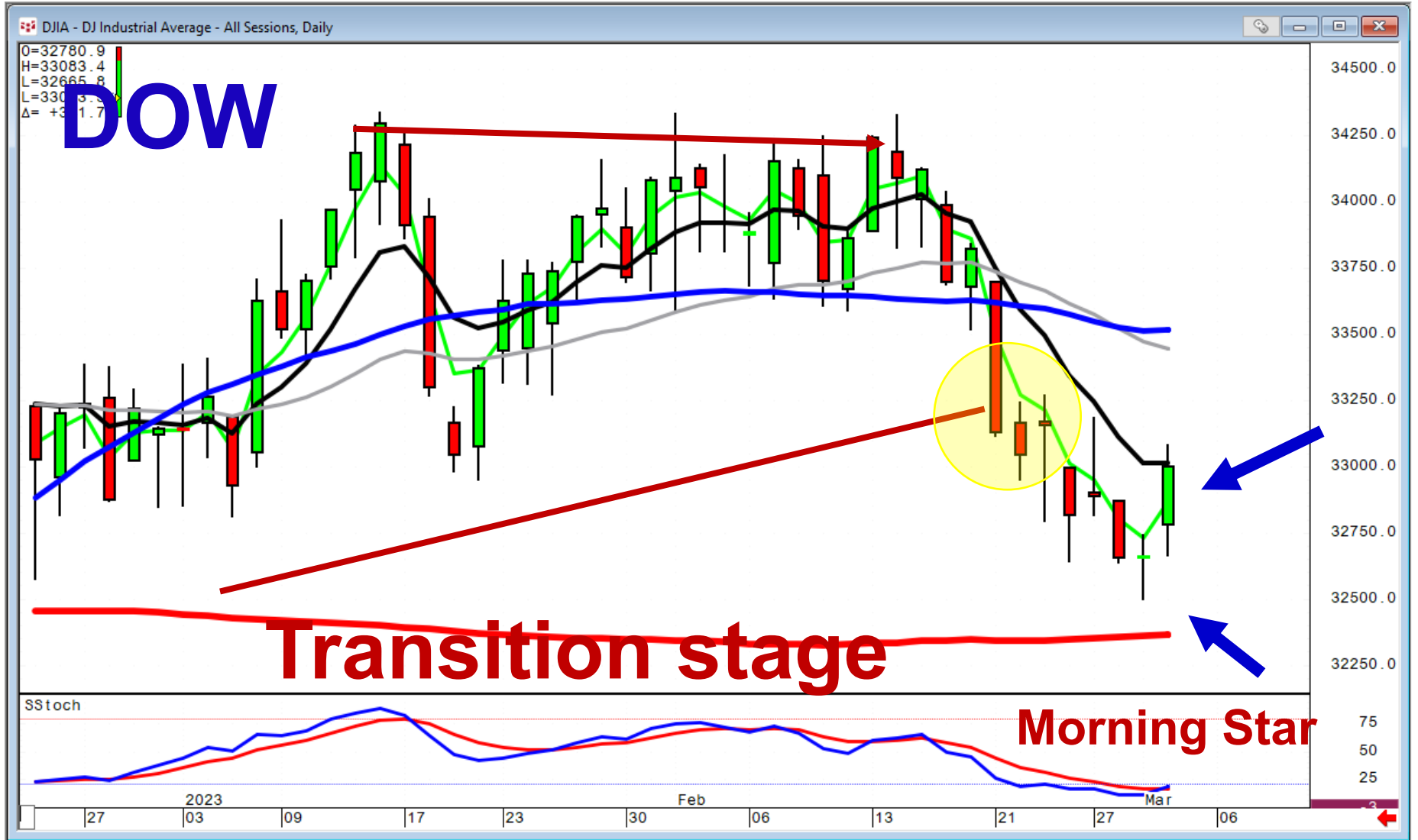


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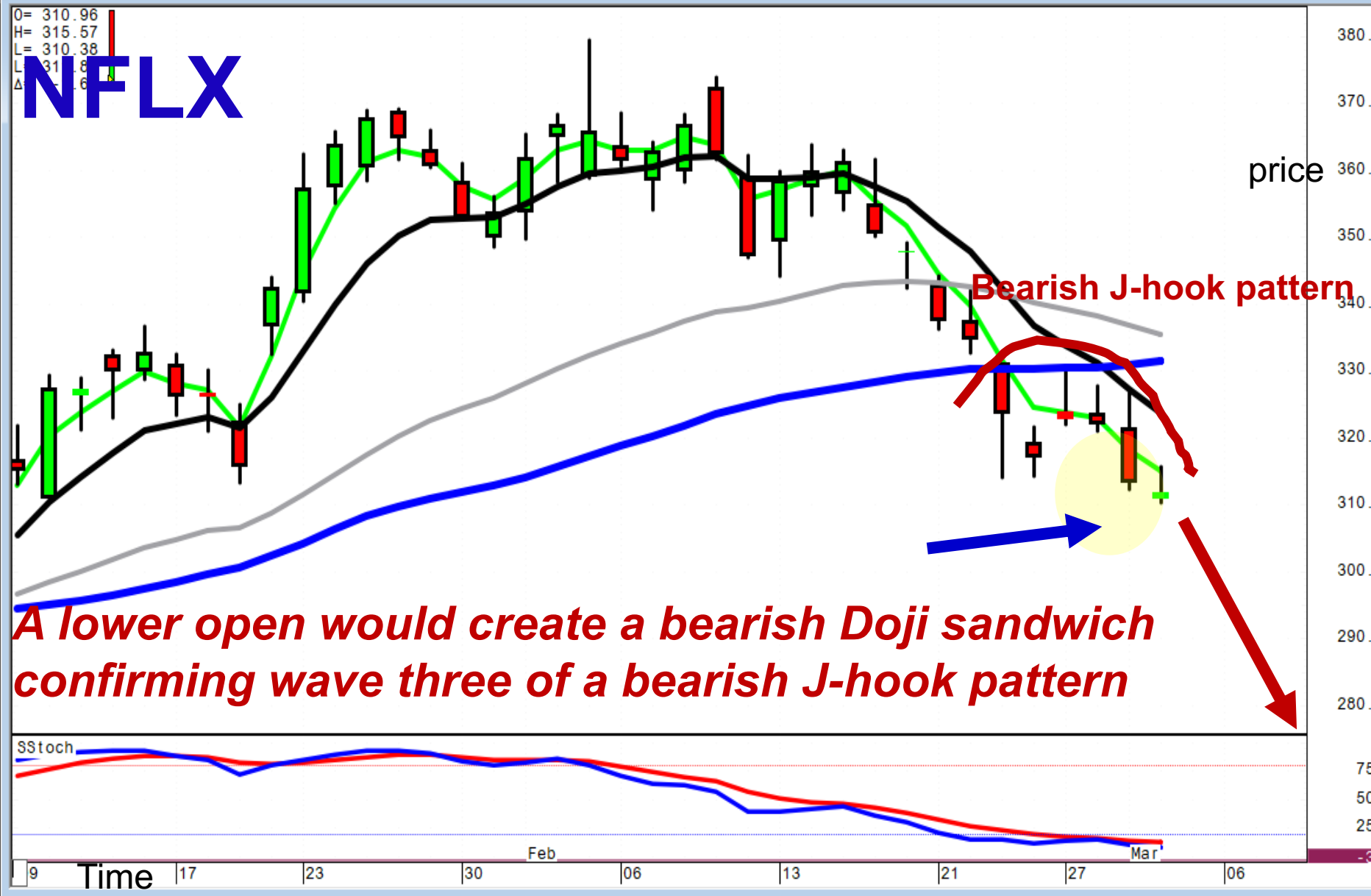


Market Direction



O= 310.96
H= 315.57
L= 310.38
C= 311.87
Δ= 0.91

NFLX



A lower open would create a bearish Doji sandwich confirming wave three of a bearish J-hook pattern

Bearish J-hook pattern

SStoch

Time

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CQG



O= 15.56
 H= 16.10
 L= 15.37
 L= 15.56
 Δ= -0.4

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

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

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Candlestick Bear Patterns High Probabilities

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