

Multiple Candlestick Patterns: 13-16

These wonderful chart patterns and descriptions are

Courtesy of MiniDowFuturesTrader.com



Bullish Engulfing Reversal Pattern

1. Bullish positive light candle appears after a dark candle in a downtrend.
2. Bullish light candle open gaps below the previous dark candle's close, but recovers to close above the previous dark candle's opening price, thus "engulfing" the dark candle.



Bearish Engulfing Reversal Pattern

1. Bearish negative dark candle appears after a light candle in an uptrend
2. Bearish dark candle open gaps above the previous light candle's close, but retraces to close below the previous light candle's opening price, thus "engulfing" the light candle.



Bullish 3 Outside Up Reversal Pattern

1. A Bullish Engulfing pattern forms.
2. The next (third) candle is positive and closes above the previous day's close.

This pattern's strength is enhanced if volume on the first candle is low, but volume on the second candle is higher.

Bearish 3 Outside Down Reversal

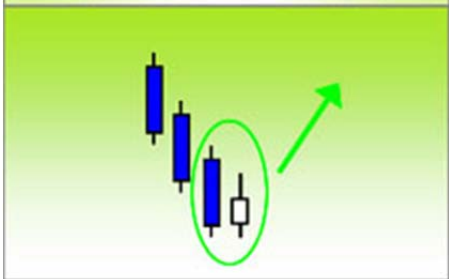


Bearish 3 Outside Down Reversal Pattern

1. A Bearish Engulfing pattern forms.
2. The next (third) candle is negative and closes below the previous day's close.

This pattern's strength is enhanced if volume on the first candle is low, but volume on the second candle is higher.

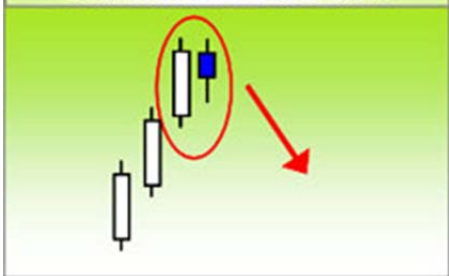
Bullish Harami Reversal



Bullish Harami Reversal Pattern

1. A long dark candle appears in a downtrend.
2. A short light candle appears next, but is engulfed by the previous long dark candle.

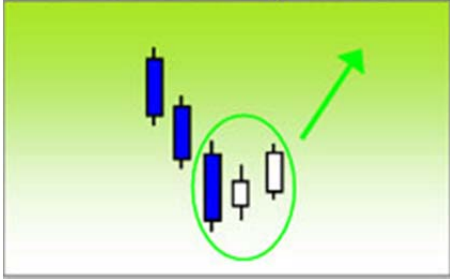
Bearish Harami Reversal



Bearish Harami Reversal Pattern

1. A long light candle appears in an uptrend.
2. A short dark candle appears next, but is engulfed by the previous light dark candle.

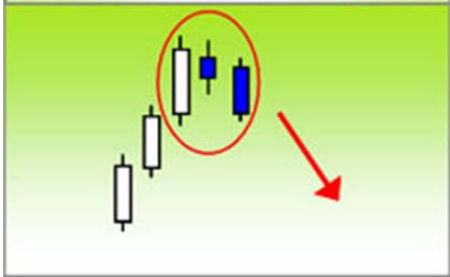
Bullish 3 Inside Up Reversal



Bullish 3 Inside Up Reversal Pattern

1. A Bullish Harami Cross reversal pattern appears.
2. The third bullish longer light candle confirms the Bullish Harami reversal

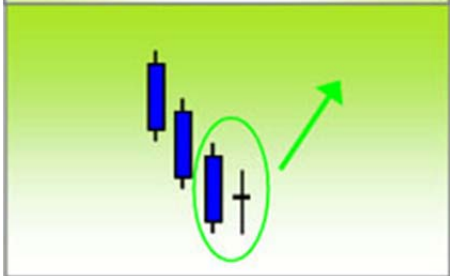
Bearish 3 Inside Down Reversal



Bearish 3 Inside Down Reversal Pattern

1. A Bearish Harami Cross reversal pattern appears.
2. The third bearish longer dark candle confirms the Bearish Harami reversal

Bullish Harami Cross Reversal



Bullish Harami Cross Reversal Pattern

1. A long dark candle appears in a downtrend.
2. A light doji candle appears next, but is engulfed by the previous long dark candle (like Bullish Harami, but with a doji).



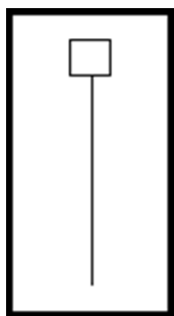
Bearish Harami Cross Reversal Pattern

1. A long light candle appears in an uptrend.
2. A dark doji candle appears next, but is engulfed by the previous light dark candle.

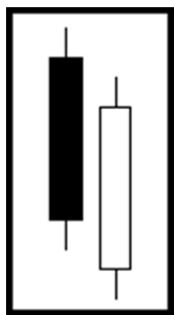
Charts Courtesy of MiniDowFuturesTrader.com (Additional chart patterns shown on their site under candlestick charting.)

Candlestick Patterns (Bullish, Bearish, Reversal and Neutral):

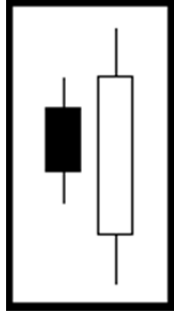
Bullish (13-16)



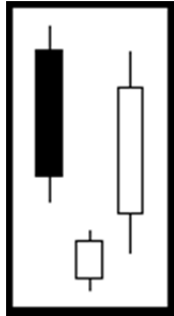
Hammer: This is a bullish candlestick if it occurs after a downtrend. If the line occurs after an uptrend, it is called a hanging man. A hammer is identified by a small real body of prices between the open and close and a long shadow. This long shadow line signifies that the low was significantly lower than the open, high and close.



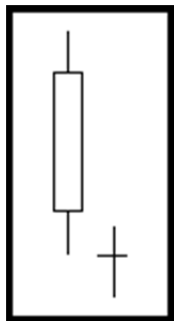
Piercing Line: is a bullish candlestick pattern and the opposite of a dark cloud cover. In this pattern, the 1st candlestick is a long red candle and the 2nd candle is a long white. The 2nd candle opens lower than the 1st, but it closes more than half way above the first candle's real body.



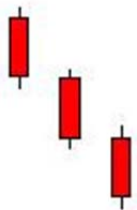
Bullish Engulfing: is a strong bullish pattern if it occurs after a significant downtrend. It acts as a reversal pattern and occurs when a small red candle is engulfed by a large white candle.



Morning Star: is a bullish pattern that signals a potential bottom. The star indicates a possible reversal and the white candle confirms the signal. The star can be empty or hollow.



Bullish Doji Star: A star indicates a reversal and a doji indicates indecision. Thus, this pattern usually indicates a reversal after a period of indecision and should be confirmed before entering a trade. The first candle can be filled or hollow.



Three Black Crows: An odd name for three red candles that appear consecutively, closing near or below the previous candle's low. This is a bullish pattern.