

FALCON TRADING GUIDANCE
PATTERN IDENTIFIER



CONTINUATION PATTERNS



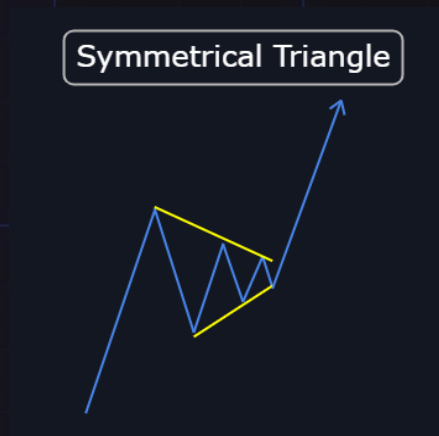
- A bull flag (hence the name) resembles a flag pole because it is in an impulsive bullish price movement. Price will impulse up and form a sideways 'flag' continuation that signals to us price is ready to continue its impulsive nature on the breakout of the flag.



- A bear flag is the opposite of a bull flag. It resembles an inverted flag as price has just impulse to the downside, formed a tight continuation pattern resembling a flag pole, allowing us to forecast the next impulsive leg to head to the downside.



- A flat continuation pattern is essentially just a bull or bear flag that is very clear. They are not as common as your typical bull and bear flag however they represent the same opportunity in the market to take either long or short.



- A symmetrical triangle is another form of continuation that we can classify as we analyze price action. It resembles a flag that is being compressed or 'squeezed' out of its structure.



- The expanding triangle is another form of continuation that is easily distinguishable from the other forms of patterns that we cover. It is a pattern that is less common but when it plays out can offer up big risk to reward. The triangle 'expands' outwards but is still a continuation pattern.



- This pattern embodies everything that the Falcon Strategy represents and was created over years of experience trading patterns. If you are interested in utilizing patterns in your trading, The Falcon Flag and the rest of these patterns are covered in detail in the Official Members Handbook within the subscription.

REVERSAL PATTERNS

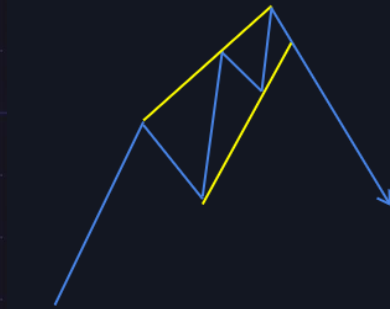


- The typical characteristics of an ascending channel involve three touches on both the bottom and top paired with corrective nature throughout indicating a potential reversal of price is in play.



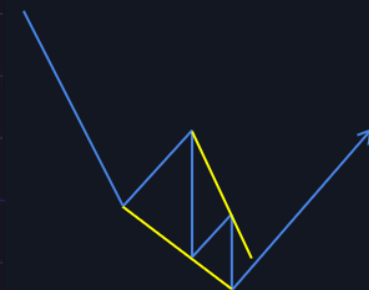
- A descending channel is very similar and involves three touches on both the bottom and top paired with corrective nature throughout indicating a potential reversal of price is in play. Looking for buys as price reaches a potential reversal area.

Rising Wedge



- A rising wedge is a reversal pattern that resembles a 'squeeze of price on its way up. Each touch on the pattern becomes closer together and as it reaches further to the top of the pattern it becomes more and more probable for a reversal.

Falling Wedge



- Price action is approaching an outlined structural level and signifying an opportunity for a buy. It is very similar to an ascending channel, although you can visually see that price is being "squeezed" within the structure of the wedge pushing price to the downside on the breakout and confirmation of the pattern.

Head & Shoulders



- The head and shoulders pattern is one that is used in many different strategies and is a common pattern market wide. It resembles an actual head and shoulders, with the head being the second retest of a structural level and the right shoulder forming the third retest of that area to head to the downside.

Inverse H&S



- The inverse head and shoulders pattern is the same as a regular head and shoulders patterns again in the opposite direction. Signalling a rejection of a structural support level after the third right shoulder and retest which confirms a move to the upside and a reversal of trend.



- The double top is the second rejection of the top of a structural significant area, with a breakdown confirming the reversal. It is a common pattern that is traded market wide across multiple different strategies within the FX market. However, the way that we approach the double top is very different, understanding price behavior on a much deeper level.



- It is a very common pattern that we look for as price reached the start of a pattern after it has broken out (90% rule). Rejecting a supportive structural area with two bottoms. We often use the double bottom and the double top as an 'override' (which you will learn more about within Falcon).



- Following the double top and double bottom reversal formations we can now go into The Arc. The arc is an evolution of the double top and double bottom formation and is covered in detail within the Falcon content. It is a pattern that provides us with entry points that offer up high risk to reward.
- We hope you enjoyed this Pattern Identifier Blueprint and gained some insight into the way that patterns provide us with simplicity in the markets. They are clear, concise, and reliable forms of price action that have been playing out time and time again is the very beginning. By implementing patterns into your trading regimen, you are taking a huge leap forward in your understanding of the markets.

