

# MasterMind Traders

## Intraday Trading

(Manual #2)

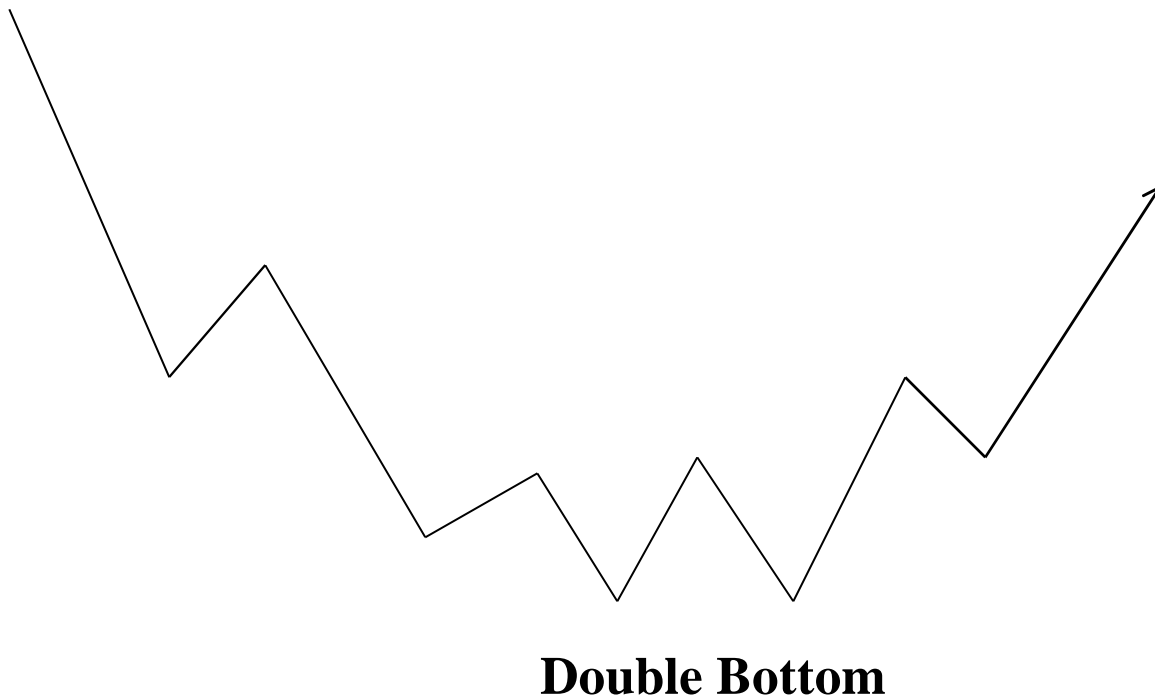
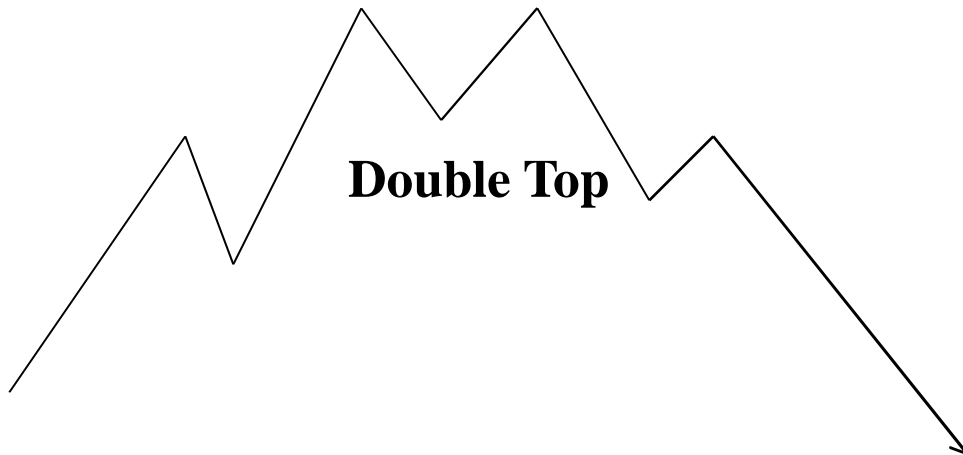
# **DISCLAIMER**

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**Also MasterMind Traders' personnel are not subject to trading restrictions. I and others at MasterMind Traders could have a position in a security or initiate a position in a security at any time.**

# Chart Patterns

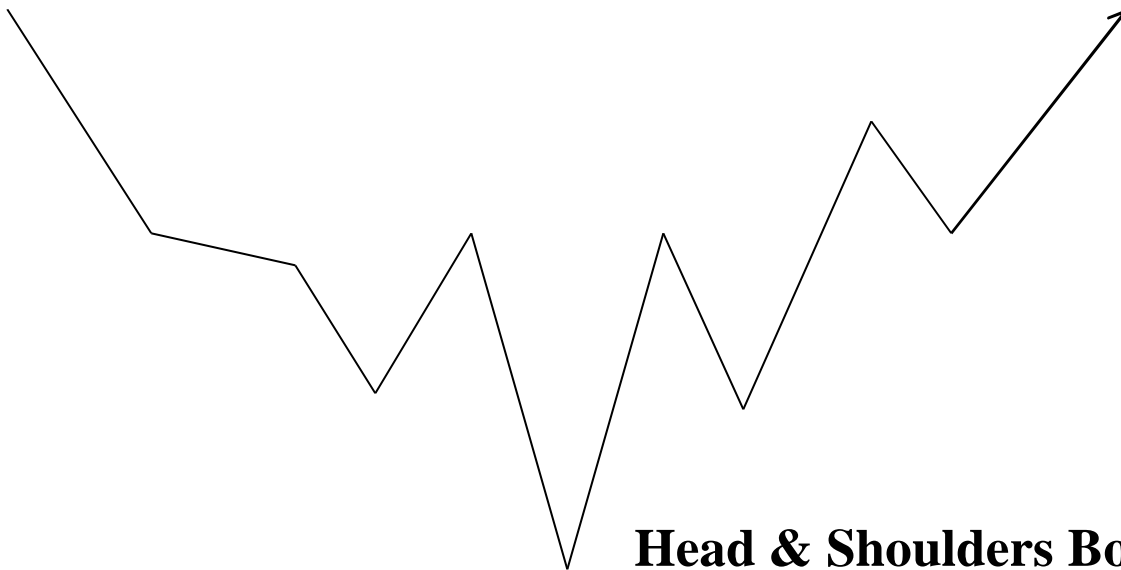
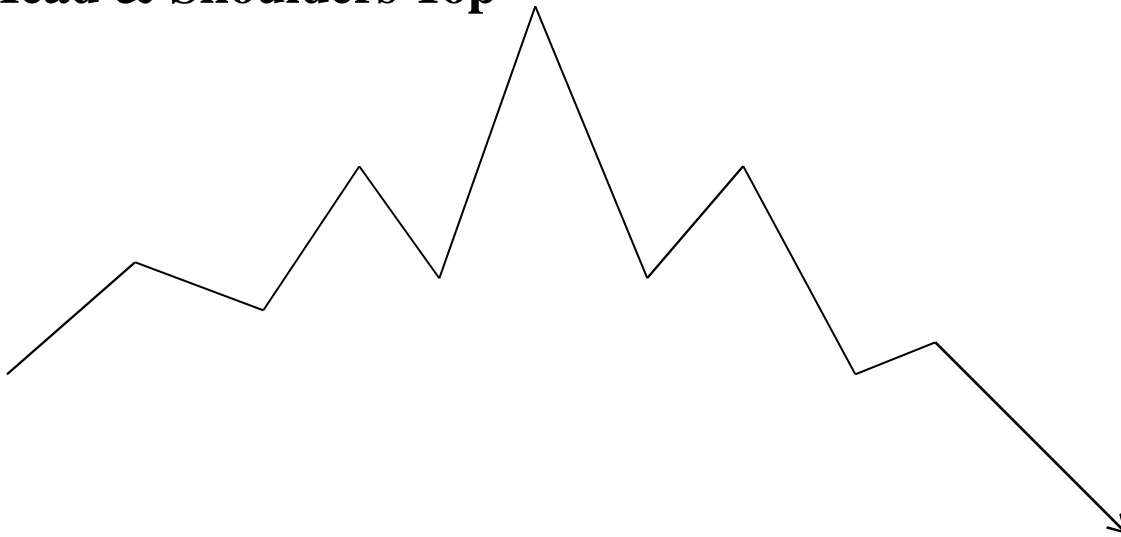
## Reversal patterns



# Chart Patterns

## Reversal patterns

**Head & Shoulders Top**



**Head & Shoulders Bottom**

# **ADVANCED CHARTING & TECHNICAL ANALYSIS**

# PRICE AND VOLUME



The top pane has a candlestick chart without any indicators in it. It allows the trader to look at the chart for prominent patterns without the pattern being blocked.

In the lower pane there are Volume bars.

Increasing Volume indicates the trend may stay in place.

Decreasing Volume indicates there may be a reversal of the trend.

# Volume

**Volume should validate a price move.**

Price	Volume	
↑	↑	Bullish
↑	↓	Bearish
↓	↓	Bullish
↓	↑	Bearish

# MOVING AVERAGES



When a short term moving average crosses a longer term moving average, it indicates a trend in that direction. It is also important to note when a stock moves through the longer term averages.

A stock often uses the moving average as a support or resistance line.



# BOLLINGER BANDS



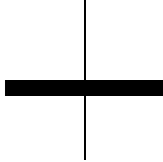
Bollinger bands squeeze together showing pressure building on the stock. As the pressure releases, watch for the stock to follow the upper band (bullish) or the lower band (bearish). If the stock leaves the band it indicates a reversal. The stock will often move across and follow the opposite band for a period of time.

# Candlestick Patterns

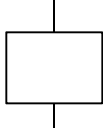
## One day patterns

These candlesticks have a message of indecision. When they appear at a critical point (Support or Resistance) the stock may reverse directions. More important is what ever happens next is significant.

**Doji**



**Star Body**



**Spinning Top**



**Doji – open equals close or prices are very close.**

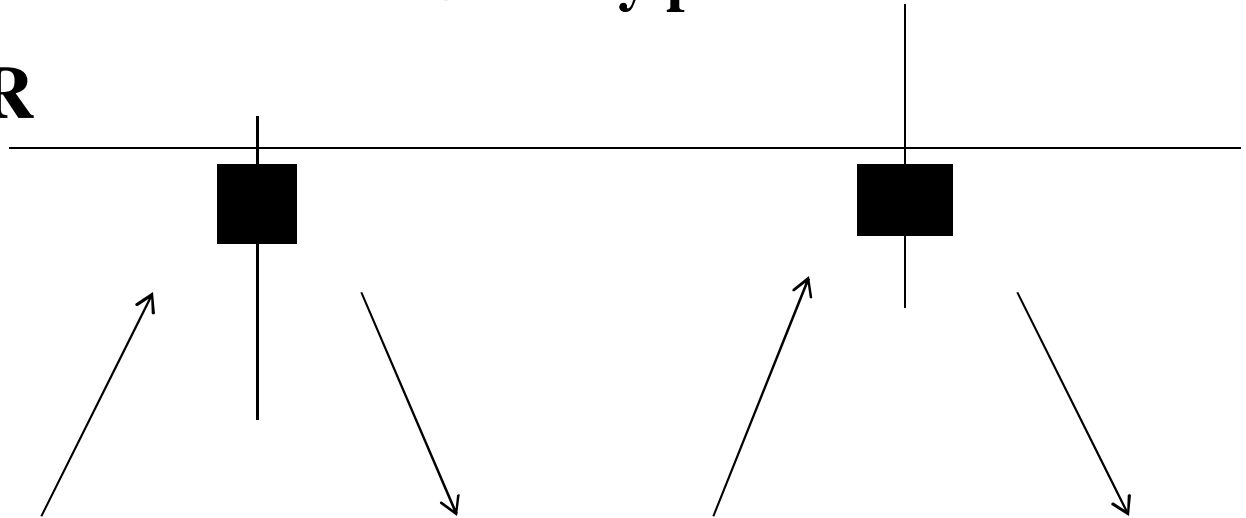
**Star Body – small body with wicks less than the size of the body, usually half the size.**

**Spinning Top – small body with wicks two to three times the size of the body but no smaller and no bigger.**

# Candlestick Reversal Patterns

## One day patterns

**R**

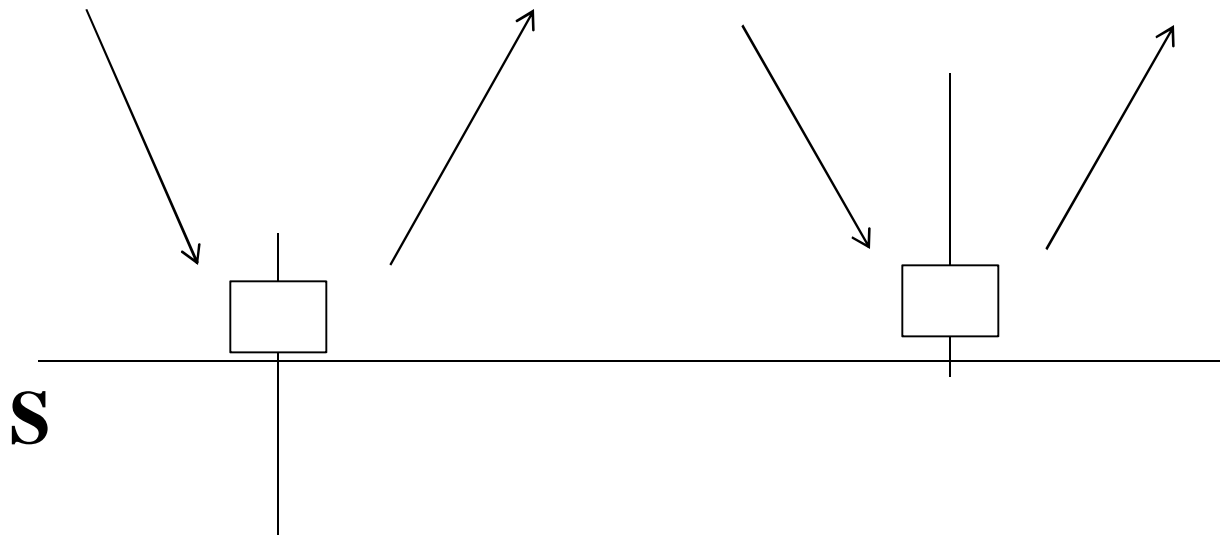


**Hanging Man**

**Shooting star**

**Hammer**

**Inverted Hammer**

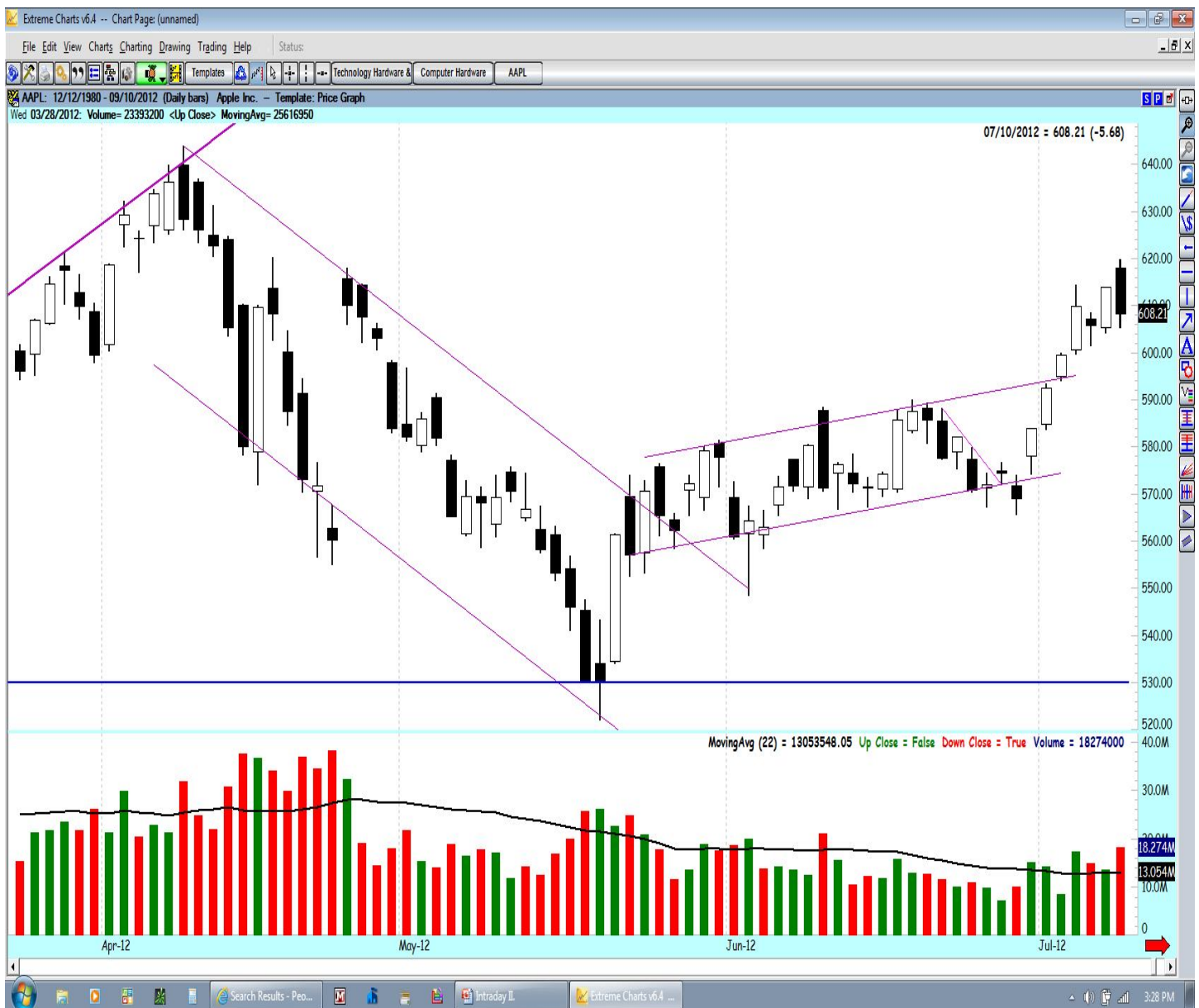


**S**

# Shooting Star

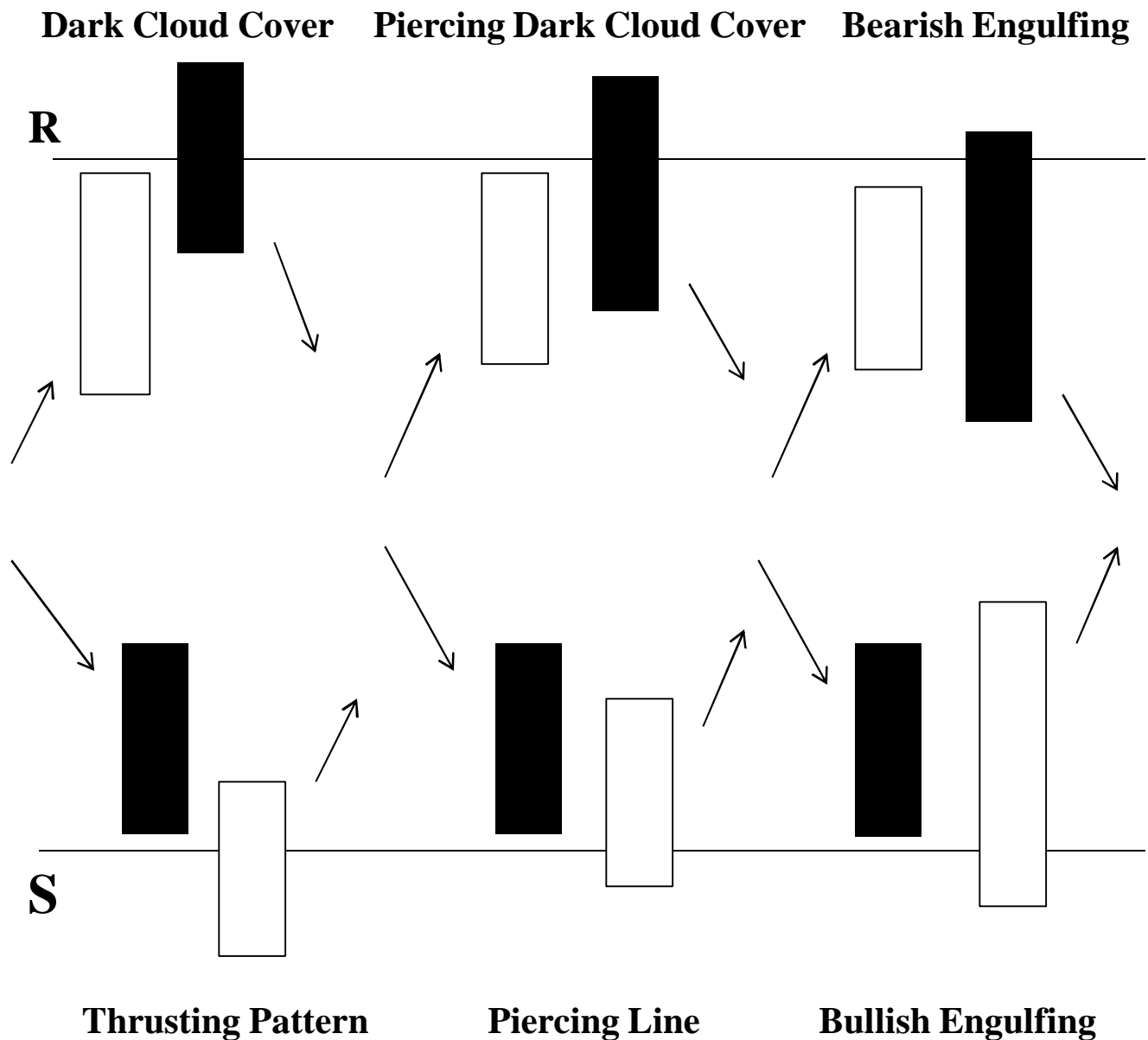


# 1.) Star Body, 2.) Hanging Man, 3.) Hammer, 4.) Spinning Top 5.) Doji



# Candlestick Reversal Patterns

## Two day patterns



# Candlestick Reversal Patterns

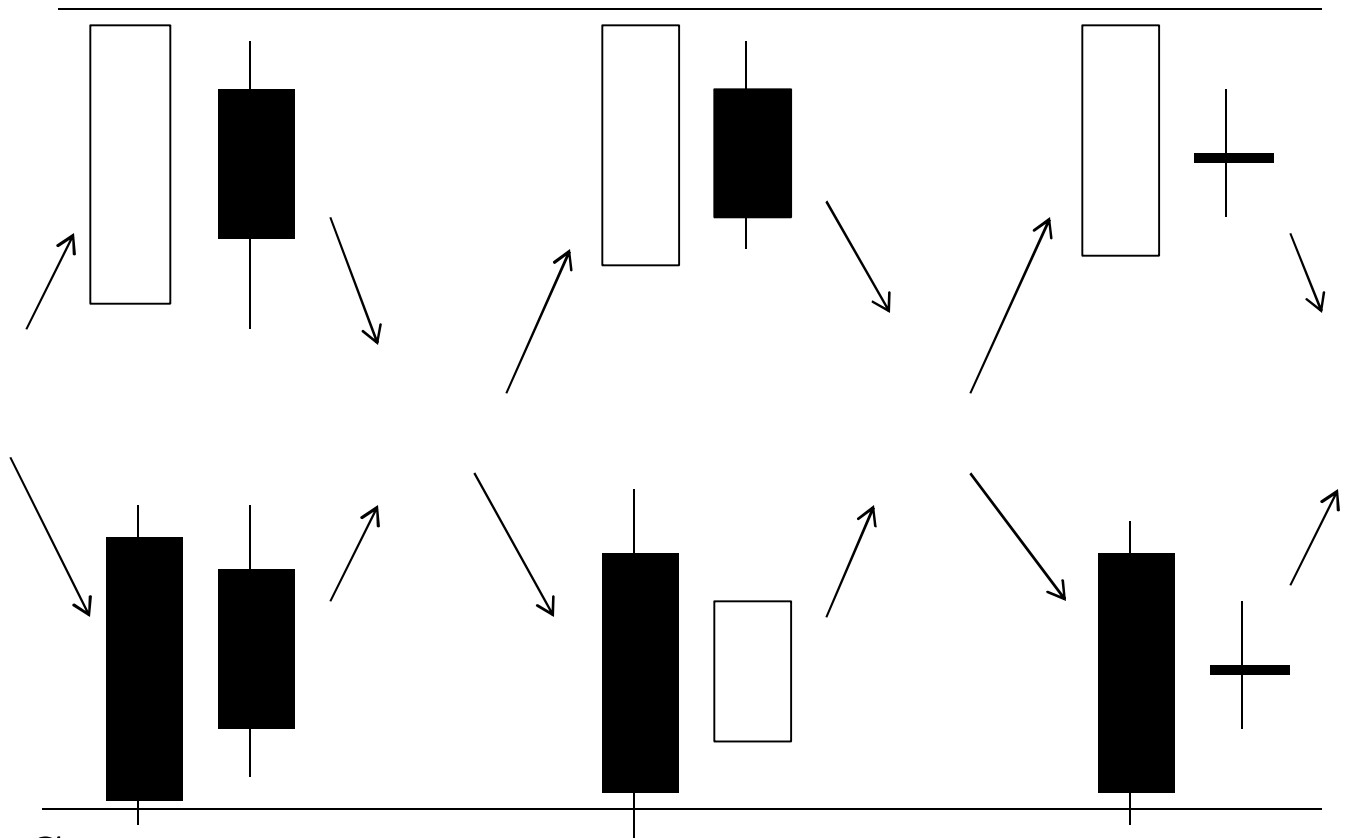
## Two day patterns

**Bearish Harami**

**Bearish Harami**

**Bearish Harami Cross**

**R**



**S**

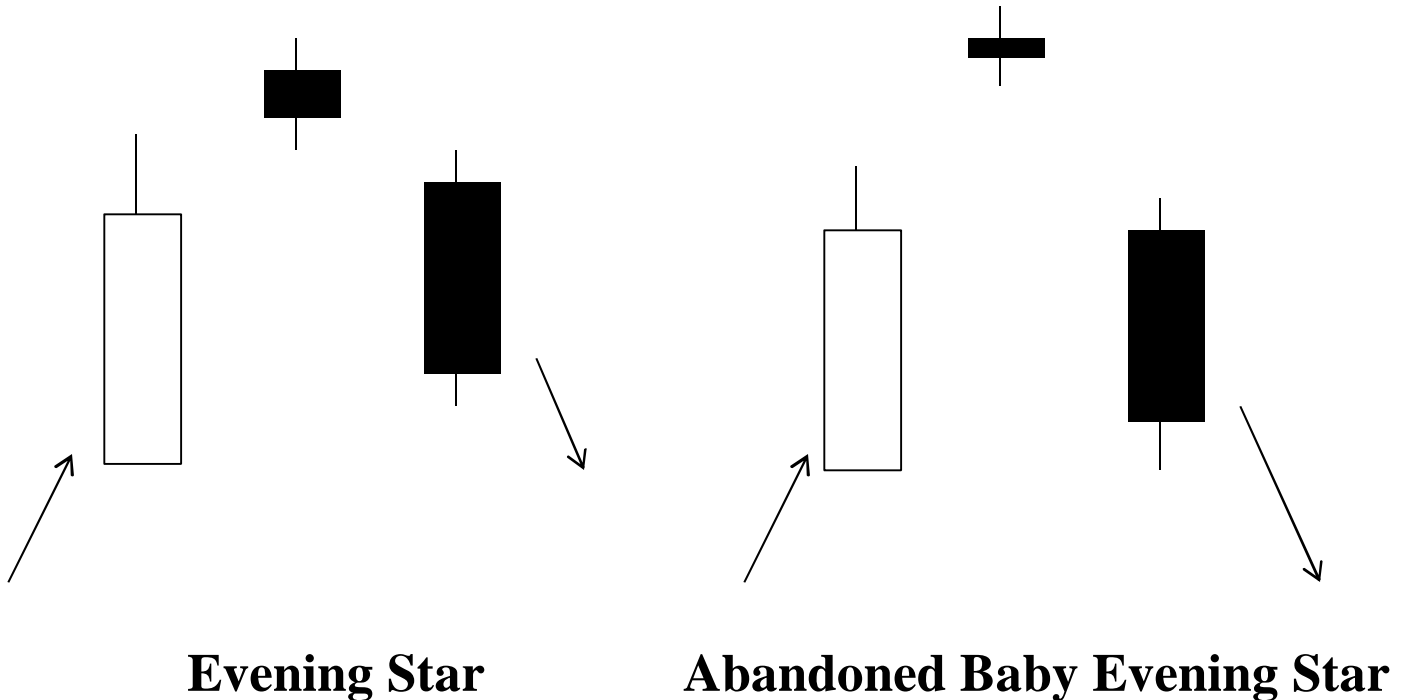
**Bullish Harami**

**Bullish Harami**

**Bullish Harami Cross**

# Candlestick Reversal Patterns

## Three day patterns

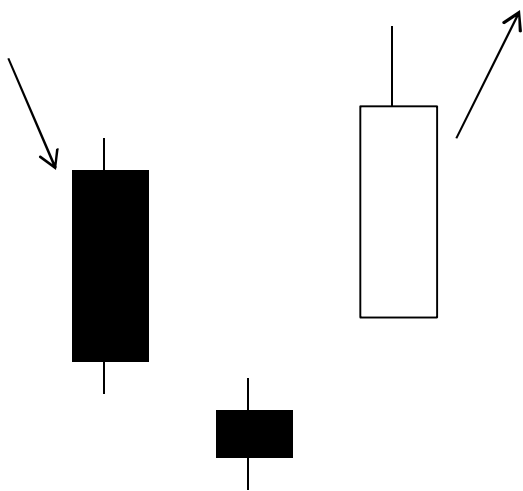


**The middle candlestick (the star) should be a message of indecision, most likely a Spinning Top, Shooting Star, Star Body or a Doji. The smaller the body (such as a Doji) the stronger chance of reversal .**

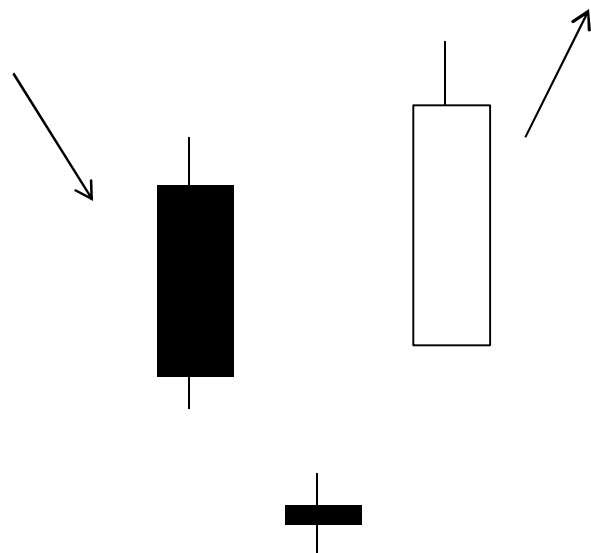


# Candlestick Reversal Patterns

## Three day patterns



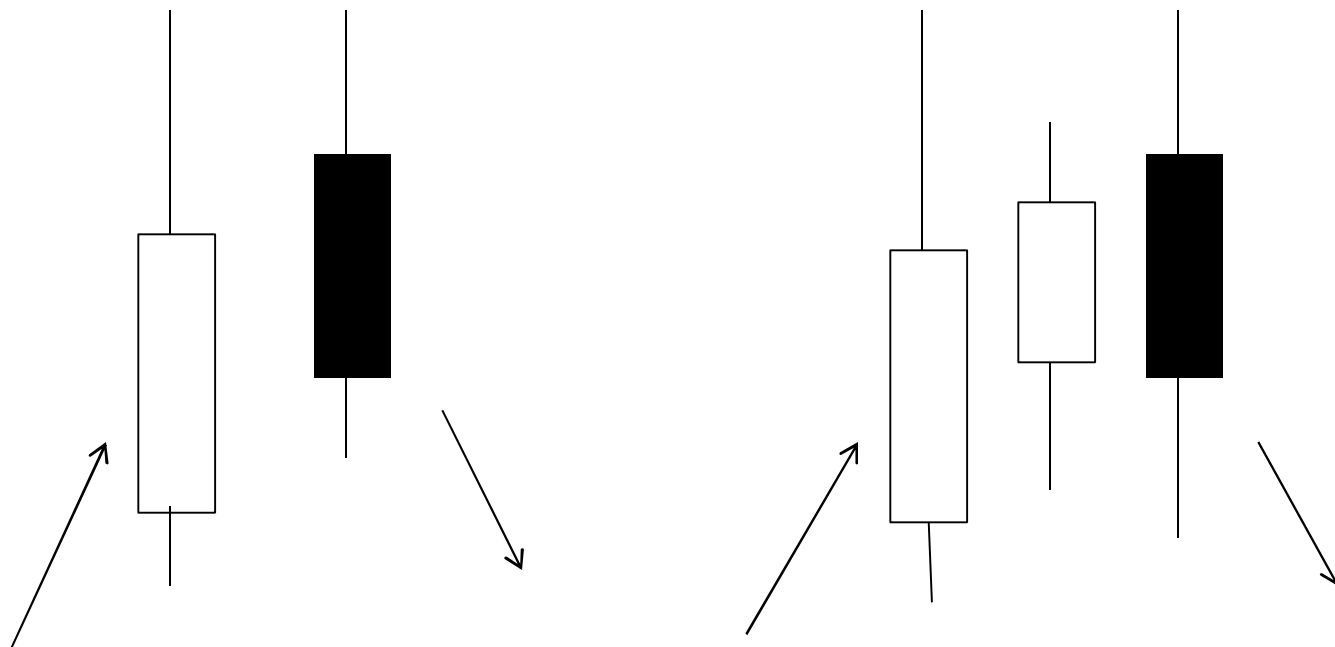
**Morning Star**



**Abandoned Baby Morning Star**

**The middle candlestick (the star) should be a message of indecision, most likely a Spinning Top, Hammer, Star Body or a Doji. The smaller the body (such as a Doji) the stronger chance of reversal .**

# Candlestick Reversal Patterns

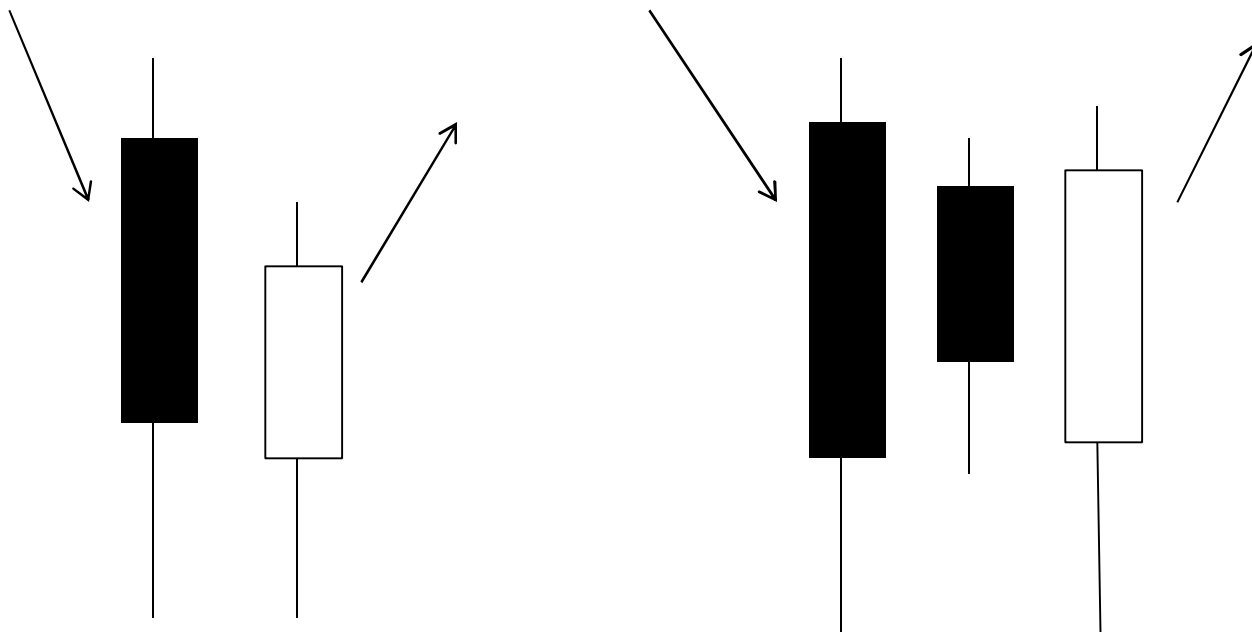


## Tweezers Top

**Two candlesticks with matching highs.**

**Can have one, maybe two candlesticks between Tweezer candles with the matching lows but better reversal with only one or better yet only the two Tweezer candles.**

# Candlestick Reversal Patterns

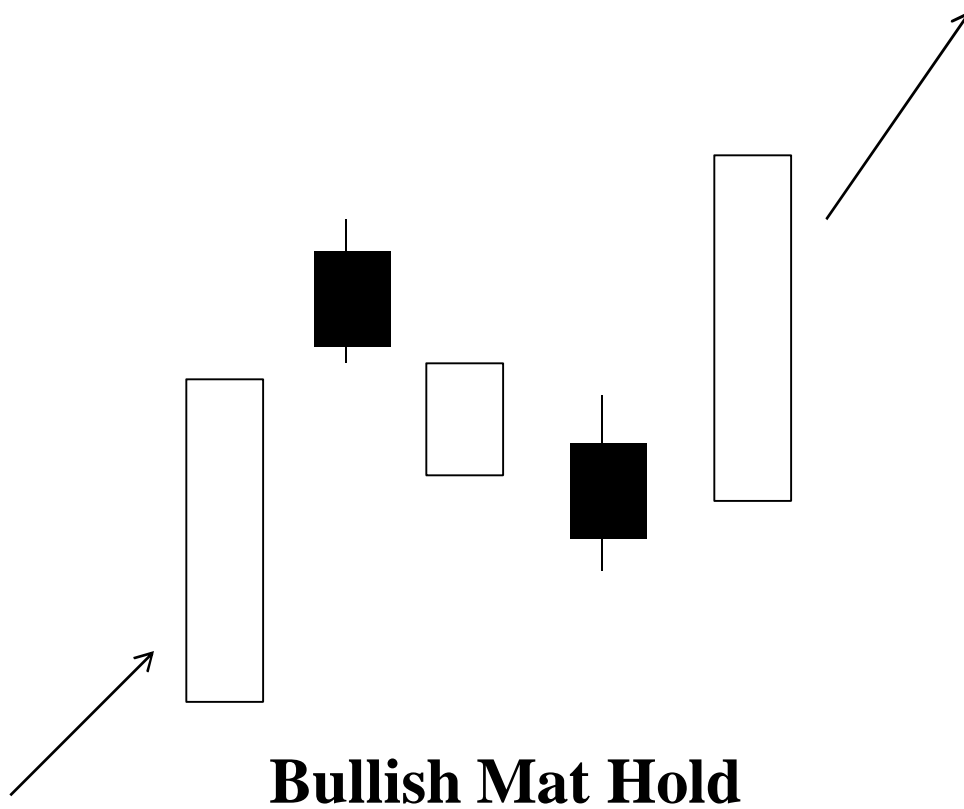
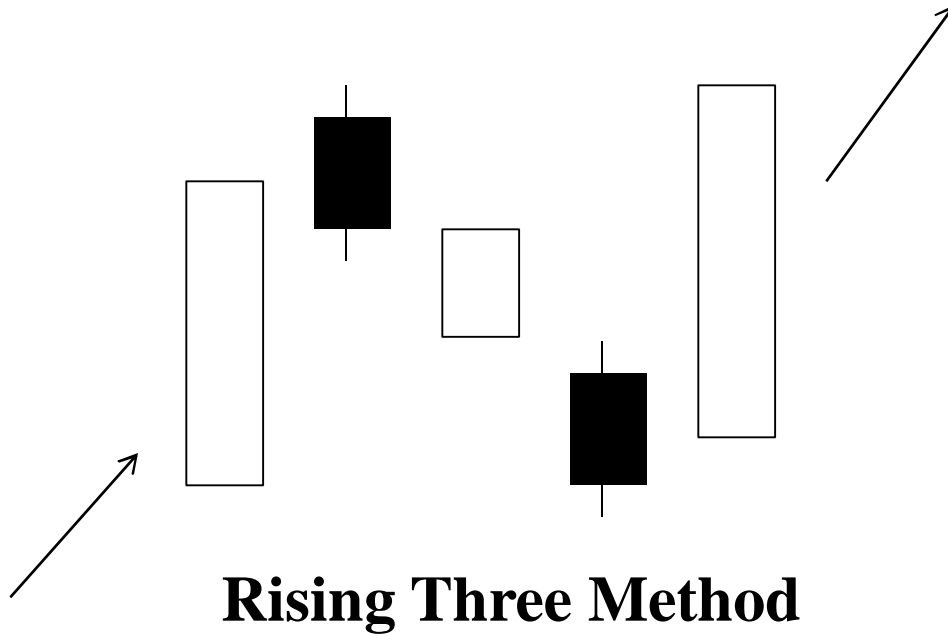


## Tweezers Bottom

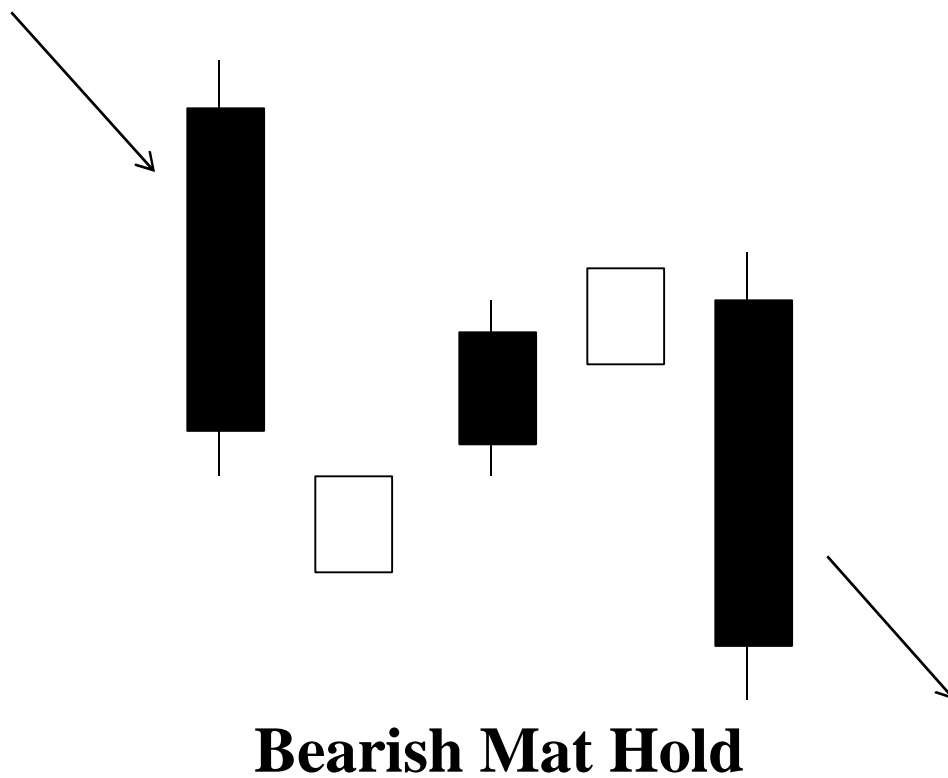
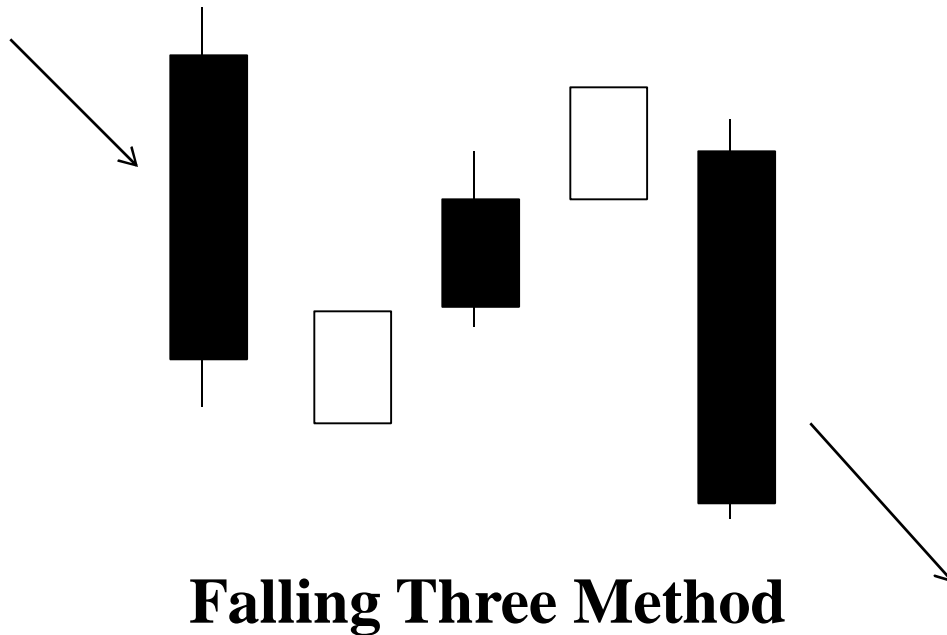
**Two candlesticks with matching lows.**

**Can have one, maybe two candlesticks between Tweezer candles with the matching lows but better reversal with only one or better yet only the two Tweezer candles.**

# Continuation Patterns



# Continuation Patterns



# More Chart Patterns

## Flags, Pennants, Triangles, Consolidation, Ascending & Descending wedges

