RED CANDLE RETRACEMENT (RCR) PATTERN

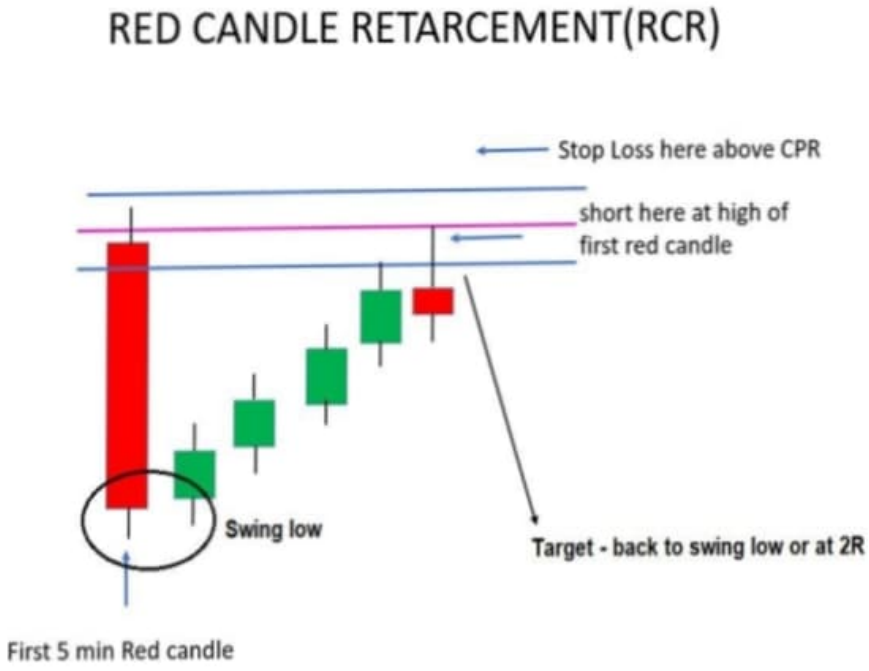


Figure 5.24

This pattern based on the Size of the first candle of the Day(first 5 min candle)

If Day's first candle is a big Red candle(or average size also will do) then watch it closely, if price bounces back to the high of that Red candle(or near to it) and makes bearish patterns then sell it.

Even if previous day had a big Red candle and next day price reaches that level and makes bearish pattern then also it can be shorted (applicable on previous day first RED candle also)

This pattern works well at the opening to mid-afternoon compared to late afternoon, and high probability if First Red candle high inside wide CPR.

The reason is these kinds of big Read candle has aggressive sellers in that candle, sometimes they will be successful in pulling the market down which leads to big bearish trending day.

But sometime there will not be any follow up from first candle and market starts bouncing from the first candle low, in that case you should watch high of that candle closely, if you see candles are showing bearishness at the high of the candle then you can short it.

If high of the Red candle and there is wide CPR at the same level then it is a high probability pattern.

The psychology here is, sellers in that big Bearish candle have their SL at high of that Red candle and they will not easily allow their SL to get hit, so they aggressively sell again if the price comes near their SL (Red candle high) and selling pressure takes the market down again from high of Red candle.

Figure 5.25

A) In figure 5.25, Opening candle is a big Red candle (aggressive sellers)

B) Short when price touches high of that candle and when you see bearish candle, high probability if CPR also at the same level as high of Red candle.

The reason is these kinds of big Read candle has aggressive sellers in that candle, sometimes they will be successful in pulling the market down which leads to big bearish trending day.

But sometime there will not be any follow up from first candle and market starts bouncing from the first candle low, in that case you should watch high of that candle closely, if you see candles are showing bearishness at the high of the candle then you can short it.

If high of the Red candle and there is wide CPR at the same level then it is a high probability pattern.

The psychology here is, sellers in that big Bearish candle have their SL at high of that Red candle and they will not easily allow their SL to get hit, so they aggressively sell again if the price comes near their SL (Red candle high) and selling pressure takes the market down again from high of Red candle.

Figure 5.25

A) In figure 5.25, Opening candle is a big Red candle (aggressive sellers)

B) Short when price touches high of that candle and when you see bearish candle, high probability if CPR also at the same level as high of Red candle.

C) SL above CPR

D) Book profit when price re-test previous swing low or at 2R.

These patterns are not breakout kind of trades, these are high probability trades but any time can reverse its direction, so I prefer to book my profit before even touching previous swing low, if reward is already more than 2R, if someone looking for big reward then they can wait and see if it touches the previous swing low and can take profit there.

Figure 5.26

A) In figure, 5.26, The opening candle is a big Red candle (aggressive sellers)

B) Short when price touches near high of that candle and when you see a bearish candle, high probability if CPR also at the same level as high of Red candle.

eated with TradingView

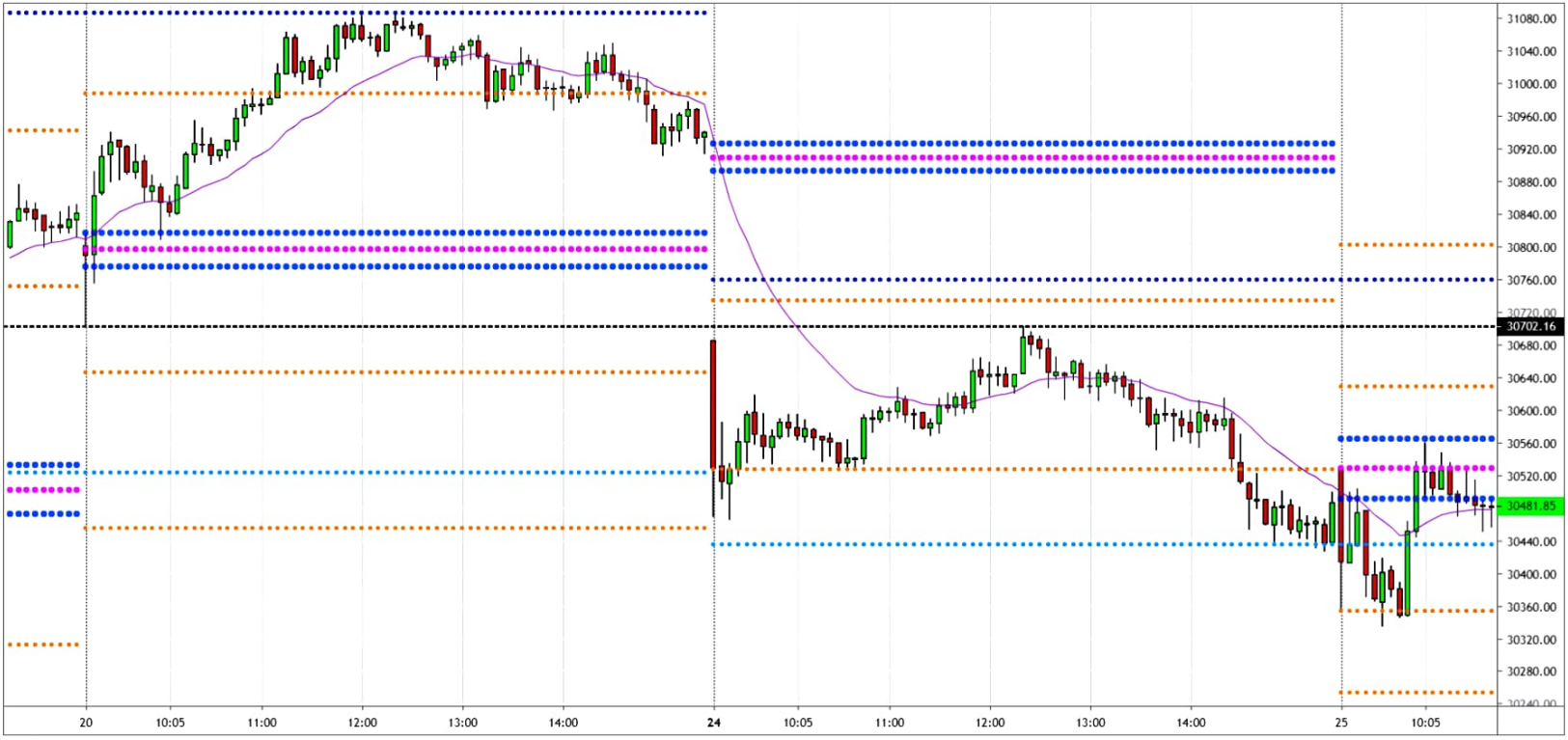
viki301 published on TradingView.com, April 17, 2019 23:59:37 IST

NSE:NIFTY, 5 11787.15 ▲ +96.80 (+0.83%) O:11795.40 H:11797.95 L:11793.00 C:11795.00

Created with TradingView

viki301 published on TradingView.com, March 13, 2020 22:22:14 IST

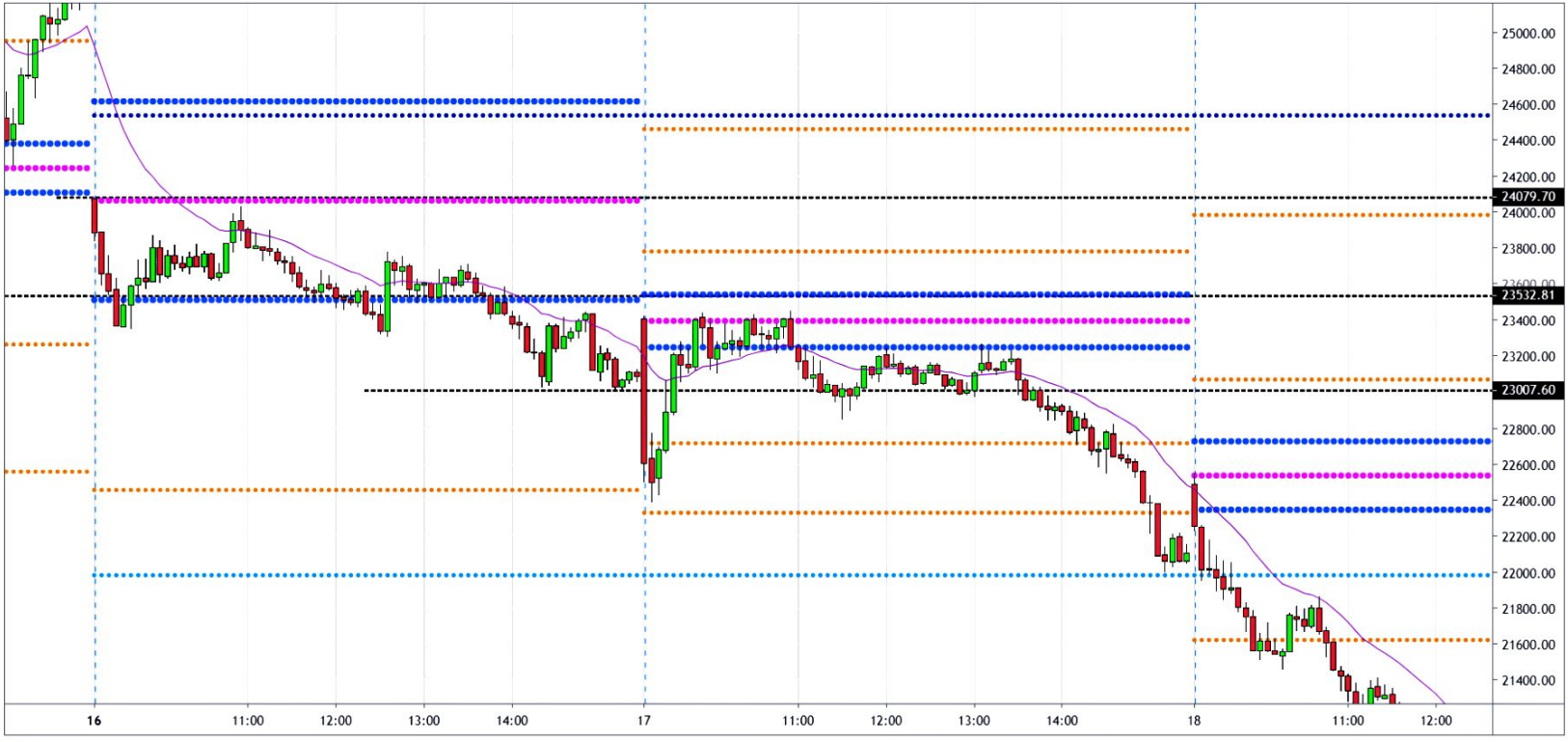
NSE:BANKNIFTY, 5 25166.45 ▲ +1195.30 (+4.99%) **O:**25202.40 **H:**25368.30 **L:**25195.95 **C:**25346.35



TradingView

viki301 published on TradingView.com, April 10, 2020 21:22:03 IST

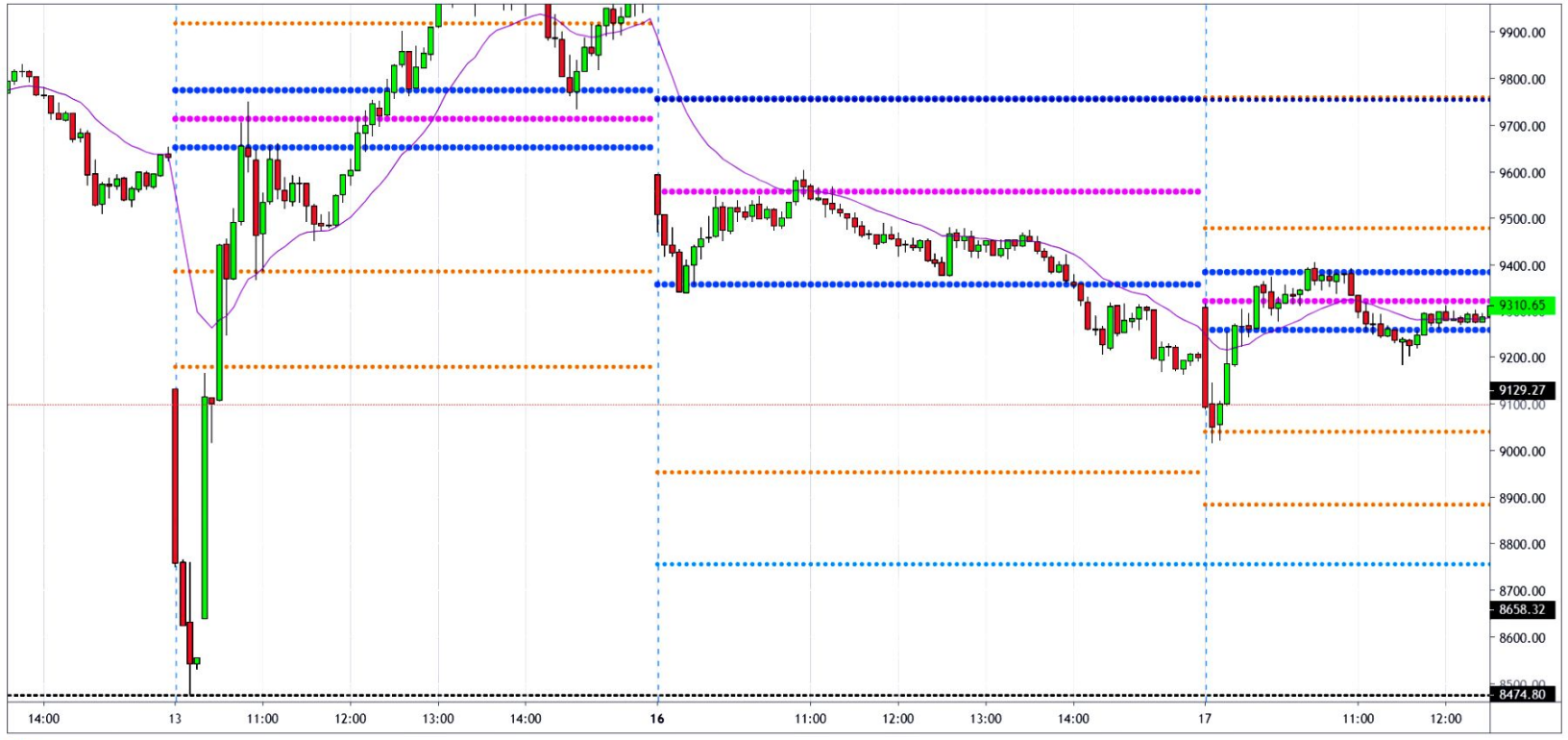
NSE:BANKNIFTY, 5 19913.60 ▲ +967.15 (+5.1%) O:19878.55 H:19892.45 L:19859.70 C:19876.45



TradingView

viki301 published on TradingView.com, April 10, 2020 20:40:06 IST

NSE:NIFTY, 5 9111.90 ▲ +363.15 (+4.15%) O:9103.50 H:9104.65 L:9094.45 C:9098.55

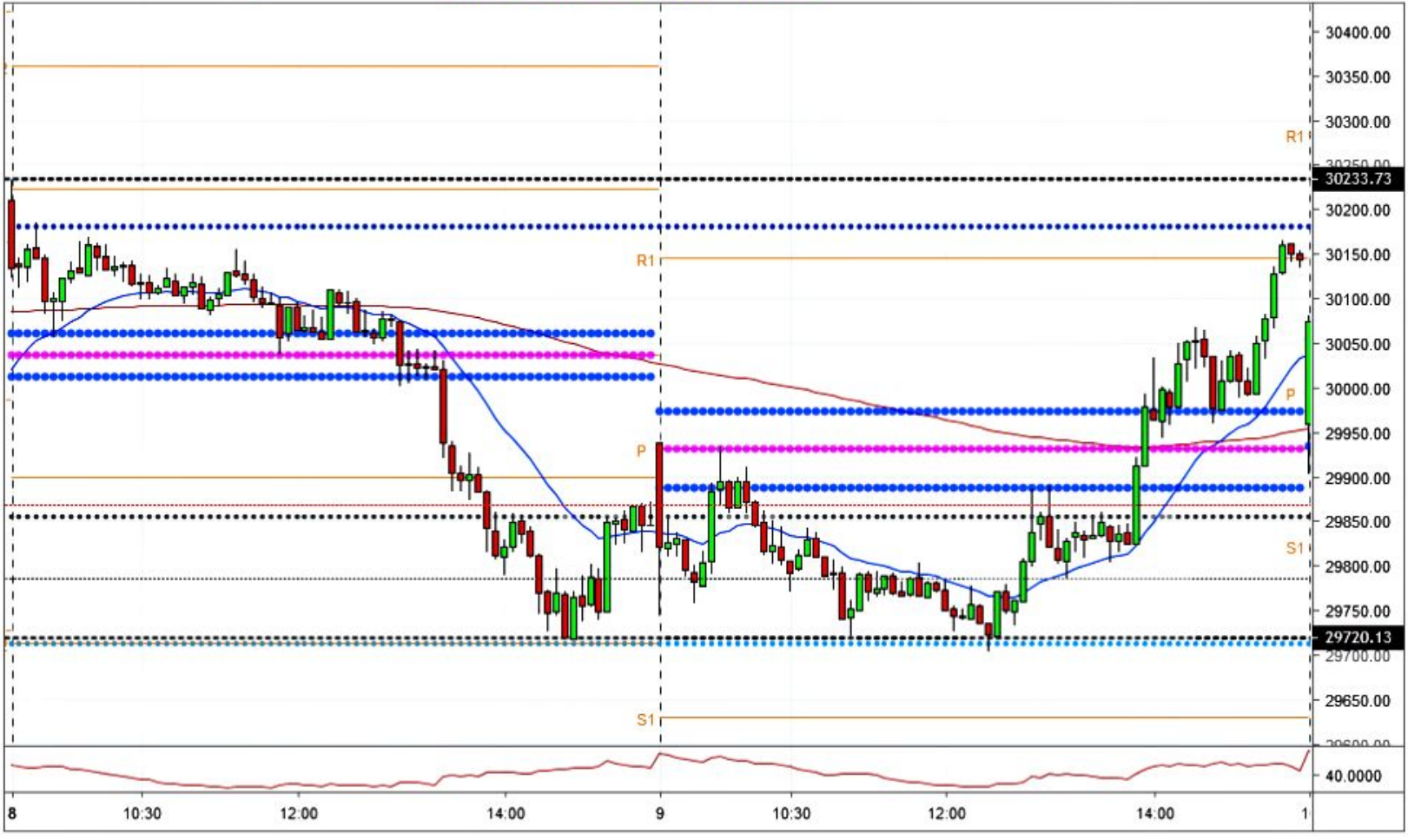


TradingView

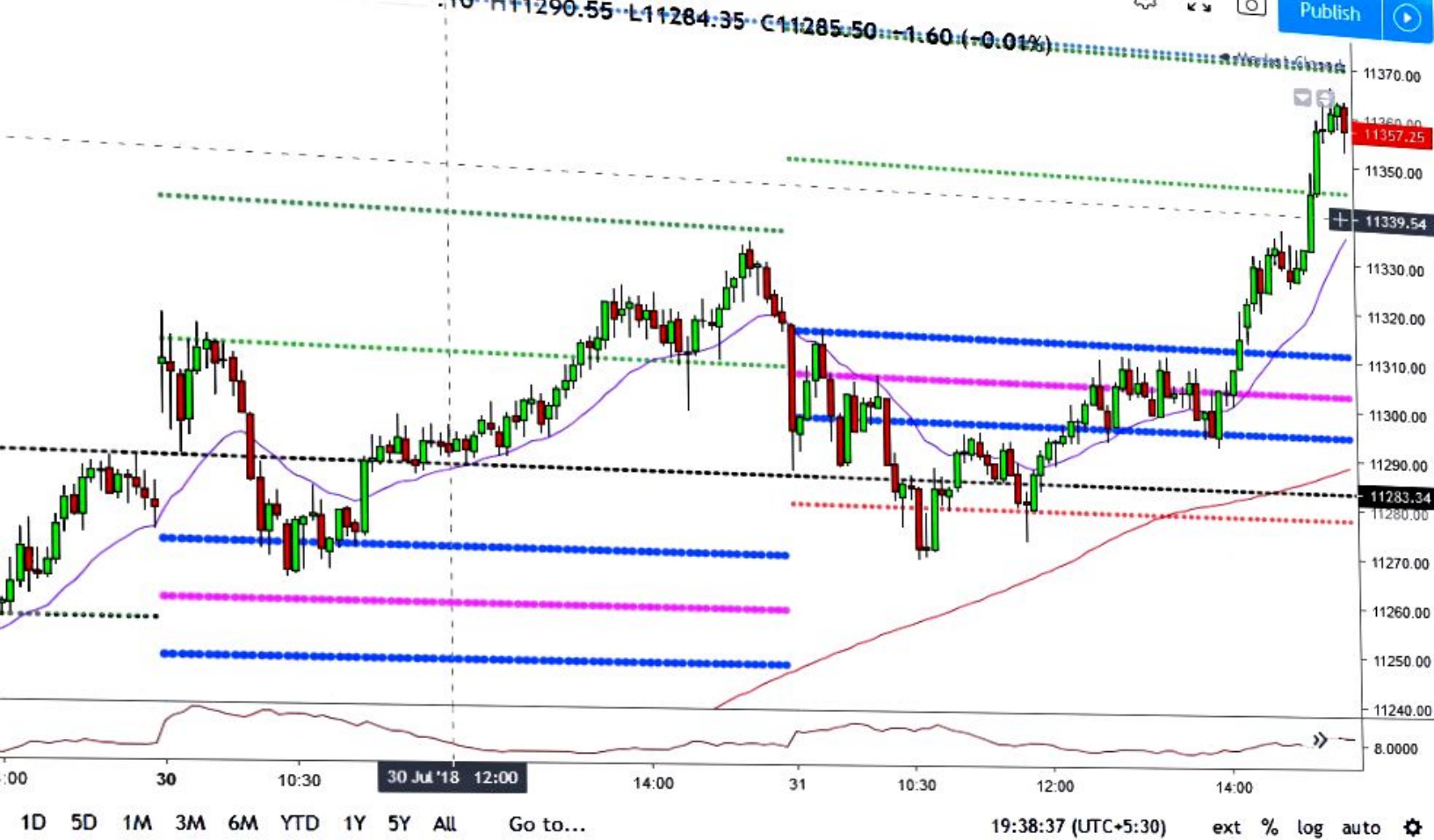
BANKNIFTY
5m
DAILY
Publish
NIFTY BANK, 5, NSE
O27102.80 H27140.00 L27100.00 C27119.20 +17.70 (+0.07%)
Market Closed
25800.00
25692.65
25600.00
25500.00
25449.14
25400.00
25300.00
25200.00
25100.00
25000.00
24935.18
24900.00
24800.00
24700.00
24600.00
10:30
12:00
14:00
15
10:30
12:00
14:00
16
1D 5D 1M 3M 6M YTD 1Y 5Y All Go to...
14:32:39 (UTC+5:30)
ext % log auto

viki301 published on TradingView.com, April 14, 2019 10:16:03 IST

NSE:BANKNIFTY, 5 29938.55 ▲ +152.45 (+0.51%) O:29905.95 H:29915.45 L:29859.90 C:29868.65



Created with TradingView


H11290.55 L11284.35 C11285.50 −1.60 (−0.01%)
Publish
11370.00
11357.25
11350.00
11339.54
11330.00
11320.00
11310.00
11300.00
11290.00
11283.34
11280.00
11270.00
11260.00
11250.00
11240.00
8.0000
30
10:30
30 Jul '18 12:00
14:00
31
10:30
12:00
14:00
1D 5D 1M 3M 6M YTD 1Y 5Y All Go to...
19:38:37 (UTC+5:30)
ext % log auto

10580.00
10560.00
10540.00
10523.06

viki301 published on TradingView.com, May 13, 2019 18:52:32 IST

NSE:BANKNIFTY, 5 28659.95 ▼ −380.55 (−1.31%) O:28648.10 H:28700.05 L:28647.65 C:28690.95

Created with TradingView

BANKNIFTY 5m
DAILY
Publish
NIFTY BANK, 5, NSE
O28257.50 H282
Closed
28480.00
28440.00
28400.00
28365.67
28320.00
28280.00
28240.00
28200.00
28160.00
28131.31
28120.00
28080.00
28040.00
40.0000
09 Aug '18 12:00
09 Aug '18 14:55
10:30
12:00
14:00
13
1D 5D 1M 3M 6M YTD 1Y 5Y All Go to...
14:08:00 (UTC+5:30) ext % log auto
Stock Screener
Text Notes
Pine Editor
Strategy Tester
Trading Panel

.80 H11140.30 L11135.65 C11138.85 −0.95 (−0.01%)
Market Closed
11176.86
11170.00
11160.00
11150.00
11140.00
11130.00
11122.90
11110.00
11100.00
11093.52
11090.00
11081.40
11070.00
11060.00
11050.00
8.0000
24
24 Jul '18 10:40
12:00
14:00
25
10:30
12:00
14:00
1D 5D 1M 3M 6M YTD 1Y 5Y All
Go to...
19:36:34 (UTC+5:30)
ext % log auto

Created with TradingView

reated with TradingView

viki301 published on TradingView.com, April 17, 2019 20:40:56 IST

NSE:BANKNIFTY, 5 30531.35 ▲ +427.10 (+1.42%) O:30566.35 H:30572.95 L:30541.80 C:30564.10

Created with TradingView

reated with TradingView

viki301 published on TradingView.com, April 17, 2019 20:37:58 IST

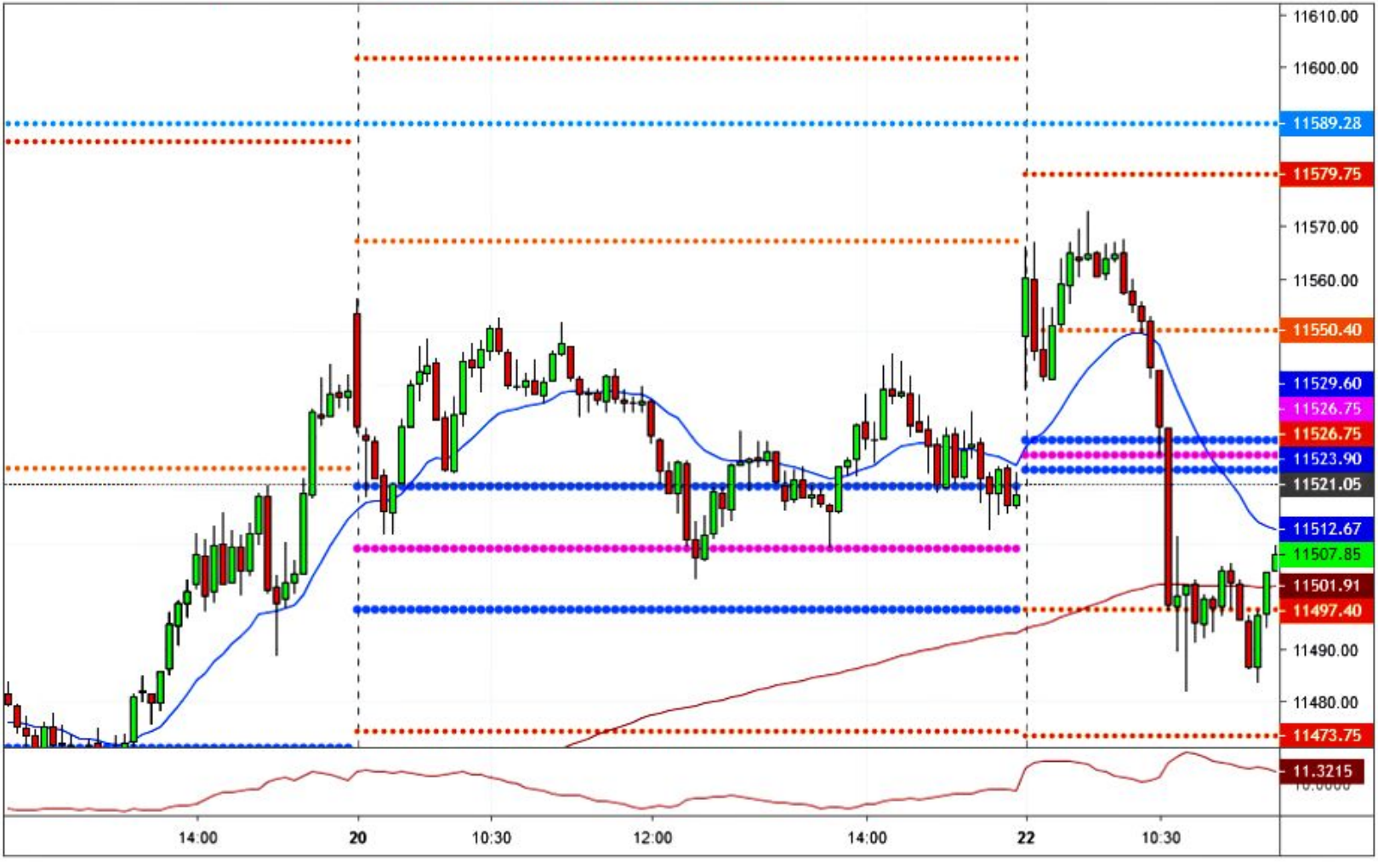
NSE:BANKNIFTY, 5 30531.35 ▲ +427.10 (+1.42%) O:30566.35 H:30572.95 L:30541.80 C:30564.10

Created with TradingView

BANKNIFTY
5m
DAILY
Publish
O27445.30 H27467.75 L27442.15 C27464.65 +20.80 (+0.08%)
Market Closed
27480.00
27440.00
27400.00
27386.45
27360.00
27320.00
27297.95
27280.00
27240.00
27200.00
27160.00
27120.00
27080.00
P
S1
40.0000
20.0000
23 Jan '19 10:55
12:00
14:00
24
10:30
12:00
14:00
1D 5D 1M 3M 6M YTD 1Y 5Y All Go to...
21:46:17 (UTC+5:30)
ext % log auto

viki301 published on TradingView.com, March 24, 2019 21:44:39 IST

NSE:NIFTY, 5 11456.90 ▼ −64.15 (−0.56%) O:11467.85 H:11472.40 L:11461.30 C:11462.60



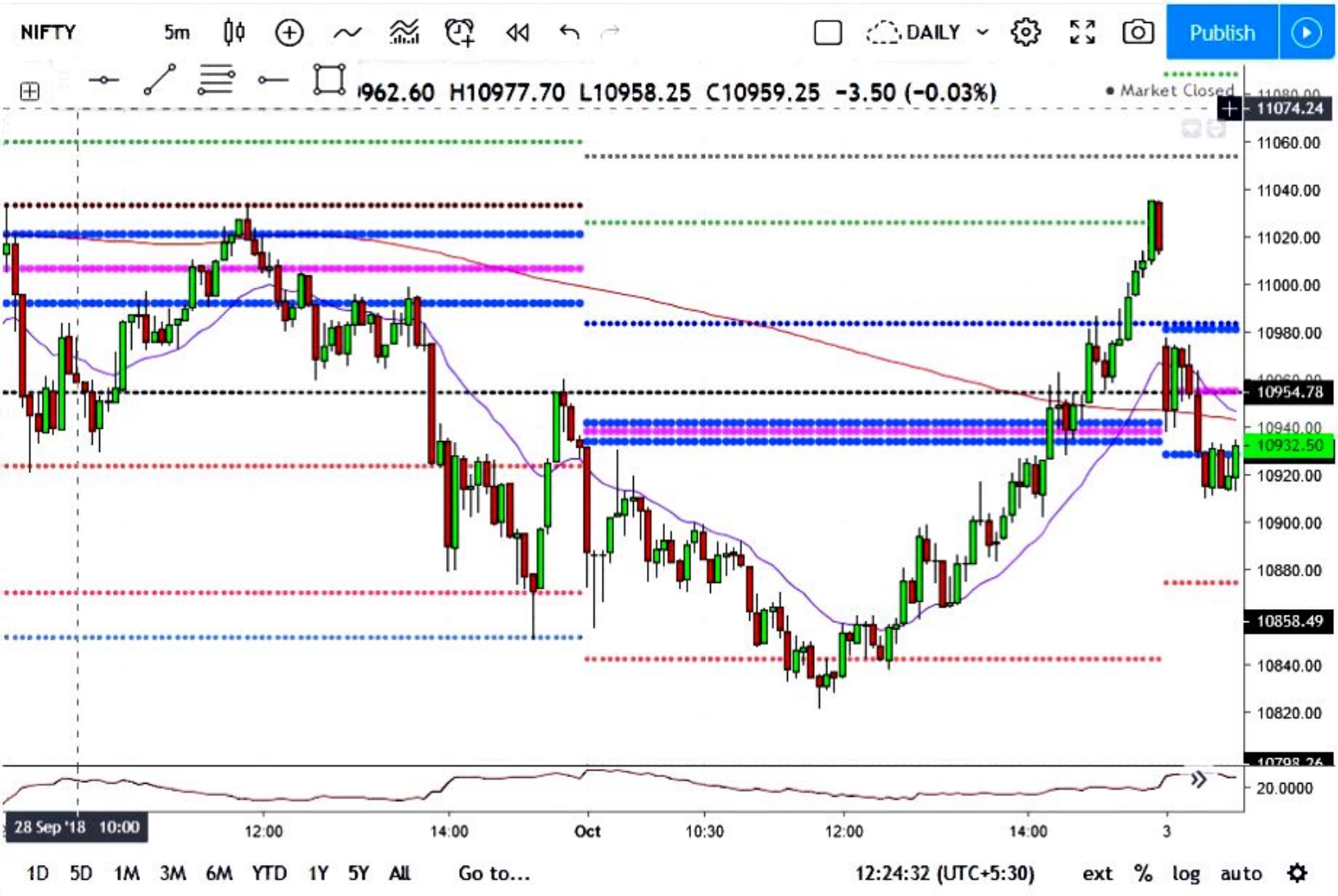
Created with TradingView

eated with TradingView

viki301 published on TradingView.com, July 04, 2019 19:48:20 IST

NSE:BANKNIFTY, 5 31471.85 ▲ +89.55 (+0.29%) O:31443.40 H:31458.00 L:31432.35 C:31434.65

Created with TradingView


NIFTY
5m
DAILY
Publish
962.60 H10977.70 L10958.25 C10959.25 −3.50 (−0.03%)
Market Closed
11074.24
11060.00
11040.00
11020.00
11000.00
10980.00
10954.78
10940.00
10932.50
10920.00
10900.00
10880.00
10858.49
10840.00
10820.00
20.0000
28 Sep '18 10:00
12:00
14:00
Oct
10:30
12:00
14:00
3
1D 5D 1M 3M 6M YTD 1Y 5Y All Go to...
12:24:32 (UTC+5:30)
ext % log auto

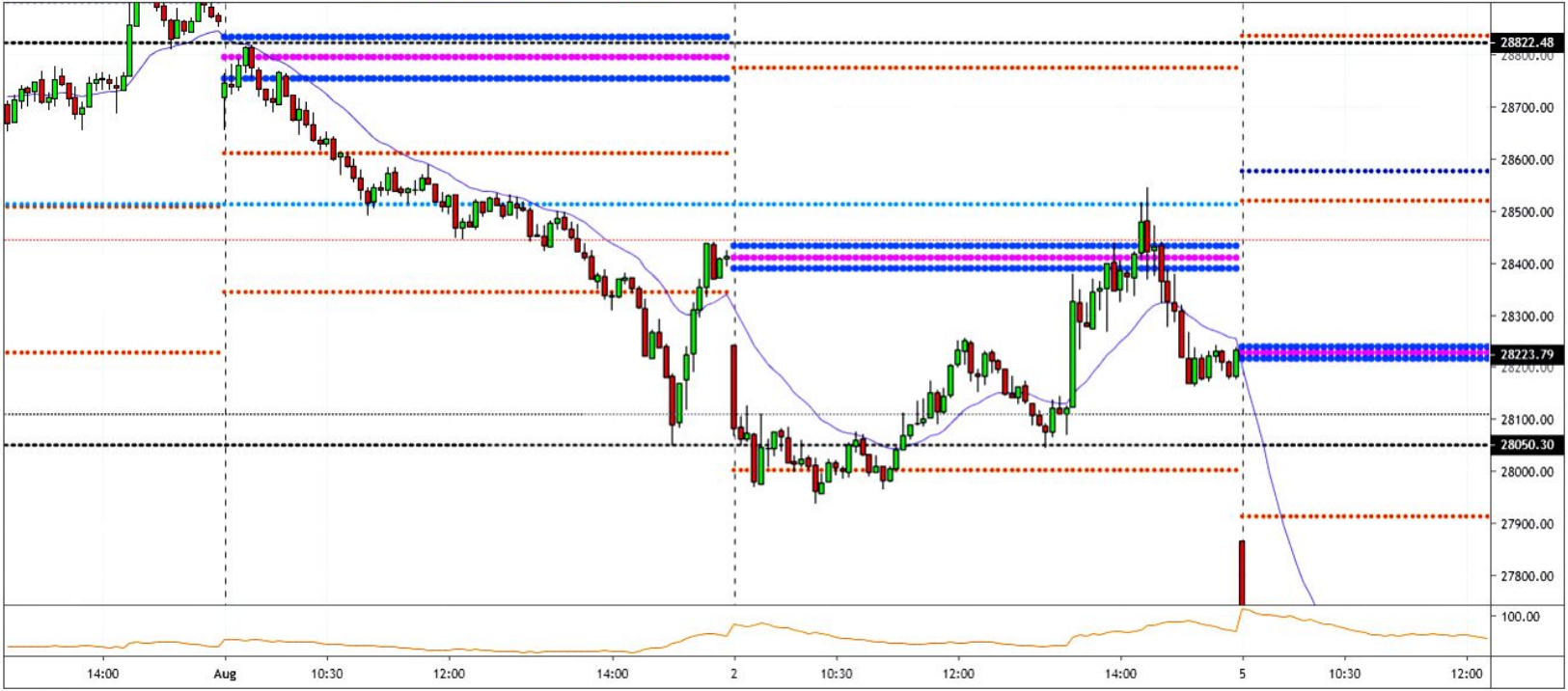
viki301 published on TradingView.com, August 09, 2019 21:54:49 IST

NSE:BANKNIFTY, 5 28431.90 ▲ +321.45 (+1.14%) O:28447.50 H:28467.70 L:28439.85 C:28444.65

Created with TradingView

viki301 published on TradingView.com, August 09, 2019 22:17:02 IST

NSE:BANKNIFTY, 5 28431.90 ▲ +321.45 (+1.14%) **O:**28447.50 **H:**28467.70 **L:**28439.85 **C:**28444.65

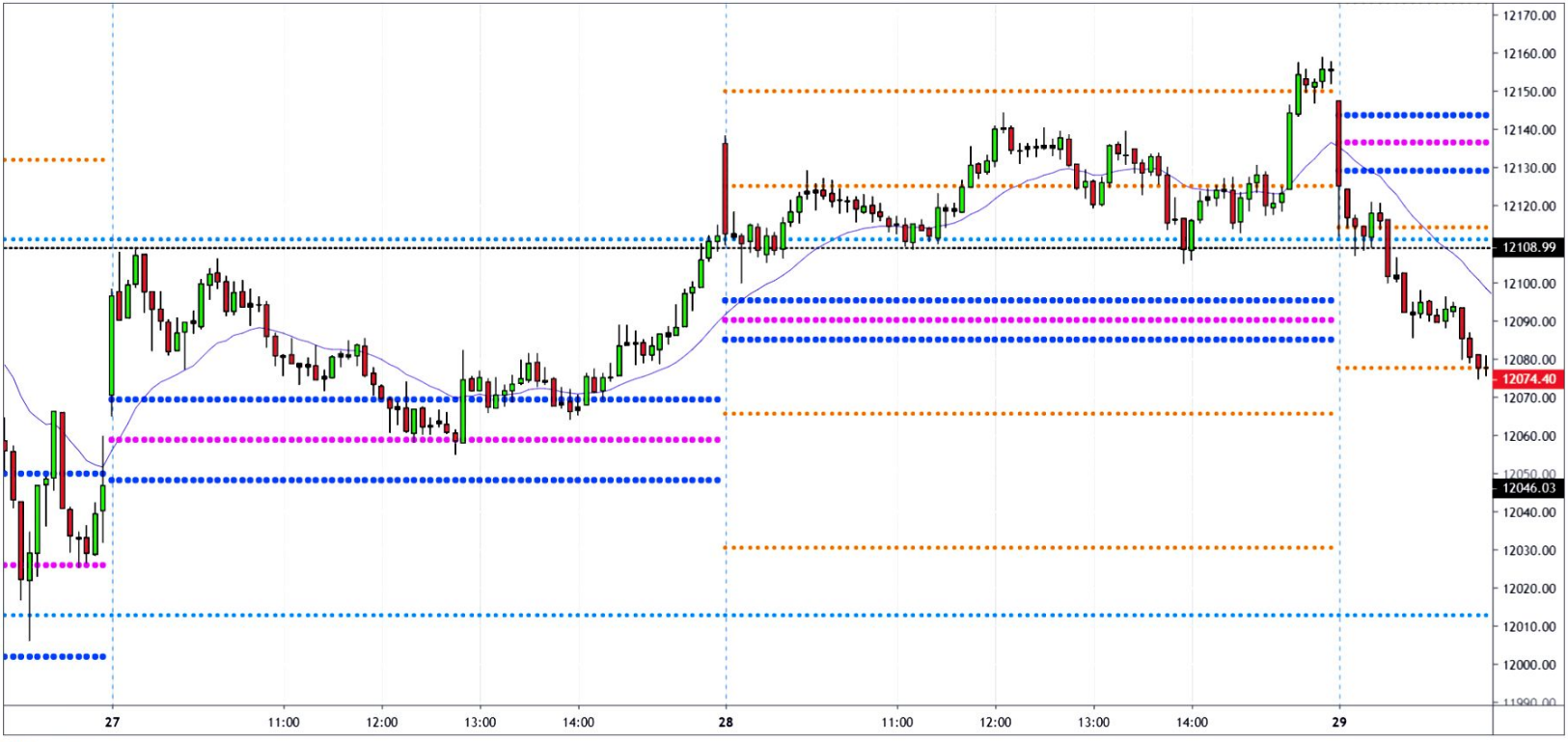


Created with TradingView

25300.00
25200.00
25126.80
25100.00
25000.00
24900.00
26 Sep '18 10:50
12:00
14:00
27
10:30
12:00
14:00
28
1D 5D 1M 3M 6M YTD 1Y 5Y All
Go to...
14:26:40 (UTC+5:30)
% log auto

viki301 published on TradingView.com, December 20, 2019 22:42:29 IST

NSE:NIFTY, 5 12271.80 ▲ +12.10 (+0.1%) **O:**12272.45 **H:**12273.75 **L:**12262.60 **C:**12268.05



TradingView

viki301 published on TradingView.com, April 17, 2019 19:01:13 IST

NSE:NIFTY, 5 11787.15 ▲ +96.80 (+0.83%) O:11795.40 H:11797.95 L:11793.00 C:11795.00

Created with TradingView