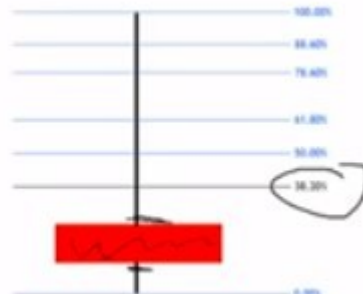


Rules for hammer and shooting star candles.

I identify these in a very simple and objective way

1. Take a fibonacci retracement from the **low of the candle to the high of the candle** for a **bullish signal** if the entire body meaning the **open and close** of this candle is **above the 38.2 retracement** I count that as a **buy signal or hammer candle buying pressure** and a buying signal.



Shooting star.

Similarly for a **shooting star** i take a fibonacci retracement from the **highest wick to the low of the candle or lowest wick** and as long as the **open and close** of the entire candle is **below the 38.2 retracement** consider that a **selling signal** or a **bearish candlestick pattern** similar to a shooting star candle.

What did i **change** that made them **start adding profits to my account** that made them start adding higher probabilities to my trading opportunities a little thing called **confirmation**.

Confirmation:

1. Using a **same color candle**.
2. It's more accurate if the **hammer candle is green** but in certain situations i will trade it even if the color of the **hammer candle is red**.

Entry bullish

1. **Hammer green candle** followed by another **green candle**.
2. A good hint that we're at the **end of a pullback** is the **previous level of support** during a **downtrend** or the **previous level of resistance** before the break.
3. Mark out the **previous level of resistance** that was broken
4. We would want to see a **pullback into this area** and our **confirmation candles** a **hammer candle** followed by a **green candle** for a bullish trade.



Bearish version Conditions:

1. For a bearish version we're looking for this **whole body of this red candle** to be **below the 38.2 retracement**
2. We are looking for a **red candle** to directly follow.
3. one of my favourite ways to trade this candlestick pattern combination is with the **trends**.

