

**NOTE:** Any **candle color** can be used when defining **double tops** in both **market directions**.

**Objective rules for defining a double tops. 4h,1h,15min or 5min chart is good for day trading.**

- 1.** After we make a new **lower low** compared to our **previous lows**, we then **push up** this is considered our **first top**.
  - 1a.** As soon as i see this **first top made**, i put a horizontal line at the top of the bodies of that first top.
  - 1b.** And a horizontal line at the top of the of the wick of that same candle.
  - 1.c** The little **area** between **top and body of the wick** is as my **termination point**.



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## Implementing double tops rules.

1. I want to see price **pushed up** and at least touch my **termination zone**, that can be with just the **wick of a candle** or the **body of a candle closing inside of my zone** and a **wick pushing above it** that all is **completely** valid.

What i do not want to see is a push-up and **then a candle close outside of my termination zone** and in other words i don't want to see a **candle close above the previous high**.

I'm waiting on a little bit of **extra confirmation with this strategy** here what did i say earlier i said that **we could have a wick go above this area** right this actually shows me **a really good sign of rejection from our first top** and **we still have a valid double top**.

At this point i am actually waiting for the market to **break the neckline** with this specific strategy here would be the neckline is just the **middle of a double top**.

I want to see a **candle close below the neckline of the double top** so now that i have a valid double top, i need to see the **market break through the neckline**.

**Neckline broken**, market pushes **Down**, then **up** touches the **neckline**, then **Selling pressure Red candle** appears.



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Selling pressure.  
Red candle right.

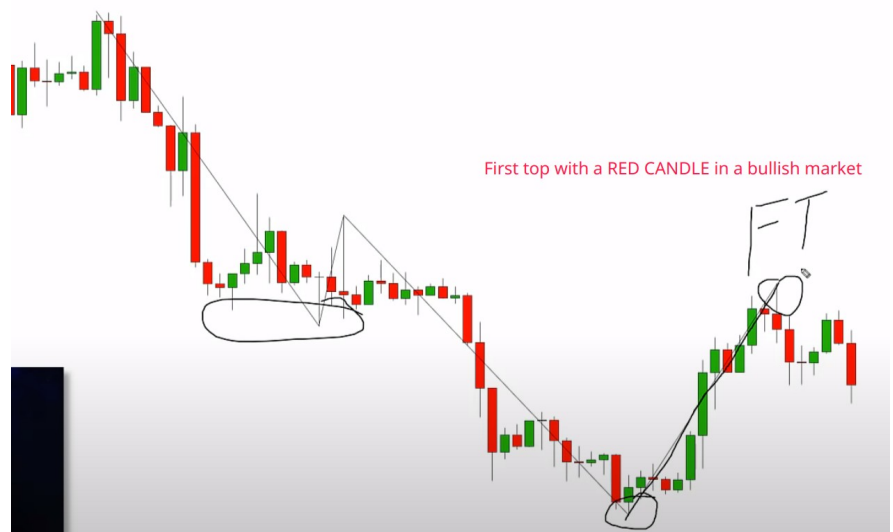


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## Complete Rules summary

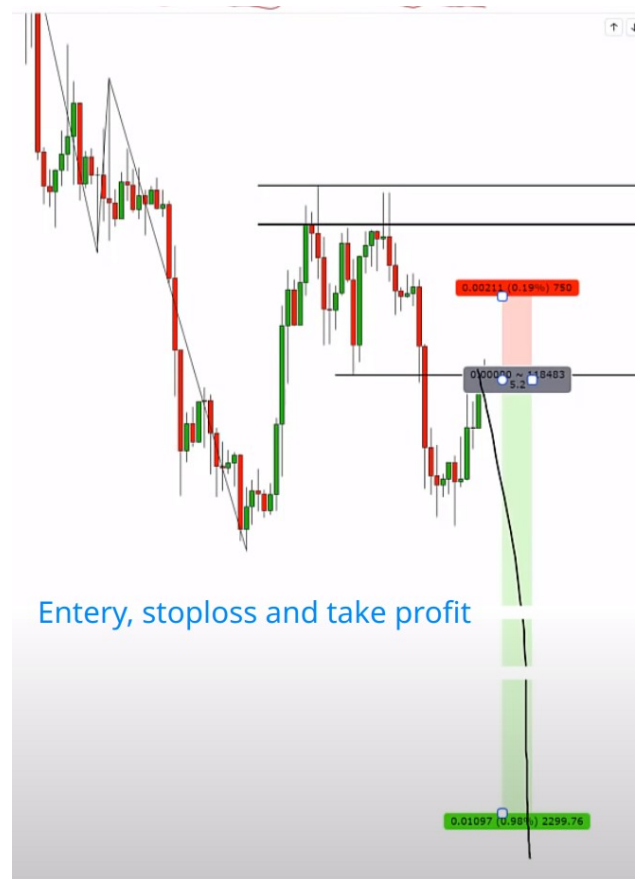


1. First condition is the market must make a **new lower low**.
2. Part of the entry, i want to see a **double top created**. We have defined rules for that.
  - 1a. I want to see a **push up**, i want to see **one top**, i want to see a **pullback** and then **another top**
3. I need the market to **break below the neckline** and close below it.
4. I need the market to **pull back at least touch the neckline with a candle** and then **i need selling pressure** and selling pressure for me is just a **red candle with this strategy** so all of that needs to come together before i can enter the trade.



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The **entry candle** is the **selling pressure candle** which in this case is the **RED DOJI CANDLE**



Bearish



Bullish

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