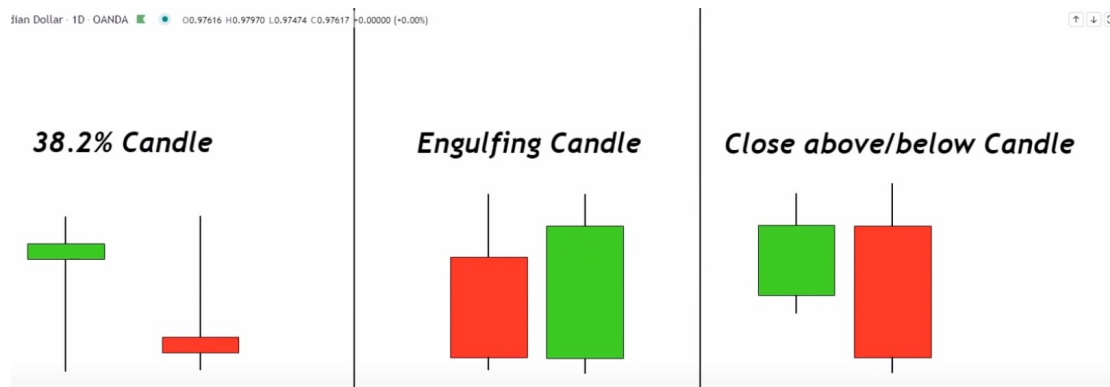


The ONLY Beginner Trading Strategy YOU Will Ever Need.

Candle patterns for entry reasons



Identify the **38.2% candle pattern** in an objective way using a fibonacci retracement from the top of that candle down to the low and as long as the **entire body of that candle** is below the 38.2% etracement then i know that selling pressure,

Engulfing candle is a candle that has a **larger body than the previous candle** and that changes colors.

so for a **bullish engulfing pattern** i need to see that

1. The **previous candle was red** that the **next candle is green** and that the **green candle has a larger body than the previous candle** that is a bullish engulfing candle for me.
2. The **bearish engulfing pattern** is the opposite of bullish.

Trading the patterns Bullish version

Conditions.

1. We're going to be using the 20 period moving average.
2. price must be trading above that 20 period moving average
3. Wait on **38.2 percent candle (price)** to touch the 20 period moving average and wick off.

Entry rules:

1. The **close of that 38.2 candle** is our entry and then we put stops and targets accordingly.

Bearish version

Entry

1. **The market is trading below the 20 period moving average.**
2. **Wait for a candle to wick off of that 20-period moving average..**
- 3.