**10135. Chart analysis: read candlestick charts correctly and recognize trends**

How can I now recognize up and down movements on candlestick charts?

The best way to do this is to look at the history of cryptocurrencies. Over time you can see the following 3 trends:

**1. Upward movement**

The candles usually close above the close of their pre-candles. Green candles with long candle bodies and short upper shadows mean strong trend movement. If the upper shadows of the candles become longer, this means that the movement is weakening

**2. Downward movement**

In a downward movement, the individual candles close below their pre-candles. In the case of sharp falls in prices, many red candles with long candle bodies can be observed.

**3. Sideways movement**

When moving sideways, no clear trend can be observed. The candles are next to each other instead of on top of each other, this is a sign of indecisive markets: there are many consecutive candles with changing colors and candles with long upper and lower shadows.

