

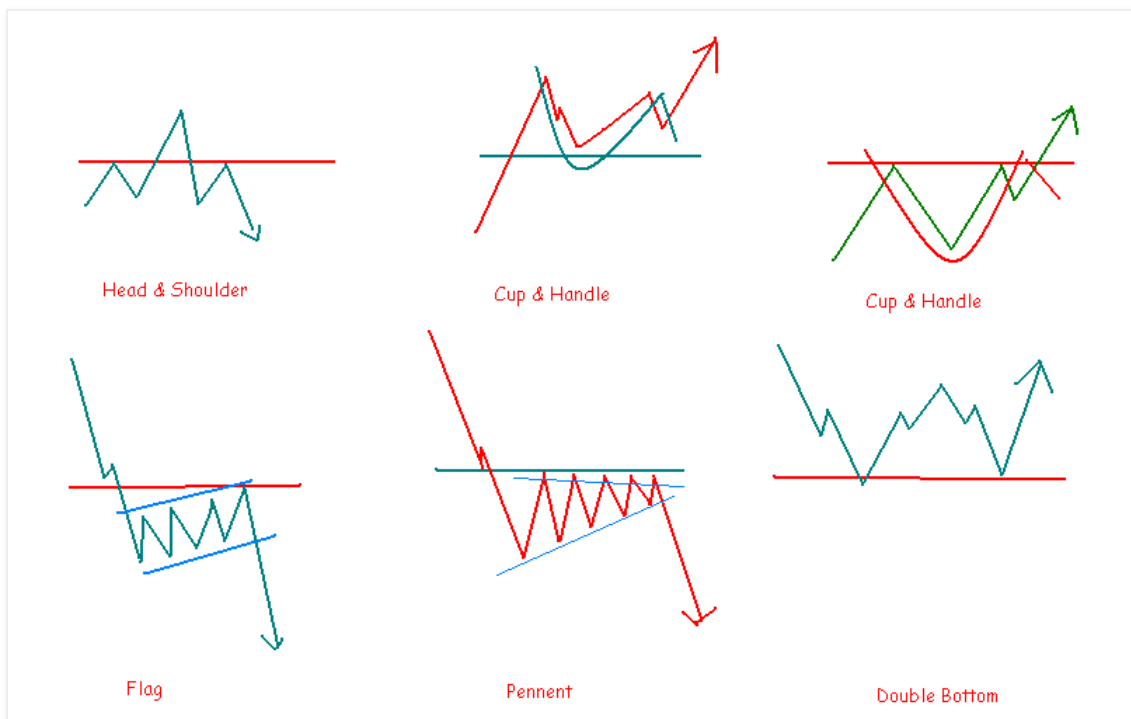


This image is no longer available. Visit tinypic.com for more information.

There is a substantial risk of loss associated with trading Derivatives . Losses can and will occur. My methods will not ensure profits

Tuesday, October 23, 2012

Classic Patterns



I do not trade classic chart patterns. People have written Encyclopedias on this subject. Many of these patterns can be traded, if you know where to look for them. Unfortunately many masters have no clue

Location where they occur is more important than the pattern itself. Observe closely when price hangs around a [Decision Point](#) or an important [Flip Zone](#). You will identify many tradeable classic patterns

Frankly, yet to find a way to trade Jerry's [Dragon Pattern](#) and HPT's [C&B Pattern](#).

Posted by [SMART Trader](#) at 9:42 PM



4 comments:



[bizagra](#) October 24, 2012 at 11:29 PM

our breakout trade is very similar to h&s pattern....:)
Reply



[augubhai](#) October 25, 2012 at 12:45 PM

Ok. You should definitely try this pattern...
<http://www.elitetrader.com/vb/showthread.php?threadid=128320>
Reply



[Karralesh P Langote](#) October 25, 2012 at 5:51 PM

Hello... most of these patterns evolve over a period of time within a chart so you cannot assign a name to it till most of the pattern is complete.

These patterns help in an existing trade specially if a decision level gets violated but nothing happens.

Very often, a buy signal at a decision level actually creates a flag which is a hint for shorting.

I think you have referred to this situation as FTC.

Reply



Kamalesh P Langote October 25, 2012 at 6:43 PM

Another thing I want to mention is the reliability of pattern increases with higher timeframes.

H&S, Cup and Handle etc are reliable when formed over several weeks.

Most of these patterns are rarely useful for intraday trading with the exception of wedges (rising/ falling), flags etc. Usually these might appear as FTC as per your glossary.

Candlestick patterns (2 or more) are far far more reliable than anything I can think of. These are extremely good for taking profits or attempting a contra trade.

Reply

Add comment

Note: Only a member of this blog may post a comment.

Enter your comment...



Comment as: Google Account ▼

Publish

Preview

[Newer Post](#)

[Home](#)

[Older Post](#)

Subscribe to: [Post Comments \(Atom\)](#)

Important Posts

- [Disclaimer](#)
- [Glossary](#)
- [Rants 'n Raves](#)
- [Structure and Patterns](#)

Download E-Books

- [Decision Points](#)
- [Structure and Patterns](#)
- [Rants N Raves](#)
- [TRADE-SCORE](#)
- [Video Promo](#)

[Statcounter](#)

Reciprocal Links

- [Lance Beggs @ YTC](#)
- [URD @ charttechnicals](#)
- [KPL @ vfmtdirect](#)

Blog Archive

- ▶ [2015](#) (100)
- ▶ [2014](#) (274)
- ▶ [2013](#) (299)
- ▼ [2012](#) (338)
 - ▶ [December](#) (23)
 - ▶ [November](#) (28)
 - ▼ [October](#) (28)
 - [31102012](#)
 - [30102012](#)
 - [Reading: The Trading Contradiction](#)
 - [29102012](#)
 - [Probability](#)
 - [Classic Patterns](#)
 - [23102012](#)
 - [22102012](#)
 - [The SAR Circus](#)
 - [Cigarettes](#)
 - [19102012](#)
 - [18102012](#)
 - [17102012](#)
 - [16102012](#)
 - [Reading: High Speed Trading](#)
 - [15102012](#)
 - [Nifty Levels](#)
 - [12102012](#)
 - [Brackets and Envelops](#)
 - [11102012](#)
 - [10102012](#)
 - [09102012](#)
 - [08102012](#)
 - [Discipline](#)
 - [Decision Making](#)
 - [04102012](#)
 - [03102012](#)
 - [01102012](#)
 - ▶ [September](#) (27)
 - ▶ [August](#) (30)
 - ▶ [July](#) (33)
 - ▶ [June](#) (33)
 - ▶ [May](#) (33)
 - ▶ [April](#) (27)
 - ▶ [March](#) (31)
 - ▶ [February](#) (42)
 - ▶ [January](#) (3)