

### [1005] BULLISH ENGULFING

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| Type: | **Reversal** |
| Relevance: | **Bullish** |
| Prior Trend: | **Bearish** |
| Reliability: | **Medium** |
| Confirmation: | **Suggested** |
| No. of Sticks: | **2** |

**Definition:**

Bullish Engulfing Pattern is a pattern characterized by a large white real body engulfing a preceding small black real body, which appears during a downtrend. The white body does not necessarily engulf the shadows of the black body but totally engulfs the body itself. The Bullish Engulfing Pattern is an important bottom reversal signal.

**Recognition Criteria:**

1. Market is characterized by downtrend.  
2. Then we see a small black body.  
3. Next day we see a white body that completely engulfs the black real body of the preceding day.