



# The Hammer

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TheTurtleShells.com

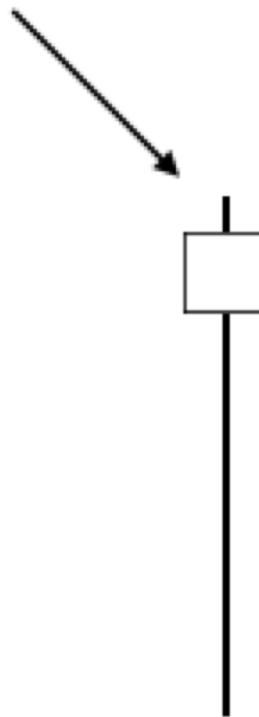


# Bullish Pattern

**Market Likely to go Up or Remain Neutral**

# The Hammer

- Single Candle Bullish Pattern
- Lower Shadow must be at least twice the height of the real body
- Must come after a downtrend
- Preferably should have no or very small upper shadow
- Color of the real body does not matter
- Real body must be as small as possible
- Real Body must be near upper end of trading

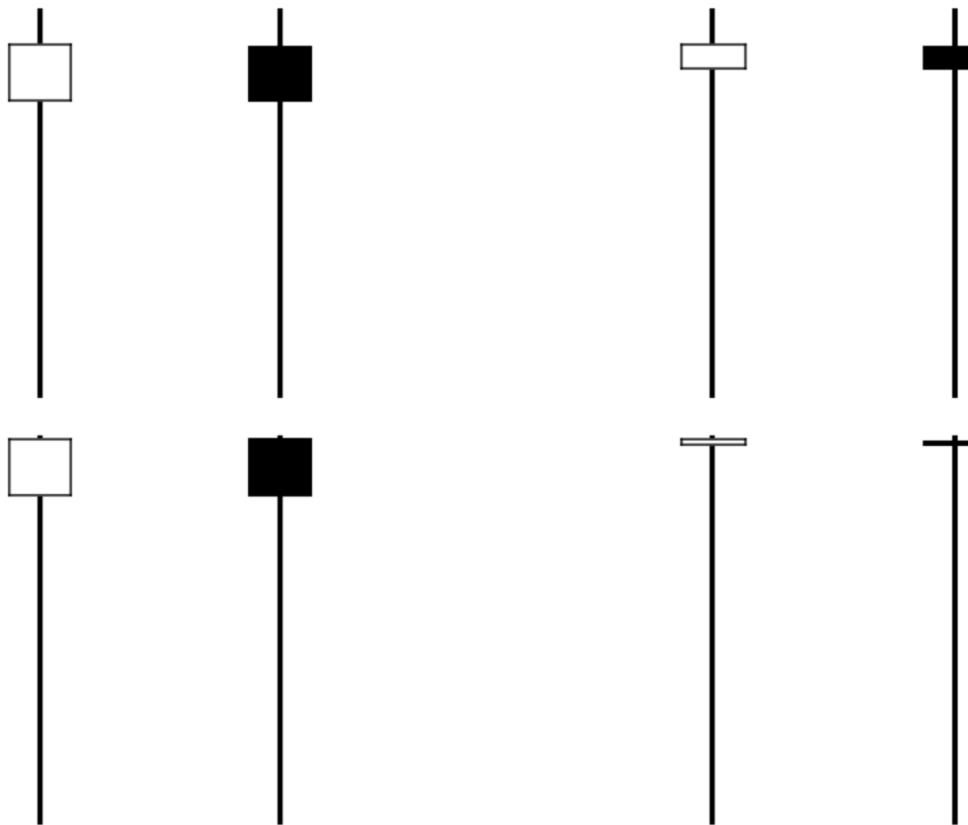




## Example of a Hammer



# Different Types of Hammers



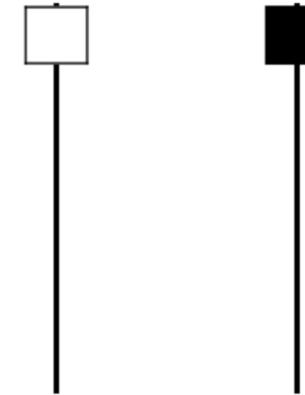
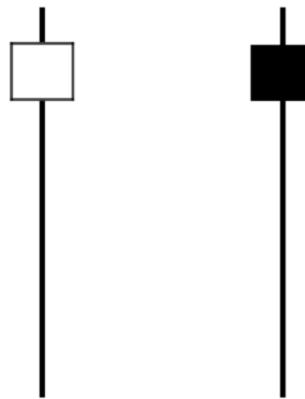
# The Hammer



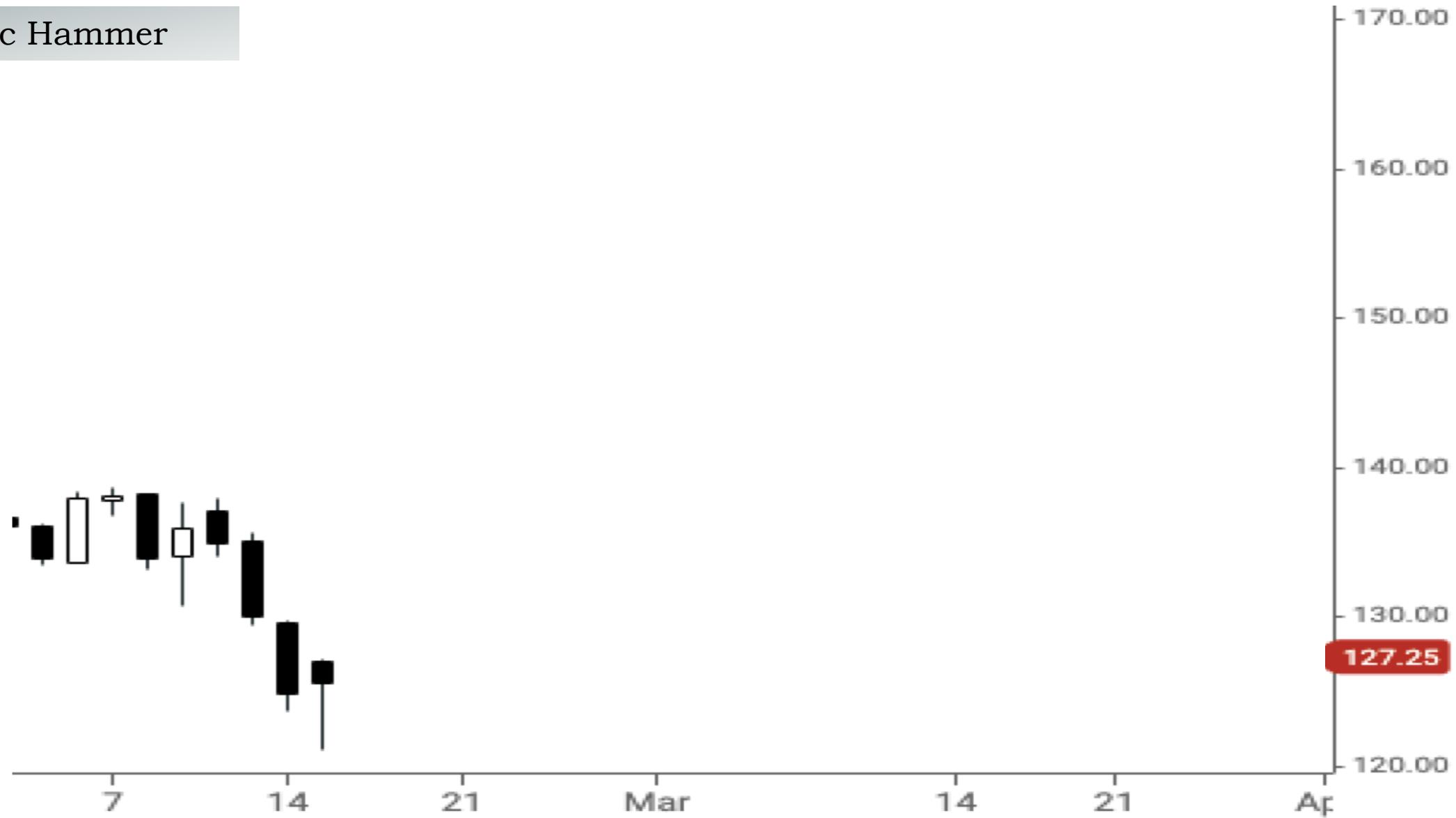
## The Hammer



# Normal Vs Classic Hammers



## Classic Hammer



## Classic Hammer





# Hammer Psychology



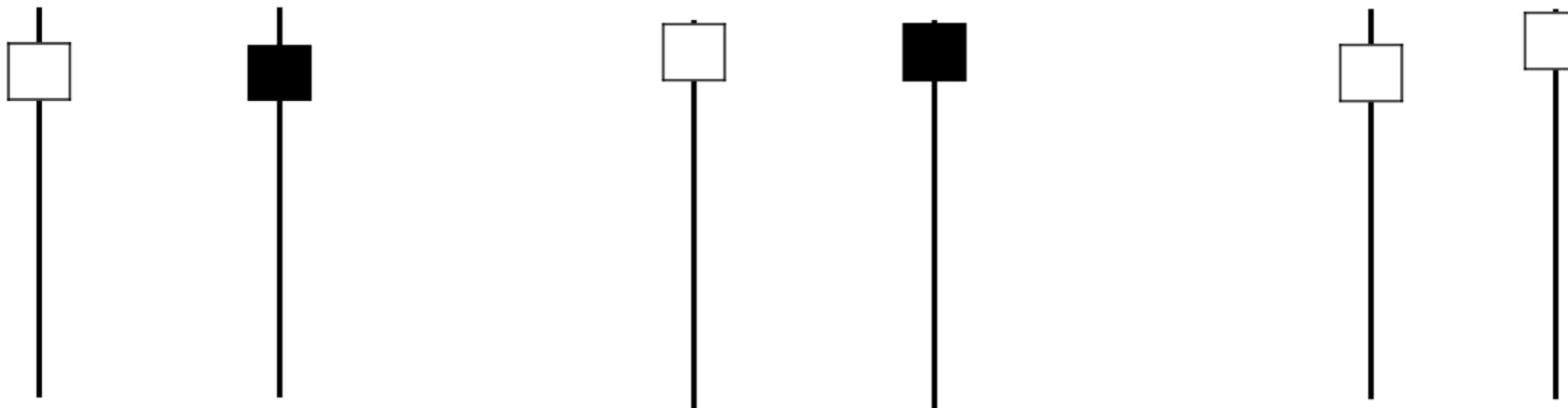
## The Hammer



## The Hammer



# The Strength of a Hammer



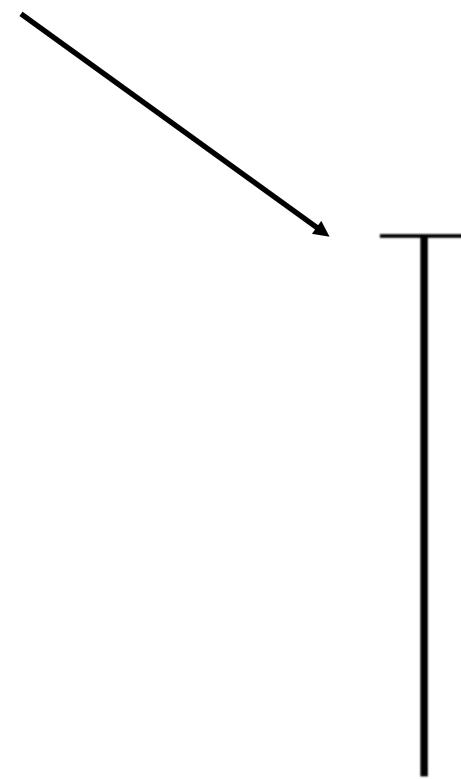
## The Hammer



## The Hammer



# The Special Hammer



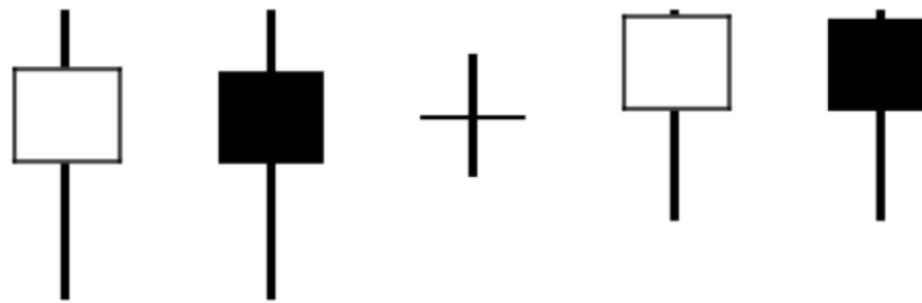
## Special Hammer



## Special Hammer



# The Non-Hammers



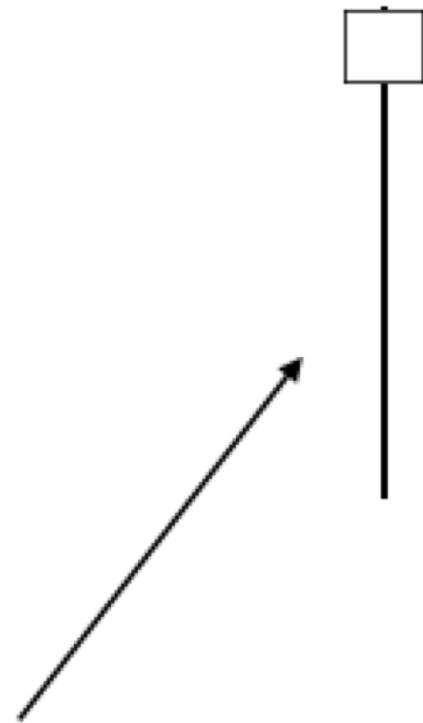
## Non Hammer



## Non Hammer



# Avoiding the Hammer Trap







# The Power of a Hammer

**The Hammer is an Extremely Powerful Bullish Sign.**

## Power of a Hammer



## Power of a Hammer



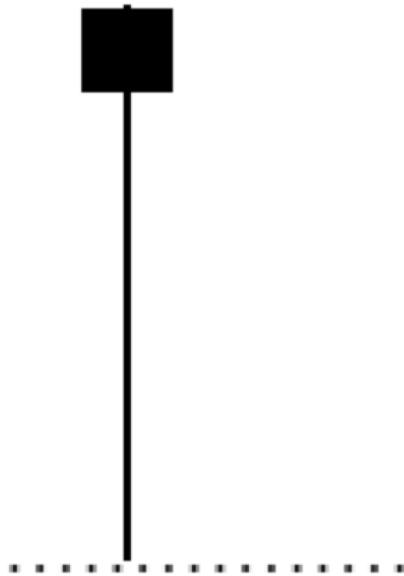


**Hammer as  
a Support**

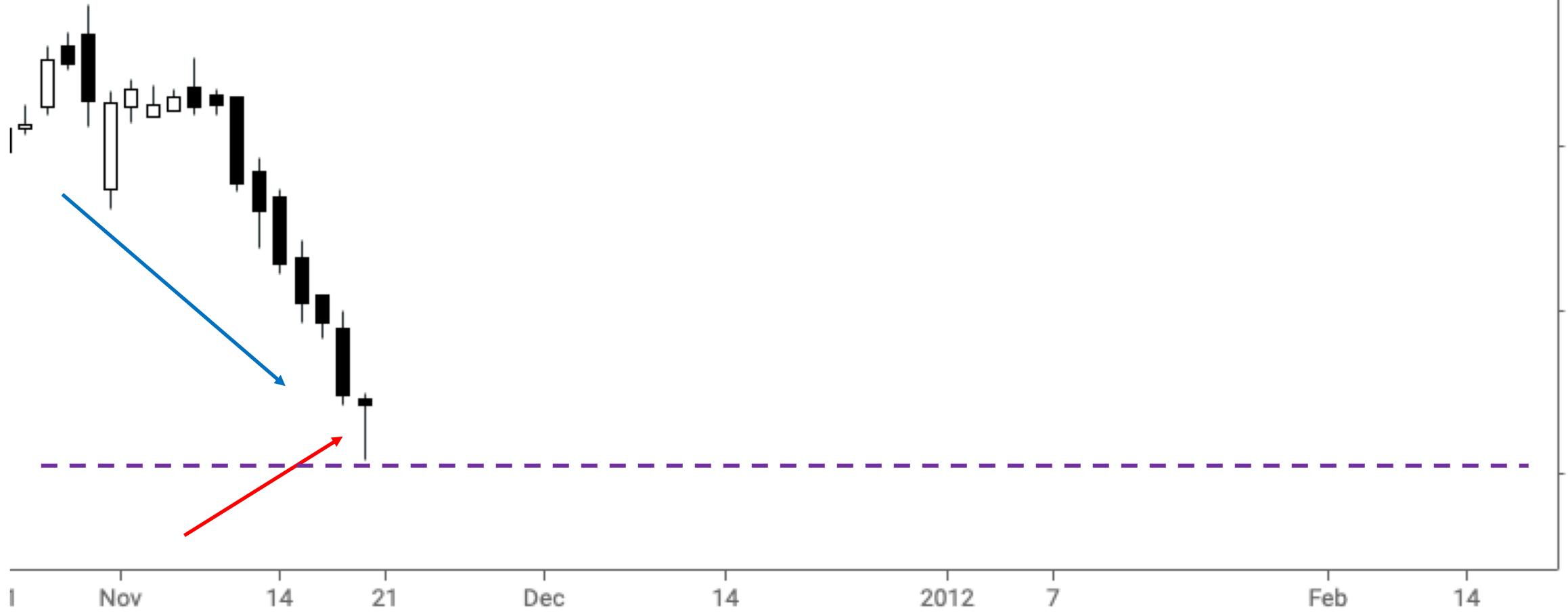


**The Low of the  
Hammer Often  
Becomes  
Support**

# Hammer as a Support



## Hammer as Support



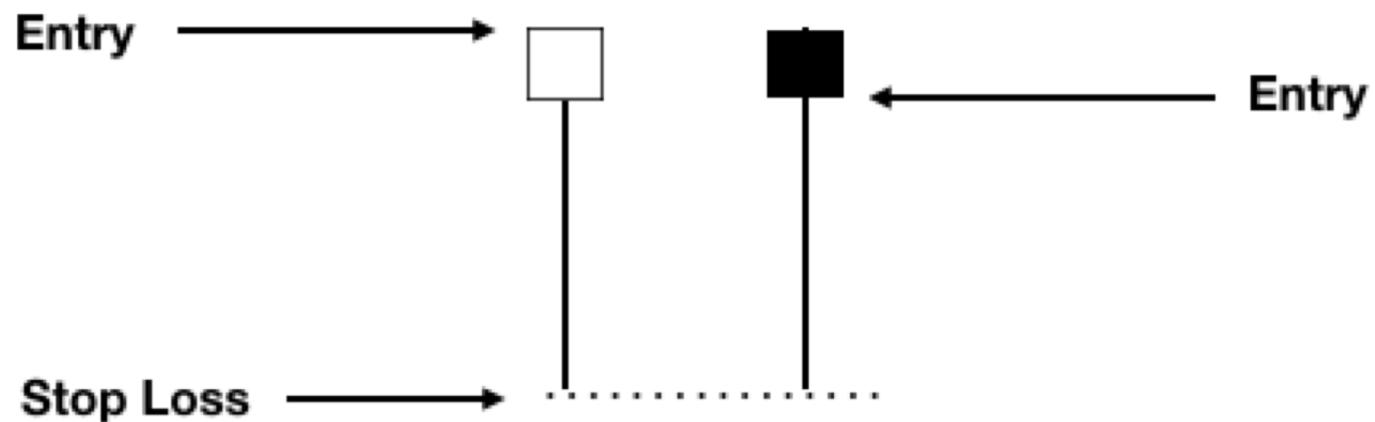
## Hammer as Support





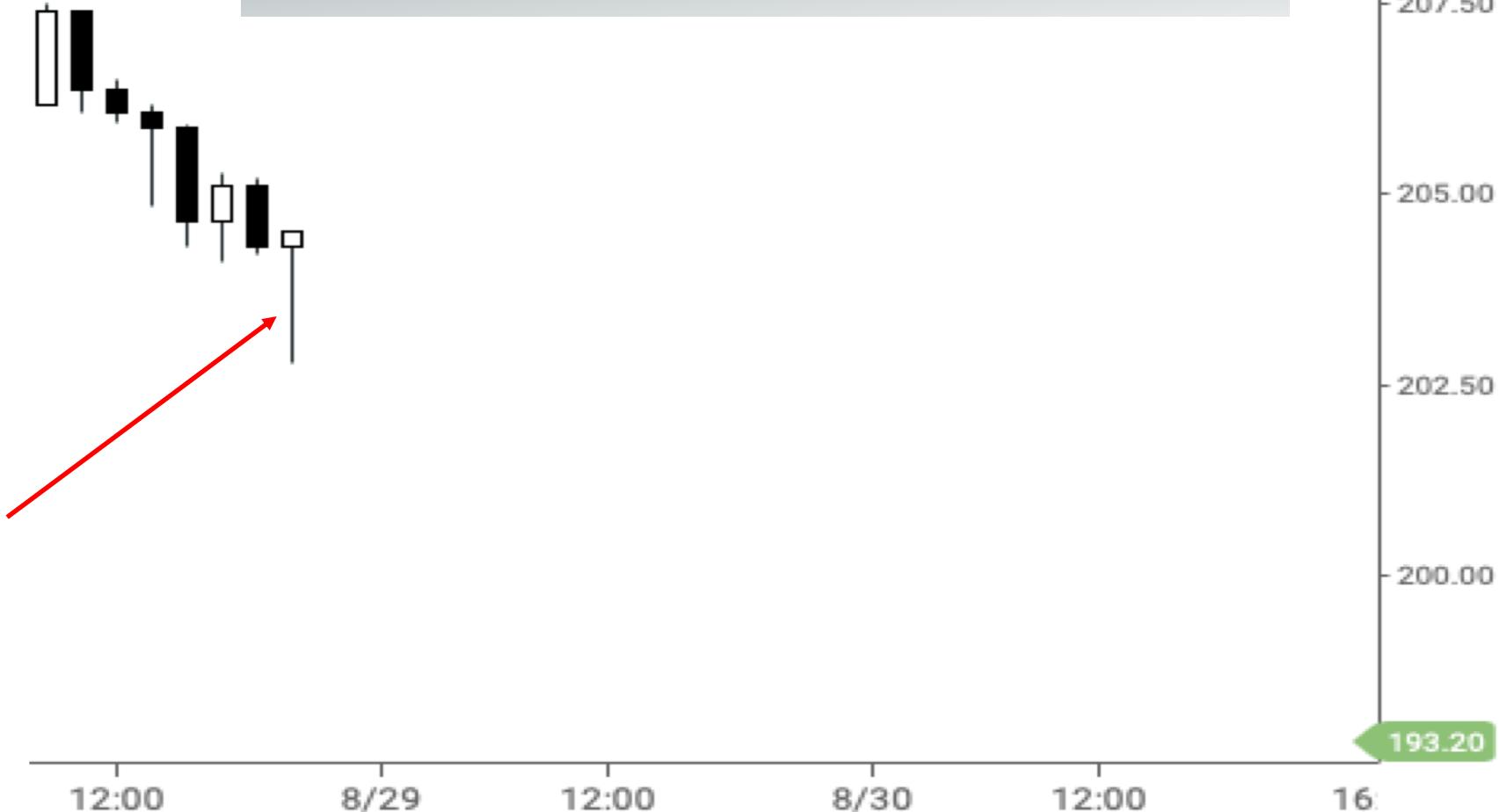


# Hammer (Entry & Stop Loss)



## Ambuja Cement (30 Minute)

A Stand Alone Hammer that did not work well.



## Ambuja Cement (30 Minute)

A Stand Alone Hammer that did not work well.



## Setting Profit Targets.

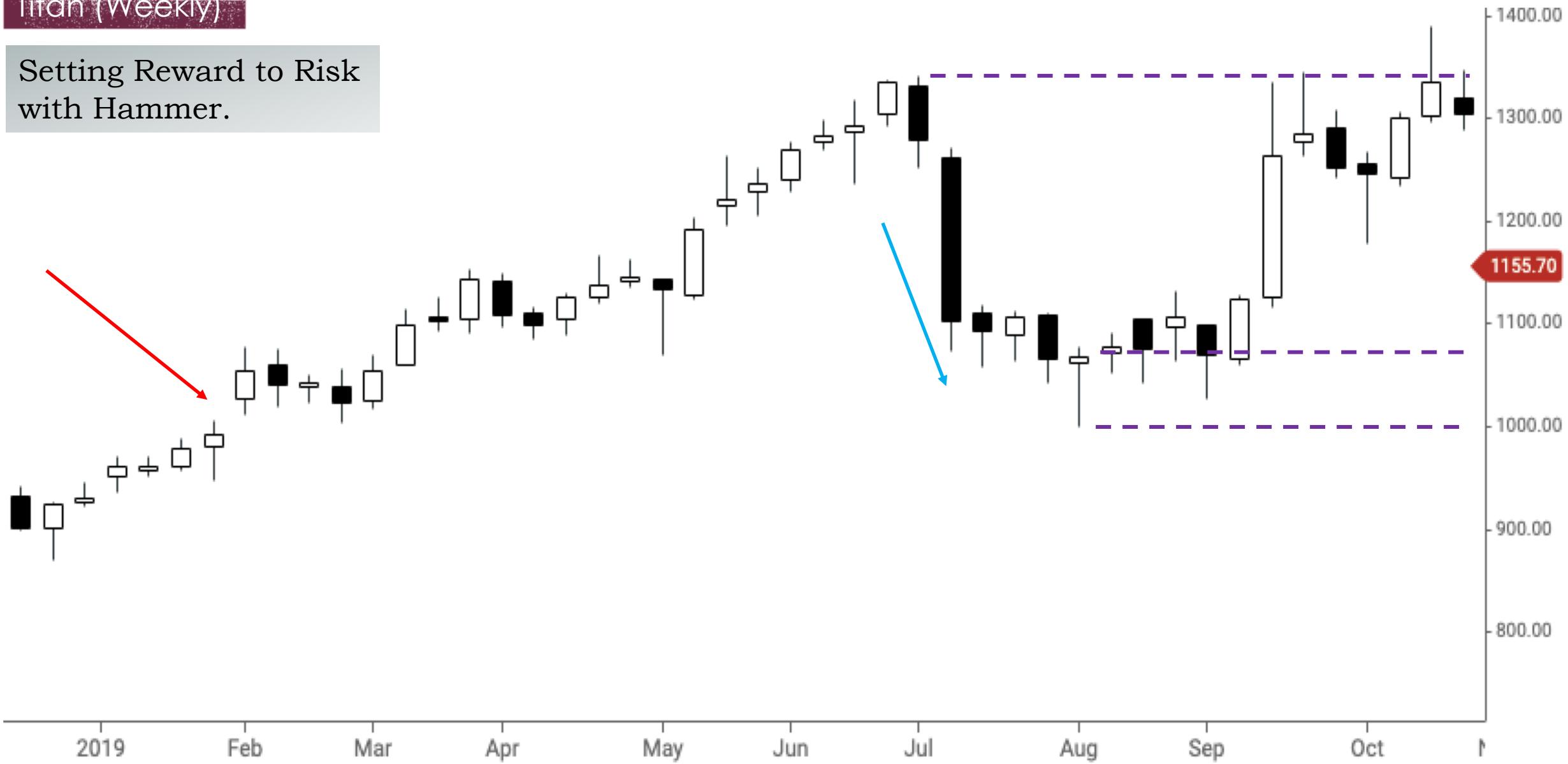


## Setting Profit Targets.



Setting Reward to Risk  
with Hammer.

Setting Reward to Risk  
with Hammer.

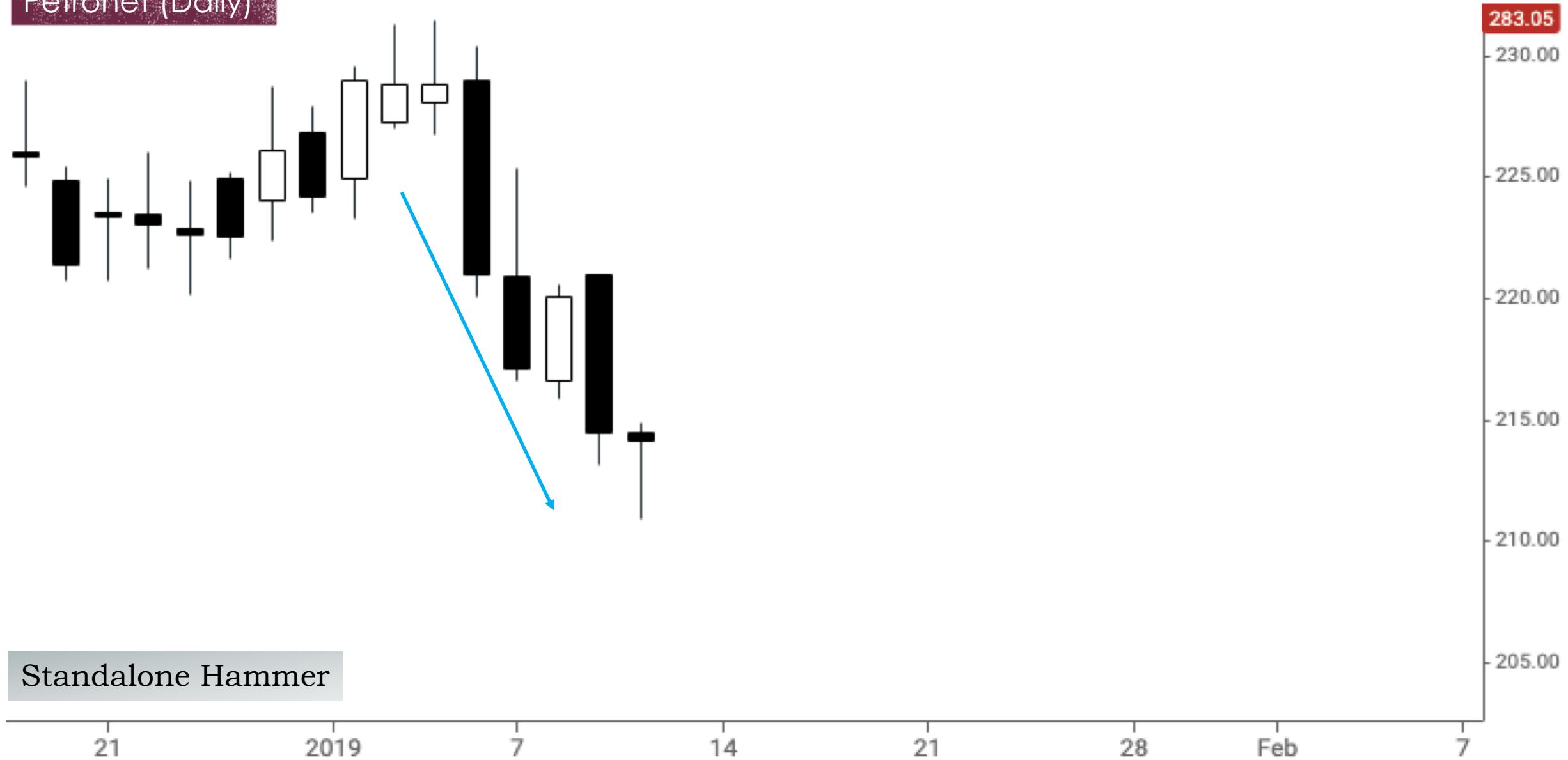




**Hammer  
Aggressive  
Trading**

A Trade on a  
Standalone  
Hammer is a  
Risky Trade

# Petronet (Daily)



# Petronet (Daily)





**Hammer  
Confirming  
a Support  
Area**



**A Hammer  
Confirming  
Prior Support  
is a very  
Bullish Sign**

What Happens when a Hammer Confirms Support ?



What Happens when a Hammer Confirms Support ?





# Stand Alone Hammer

A Stand Alone Hammer is a Bullish Sign, but a Low Probability Bullish Sign

A Stand Alone Hammer that worked well.



A Stand Alone Hammer that worked well.

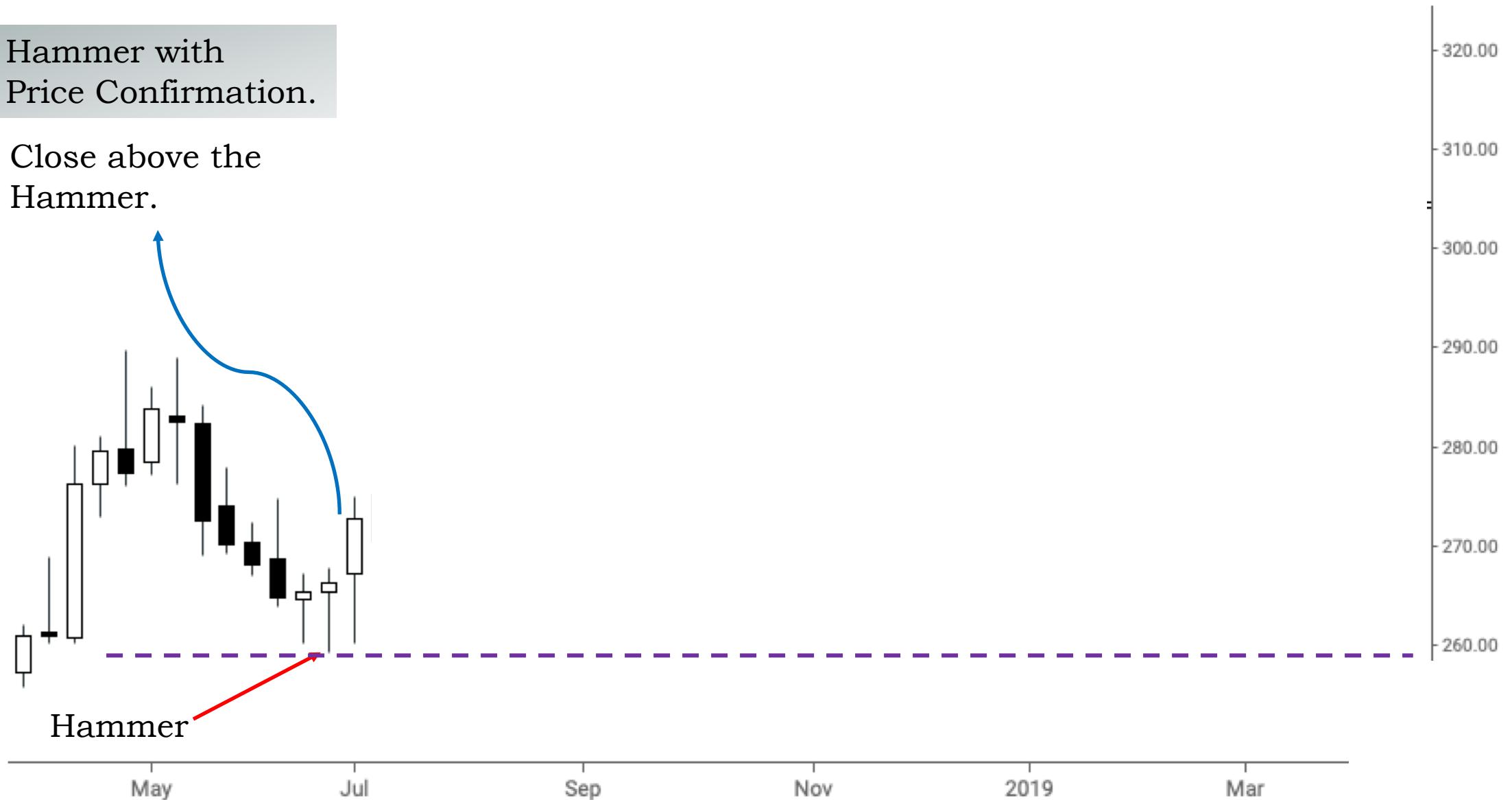


# Hammer with Price Confirmation

A Hammer confirming Prior Support and Giving Price Confirmation, is a High Probability Trade Setup (although it comes at the cost of Reward to Risk)

Hammer with  
Price Confirmation.

Close above the  
Hammer.



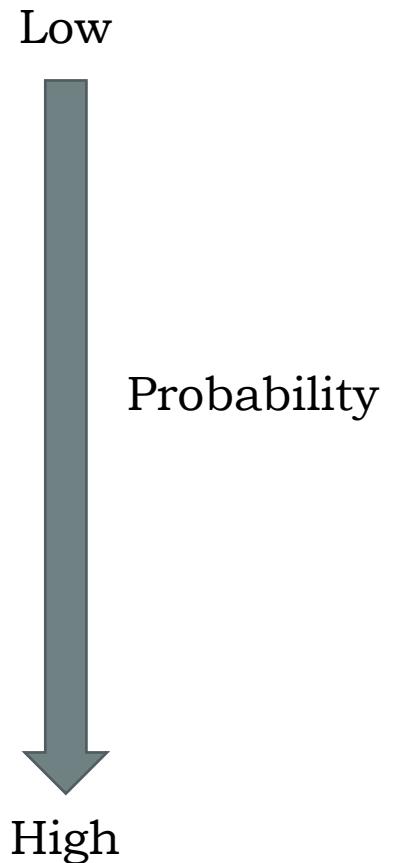
Hammer with  
Price Confirmation.

Close above the  
Hammer.



# Trading the Hammer Correctly

- Hammer
- Hammer + Support Confirmation
- Hammer + Support Confirmation + Price Confirmation



## The Hammer



## The Hammer



Which Trade Would You  
Take and Why ?

Which Trade Would You  
Take and Why ?

Would you trade this ?  
Why ?



# Coal India (Daily)

Would you trade this ?  
Why ?





# Thank You

Prepared & Presented By - Rohit Musale, CFA®