

Neutral candles

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- Use to time the top/Bottom
- **When ever a trend is reversing from one to another most of the times you the slow down in the price movement & represented by neutral candles**
- Significant only at the end of a trend (From where the trend is most likely to change)
 - Cautious sign.
 - In an uptrend
 - after the uptrend on the Top you see a lot of Doji's/ neutral candles
 - After the break-out, you see a lot of Doji's also not a good sign
 - In a downtrend
 - after the down trend on bottom you see a lot of Doji's/ neutral candles
- Confirmation only after the following candle
- One must ignore neutral candles in middle of a trend
- How neutral candles can be used at resistance to enter.
 - Steps
 - First mark resistance & support level.
 - By Horizontal/angular TL
 - Check if there is any break out/down
 - Check immediate next candle is follow-up candle
 - Incase you found neutral/doji candles, plot high and lows
 - Wait for confirmation candle:
 - Which is the break out/down of Neutral candle
 - There may be two chances
 - May trend completely reversed
 - May it make higher lows in the case of uptrend and opposite in downtrend.
 - Wait for the follow-up candle
 - Target can be found by two option
 - Check If you can found any chart pattern
 - Using trend lines
 - Long wick candles can also be used to mark support or resistance.