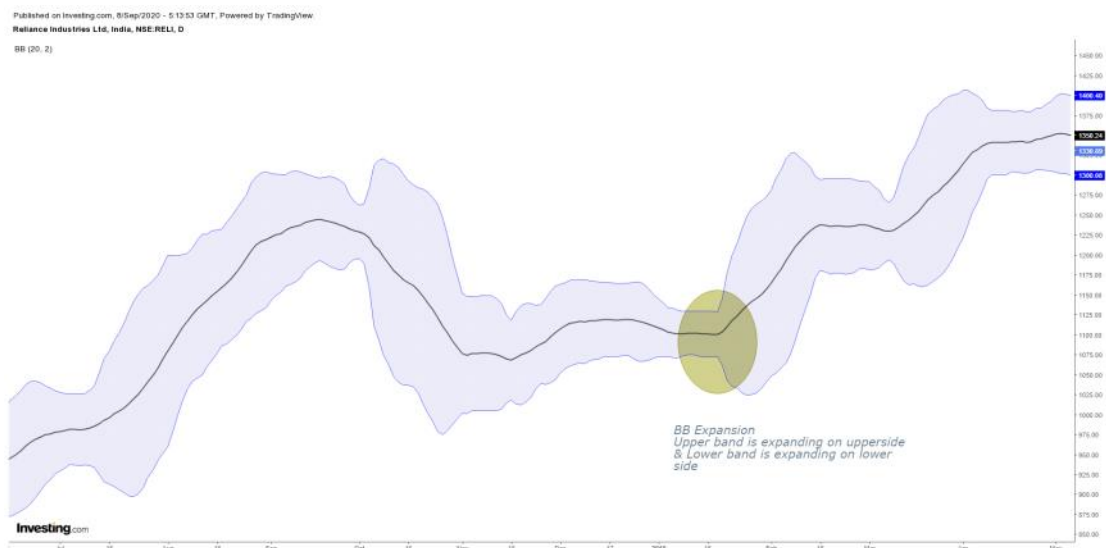


Bollinger Bands

Friday, August 28, 2020

9:37 PM

- Volatility/momentum indicator
 - When the market become more volatile (or heavy changes in price), the bands widen
 - When the market are very less volatile, the bands contract
 - Grate indicator for "swing" & "Momentum" traders
 - Momentum means speed
- Components
 - Upper band
 - Median of BB
 - Lower band
- BB Flat
 - Both upper & lower bands are almost flat.
- BBSqueeze
 - Upper band comes down and lower goes up
 - Also they are very close to each other or trying to come.
- BB expansion/BB challenge
 - Both Upper & lower bands expands in both upper & lower side direction
 - Means momentum has started
 - As long as the BB is expanded means BB is challenged
 - Challenged candles can be found
 - With the band
 - Inside the band
 - Outside the band
 - Types:
 - Upper BB challenge
 - Lower BB challenge
 - When you see UBBC/LBBC, don't trade opposite to that.. Go with the direction of it.



- Candle will show to Which side/direction the momentum started.
- Upper BB challenge Example.



- Any Breakout/breakdown , there should be a momentum



- Lower BB challenge



- Don't enter into a BB challenge without a context. There are chances that it may fail



- Trade Types:
 - BB in momentum trade
 - BB in Swing trade
- In general
 - If the BB challenge in upside any bearish candle/candlestick pattern will not them
 - If the BB challenge in downside any bullish candle/candlestick pattern will not work/ignore them
 - Incase if you see them in support level, good to exit the trade and Wait & watch happening
 - Incase support BD, you enter
 - If it not BD and reversed & go-up : think of long

- Shake out candle -Genuine Breakout
 - When BB is challenged in upper side, if you see any bearish candle, you can choose ignore