



# Riley's Favorite Trading Patterns

Market Structure &  
Candlestick Patterns

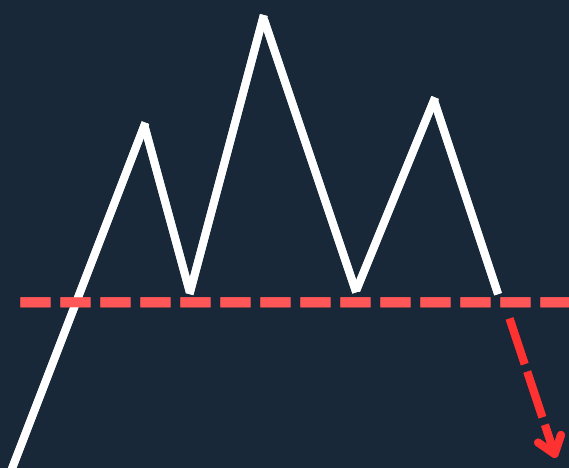




# Head and Shoulders Pattern

**Bearish**

**Theory**

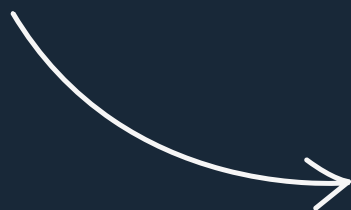


**Reality**



**Keys to This Pattern:**

Large move to give room to reverse/profit



Larger than normal rejection shows a change in momentum





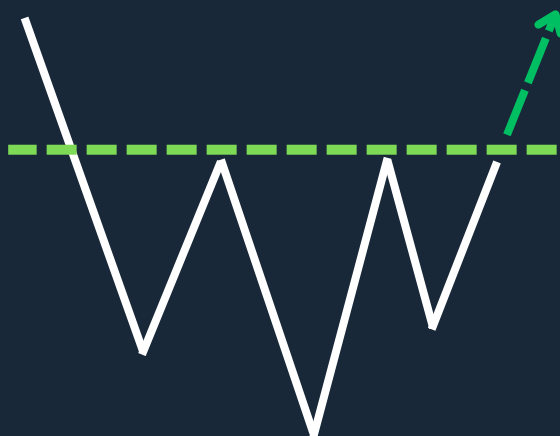
# Head and Shoulders Pattern

**Bullish**

**Theory**



**Reality**



Unimportant Factors:

That the neckline is flat



That the middle swing is a lot farther than the side swings



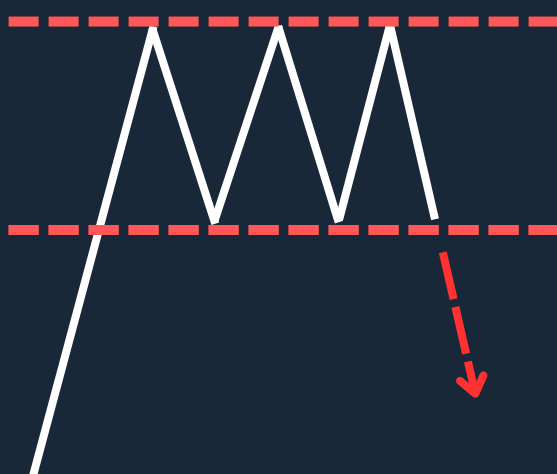
\* These rules apply to the bearish version too.



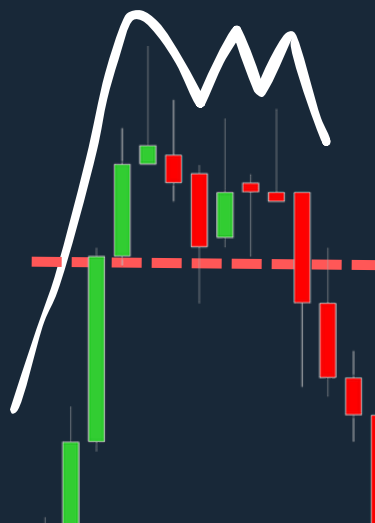
# Reversal Flag

## Bearish

### Theory



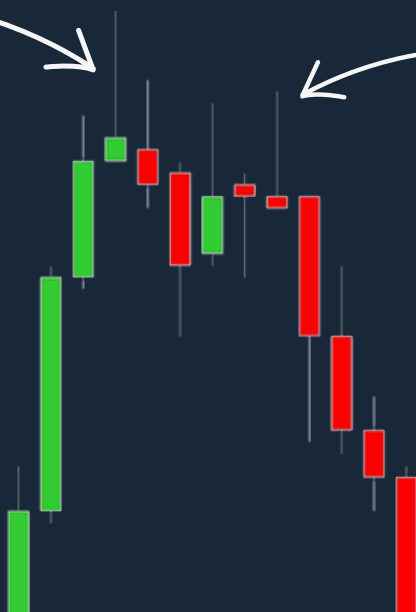
### Reality



## Keys to This Pattern:

Strong momentum  
with no pullbacks  
increases it's  
chance to fail + At a  
at major  
resistance/support  
zone

Market goes from  
directional  
movement to  
sideways movement



\* These rules apply to the bullish version too.



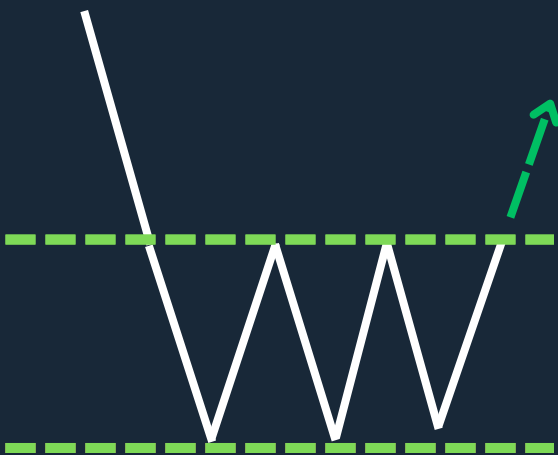
# Reversal Flag

**Bullish**

**Theory**



**Reality**



Unimportant Factors:

Consolidates into  
a box perfectly



Has multiple  
clear swings. The  
importance is the  
loss of  
momentum



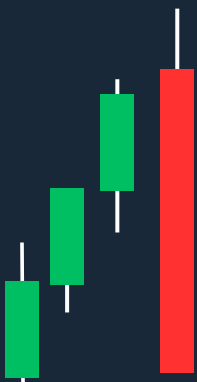
\* These rules apply to the bearish version too.



# Three Line Strike

**Bearish**

**Theory**



**Reality**



Keys to This Pattern:

Don't use this by itself. Couple it with other indications of a reversal



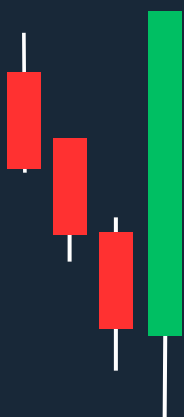
Large reversal candle gives back movement of last 3-5 candles.



# Three Line Strike

Bullish

Theory



Reality



Unimportant Factors:

What the candlesticks leading up to the reversal look like. It's about showing a loss of momentum



Which candlestick make the extreme low/high

\* These rules apply to the bearish version too.

[Rileycolemantrading.com](http://Rileycolemantrading.com)



# Traps

## Bearish

Theory



Reality



Keys to This Pattern:

The move starting the trap needs to be strong & not normal in the current trend.

The reversal is right after the strong breakout and just as fast of a move if not more

\* These rules apply to the bullish version too.



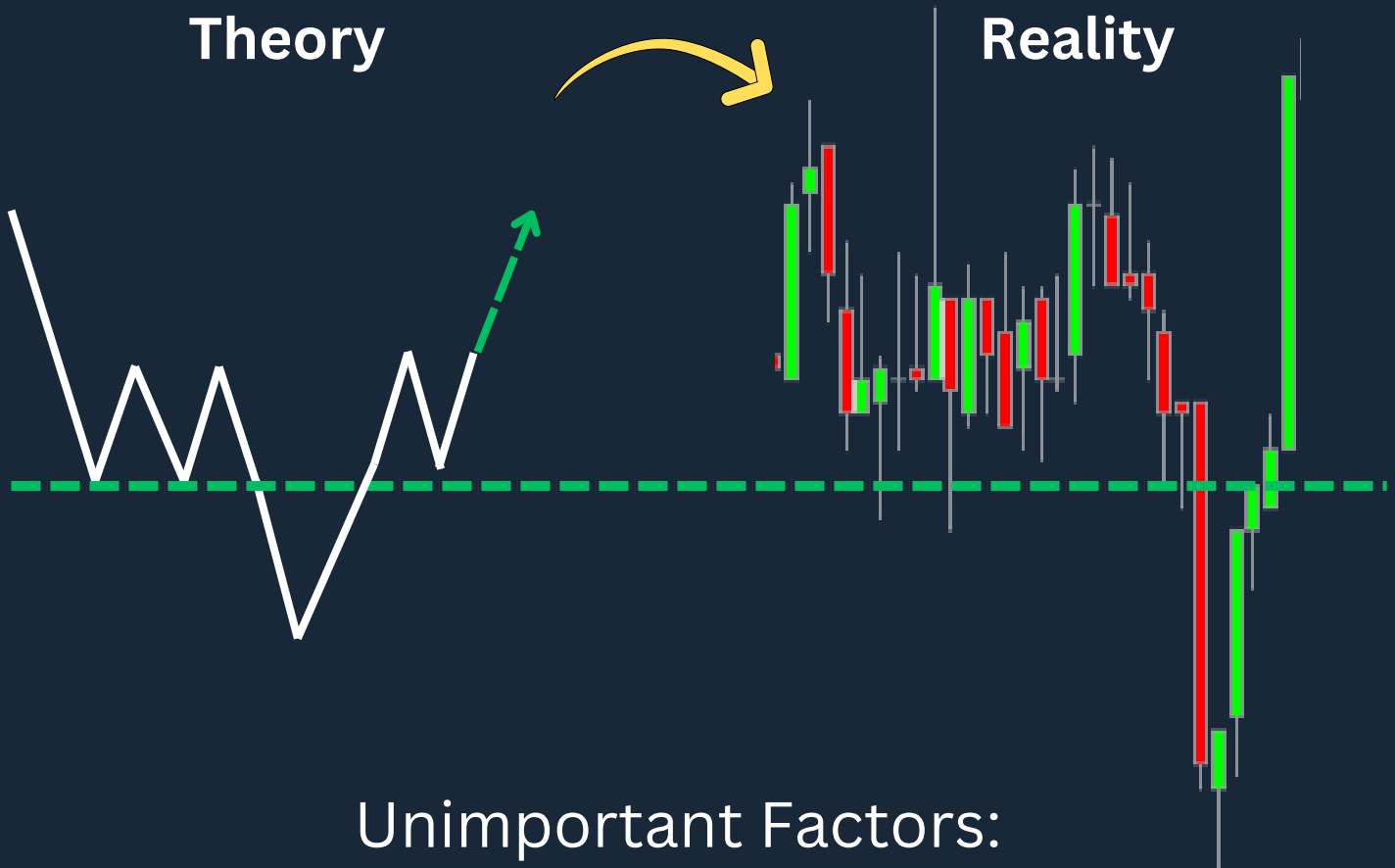


# Traps

**Bullish**

**Theory**

**Reality**



Unimportant Factors:

The volume of the breakout vs reversal doesn't matter the price movement and velocity is

This low doesn't need to break a major support/resistance zone but be near it and break the most recent chop before

\* These rules apply to the bearish version too.



# Reversal Candlestick Patterns



HAMMER



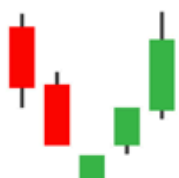
HANGING MAN



BULLISH ENGULFING



BEARISH ENGULFING



MORNING STAR



EVENING STAR



MORNING DOJI STAR



EVENING DOJI STAR



BULLISH BELT HOLD



BEARISH BELT HOLD



UPSIDE GAP TWO CROS



THREE WHITE SOLDIERS



# Reversal Candlestick Patterns



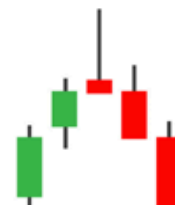
PIERCING LINE



DARK CLOUD



INVERTED HAMMER



SHOOTING STAR



BULLISH HARAMI



BEARISH HARAMI



BULLISH ENGULFING CROSS



BEARISH HARAMI CROSS



THREE BLACK CROWS



BULLISH MEETING LINE



BEARISH MEETING LINE



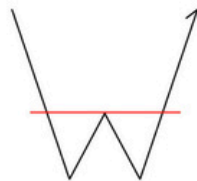
FLYPAT BOTTOM



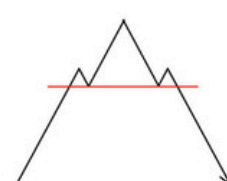
# Common Trading Patterns



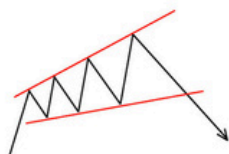
Bearish Double Top



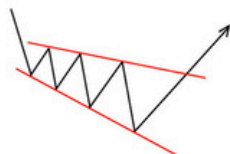
Bullish Double Bottom



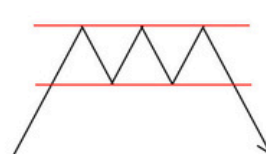
Bearish Head and Shoulders



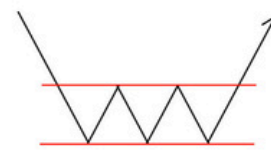
Bearish Expanding Triangle



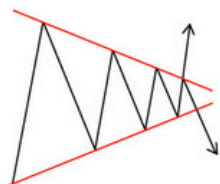
Bullish Expanding Triangle



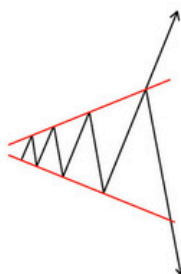
Bearish Triple Top



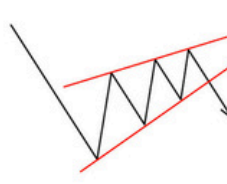
Bullish Triple Bottom



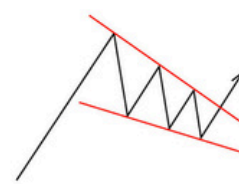
Symmetrical Triangle



Symmetrical Expanding Triangle



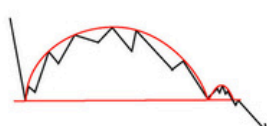
Bearish Rising Wedge



Bullish Falling Wedge



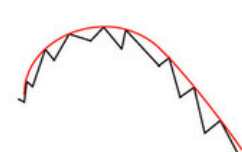
Cup with Handle



Inverse Cup with Handle



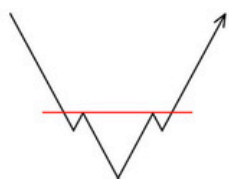
Ascending Scallop



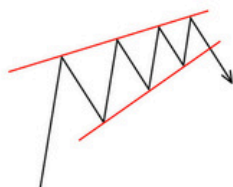
Descending Scallop



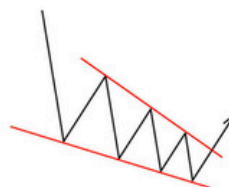
# Common Trading Patterns



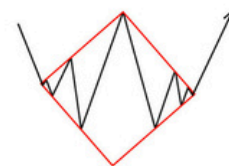
Bullish Inverted Head and Shoulders



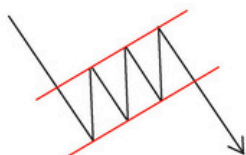
Bearish Rising Wedge



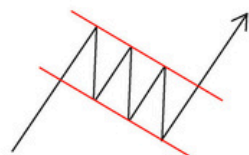
Bullish Falling Wedge



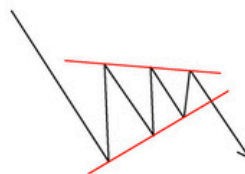
Diamond Bottoms



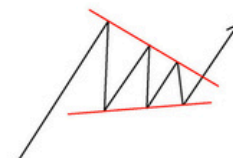
Bearish Flag



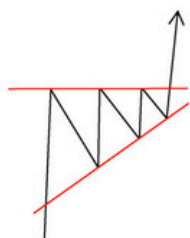
Bullish Flag



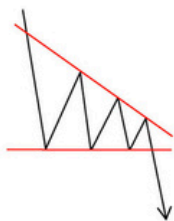
Bearish Pennant



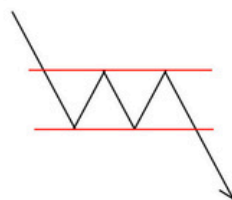
Bullish Pennant



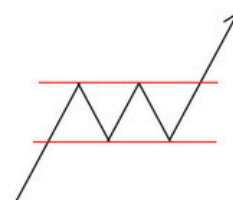
Ascending Triangle



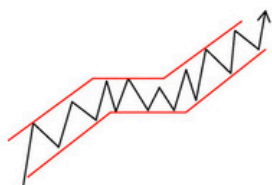
Descending Triangle



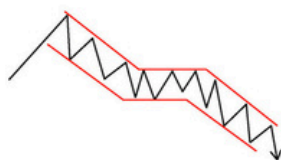
Bearish Rectangle



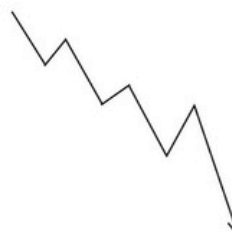
Bullish Rectangle



Measured Move Up



Measured Move Down

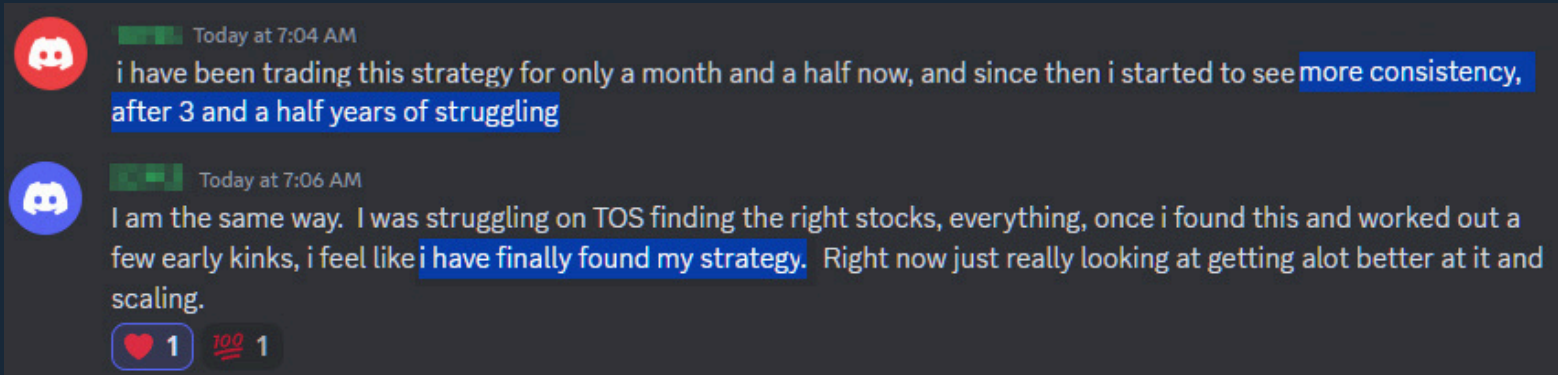


Bearish Trend

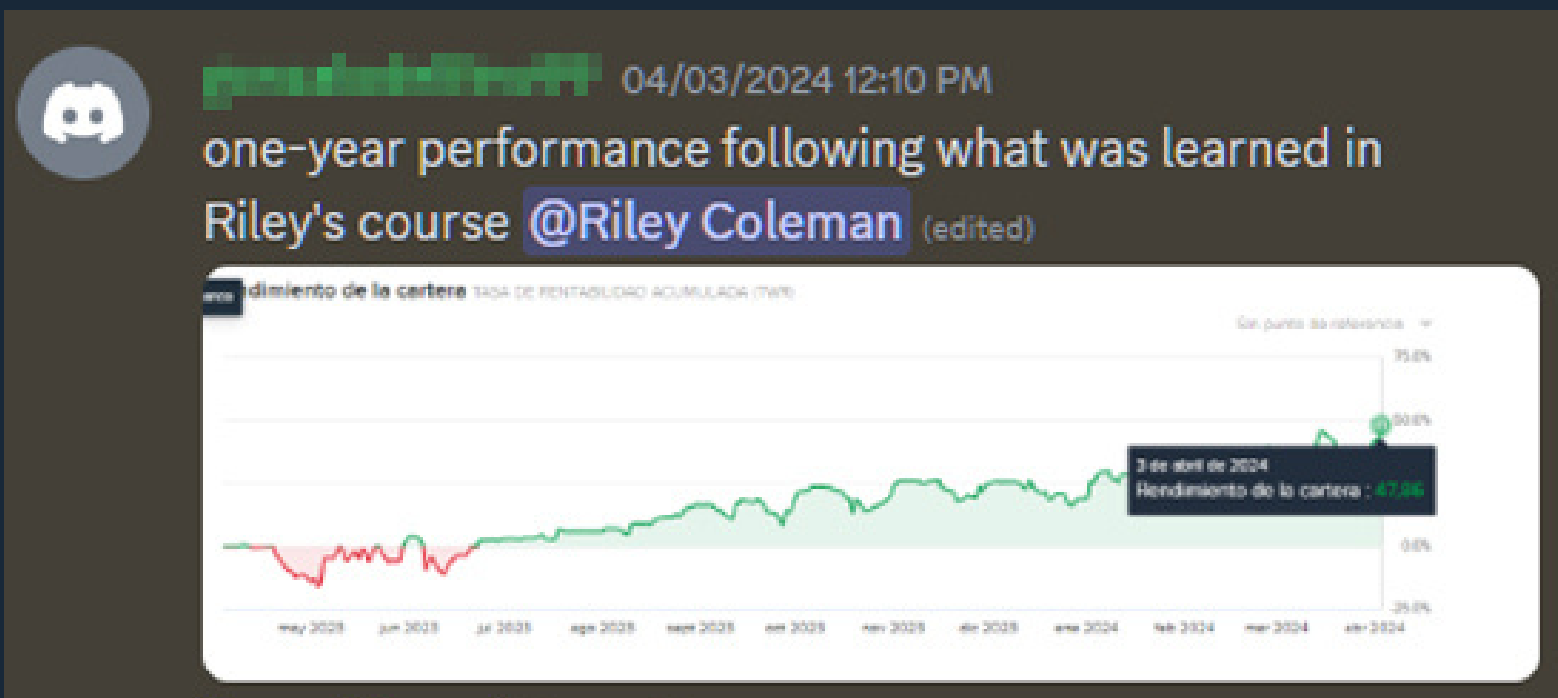


Bullish Trend

Knowing these patterns is just the first step in your journey. Don't get stuck in the learning loop like many traders. I will help you stay out and break the losing cycle just like I did for these two students below.



Traders learning my strategy have been able to see insane success in their trading. This student below made 47% return on their account in the first year.



The biggest help to all of these traders was being a part of a trading community to get help from me and others. Also I post trades and levels I'm watching so if you are new you can follow along until you become more confident. Click the link below to learn more!

**[Accelerate Your Trading Journey](#)**