Sign of strengths

1. Big gap opening on the day
2. There are trending highs and lows (swings)
3. Most of the bars are trend bars in the direction of trend.
4. There is very little overlap of the bodies of consequtive bars. Some bars have lows that are at and not below close of prior bar. So traders buying at limit order do not get their ore filled and they need to buy higher
5. There are bars with no tails or small tails in either direction. indicating urgency. In a bull trend, bar opens at its low tick and trends up. Traders continued their buying even at the top of bull bar in anticipation that would enter the market

other buyers [illegible]
if they miss they have to buy at higher price.

⑥ occasionally, there are gaps between the bodies (for example, the open of a bar might be above the close of the prev bar in a bull trend)

⑦ A breakout gap appears in the form of a strong trend bar at the start of the trend.

⑧ Measuring gap ~~[illegible]~~ occurs where the breakout test does not overlap the breakout point. For example, the pullback from a bull breakout does not drop below the high of bar where breakout occured.

⑩ No big dimples appear

⑪ Not many large bars appear (Not even large trend bars).
(Not even [illegible] trend bars are

often, the largest [illegible] countertrend, trapping traders into looking for countertrend trends and missing with trend trades. The countertrend setup almost always look better than the with-trend setups.

(12) No significant trend channel line overshoot occur, and the minor ones result in only sideways corrections.

(13) There are sideways correction after trend line break.

(14) Failed wedges and failed reversal occurs.

(15) There is a sequence of 20 moving average gap bars (20 or more consequtive bars that does not touch the moving average

(16) Few if any countertrend trades are found

(17) There are small, infrequent and [illegible] pullback. e.g. [illegible]

mostly sideways.

Emini average range is 12 points the pullback will all likely be less than three or 4 points, and the market often goes ~~[illegible]~~ bars more without pullback.

(18) There is a sense of urgency. you find ~~yourself~~ waiting through countless bars for a good with-trend pullback and one never comes, yet the market slowly continued its trend.

(19) The pullbacks have strong setups. For example the high1 and high2 pullbacks in a bull trend have strong bull reversal bars for signal bars.

(20) Repeated 2-legged pullbacks are setting up with trend entries.

(21) No two ~~[illegible]~~ consecutive trend bars ~~[illegible]~~ occur on the opposite ~~[illegible]~~ average.

closes [illegible]
side of the [illegible]

(22) The trend goes very far and breaks several resistance levels, like the moving average, prior swing highs, and trend lines, and each by many ticks

(23) Reversal attempts in the form of spikes against the trend have no follow through, fail and become flags in the direction of trend.

The more of the following characteristics that a bull breakout has, the more likely the breakout will be strong.

(1) The breakout bar has a large bull trend body and small tails or no tails, the larger the bar more likely the breakout will succeed.

[illegible] breakout

(2) If the volume of the large breakout bar is 10 to 20 times the average volume of recent bars, the chance of follow-through buying and a possible measured move increases

(3) The spike goes very far, clasts several resistance levels, like the moving average, prior swing highs and trend lines and each by many ticks

(4) As the first bar of the breakout bar is forming, it spends most of the time at its high and the pullbacks are small (less than quarter of the growing bar).

(5) There is a sense of urgency you feell like you have to buy but you want a pullback, yet if never comes

never

(6) The next two three bars are also have bull bodies. Even if bodies are relatively small and the tails are prominent, if the follow-through bar (the bar after the initial breakout bar) is large, the odds of the trend continuing are greater.

(7) The spike grows to 5 to 10 bars without pullback for more than a bar or so.

(8) One or more bars in the spike have an open that is above the close of the prior bar

(9) One or more bar in the spike has close at its high or just one tick below its high.

(10) The low of the bar after a bar is at or above

bull trend bar

the high of the bar before the bull trend bar, creating a micro gap. which is sign of strength.

(11) The overall context makes a breakout likely. the resumption of a trend after a pullback, or a higher low or lower low test of bear low after a strong break above the bear trend line

(12) The market has had several bull trend days recently.

(13) There is a growing pressure in the trading range, represented by many large bull trend bars and the bull trend bars clearly more prominent than the bear trend bars in the range

(14) [illegible] pullback occurs only

(14) The first pull
after three or more bars of
breaking out

(15) The first pullback lasts only
one or two bars and it follows
a bar that is not a strong
bear reversal bar.

(16) The first pullback does not reach
the breakout point and does not
hit a breakeven stop (the entry
price)

(17) The breakout reverses many recent
closes and highs, For example, when
there is a bear channel and a large
bull bar forms, this breakout bar
has a high and close that are
above the highs and close of five
or even 20 or more bars. A large
number of bars reversed by the
close of the bull bar is a stronger
bar number of

sigh than a similar
bars reversed by the high.

The more of the following characteristics that a bear breakout has, the more likely the breakout will be strong.

Here are a number of characteristics that are common in strong bull reversals:

1. there is a strong bull bar with a large bull trend body and small tails or no tails
2. The next two or 3 bars also have bull bodies that are at least the average size of the recent bull and bear bodies.
3. The spike grows to 5 to 10 bars without pulling back for more than 1-2 bars and it reverses many bars. [illegible] bull and bear flags of

swing highs, and

prior bear trend.

(4) one or more bars in the spike have a low that is at or just one tick below the close of the prior bar.

(5) one or more bars in the spike have an open that is above the close of the prior bar

(6) one or more bar has close near its high or just 1 tick below its high.

(7)