The background of the left half of the image features a complex financial chart. It includes a line graph at the top with several data points labeled: 1.7855, 1.7810, 1.7765, and 08.47. Below the line graph is a candlestick chart with various bars, some of which are circled. A vertical line is also present near the bottom center of the chart area.

# PAPA CONCEPTS Part 2



**BECOME A PRO**  
MONEY WILL FLOW

**FOCUS =  
SUCCESS!**

# PAPA

by  
**Avadhut Sathe**



**PAY ATTENTION**  
to  
**PRICE ACTION**



# PAPA Concept Part 2

## INDEX

Combining Candles.....	4
Understanding Support/Resistance.....	5
Counter Attack.....	9
Dominance in a Flag.....	11
Sandwich Pattern.....	12
Accumulation.....	13
Distribution.....	14
Tweezers.....	15

# Art of Combining Candles

- Candlestick patterns are a direct reflection of the strength of the buyers and sellers.
- These candlestick patterns (Bullish & Bearish) sometimes fail, trapping bulls and bears as the price moves in an unexpected direction. Combining candles sometimes provide clarity to what the market could be doing.
- Combining multiple candles into one also helps to know what candlestick is being printed on the higher timeframe.
- You already know the 4 important components of a candle → **Open-High-Low-Close**. To combine candles also we would need the same components.
- Below mentioned are the steps to follow to combine candles:
  - i. **Open** - Open will always be the open of the first candle.
  - ii. **High** - High will be the highest level that the price touched among the candles you are trying to combine.
  - iii. **Low** - Low will be the lowest level that the price touched among the candles you are trying to combine.
  - iv. **Close** - Close will always be the close of the last candle.

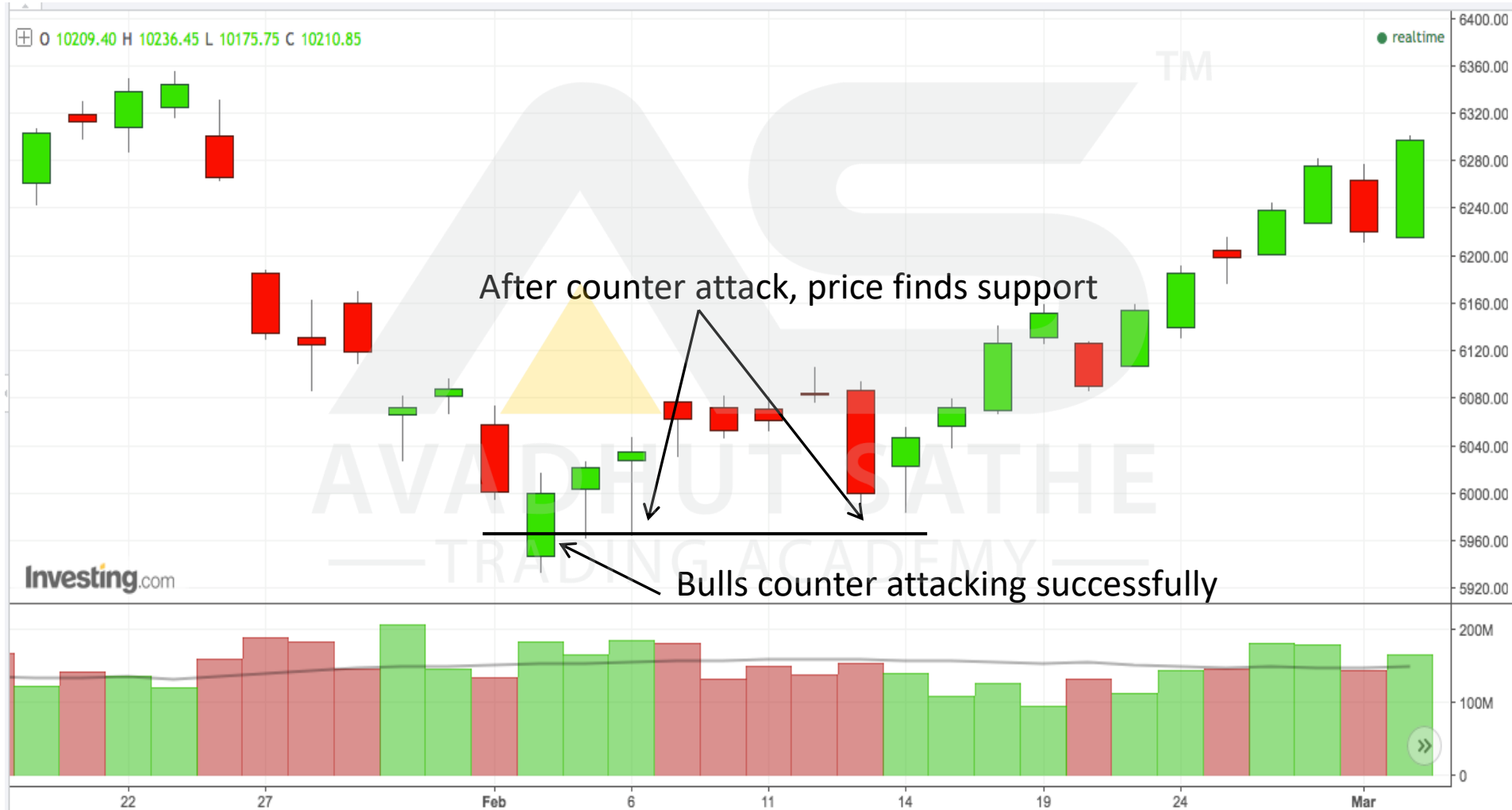
# Understanding Resistance & Support

**Candles that help you arrive at support and resistances:**  
Hammers, Shooting star, Candles with Long Shadows,  
Gravestone Doji, Long Legged Doji



# Bull Counter Attack

## Nifty 50 – Bull Counter Attack



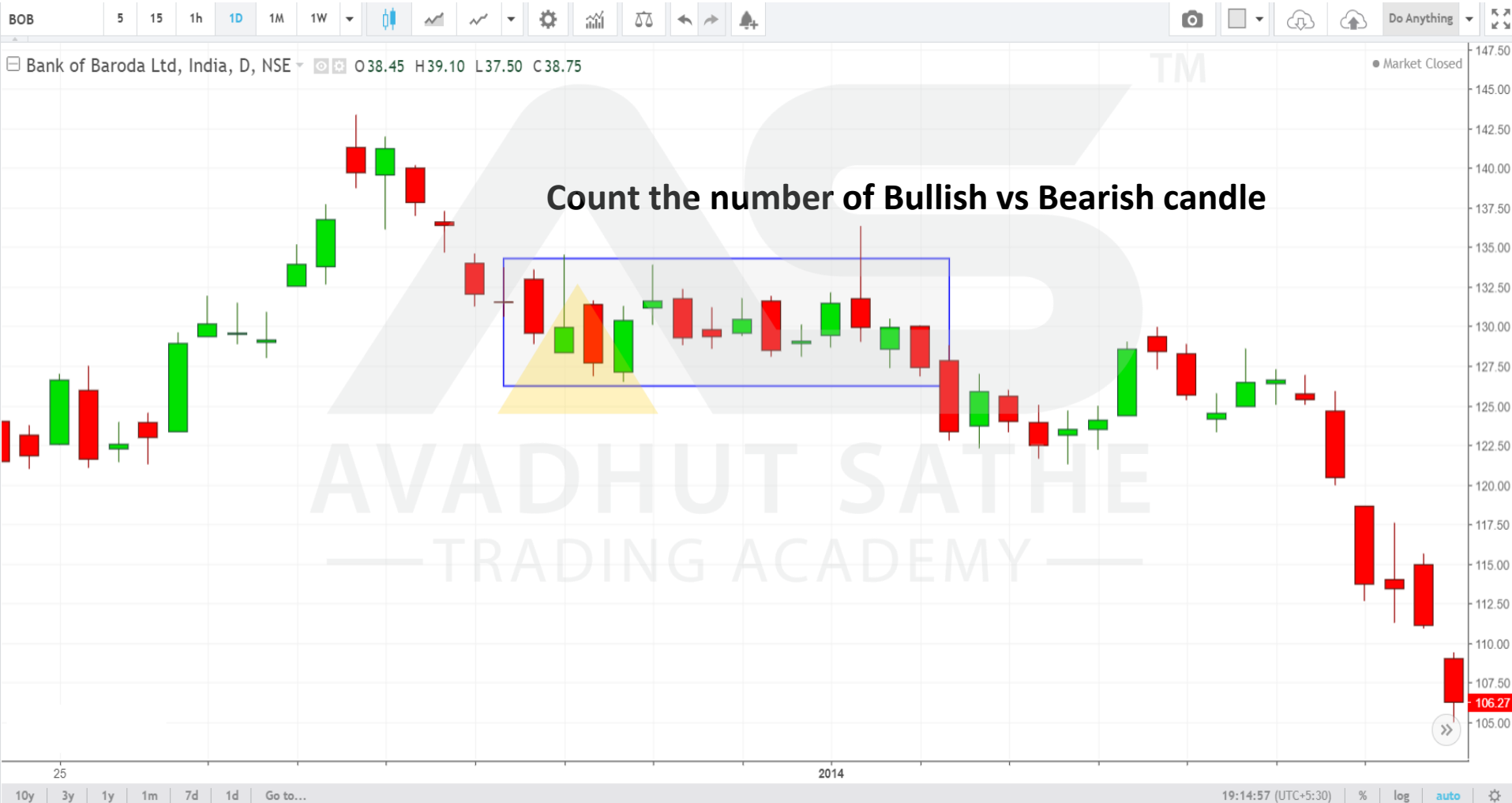
# Bear Counter Attack

## Nifty 50 – Bear Counter Attack



# Identifying Dominance in a Flag

## Bank of Baroda – Daily chart

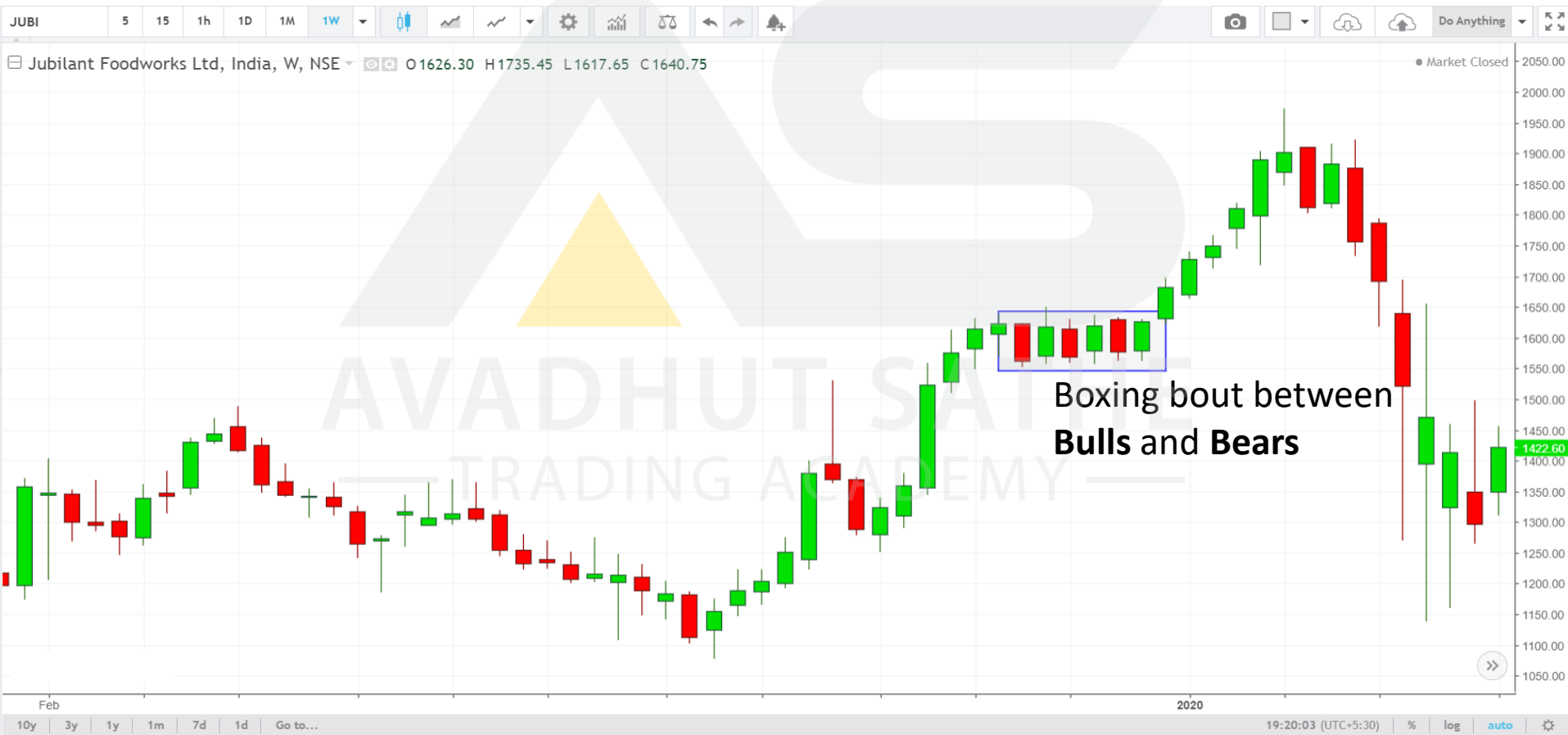




# Sandwich Pattern

- Sandwich pattern is a combination of Red-Green-Red-Green candles.
- The colour sequence is mostly alternate (Red v/s Green) and there is no limitation to number of candles too.

Jubilant Foodworks – 2019 weekly chart



# Accumulation at the Bottom

- It means that the particular asset is being accumulated or bought.
- Accumulation can be generally identified by a sideways action with many neutral candles at the bottom/support and no major follow-up on the downside.

## Reliance Industries: Daily chart early 2014



# Distribution at the Top

- It means that the particular asset is being distributed/sold. In other words, players getting out of their existing investments.
- Distribution can be generally identified by a sideways action with many neutral candles at the top/resistance with no major follow-up on the upside.

**Mind Tree: Weekly chart early 2019**



# Tweezers

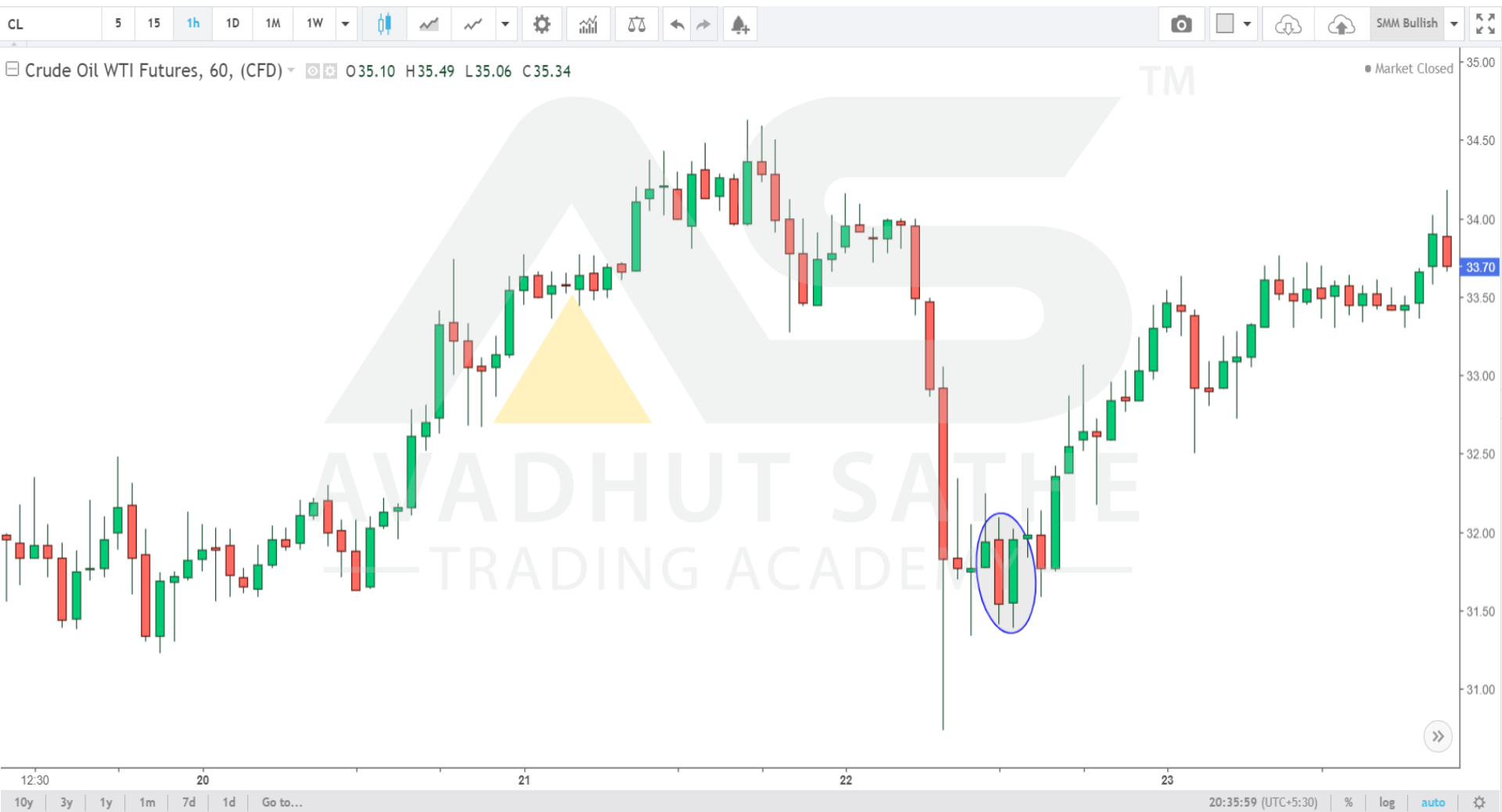
- Tweezers found at the top or bottom of a trend may indicate reversal.
- Topping occurs when the highs of the Tweezers are at almost the same level. Similarly, bottoming occurs when the lows of the Tweezers are at almost the same level.

## Reliance Infrastructure – Hourly chart



# Tweezers

## Crude Oil – Hourly chart



**Ready for Question & Answers...!!??**



# Our Motto at



**ALL-FOR-ONE  
ONE-FOR-ALL**

**DEVELOPING CHARACTER THAT DESERVES SUCCESS!**