Twitter Thread by Aditya Todmal

Aditya Todmal
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Directional Traders are good at spotting patterns.

But 98.8% of the new traders, don't know how to spot patterns.

I analyzed @niki_poojary 's account, to learn the most important patterns to master.

Here are the 8 of the most important patterns: ■

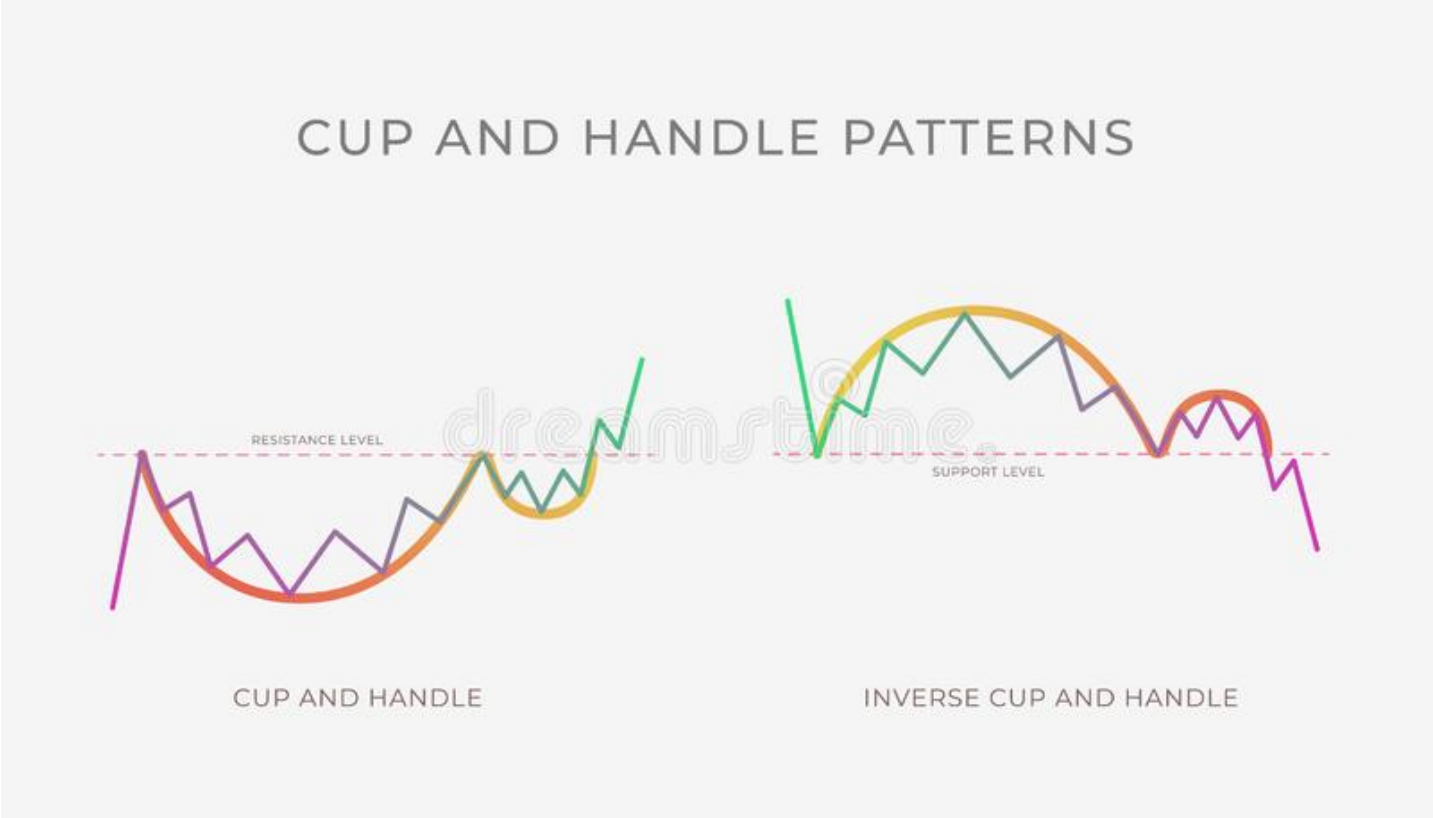
@niki_poojary 1/ Cup and handle Pattern

Happens during an uptrend.

The cup portion has a U-shaped appearance.

The bears are getting weaker as they are unable to drive the prices below the last low.

Subhasish Pani uses this a lot in stocks to spot bullish trades.



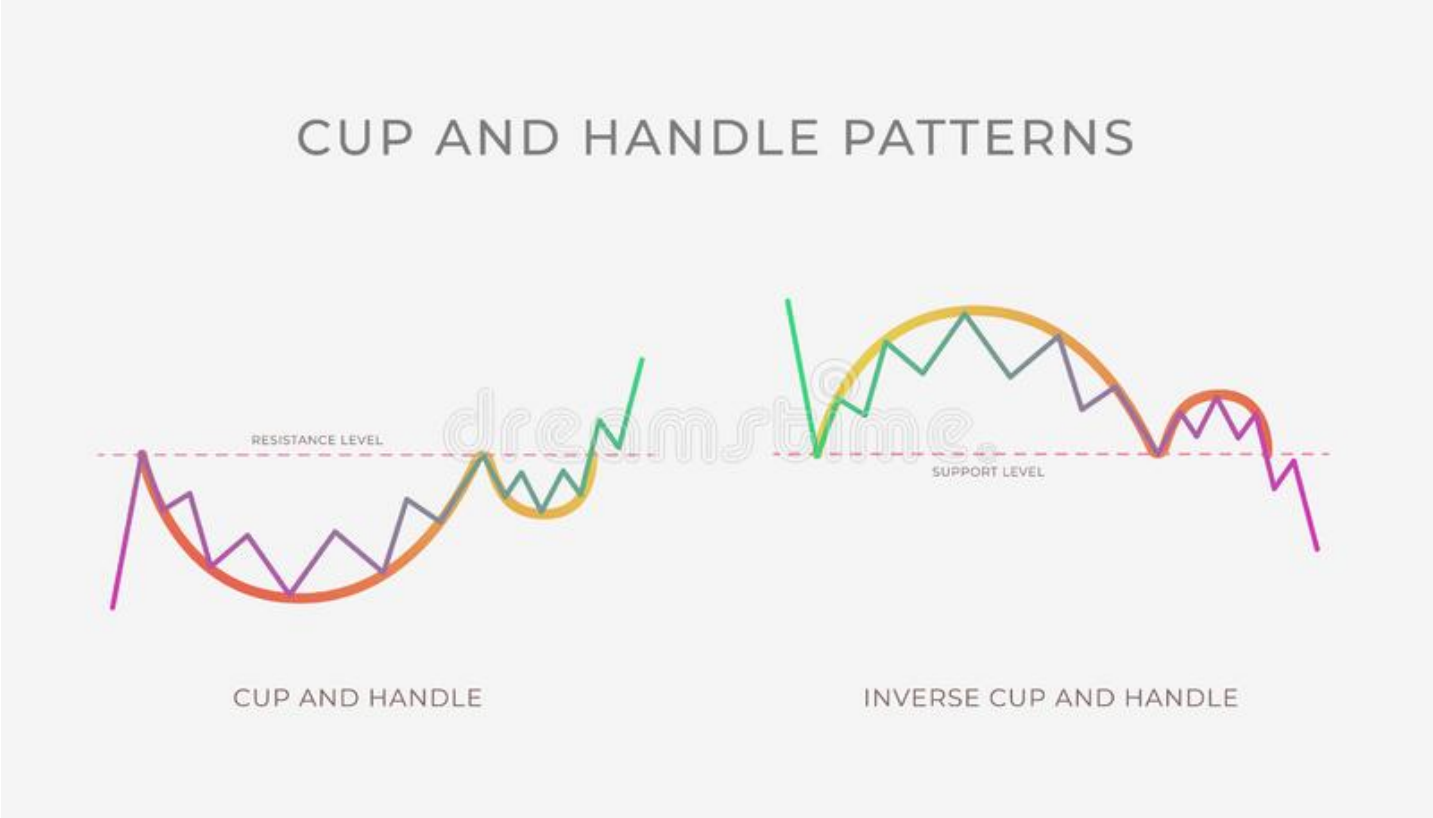
@niki_poojary 2/ Inverse Cup and Handle Pattern

Happens during a downtrend.

The cup portion has a reverse U-shaped appearance.

The bulls are getting weaker as they are unable to drive the prices above the last high.

Subhasish Pani uses this a lot in stocks to spot bearish trades.

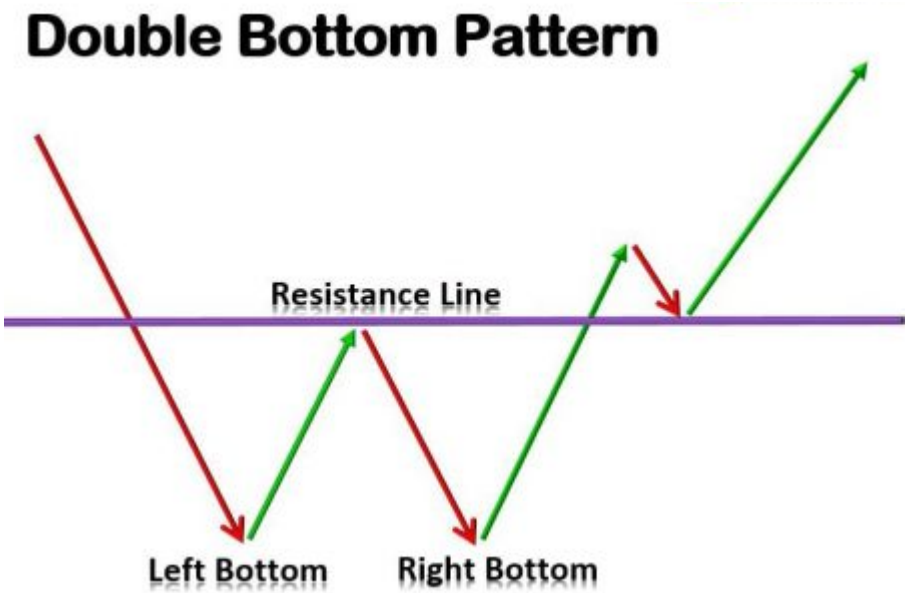


@niki_poojary 3/ Double Bottom Pattern

It is a bullish pattern that has the shape of a "W".

The market tries twice to break the lows but is unsuccessful.

This is a reversal pattern to observe during a downtrend for a bullish trade.



@niki_poojary 4/ Double Top Pattern

It is a bearish pattern that has the shape of an "M".

The market tries twice to break the highs but is unsuccessful.

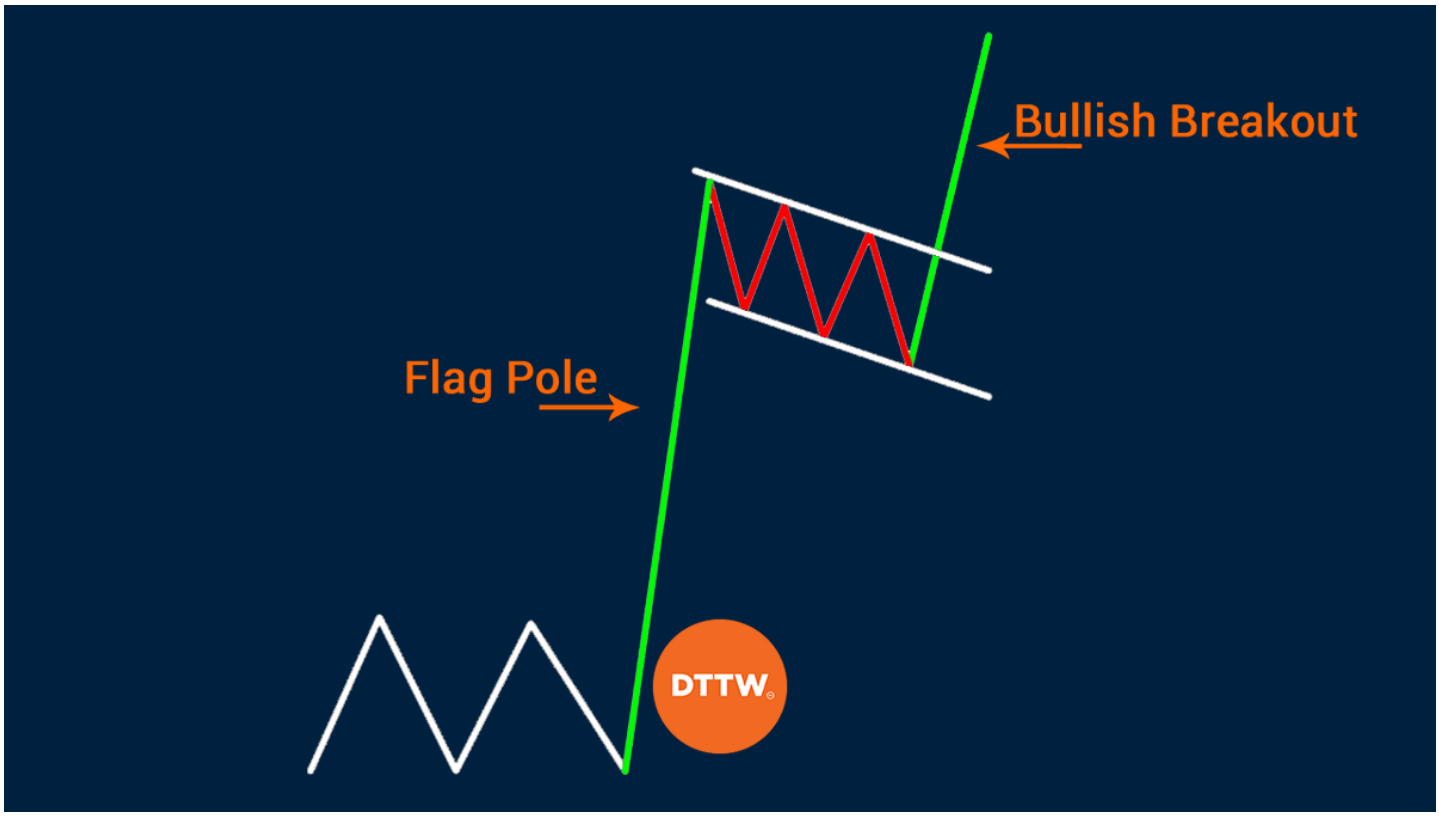
This is a reversal pattern to observe during an uptrend for a bearish trade.

@niki_poojary 5/ Bullish Flag Pattern

Happens after a trending move.

After constant lower lows in a downward sloping rectangle, the market breaks out.

These patterns are very powerful if the down move is still higher than 50% of the distance of the up move.

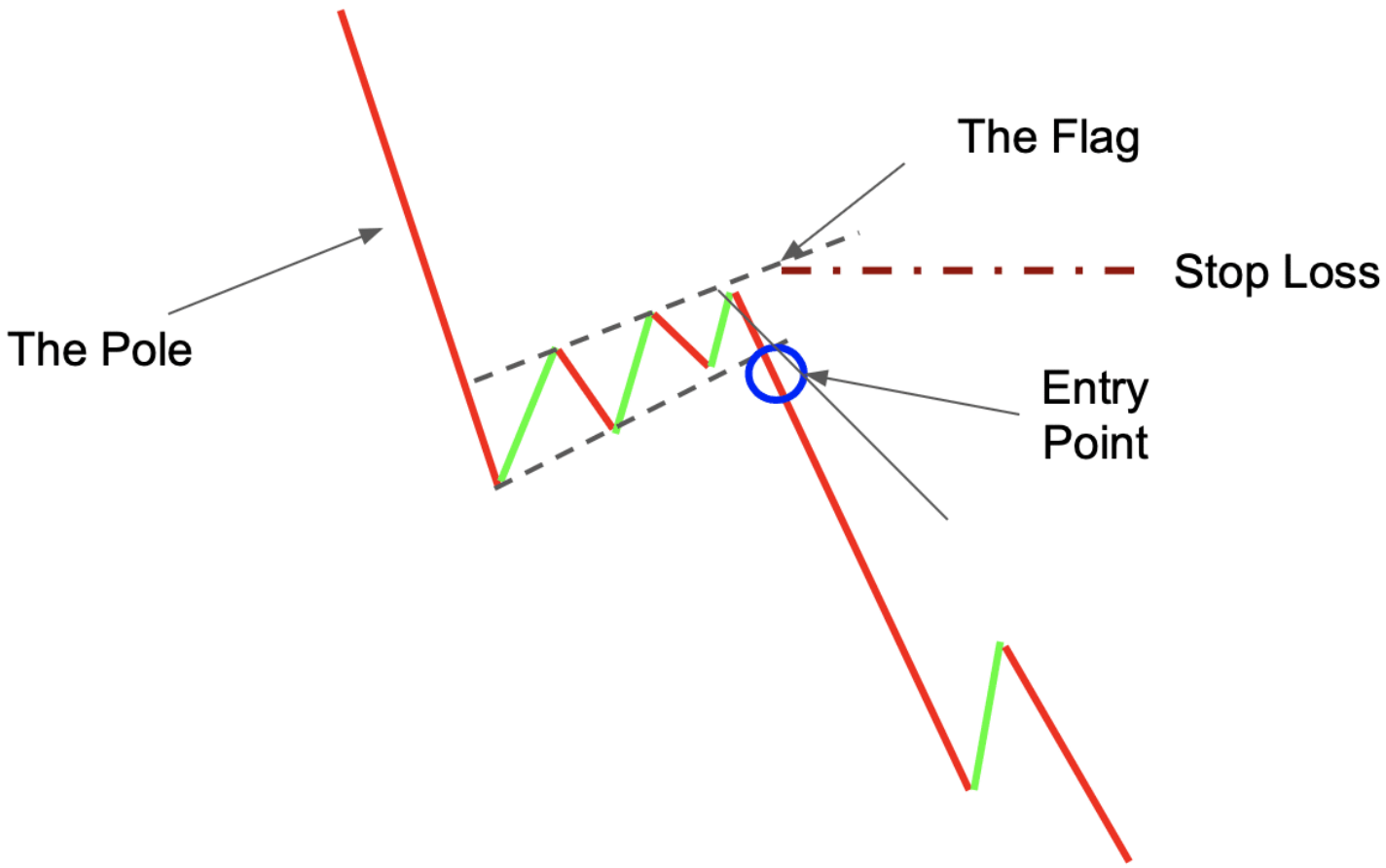


@niki_poojary 6/ Bearish Flag Pattern

Happens after a trending move.

After constant higher highs in an uptrend-sloping rectangle, the market breaks down.

These patterns are very powerful if the up move is still lower than 50% of the distance of the down move.



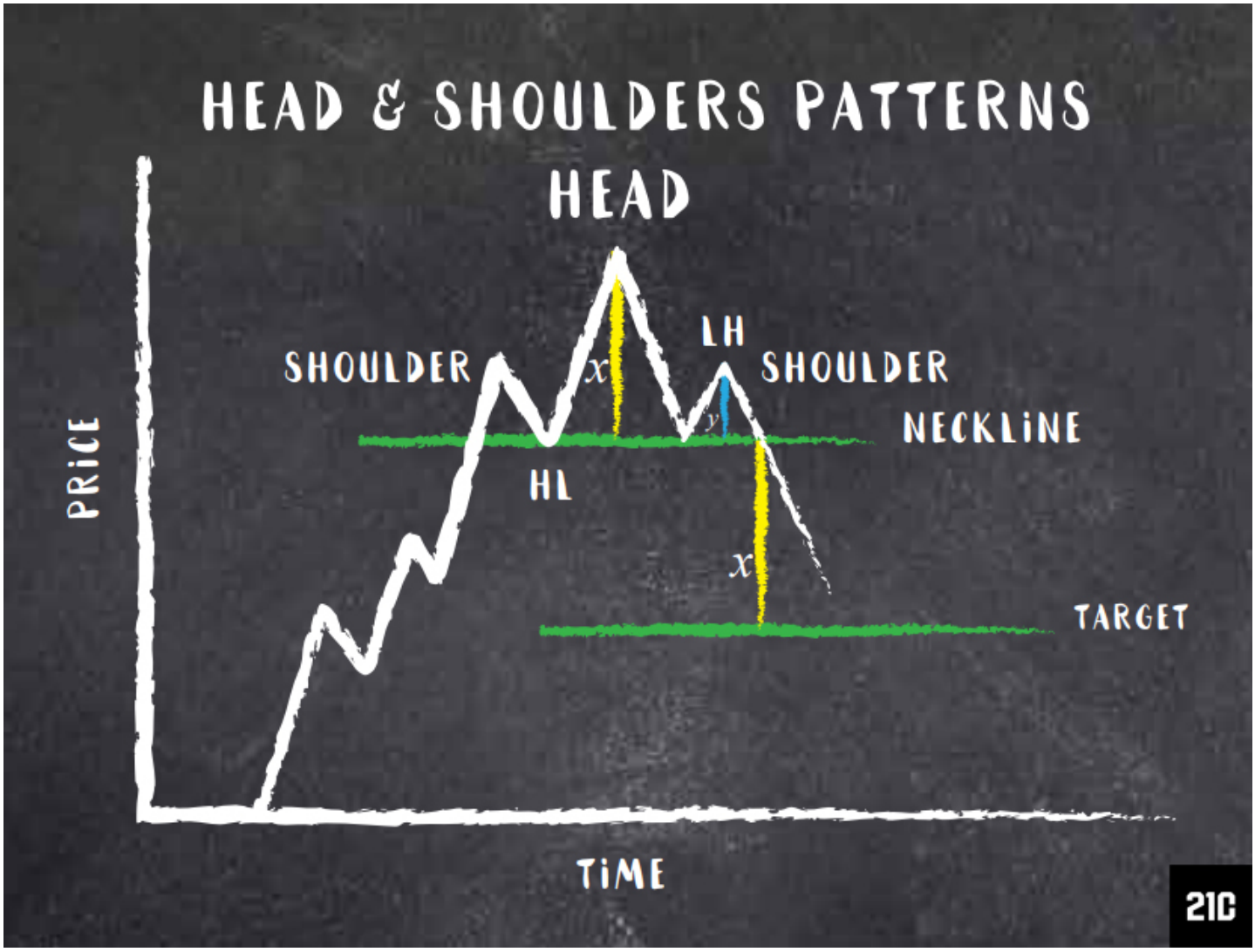
@niki_poojary 7/ Head and Shoulders Pattern

Signifies a change from a bullish to a bearish trend.

The bullish momentum is reducing as bulls are not able to take out their highs with force.

Bears are fully in control.

We look for a trade below the breakdown of a support in such patterns.



@niki_poojary 8/ Inverse Head and Shoulders Pattern

Signifies a change from a bearish to a bullish trend.

The bearish momentum is reducing as bears are not able to take out the lows with force.

Bulls are fully in control.

We trade above the breakout of a resistance in such patterns.

@niki_poojary If you really liked this thread

Here's another we think you'd love: https://t.co/l7vakmDdLB

> There are so many tools related to trading.
>
> But very few provide any real value.
>
> Here are 7 of the most valuable FREE Tools you're not using (but should be): \U0001f9f5
>
> Collaborated with @niki_poojary
>
> — Aditya Todmal (@AdityaTodmal) July 9, 2022