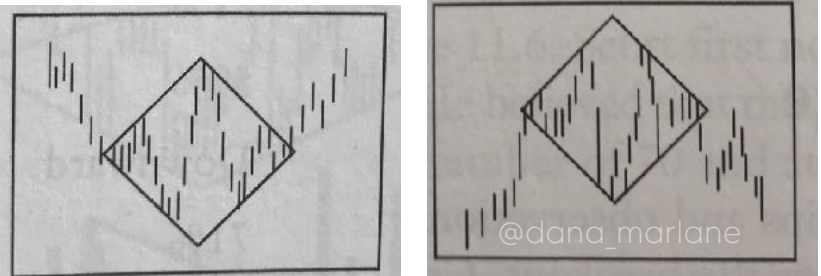
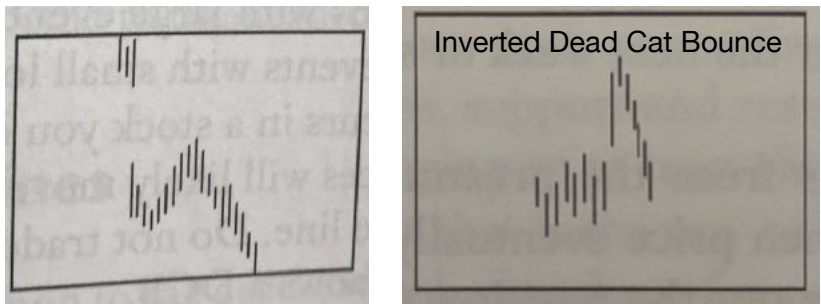
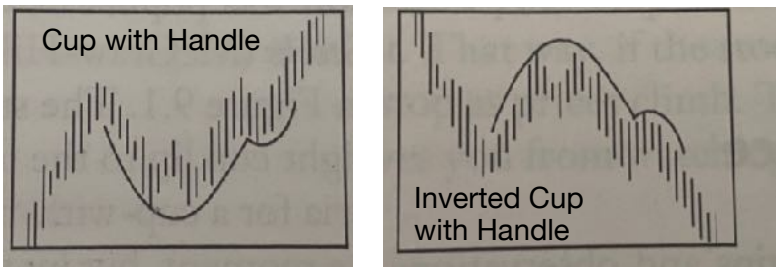
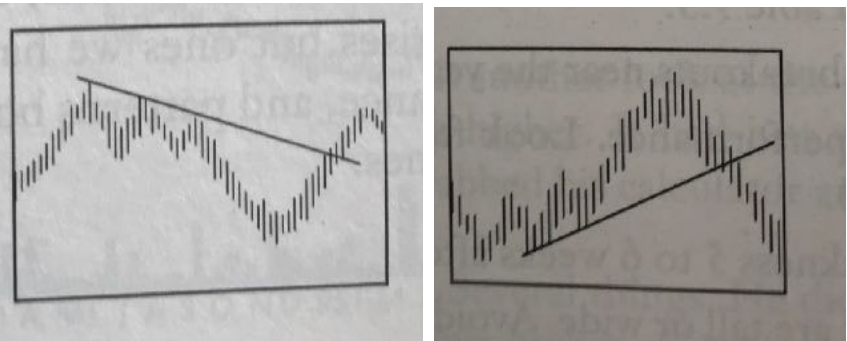
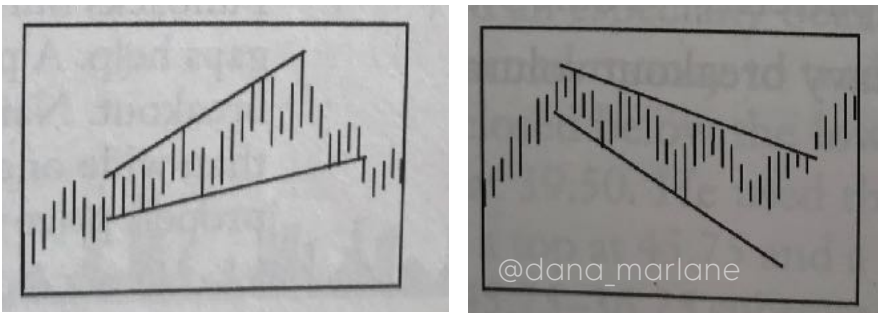
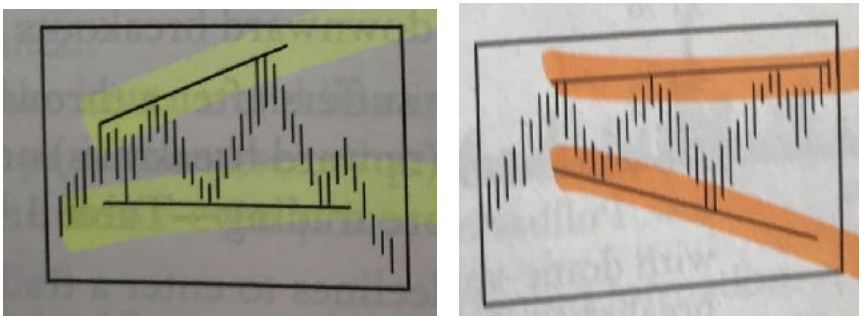
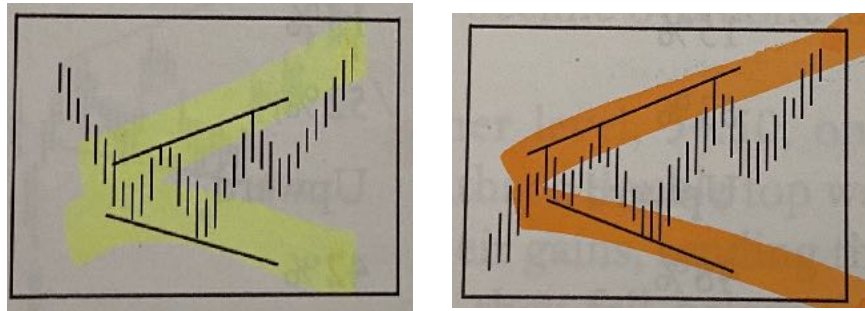


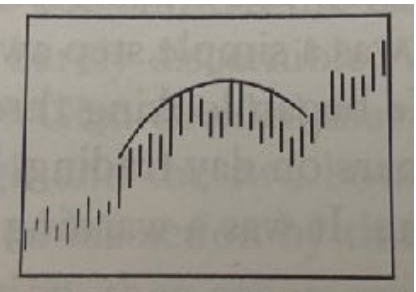
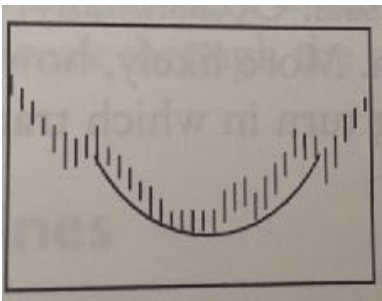
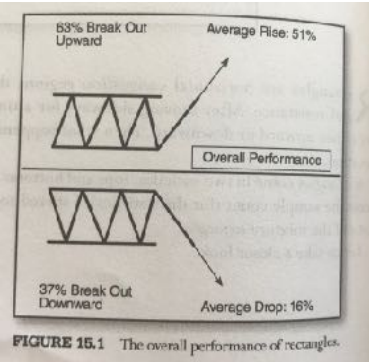
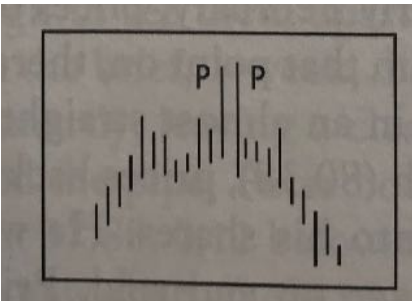
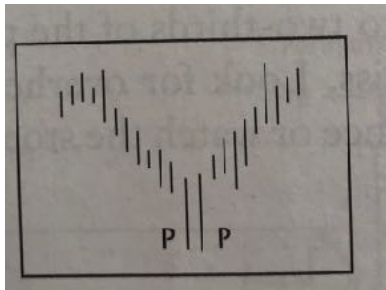
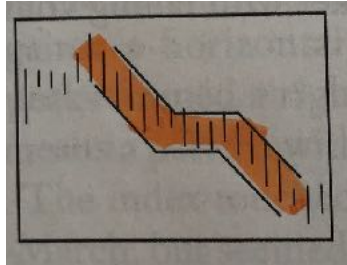
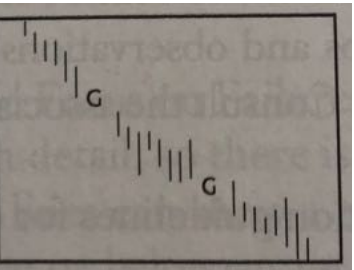
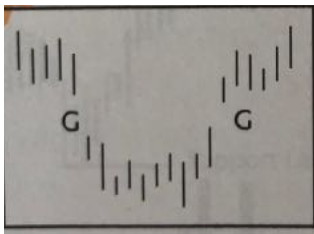
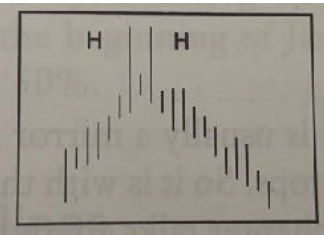
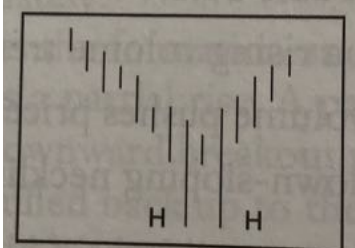
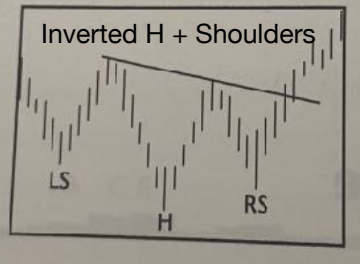
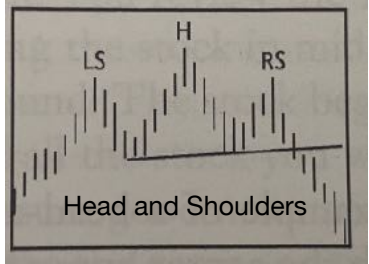
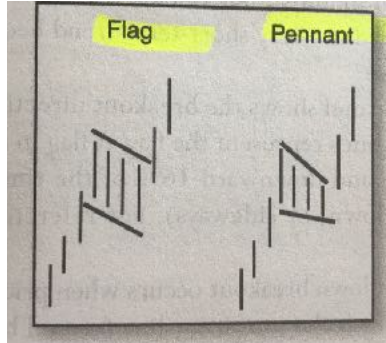
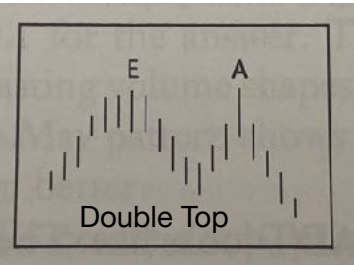
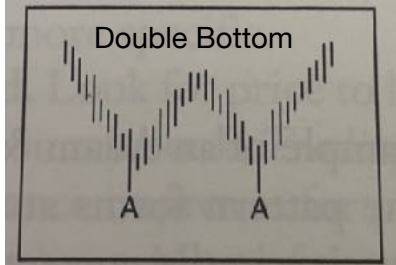
# ENCYCLOPEDIA OF CHART PATTERNS

Dana McDonald, RD, LD.    rebelRD.com    @dana\_marlane

	Bullish or Bearish	Average Move (Bull Market)	Change After Trend Ends	Average Move (Bear Market)	Change After Trend Ends	Notes	Page
Broadening Bottom	Bullish	27%	-34%	21%	-35%	Price trends upward into formation. Breakouts can occur in any direction (upward 60% of the time).	11
Broadening Tops	Bullish	29%	-33%	24%	-33%	Price trends upward into formation. Breakouts can occur in any direction (upward 60% of the time).	63
Broadening Formation, Right-Angled, Ascending	Bearish	29%	-31%	15%	-38%		28
Broadening Formation, Right-Angled, Descending	Bullish	28%	-26%	23%	-35%	@dana_marlane	45
Broadening Wedges, Ascending	Bearish	38%	-31%	18%	-30%	Minimum 3 weeks. Must have at least 5 touches.	81
Broadening Wedges, Descending	Bullish	33%	-33%	24%	-32%	Minimum 3 weeks. Must have at least 5 touches.	98
Bump and Run, Reversal Bottoms	Bullish	38%	-29%	31%	-34%		115
Bump and Run, Reversal Tops	Bearish	-19%	53%	-27%	48%		132
Cup with Handle @dana_marlane	Bullish	34%	-30%	23%	-34%		149
Cup with Handle, Inverted	Bearish	16%	56%	26%	54%		164
						@dana_marlane	
Dead Cat Bounce	Bearish	-31%, 28, -30		-35, 35, -40%			829
Dead Cat Bounce, Inverted	Bearish					Price jumps 5-20% or more in one session. Price makes higher high the next day but remains lower for a period of time after. Sell the day after the initial rise.	844
Diamond Bottom	Bullish	36%	-33%	36%	-36%		179
Diamond Top	Bearish	27%	-29%	33%	-34%		196
Double Bottom, Adam and Adam	Bullish	35%	-33%	24%	-32%	Performance improved for patterns with a lower right bottom. Difference between bottoms should be 2-5%. Price fails to confirm 44% of the time.	213
Double Bottom, Adam and Eve	Bullish	37%	-33%	33%	-35%		229
Double Bottom, Eve and Adam	Bullish	35%	-31%	23%	-36%		244
Double Bottom, Eve and Eve	Bullish	40%	-31%	24%	-34%		259
Double Top, Adam and Adam	Bearish	19%	54%	19%	47%		275
Double Top, Adam and Eve	Bearish	18%	50%	22%	43%		291
Double Top, Eve and Adam	Bearish	15%	54%	24%	51%	@dana_marlane	307
Double Top, Eve and Eve	Bearish	18%	63%	25%	45%		321

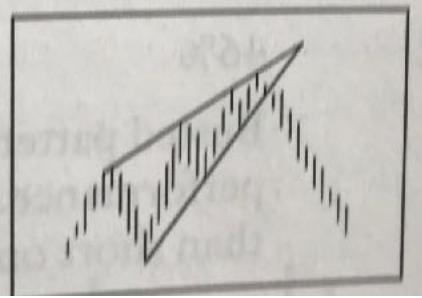
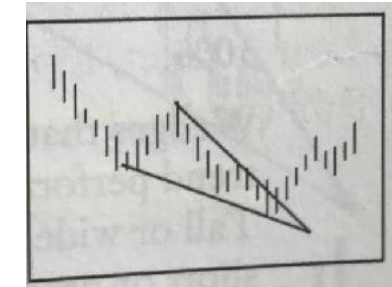
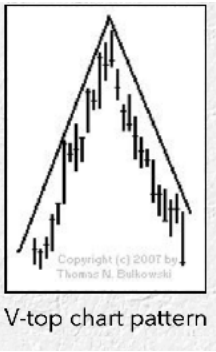
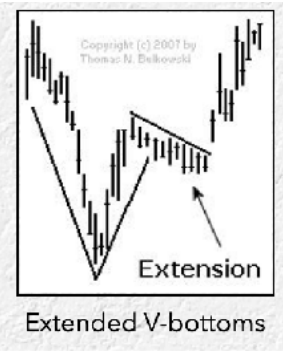
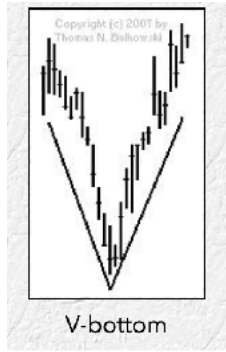
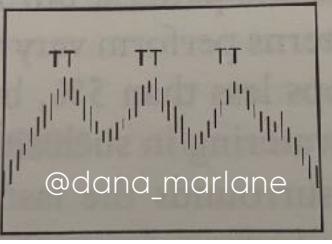
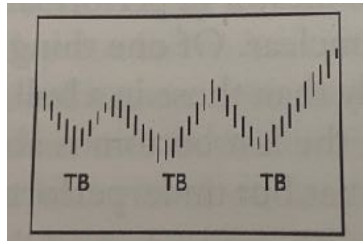
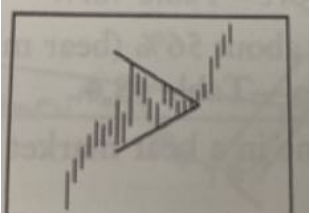
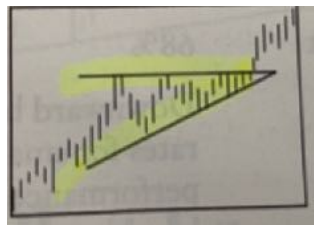
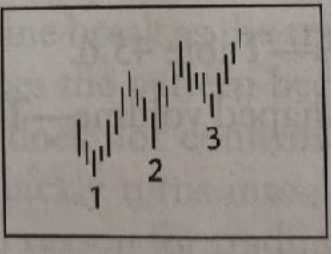
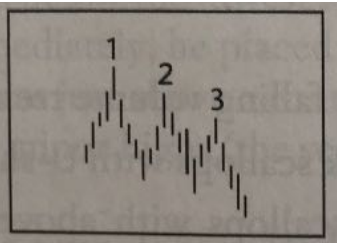
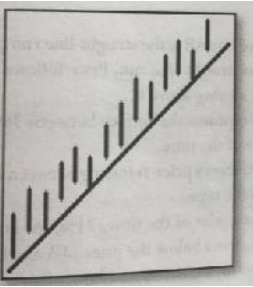
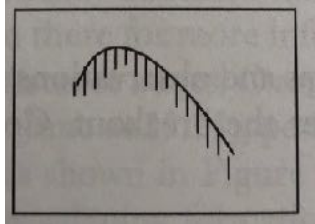
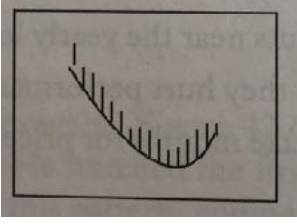
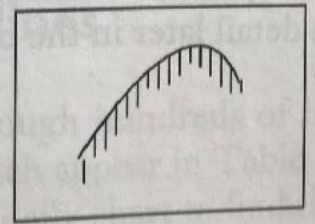
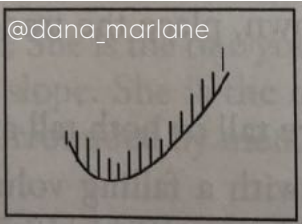


	Bullish or Bearish	Average Move (Bull Market)	Change After Trend Ends	Average Move (Bear Market)	Change After Trend Ends	Notes	Page
Flags	@dana_marlane Either	23%	-22%	17%	-25%	Use Daily Chart. Looks like a small rectangle often tilted against the prevailing price trend. Flags are short, less than 3 weeks long. Patterns longer than that are rectangles or channels.	335
Pennants	Either	25%	-25%	21%	-24%	Use Daily Chart. Looks like a short symmetrical triangle. Pennants are short, less than 3 weeks long. Patterns longer than that are symmetrical triangles, or wedges.	522
Head and Shoulders	Bearish	22%	51%	29%	45%		405
Head and Shoulders, Inverted	Bullish	38%	-31%	30%	-33%		374
Horn Bottoms	Bullish	35%	-32%	27%	-37%	Use weekly chart. Looks like an inverted steer's horn, two parallel price spikes separated by a week. Price confirms when price closes above highest high in 3-week pattern. Horns in downtrends are common.	438
Horn Tops	Bearish	21%	51%	22%	47%	Use weekly chart. Looks like an inverted steer's horn, two parallel price spikes separated by a week. Price confirms when price closes below lowest low in 3-week pattern. Horn tops are rare in bear market.	451
Island Reversal, Bottom	Bullish?	23%	-28%	21%	-37%	Unreliable formation, in my experience.	465
Island Reversal, Top	Bearish	-17%	45%	-23%	?		464
Islands, Long	Bullish	31%	-35%	25%	-37%	@dana_marlane	480
Measured Move Down (ABC wave)	Bearish	-27, -48, -25%		-36, -44, -36%			496
Measured Move Up (ABC wave)	Bullish	46, 47, 32%		39, 50, 35%			510
Pipe Bottoms	Bullish	45%	-33%	32%	-36%	Use weekly chart. Twin and adjacent downward spikes. The pattern confirms when price closes above the highest high in the pattern. Pipes perform best when volume is above average on the left spike and below average on the right spike. Inside weeks perform better than outside.	536
Pipe Tops	Bearish	-20%	56%	-27%	50%	Use weekly chart. Twin and adjacent upward spikes. The best pipes have breakouts near the yearly low. Pullbacks hurt performance. Pipes with a large price difference or lower left spike outperform. Price must close below the lowest low in the pipe to confirm.	550
Rectangle, Bottoms	Bullish	46%	-28%	24%	-35%	Prices trend downward into the formation. At least two touches of each trendline (four total). A partial decline predicts an upward breakout 89% of the time.	563
Rectangle, Tops	Bearish	39%	-30%	20%	-38%	Prices trend upward into the formation.	579
Rounding Bottoms	Bullish	43%	-31%	31%	-33%	Short-term bullish continuation. The pattern appears on either the daily or weekly chart. Price trends upward to the pattern 67% of the time.	595
Rounding Tops	Bullish	37%	-31%	19%	-35%	Short-term bullish consolidation. The pattern appears on either the daily or weekly chart.	609





	Bullish or Bearish	Average Move (Bull Market)	Change After Trend Ends	Average Move (Bear Market)	Change After Trend Ends	Notes	Page
Scallops, Ascending	Bullish	31%	-32%	19%	-34%		625
Scallops, Ascending, Inverted	Bullish	43%	-32%	26%	-33%		639
Scallops, Descending	Bearish	22%	-32%	20%	20%		655
Scallops, Descending, Inverted	Bearish	18%	55%	23%	55%		670
Straight Line Run Up						Average length of a straight-line run up is 74 days.	
Three Falling Peaks	Bearish	17%	56%	24%	52%		684
Three Rising Valleys	Bullish	41%	-33%	22%	-33%		698
@dana_marlane							
Triangles, Ascending	Bullish	35%	-29%	30%	-32%	Average length is 2 months. Price must cross the pattern from side to side, filling the triangle with price movement, not white space. Price must touch one trendline at least 3 times and the other trendline at least 2 times. Price breaks out upward 67% of the time (bull only).	711
Triangles, Descending	Bearish	47%	-30%	27%	-34%	Average length is 2 months. Price must cross the pattern from side to side, filling the triangle with price movement, not white space. Price must touch one trendline at least 3 times and the other trendline at least 2 times. 64% breakout downward.	731
Triangles, Symmetrical	Bullish	31%	-31%	26%	-33%	Average length is 2 months. Price must cross the pattern from side to side, filling the triangle with price movement, not white space. Price must touch one trendline at least 3 times and the other trendline at least 2 times.	748
Triple Bottom	Bullish	37%	-33%	23%	-36%		765
Triple Top	Bearish	19%	53%	24%	46%		779
V Bottom	@dana_marlane Bullish					At least 3 weeks to 3 months. Measure the drop from A to B. When price retraces 38.2% of the way up (C), it constitutes a breakout (entry signal). Narrow formations rise ~ 40%. Wide formations rise ~26%. Wide formations resemble rounding top and bottom ("u" shaped).	
Inverted V	Bearish					At least 3 weeks to 3 months. Narrow formations drop ~20%. Wide formations drop ~12%. Wide formations resemble rounding top and bottom ("u" shaped).	
Wedge, Falling	Bullish	32%	-28%	26%	-33%	Minimum 3 weeks or it is a pennant. Must have 5 touches. Price target is the lowest low in the formation.	795
Wedge, Rising	Either	28%	-30%	17%	-35%	Minimum 3 weeks or it is a pennant. Price target is the highest high in the formation.	811
Vertical Run Up	Bullish					Easy to spot. Straight run up in price. Price retraces at least 38% after the run. The longer the run up, the larger the correction afterwards. Very common pattern.	
Vertical Run Down	Bearish						



	Bullish or Bearish	Average Move (Bull Market)	Change After Trend Ends	Average Move (Bear Market)	Change After Trend Ends	Notes	Page
Channels	Either					Price should touch each trendline at least twice as distinct peaks or valleys. Price should cross the pattern from trendline to trendline, nearly filling the available space.	

