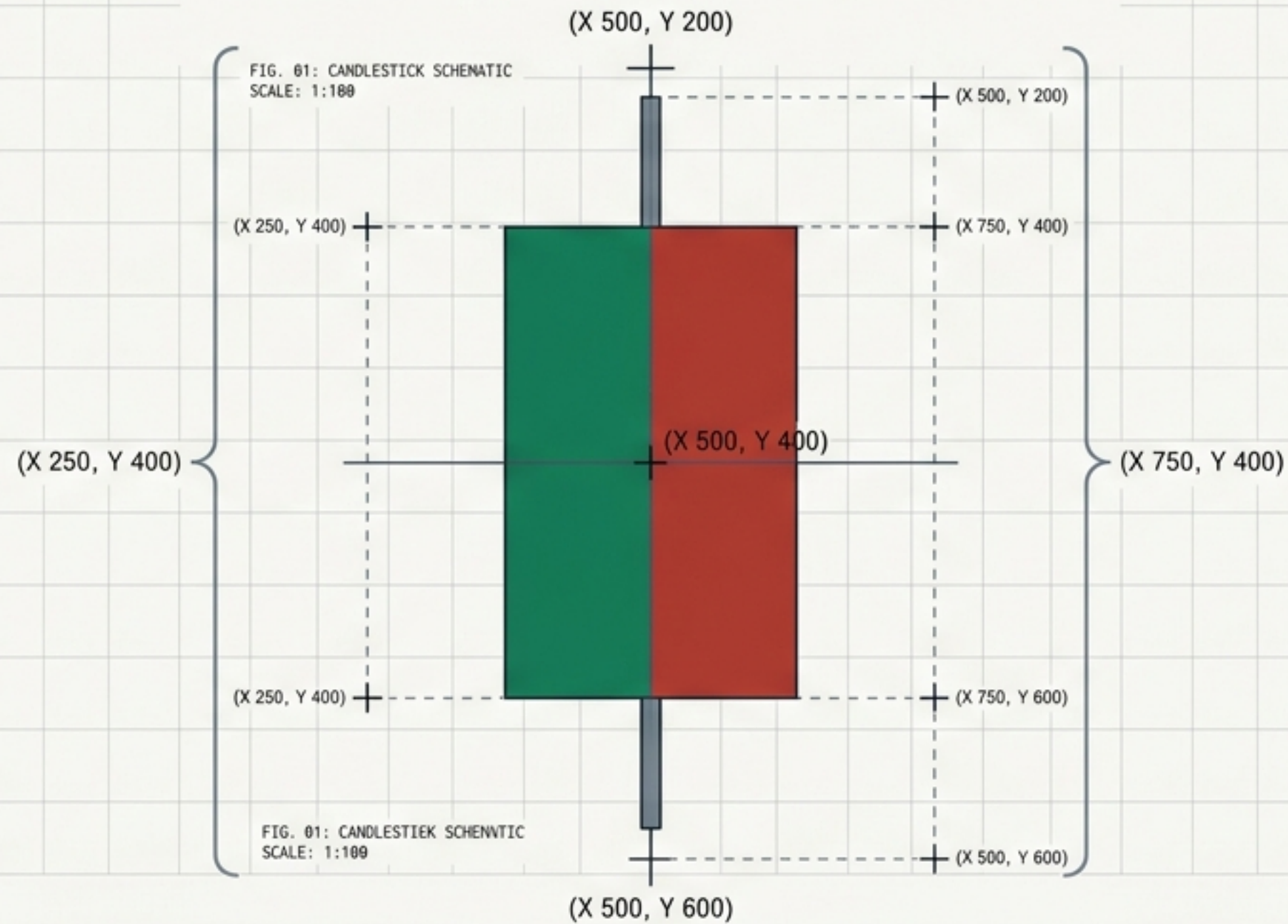
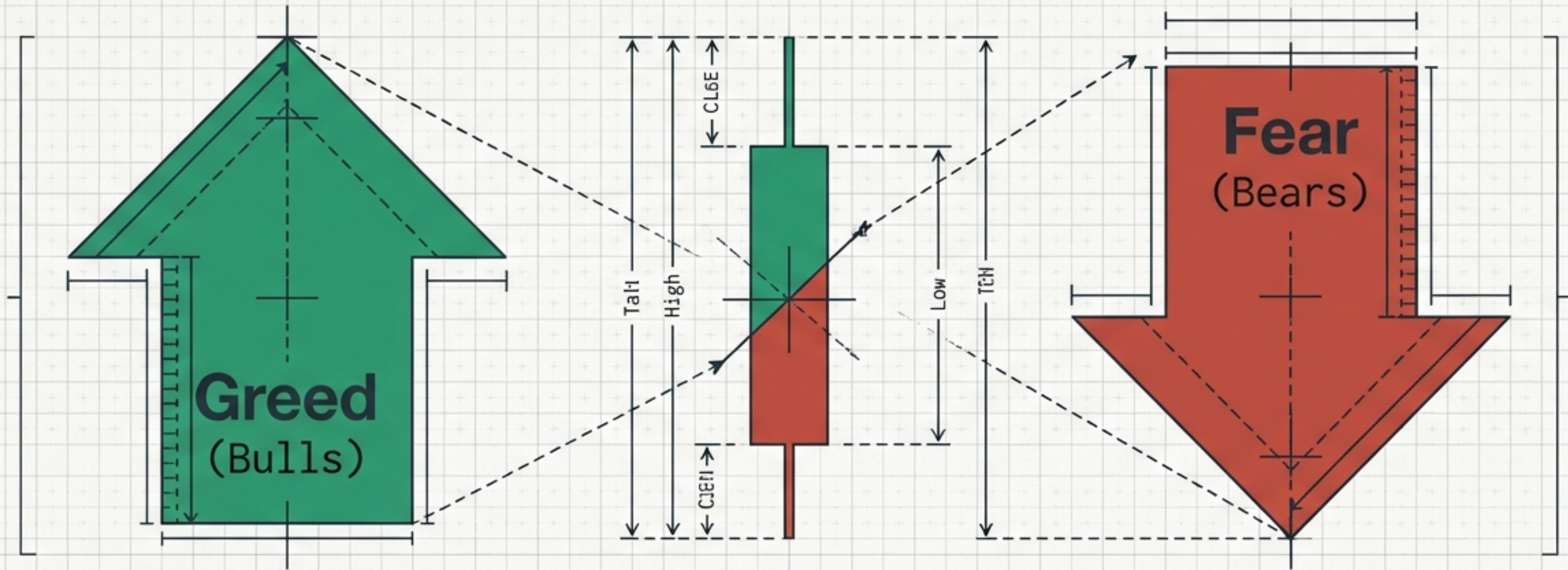


The Candlestick Blueprint

Decoding Market Psychology and Price Action



Price Action is a Psychological Tug-of-War



The Market:

Driven by human emotion, quantified by data.

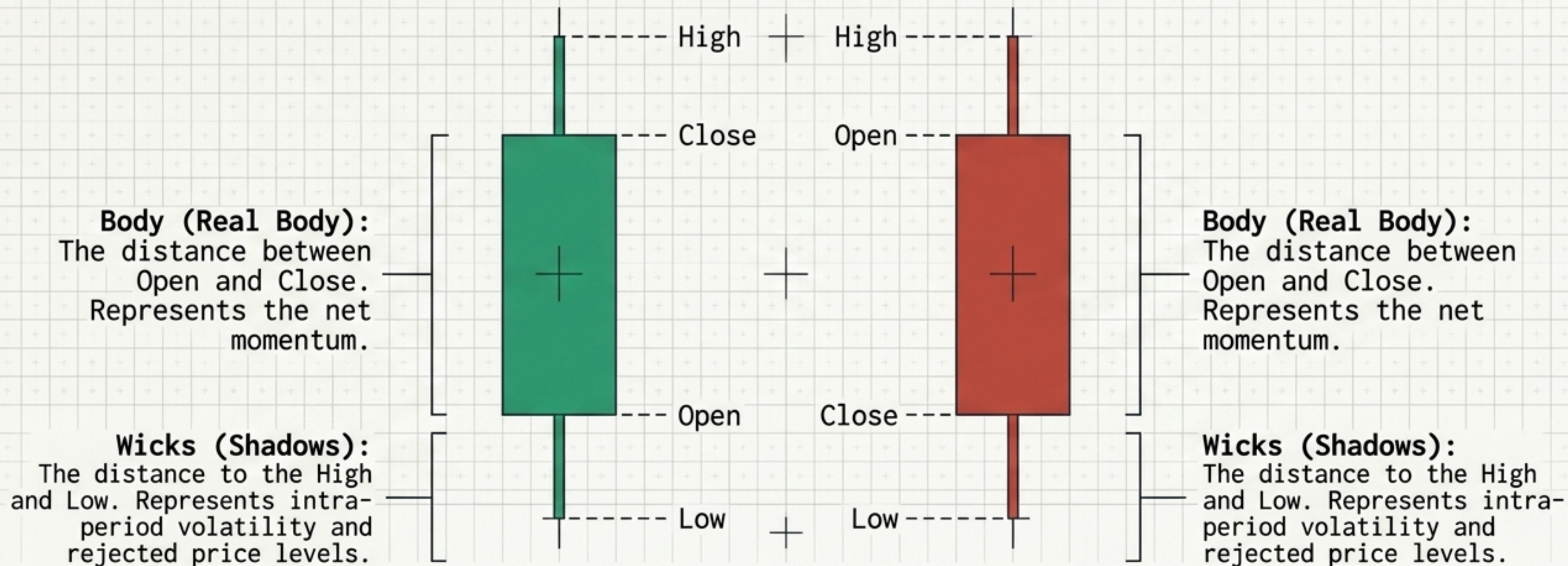
The Candle:

A historical footprint of who won the battle over a specific period of time.

The Goal:

Stop memorizing shapes. Start reading the balance of power.

Anatomy of a Trading Period



Note: The Open and Close flip depending on who wins.
Green = Close > Open. Red = Close < Open.

Compressing Time and Volatility

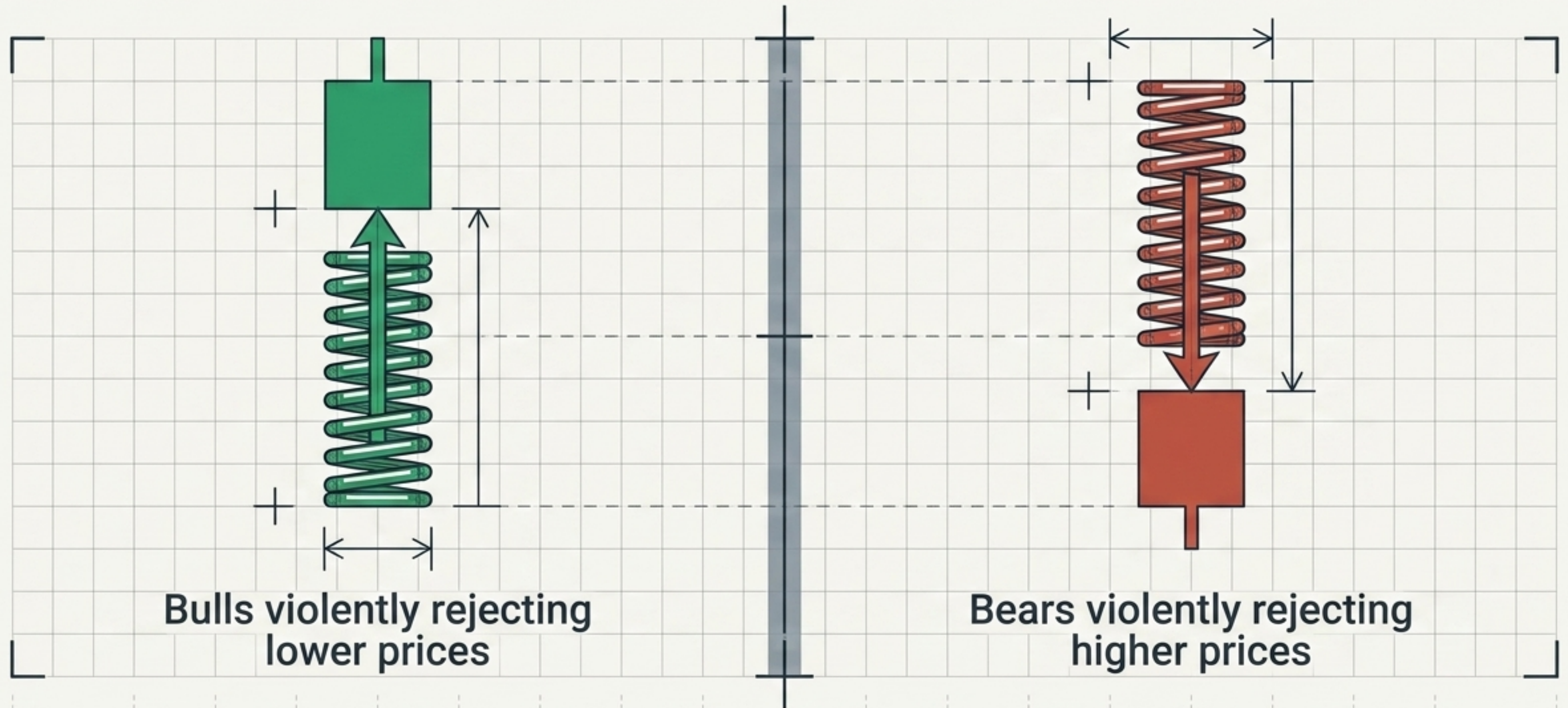
Raw Price Action (5-Min Chart)

Compressed Data (1-Hour Candle)



Takeaway: A single candle compresses dozens, hundreds, or thousands of individual trades into one easily readable block of data.

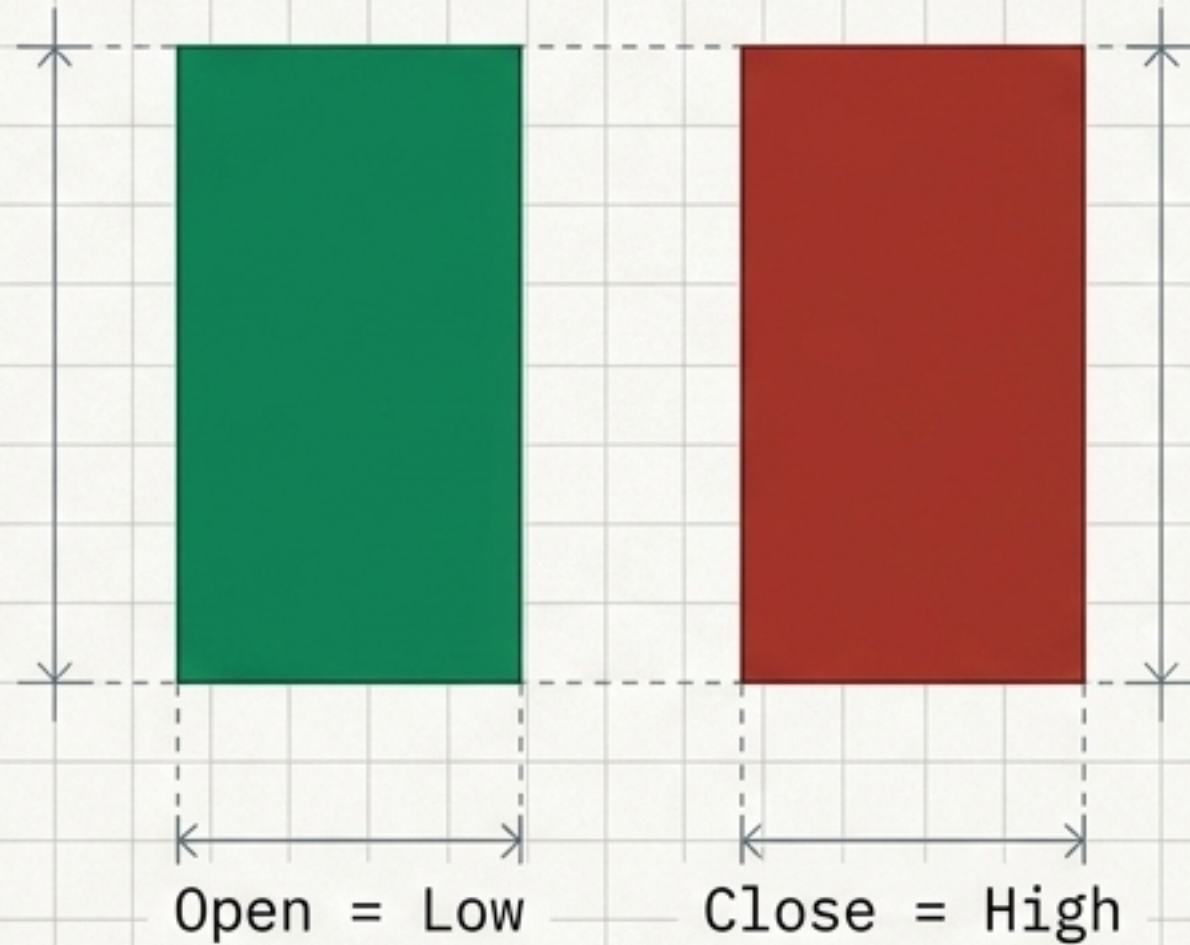
Wicks are Invisible Springs of Rejection



Takeaway: Long wicks equal exhaustion. The longer the wick, the harder the opposing force fought back.

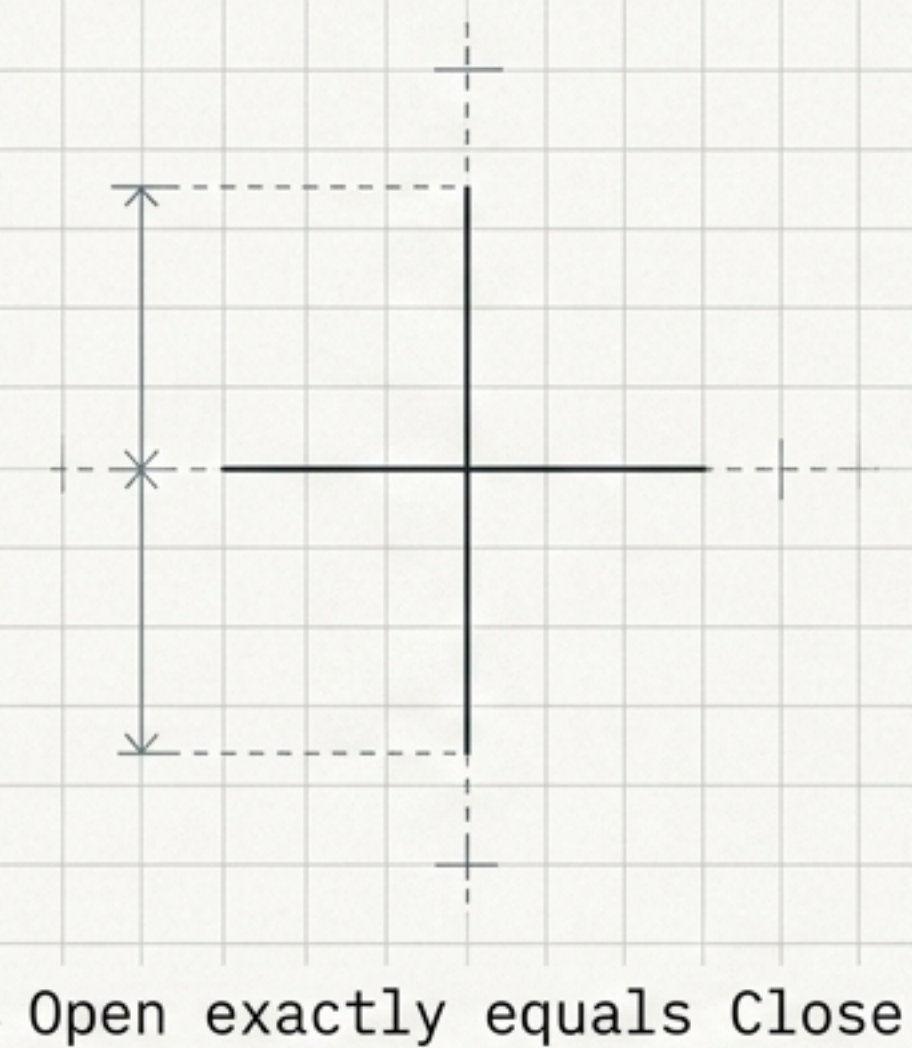
The Extremes: Total Dominance and Complete Standstill

The Marubozu



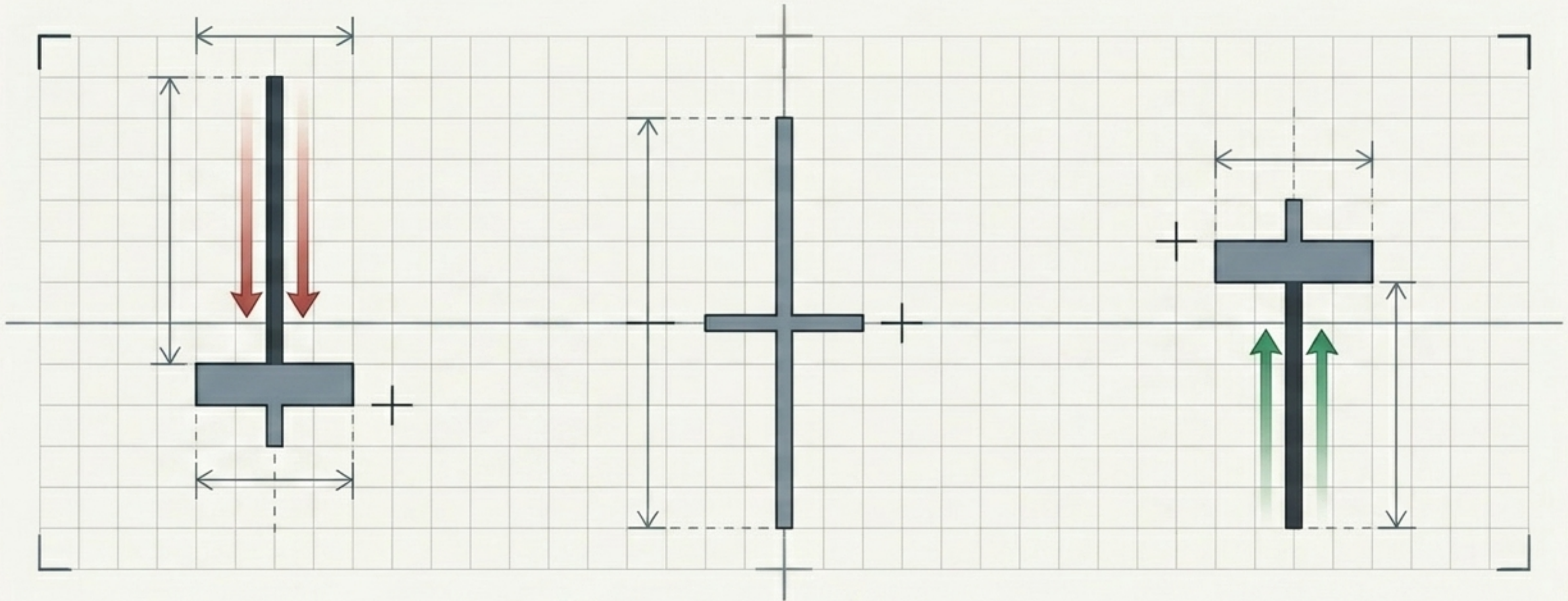
Unrelenting Momentum.
No retreat.

The Doji



Perfect Equilibrium.
The calm before the breakout.

Decoding the Standstill



Gravestone Doji

Bearish rejection.
Price pushed fully back
to the absolute bottom.

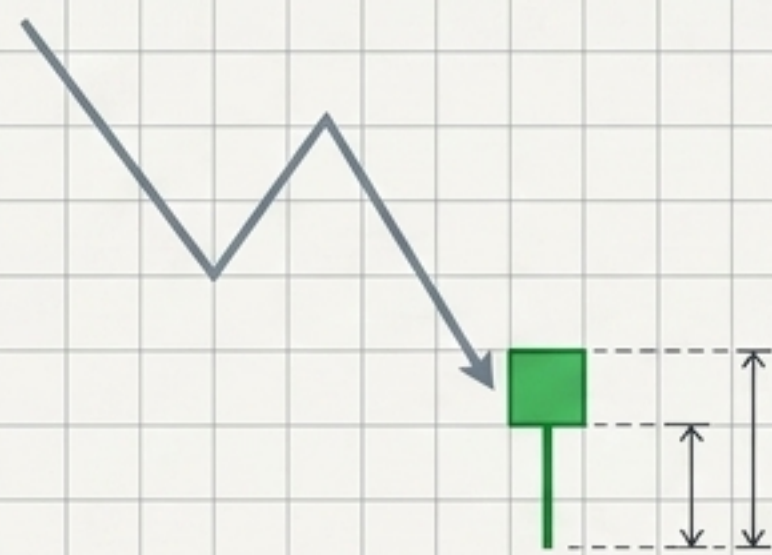
Long-Legged Doji

Wild volatility, no victor.
Symmetrical indecision.

Dragonfly Doji

Bullish rejection.
Price pushed fully back
to the absolute top.

The Reversal Pins



Hammer (Bullish)

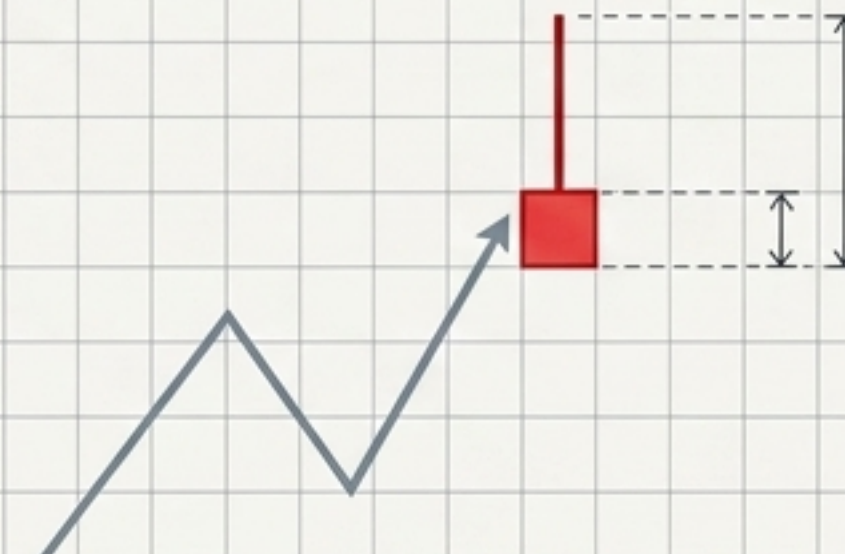


Hanging Man (Bearish)

Shape means nothing without the preceding trend.

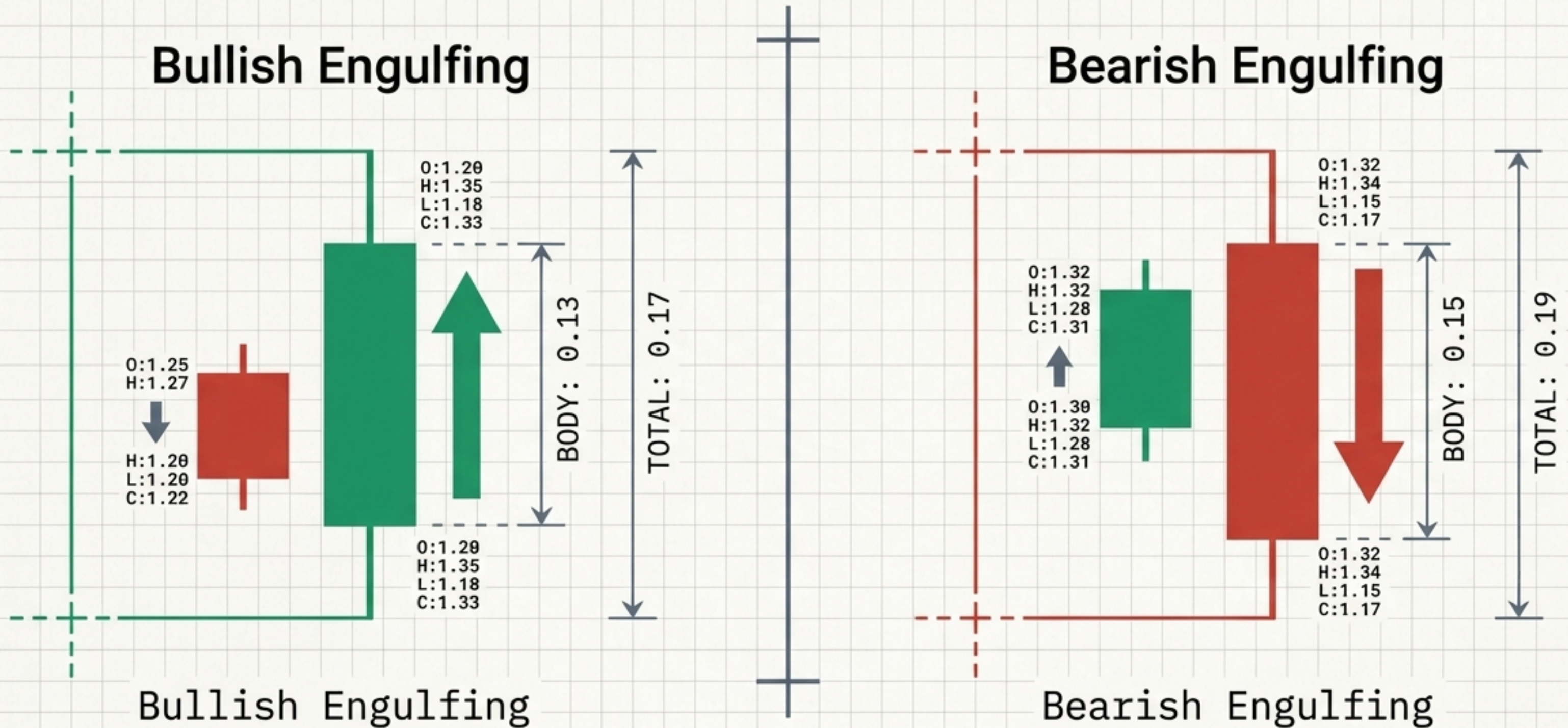


Inverted Hammer (Bullish)



Shooting Star (Bearish)

Engulfing Patterns: Total Shifts in Power

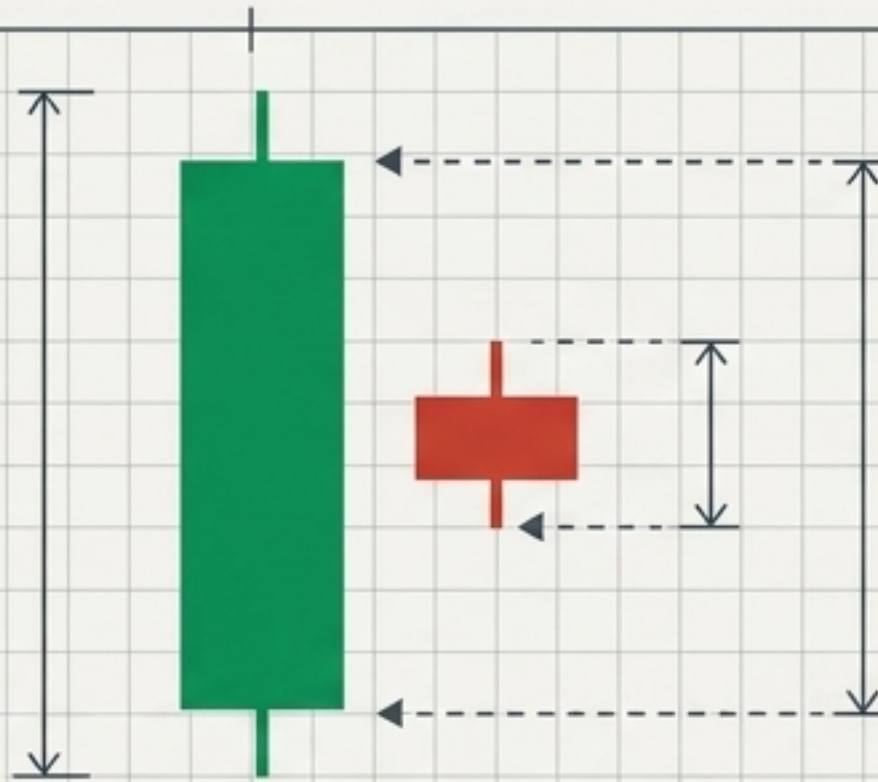


The defining two-candle reversal. The second period entirely erases the momentum of the first.

The Pause and The Penetration

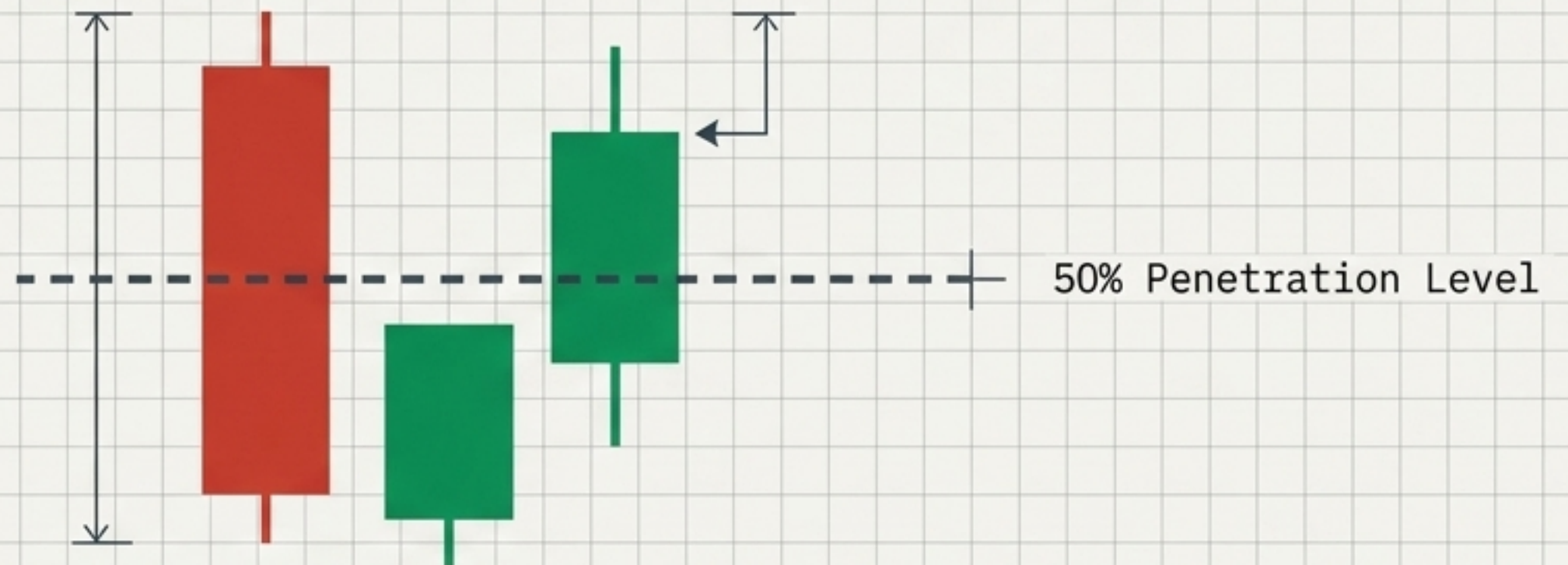
Harami (The Pause)

Momentum is running out of breath.
The trend is pausing inside the previous range.

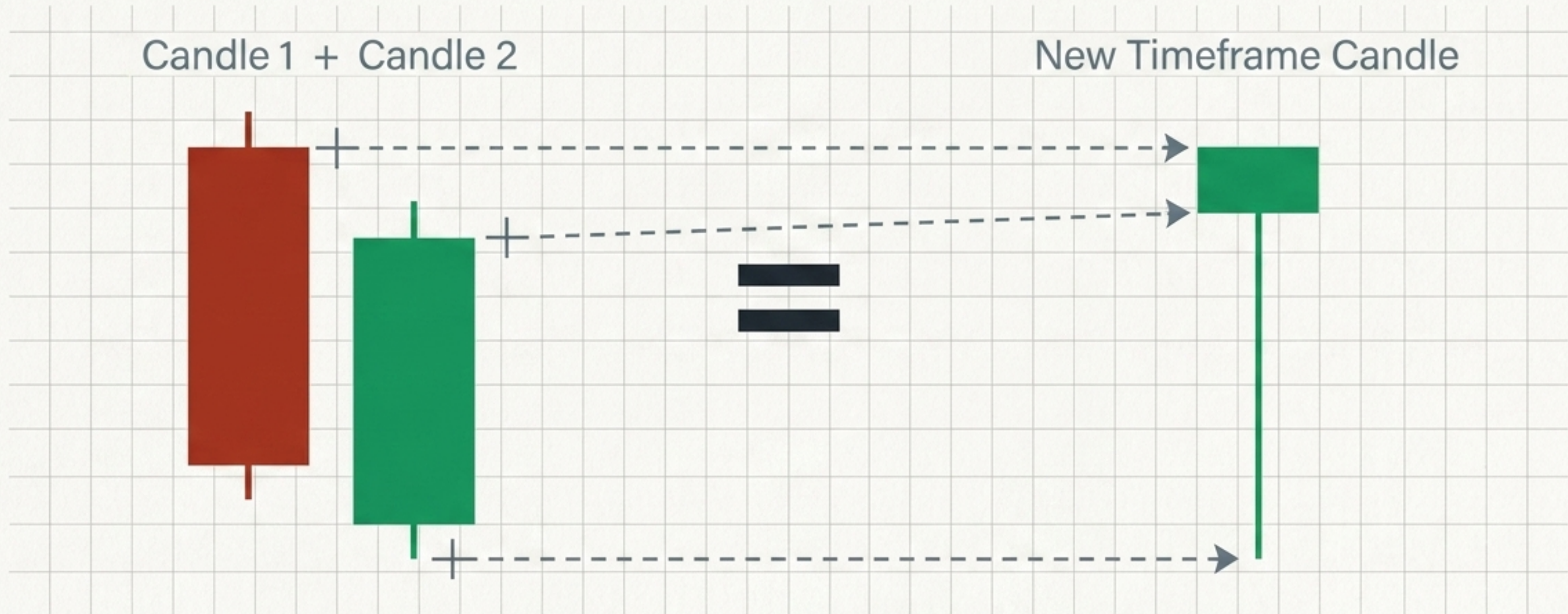


Piercing Line / Dark Cloud (The Penetration)

The reversal must close past the 50% midpoint to be technically valid.

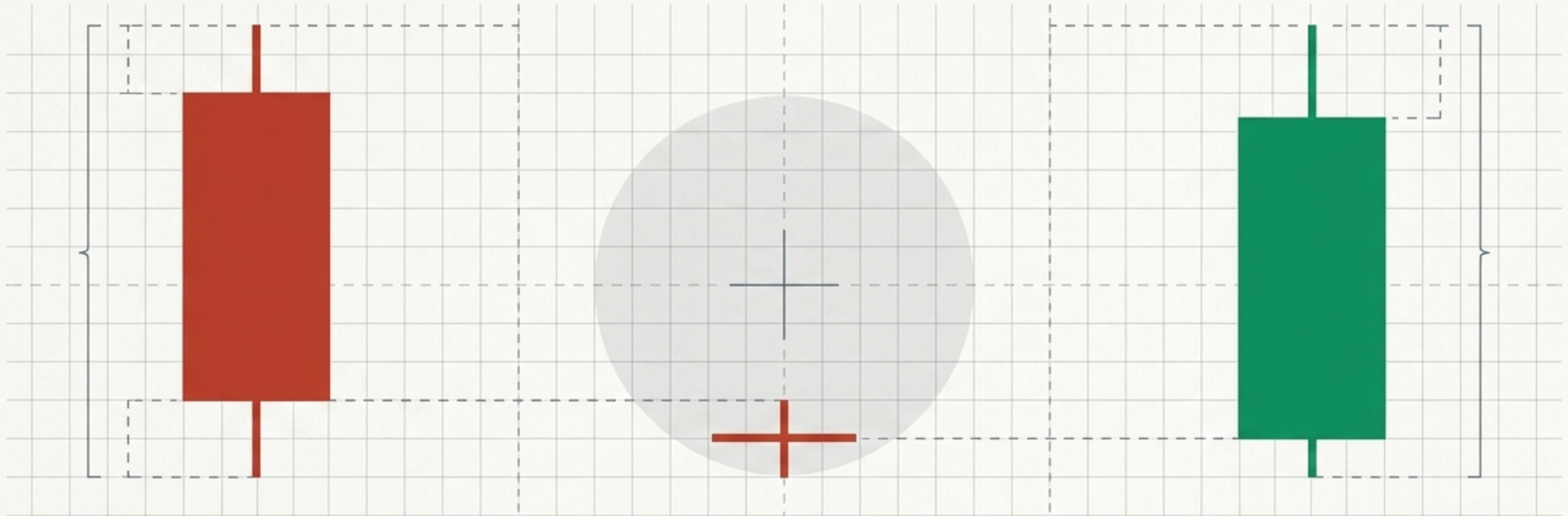


Pattern Blending: The Fractal Math of Markets



Takeaway: Every multi-candle pattern is just a single rejection candle on a higher timeframe.

The Morning and Evening Stars



Act 1: The Setup

Strong downward impulse.
Trend continues.

Act 2: The Standoff

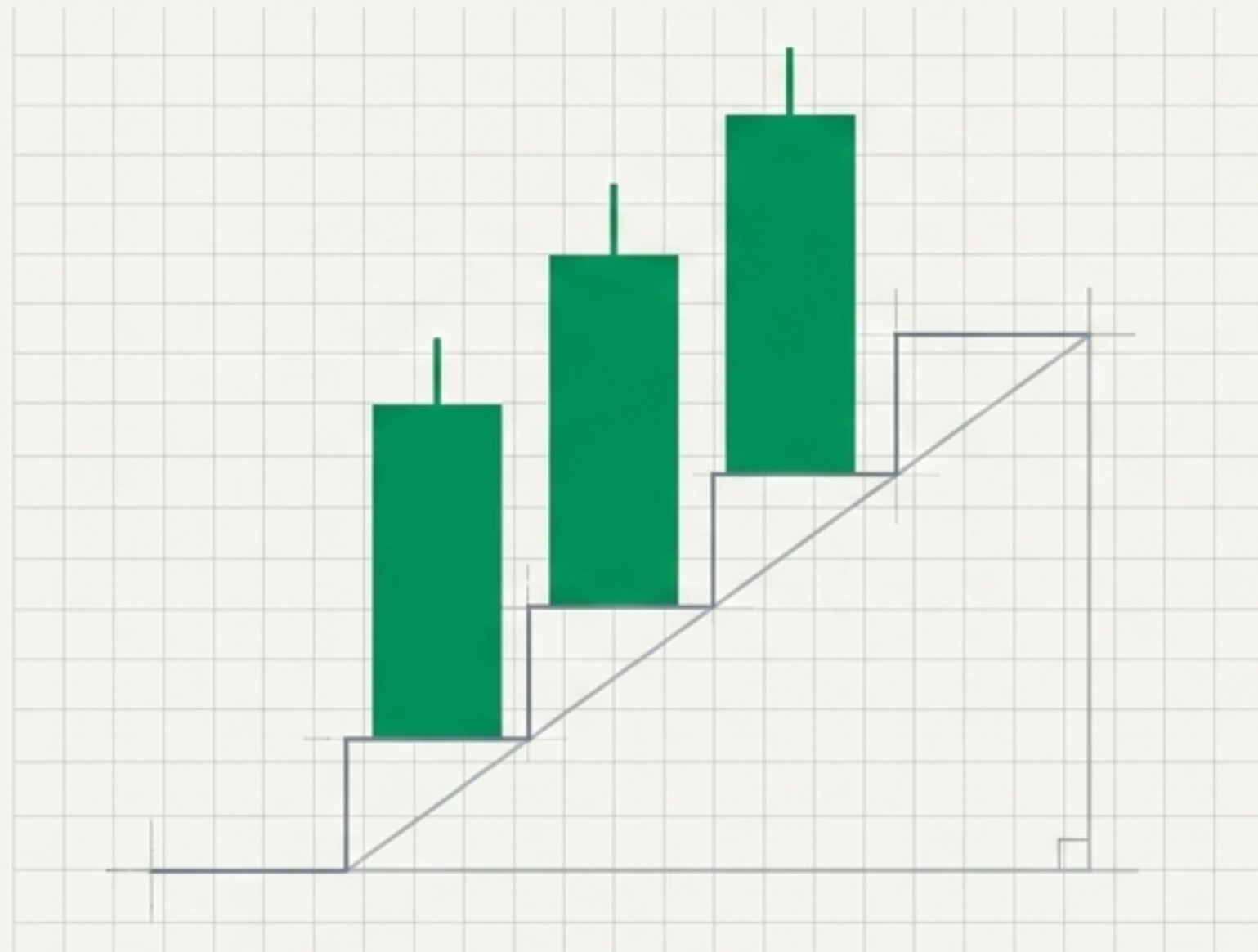
Momentum stalls.
Equilibrium reached.

Act 3: The Reversal

Violent momentum shift in
the opposing direction.

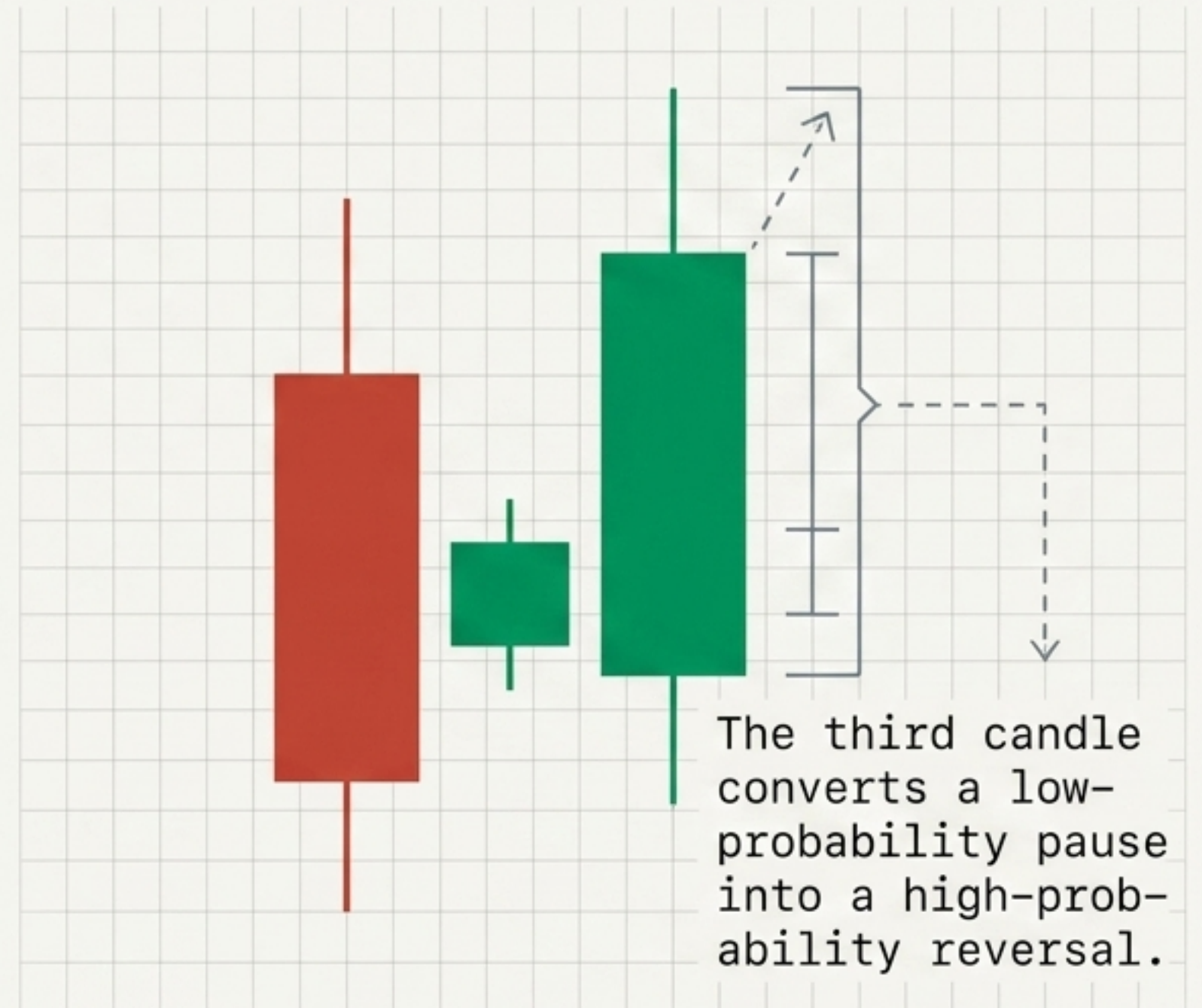
Conviction and Confirmation

The Staircase: Three White Soldiers



Aggressive, unrelenting stair-step buying pressure.

The Confirmation: Three Inside Up

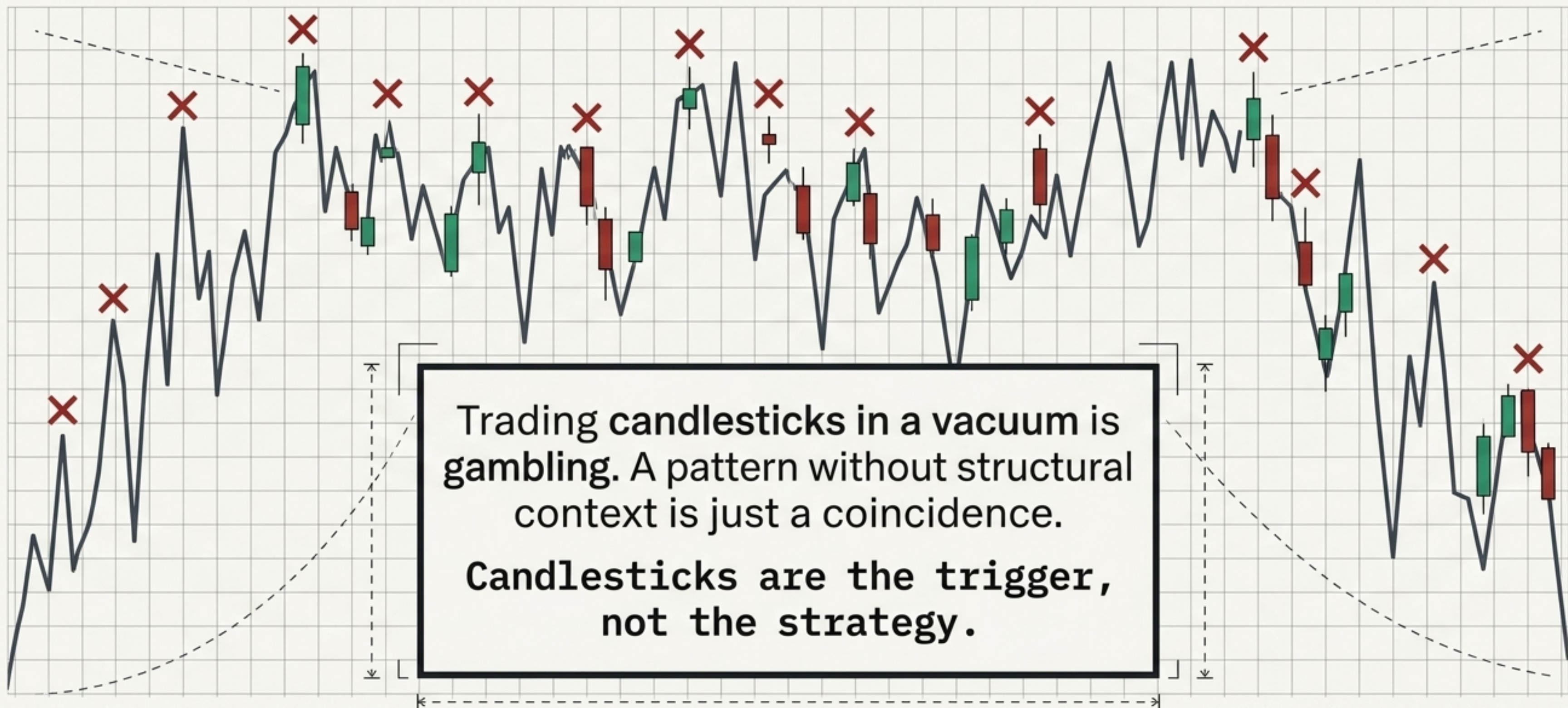


Continuation Patterns: Catching Breath

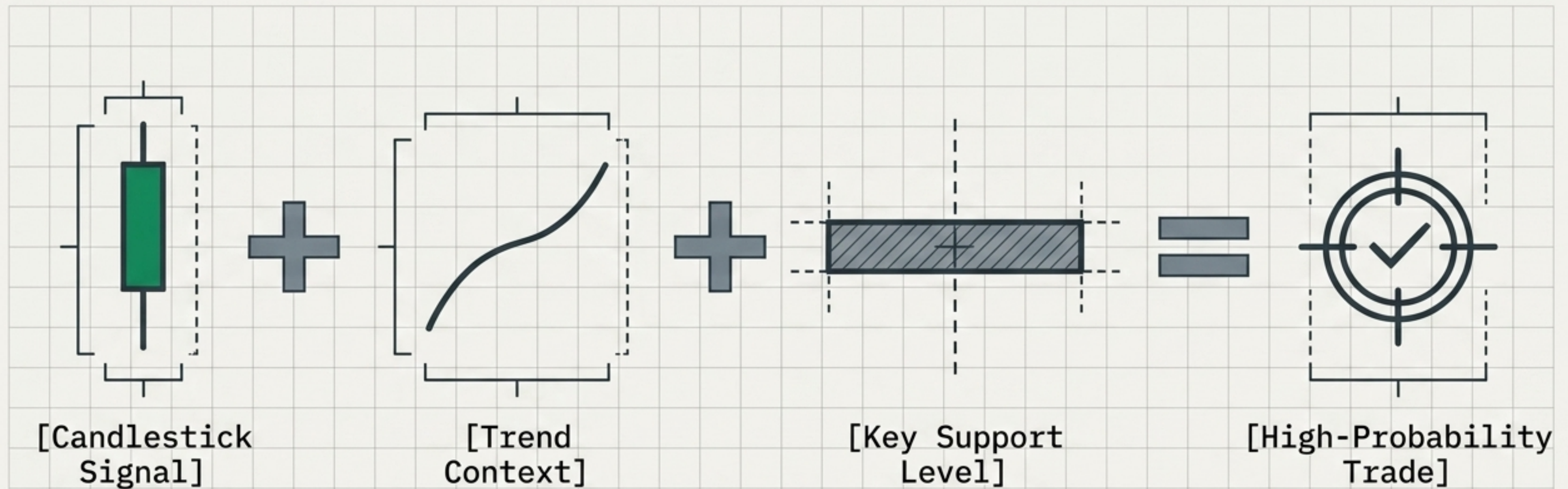


The market sprints, catches its breath, and sprints again.
The trend remains perfectly intact.

The Vacuum Trap



✦ The Confluence Formula ✦



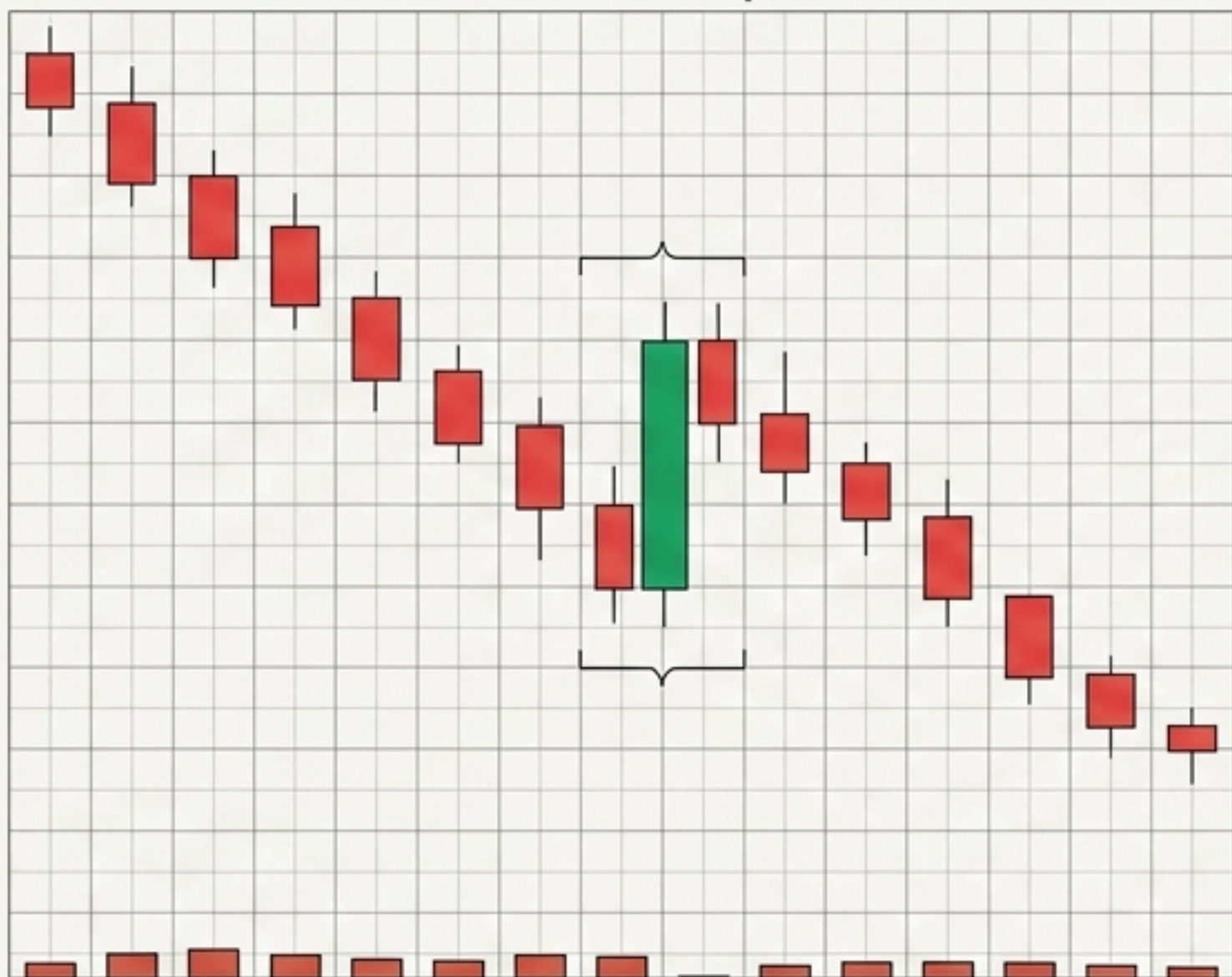
Rule: Never take a signal unless it aligns with the dominant trend and reacts perfectly off established market architecture.



Execution: Location and Volume

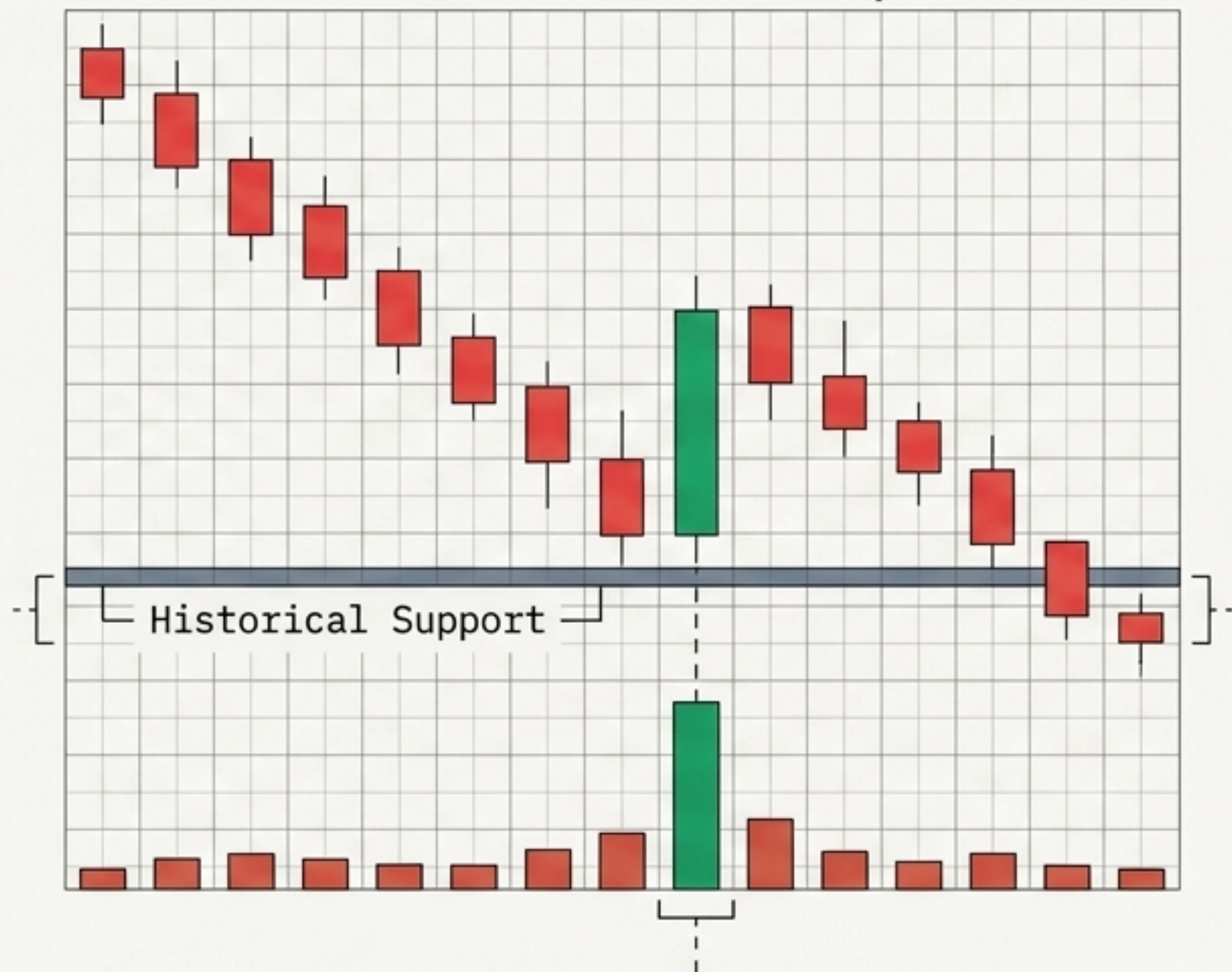


The Trap



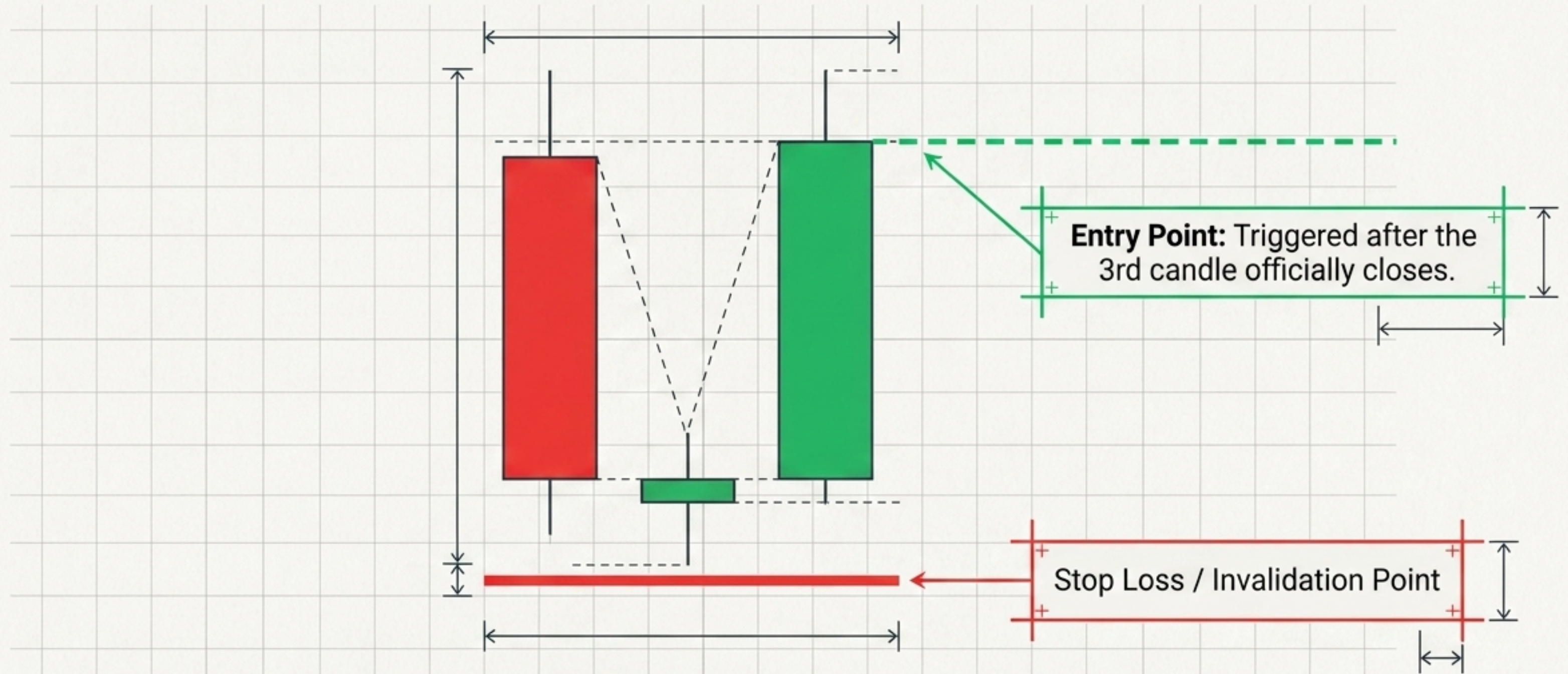
Failure: No support, weak volume.
Institutions are absent.

The Prime Setup



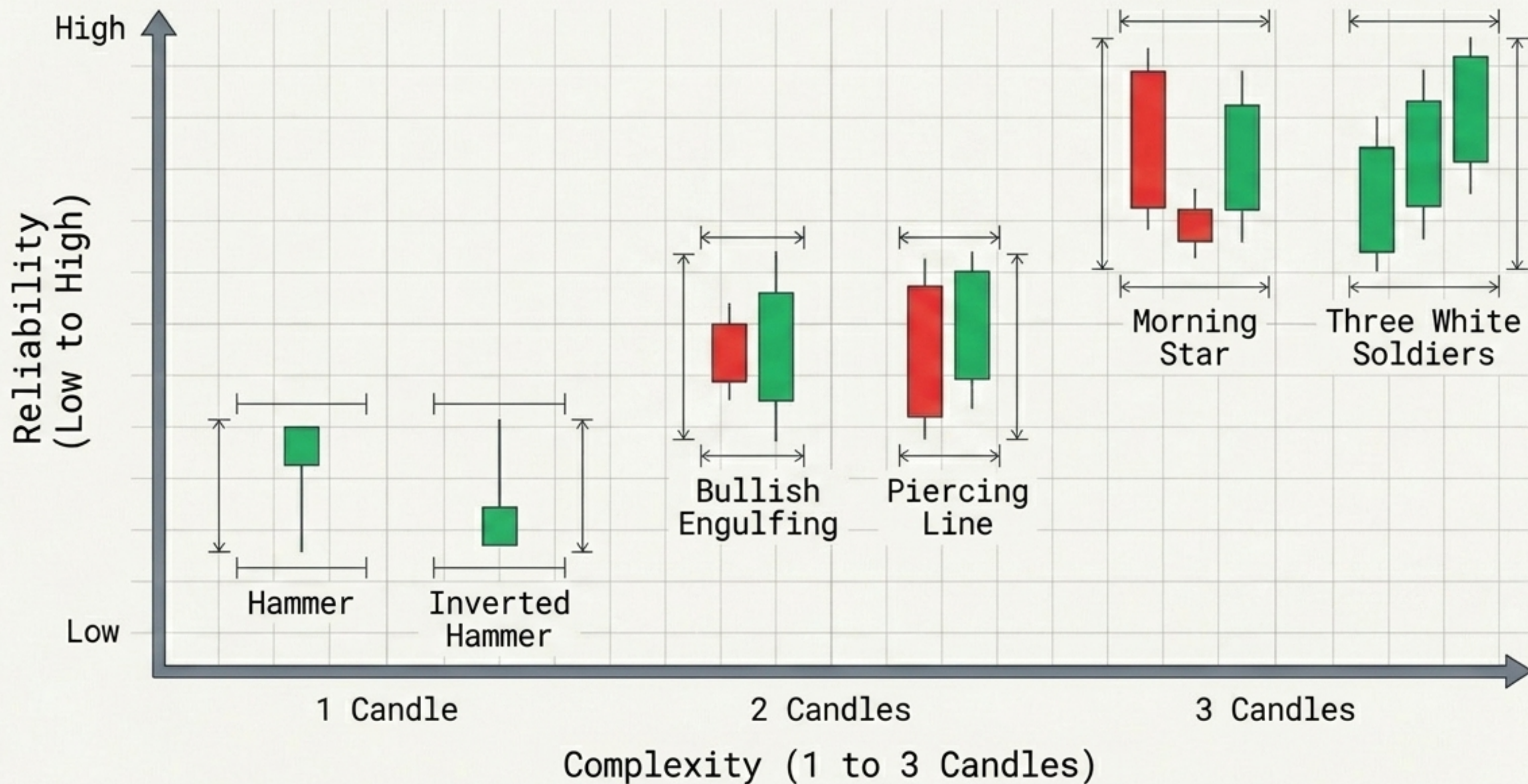
Success: Key level rejected with
institutional volume validation.

Risk Management: Shielding the Wick

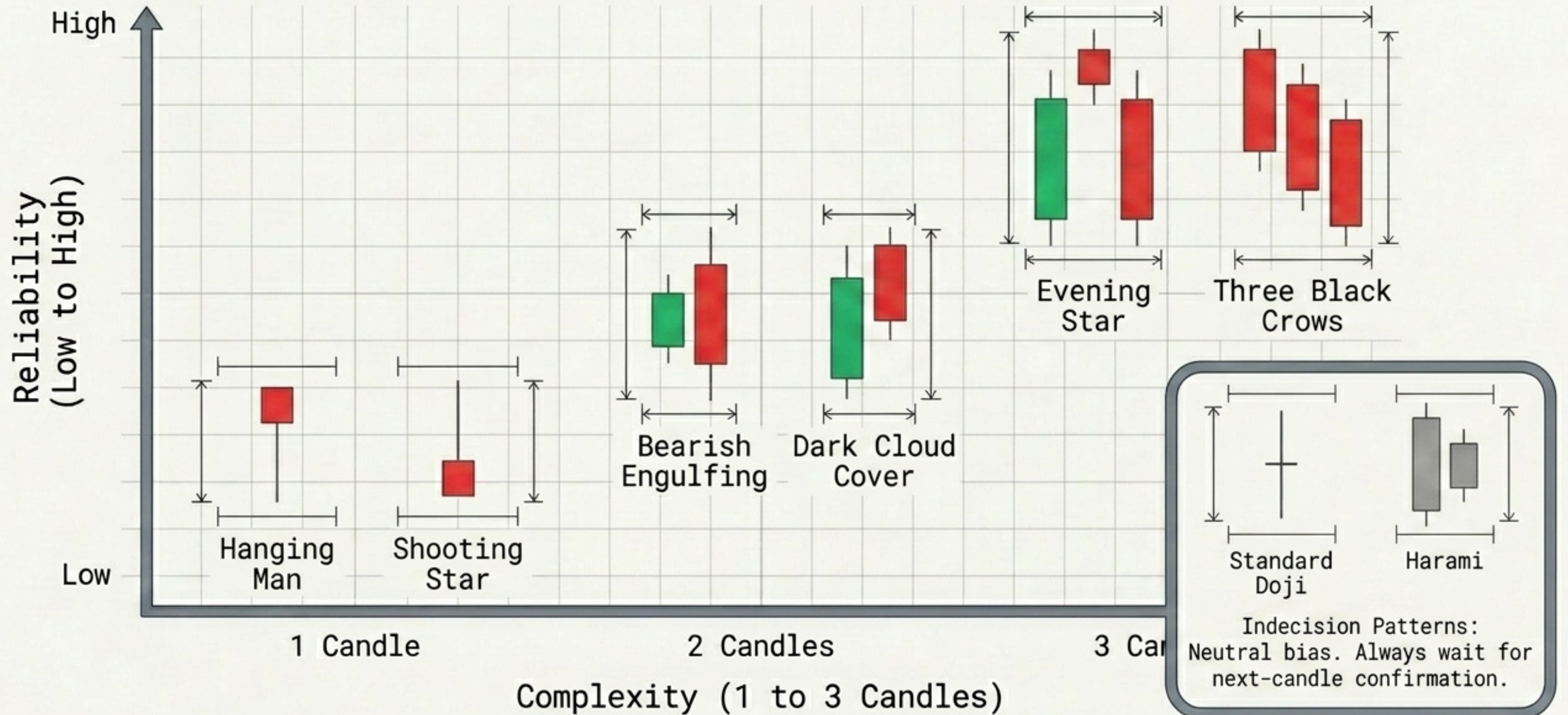


If the extreme wick of a reversal pattern is breached, the psychological story of that pattern is broken. Exit immediately.

Master Reference Matrix: Bullish Signals



Master Reference Matrix: Bearish & Neutral Signals



The Golden Rules of Price Action

1. Wait for the Close

A candle is a lie until the period officially ends. Never trade a forming candle.

2. Context Over Shape

A hammer at the top of a trend is not a hammer. Trade the location, not the icon.

3. Defend the Extremes

Always place stop-losses safely past the defining wick of your setup.

4. Volume Validates

Price shows you what is happening; volume shows you how much conviction is behind it.

Master the candles, master the psychology. The chart is yours.