

**AN ACADEMY OF TECHNICAL ANALYSIS
PRICE ACTION THEORY WITH ORDER FLOW**

**EQUITY, MCX, FOREX, CRYPTO, MUTUAL FUNDS, BROKING,
HNI INVESTMENTS**

VISHAL DHAWAN 9814272873

About Us

My name is Vishal Dhawan, I have done post graduation in Business and Finance from GNDU, Having 16 years of experience in stock market and mentoring technical analysis course from last 6 years.

NISM CERTIFICATIONS:-

- DERIVATIVES
- SECURITY MARKET OPERATION
- MUTUAL FUND ADVISORY

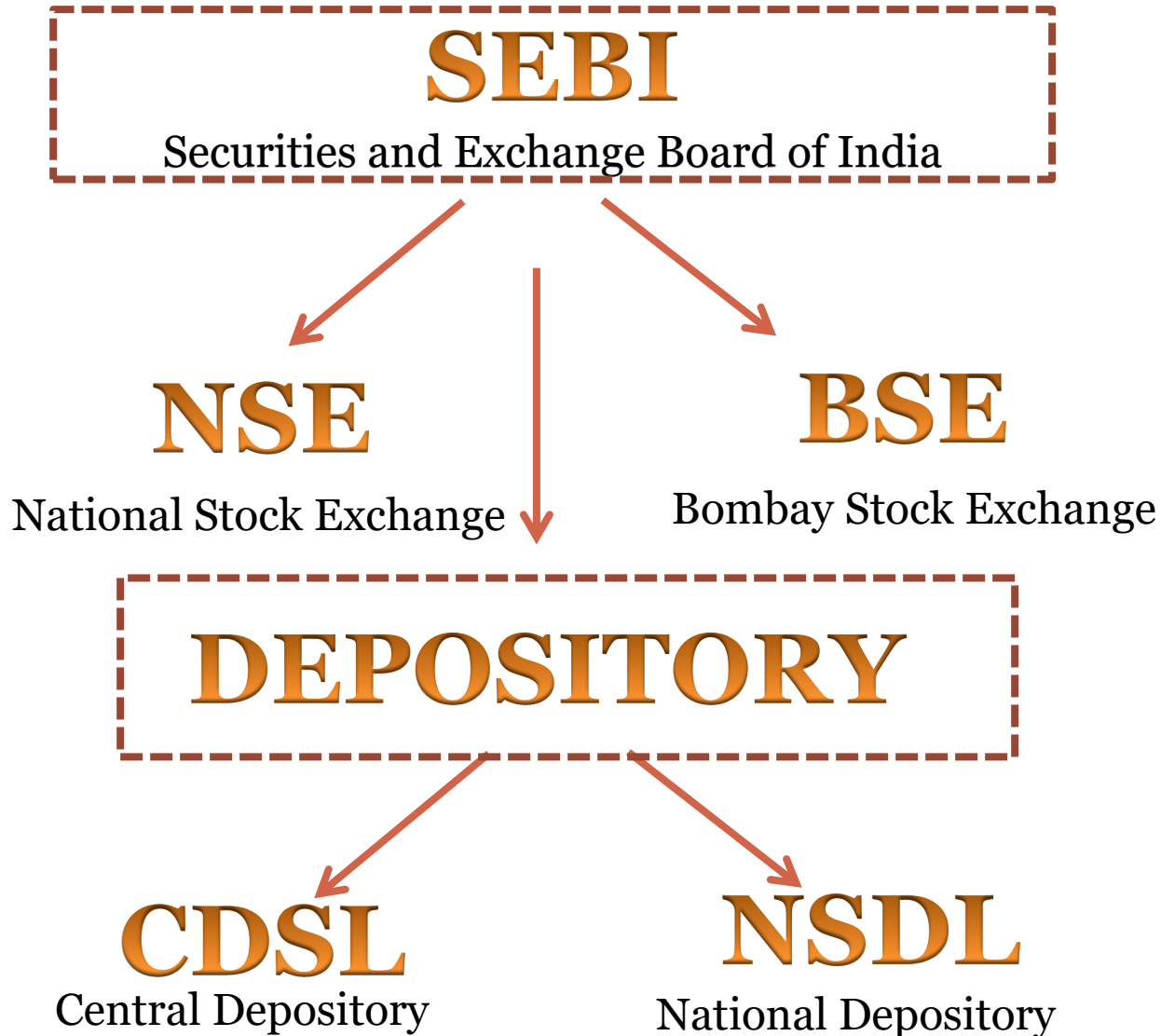
FULL TIME TRADER AND TUTOR

Running Technical Analysis ACADEMY OF PRICE ACTION THEORY WITH ORDER FLOW.



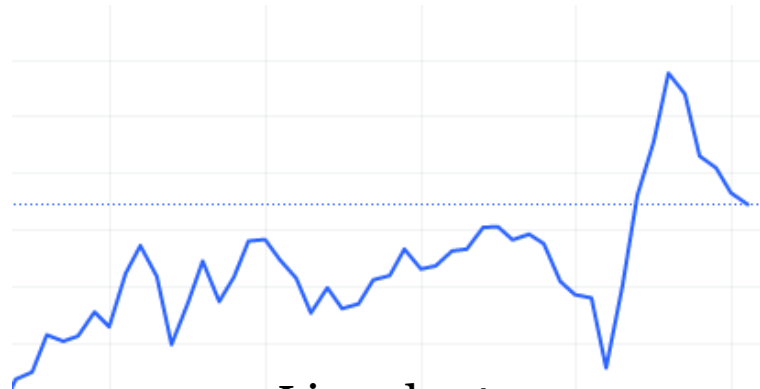
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STOCK EXCHANGE REGULATORY BODIES





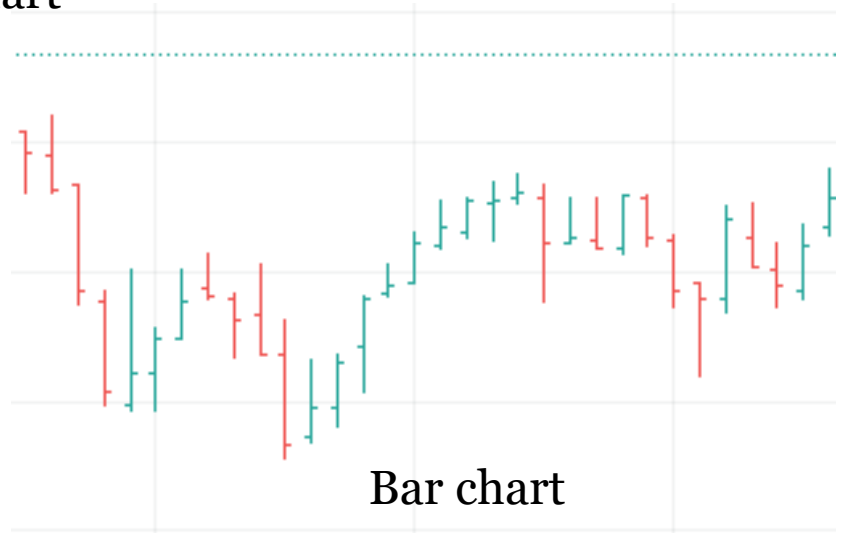
TYPES OF CHARTS



Line chart



Candle chart

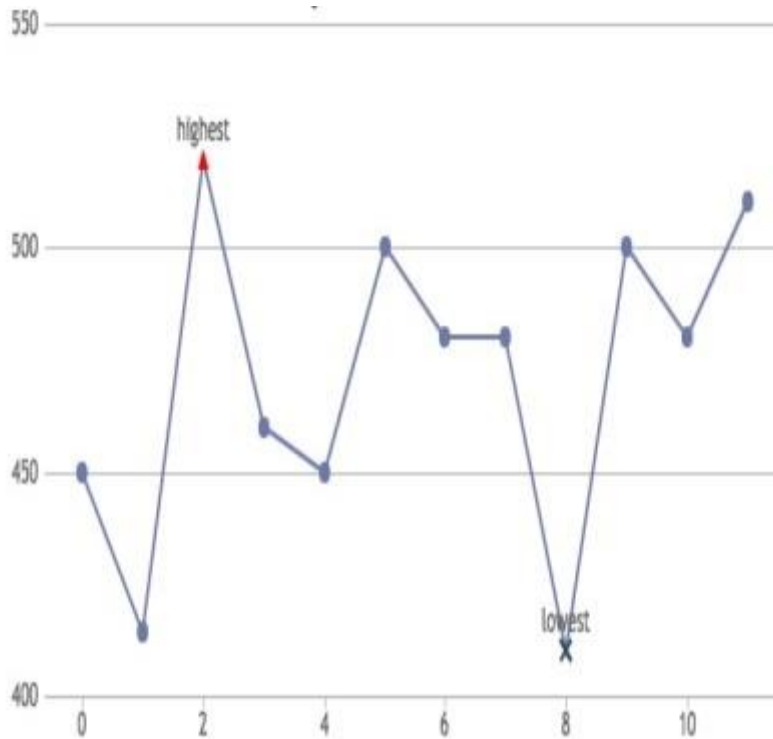


Bar chart



Line Chart

Simple Line chart



Line Charts This is the simplest chart format and is generated by using a line to join the data points.

The most common use for the line charts is for the indicators that only have a single daily value (rather than high/low) such as momentum or moving averages.

The daily line chart is perhaps the simplest of charts available, showing only the Closing price each day.

Candle Stick Chart

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An up day is signified by a white/green (or empty) box. A down day is represented by a black/red or shaded box. The "box" shows the open to close range. The "wick" displays the full day's range

Candlestick charts provide a more sophisticated visual representation of bar charts. The opening price is included in the chart and a day's activity would be represented as given in picture .

Candlestick charting is one of the oldest methods of technical analysis, with both Japanese and Chinese both claiming that rice traders were using candlestick charts over 4000 years ago, although this is not proven.

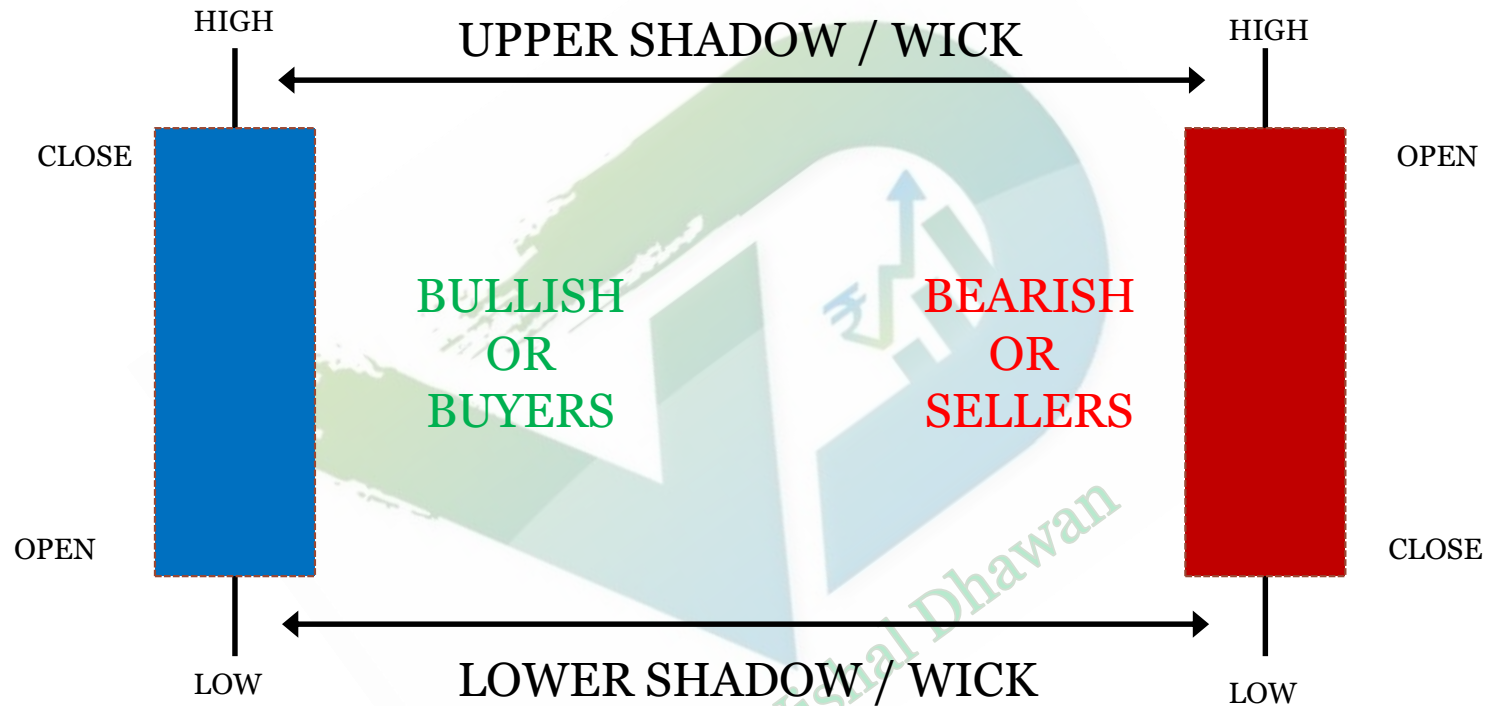
Its appeal lies in its ability to give a clear visual representation of the price action during a period, leading to easy-to-recognize pattern recognition



Basics of Candle Stick Formation

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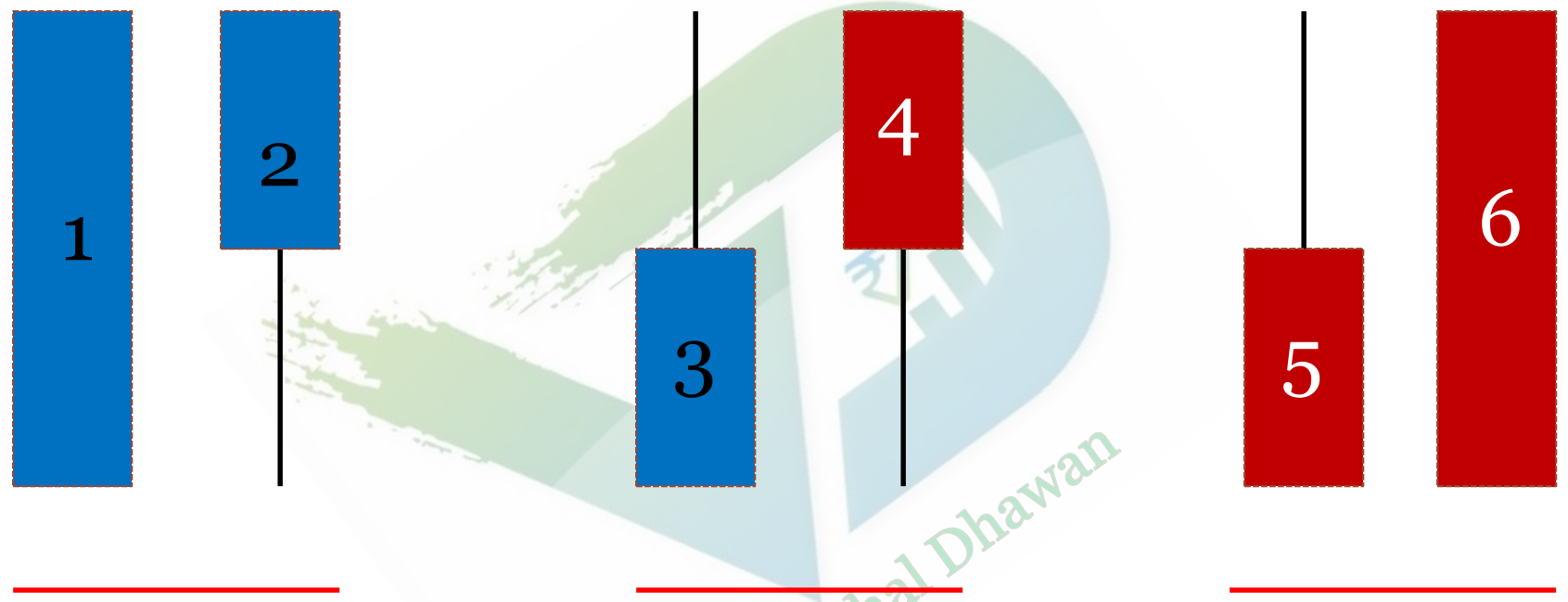
Formation of Candle



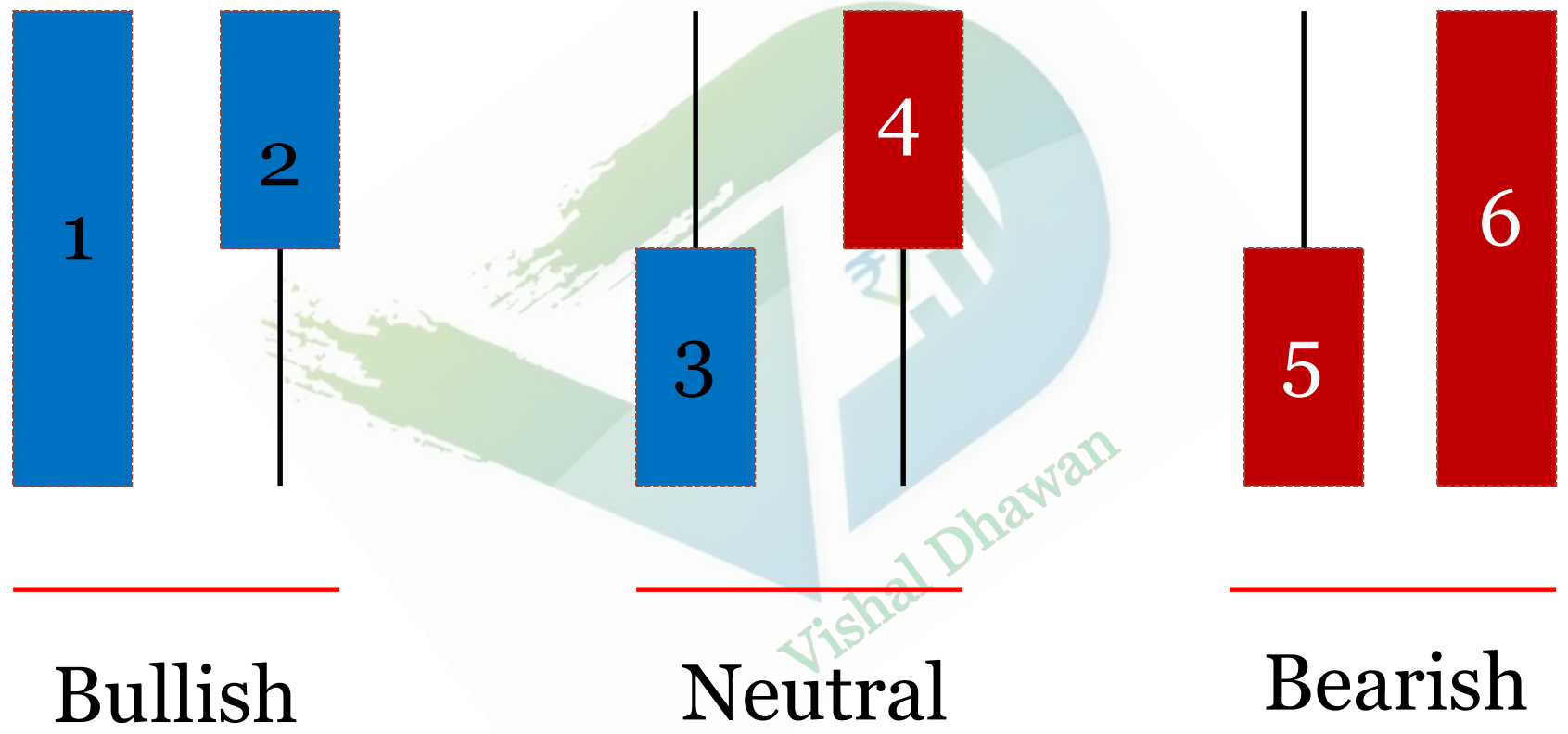
❖ **A candlestick has two main parts**

- ✓ Real Body
- ✓ Shadows or wick

Both Real Bodies & Wicks are important in understanding the Market Condition

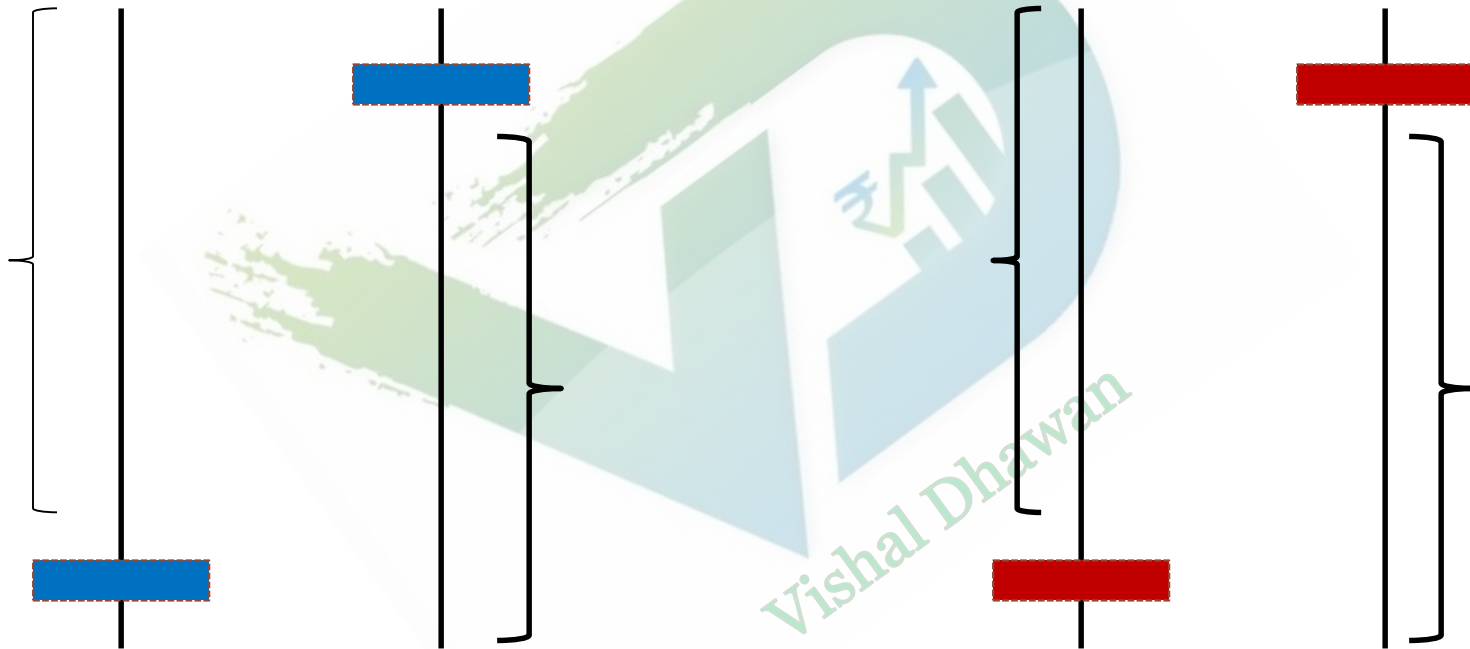


Both Real Bodies & Wicks are important in understanding the Market Condition



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WHAT DOES THIS CANDLE INDICATE?



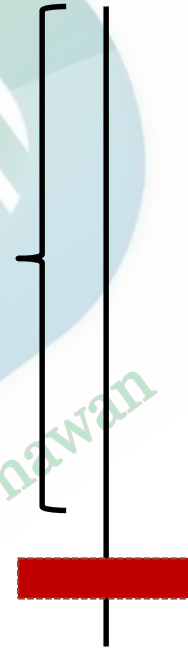
WHAT DOES THIS CANDLE INDICATE?



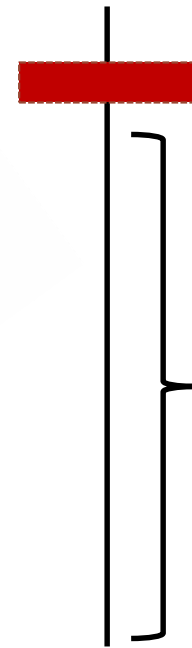
Selling Pressure



Buying Pressure



Selling Pressure



Buying Pressure

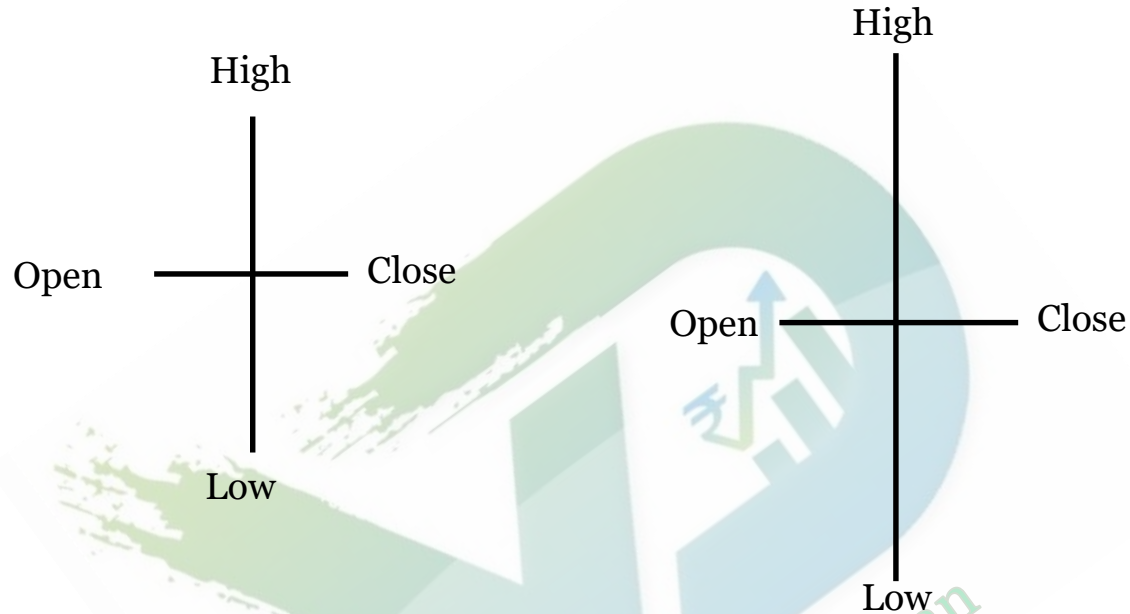
The Major Candlestick Signals

- ❖ Doji
- ❖ Hammer
- ❖ Hanging Man
- ❖ Inverted Hammer
- ❖ Shooting Star
- ❖ Piercing Pattern
- ❖ Dark Cloud
- ❖ Morning & Evening Star
- ❖ Bullish & Bearish Engulfing
- ❖ Bullish Harami
- ❖ Marubozu Bullish & Bearish



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Doji (Reversal Pattern)



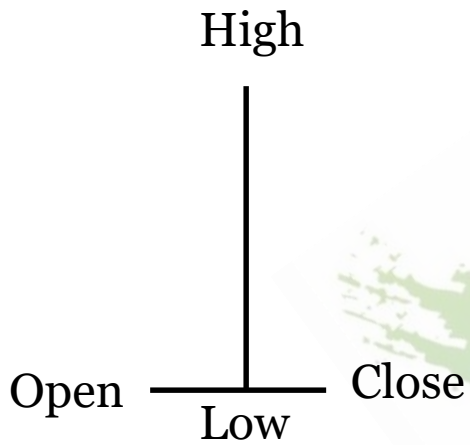
1. Open and Close are very close together, creating a very small body or no body
2. Represent indecision between buyers and sellers
3. Bulls and Bears are of equal force.
4. Traders becomes alert after formation and trade as per the pattern
5. Confirmation is must.



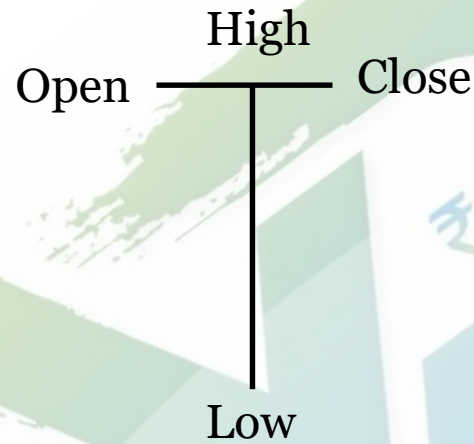


Doji at Support/bottom

Types of Doji



↑
Gravestone
Doji

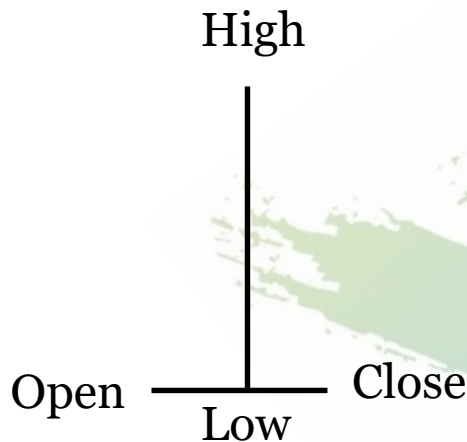


↑
Dragonfly
Doji



Long Legged Doji

Grave Stone Doji (Bearish candle)



- 1. Open, Low and Close price are at the lower of the day (no color)**
- 2. Long Upper shadow**
- 3. High Volume**
- 4. If Green candle before Gravestone its Best.**
- 5. Try to find at High of the rally.**
- 6. Like other Doji days, this one normally appears at market turning point.**



Grave Stone Doji



1D 5D 15D 1M 3M 6M 1Y 5Y All UTC+05:30

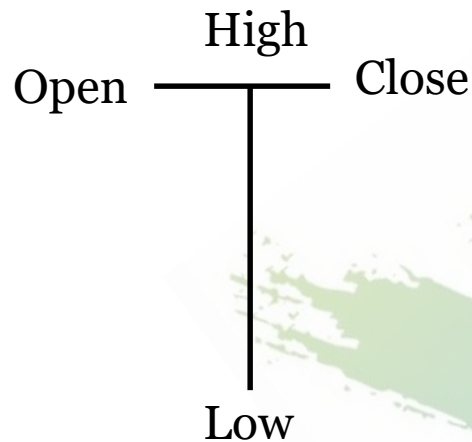
Activate Windows
Go to Settings to activate Windows



Long Leg Doji at Support/bottom



Dragonfly doji (Bullish candle)

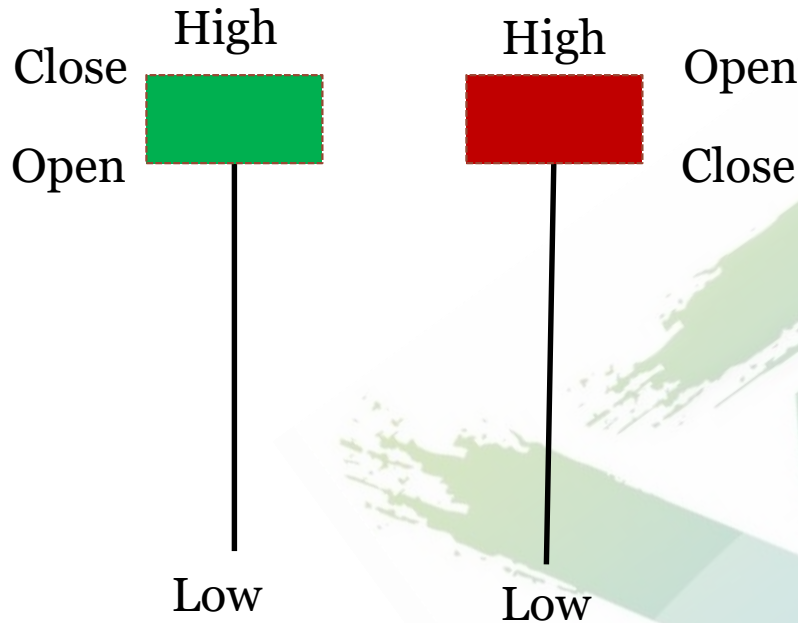


- 1. Open, Low and Close price are at the High of the day (no color)**
- 2. Long Lower shadow**
- 3. High Volume**
- 4. If Red candle before Dragonfly its Best.**
- 5. Try to find at Low of the down rally.**
- 6. Like other Doji days, this one normally appears at market turning point.**



Dragon Fly Doji at the Bottom

Hammer



HAMMER

(Bullish Reversal)

1. Small Real Body.
2. Long Lower Shadow Only.
3. Tail-Minimum twice the Real body.
4. If occurs at the bottom of Down Trend then best
5. Looks like a Square Lollipop.
6. Any Color
7. If High and close same then Best.
8. Control has shifted from sellers to buyers.

Hammer & Hanging man

both are same but where it occurs that matters.

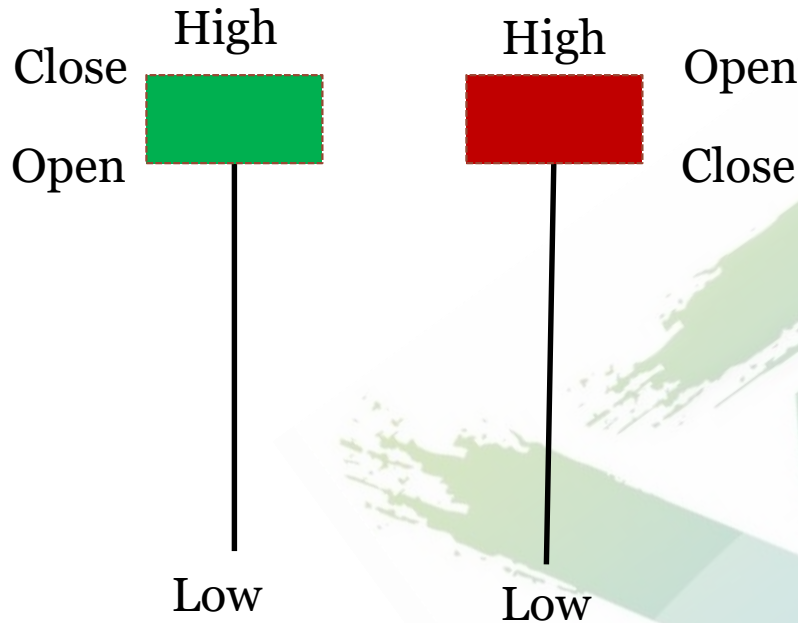
Hammer Downtrend then **UP**
Hanging Man uptrend then **DOWN**

Hammer reversed the Prior down trend sharply

1. Downtrend
2. Lower Shadow / Wick at least twice as big as real body
3. Real Body Bullish or Bearish, better if Bullish.



Hanging Man



Hammer & Hanging man

both are same but where it occurs that matters.

Hammer Downtrend then **UP**
Hanging Man uptrend then **DOWN**

HANGING MAN

(BEARISH REVERSAL CANDLESTICK)

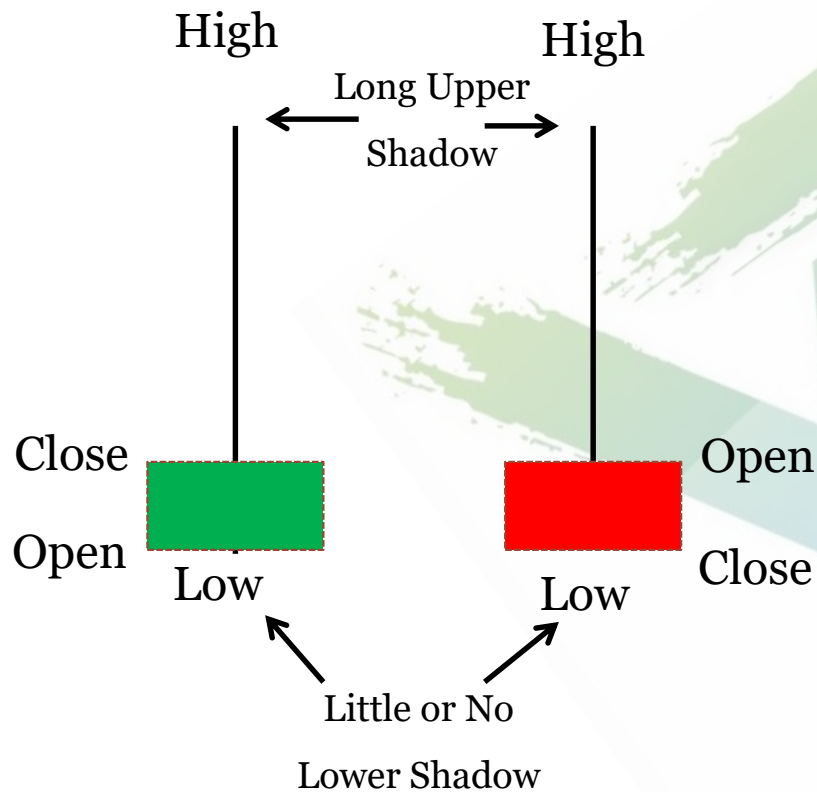
- ❖ Small Real Body.
- ❖ Long Lower Shadow Only.
- ❖ Tail-Minimum twice the Real body.
- ❖ If occurs at the Top of Uptrend then best
- ❖ No or very less upper shadow
- ❖ Any Color
- ❖ If High and close same then Best.
- ❖ Control has shifted from Buyers to Sellers.

Hanging man reversed the Prior up trend sharply



1. Uptrend
2. Lower Shadow /
Wick at least twice
as big as real body
3. Real Body Bullish
or Bearish, better if
Bearish.

Inverted Hammer



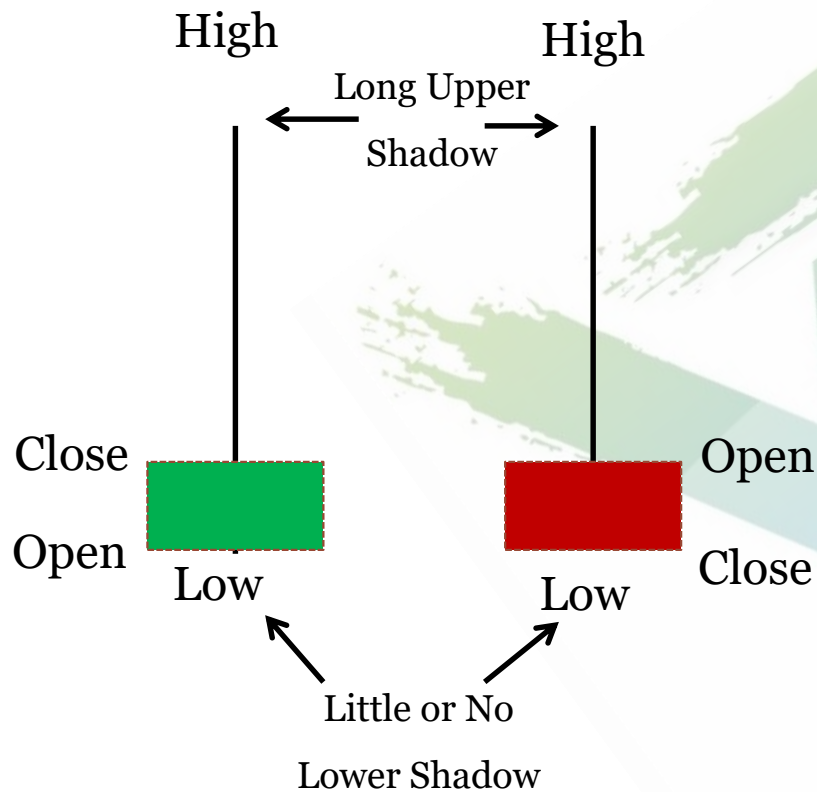
1. Bullish Candlestick
2. Reversal Candlestick in a downtrend
3. No Lower Shadow
4. Longer Upper Shadow
5. Small body with a shadow at least two times greater than the body
6. Any color but if Green then best.
7. Best @ Low/Bottom of a downtrend
8. High Volume on that day Best
9. Buy on High Break.



Downtrend

Inverted Hammer

SHOOTING STAR



1. Bearish Candlestick
2. Trend Reversal
3. No Lower Shadow
4. Longer Upper Shadow
5. Small body with a shadow at least two times greater than the body
6. Any color but if Red then best.
7. Best @ High/Top of a Uptrend
8. High Volume on that day Best
9. Sell on Low Break.



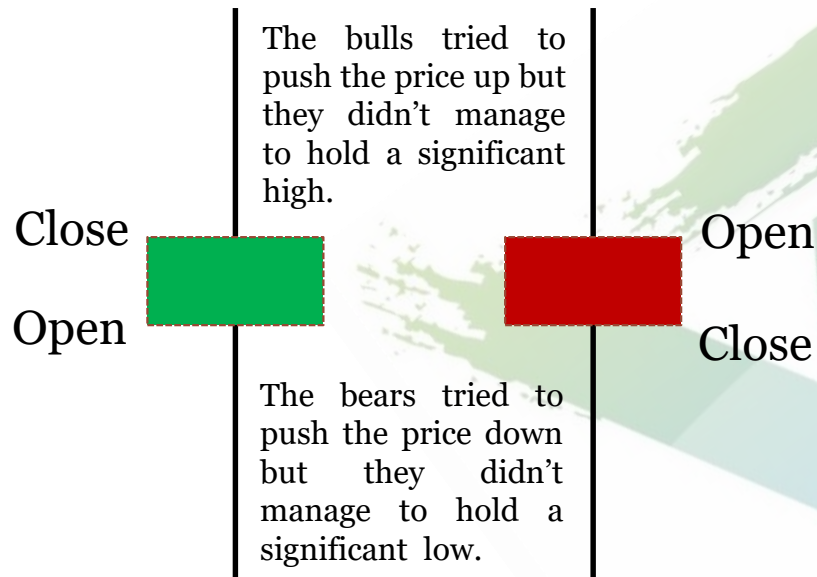
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Shooting Star

Uptrend



SPINNING TOP OR BOTTOM



1. Trend Reversal
2. Small body with both side Longer Shadow.
3. Any color.
4. Psychology is same as Doji.
5. High Volume on that day Best.
6. Found @ Low/Bottom, Buy on High Break.

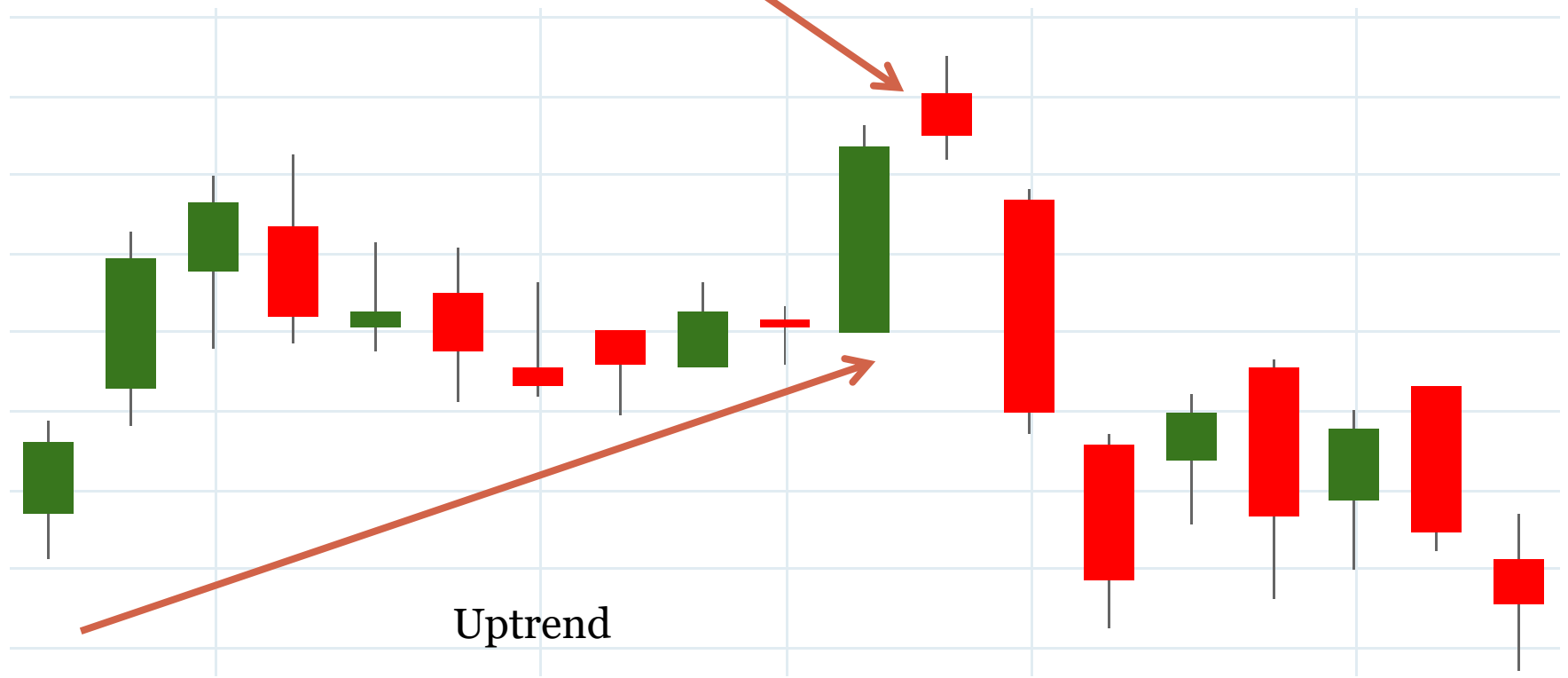


Down Trend

Bullish Spin on Bottom



Bearish Spinning Top



Uptrend

MARUBOZU



Marubozu
Bullish

Marubozu
Bearish

1st CANDLESTICK PATTERN

BULLISH OR BEARISH

NO SHADOW

HIGH VOLUME ON THAT DAY

BEST

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Marubozu

Marubozu



COMBINATION OF 2 CANDLESTICK PATTERNS

BULLISH ENGULFING

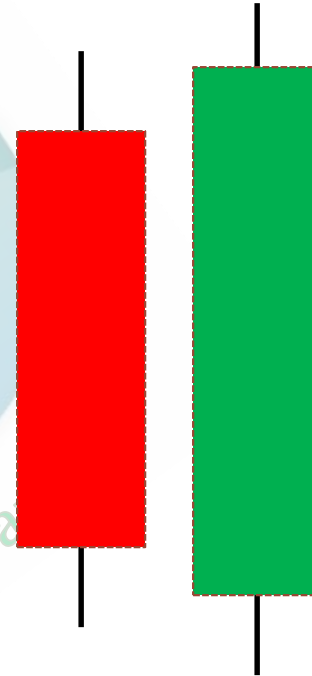
2 Candlestick pattern

- Bullish Candlestick Reversal Pattern
- 1st Candle small Bearish Candle followed by.
- 2nd Candle Big Bullish Candle Full Body Engulf / Cover its 1st Candle Body

Condition

- Best in Downtrend
- Candles Shadow / Wick should be small
- Its 2 candlestick pattern

Support : The Lowest low of the two sessions of the pattern.





Bullish Engulfing

BEARISH ENGULFING

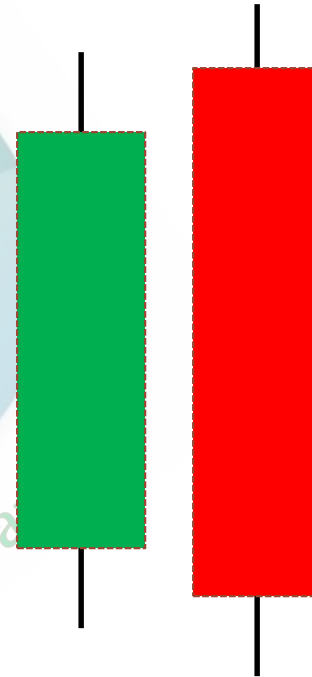
2 Candlestick pattern

- Bearish Candlestick Reversal Pattern
- 1st Candle small Bullish Candle
- 2nd Candle Big Bearish Candle Full Body Engulf / Cover its 1st Candle Body

Condition

- Best in Uptrend
- Candles Shadow / Wick should be small
- Its 2 candlestick pattern

Resistance : The Highest High of the two sessions of the pattern.





Bearish Engulfing

Up Trend

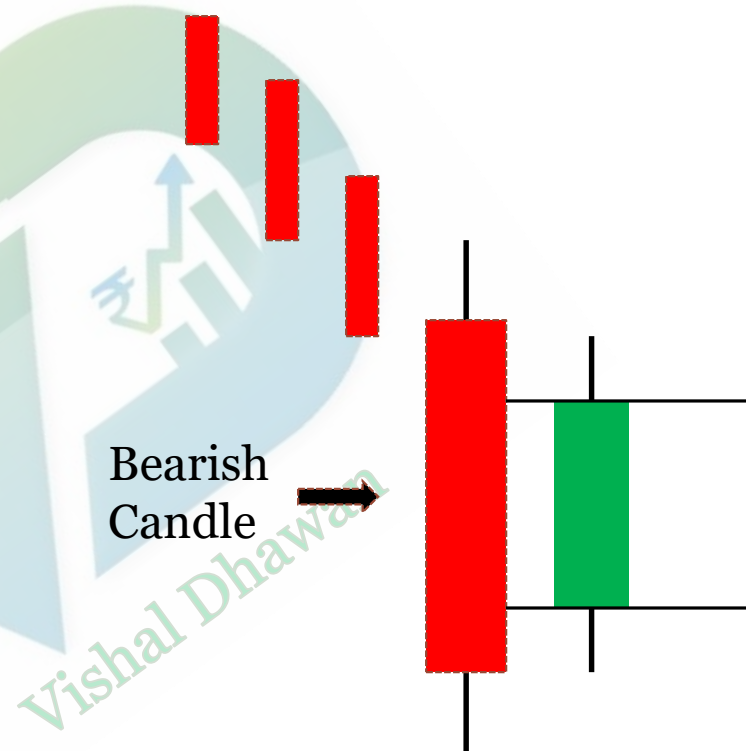
Down Trend

Bullish Harami

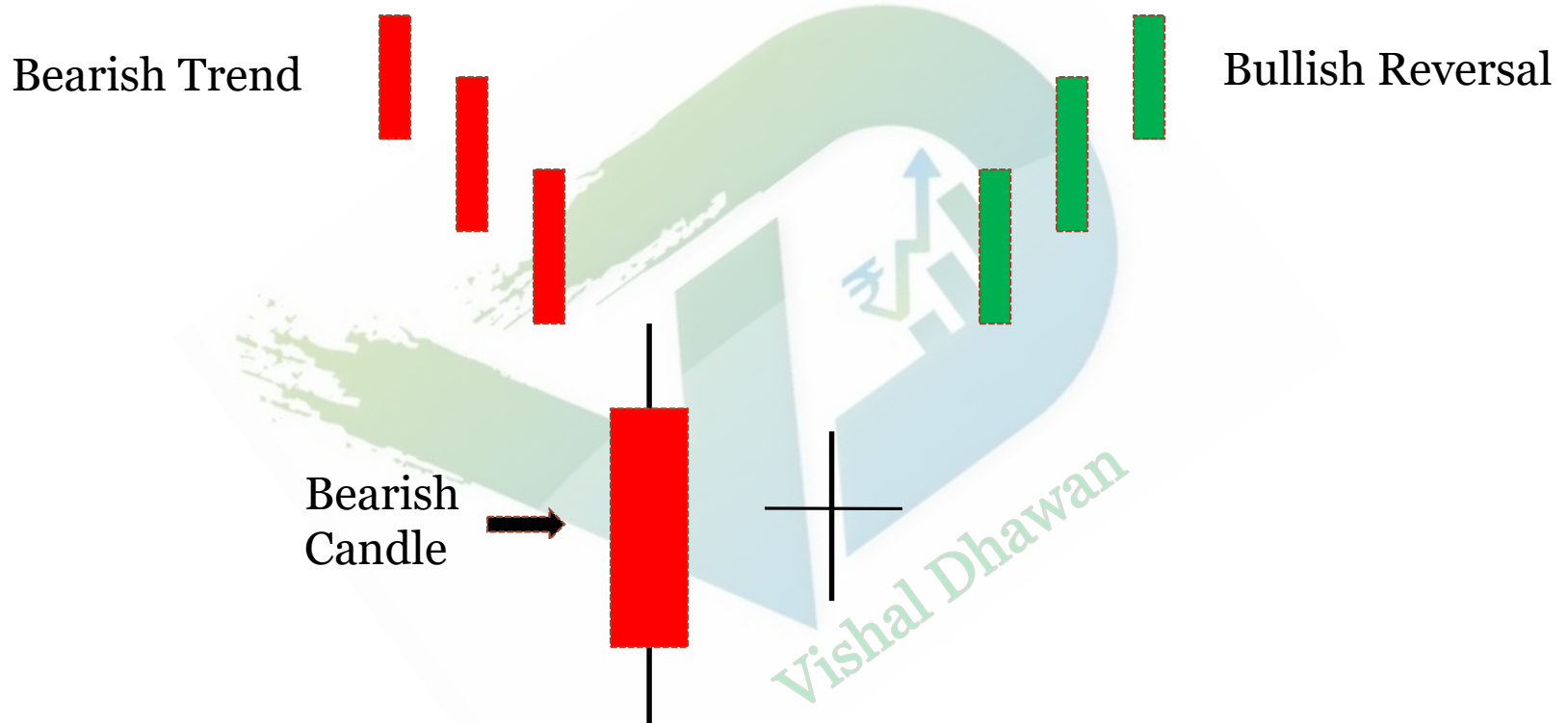
Two Bar Combinations

Candlestick Pattern

- A small Green bar inside a large red body
- 1st Candle Big Bearish
- 2nd Candle Very small Bullish



Bullish Harami Cross



A Doji inside a large Bearish Candle

BULLISH HARAMI



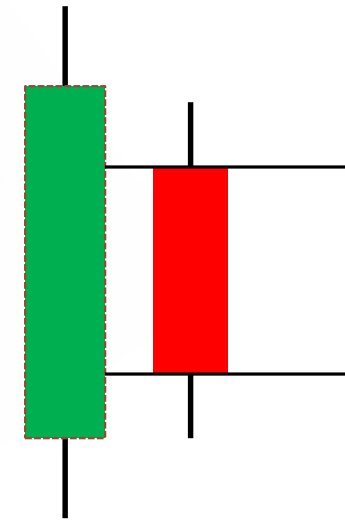
Bearish Harami

Two Bar Combinations

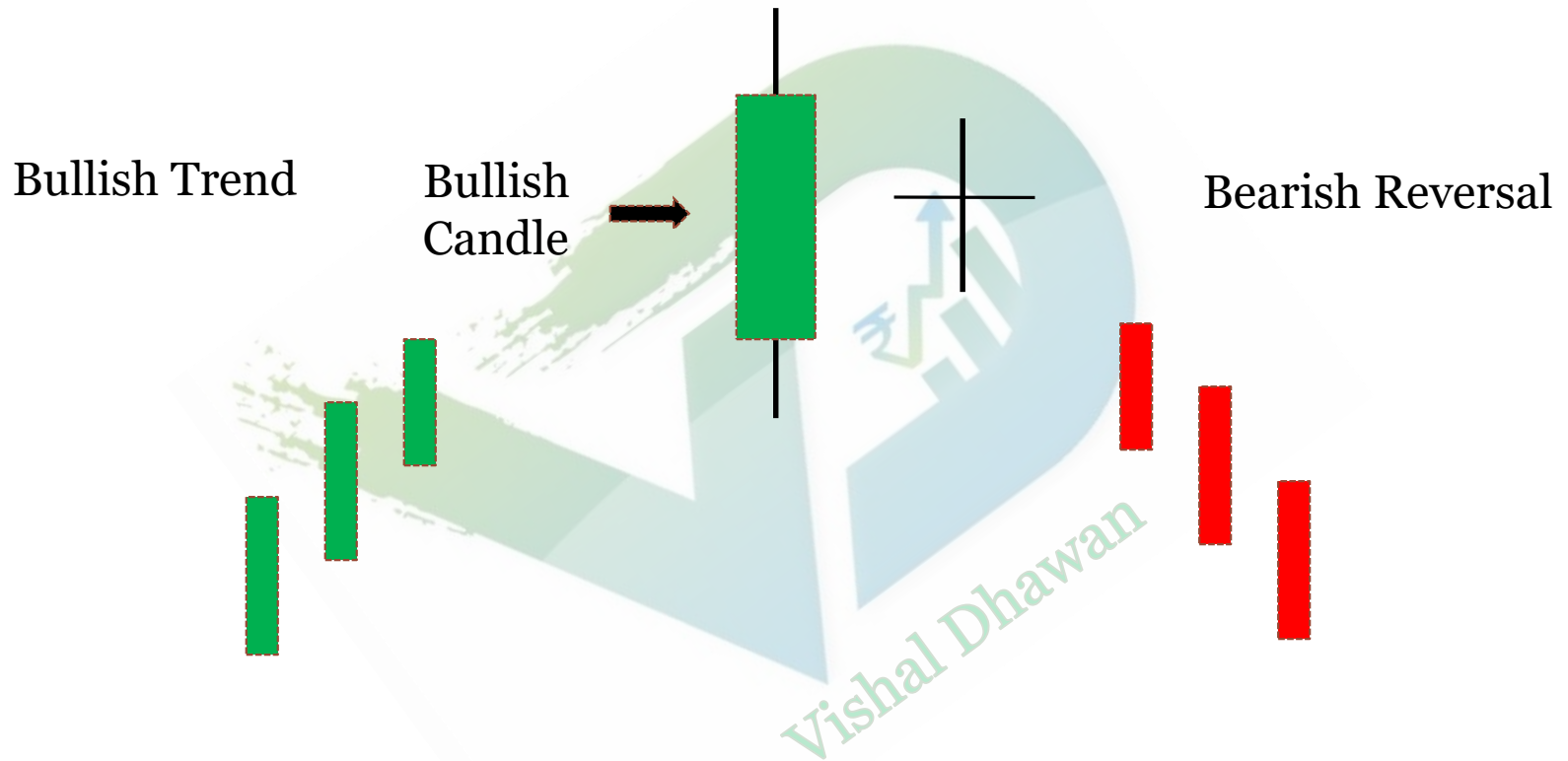
Candlestick Pattern

- A small Red bar inside a large Green body
- 1st Candle Big Bullish
- 2nd Candle Very small Bearish


Bullish
Candle



Bearish Harami Cross



A Doji inside a large Bullish Candle

ICICI BANK - 15 - NSE  0635.55 H636.35 L635.10 C636.15 +0.55 (+0.09%)

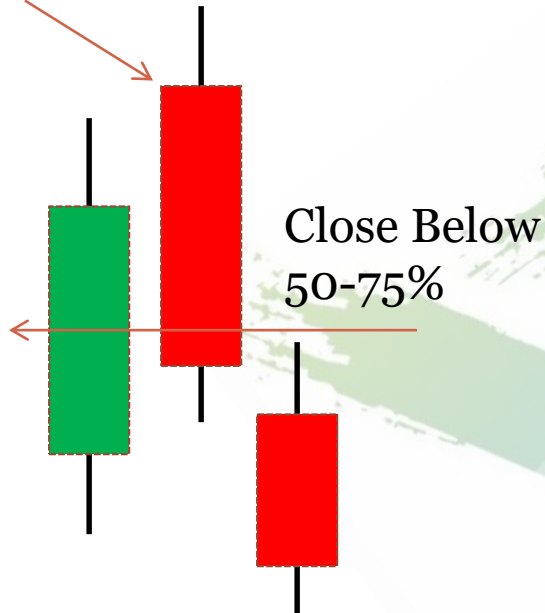
BEARISH HARAMI
@RESISTANCE



DARK CLOUD COVER

BEARISH CANDLESTICK REVERSAL PATTERN

Gap Up



- 1st Candle Big Bullish Candle
- 2nd Candle Gap up Open should close below 50-75% of 1st Candle
- 2nd Candle Bearish

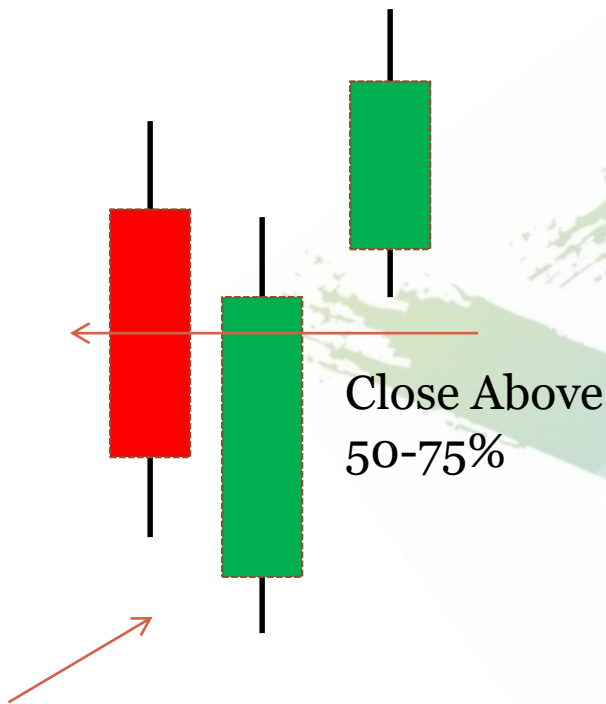
Dark Cloud Cover @TOP REVERSAL

Uptrend



PIERCING LINE PATTERN

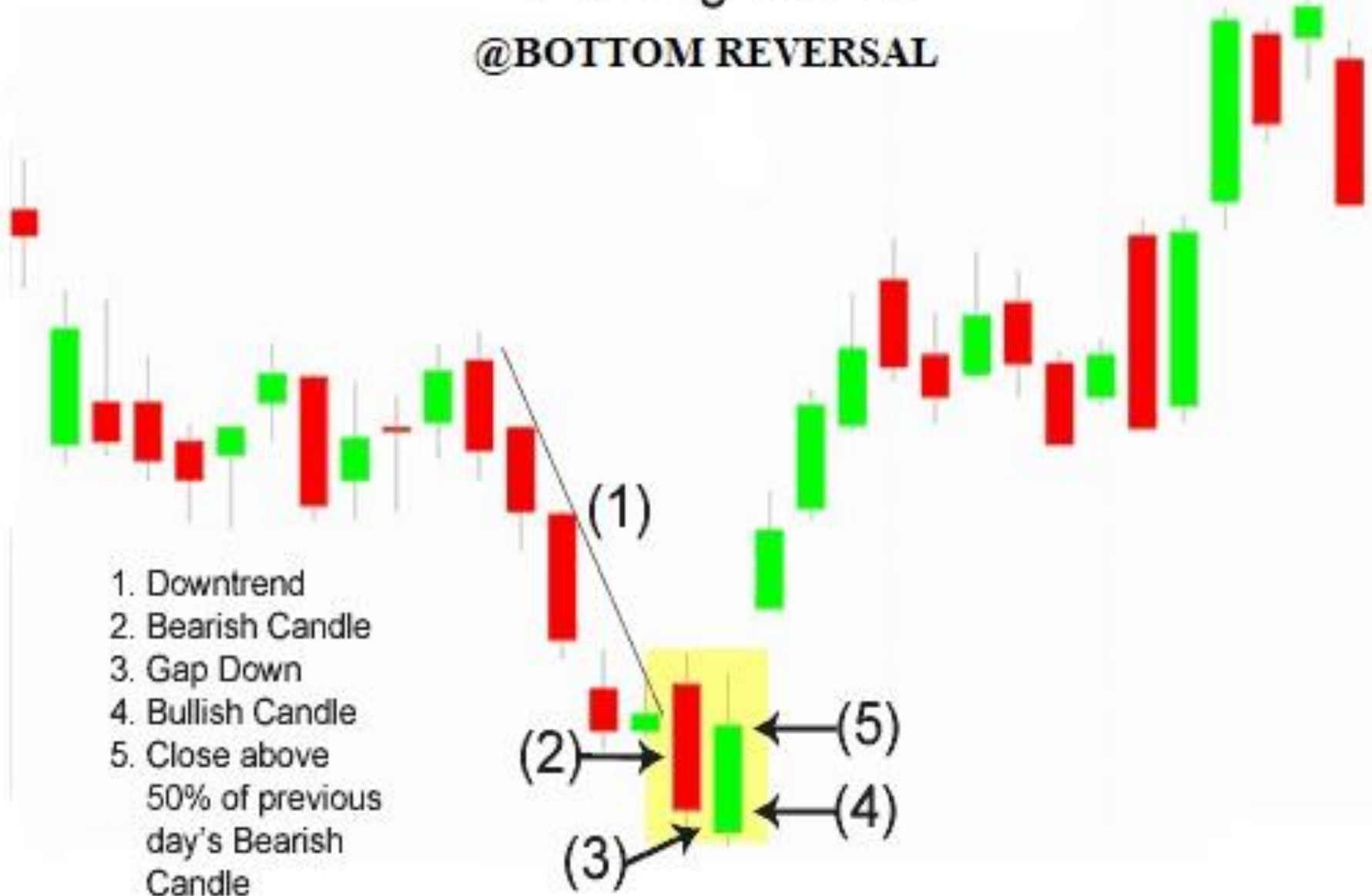
BULLISH CANDLESTICK REVERSAL PATTERN



Gap Down

- ✓ 1st Candle Big Bearish Candle
- ✓ 2nd Candle Gap Down Open
should close above 50-75% of 1st
Candle
- ✓ 2nd Candle Bullish

Piercing Pattern @BOTTOM REVERSAL



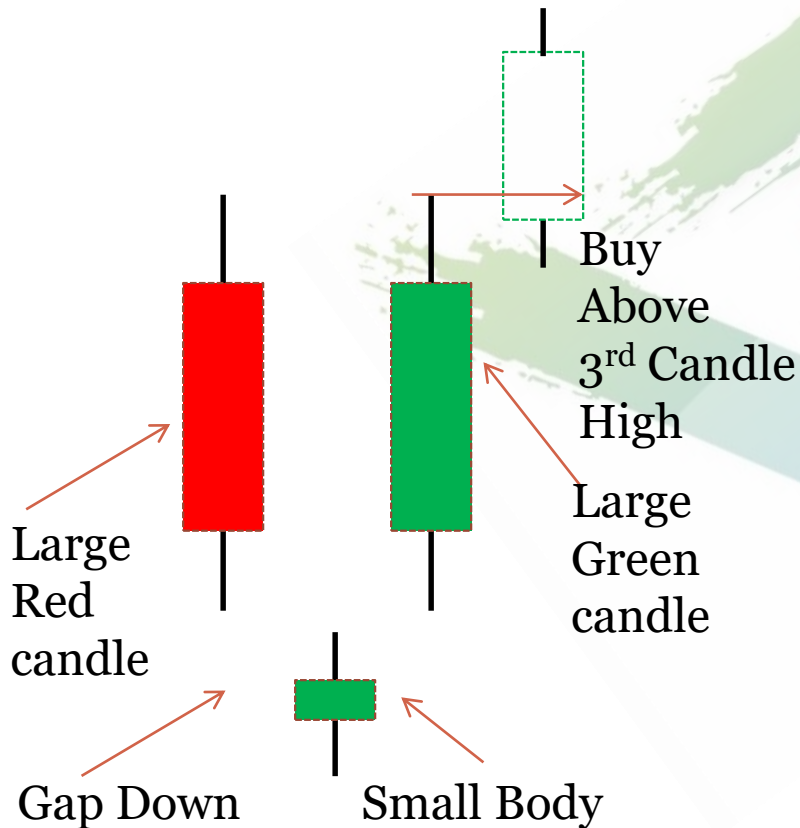
A background image featuring a candlestick price chart with teal and pink bars, overlaid on a large, faint watermark of a green and blue geometric shape containing an upward-pointing arrow. The text "Combination of 3 Candlestick Patterns" is centered in a large, bold, orange font.

Combination of 3 Candlestick Patterns

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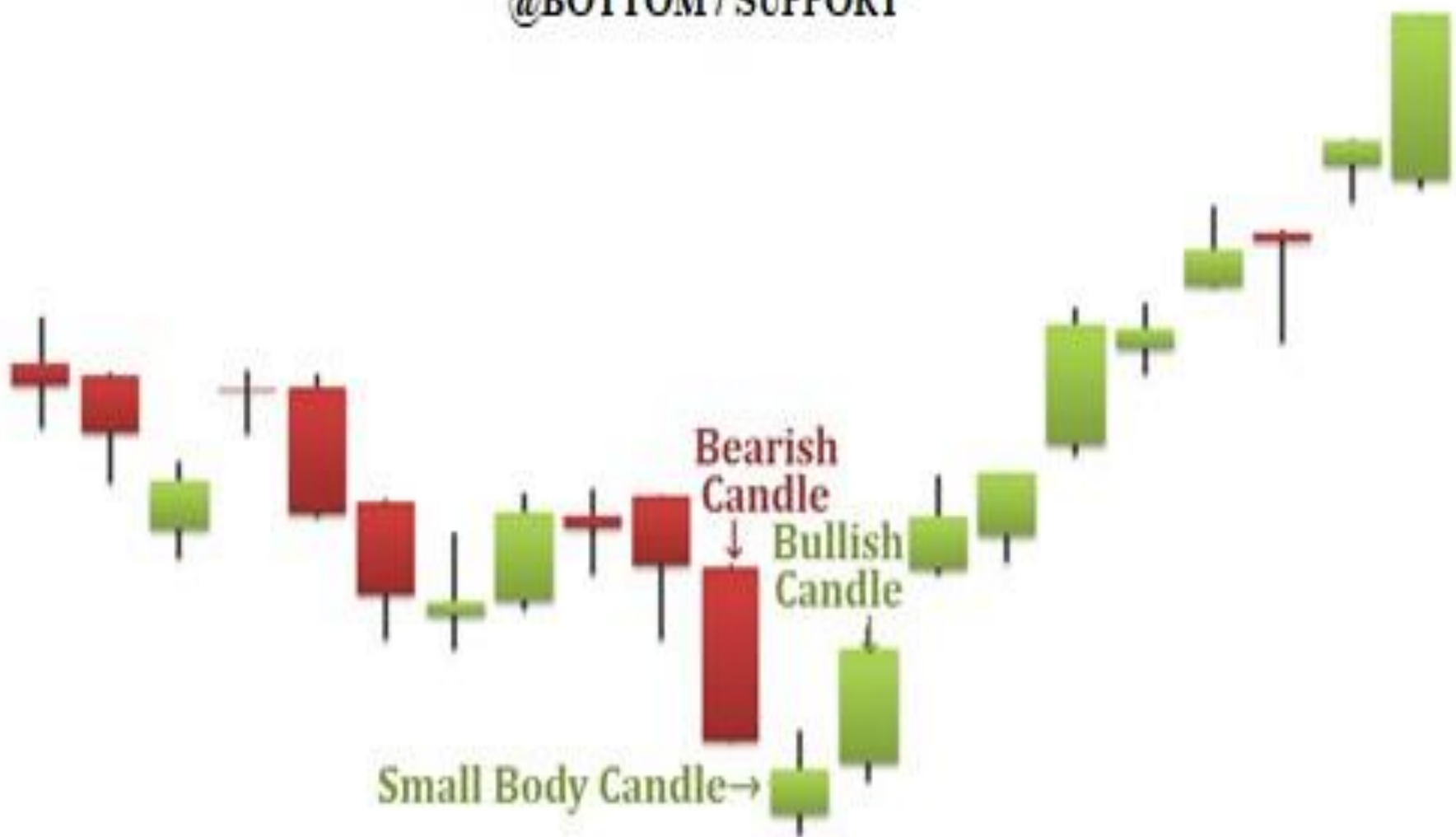
Morning Star

Bullish Candlestick Reversal Pattern



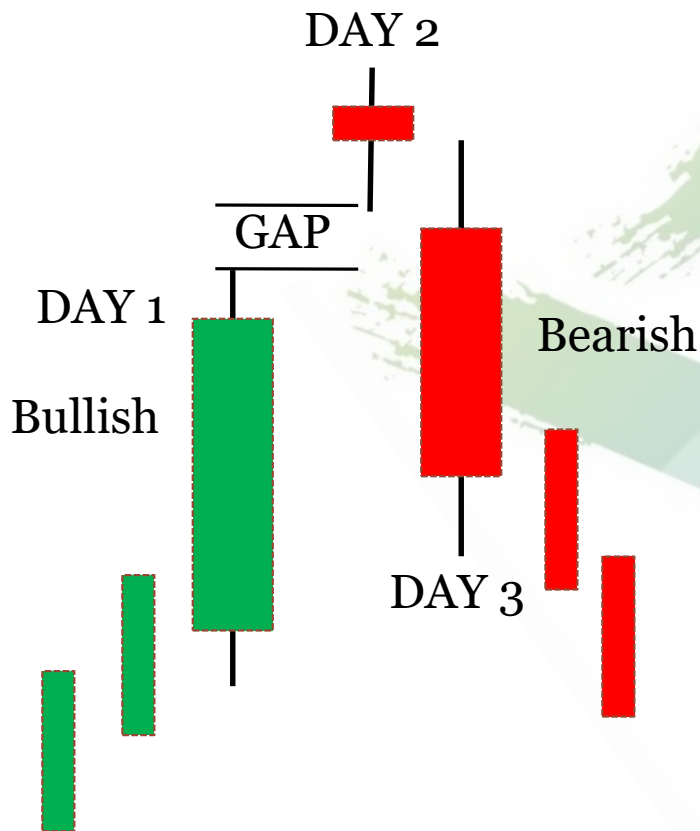
- ✓ 1st Candle Big Red Candle
- ✓ 2nd Candle Small Candle with Gap Down Below the Prior Body. It Can be Bullish Or Bearish
- ✓ 3rd Bullish Candle Engulf Minimum 60-75% of 1st Candle.
- ✓ **Condition – Best @ Downtrend**
- ✓ Small Candle's Shadow
- ✓ Bulls are taking Control
- ✓ **Strong Pattern**

MORNING STAR @BOTTOM / SUPPORT



Evening Star

Bearish Candlestick Reversal Pattern



- ✓ 1st Candle Big Green Candle
- ✓ 2nd Candle Small Candle with Gap up above the Prior Body. It Can be Bullish Or Bearish
- ✓ 3rd Bullish Candle Engulf Minimum 60-75% of 1st Candle.
- ✓ **Condition – Best @ Uptrend**
- ✓ Small Candle's Shadow
- ✓ Bears are taking Control
- ✓ **Strong Pattern**

Evening Star Pattern @TOP RESISTANCE

- 1. Uptrend
- 2. Bullish Candle
- 3. Gap Up
- 4. Small Bullish/Bearish Candle
- 5. Gap Down
- 6. Bearish Candle

