

ALL Chart Patterns PDF

The Chart Patterns PDF is the ultimate chart pattern cheat sheet for both beginner and professional traders.

This comprehensive guide covers 40+ of the most important chart patterns, from foundational formations like Double Tops and Double Bottoms to advanced structures such as Head and Shoulders, Triangles, Flags, and Wedges.

You will learn how to identify key continuation and reversal patterns, including Ascending and Descending Triangles, Bullish and Bearish Flags, and Rising and Falling Wedges, helping you spot breakouts, trend shifts, and high-probability trading opportunities.

This essential chart patterns PDF is ideal for traders looking to master chart reading, technical analysis, and price action strategies across forex, stocks, and crypto markets.

How to Read This Guide

Chart patterns reflect market psychology by forming recognizable price structures over time.

This guide is designed to help traders identify, interpret, and trade these patterns with clarity and consistency.

What Are Chart Patterns?

Chart patterns are formations created by price movements on a trading chart and can appear across markets such as Forex, Crypto, and Stocks.

These chart patterns are important tools in technical analysis because they help traders predict future price movements based on historical price action.

How to Read Trading Chart Patterns

You can follow a simple step-by-step process below to help you read a chart pattern:

1. Identify the Market Trend

You need to check whether the market is going up, down, or sideways.

- Uptrend means buyers are in control.
- Downtrend means sellers are dominant.

2. Spot the Pattern

The patterns are usually hidden behind shapes like flags, triangles, or head-and-shoulders.

- The patterns can signal either a **continuous** or a **reversal**.

3. Mark Support and Resistance

- The support level shows where buyers often step in.
- The resistance level shows where sellers often take profits.

Trading Chart Pattern PDF (Cheat Sheet)

Below is a curated list of the top 45 chart patterns, essential for both beginner and advanced traders to learn in 2026.

Pattern Name	Reliability (1–10)	Signal Type	Best Timeframe	Confirmation Needed	Risk Level
Ascending Triangle Chart Pattern	8/10	Continuation (Bullish)	4H-Daily	Yes	Medium
Descending Triangle Chart Pattern	8/10	Continuation (Bearish)	4H-Daily	Yes	Medium

Symmetrical Triangle Chart Pattern	7/10	Bilateral	1H-Daily	Yes	Medium
Pennant Chart Pattern	9/10	Continuation	1H-4H	Yes	Low
Bullish Flag Chart Pattern	9/10	Continuation (Bullish)	1H-Daily	Yes	Low
Bearish Flag Chart Pattern	9/10	Continuation (Bearish)	1H-Daily	Yes	Low
Rising Wedge Chart Pattern	8/10	Reversal (Bearish)	4H-Daily	Yes	Medium
Falling Wedge Chart Pattern	8/10	Reversal (Bullish)	4H-Daily	Yes	Medium
Double Bottom Chart Pattern	9/10	Reversal (Bullish)	4H-Weekly	Yesneckline	Low
Double Top Chart Pattern	9/10	Reversal (Bearish)	4H-Weekly	Yes	Low
Head and Shoulders Chart Pattern	10/10	Reversal (Bearish)	4H-Weekly	Yes	Low
Inverse Head and Shoulders Pattern	10/10	Reversal (Bullish)	4H-Weekly	Yes	Low

Rounding Top Chart Pattern	7/10	Reversal (Bearish)	Daily-Weekly	Yes	Medium
Rounding Bottom Chart Pattern	7/10	Reversal (Bullish)	Daily-Weekly	Yes	Medium
Cup and Handle Chart Pattern	9/10	Continuation (Bullish)	Daily-Weekly	Yes	Low
Bump and Run Chart Pattern	8/10	Reversal	4H-Weekly	Yes	Medium
Price Channel Chart Pattern	7/10	Continuation	1H-Daily	Optional	Medium
Triple Top Chart Pattern	9/10	Reversal (Bearish)	Daily-Weekly	Yes	Low
Triple Bottom Chart Pattern	9/10	Reversal (Bullish)	Daily-Weekly	Yes	Low
Diamond Top Chart Pattern	8/10	Reversal (Bearish)	4H-Daily	Yes	Medium
Diamond Bottom Chart Pattern	8/10	Reversal (Bullish)	4H-Daily	Yes	Medium
Channel Chart Patterns	7/10	Continuation	1H-Daily	No	Medium
Gaps Chart Patterns	8/10	Continuation/Reversal	All	Yes	High

Bullish Rectangle Chart Pattern	8/10	Continuation (Bullish)	4H-Daily	Yes	Medium
Bearish Rectangle Chart Pattern	8/10	Continuation (Bearish)	4H-Daily	Yes	Medium
Pipe Top Chart Pattern	6/10	Reversal (Bearish)	1H-Daily	Yes	High
Pipe Bottom Chart Pattern	6/10	Reversal (Bullish)	1H-Daily	Yes	High
Spikes Stock Chart Pattern	5/10	Reversal/Continuation	Intraday	Yes	Very High
Ascending Staircase Chart Pattern	8/10	Continuation (Bullish)	1H-Daily	Optional	Medium
Descending Staircase Chart Pattern	8/10	Continuation (Bearish)	1H-Daily	Optional	Medium
Megaphone Stock Chart Pattern	7/10	Bilateral/Reversal	4H-Daily	Yes	High
V Chart Pattern	6/10	Reversal	1H-Daily	Yes	High
Harmonic Chart Pattern	9/10	Reversal	4H-Weekly	Yes	Medium

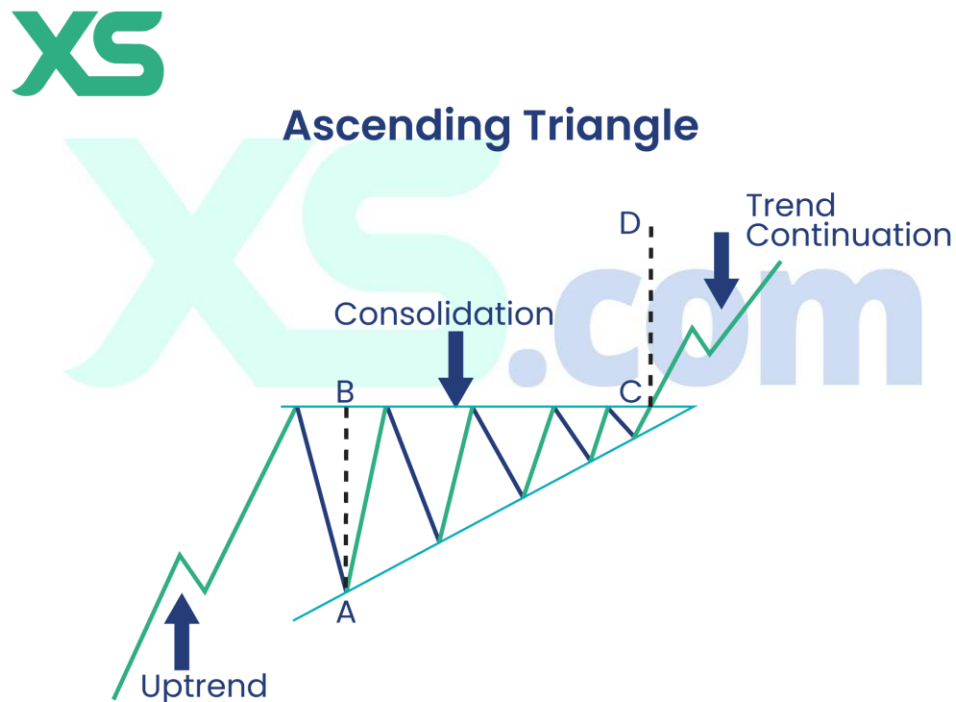
Elliott Wave Chart Pattern	10/10	Cyclical/Continuation	4H-Weekly	Yes	Medium
Three Drives Chart Pattern	8/10	Reversal (Harmonic)	4H-Daily	Yes	Medium
Quasimodo Chart Pattern	8/10	Reversal	1H-Daily	Yes	Medium
Dead Cat Bounce Chart Pattern	7/10	Continuation (Bearish)	Daily-Weekly	Yes	High
Island Reversal Chart Pattern	8/10	Reversal	Daily-Weekly	Yes	Medium
Tower Top Chart Pattern	7/10	Reversal (Bearish)	Daily-Weekly	Yes	Medium
Tower Bottom Chart Pattern	7/10	Reversal (Bullish)	Daily-Weekly	Yes	Medium
Shakeout Chart Pattern	8/10	Reversal (Bullish)	1H-Daily	Yes	Medium
Broadening Wedge Pattern (Expanding Triangle)	7/10	Bilateral	4H-Daily	Yes	High
Parabolic Curve Pattern	6/10	Reversal	Daily-Weekly	Yes	Very High
Bullish Wolfe Wave	9/10	Reversal (Bullish)	4H-Daily	Yes	Medium

Bearish Wolfe	9/10	Reversal (Bullish)	4H-Daily	Yes	Medium
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Ascending Triangle Chart Pattern

An ascending triangle pattern is a **bullish continuation pattern**, it shows characterized by a horizontal resistance line and a rising support line.

This chart pattern indicates buyers are becoming more aggressive, pushing the price *higher* and eventually breaking through the resistance level.



- **Key Insight:** The breakout will happen to an uptrend when the resistance and support levels have been retested many times

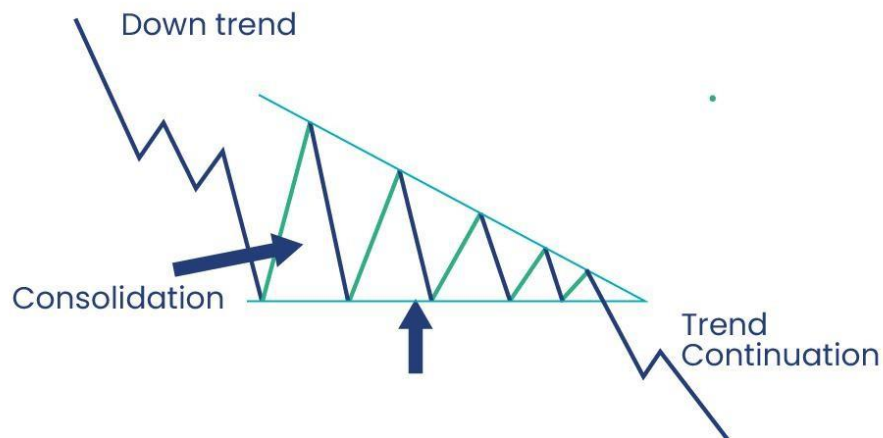
Descending Triangle Chart Pattern

A descending triangle pattern is a **bearish continuation pattern** with a horizontal support line and a falling resistance line.

This pattern suggests that sellers are becoming more aggressive, pushing the price *lower* and eventually breaking through the support level.



Descending Triangle



- **Key Insight:** The breakout of this chart pattern happens in a downtrend when the resistance and support levels have been retested many times

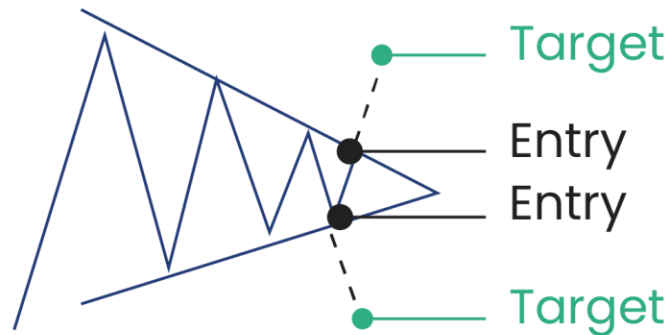
Symmetrical Triangle Chart Pattern

A symmetrical triangle can signal either a **continuation or a reversal**, with converging trend lines indicating a period of consolidation.

The chart pattern forms when the price makes lower highs and higher lows, converging towards a point. The breakout direction from the triangle determines whether the trend will continue or reverse, often accompanied by a surge in volume.



Symmetrical Triangle



- **Key Insight:** The price range gets narrower, making higher lows and lower highs, and signaling a breakout.

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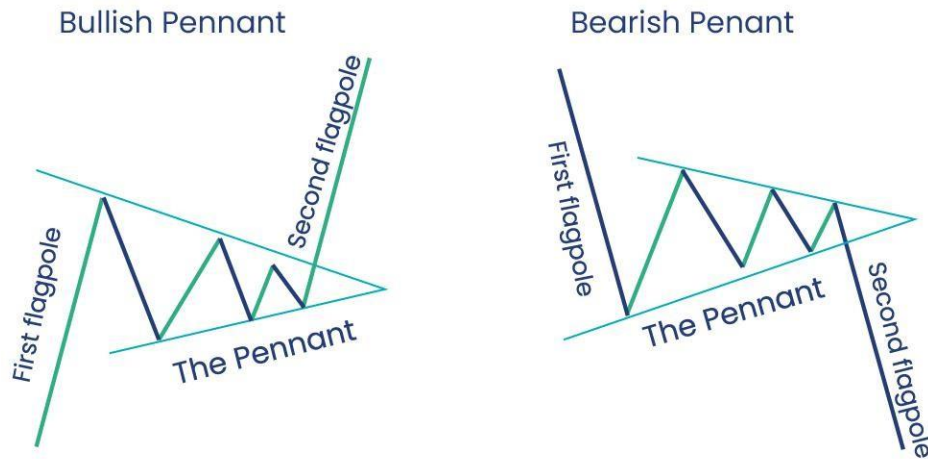
Pennant Chart Pattern

Pennant patterns are short-term **continuation stock chart patterns** that resemble small symmetrical triangles.

They form after a strong price movement, known as the flagpole, and indicate a brief consolidation period before the trend resumes. Pennants are characterized by converging trend lines and typically result in a breakout in the direction of the prior trend.



Bullish Pennant Bearish Penant



- **Key Insight:** The pattern forms during price consolidation and narrows until it breaks out and continues the trend.

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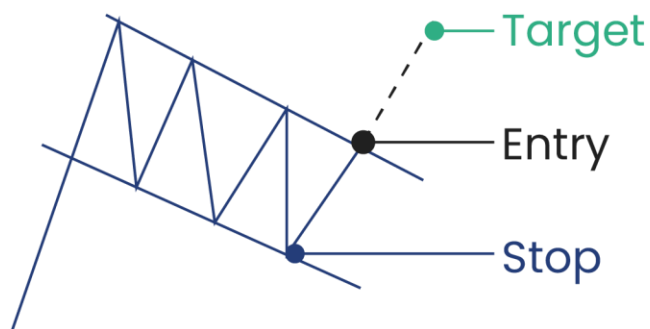
Bullish Flag Chart Pattern

A bullish flag pattern signals the **continuation** of the trend. The characteristic looks like a flag, usually appearing in an uptrend when the price is slowing down and consolidating before rising up again.

You need to look for the breakout near resistance levels and be careful when identifying the bullish flag chart pattern. This shows that some buyers are selling to make a profit, and then the buyers come back to control the market again.



Bullish Flag



- **Key Insight:** The price has formed a flag pattern, and the breakout continues the uptrend.

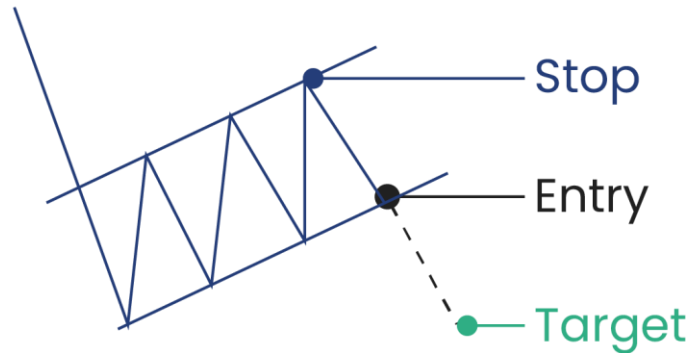
Bearish Flag Chart Pattern

A bearish flag pattern that forms during a downtrend signals a **continuation** of the bearish trend. The price is going down, then back up a little, forming a consolidation, then breaks through the support levels and continues in the same direction.

This shows the sellers got panicked and are selling off most of it. The buyers see this as a chance to buy and push the price up, but still not enough. So the sellers come to the market and control it, causing prices to drop again.



Bearish Flag



- **Key Insight:** The price has formed a flag pattern, and the breakout continues the downtrend.

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Rising Wedge Chart Pattern

Wedge patterns are sloping stock chart patterns that signal a **continuation or a reversal**. A rising wedge typically indicates a bearish reversal. The wedge's converging trend lines show a slowdown in momentum, and the breakout direction indicates a trend change.



Rising Wedge Pattern Formation



- **Key Insight:** The price continues going up, but the momentum is lower. So, it broke out to the downtrend.

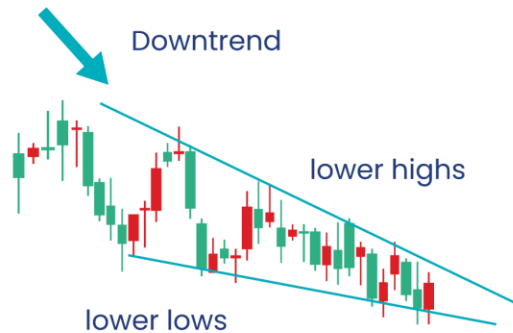
Falling Wedge Chart Pattern

The falling wedge pattern is a **bullish reversal pattern** that signals a downtrend's end and an uptrend's beginning.

The pattern forms when the price makes lower highs and lower lows within converging trend lines. The breakout above the upper trend line indicates that the bearish momentum is slowing down, and a bullish reversal is likely.



Falling Wedge Pattern Formation



- **Key Insight:** The price continues going down, but the momentum is lower. So, it broke out into the uptrend.

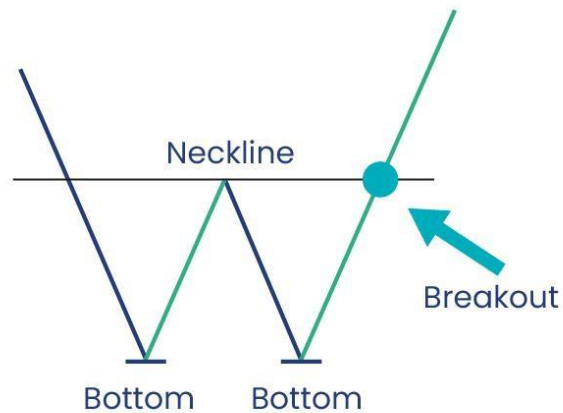
Double Bottom Chart Pattern

A double bottom pattern is a **bullish reversal pattern** resembling the letter "W." It forms when the price hits a support level twice, with a moderate *pullback* in between.

The pattern indicates that the downtrend is reversing, and an uptrend is likely. The breakout above the resistance level formed by the intermediate peak confirms the reversal.



Double Bottom



- **Key Insight:** The price comes back down to the support level twice, then rebounds up.

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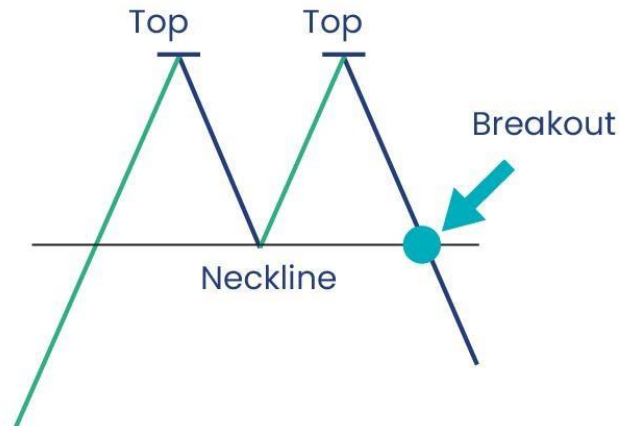
Double Top Chart Pattern

A double top pattern is a **bearish reversal pattern** shaped like the letter "M." It forms when the price hits a resistance level twice, with a moderate *decline* in between.

This pattern signals that the uptrend is reversing, and a downtrend is expected. The breakdown below the support level formed by the intermediate trough confirms the reversal.



Double Top



- **Key Insight:** The price reaches the resistance level twice before reversing downward.

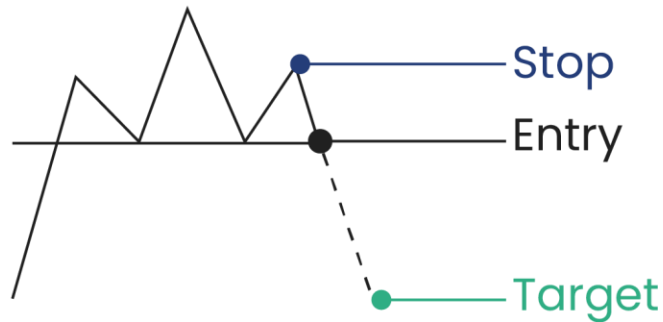
Head and Shoulders Chart Pattern

The head and shoulders pattern is a **bearish reversal pattern** that signals a shift from an uptrend to a downtrend. It features three peaks: a higher peak (head) between two lower peaks (shoulders).

The stock chart pattern is completed when the price falls below the neckline, a support line connecting the lows of the two troughs. This breakdown is often accompanied by increased volume, confirming the trend reversal.



Head & Shoulders



- **Key Insight:** The price makes three peaks and two lower peaks, then breaks down to the down trend.

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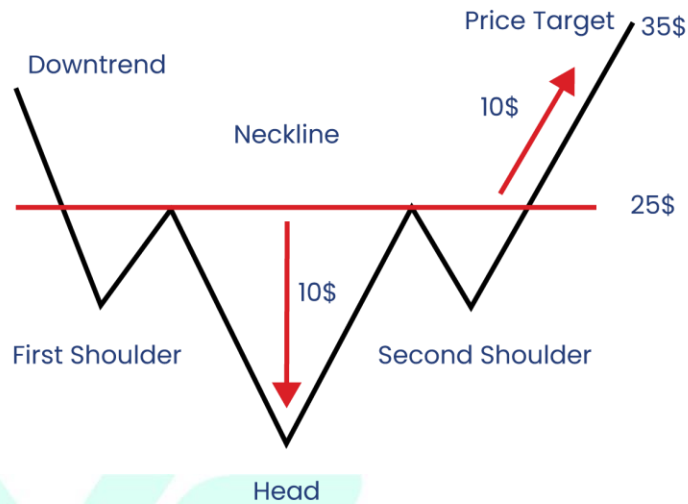
Inverse Head and Shoulders Chart Pattern

The inverse head and shoulders is a **bullish reversal pattern** that signals a shift from a downtrend to an uptrend. It features three troughs: a lower trough (head) between two higher troughs (shoulders).

The pattern is completed when the price rises above the neckline, a resistance line connecting the highs of the two peaks. This breakout is often accompanied by increased volume, confirming the trend reversal.



Inverse head and Shoulders Pattern



- **Key Insight:** The price forms three troughs and one lower trough, then breaks out to the upside.

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Rounding Top Chart Pattern

Rounding tops are long-term **reversal patterns** that resemble a "U" shape. A rounding top signals a gradual shift from bullish to bearish.

These **trading chart patterns** form over an extended period, reflecting a slow but steady change in market sentiment. The breakout from the pattern confirms the trend reversal.



Rounding Top



- **Key Insight:** The price is forming an upside-down U shape and moving into a downtrend.

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Rounding Bottom Chart Pattern

A rounding bottom is a **bullish reversal pattern** that indicates a gradual shift from a downtrend to an uptrend. It resembles a "U" shape and suggests a slow but steady accumulation phase before the price rises. The breakout above the resistance level formed by the rounding bottom confirms the trend reversal.



Rounding Bottom



- **Key Insight:** The price is forming a U shape and moving into an uptrend.

Cup and Handle Chart Pattern

The cup and handle pattern is a **bullish continuation pattern** where a rounded bottom (the cup) is followed by a consolidation period (the handle).

The handle typically slopes downwards, indicating a brief pullback before the trend resumes. The breakout above the resistance level formed by the cup's rim confirms the continuation of the prior uptrend.



Cup and Handle



- **Key Insight:** The price is forming a cup shape while consolidating, then breaks out and goes into an uptrend.

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Bump and Run Chart Pattern

The bump and run pattern is a **reversal pattern** that starts with a sharp rise or fall (the bump), followed by a gradual trend (the run) before reversing.

This trading chart pattern suggests an unsustainable trend that is likely to reverse. The reversal is confirmed when the price breaks through the trend line formed during the run phase, often accompanied by increased volume.



Bump and Run



- **Key Insight:** The price is running rapidly and consolidate then reverses back to the same trend.

Price Channel Chart Pattern

Price channels are **continuation patterns** formed by parallel trend lines. They indicate that the price is likely to continue moving within the channel.

The breakout from the channel can signal significant trend changes. An upward channel suggests a bullish trend (bull market), while a downward channel indicates a bearish trend (bear market).



Price Channel



- **Key Insight:** The price is trading in a channel pattern, with clear resistance and support levels.

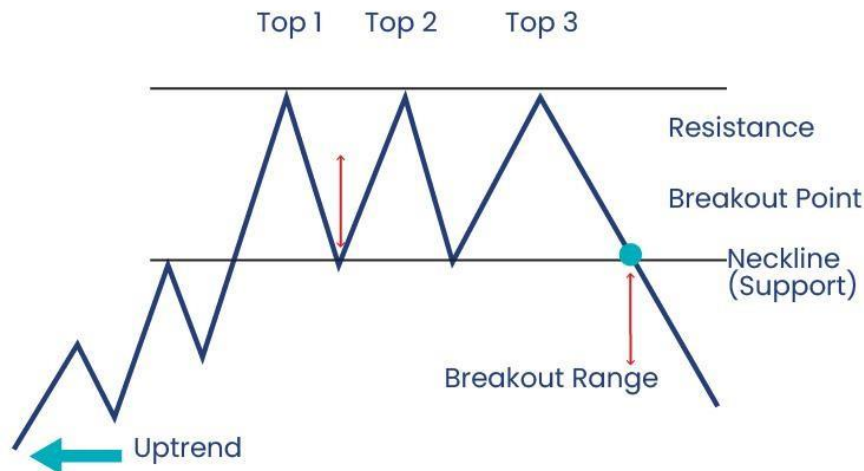
Triple Top Chart Pattern

A triple top pattern is a **bearish reversal pattern** that forms after three peaks at approximately the same level.

These trading chart patterns signal the end of an uptrend and the beginning of a downtrend. The breakdown below the support level formed by the lows between the peaks confirms the trend reversal, often accompanied by increased volume.



Triple top Chart Pattern



- **Key Insight:** The price rises to the resistance level 3 times, then breaks out and enters a downtrend.

Triple Bottom Chart Pattern

A triple bottom pattern is a **bullish reversal chart pattern** that forms after three troughs at approximately the same level.

It indicates the end of a downtrend and the beginning of an uptrend. The breakout above the resistance level formed by the highs between the troughs confirms the trend reversal, often accompanied by increased volume.



Triple Bottom Pattern



- **Key Insight:** The price drops to the support level 3 times, then breaks out and enters an uptrend.

Diamond Top Chart Pattern

A diamond top is a bearish reversal stock pattern that develops after an uptrend. This pattern is characterized by price movement that first broadens out and then contracts, forming a diamond shape on the chart.

The diamond top pattern typically signals growing uncertainty in the market and a potential shift from bullish to bearish sentiment.

The trend reversal is confirmed when the price breaks below the lower boundary of the diamond, often accompanied by an increase in trading volume and volatility.



Diamond Top



- **Key Insight:** The price is shaped like a diamond, breaking out and going down at the end.

Diamond Bottom Chart Pattern

Diamond Bottom is rare because it takes a long time to form. The chart pattern resembles a diamond and signals a trend reversal. This often signals a downtrend that could lead to a bullish reversal.

The price runs up and down in the shape, gathering the price pressure to break out in the opposite direction. The characteristic looks like an inverse head and shoulders in the diamond bottom, so you need to look for the head and shoulders shape first.



Diamond Bottom



- **Key Insight:** The price is shaped like a diamond, breaking out and going up at the end.

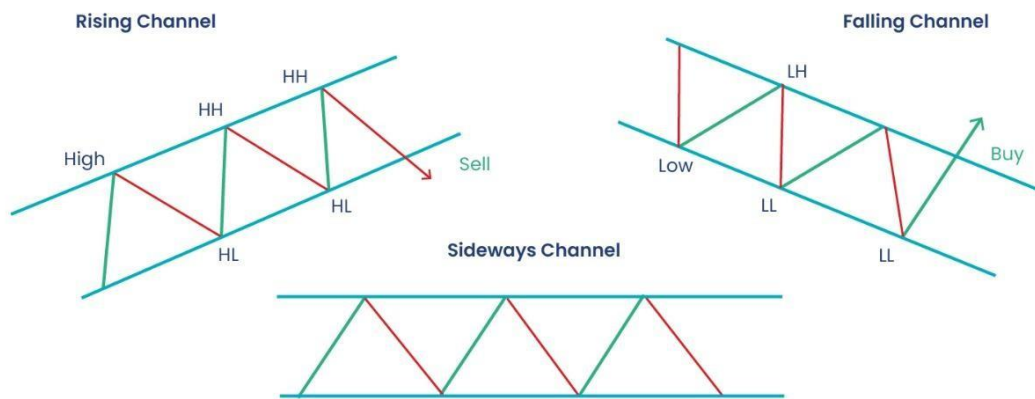
Channel Chart Patterns

The channel chart pattern is moving between two parallel trendlines and breaks out in the same direction. This pattern appears in an upward, downward, and sideways direction, each direction considered in a different pattern, and they have different patterns.

When the price is in a range for some time, we draw support and resistance levels at the top and bottom of the range. Once the price breaks out, it usually goes in the same direction.



Channel Chart Patterns



- **Key Insight:** The price is swinging in a parallel allow you to buy and sell along the channel pattern.

Gaps Chart Patterns

Gaps patterns occur when a stock's price makes a sharp move up or down, leaving a gap between the closing price of one period and the opening price of the next.

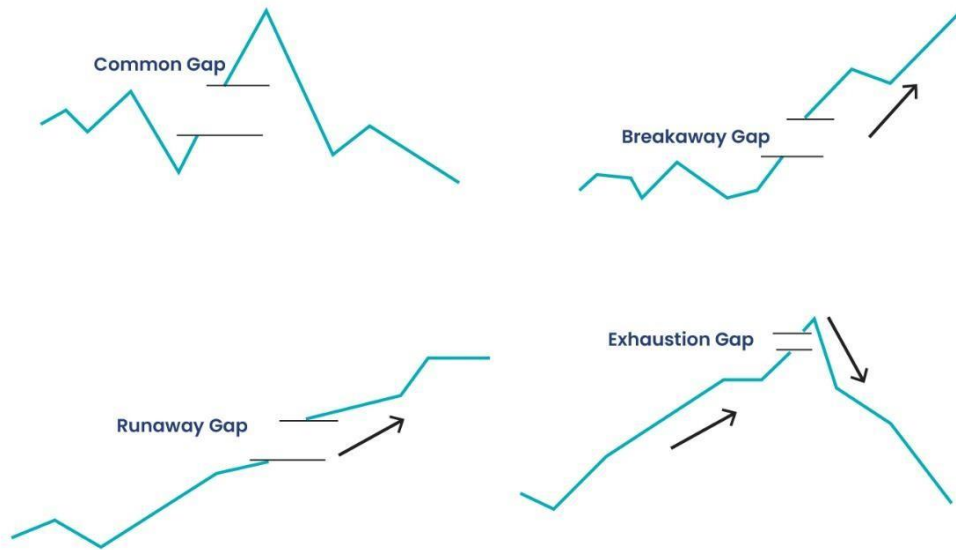
They are categorized into three types:

- **Breakaway gaps**, which mark the start of a trend
- **Runaway gaps**, which occur within a strong trend
- **Exhaustion gaps**, signaling the end of a trend

Gaps reflect strong market sentiment and are often confirmed by increased trading volume.



Gaps Chart Patterns



- **Key Insight:** The gap tells a clear buying and selling pressure.

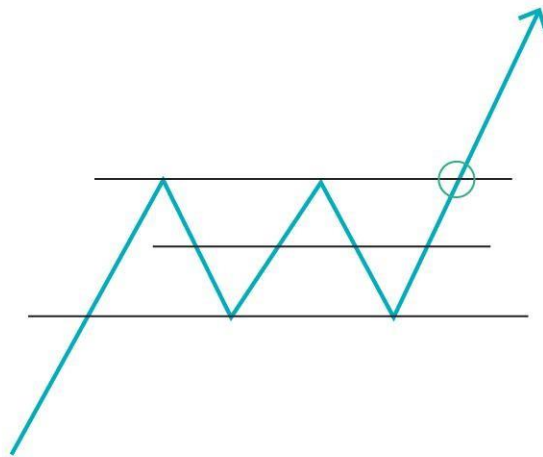
Bullish Rectangle Chart Pattern

Bullish rectangle patterns are continuation patterns that form during an uptrend as the price consolidates between horizontal support and resistance levels.

This pattern signifies a pause in the trend, where buyers and sellers are in equilibrium. Once the price breaks above the resistance, it indicates the resumption of the prior uptrend.



Bullish Rectangle Pattern



- **Key Insight:** The price is going consolidation to a rectangle pattern after an uprend then a breakout, and continues going up.

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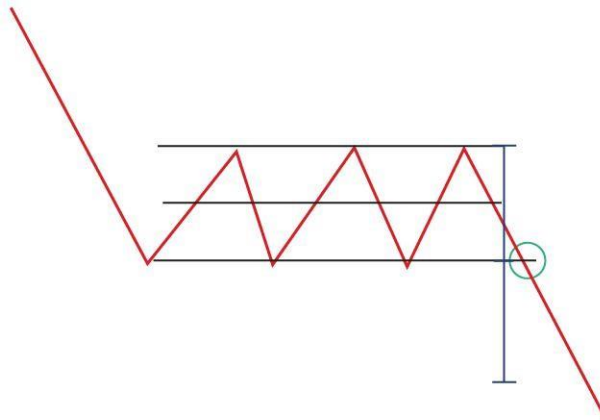
Bearish Rectangle Chart Pattern

Bearish rectangle patterns are continuation patterns that occur during a downtrend when the price consolidates between horizontal support and resistance levels.

This pattern reflects a temporary balance between buyers and sellers. A breakout below the support level signals the continuation of the prior downtrend.



Bearish Rectangle Pattern



- **Key Insight:** The price is consolidating into a rectangle pattern after a downtrend, then breaking out, and then continuing to go down.

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Pipe Top Chart Pattern

The pipe top pattern is a bearish reversal pattern characterized by two tall candlesticks at approximately the same price level, followed by a significant downward movement.

This **trading pattern** typically appears at the peak of an uptrend and indicates that the trend is losing momentum, with sellers starting to dominate.



Pipe Top Pattern



- **Key Insight:** The price rises strongly, then reverses quickly downward.

Pipe Bottom Chart Pattern

The pipe bottom pattern is a bullish reversal pattern characterized by two tall candlesticks at approximately the same price level, followed by a significant upward movement.

This pattern often forms at the end of a downtrend and signals that buyers are regaining control, leading to a potential trend reversal.



Pipe Bottom Pattern



- **Key Insight:** The price is falling sharply, then quickly reverses the uptrend.

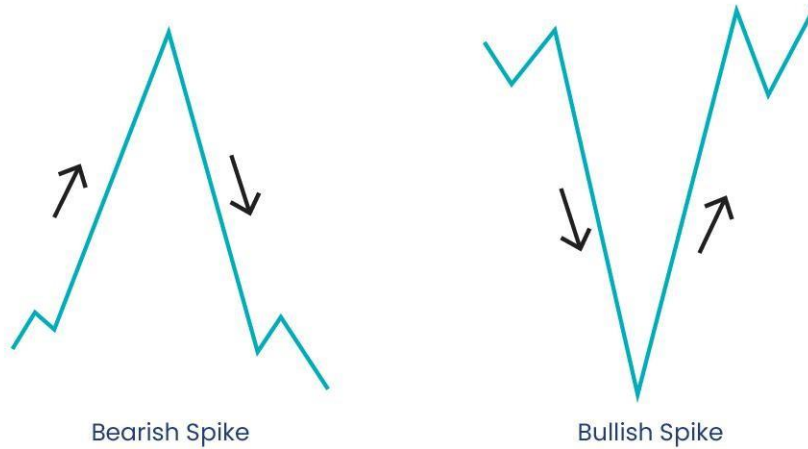
Spikes Stock Chart Pattern

Spikes represent sudden, sharp price movements that stand out on a chart due to their extreme height compared to surrounding price action.

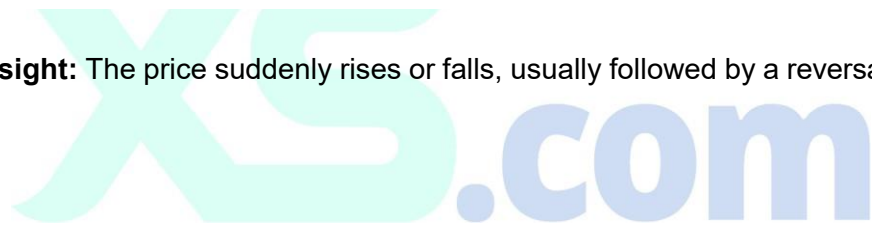
They are often driven by market news or significant events, reflecting high volatility. Spikes can indicate either a reversal or continuation, depending on subsequent price action.



Spikes Stock Chart Pattern



- **Key Insight:** The price suddenly rises or falls, usually followed by a reversal.



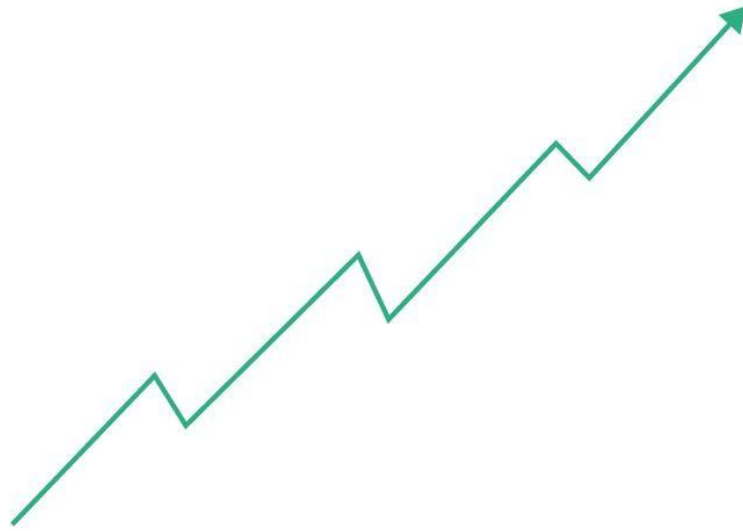
Ascending Staircase Chart Pattern

Ascending staircase patterns signal a bullish continuation. The price is forming higher highs and higher lows like a staircase pattern.

This pattern shows you a steady upward momentum, with buyers consistently stepping in at higher support levels.



Ascending Staircase Pattern



- **Key Insight:** The price is moving up in steps like a staircase, showing a continuation of the bullish trend.

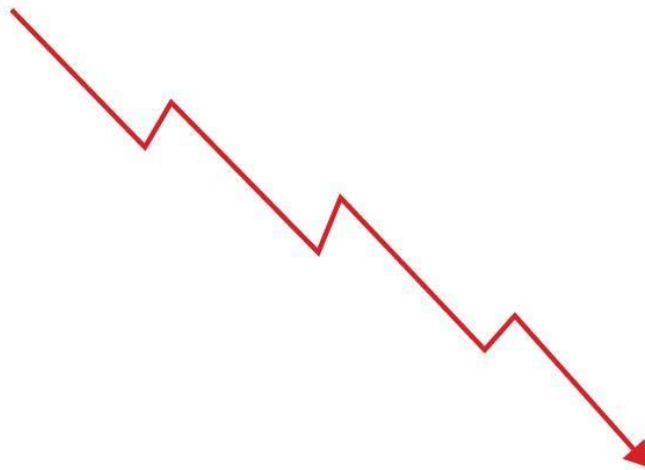
Descending Staircase Chart Pattern

Descending staircase patterns signal a bearish continuation. The pattern is forming like a lower highs and lower lows, looks like a downward staircase.

This trading pattern shows sustained selling pressure, with sellers dominating and driving the price lower.



Descending Staircase Pattern



- **Key Insight:** The price is moving down in steps, like a staircase, indicating a continuation of the bearish trend.

Megaphone Stock Chart Pattern

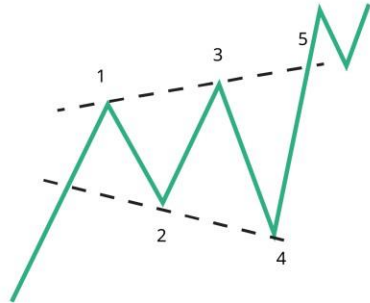
The Megaphone pattern appears when the price is in high volatility, signaling either continuation or reversal. The pattern forms between resistance and support levels when buyers and sellers push the price until it breaks through the line.

When the price is in an uptrend, it usually breaks and continues up. When the price is in a downtrend, it usually breaks to the downside.

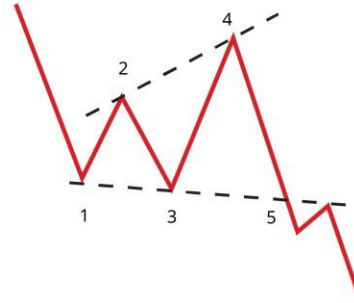


Megaphone Pattern

Bullish



Bearish



- **Key Insight:** The price makes higher highs and lower lows, with a wider range, indicating volatility and a trend breakout.

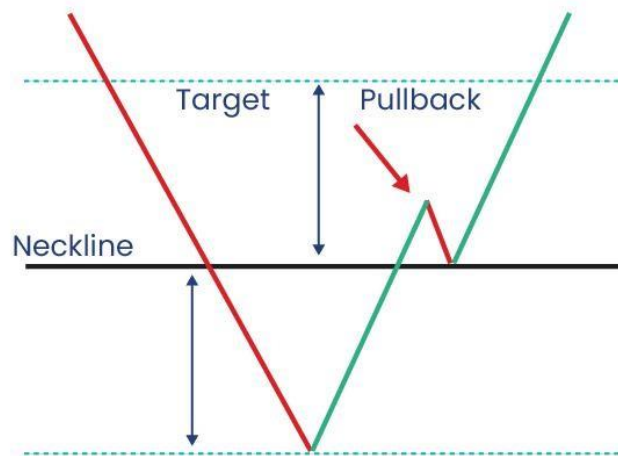
V Chart Pattern

The V Shape signals reversal, characterized as V-Shape, could appear as an inverted V-Shape as well. This pattern shows the market is about to change with strong buying pressure and strong selling pressure.

V chart pattern appears when the market is panic from the major new release or when the smart money comes to the market and makes people have the fear of missing out.



Reversal V Bottom



- **Key Insight:** The price rapidly rises and falls, signals clear reversal.

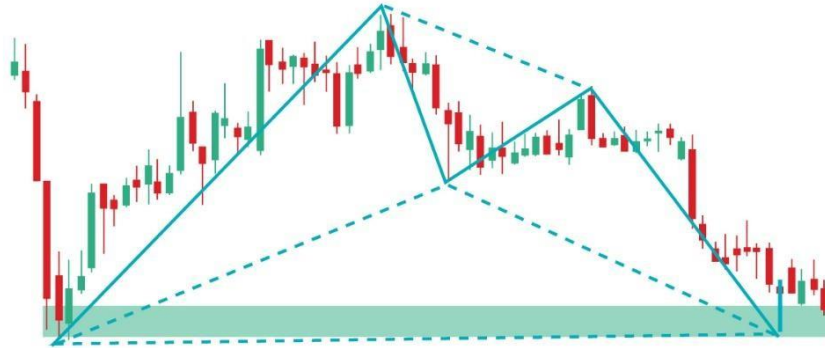
Harmonic Chart Pattern

Harmonic patterns could be bullish and bearish, signaling a reversal. It is a chart pattern that uses Fibonacci ratios such as 0.618 or 1.272 to predict price movements.

This pattern is quite accurate, but you need to understand the Fibonacci ratio. The pattern forms with a swing high and a swing low around 4 to 5 points and waits for a breakout.



Harmonic Chart Pattern



- **Key Insight:** Use the Fibonacci to spot the reversal accurately.

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Elliott Wave Chart Pattern

The Elliott wave pattern is named after investor Ralph Nelson Elliott. He has developed this pattern and can use it as a continuous or reversal signal.

If the market trend is swinging up and down around 5 times already, then the 6th time is more likely to change the market direction. To increase the accuracy, you need to combine with different timeframes.



Elliot Wave Chart Pattern



- **Key Insight:** The price moves up and down, driven by the market price, following a 5-wave and 3-wave rule.

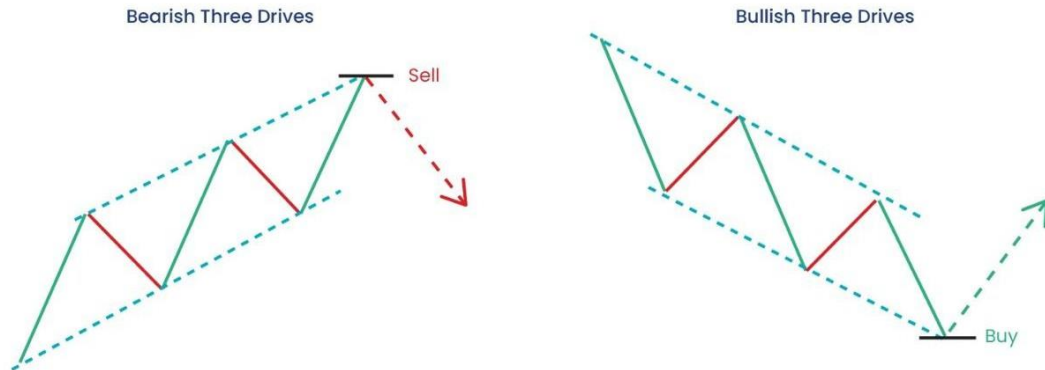
Three Drives Chart Pattern

The three-drives pattern is a harmonic reversal pattern characterized by three consecutive price swings in the same direction, with each drive completing at specific Fibonacci levels.

This pattern signals that the prevailing trend is likely to reverse after the third drive.



Three Drives Pattern



- **Key Insight:** The price creates a peak or a trough 3 times following a Fibonacci reversal.

Quasimodo Chart Pattern

The Quasimodo pattern is a reversal pattern that forms when the price makes a higher high or lower low, followed by a return to the prior range. This pattern signifies a trend reversal and highlights areas where traders can anticipate significant price movement.



Quasimodo Stock Chart Pattern

Bearish Quasimodo



Bullish Quasimodo



- **Key Insight:** A peak or trough is higher or lower than the previous one, signaling a reversal.

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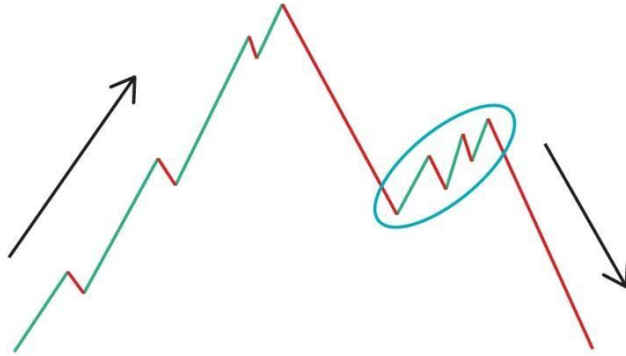
Dead Cat Bounce Chart Pattern

The dead cat bounce pattern is a bearish continuation pattern where a temporary recovery occurs after a steep decline, only for the price to resume its downward trend.

This trading pattern reflects weak buying interest and signals that the prevailing downtrend is likely to continue.



Dead Cat Bounce Pattern



- **Key Insight:** The price has rebounded temporarily in a downtrend.

Island Reversal Chart Pattern

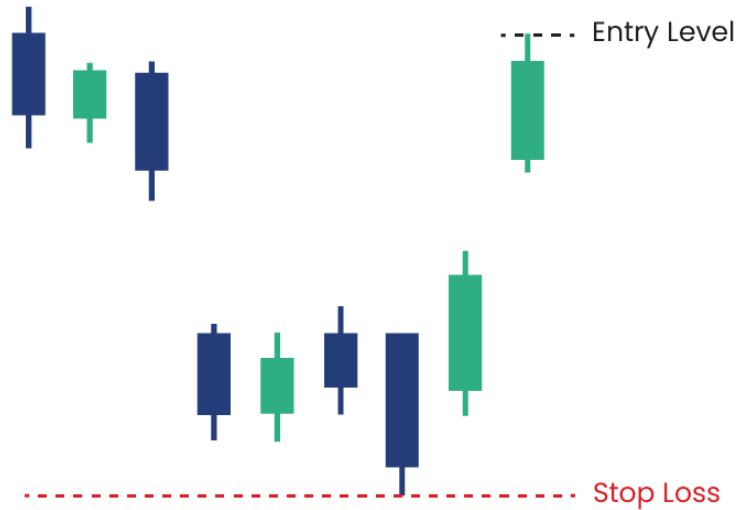
An Island Reversal is a rare reversal pattern that forms when a group of price bars becomes isolated due to gaps on both sides.

This pattern signals a significant change in market sentiment.

This stock chart pattern suggests that the prevailing trend is losing momentum, leading to a sharp price reversal once the market gaps in the opposite direction.



Island Reversal Bullish



- **Key Insight:** A gap clearly shows the isolated price, signaling a reversal trend.

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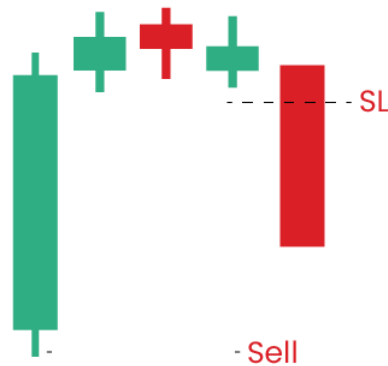
Tower Top Chart Pattern

The Tower Top Pattern is a bearish reversal pattern that forms after a strong uptrend, resembling a tower-like structure where price climbs rapidly before a sharp decline.

This stock chart pattern indicates that bullish momentum is fading and sellers are taking control. A breakdown below the support zone confirms a bearish trend reversal.



Tower Top Pattern



- **Key Insight:** The price is rapidly approaching a peak and then dropping sharply.

Tower Bottom Chart Pattern

The Tower Bottom Pattern is the bullish counterpart of the Tower Top Pattern. It forms after a strong downtrend when the price stabilizes and gradually recovers.

This stock chart pattern suggests that selling pressure is weakening, and a bullish reversal is likely. A breakout above resistance confirms the shift in trend.



Tower Bottom



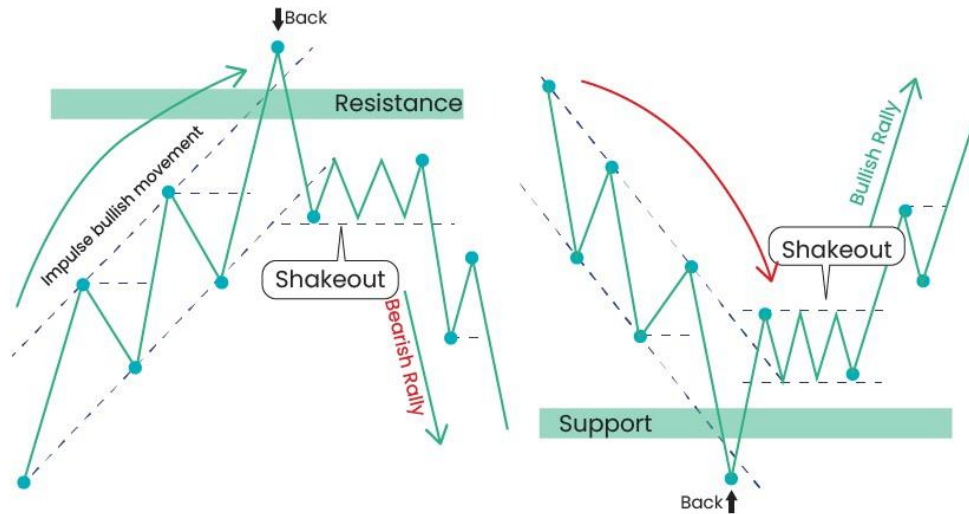
- **Key Insight:** The price is rapidly approaching a low and then rising sharply.

Shakeout Chart Pattern

A Shakeout Pattern shows the reversal, usually appearing while the price is resting in an uptrend before the price breaks out. The buyers are coming to the market and trying to control the market but are still unsure.

But after gathering more and more buying pressure, they are able to flip the market to continue an uptrend.

Shakeout Pattern



- **Key Insight:** The price breaks the support level temporarily, causing some sells while strong hands are still accumulate then the price rebounds to an uptrend.

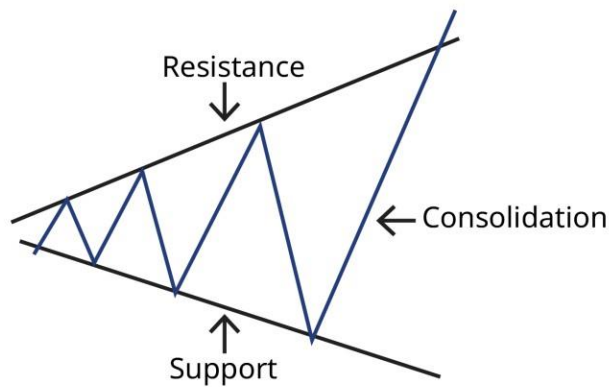
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Broadening Wedge Pattern (Expanding Triangle)

The broadening wedge pattern can signal both continuation and reversal. This pattern moves with the market trend and the volatility. The price is swinging up and down, creating higher highs and higher lows between resistance and support levels, from wider to narrower, until the price breaks out of the pattern. You can enter when the price returns to the retest and confirmation levels.



Broadening Wedge Pattern



- **Key Insight:** The price moves higher highs and higher lows with a wider range, showing breakout potential.

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Parabolic Curve Pattern

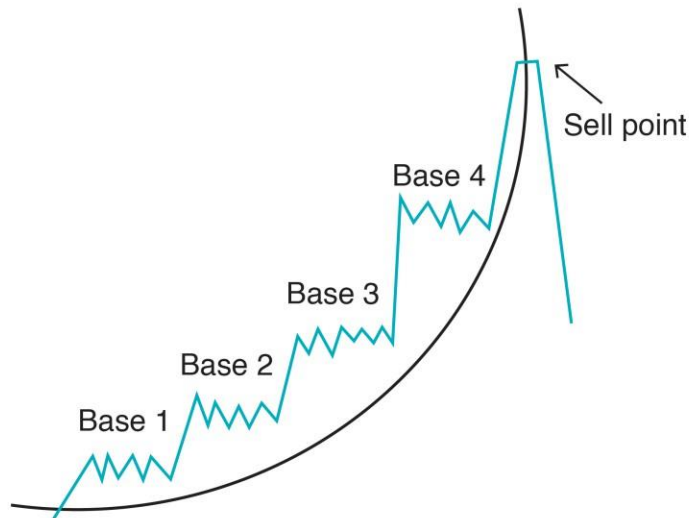
The Parabolic Curve pattern forms when price **accelerates upwards** at an increasing rate, creating a steep, curved trajectory that resembles a parabolic arc.

This pattern reflects extreme bullish sentiment and often occurs during strong market rallies fueled by speculative buying.

However, once the price reaches unsustainable levels, a sharp reversal or correction usually follows as profit-taking and market saturation occur.



Parabolic Curve Pattern



- **Key Insight:** A parabolic price rise is very steep, signaling continuation or reversal.

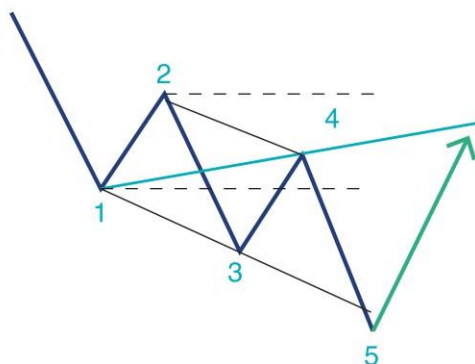
Bullish Wolfe Wave

The Bullish Wolfe Wave appears after a downtrend, forming five precise waves that signal declining selling pressure.

Once the fifth wave touches or slightly breaks below the lower trendline, a bullish reversal is expected. Traders aim for the "EPA" line drawn from point 1 to point 4 as the target, anticipating a sharp upward move.



Bullish Wolfe Wave



- **Key Insight:** The price creates 5 points of the Wolfe Wave pattern, then it breaks out to the uptrend.

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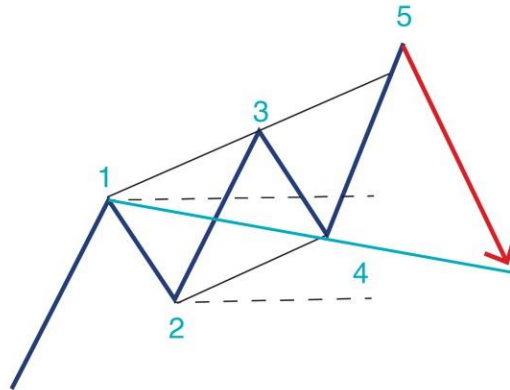
Bearish Wolfe Wave Pattern

The Bearish Wolfe Wave forms after an uptrend with five structured waves showing slowing bullish momentum.

Upon completing wave 5, usually above the upper trendline, a bearish reversal typically follows. The price is expected to decline toward the "EPA" line, forecasting a quick move downward.



Bearish wolfe Wave



- **Key Insight:** The price forms 5 points of the Wolfe Wave pattern, then breaks out of the downtrend.

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Conclusion

Chart patterns are a core tool in technical analysis. It reflected how an investor comes to the market and moves the price. However, to use this in your trading effectively, you always need to wait for confirmation by combining chart patterns with other technical analytics tools. Also, you never skip risk management when trading to increase your success rate.

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This guide is for educational purposes only. Trading involves risk. Always conduct your own research before making investment decisions.

Source: <https://www.xs.com/en/blog/stock-chart-patterns/>