Stephen W. Bigalow

Over 30 years of investment experience, including eight years as a stockbroker with major Wall Street firms.

Business and Economics degree from Cornell University

Active member of AAPTA, the American Association of Professional Technical Analysts

Published Author of three Candlestick Analysis Trading Books

www.candlestickforum.com  www.stephenbigalow.com
12 Signals to Profit in Any Market

www.candlestickforum.com  www.stephenbigalow.com
Visually recognize these 12 Signals to learn the **why** and **where** they work most effectively.

Over the next 4 hours you will know how to:

- Confidently interpret price direction by these Signals.
- Visually see the patterns that will make you more money.

[www.candlestickforum.com](http://www.candlestickforum.com)  [www.stephenbigalow.com](http://www.stephenbigalow.com)
• Set your strategy for all time-frames from pre-market to after-hours trading.

• Increase your profits and minimize your losses by properly setting entry and exit points.
The Candlestick Forum

Review

The 12 Major Signals
What makes a stock (trading entity) or the markets move up or down?

Perception
FEAR and GREED

Candlestick signals visually identify them

Candlestick Investors exploit those emotions to put profits in their own account.
The most important aspect of candlestick analysis

The signals are the result of the cumulative knowledge of all the participants that bought or sold that Stock (trading entity) during that time period.
Bar Chart vs Candlestick Chart

**Bar Chart**
- **HIGH**
- **CLOSE**
- **OPEN**
- **LOW**

**Candlestick**
- **HIGH**
- **OPEN**
- **CLOSE**
- **LOW**
The Major Candlestick Signals

- Doji
- Bullish & Bearish Engulfing Signals
- Hammer
- Hanging Man
- Piercing Pattern
- Dark Cloud
- Bullish Harami
- Bearish Harami
- Morning & Evening Stars
- Kicker Signals
- Shooting Star
- Inverted Hammer
What are the signals and patterns looking for?
What Are We looking For?

Big Gains %80
We All Want Big Price Moves
Train the Eye
Doji Signals

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Spinning Top

Spinning Tops are depicted with small bodies relative to the shadows. This demonstrates some indecision on the part of the bulls and the bears. They are considered neutral when trading in a sideways market. However, in a trending or oscillating market, a relatively good rule of thumb is that the next day's trading will probably move in the direction of the opening price. The size of the shadow is not as important as the size of the body for forming a Spinning Top.
DOJI RULES

- See a Doji at the Top – SELL
- Doji at the Bottom – Needs confirmation, or the Japanese say that the weight of the market can keep the trend moving down.
- Always pay heed whenever a Doji appears.

The trend will usually move in the direction of the open the next day after a Doji.
AFFY – Doji after gap up at top

A gap up in overbought conditions make it time to watch for a sell signal.
ARLP Doji at the top
Doji at the top
WMS Doji’s at the tops
AGEN Gap up Doji at top

A Gap up in the overbought area, start watching for a candlestick sell signal.
NQ - Doji’s at the top
ARQL – Doji at the Top
A Long-Legged Doji means greater indecision, usually indicating a change of investor sentiment.
GGR – Abandoned Baby
• After an extended uptrend, a Doji at the top means to ‘take heed’.
• A gap down after a Doji at the top, indicates strong selling pressure ahead.
MOH – Doji followed by a gap down
IBM – Doji at top with gap down
DOJI RULE

Doji at the top – Take Profits
Doji’s at the Bottom
BMC – Doji at the Bottom

A Doji at the bottom requires bullish evidence the next day.
A **gap up** after a Doji shows strong bullish confirmation, usually indicating a strong up move.
A Doji followed by a gap up is your best friend.
PTRY – a series of Doji’s

If one Doji means indecision, a series of Doji’s means greater indecision. Watch for a strong price move.
GEOY – a series of Dojis

Doji’s show indecision
HEAT – Doji gap up
Doji gap up

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<th>Date</th>
<th>Price</th>
<th>Change</th>
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<tr>
<td>October 8</td>
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<td>October 15</td>
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Your Best Friend!
IILG – Long Legged Doji
OSG – Doji’s at the Bottom
FSS – Doji at MA’s
TA – Doji’s at the Bottom
IMOS – Doji at Support
OSUR – Doji’s
MKTG – a series of Doji’s
Multi
NX – Doji at the Bottom
Gap Down Doji at the Bottom

- After an extended downtrend, a Gap Down Doji at the bottom, means to ‘take heed’

- Followed by a Gap Up the next day, indicates strong buying pressure ahead
ELAN – Doji at the Bottom
Doji at the Bottom
DOJI RULES

1. Doji at the top – Take Profits
2. Doji’s at the Bottom require Bullish confirmation
3. If one Doji means indecision, a number of Doji’s mean greater indecision
4. The trend will usually move in the direction of the next open
Left/Right Combo
A Doji followed by a Bullish Engulfing signal is a very powerful reversal pattern.
I/r 50 MA
Doji I/r Combo
Doji l/r Combo

XEROX CORP (Trade Price) 7.94000 (-0.08000) Daily

XEROX CORP (7.99000, 8.05000, 7.94000, 7.94000, -0.08000)

Doji l/r Combo

[Image of a financial chart showing a trend line and candlestick graph with a circular highlight on a section of the graph]
Multi signals
NAT – Left /Right Combo

A l/r combo, followed by a gap up, thru the T-LINE (8ema) with Stochastics in the oversold area, all the stars are in alignment.
SFLY – l/r on a Support Area
Doji I/r Combo
Doji Sandwich
Doji Sandwich
Bullish Engulfing Signal

A Bullish Engulfing signal is one of the major signals. When the elements out of a Bullish Engulfing signal are broken down, an investor can clearly understand what was going on in investor sentiment to cause a reversal. 400 years of observations from Japanese Rice traders has recognized the Bullish Engulfing signal as a very high probability reversal signal.
ADSK- Bull Engulfing Starts Uptrend
Bull Engulfing

Confirmation
What is the big money doing at the support levels?
Bull Engulfing
Bull Engulfing

The lower the open
Bull Engulfing

And a close above the T-line
LQDT – Bullish Engulfing w/ Booster
PLX – Shows Uptrends
Bearish Engulfing Signal

Completely Engulfs the previous days Body
NUGT – Where do signals work effectively?
PAAS – Stop Loss Process

Easy Stop Loss
The Hammer Signal

One of the most visually compelling signals is the Hammer signal. The hammer signal is easily recognized by the lower shadow (the tail) protruding to the downside after an extended downtrend.
Hammer

Doji right on the T-line
Hammer
Hammer
The Downside Shadows provide a message.
HOTT – Strong Combination

Hammer followed by a gap up
Gap Down Hammer

- After an extended downtrend, a Hammer will indicate that the selling has stopped.
- Confirmation Needed
  - Continued buying the next day.
- The gap down open is the alert to watch for a candlestick “buy” signal.

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Hammer
TIBX

Abandoned Baby
The Dark Cloud signals an obvious reversal of a trend. It is named this because it looks like a dark cloud over a nice bright sun.
COG

Easy Stop Loss
GMCR
MLM
CALL
Inverted Hammer
Inverted Hammer
BXS – Gravestone Doji, The Ultimate Inverted Hammer
Inverted Hammer
AIG

Inverted Hammer followed by gap up, very strong reversal signal
LAD
ORIT
RHT
Bullish Harami
HAFC
Bullish Harami with Gap Up

• After an extended downtrend, a Harami will indicate that the selling has stopped.

• Confirmation Needed
  – Continued buying the next day
Bearish Harami SAPE
Bearish Harami
Bearish Harami
CJES
WSM
PDS
Gap Down after Bearish Harami

- After an extended uptrend, a Bearish Harami indicates the uptrend has stopped.
- Confirmation Needed
  - More selling the following day
Morning Star
DANG
MORNING STAR
GG
Bullish + Bearish Kicker Signals
CIEN
Bear Kicker

Bearish kicker starts with a Gap in the other direction
12 Major Candlestick Signals video tutorials on each signal
over 8 hours of training with chart examples
The exact same package Amazon sells for over $500
Webinar special promotion; available for $12 processing fee
Plus, option to take 30-day FREE TRIAL Membership

12 Major Signals Pack for $12 Processing Fee - Get More Details Here

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Subject: Traders Library Special 12 for $12