

Candlesticks in day trading



TRADING TERMINAL.com
FROM BEAR BULL TRADERS

Presented by: RTrades (Roko)

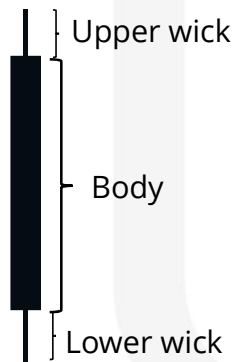


Candlesticks

- **Candlestick representation of price action** were invented in Japan in the 18th century.
- **Candlestick** is representing the most important facts of price action within a defined time frame (e.g. within 1 minute, 5, 10, 15 minutes, even up to hours, days, weeks, months, years....)

Anatomy of every candlestick:

- 1) **Upper wick.**
- 2) **Body.**
- 4) **Lower wick.**



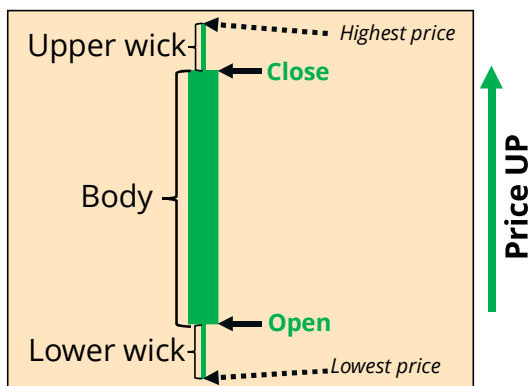
Within a defined time frame, every candlestick gives us information on:

- 1) **Open price level.**
- 2) **Highest price level.**
- 3) **Lowest price level.**
- 4) **Close price level.**



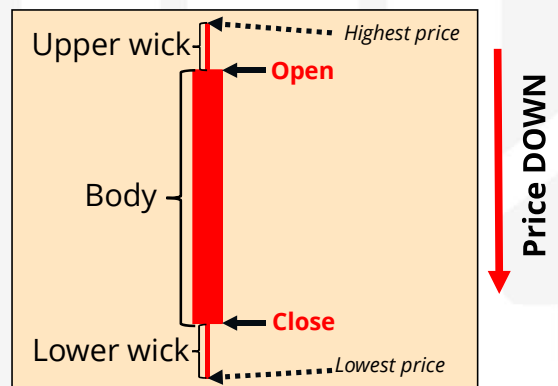
Candlesticks: **green** vs **red**

Candles that represent price moving **higher** within a defined time frame are marked in **green** color.



Price moved **up** within the timeframe
(1, 5, 15, 30 minutes, 1 hour,...)

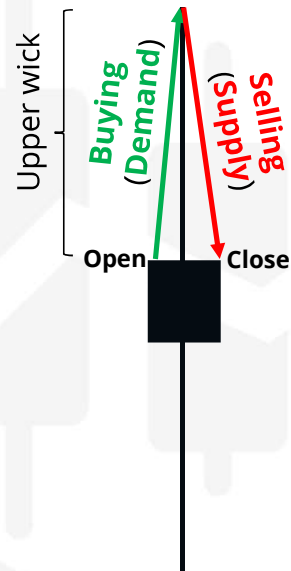
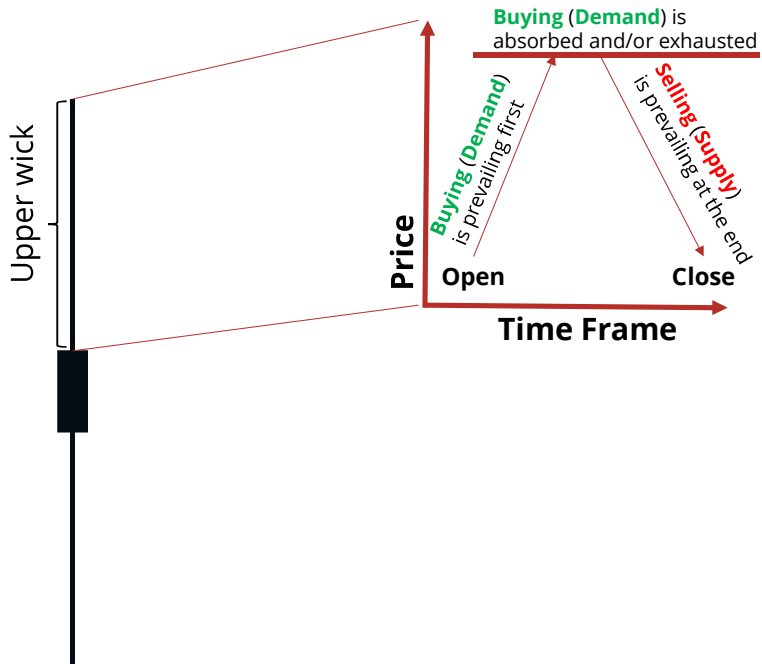
Candles that represent price moving **lower** within a defined time frame are marked in **red** color.



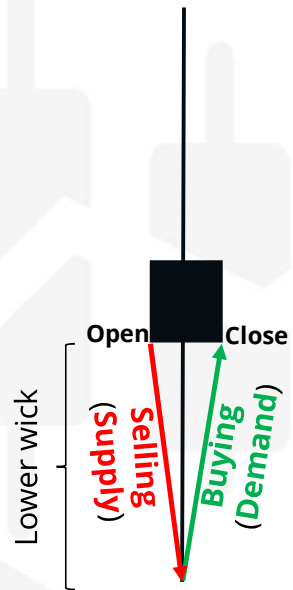
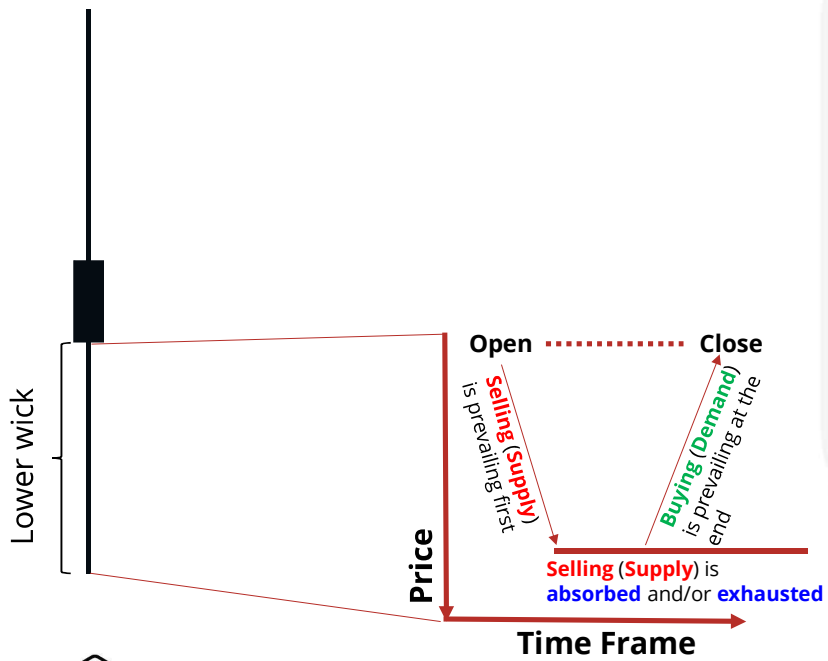
Price moved **down** within the timeframe
(1, 5, 15, 30 minutes, 1 hour,...)



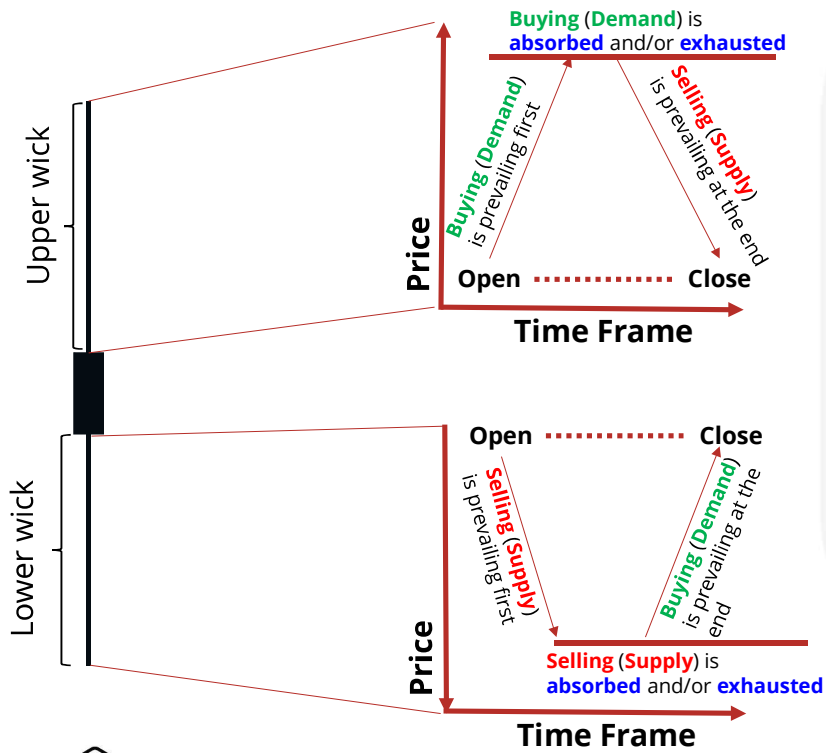
Understanding UPPER wick in candlesticks



Understanding LOWER wick in candlesticks



Understanding **UPPER** and **LOWER** wicks in candlesticks



"Price cycle" re-stated in wicks ☺

