

Price gaps on candlestick charts and their role in stock selection



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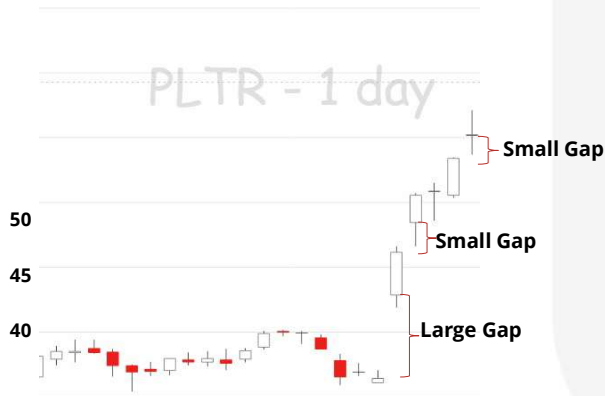
Price gap

Price gaps are changes in price that occur when stock's opening price is noticeably different from its previous closing price.



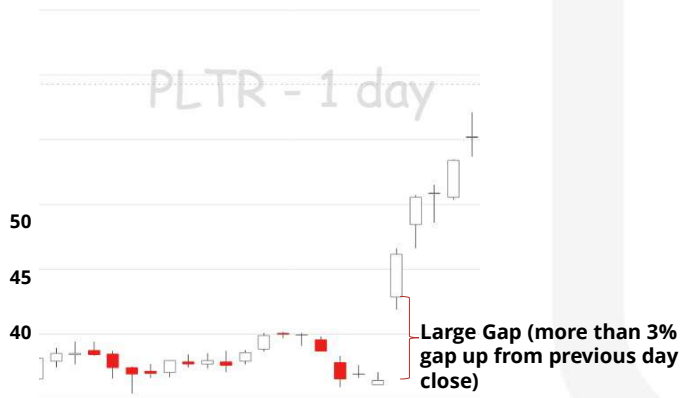
Price gap

Price gaps are often consequence of major news events or market sentiment shifts, and can be seen as space on the price chart because there was no trading done in between.



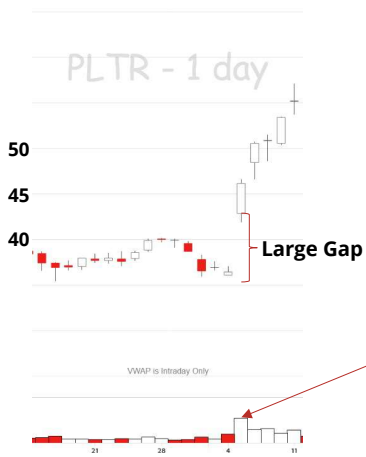
Price gap

Price gaps larger than **2-3% pre-market** are one of the great selection criteria's for stock-in-play.



Price gap

If **Price gaps** larger than 2-3% pre-market are accompanied with higher relative volume (e.g. more than 2-3x), this stock becomes even better candidate.



Volume is higher 2-3x than on previous 10-14 days

