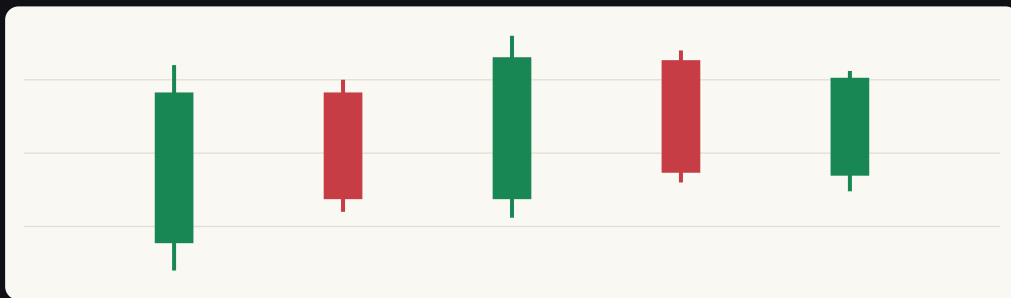


SKILLEDVILLA ACADEMY

CANDLESTICK PATTERNS GUIDE

24 Common Candlestick Patterns • Identification • Market Context • Confirmation



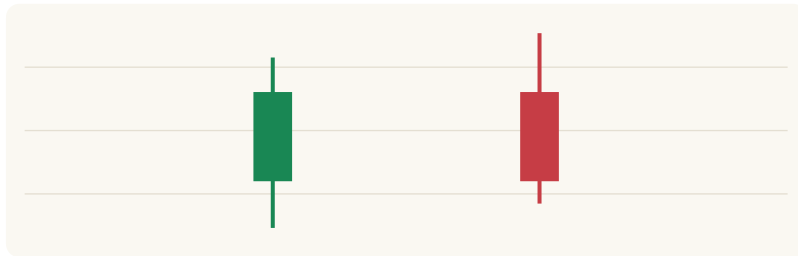
A beginner-friendly educational reference for learning how candlestick shapes are read.

LEARN THE PATTERN. READ THE CONTEXT. RESPECT THE RISK.

How to Read a Candlestick

A candlestick summarises price movement during one chosen timeframe (for example, 5 minutes, 1 hour, or 1 day). Each candle has four key prices:

Open	Price at the start of the selected timeframe.
High	Highest price reached during the timeframe.
Low	Lowest price reached during the timeframe.
Close	Price at the end of the timeframe.



In the diagram, the body shows the distance between open and close. The thin lines are called wicks or shadows. In this guide, green means the close is above the open; red means the close is below the open. Chart platforms may use different colours.

Important terms

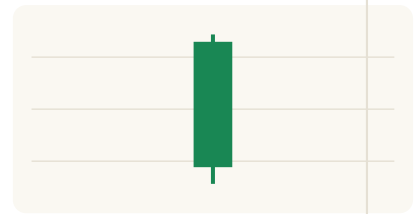
Real body: the thick part between open and close. **Upper/lower wick:** the thin line above/below the body. **Support:** an area where price has previously found buying interest. **Resistance:** an area where price has previously faced selling pressure. **Confirmation:** subsequent price action that supports a possible interpretation.

Pattern rules are guidelines, not universal laws. Candlestick patterns vary by market, timeframe, and data feed. Always read them with trend, key levels, volatility, and risk management.

Quick Reference: 24 Patterns

Pattern	Type	Typical interpretation
Bullish Marubozu	Single candle	Bullish momentum
Bearish Marubozu	Single candle	Bearish momentum
Doji	Single candle	Indecision
Long-Legged Doji	Single candle	Strong indecision
Dragonfly Doji	Single candle	Potential bullish reversal
Gravestone Doji	Single candle	Potential bearish reversal
Hammer	Single candle	Potential bullish reversal
Hanging Man	Single candle	Potential bearish reversal
Inverted Hammer	Single candle	Potential bullish reversal
Shooting Star	Single candle	Potential bearish reversal
Bullish Spinning Top	Single candle	Indecision
Bearish Spinning Top	Single candle	Indecision
Bullish Engulfing	Two candles	Potential bullish reversal
Bearish Engulfing	Two candles	Potential bearish reversal
Piercing Line	Two candles	Potential bullish reversal
Dark Cloud Cover	Two candles	Potential bearish reversal
Tweezer Bottom	Two candles	Potential bullish reversal
Tweezer Top	Two candles	Potential bearish reversal
Morning Star	Three candles	Potential bullish reversal
Evening Star	Three candles	Potential bearish reversal
Three White Soldiers	Three candles	Bullish continuation/reversal
Three Black Crows	Three candles	Bearish continuation/reversal
Rising Three Methods	Five candles	Bullish continuation
Falling Three Methods	Five candles	Bearish continuation

1. Bullish Marubozu

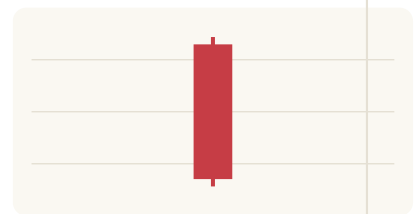


Structure: Single candle **Typical reading:** Bullish momentum

How to identify: A long bullish body with little or no upper/lower wick. Open is near the low and close near the high.

Context & confirmation: Often appears after a decline or above a breakout level. Strong buying is suggested, but check volume and the next candle.

2. Bearish Marubozu

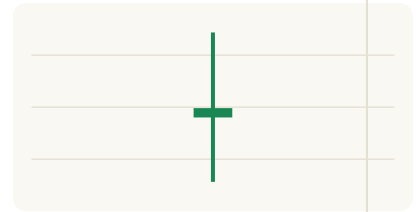


Structure: Single candle **Typical reading:** Bearish momentum

How to identify: A long bearish body with little or no wick. Open is near the high and close near the low.

Context & confirmation: May show strong selling pressure. Context matters: a candle into support can still fail to continue lower.

3. Doji

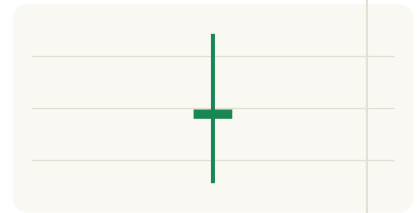


Structure: Single candle **Typical reading:** Indecision

How to identify: Open and close are very close, leaving a tiny body; wicks can be short or long.

Context & confirmation: Signals a pause or balance, not an automatic reversal. Look at the trend, location, and next candle for confirmation.

4. Long-Legged Doji

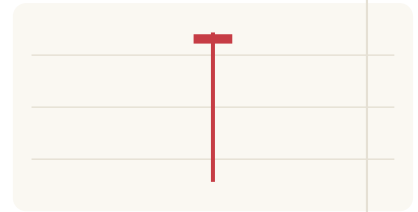


Structure: Single candle **Typical reading:** Strong indecision

How to identify: Tiny body with long upper and lower shadows, showing wide intraperiod movement but little net change.

Context & confirmation: Can mark uncertainty after a strong move. Wait for price to break a meaningful level before drawing conclusions.

5. Dragonfly Doji

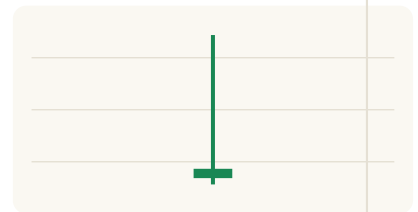


Structure: Single candle **Typical reading:** Potential bullish reversal

How to identify: Open and close are near the high, with a long lower shadow and little upper shadow.

Context & confirmation: More meaningful after a decline or near support. Buyers recovered from lower prices; confirmation is still needed.

6. Gravestone Doji

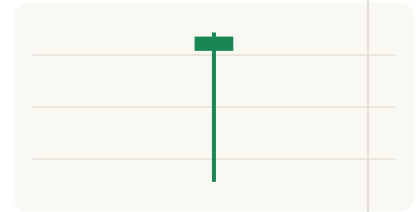


Structure: Single candle **Typical reading:** Potential bearish reversal

How to identify: Open and close are near the low, with a long upper shadow and little lower shadow.

Context & confirmation: Can warn of rejection after a rise or near resistance. It is not reliable by itself in sideways markets.

7. Hammer

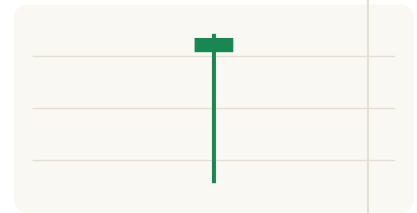


Structure: Single candle **Typical reading:** Potential bullish reversal

How to identify: Small body near the top of the candle with a long lower shadow, usually at least about twice the body.

Context & confirmation: Look for it after a downtrend, preferably near support. A bullish follow-through candle makes the signal stronger.

8. Hanging Man

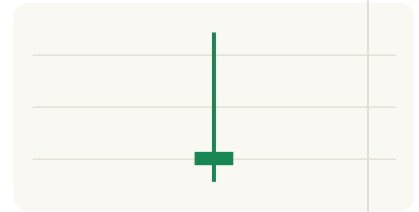


Structure: Single candle **Typical reading:** Potential bearish reversal

How to identify: Hammer-like shape: small upper body and long lower shadow, but it appears after an uptrend.

Context & confirmation: The lower shadow shows selling during the session. Wait for bearish confirmation; the shape alone does not prove a reversal.

9. Inverted Hammer

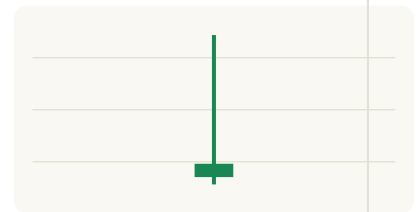


Structure: Single candle **Typical reading:** Potential bullish reversal

How to identify: Small body near the low with a long upper shadow, usually after a decline.

Context & confirmation: Shows buyers pushed price higher intraperiod but did not hold all the gains. A strong next bullish candle helps confirm.

10. Shooting Star

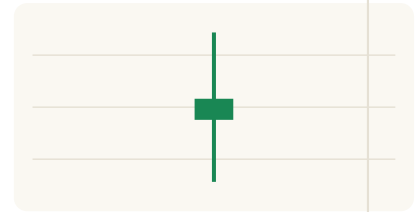


Structure: Single candle **Typical reading:** Potential bearish reversal

How to identify: Small body near the low with a long upper shadow, usually after a rise.

Context & confirmation: The upper wick can show rejection of higher prices. Best assessed near resistance with a bearish confirmation candle.

11. Bullish Spinning Top

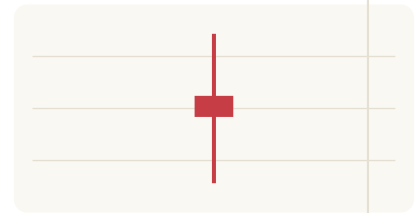


Structure: Single candle **Typical reading:** Indecision

How to identify: Small real body with upper and lower shadows; candle may close above or below its open.

Context & confirmation: Indicates a tug-of-war rather than a clear direction. After a decline, wait for buyers to prove control.

12. Bearish Spinning Top



Structure: Single candle **Typical reading:** Indecision

How to identify: Small real body with shadows on both sides; the close is below the open in this example.

Context & confirmation: A small bearish close alone is weak evidence. Check trend, key levels, and subsequent price action.

13. Bullish Engulfing

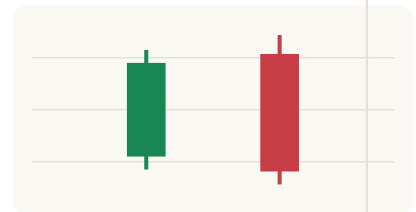


Structure: Two candles **Typical reading:** Potential bullish reversal

How to identify: A bearish candle followed by a larger bullish body that covers the previous candle's real body.

Context & confirmation: Often watched after a decline or near support. The second body should engulf the first body; wicks need not be engulfed.

14. Bearish Engulfing

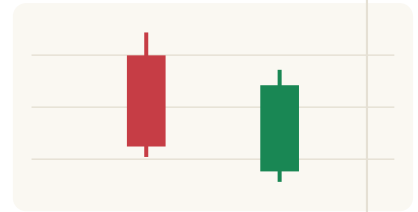


Structure: Two candles **Typical reading:** Potential bearish reversal

How to identify: A bullish candle followed by a larger bearish body that covers the previous candle's real body.

Context & confirmation: Can signal sellers overpowering buyers after a rise. Stronger near resistance; confirmation and risk planning remain essential.

15. Piercing Line

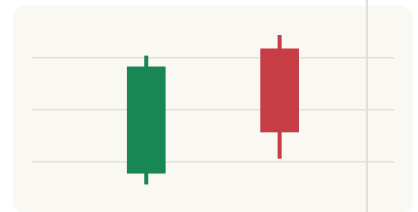


Structure: Two candles **Typical reading:** Potential bullish reversal

How to identify: After a bearish candle, a bullish candle opens lower and closes above the midpoint of the prior body, but below its open.

Context & confirmation: Commonly assessed after a decline. The deeper the second candle closes into the first body, the stronger the recovery appears.

16. Dark Cloud Cover



Structure: Two candles **Typical reading:** Potential bearish reversal

How to identify: After a bullish candle, a bearish candle opens higher and closes below the midpoint of the prior body, but above its open.

Context & confirmation: Can warn of weakening buying after an advance. Look for it near resistance and check whether the next candle confirms.

17. Tweezer Bottom

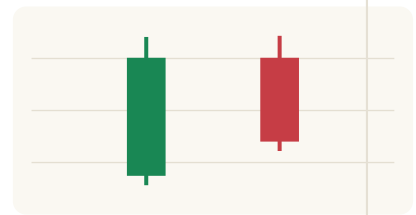


Structure: Two candles **Typical reading:** Potential bullish reversal

How to identify: Two candles with lows at or near the same price; candle colors may differ.

Context & confirmation: The repeated rejection of a low can indicate support. Confirm with a close higher or another bullish signal.

18. Tweezer Top

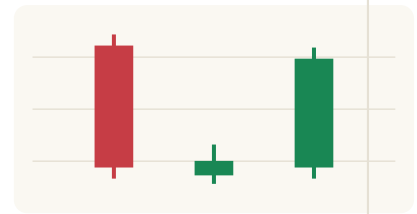


Structure: Two candles **Typical reading:** Potential bearish reversal

How to identify: Two candles with highs at or near the same price; candle colors may differ.

Context & confirmation: Repeated rejection of a high can indicate resistance. Seek bearish follow-through rather than trading the shape alone.

19. Morning Star

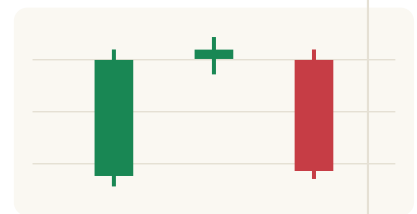


Structure: Three candles **Typical reading:** Potential bullish reversal

How to identify: A long bearish candle, a small-bodied pause candle, then a strong bullish candle closing well into the first body.

Context & confirmation: Typically watched after a downtrend. Some markets may not show gaps; focus on the three-candle structure and confirmation.

20. Evening Star

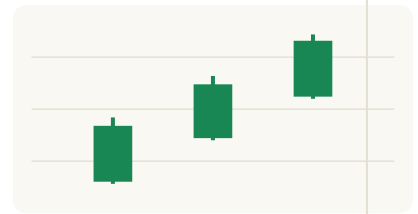


Structure: Three candles **Typical reading:** Potential bearish reversal

How to identify: A long bullish candle, a small-bodied pause candle, then a strong bearish candle closing well into the first body.

Context & confirmation: Typically watched after an uptrend. Resistance and follow-through can improve context, but no pattern guarantees direction.

21. Three White Soldiers

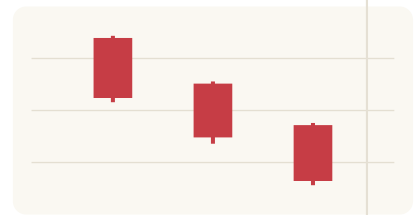


Structure: Three candles **Typical reading:** Bullish continuation/reversal

How to identify: Three consecutive strong bullish candles, usually with progressively higher closes and relatively small wicks.

Context & confirmation: Can show persistent buying after a decline or breakout. Be careful if candles are already extended far from support.

22. Three Black Crows

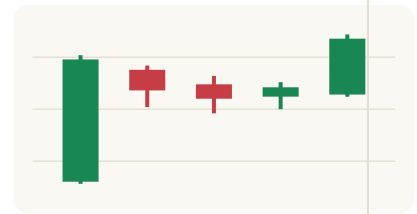


Structure: Three candles **Typical reading:** Bearish continuation/reversal

How to identify: Three consecutive strong bearish candles, usually with progressively lower closes and relatively small wicks.

Context & confirmation: Can show persistent selling after a rise or breakdown. Avoid assuming a fresh entry if price is already sharply extended.

23. Rising Three Methods

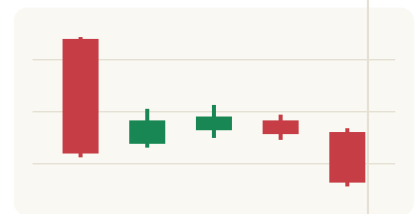


Structure: Five candles **Typical reading:** Bullish continuation

How to identify: A long bullish candle, several small countertrend candles staying within its range, then another strong bullish candle.

Context & confirmation: Suggests a pause within an uptrend rather than a full reversal. Exact textbook conditions vary; check the broader trend.

24. Falling Three Methods



Structure: Five candles **Typical reading:** Bearish continuation

How to identify: A long bearish candle, several small countertrend candles within its range, then another strong bearish candle.

Context & confirmation: Suggests a pause within a downtrend. It is less useful without a clear trend and should be assessed with support/resistance.

Practical Rules Before Using a Pattern

1. Start with context. Ask whether the market is trending, ranging, near support/resistance, or breaking a key level.
2. Wait for the candle to close. A pattern can look different while the candle is still forming.
3. Seek confirmation. This could be follow-through, a break of a nearby swing level, or alignment with the broader trend. No single confirmation works every time.
4. Plan risk before entry. Define what would invalidate the idea, choose a sensible position size, and avoid risking money you cannot afford to lose.
5. Backtest and journal. Record the pattern, market, timeframe, entry reason, exit, risk, and outcome. Review a meaningful sample rather than judging one trade.
6. Avoid overloading indicators. Candlesticks are one piece of information, not a complete trading strategy.

Mini Checklist

■	Is there a clear trend or trading range?
■	Is the pattern near a meaningful price level?
■	Has the candle closed and is there follow-through?
■	Do I know the invalidation point and planned risk?
■	Have I recorded the setup in my trading journal?

Educational Disclaimer

This guide is for educational purposes only. It is not investment advice, a recommendation to buy or sell any financial instrument, or a promise of profit. Candlestick patterns can fail and losses are possible. Do your own research, practise in a demo environment, and consider your financial circumstances before trading.

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