

Consolidation Patterns

Identify and Trade with confidence

? ? ?

Go long? Go short? Where
should I get out? What if
I'm wrong...AGAIN?

Consolidation?



2 broad categories of consolidation

Extended accumulations

- Rounded top
- Rounded bottom

Area between SAR lines or Trendlines

- Horizontal channel
- Symmetrical triangle
- Ascending Triangle
- Descending Triangle
- Flags/Pennants

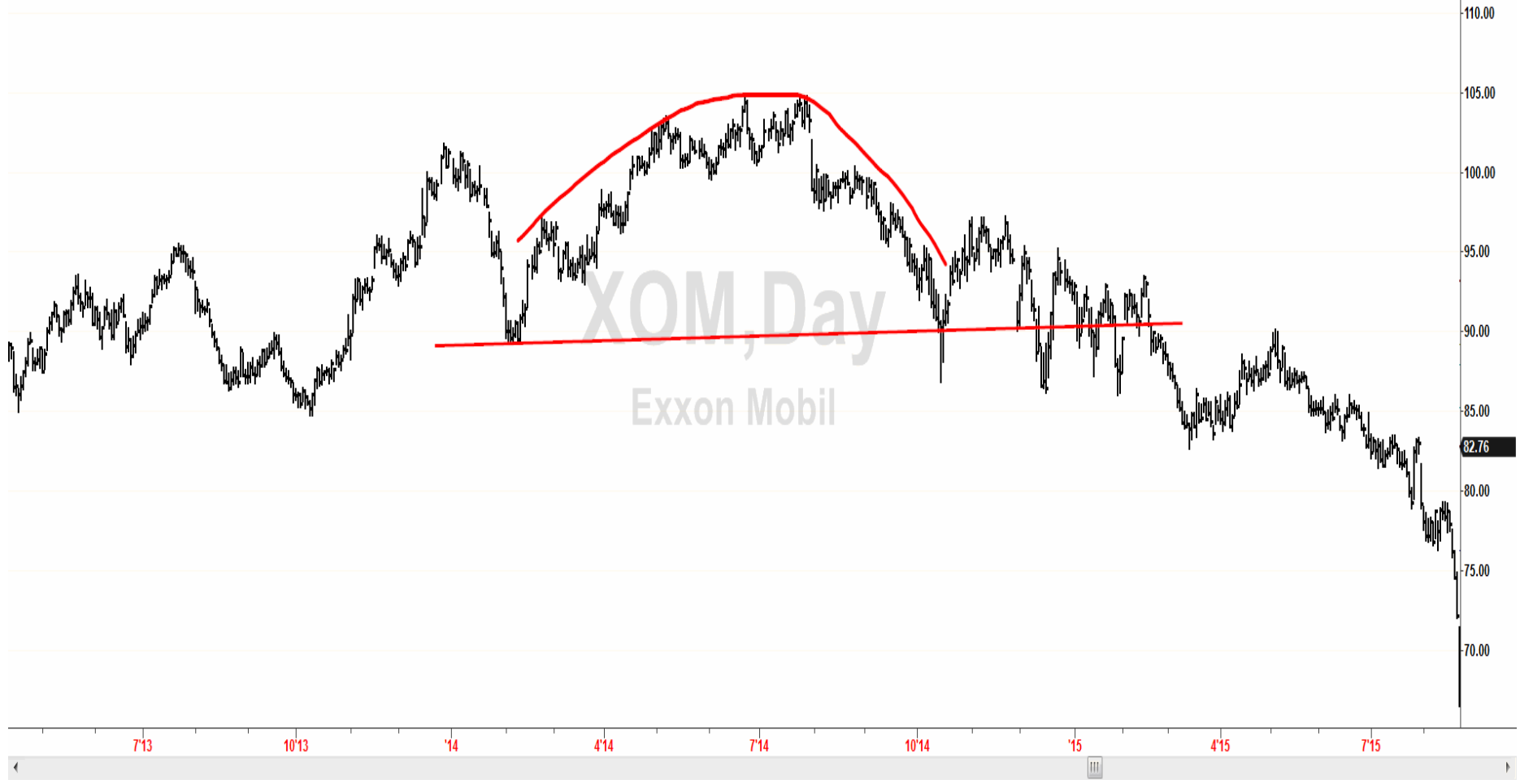
Extended Accumulations



Rounded Top

Rounded Bottom





110.00
105.00
100.00
95.00
90.00
85.00
80.00
75.00
70.00

82.76

7'13

10'13

'14

4'14

7'14

10'14

'15

4'15

7'15

Rounded Bottom

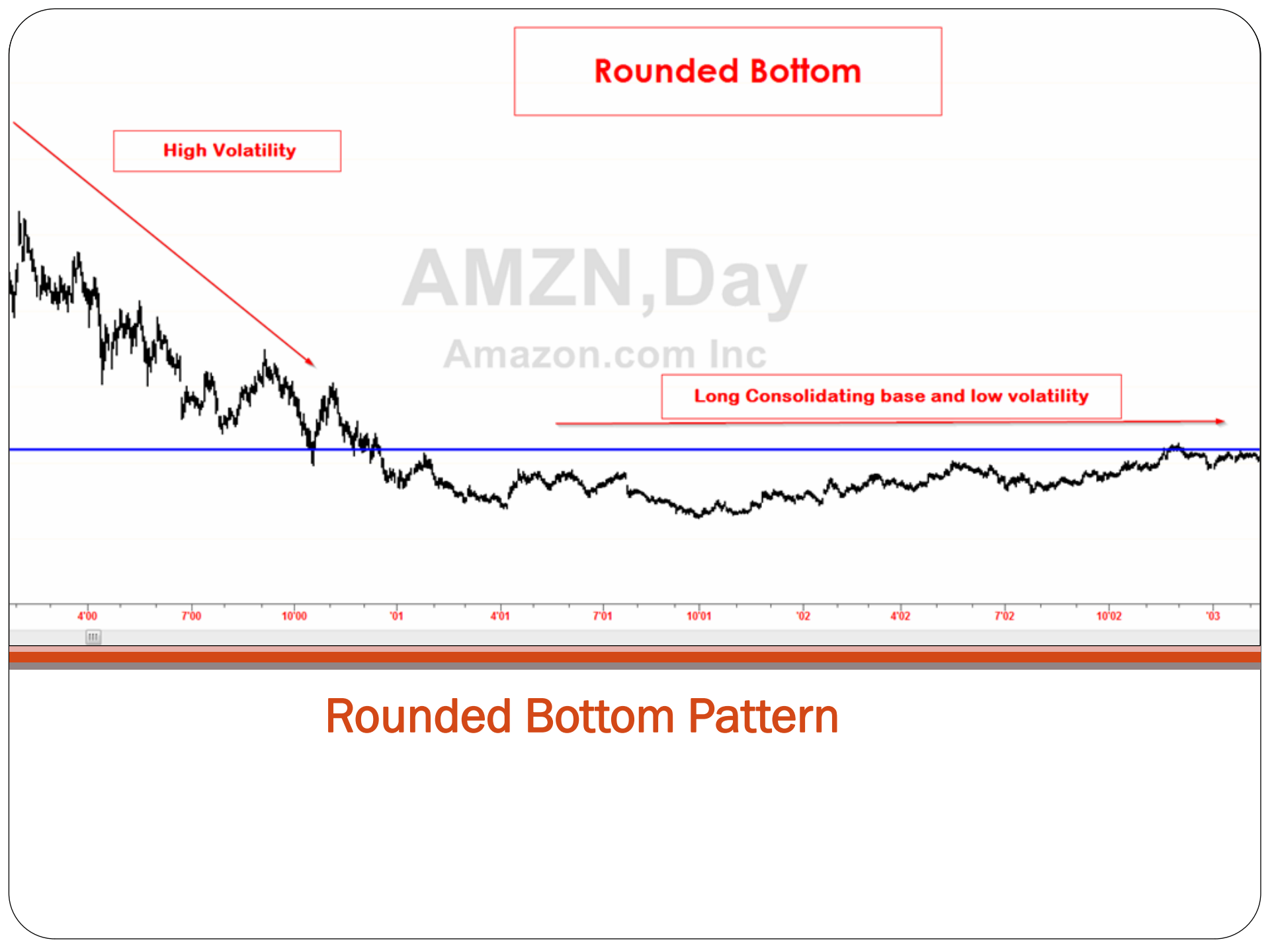
High Volatility

AMZN,Day
Amazon.com Inc

Long Consolidating base and low volatility

4'00 7'00 10'00 '01 4'01 7'01 10'01 '02 4'02 7'02 10'02 '03

Rounded Bottom Pattern



AMZN - Daily

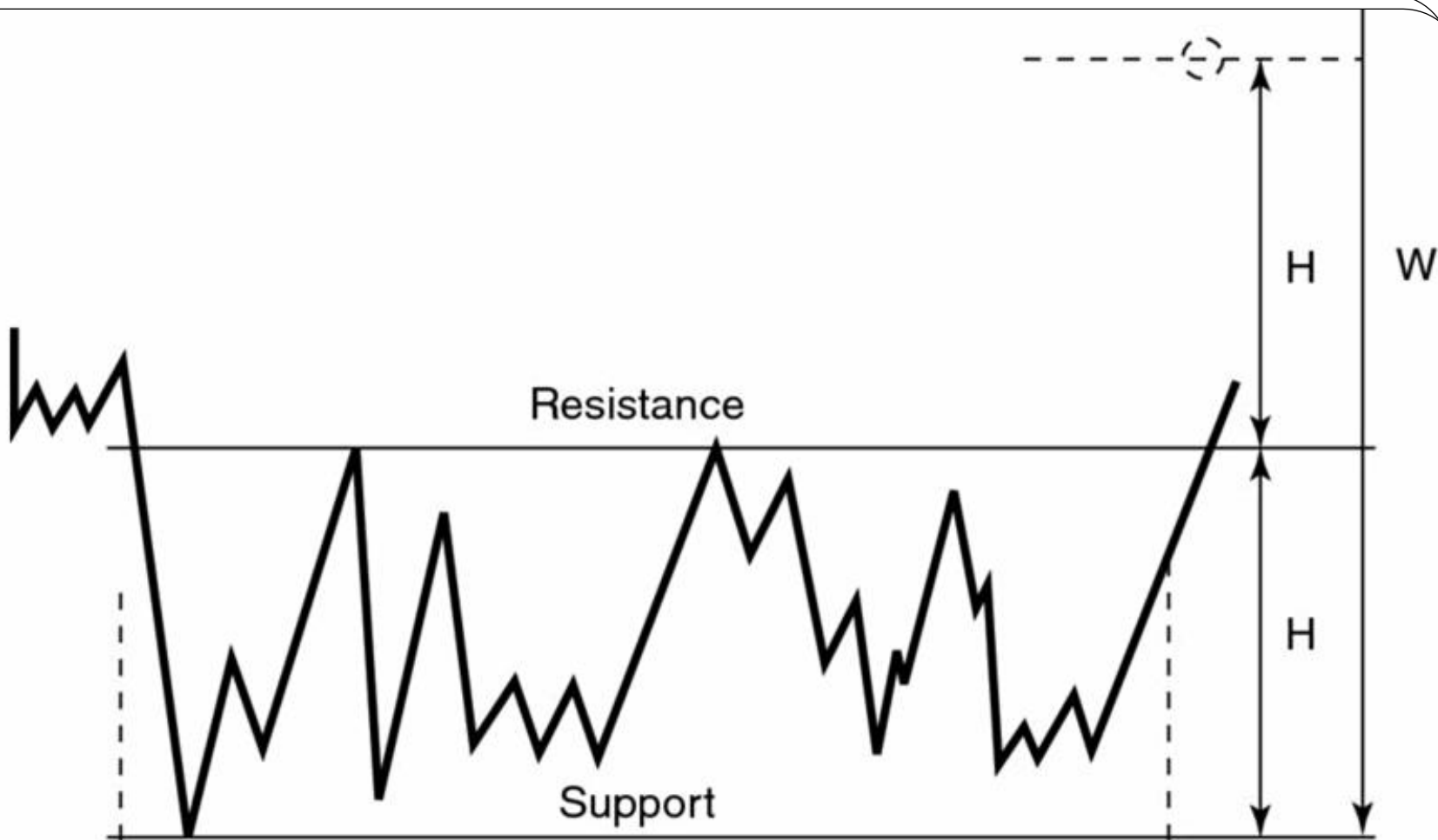


NOV - Daily 03/03/17



NOV,Day
National Oilwell Varco Inc

40.79



Price Target is equal to Height of the pattern.



Range bound trading in \$ WYNN

TSLA(HI), Daily

Horizontal Channel Pattern

2 ways to trade- Range trading and breakout trading

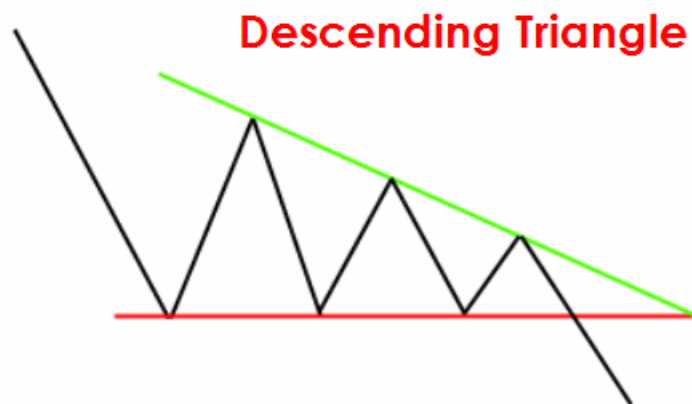
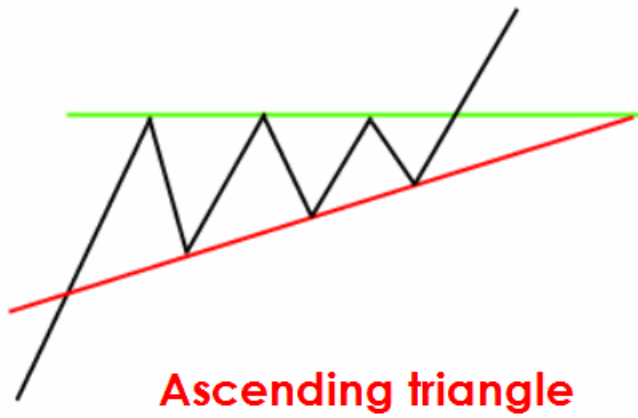
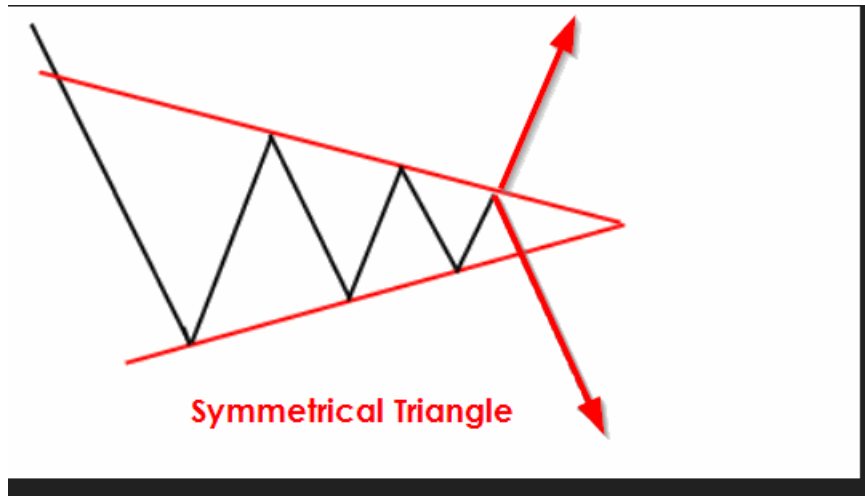
Range trading- Go long when stock rebounds from the support line and Go short when rebounds from upper resistance line. Sell/cover as price approach opposite side of the range. Some people like to use another parallel line inside the range to shorten price objective hence reducing risk.



PRU, Daily 12/28/17

Price Consolidation in a box





DOW - Daily

Ascending Triangle



70.00
65.00
63.15
60.00
55.00
50.00
45.00
40.00
35.00
30.00

10'15

'16

4'16

7'16

10'16

'17

4'17

III

DIS - Daily

Descending Triangle

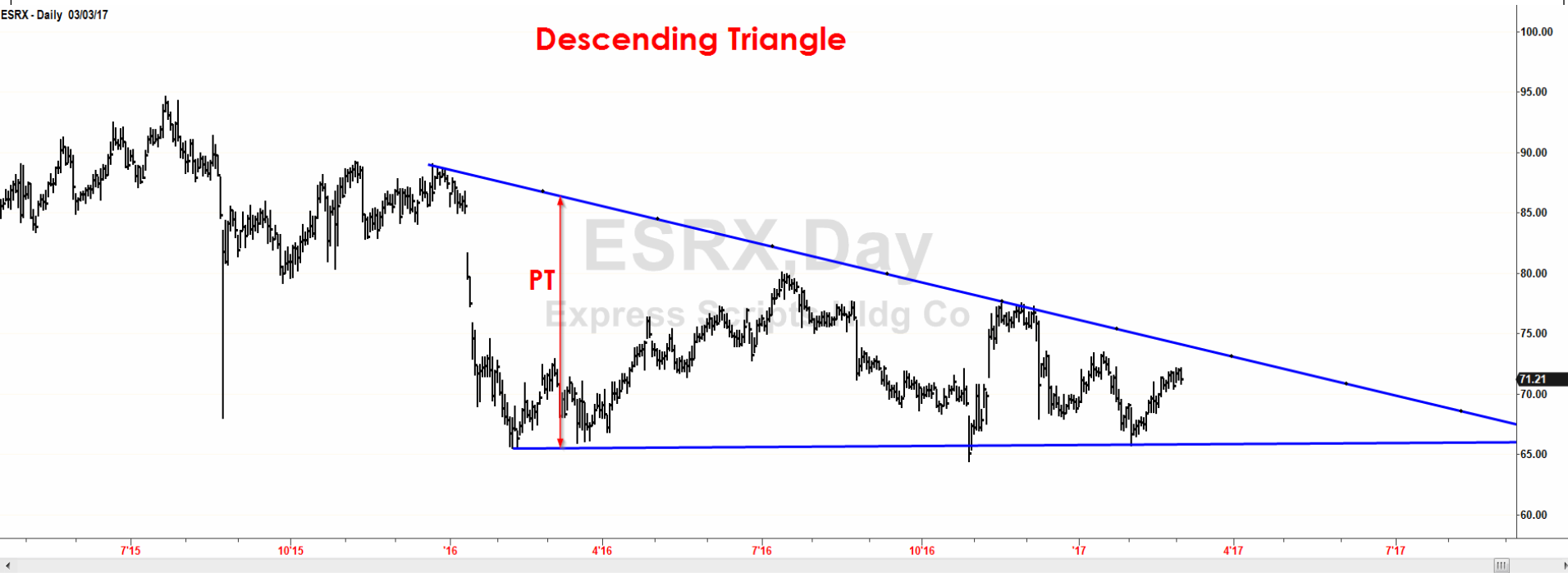


120.00
110.00
100.00
90.00
80.00

'15 4'15 7'15 10'15 '16 4'16 7'16 10'16 '17 4'17



Descending Triangle

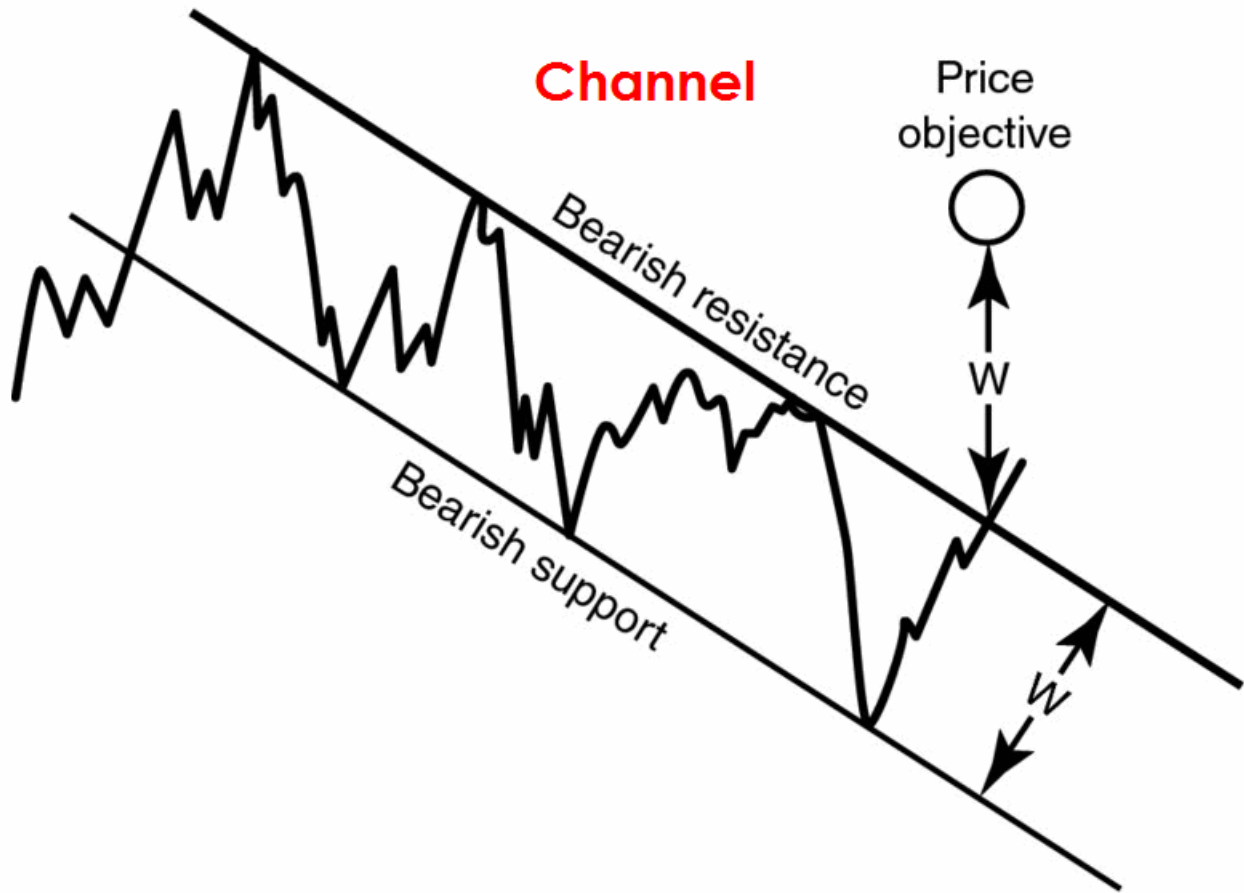


100.00
95.00
90.00
85.00
80.00
75.00
70.00
65.00
60.00

ESRX Day
Express Scripts Hldg Co

PT

71.21
70.00



Channel

Price objective

Bearish resistance

Bearish support

COST - Daily

Channel Pattern



COF - Daily 03/03/17



Flag Formation

COF, Day
Cap One

100.00
95.00
94.33
90.00
85.00
80.00
75.00
70.00
65.00
60.00
55.00

'14 '14 '14 '14 '15 '15 '15 '15 '16 '16 '16 '16 '17 '17 '17

I'M NOT MAD



I'M JUST DISAPPOINTED

It is okay to
make mistakes...

As long as you
learn from them

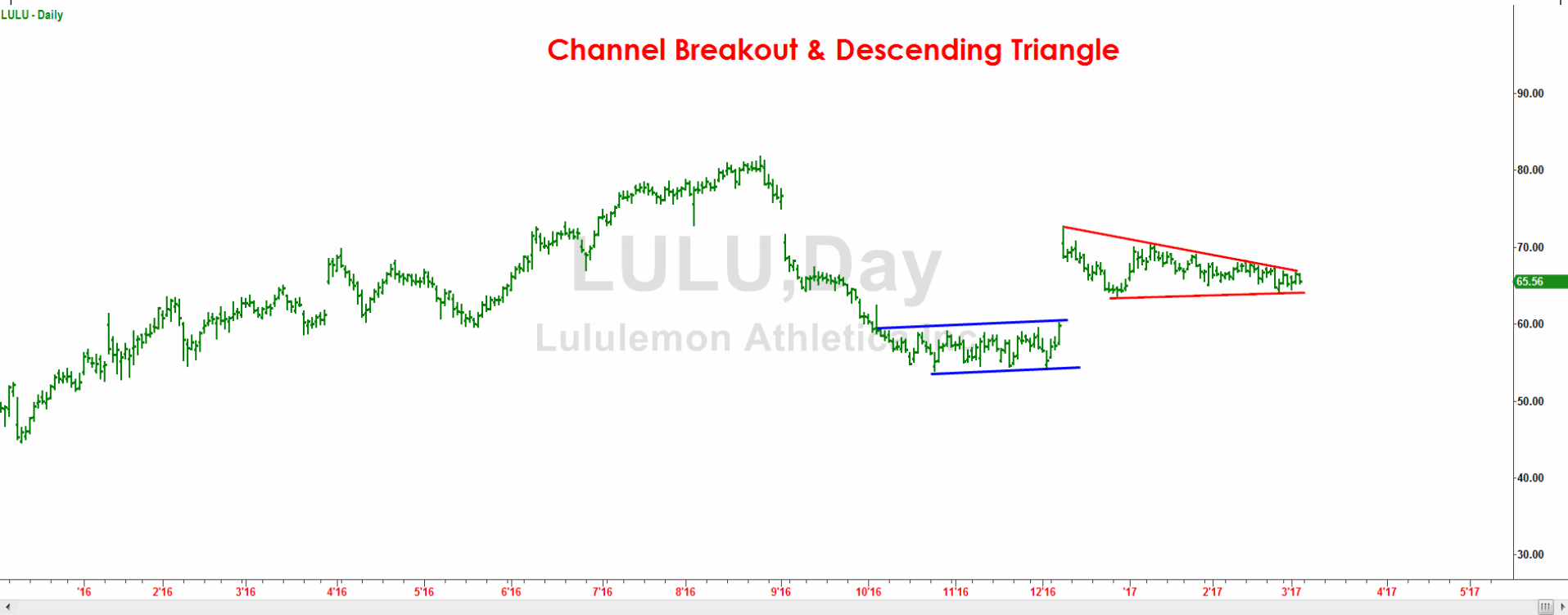
DEO - Daily

Rectangle channel pattern ?



LULU - Daily

Channel Breakout & Descending Triangle



LULU, Day
Lululemon Athletic Co

90.00
80.00
70.00
65.56
60.00
50.00
40.00
30.00

'16 2'16 3'16 4'16 5'16 6'16 7'16 8'16 9'16 10'16 11'16 12'16 '17 2'17 3'17 4'17 5'17

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