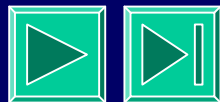




# Welcome to Charting Styles



GAINTraders.com

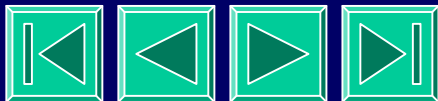


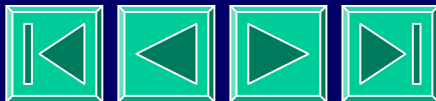
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# The Bar Chart

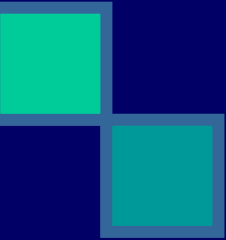

- ❑ The most widely used charting style.
- ❑ Every bar displays the Open, the High, the Low and the Close for a single time unit: a day, a week, 10 minutes, 30 minutes, etc.
- ❑ This charting style has produced many theories along its history of about 100 years.

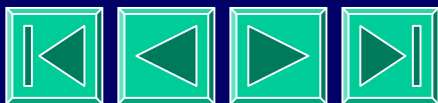


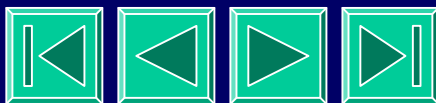




# The Line Chart

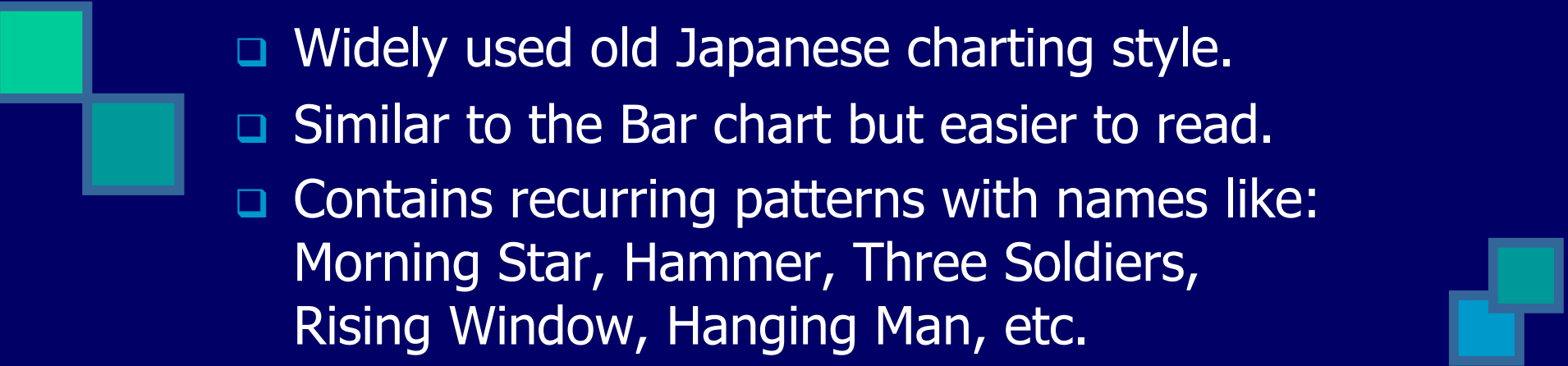
- 
- ❑ Very popular charting style used, among other reasons, for removing the clutter off the Bar chart.
  - ❑ The line is generated when the Close of a time unit (day, week, 10 minutes, 30 minutes, etc.) is connected to the next Close.
  - ❑ The High-Low range is eliminated and so is the Open.
- 

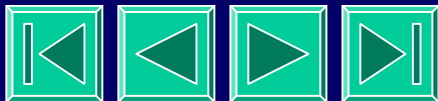


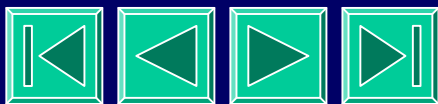




# The Candlesticks Chart

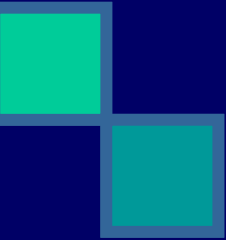

- ❑ Widely used old Japanese charting style.
  - ❑ Similar to the Bar chart but easier to read.
  - ❑ Contains recurring patterns with names like: Morning Star, Hammer, Three Soldiers, Rising Window, Hanging Man, etc.
  - ❑ It became popular in the West because of its novelty and ease in accommodating many of the Bar chart concepts.
- 

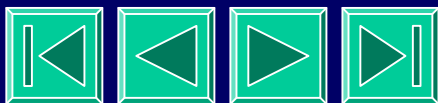


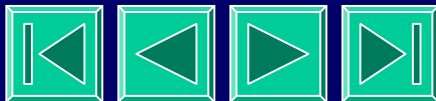
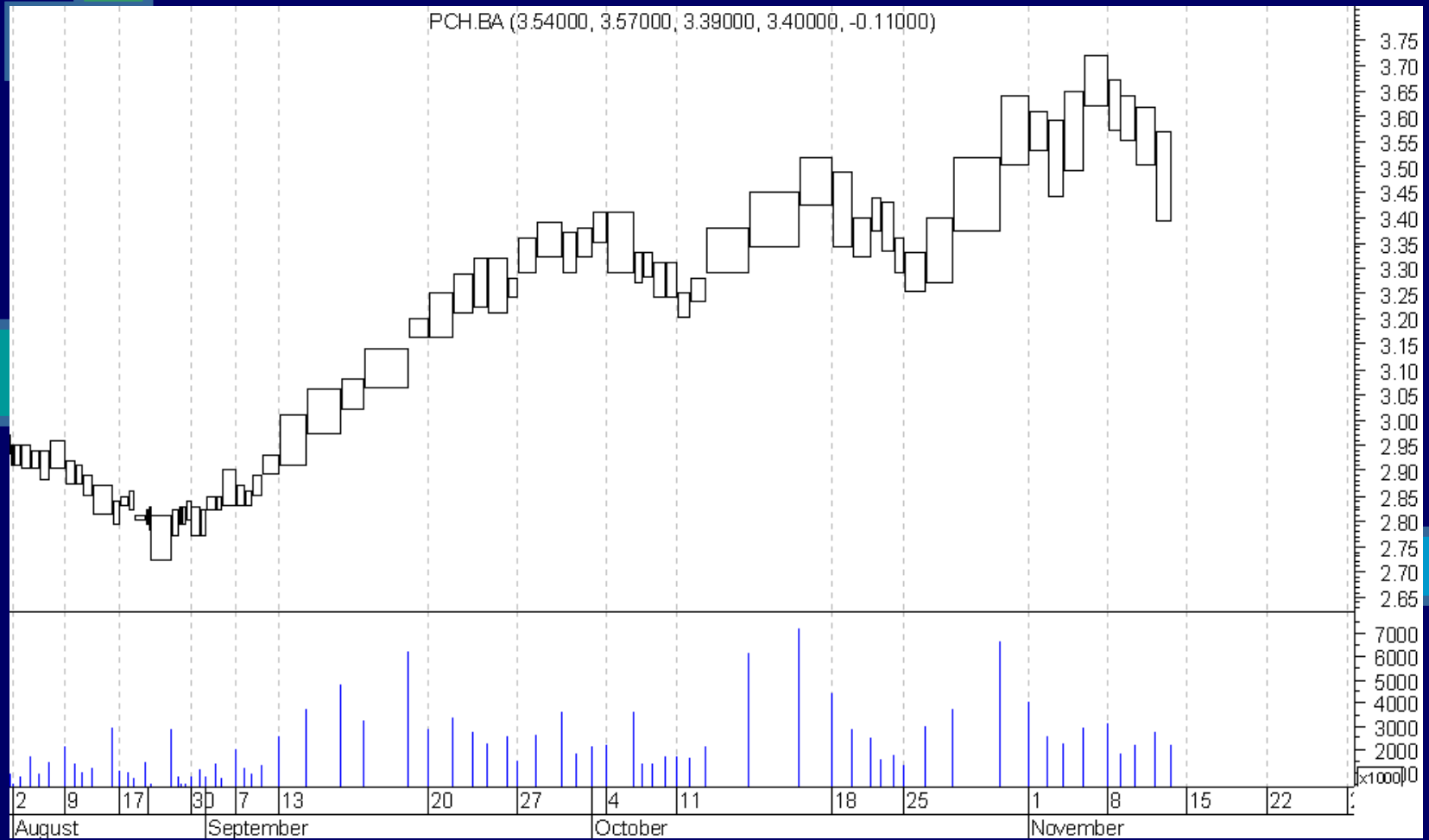




# The Equivolume Chart

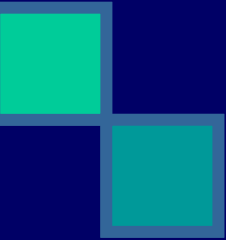

- 
- ❑ Rarely used charting style.
  - ❑ It combines the High-Low range with Volume in a display of boxes for a single time unit (day, week, 10 minutes, 30 minutes, etc.).
  - ❑ The Open and Close are eliminated.
  - ❑ Some of the Bar chart theories can be applied.
- 

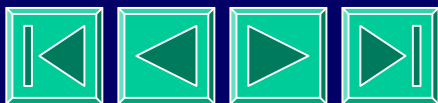


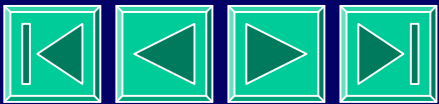
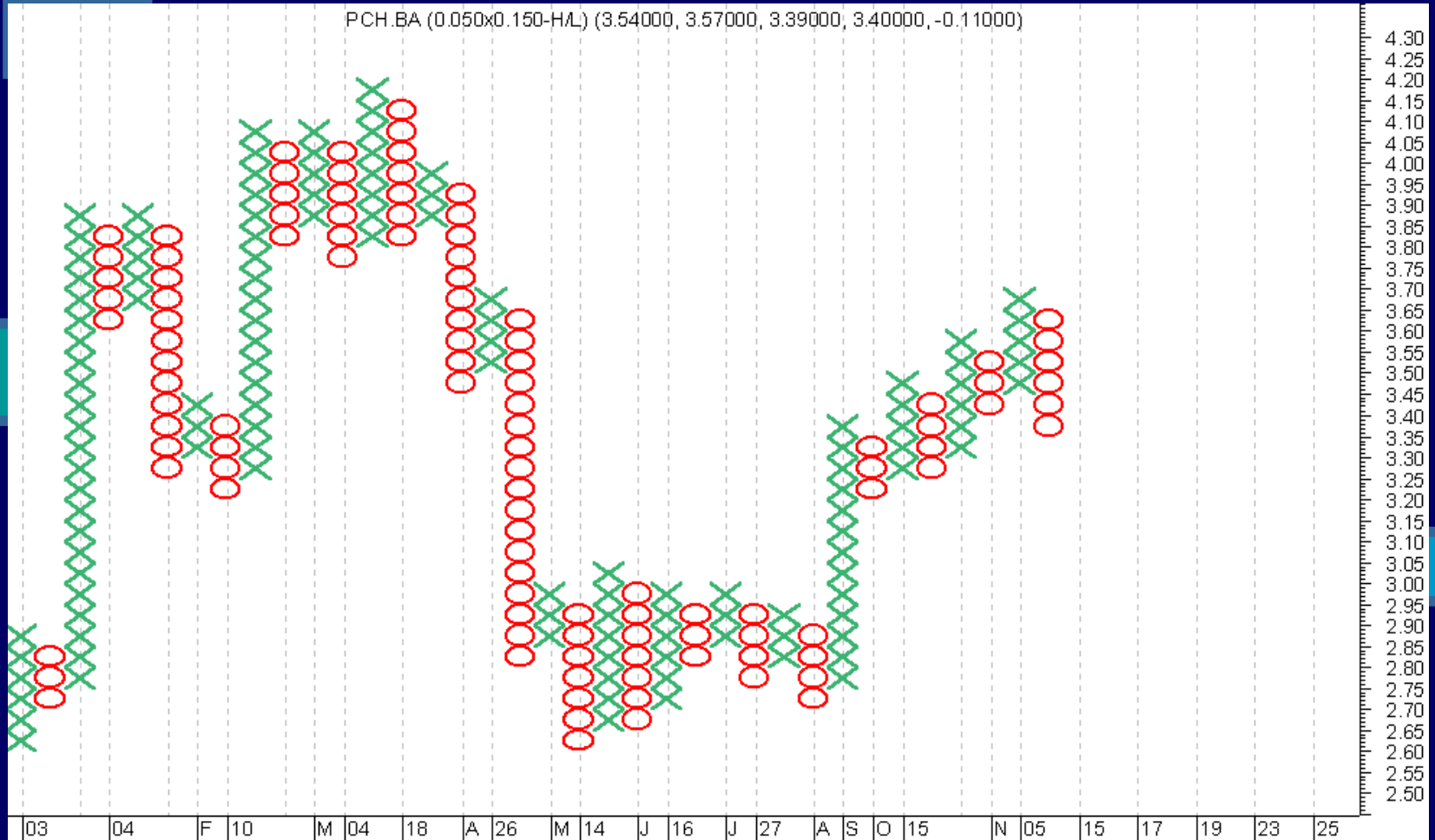




# The Point & Figure Chart

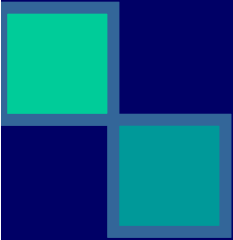

- 
- ❑ The first and only Western reversal chart. Quite popular.
  - ❑ It displays price moves by alternating columns of Xs and Os calculated on either the High-Low range or the Close.
  - ❑ The Open and the Volume are eliminated.
  - ❑ It combines graphic display with clear Buy/Sell signals making it a unique charting style, Indicator and trading system all in one.
- 

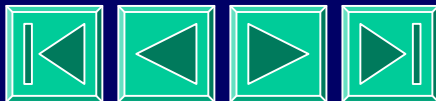


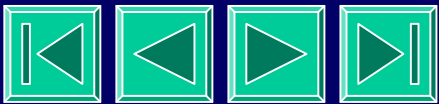
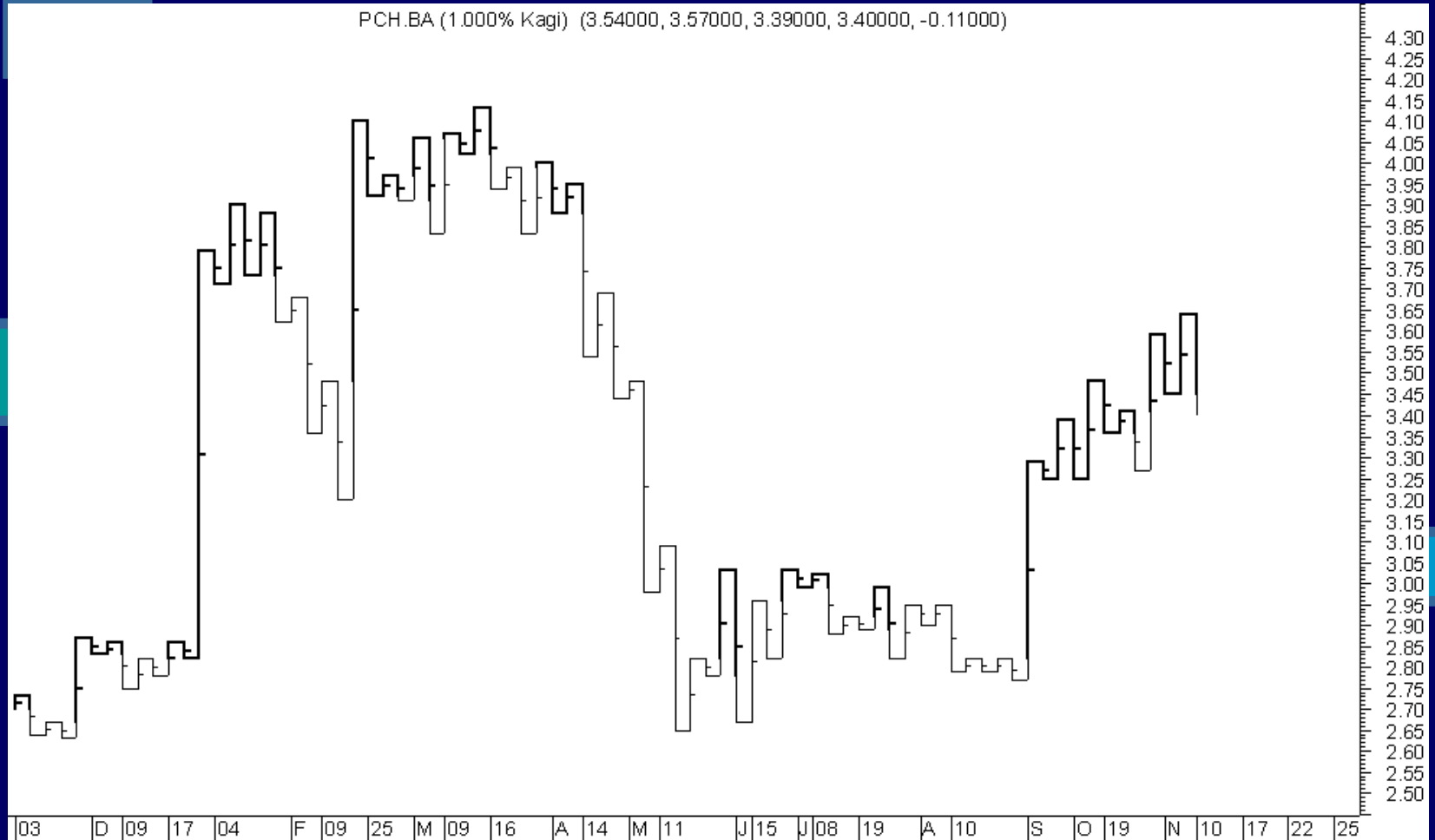




# Kagi

- 
- ❑ Old Japanese reversal charting style, now gaining more and more popularity.
  - ❑ Similar to the Line chart but empowered by adjustable reversals, something that helps with detecting and staying in the trend by eliminating minor price turns.
  - ❑ It combines graphic display with clear Buy/Sell signals making it a charting style, Indicator and trading system all in one.
- 

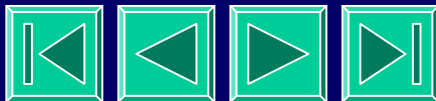


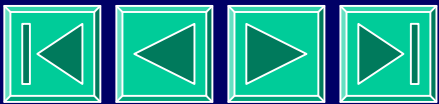
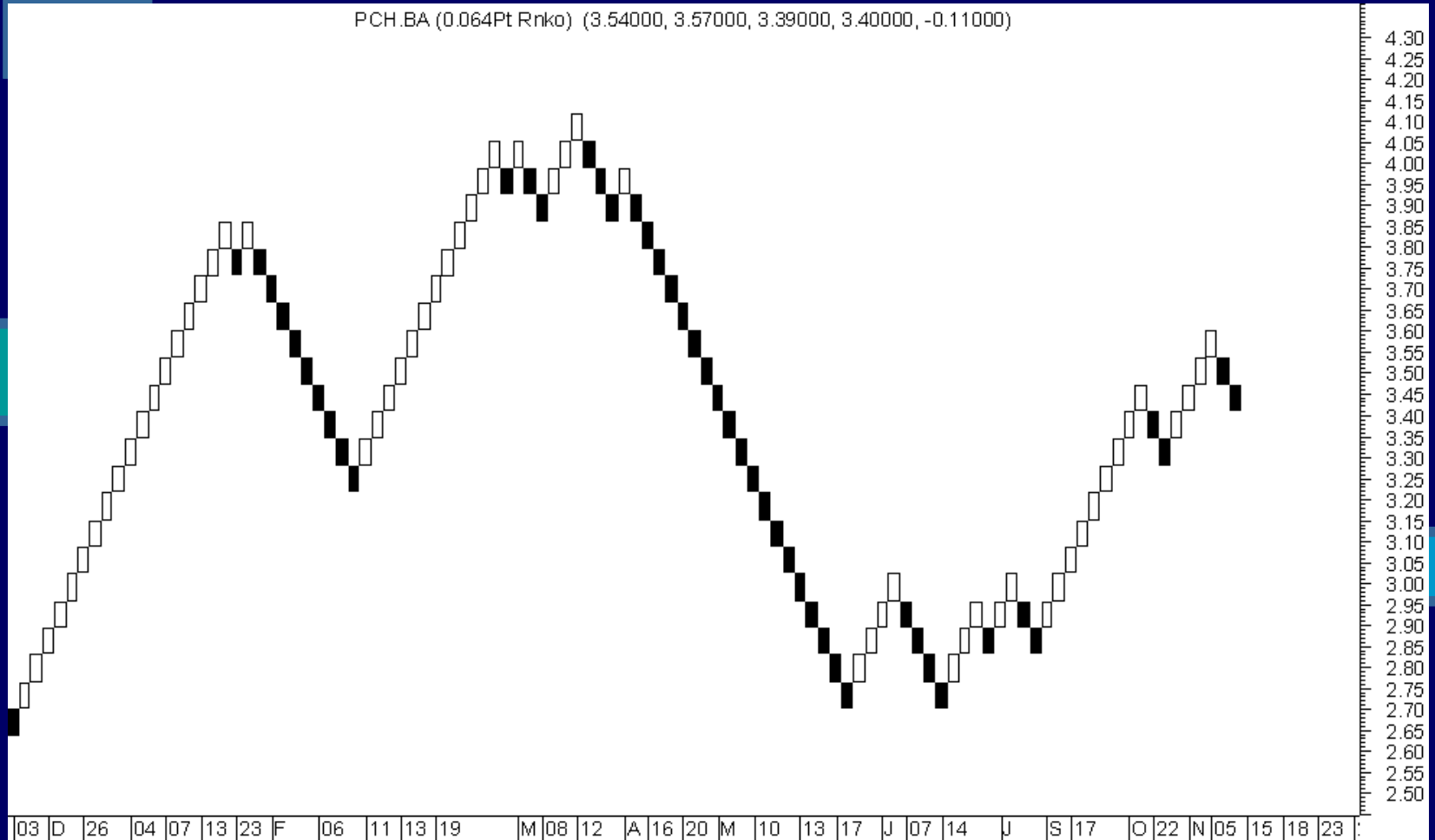




# Renko

- ❑ Old Japanese reversal charting style whose popularity is on the rise.
- ❑ The trend is fragmented in small price moves confined to brick-like shapes.
- ❑ Similar to the Line chart but empowered by adjustable reversals, something that helps with detecting and staying in the trend while overriding minor price turns.
- ❑ It combines graphic display with clear Buy/Sell signals making it a charting style, Indicator and trading system all in one.

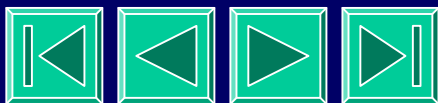


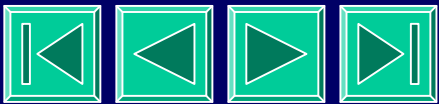
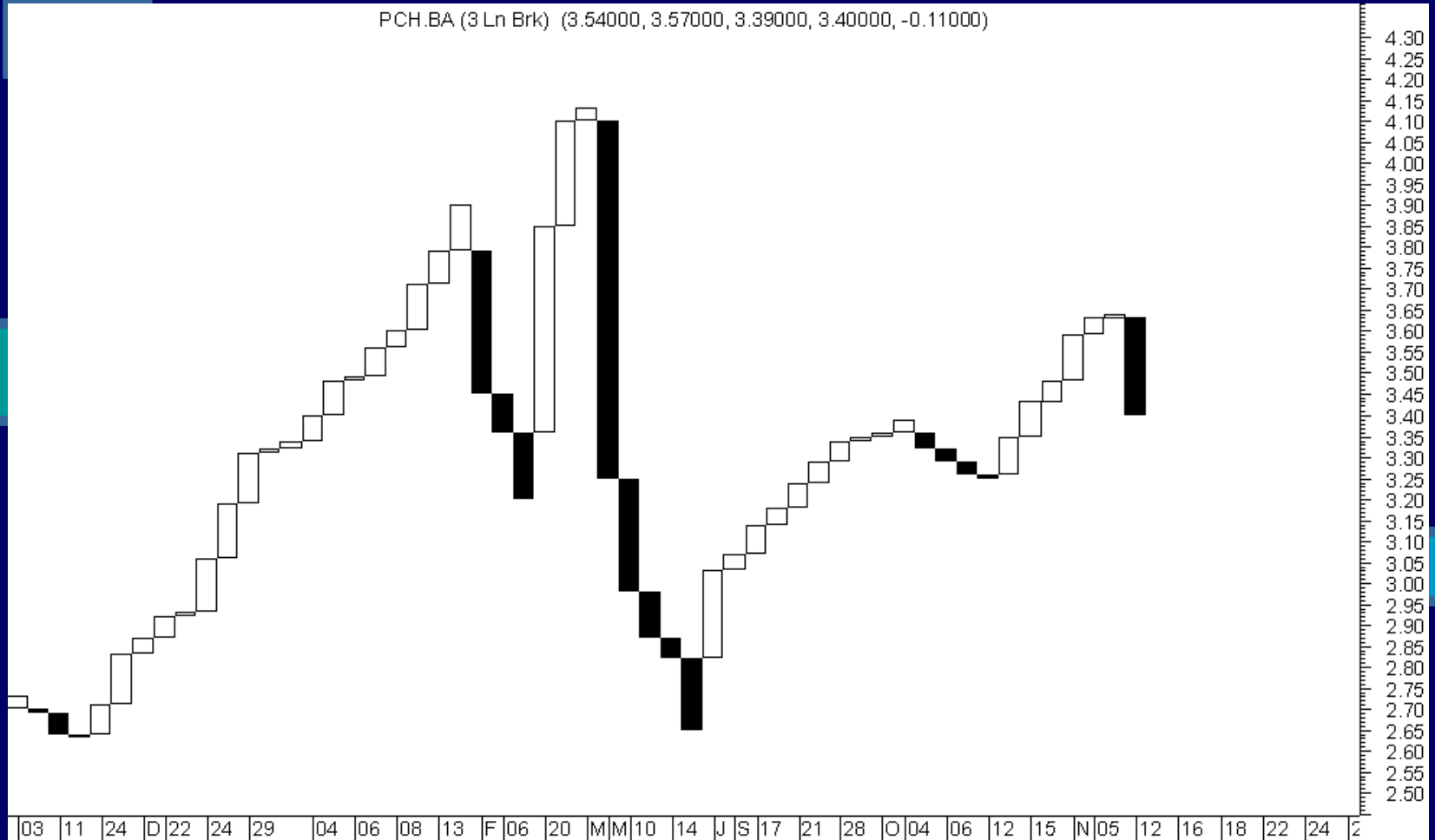




# Three-line Break

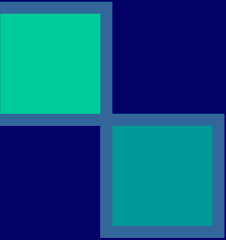
- 
- ❑ Old Japanese reversal charting style, now attracting more and more disciples.
  - ❑ Similar to the Bar chart but empowered by adjustable reversals, something that helps with detecting and staying in the trend while eliminating minor price turns.
  - ❑ It combines graphic display with clear Buy/Sell signals making it a charting style, Indicator and trading system all in one.
- 





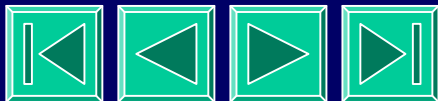



## Other charts ...




Apart from these charting styles, there have been others which lost importance and fell into oblivion as time went by.

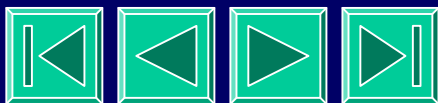
Worth mentioning is that there are other charting styles in use today but their usage, because of various reasons, is limited to very few chartists.





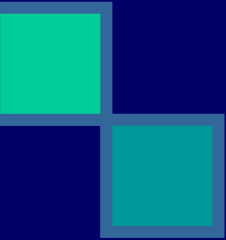
# Trading system

- ❑ Bar chartists always looked for additional confirmation to enter and exit the markets. Indicators and trading systems evolved because of this effort.
  - ❑ An Indicator is a mathematical formula meant to detect different price conditions on the chart.
  - ❑ A trading system combines information from the chart and at least one Indicator to produce a unitary approach.
  - ❑ There are many trading systems to choose from at the present. The best one is the one you trained for and understand and, at the same time, generates profits for yourself.
  - ❑ It is natural for someone to keep refining his trading system while searching for a new one!
- 



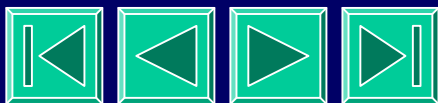



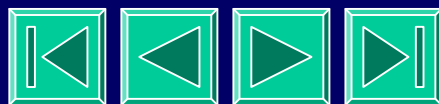
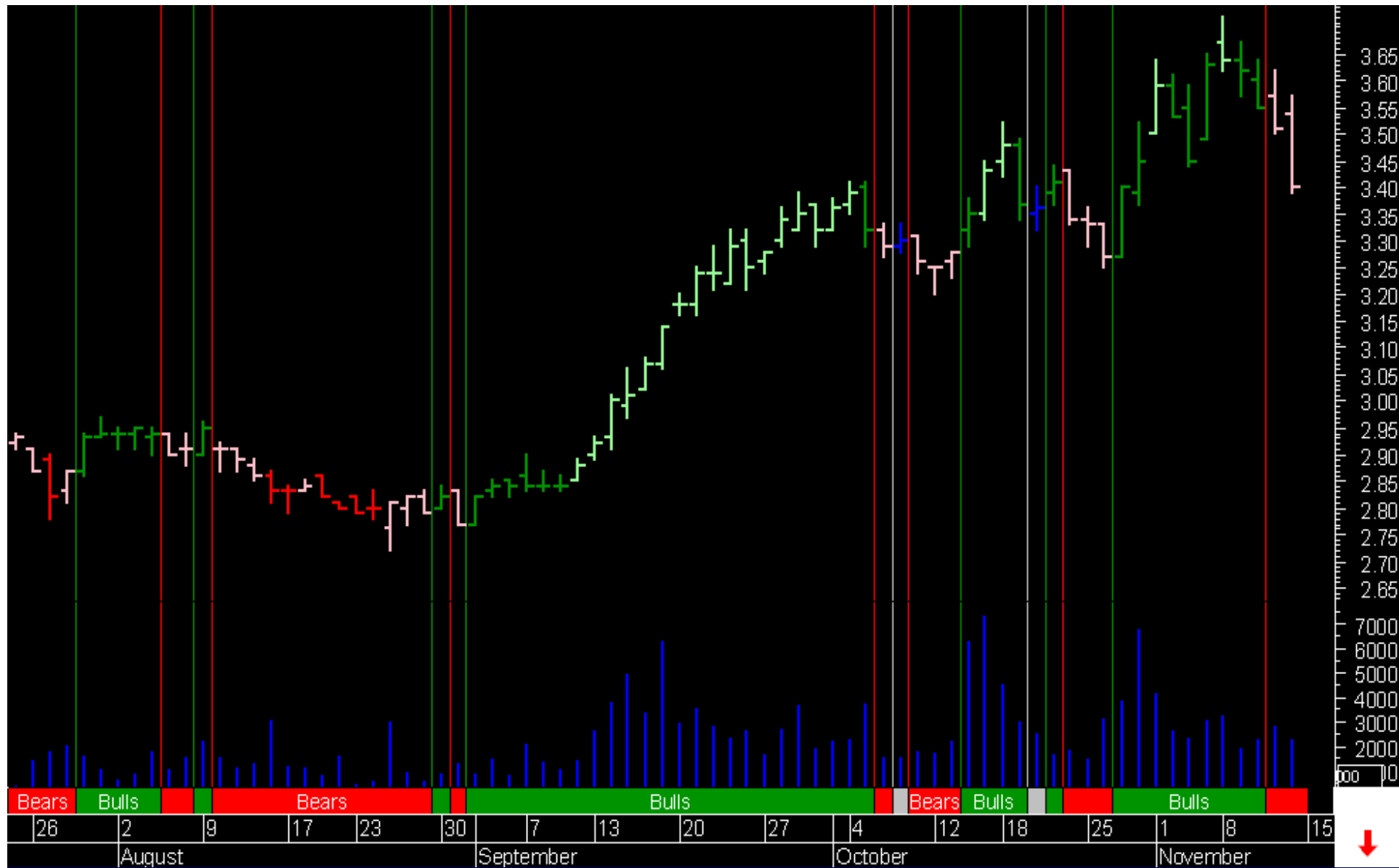
# Chart & trading system



The next slide shows what a trading system looks like on a chart in MetaStock.

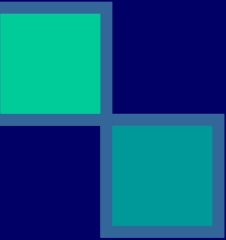
At the end of the course, you will be able to use similar techniques to assist you in consistently trading your favorite security.








## Last word ...



GAIN Traders can help you save time and money if ... you want to learn how to trade or invest in the financial markets by yourself.



Thank you for taking the time  
to watch this presentation!

