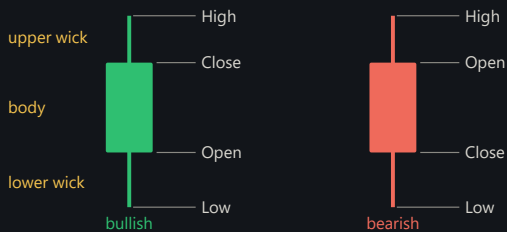


FREE CHEAT SHEET · 18 PATTERNS

Gold Candlestick Patterns *Cheat Sheet*

Eighteen candlestick patterns drawn as clean candles, each with what it means, where it tends to matter on gold (XAUUSD), what confirms it and what proves it wrong. Print it, keep it next to the chart, and use it to judge candles at your levels, not to hunt for shapes.

How to read any candle



The body shows who won between open and close. The wicks show where price went and was rejected.

Three rules before any pattern

- 1 Location first.** A pattern only counts at a level you marked before it formed: H4 or D1 support and resistance, the previous day's high or low, a round number.
- 2 Context second.** Check the trend, the session (London and New York candles carry more weight than the quiet Asian hours) and the news calendar.
- 3 Wait for the close.** A candle is not a pattern until it closes. Then wait for confirmation, and place the stop where the pattern is invalid.

Three basic shapes

Doji



Open equals close: indecision. Meaning comes only from where it forms.

Spinning top



Small body, wicks both sides: neither side in control.

Marubozu



Full body, no wicks: one side controlled the whole candle.

The 18 patterns in this sheet

01 Hammer

02 Hanging man

03 Inverted hammer

04 Shooting star

05 Dragonfly doji

06 Gravestone doji

07 Bullish engulfing

08 Bearish engulfing

09 Bullish harami

10 Bearish harami

11 Piercing line

12 Dark cloud cover

13 Morning star

14 Evening star

15 Three white soldiers

16 Three black crows

17 Inside bar

18 Tweezer bottom and top

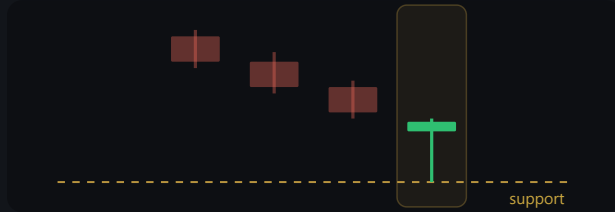
Drawings are schematic. Faded candles show the trend before the pattern; the highlighted candles are the pattern. Bullish patterns are drawn at support, bearish ones at resistance.

SINGLE-CANDLE PATTERNS

Rejection and indecision

01 Hammer

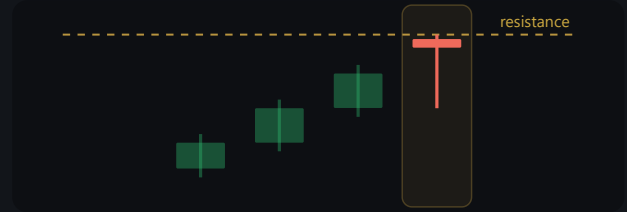
BULLISH REVERSAL



- Meaning** Sellers pushed price down hard, buyers closed it near the high: lower prices were rejected.
- On gold** Useful at an H4 or D1 support, or after a sweep of the Asian or previous-day low. Ignore hammers in the middle of a range.
- Confirm** The next candle closes above the hammer's high.
- Invalid** A close below the hammer's low.

02 Hanging man

BEARISH WARNING



- Meaning** The hammer shape after a rally: buyers lost control for part of the candle. Weak on its own.
- On gold** Only worth attention at resistance or a prior high. In a strong gold trend it often means nothing.
- Confirm** The next candle closes below the hanging man's body.
- Invalid** A close above its high.

03 Inverted hammer

BULLISH REVERSAL



- Meaning** After a fall, buyers pushed price up; sellers pushed back, but selling pressure is fading.
- On gold** A weaker signal: it needs a support level and a confirming candle. On M5 and M15 around news it is often noise.
- Confirm** A close above the inverted hammer's high.
- Invalid** A close below its low.

04 Shooting star

BEARISH REVERSAL



- Meaning** Buyers pushed to a new high and sellers drove price back near the open: higher prices were rejected.
- On gold** Strongest at resistance, a round number or after a sweep of the previous-day high in London or New York.
- Confirm** The next candle closes below the star's low.
- Invalid** A close above the star's high.

05 Dragonfly doji

BULLISH REVERSAL



- Meaning** Open and close at the top with a long lower shadow: a full rejection of lower prices.
- On gold** Treat it like a hammer at support. Around 8:30 a.m. New York data the long wick can be a spike, not intent.
- Confirm** A close above its high.
- Invalid** A close below its low.

06 Gravestone doji

BEARISH REVERSAL



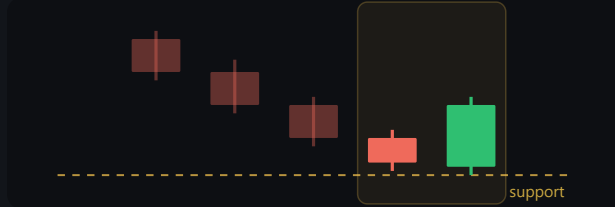
- Meaning** Open and close at the low with a long upper shadow: buyers failed completely.
- On gold** Treat it like a shooting star at resistance. More meaningful on an H1 to D1 close than in a fast M1 spike.
- Confirm** A close below its low.
- Invalid** A close above its high.

TWO-CANDLE PATTERNS

Engulfing, harami, piercing and dark cloud

07 Bullish engulfing

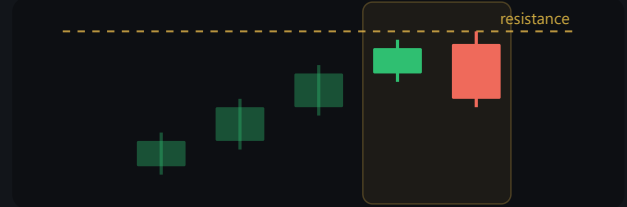
BULLISH REVERSAL



- Meaning** A bullish body fully covers the previous bearish body: buyers took control.
- On gold** Best after a liquidity sweep of a clear low, at a higher-timeframe level, during London or New York.
- Confirm** Follow-through above the engulfing high, or a hold on a retest of its midpoint.
- Invalid** A close below the engulfing low.

08 Bearish engulfing

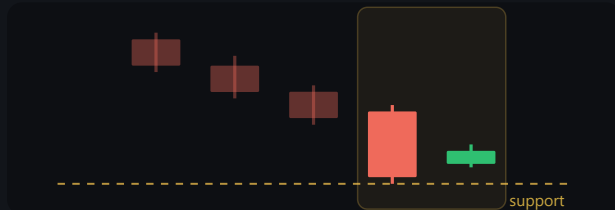
BEARISH REVERSAL



- Meaning** A bearish body swallows the previous bullish body: sellers took control.
- On gold** Best at resistance or after a sweep of a prior high. Against a strong uptrend many of them fail.
- Confirm** A break below the engulfing low.
- Invalid** A close above the engulfing high.

09 Bullish harami

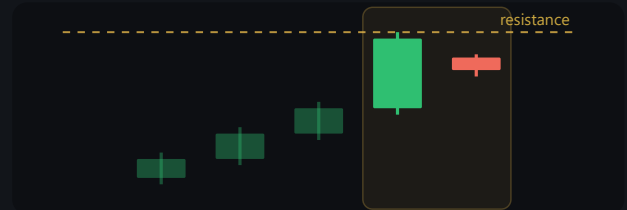
BULLISH, WEAK



- Meaning** A small candle inside the previous large bearish body: selling momentum is pausing.
- On gold** A pause, not a reversal. Useful only at support, with a trigger such as a break of the harami's high.
- Confirm** A close above the large candle's midpoint or high.
- Invalid** A close below the large candle's low.

10 Bearish harami

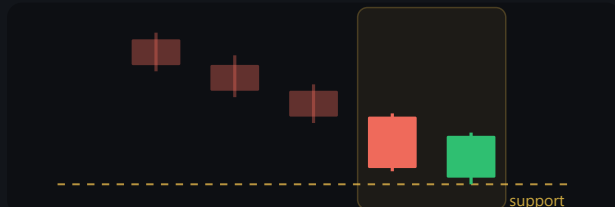
BEARISH, WEAK



- Meaning** A small candle inside the previous large bullish body: buying momentum is pausing.
- On gold** In the quiet Asian hours it often just starts a range. Wait for London or New York to break one side.
- Confirm** A close below the large candle's midpoint or low.
- Invalid** A close above the large candle's high.

11 Piercing line

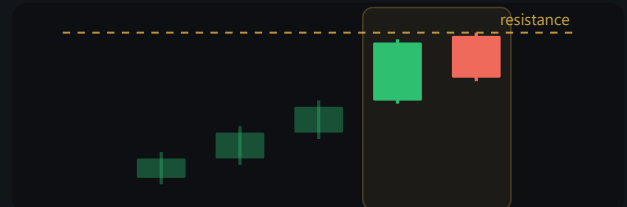
BULLISH REVERSAL



- Meaning** After a bearish candle, price opens lower but closes above the middle of that candle's body.
- On gold** Spot gold rarely gaps inside the week, so true versions mostly appear after the weekend or the daily break.
- Confirm** The next close above the bearish candle's open.
- Invalid** A close below the piercing candle's low.

12 Dark cloud cover

BEARISH REVERSAL



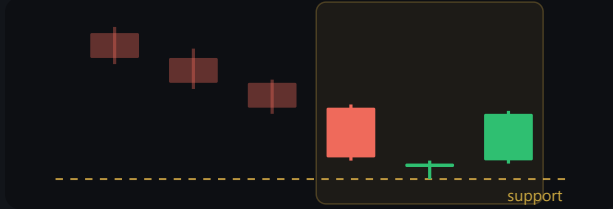
- Meaning** After a bullish candle, price opens higher but closes below the middle of that candle's body.
- On gold** Like the piercing line, a real gap is rare on spot gold during the week. Judge it at resistance only.
- Confirm** The next close below the bullish candle's open.
- Invalid** A close above the dark cloud's high.

THREE-CANDLE PATTERNS AND BAR SETUPS

Stars, soldiers, crows, inside bars and tweezers

13 Morning star

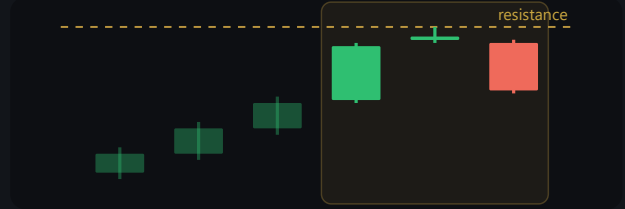
BULLISH REVERSAL



- Meaning** Large bearish candle, small indecision candle, large bullish candle: sellers hand over to buyers in three steps.
- On gold** Most reliable on H4 and D1 at support. On low timeframes the shape forms constantly and means little.
- Confirm** The third candle closes above the first candle's midpoint, and the next candle holds.
- Invalid** A close below the star's low.

14 Evening star

BEARISH REVERSAL



- Meaning** Large bullish candle, small indecision candle, large bearish candle: buyers hand over to sellers.
- On gold** Most reliable on H4 and D1 at resistance or a prior high, less so on M1 to M15.
- Confirm** The third candle closes below the first candle's midpoint, and the next candle holds.
- Invalid** A close above the star's high.

15 Three white soldiers

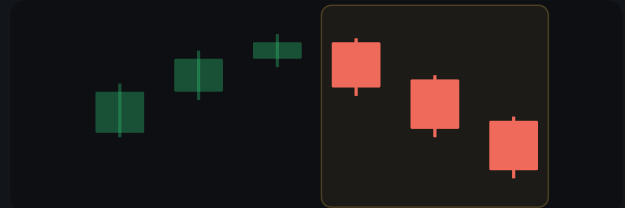
BULLISH MOMENTUM



- Meaning** Three strong bullish candles with higher closes and small wicks: sustained buying.
- On gold** Shows momentum after a base. Buying the third candle often gives a poor entry; wait for a pullback.
- Confirm** A shallow pullback holds above the first soldier's midpoint.
- Invalid** A close below the first soldier's open.

16 Three black crows

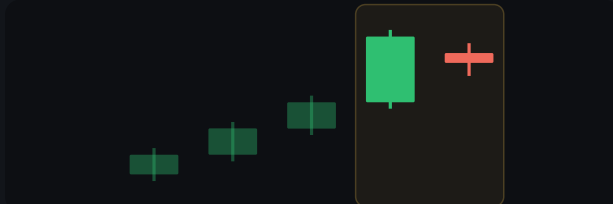
BEARISH MOMENTUM



- Meaning** Three strong bearish candles with lower closes and small wicks: sustained selling.
- On gold** Common after a failed breakout above a prior high. Selling the third candle is often late; wait for a pullback.
- Confirm** A weak pullback stays below the first crow's midpoint.
- Invalid** A close above the first crow's open.

17 Inside bar

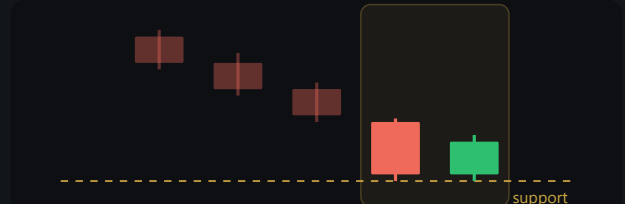
CONTINUATION



- Meaning** The whole candle sits inside the previous candle's range: compression before expansion.
- On gold** Common before US data and in the Asian session. Trade the break in the trend direction, not the pattern itself.
- Confirm** A close beyond the mother bar's high (in an uptrend) or low (in a downtrend).
- Invalid** A break of the opposite side of the mother bar.

18 Tweezer bottom and top

REVERSAL



- Meaning** Two candles with matching lows (or highs): the same price was rejected twice.
- On gold** Meaningful at a marked level or round number. Equal lows can also be liquidity that gets swept later.
- Confirm** A close above the tweezer high (bottom) or below the tweezer low (top).
- Invalid** A close through the matching lows or highs.

PUT IT TO WORK

Trading a candle pattern on gold, step by step

The five-step routine

- 1** Before the session, mark your levels on H4 and D1 and note the high-impact news times in your time zone.
- 2** Wait for price to reach a level. No level, no trade, however good the candle looks.
- 3** Let the candle close on your trigger timeframe (M15, H1 or H4). Name the pattern from this sheet.
- 4** Wait for the confirmation in the "Confirm" line. Enter on the confirmation, not on the pattern itself.
- 5** Put the stop beyond the "Invalid" price plus a small buffer for the spread, then size the trade from that stop.

Three setups from the lesson

- 1. Rejection candle at a higher-timeframe level.** A hammer, shooting star or doji at a marked H4 or D1 level, with the stop beyond the wick.
- 2. Engulfing reversal after a liquidity sweep.** Price runs a clear high or low, then an engulfing candle closes back inside the range.
- 3. Inside bar breakout in trend.** An inside bar in a clear trend; trade the break in the trend direction with the stop beyond the mother bar.

Common mistakes

- Trading a pattern in the middle of a range, away from any level.
- Entering before the candle closes.
- Reading a news spike at 8:30 a.m. New York time as "rejection".
- Using a stop that is tighter than the pattern's own invalidation.
- Trusting quoted win rates. Pattern statistics vary by market, timeframe and period: test on your own gold data.

Size every trade from the stop

$$\text{Lots} = (\text{balance} \times \text{risk \%}) \div (\text{stop distance in } \$ \times 100 \text{ oz})$$

Hypothetical: \$5,000 balance, 1% risk (\$50), \$6 stop →
 $\$50 \div (\$6 \times 100) = 0.083$, rounded down to 0.08 lots.
 Check your broker's contract size.

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