Twitter Thread by JayneshKasliwal

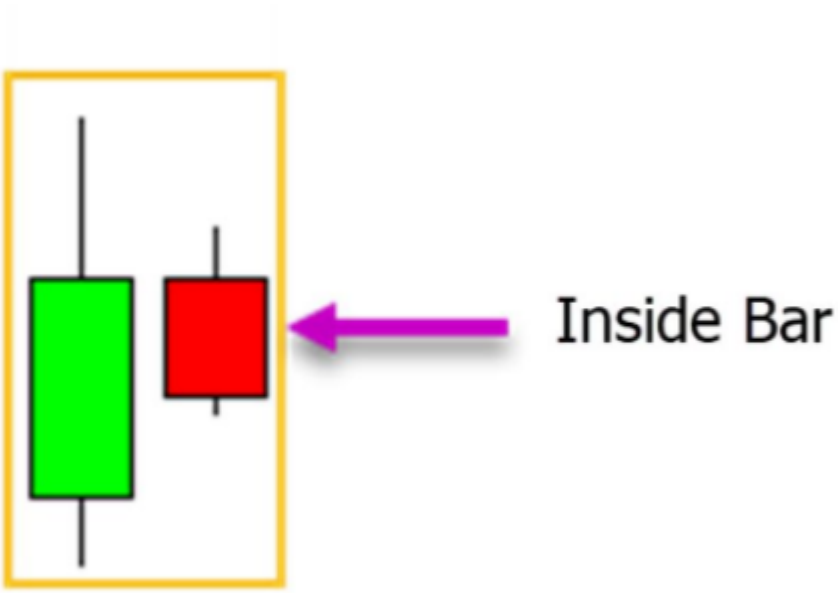
JayneshKasliwal
@JayneshKasliwal

What is Inside Bar ?

A thread ■ on IB candlestick and its strategy !

Retweet And Share ■

@Techno_Charts @JayneshKasliwal
#StockMarket
1/n



What is the Inside Bar Pattern?
The inside bar pattern is a one candlestick pattern where price forms completely within the previous candlestick.
For an IB to be considered valid both the high and the low of the
candlestick or need to be completely inside the previous candle
2/n

There is often confusion around the wicks or shadows of the candlesticks
NOTE : the inside bar takes into account the candlestick wicks.
This means that the high and low, including the wicks of the candle must be within the high and low of the previous candlestick.
3/n

Is the Inside Bar Bullish or Bearish?

The inside bar is an indecision candlestick pattern.
The inside bar is formed because price was not able to break either the high or the low of the previous session. .
4/n



A trend continuation pattern

1. If an inside bar forms in a strong trend, for example a trend higher, then it could be signalling a quick pause before price continues on with the trend.

2. It simply means some Volatilty contraction and hence price moving in small range .
5/n



Because there is a strong trend, the inside bar represents a pause in the price action
When looking to enter with the inside bar breakout you are looking to enter when the signal confirms itself. This happens when price breaks the IB high or
low in the direction of the trend.
6/

A reversal pattern

If an inside bar forms at a swing point and major support or resistance area, then it
can mean a change of trend and can be confirmed after a the low of Mother candle is broken
7/n



Where to trade and what time frame ?

Reversal Work best on inside bar on daily time frame and breakouts on weekly time frame (My observation)
Its important not to trade each and every IB as this could lead to poor trades.
Always better to have other confirmations of your own
8/n



Time Frames to check
You can find this on all time frames from monthly to 1 minute chart .
The higher the time frame the better.

PowerOfstocks Sir Famously trades Banknifty on 15 min with inside bar.
You should practise minimum 100 trades on same time frame to checl results
9/n

Confirmations and Caution
Some people believe that the high low of mother candle should be broken and some will tell the high low of baby candle .
Try both the styles and do what works the best for you.

Daily Inside bar screener :
https://t.co/PA46s6w0zw
Telegram Channel
https://t.co/z988TyQcKm

@AdityaTodmal @kuttrapali26 @AmitabhJha3