

Triangle Chart Pattern

Triangle is very good tools for technical analysis. This chart pattern is very common in Forex market and easy to identify. It is used as a continuation of any trend. This pattern works well any type of time frame. It has very good success rate

There are 3 types of triangles.

1. Symmetrical triangle
2. Ascending triangle
3. Descending triangle

Symmetrical triangle

This pattern is seen in uptrend market and after breakout this triangle, it gives upward continuation signal. It can also seen in downward rally, down continuation confirms after breakout.

Price follows two trend lines. It follows rising trend line and downward trend line. It tries to break both trend lines but it rejects from both trend lines. It ranges within few pips and create a triangle type formation.



How to Trade on Symmetrical triangle

Both trend lines as support and resistance. When successful breakout occurs on this pattern, then entry can be taken. Target will be at least 1:2. Stop loss need to set some pips difference from near swing level. If it breaks down side, then sellers take control, and if it breaks upside then buyers take full control.

Ascending triangle

This is also a continuation chart pattern usually seen in the rising market. In this pattern there is a horizontal resistance level. Price can't break that level. It reject from that resistance level and falls from that. It creates some low and it follows a rising trend line. It rang within this triangle.



How to Trade on Ascending triangle

Horizontal trend line acts as resistance and rising trend lines acts as a support. When successful breakout occurs on this pattern, then entry can be taken. Target will be at least 1:2. Stop loss need to set below of near swing low.

Descending triangle

This is also a continuation chart pattern usually seen in the downward market. In this pattern there is a horizontal support level. Price can't break that level. It rejects from that support level and raise from that. It creates some high and it follows a down trend line. It rang within this triangle.



How to Trade on Descending triangle

Horizontal trend line acts as support and down trend lines acts as a resistance. When successful breakout occurs on this pattern, then entry can be taken. Target will be at least 1:2. Stop loss need to set above of near swing low.

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