



Lesson 8 NOTES

ALT FINS **Education**

CRYPTO TECHNICAL ANALYSIS (TA) AND
TRADING USING ALTFINS PLATFORM

Lesson 8 NOTES

Lesson 8 (strategy): Trading Chart Patterns

STRATEGY DESCRIPTION

Price patterns appear when traders are buying and selling at certain levels, and therefore, price oscillates between these levels, creating chart patterns. When price finally does break out of the price pattern, it can represent a significant change in sentiment.

TA CONCEPTS COVERED

- Chart pattern types
- Emerging vs. completed (breakout) patterns
- Patterns with highest win rates
- Chart pattern cheat sheet

Lesson 8: Trading Chart Patterns

PRACTICAL IMPLEMENTATION

- Scan chart patterns by type, trade direction, pattern stage and profit potential
- In sync with trend direction

TRADING RULES

- Find coins with Ascending triangles, Inverse Head and Shoulders, Channel Up, Rising Wedge...
- Trade with trend or market neutral
- Many small positions

Lesson 8: Emerging vs. Breakouts

- Emerging (aka Approaching) – when price is approaching Resistance
- Breakouts – when price breaks above Resistance
- Both are tradable opportunities with high success rates

Read more: <https://altfins.com/knowledge-base/emerging-v-completed/>

Read more: <https://altfins.com/how-to-trade-resistance-and-support-breakouts-and-resistance-approaches/>

Lesson 8: Pattern Types

- 16 types recognized by our Patterns detection
- Focus on patterns with high historical success rates (see next page)
- Some are typically bullish (Double Bottom, Inverse H&S, Falling Wedge, Bullish Pennant, Ascending Triangle)
- Continuation vs Reversal patterns

CHART PATTERN	FORMS DURING	TYPE OF SIGNAL	NEXT MOVE
Double Top	Uptrend	Reversal	Down
Double Bottom	Downtrend	Reversal	Up
Head and Shoulders	Uptrend	Reversal	Down
Inverse Head and Shoulders	Downtrend	Reversal	Up
Rising Wedge	Downtrend	Continuation	Down
Falling Wedge	Uptrend	Continuation	Up
Rising Wedge	Uptrend	Reversal	Down
Falling Wedge	Downtrend	Reversal	Up
Bearish Rectangle	Downtrend	Continuation	Down
Bullish Rectangle	Uptrend	Continuation	Up
Bearish Pennant	Downtrend	Continuation	Down
Bullish Pennant	Uptrend	Continuation	Up
Ascending Triangle	Uptrend	Continuation	Up
Ascending Triangle	Downtrend	Reversal	Up
Descending Triangle	Uptrend	Reversal	Down
Descending Triangle	Downtrend	Continuation	Down

Read more: <https://altfins.com/knowledge-base/chart-patterns/>

Read more: <https://altfins.com/knowledge-base/chart-patterns-cheat-sheet/>

Lesson 8: Patterns success rates

Inverse HnS	83%
Double bottom	79%
Head and Shoulders	79%
Horizontal Resistance - Emerging	78%
Channel down	73%
Horizontal Resistance - Breakout	72%
Horizontal Support - Emerging	72%
Double top	72%
Channel up	71%
Triple bottom	71%
Ascending triangle	69%
Horizontal Support - Breakout	69%
Falling wedge	67%
Rising Wedge	65%
Desc triangle	64%
Flag	64%
Triple top	64%
Triangle	61%
Penant	52%
Rectangle	49%

Lesson 8: Implementation

- Patterns section
- Screener – create custom filters with patterns & trends
- Curated Charts – 35 altcoins with TA analysis by in-house analyst team
- Use Price Alerts to monitor Support / Resistance zones and Breakouts
- Use Stop-Loss orders for risk management
- Lots of small trades to realize success rate statistics

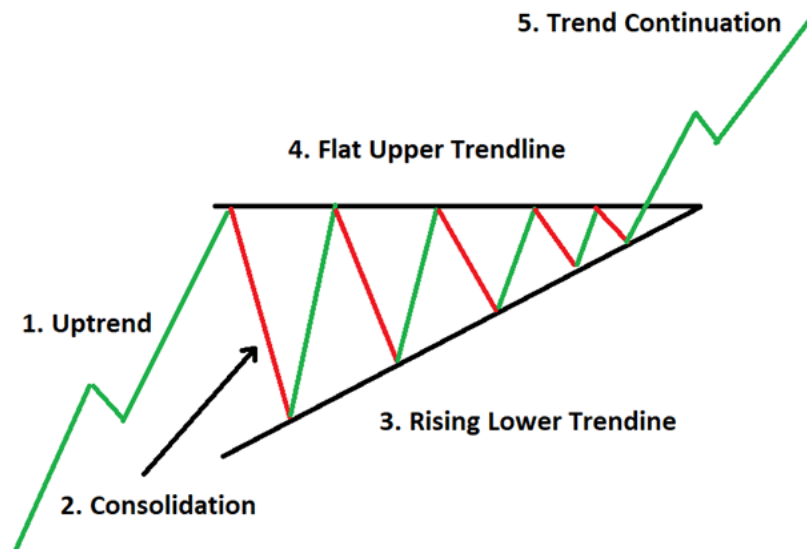
Read more: <https://altfins.com/knowledge-base/how-to-trade-using-chart-patterns/>

Lesson 8: Ascending Triangle

Entry: strong break above resistance trendline

Stop Loss: just below the last swing low

Target price: the width of the triangle



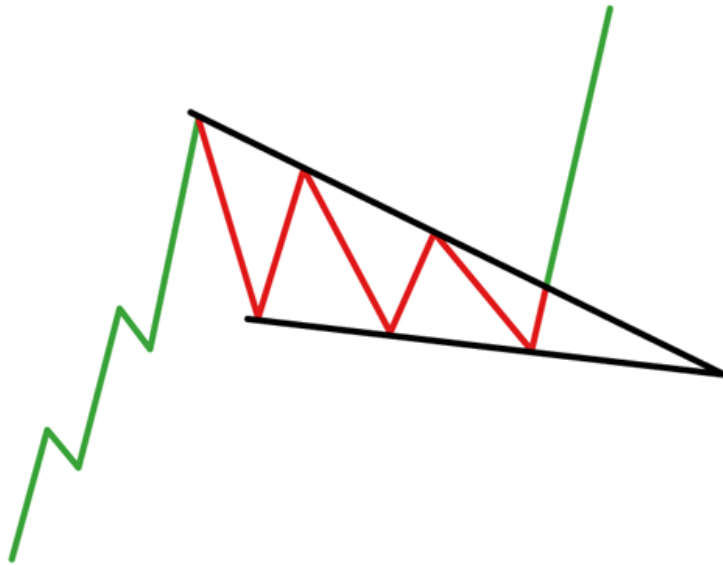
Lesson 8: Falling Wedge

Entry: break above resistance trendline AND above recent swing high

Confirmation (optional): RSI divergence

Stop Loss: just below the last swing low

Target price: the width of the triangle



"Technical Analysis is the only way to measure the emotional component of the market. We know that many times an ounce of emotion can be worth a pound of facts. How else to explain a sudden shift in the market without a change in the fundamentals?"

- STEVEN NISON

credited for bringing Japanese techniques to the western world

Instructor

Richard Fetyko, CEO and Founder, altFINS



Mr. Fetyko spent 14 years on Wall Street as an equity research analyst at investment banks like Janney Montgomery Scott, covering Internet and Tech sectors, and then 6 years as a portfolio manager at a family fund Twin Capital.

During his Wall Street career, Mr. Fetyko was ranked among top analysts for his coverage of Internet:

[Ranked No. 2](#) by StarMine Analyst Awards in 2010 for ratings performance in Internet Software & Services industry

Ranked No. 4 and No. 2 by The Wall Street Journal's "Best of the Street" Analyst Survey in Advertising and Publishing sector in 2008 and 2007, respectively.