

20 Bullish Candlestick Patterns

Pattern Recognition • Entry • Stop-Loss • Target • Confirmation

What this handbook covers	The 20 bullish candlestick formations from the article, with practical chart-based entry, stop-loss, target, confirmation and invalidation rules.
How to read the rules	No numerical prices are used. Each rule points to a candle high/low, swing point, support/resistance or chart structure.
Risk reminder	Candlestick patterns are not guarantees. Use market context, confirmation and risk management before taking a trade.

Core approach: Reversal patterns are generally more meaningful after a decline; continuation patterns are generally interpreted within an existing uptrend. Confirmation, support/resistance, volume and price structure help determine whether a setup is actionable.

How to Trade Bullish Candlestick Patterns

Use the pattern as a structured setup rather than as a guaranteed signal. A common confirmation trigger is a move above the pattern high or a relevant confirmation candle high. The stop-loss should sit beyond the level that would invalidate the setup, while the target can be the next resistance, previous swing high or another predefined chart-based objective.

Trading element	General rule
Entry	Usually after confirmation, such as a move above the pattern high or confirmation candle high.
Stop-loss	Below the pattern low, relevant swing low, support zone, or another logical invalidation level.
Target	Next resistance, previous swing high, chart structure, or a predefined risk-reward objective.
Position size	Adjust according to the amount of capital you are willing to risk.
Confirmation	Bullish follow-through and supporting volume can strengthen the signal.
Avoid early entries	Do not assume the pattern will succeed before supporting price action appears.

Pattern 1: Hammer



Candles	1	Signal	Potential reversal
Key feature	Small body with long lower shadow	Context	Preferably after a decline and near meaningful support.

How to Identify

Single candle after a decline; a small real body sits near the upper part of the candle, with a prominent lower shadow.

What It Indicates

Potential bullish reversal and rejection of lower prices. Confirmation from the next candle can strengthen the signal.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the Hammer high, preferably after bullish confirmation.
Stop-loss	Below the Hammer low (the tip of the lower wick).
Target	Next resistance or previous swing high; alternatively a predefined risk-reward target.
Confirmation	Bullish follow-through or a break above the Hammer high.
Invalidation	A decisive move below the Hammer low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 2: Inverted Hammer



Illustrative structure — green = bullish, red = bearish

Candles	1	Signal	Potential reversal
Key feature	Small body with long upper shadow	Context	Preferably after a decline and near support.

How to Identify

Single candle after a decline; a small real body with a prominent upper shadow.

What It Indicates

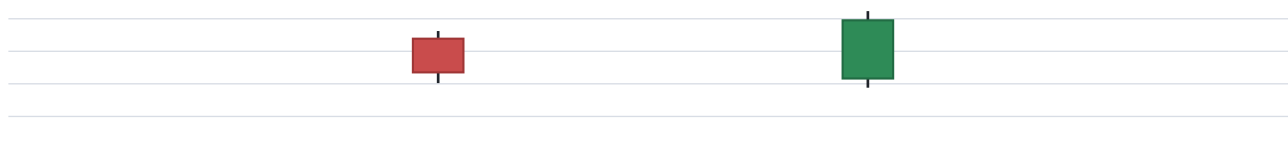
Can signal an attempt to move higher and a potential bullish reversal; confirmation is important.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the Inverted Hammer high after bullish confirmation.
Stop-loss	Below the Inverted Hammer low.
Target	Next resistance or previous swing high.
Confirmation	A subsequent bullish candle breaks the Inverted Hammer high.
Invalidation	A break below the Inverted Hammer low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 3: Bullish Engulfing



Illustrative structure — green = bullish, red = bearish

Candles	2	Signal	Potential reversal
Key feature	Bullish body engulfs previous body	Context	Most useful after a decline, especially near support.

How to Identify

A smaller bearish candle is followed by a larger bullish candle that completely engulfs the prior candle's body.

What It Indicates

A possible shift from selling to buying pressure and strengthening bullish momentum.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the bullish engulfing candle.
Stop-loss	Below the low of the engulfing pattern.
Target	Next resistance or previous swing high.
Confirmation	Price breaks and holds above the engulfing candle's high.
Invalidation	A move below the engulfing pattern low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 4: Piercing Line



Illustrative structure — green = bullish, red = bearish

Candles	2	Signal	Potential reversal
Key feature	Bullish candle moves into previous bearish body	Context	After a decline and preferably around support.

How to Identify

A strong bearish candle is followed by a bullish candle that opens below the prior close and closes above the midpoint of the bearish body.

What It Indicates

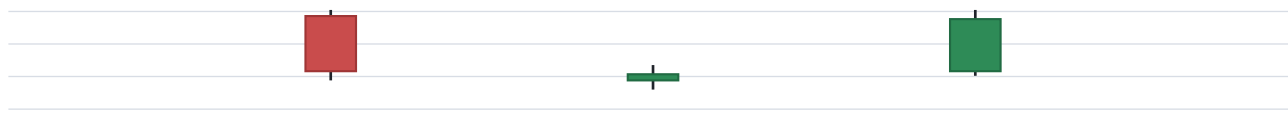
Weakening selling pressure and recovery of part of the previous decline.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the bullish Piercing Line candle's high.
Stop-loss	Below the low of the two-candle pattern.
Target	Next resistance or previous swing high.
Confirmation	Bullish follow-through above the second candle's high.
Invalidation	Price breaks below the pattern low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 5: Morning Star



Illustrative structure — green = bullish, red = bearish

Candles	3	Signal	Potential reversal
Key feature	Bearish, small, bullish sequence	Context	After a decline, especially near support.

How to Identify

Bearish candle, followed by a small-bodied candle, followed by a bullish candle that moves well into the first candle's body.

What It Indicates

Potential bullish reversal; the middle candle can show weakening selling pressure.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the third bullish candle.
Stop-loss	Below the lowest low of the three-candle formation.
Target	Next resistance or previous swing high.
Confirmation	The third candle closes strongly bullish and price breaks its high.
Invalidation	Price falls below the formation's lowest low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 6: Morning Doji Star



Illustrative structure — green = bullish, red = bearish

Candles	3	Signal	Potential reversal
Key feature	Doji between bearish and bullish candles	Context	After a decline and preferably around support.

How to Identify

Bearish candle, followed by a doji, followed by a bullish candle moving well into the first candle's body.

What It Indicates

Potential reversal; the doji highlights indecision or weakening selling pressure.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the third bullish candle.
Stop-loss	Below the lowest low of the three-candle pattern.
Target	Next resistance or previous swing high.
Confirmation	Bullish follow-through above the third candle's high.
Invalidation	Price breaks below the pattern low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 7: Three White Soldiers



Illustrative structure — green = bullish, red = bearish

Candles	3	Signal	Bullish momentum
Key feature	Three consecutive bullish candles	Context	Can appear after a decline or during a developing bullish move.

How to Identify

Three consecutive bullish candles, generally with strong bodies, each closing higher than the previous one and opening within or near the prior body.

What It Indicates

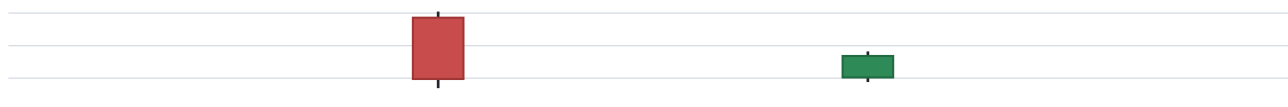
Sustained buying pressure and potentially strengthening bullish momentum.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the third soldier, or on a controlled pullback after confirmation.
Stop-loss	Below the low of the formation or the relevant recent swing low.
Target	Next resistance / previous swing high.
Confirmation	Continuation above the third candle's high.
Invalidation	A decisive reversal below the formation's key low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 8: Bullish Harami



Illustrative structure — green = bullish, red = bearish

Candles	2	Signal	Potential reversal
Key feature	Small candle inside previous body	Context	After a decline and preferably near support.

How to Identify

Large bearish candle followed by a smaller candle whose body forms within the first candle's body.

What It Indicates

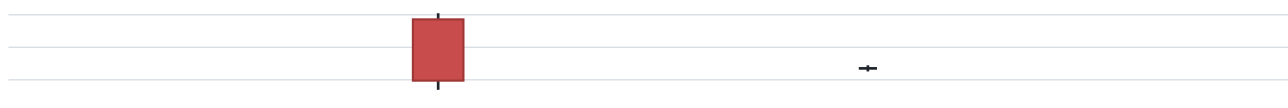
Weakening selling pressure and a possible pause in the decline.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the second candle.
Stop-loss	Below the low of the two-candle formation.
Target	Next resistance or previous swing high.
Confirmation	Bullish price action breaks the second candle's high.
Invalidation	Price breaks below the pattern low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 9: Bullish Harami Cross



Illustrative structure — green = bullish, red = bearish

Candles	2	Signal	Potential reversal
Key feature	Doji inside previous body	Context	After a decline and preferably at support.

How to Identify

Large bearish candle followed by a doji whose range/body is contained within the first candle's body.

What It Indicates

Weakening selling pressure and indecision after a decline.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the doji / confirmation area.
Stop-loss	Below the low of the two-candle pattern.
Target	Next resistance or previous swing high.
Confirmation	Bullish candle breaks the Harami Cross high.
Invalidation	Price breaks below the pattern low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 10: Tweezer Bottom



Illustrative structure — green = bullish, red = bearish

Candles	2	Signal	Potential reversal
Key feature	Similar or matching lows	Context	Best when the repeated low aligns with support.

How to Identify

Two candles after a decline with lows at or near the same level; body colors and sizes may differ.

What It Indicates

Repeated rejection of lower prices and potential bullish reversal.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the second candle / confirmation candle.
Stop-loss	Below the shared or lowest Tweezer Bottom low.
Target	Next resistance or previous swing high.
Confirmation	Bullish move away from the matched lows.
Invalidation	A decisive break below the shared low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 11: Dragonfly Doji



Illustrative structure — green = bullish, red = bearish

Candles	1	Signal	Potential reversal
Key feature	Long lower shadow with little/no body	Context	After a decline and preferably near support.

How to Identify

Little or no real body with a long lower shadow; open and close are near the candle high.

What It Indicates

Price moved lower but recovered before the close, potentially showing weakening selling pressure.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the Dragonfly Doji high after bullish confirmation.
Stop-loss	Below the Dragonfly Doji low.
Target	Next resistance or previous swing high.
Confirmation	Bullish follow-through above the doji high.
Invalidation	A break below the doji low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 12: Bullish Marubozu



Illustrative structure — green = bullish, red = bearish

Candles	1	Signal	Bullish momentum
Key feature	Large body with minimal shadows	Context	Can support continuation or reversal depending on broader price structure.

How to Identify

Strong bullish candle that opens near the low and closes well above the open, usually with little or no shadows.

What It Indicates

Strong buying pressure and buyer control during the session.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the Marubozu high, or on a controlled retest after breakout.
Stop-loss	Below the Marubozu low or relevant nearby swing low.
Target	Next resistance / previous swing high.
Confirmation	Continuation above the Marubozu high.
Invalidation	Price loses the Marubozu low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 13: Bullish Belt Hold



Illustrative structure — green = bullish, red = bearish

Candles	1	Signal	Potential reversal
Key feature	Bullish candle opens near its low	Context	Particularly useful after weakness or near support.

How to Identify

Strong bullish candle opening near the low with little or no lower shadow and closing well above the open.

What It Indicates

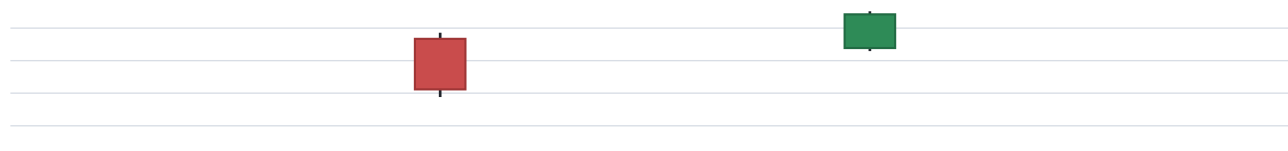
Strong buying pressure; significance depends on market structure.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the Belt Hold high after confirmation.
Stop-loss	Below the Belt Hold low.
Target	Next resistance or previous swing high.
Confirmation	Bullish continuation above the candle high.
Invalidation	A move below the Belt Hold low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 14: Bullish Kicker



Illustrative structure — green = bullish, red = bearish

Candles	2	Signal	Strong bullish shift
Key feature	Gap between candles	Context	The gap and strong bullish candle are central to the pattern.

How to Identify

Bearish candle followed by a strongly bullish candle that opens significantly higher, creating a gap, then continues upward.

What It Indicates

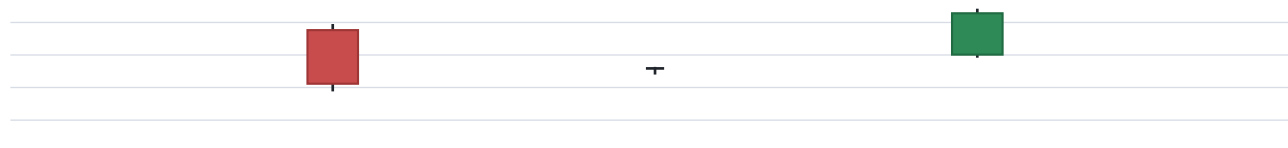
Sharp shift from selling to buying pressure and a strong change in sentiment.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the bullish Kicker candle's high after the gap is established.
Stop-loss	Below the bullish Kicker candle's low; the gap/support area can also be monitored.
Target	Next resistance / previous swing high.
Confirmation	Price continues higher and holds the bullish gap.
Invalidation	Failure of the bullish gap followed by a break below the pattern structure.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 15: Bullish Abandoned Baby



Illustrative structure — green = bullish, red = bearish

Candles	3	Signal	Potential reversal
Key feature	Doji separated by gaps	Context	After a decline; the gap structure is an important part of the pattern.

How to Identify

Bearish candle, isolated doji, then bullish candle; the doji is separated from the surrounding candles by gaps.

What It Indicates

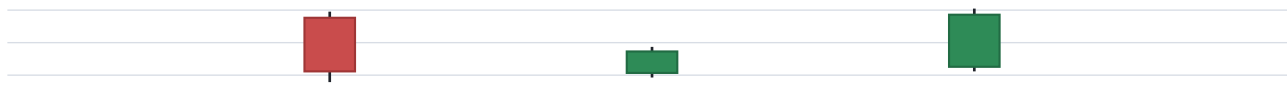
Potential bullish reversal, with loss of selling momentum and a sharp change in momentum.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the third bullish candle.
Stop-loss	Below the lowest low of the three-candle pattern.
Target	Next resistance / previous swing high.
Confirmation	Bullish third candle and continuation above its high.
Invalidation	Price breaks below the pattern low or decisively fails the gap structure.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 16: Three Inside Up



Illustrative structure — green = bullish, red = bearish

Candles	3	Signal	Potential reversal
Key feature	Harami followed by bullish confirmation	Context	After a decline and preferably near support.

How to Identify

Bearish first candle, smaller second candle within its body, followed by a bullish third candle that confirms the shift.

What It Indicates

A gradual shift from selling toward buying pressure.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the third bullish confirmation candle.
Stop-loss	Below the lowest low of the three-candle formation.
Target	Next resistance / previous swing high.
Confirmation	Third candle confirms the reversal and price breaks its high.
Invalidation	Price breaks below the formation low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 17: Three Outside Up



Illustrative structure — green = bullish, red = bearish

Candles	3	Signal	Potential reversal
Key feature	Engulfing pattern followed by bullish candle	Context	After a decline and preferably near support.

How to Identify

Bearish first candle, bullish second candle that completely engulfs its body, followed by a third bullish confirmation candle.

What It Indicates

A stronger initial shift in buying pressure than Three Inside Up.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the third bullish candle.
Stop-loss	Below the lowest low of the three-candle formation.
Target	Next resistance / previous swing high.
Confirmation	Third candle continues the bullish move.
Invalidation	Price breaks below the formation low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 18: Rising Three Methods



Illustrative structure — green = bullish, red = bearish

Candles	5	Signal	Continuation
Key feature	Strong bullish candle + contained three-candle pullback + bullish resumption	Context	Established uptrend; the corrective candles should remain contained within the initial bullish candle's range.

How to Identify

A strong bullish candle is followed by several smaller bearish candles that remain within the first candle's range. A final bullish candle then resumes the uptrend and moves above the earlier high.

What It Indicates

Temporary pullback followed by continuation of an existing uptrend.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the final bullish candle.
Stop-loss	Below the low of the pullback structure or the relevant swing low.
Target	Next resistance or a continuation objective based on chart structure.
Confirmation	Final bullish candle breaks the earlier high.
Invalidation	The pullback breaks decisively below the initial bullish candle's low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 19: Mat Hold



Illustrative structure — green = bullish, red = bearish

Candles	5	Signal	Continuation
Key feature	Strong bullish drive + shallow corrective pause + bullish resumption	Context	Established uptrend; the corrective phase should remain controlled and should not erase the prior bullish structure.

How to Identify

A strong bullish candle is followed by several smaller corrective candles that move against the trend but hold in the upper portion of the prior bullish move; the final bullish candle resumes the advance.

What It Indicates

Temporary consolidation/pause within an established uptrend, followed by potential continuation.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the final bullish continuation candle.
Stop-loss	Below the consolidation/pullback low or the relevant swing low.
Target	Next resistance or a continuation objective based on chart structure.
Confirmation	Strong bullish resumption above the prior structure.
Invalidation	A decisive break below the consolidation's key low.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

Pattern 20: Upside Tasuki Gap



Illustrative structure — green = bullish, red = bearish

Candles	3	Signal	Continuation
Key feature	Upward gap remains partly open	Context	Established uptrend with a meaningful upward gap.

How to Identify

Two bullish candles create an upward gap, followed by a bearish candle that moves into the gap without completely closing it.

What It Indicates

The existing uptrend may remain intact; the unfilled gap can indicate continued bullish pressure.

Trading Setup

Trading element	Rule for this pattern
Entry	Above the high of the bearish third candle after bullish continuation.
Stop-loss	Below the lower edge of the gap or relevant swing low, depending on structure.
Target	Next resistance or continuation objective.
Confirmation	Bullish price action rejects the gap fill and resumes upward.
Invalidation	The gap is fully closed and price breaks the relevant support structure.

Risk note: A pattern can fail even when its structure is clear. Use the invalidation level, market context and position sizing to define risk before entering.

20-Pattern Bullish Candlestick Cheat Sheet

Pattern	Candles	General Signal	Key Feature
Hammer	1	Potential reversal	Small body; long lower shadow
Inverted Hammer	1	Potential reversal	Small body; long upper shadow
Bullish Engulfing	2	Potential reversal	Bullish body engulfs previous body
Piercing Line	2	Potential reversal	Bullish candle moves into previous bearish body
Morning Star	3	Potential reversal	Bearish, small, bullish sequence
Morning Doji Star	3	Potential reversal	Doji between bearish and bullish candles
Three White Soldiers	3	Bullish momentum	Three consecutive bullish candles
Bullish Harami	2	Potential reversal	Small candle inside previous body
Bullish Harami Cross	2	Potential reversal	Doji inside previous body
Tweezer Bottom	2	Potential reversal	Similar or matching lows
Dragonfly Doji	1	Potential reversal	Long lower shadow
Bullish Marubozu	1	Bullish momentum	Large body with minimal shadows
Bullish Kicker	2	Strong bullish shift	Gap between candles
Bullish Belt Hold	1	Potential reversal	Bullish candle opens near its low
Bullish Abandoned Baby	3	Potential reversal	Doji separated by gaps
Three Inside Up	3	Potential reversal	Harami followed by bullish confirmation
Three Outside Up	3	Potential reversal	Engulfing pattern followed by bullish candle
Rising Three Methods	5	Continuation	Contained three-candle pullback within bullish candle
Mat Hold	5	Continuation	Shallow consolidation within an uptrend
Upside Tasuki Gap	3	Continuation	Upward gap remains partly open

Final Checklist

- Is the preceding trend appropriate for the pattern?
- Is the pattern near a meaningful support/resistance area?
- Does the candle structure match the pattern?
- Has price provided the required confirmation?
- Where is the logical invalidation level?
- Is the target located at a realistic resistance/structure level?
- Is the position size appropriate for the amount you are willing to risk?

Educational use only. This handbook is for learning technical-analysis concepts and structured trade planning; it is not financial advice or a guarantee of trading results.

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