

PRICE ACTION BASICS

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QUICK GUIDE

PRICE ACTION TRADING

Price action is a form of technical analysis. It involves studying the price data of a Forex pair to help predict where future price may be.

Price data is displayed on a price chart



PRICE DIRECTION

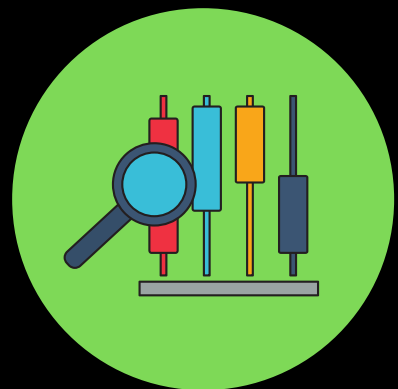
Price can move in various directions - up, down and sideways. These directions are referred to as uptrends, downtrends and ranges.

Trends are formed by a series of swing highs and swing lows

JAPANESE CANDLESTICKS

Japanese candlesticks can help predict future price direction. They consist of a candle body and candle wicks.

Certain candlestick formations are referred to as a price action setups



SUPPORT AND RESISTANCE

Price action can form areas of potential price reversal. This is called support and resistance.

When support is broken, it can become resistance. When resistance is broken, it can become support

PRICE PATTERNS

Price action also forms patterns that can help predict where future price may be.

