MONEY DOOR GOLD SHELF

# Candle Cheat Book

21 candlestick patterns for gold (XAUUSD), one per page

**Free learning guide**

Inside: each pattern drawn, with its shape rules, what it shows, where it matters, a common mistake and what to wait for next.

*For complete beginners | Simple English*

**www.moneydoorfxacademy.com**

Education only. Not investment advice. Practise on a demo account.

WELCOME

# What is inside

This is a quick-reference book. Each page shows **one** candlestick pattern, drawn from numbers that follow the pattern's rules, with the few things you need to recognise it and read it sensibly. Keep it next to your demo chart.

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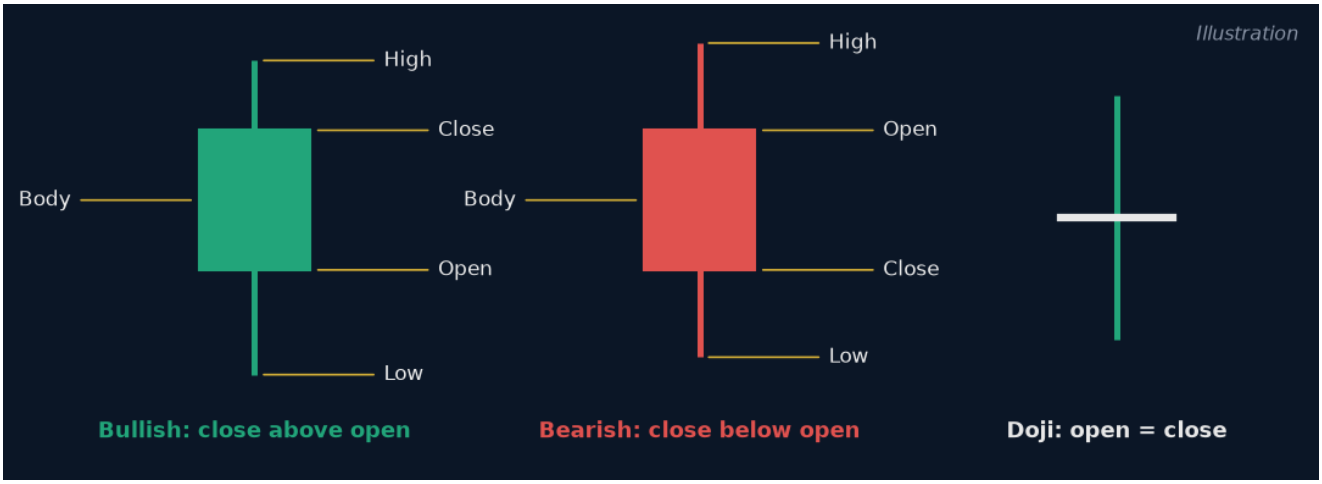
**Patterns are clues, not instructions.** A pattern only matters where it forms (at a level, after a move) and when the next candle agrees. All drawings are illustrations, not real market data. Practise spotting them on a demo account.

START HERE

# How to read this book




*Candle parts. Colours can be changed in your platform, so check which colour means 'up' on your own screen.*

## What each pattern page shows

| Part of the page | What it tells you |
|---|---|
| The drawing | A few candles before it (the context), the pattern in the gold dashed box, and a faded 'next candle' showing what confirmation can look like. |
| Type / After / Reading | How many candles, what usually comes before it, and the idea in a few words. |
| Shape rules | The checks the candles must pass to count as this pattern. |
| Where it matters | The places where the pattern is worth noticing. |
| Common mistake | The most frequent beginner error with this pattern. |
| Wait for | What the next candle or candles should do before the pattern means much. |

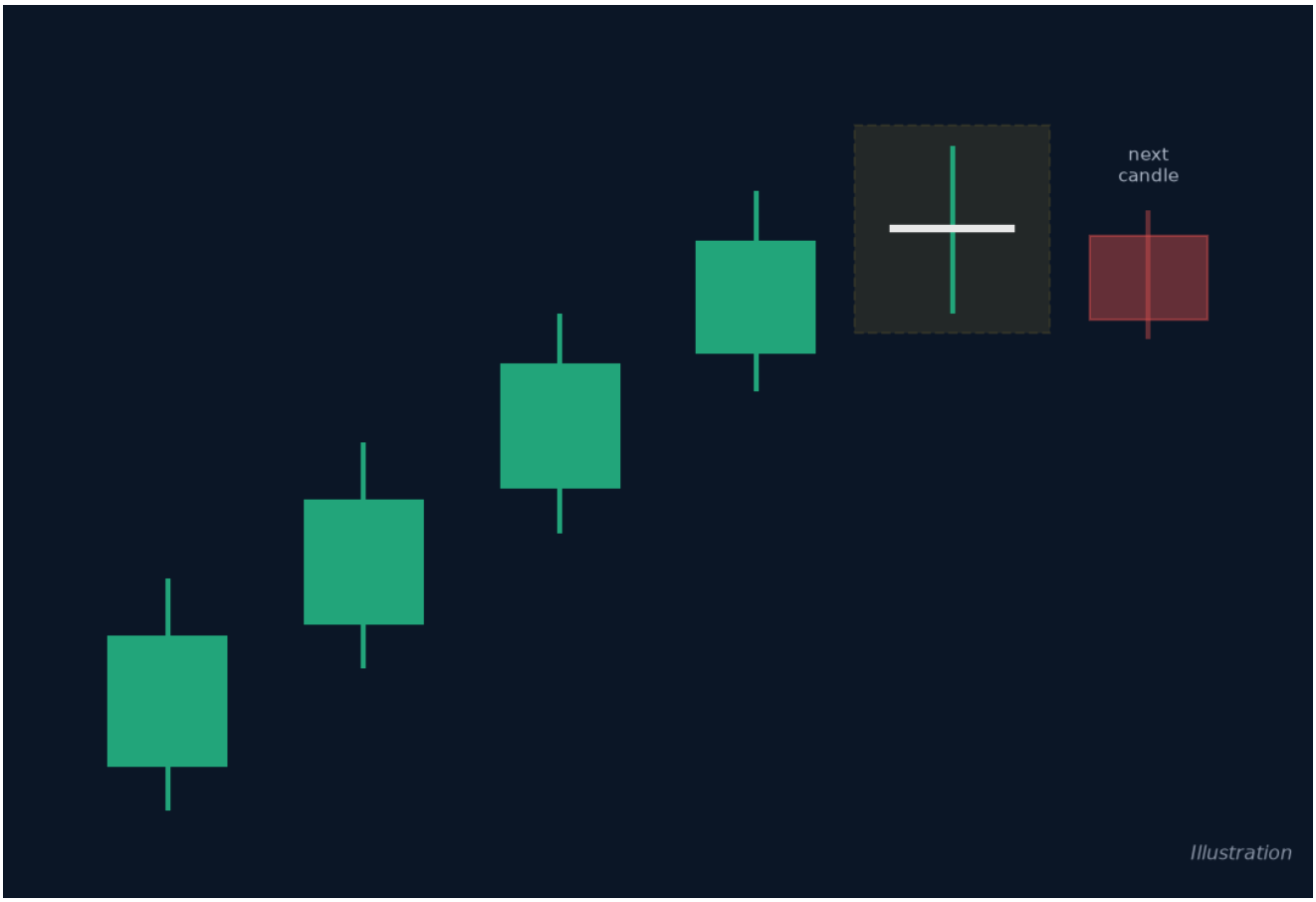
## Three checks, every time

1. **Level:** is the pattern at a support or resistance zone you marked before it formed?
2. **Trend:** what came before it? A turn-up pattern needs a fall before it; a turn-down pattern needs a rise.
3. **Close and confirmation:** judge only closed candles, then see whether the next candle agrees.

PATTERN 1 OF 21

# Doji

**Type: One candle** | **After: Anywhere, most useful after a clear move** | **Reading: Indecision, a pause**




## Shape rules

- Open and close at (almost) the same price
- Body is a thin line
- Wicks above and below, any length

## What it shows

Buyers and sellers ended the period level. Neither side won. After a long run, a doji can be the first sign that the push is getting tired.

**Where it matters:** After a strong move up or down, and close to a support or resistance level you marked before. In a quiet sideways market, dojis are everywhere and mean very little.

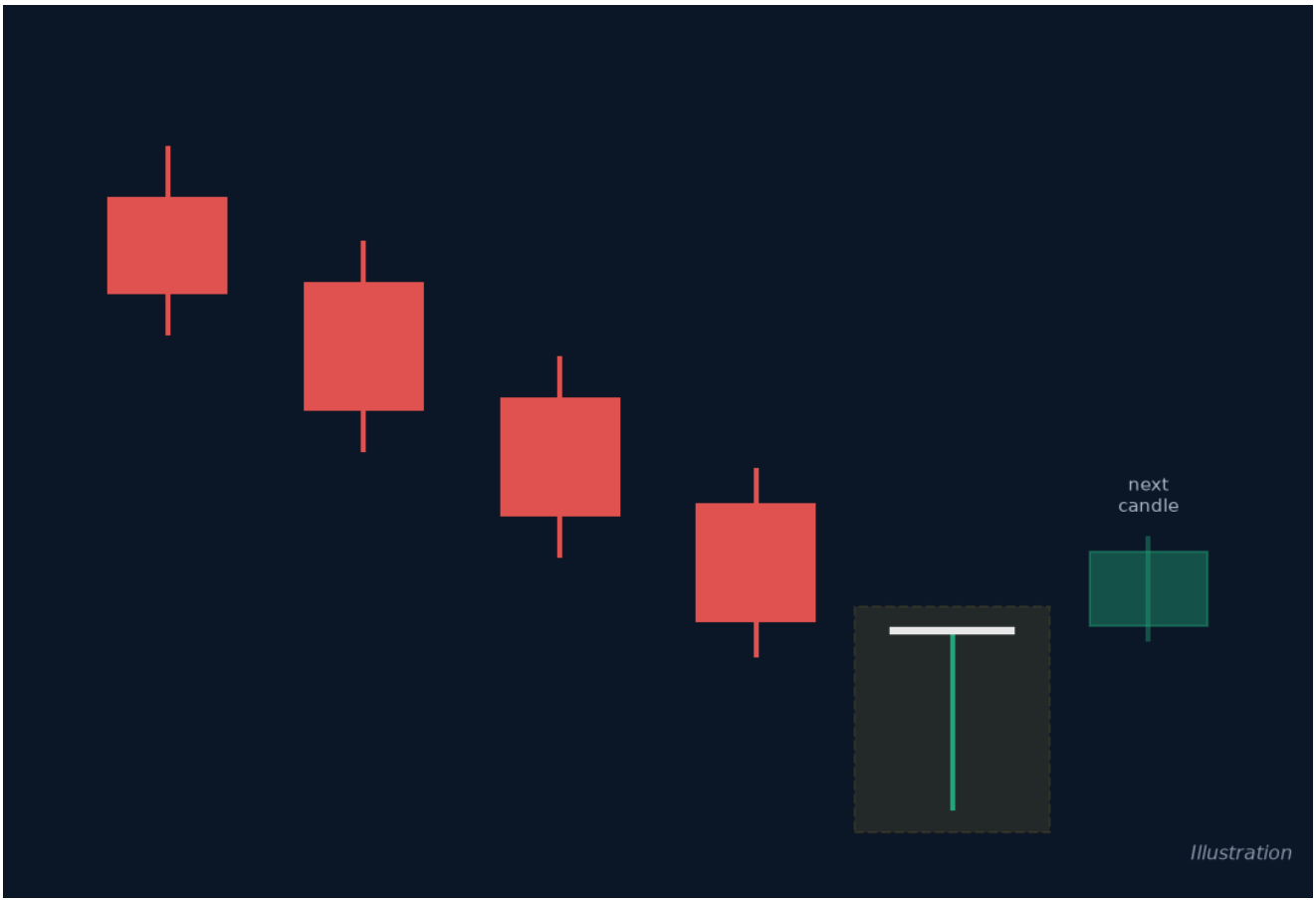
**Common mistake:** Treating every doji as a turning point. A doji only says 'pause'. Price often continues in the same direction after it.

**Wait for:** Let the next candle decide. A strong close away from the doji shows which side took control.

PATTERN 2 OF 21

# Dragonfly doji

**Type: One candle** | **After: A fall** | **Reading: Lower prices rejected**




## Shape rules

- Open, close and high at about the same price
- Long lower wick
- Little or no upper wick

## What it shows

Sellers pushed price well down during the period, but buyers brought it all the way back up to the open. The low prices did not hold.

**Where it matters:** At the bottom of a fall, on or near a support zone. The further the lower wick reached into the zone and was pushed back, the clearer the picture.

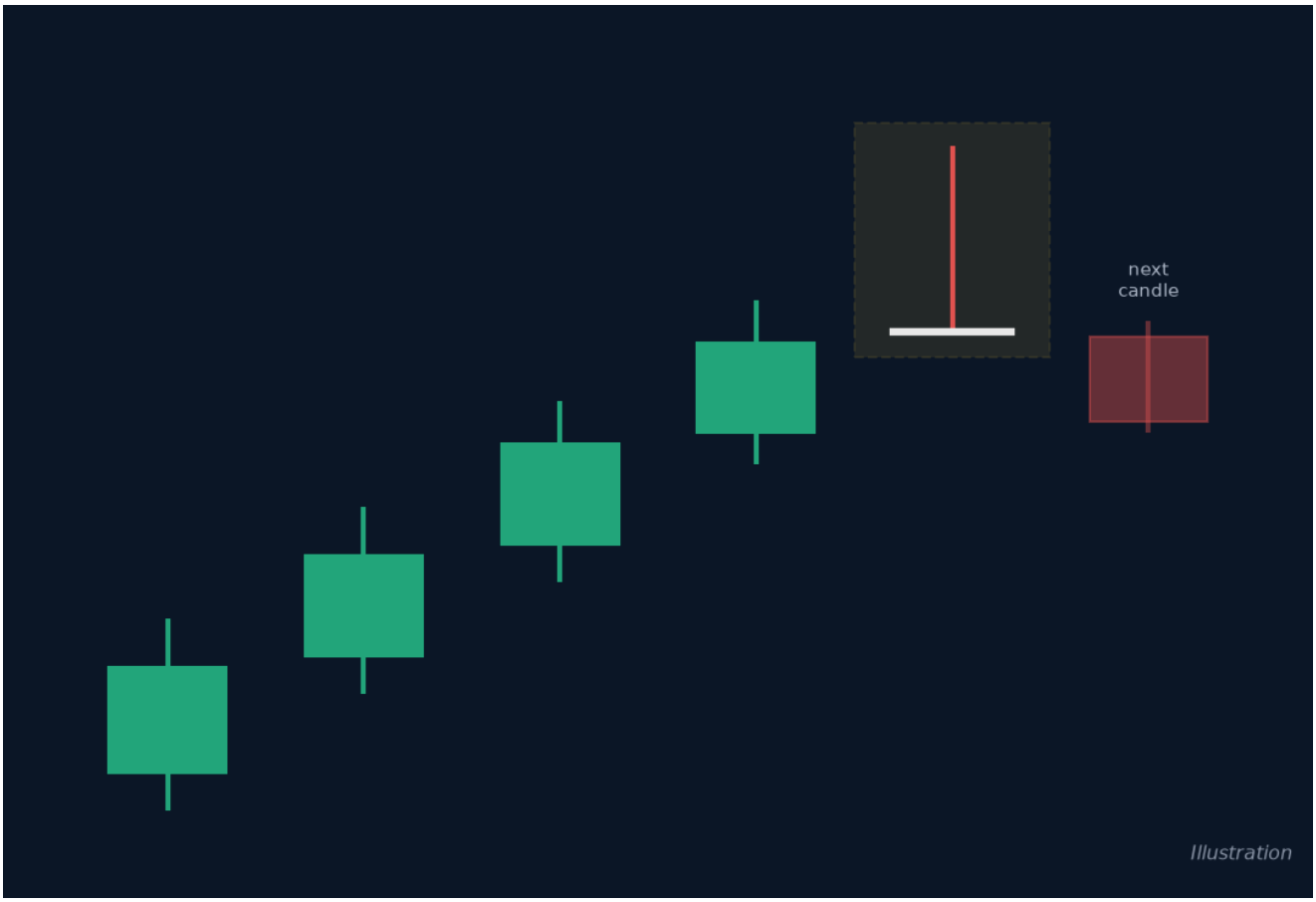
**Common mistake:** Ignoring a strong downtrend on the bigger timeframe. One dragonfly does not end a fall on its own.

**Wait for:** A following candle that closes higher, above the dragonfly's top.

PATTERN 3 OF 21

# Gravestone doji

**Type: One candle** | **After: A rise** | **Reading: Higher prices rejected**




## Shape rules

- Open, close and low at about the same price
- Long upper wick
- Little or no lower wick

## What it shows

Buyers pushed price well up during the period, but sellers pushed it all the way back down to the open. The high prices did not hold.

**Where it matters:** At the top of a rise, on or near a resistance zone. It is the upside-down picture of the dragonfly doji.

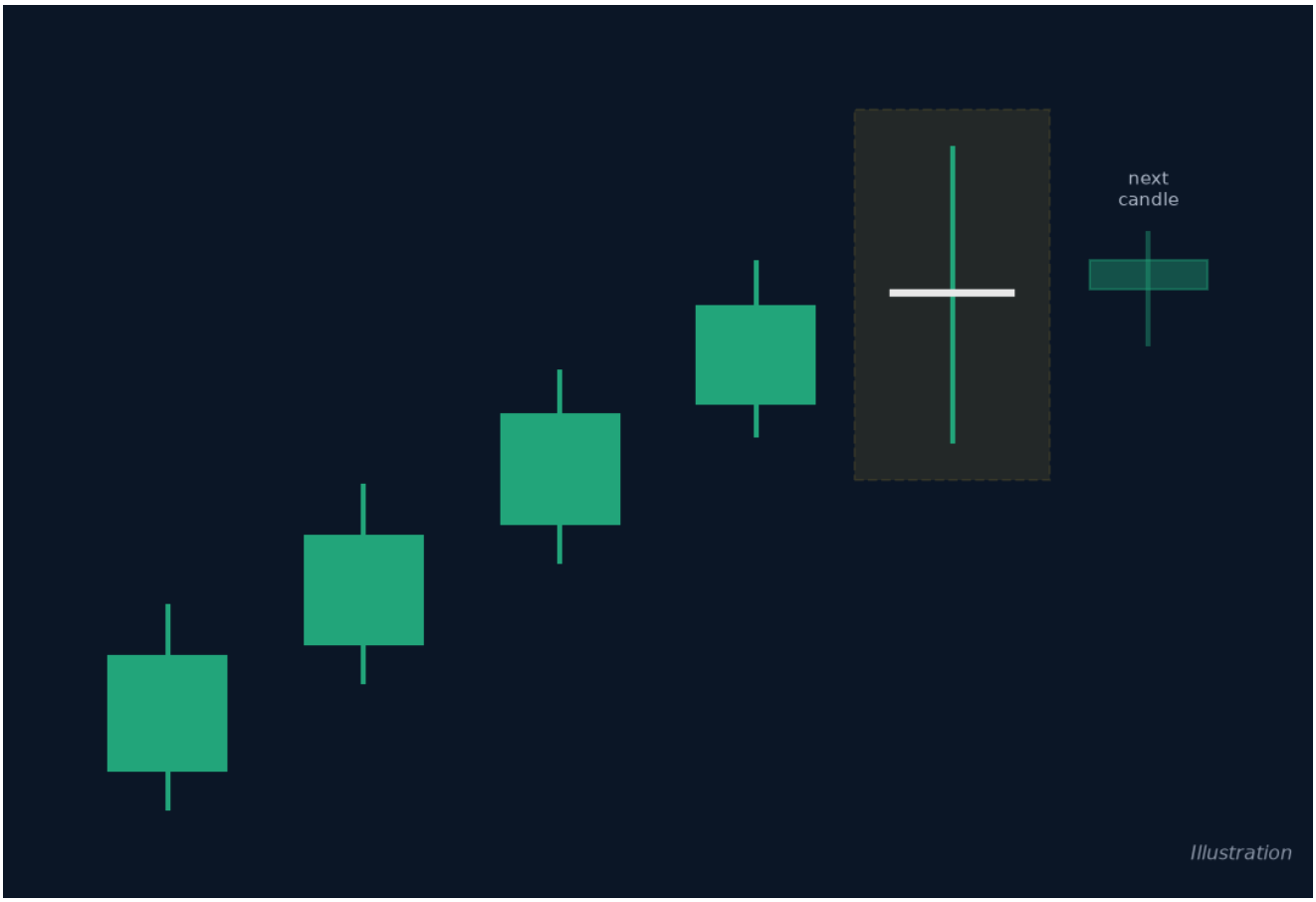
**Common mistake:** Calling it in the middle of a range, with no level above it. Without a level, it is just a spike.

**Wait for:** A following candle that closes lower, below the gravestone's bottom.

PATTERN 4 OF 21

# Long-legged doji

**Type: One candle** | **After: Anywhere, most useful after a move** | **Reading: Big fight, no winner**




## Shape rules

- Open and close at about the same price
- Long upper AND long lower wick
- Body near the middle of the range

## What it shows

Price swung far up and far down in the same period and finished where it started. There was a lot of activity but no result. Often seen around news.

**Where it matters:** After a long move, or at a major level. On gold it often appears at news times or when a big session opens.

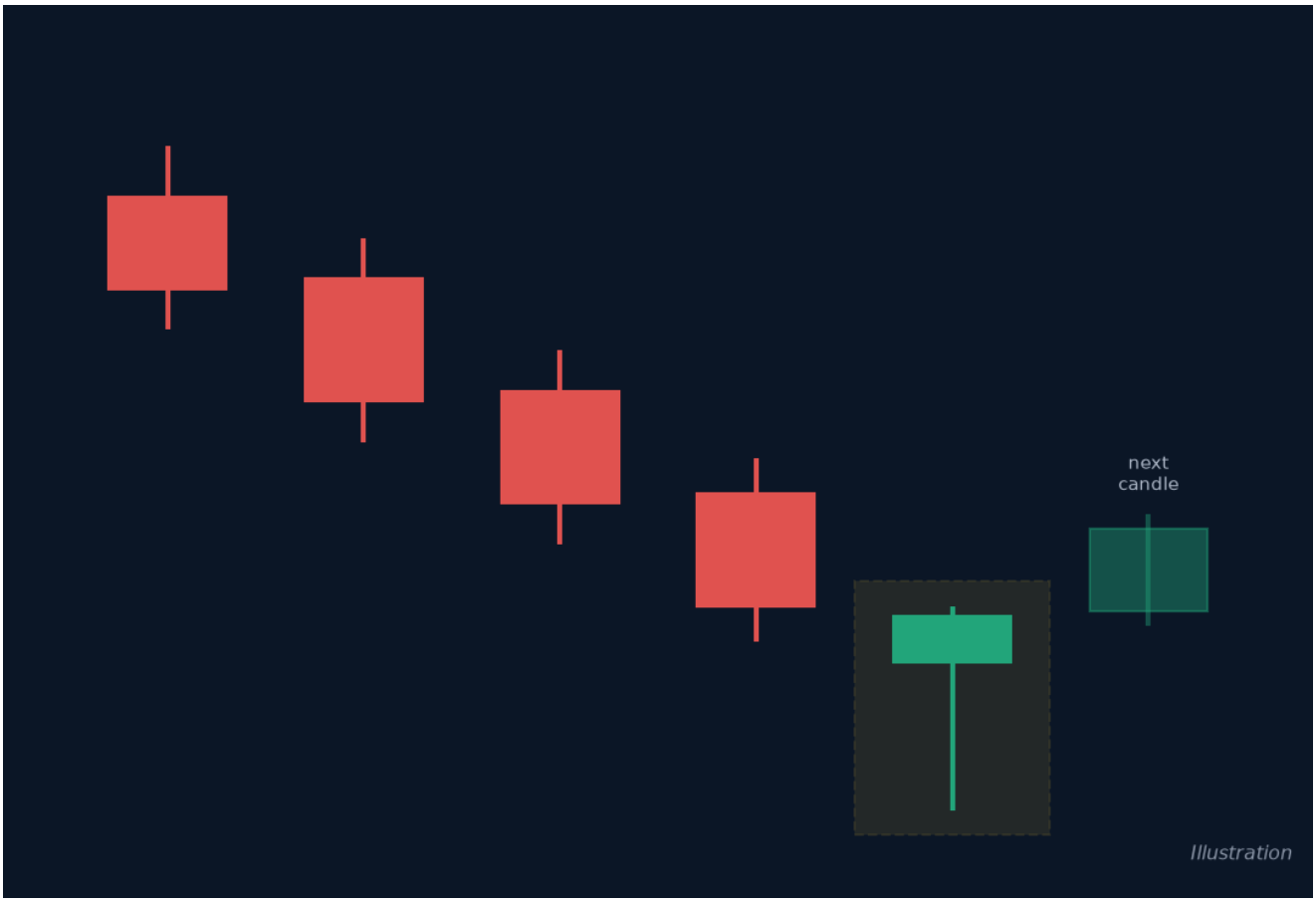
**Common mistake:** Reacting to the wild swings inside the candle. Wait for it to close; the long wicks show how unsettled the market is.

**Wait for:** The next candle's close: a break beyond the doji's high or low shows which side won the fight.

PATTERN 5 OF 21

# Hammer

**Type: One candle** | **After: A fall** | **Reading: Possible turn up**




## Shape rules

- Small body at the top of the range
- Lower wick at least 2 times the body
- Little or no upper wick
- Body can be green or red

## What it shows

Price fell hard during the period, then buyers stepped in and pushed it back up to close near the high. The fall was rejected.

**Where it matters:** After a fall, at a support zone. A hammer floating in the middle of nowhere carries much less weight.

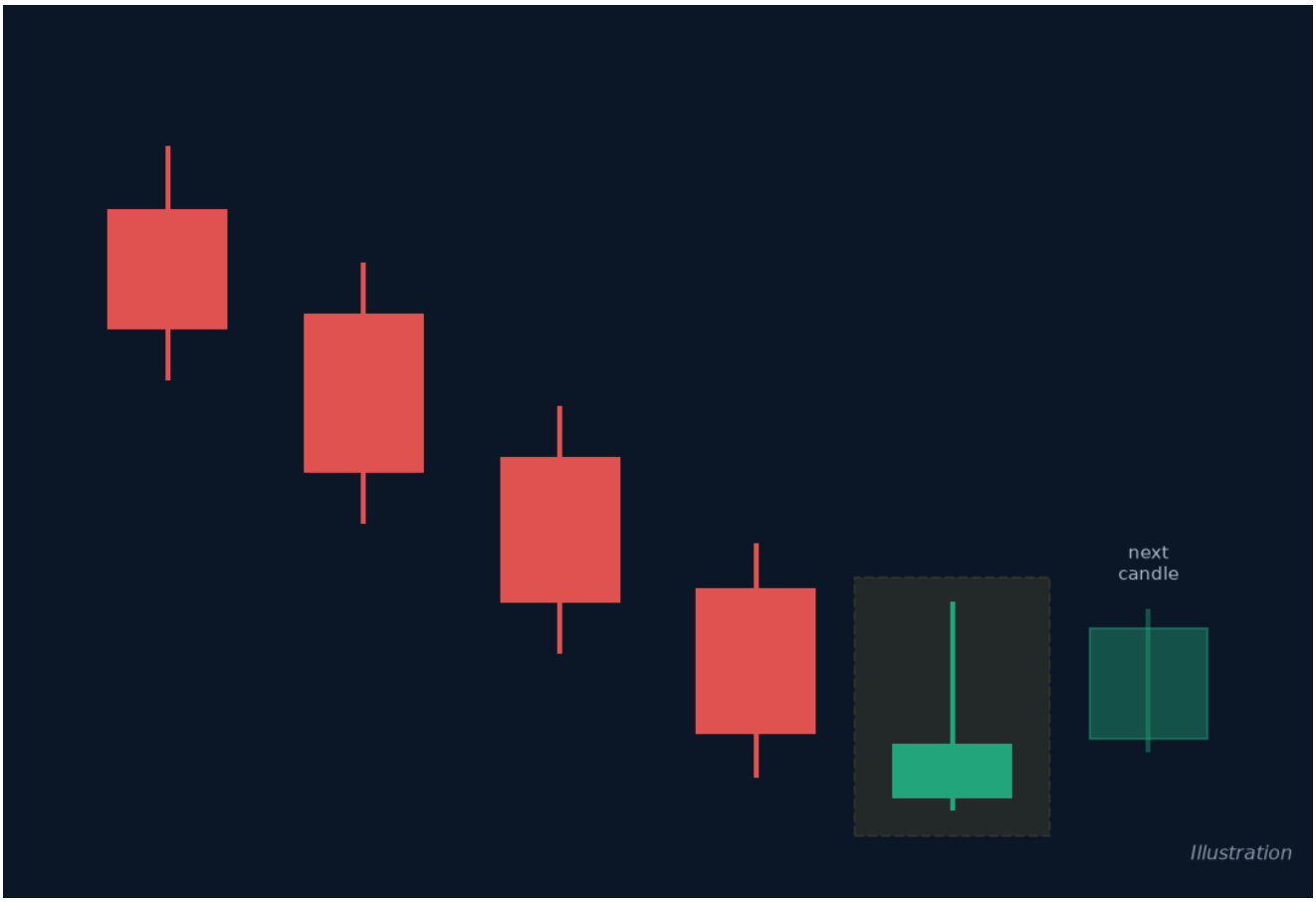
**Common mistake:** Mixing it up with the inverted hammer (wick on the wrong side), or acting before the candle has closed.

**Wait for:** A next candle that closes above the hammer's high.

PATTERN 6 OF 21

# Inverted hammer

**Type: One candle** | **After: A fall** | **Reading: Possible turn up, weaker**




## Shape rules

- Small body at the bottom of the range
- Upper wick at least 2 times the body
- Little or no lower wick
- Appears after a fall

## What it shows

During a fall, buyers tried to push price up. They could not hold the high, but sellers also could not push to a new low. Selling pressure may be fading.

**Where it matters:** After a fall, at support. It is weaker than a hammer, so it needs a clear next candle.

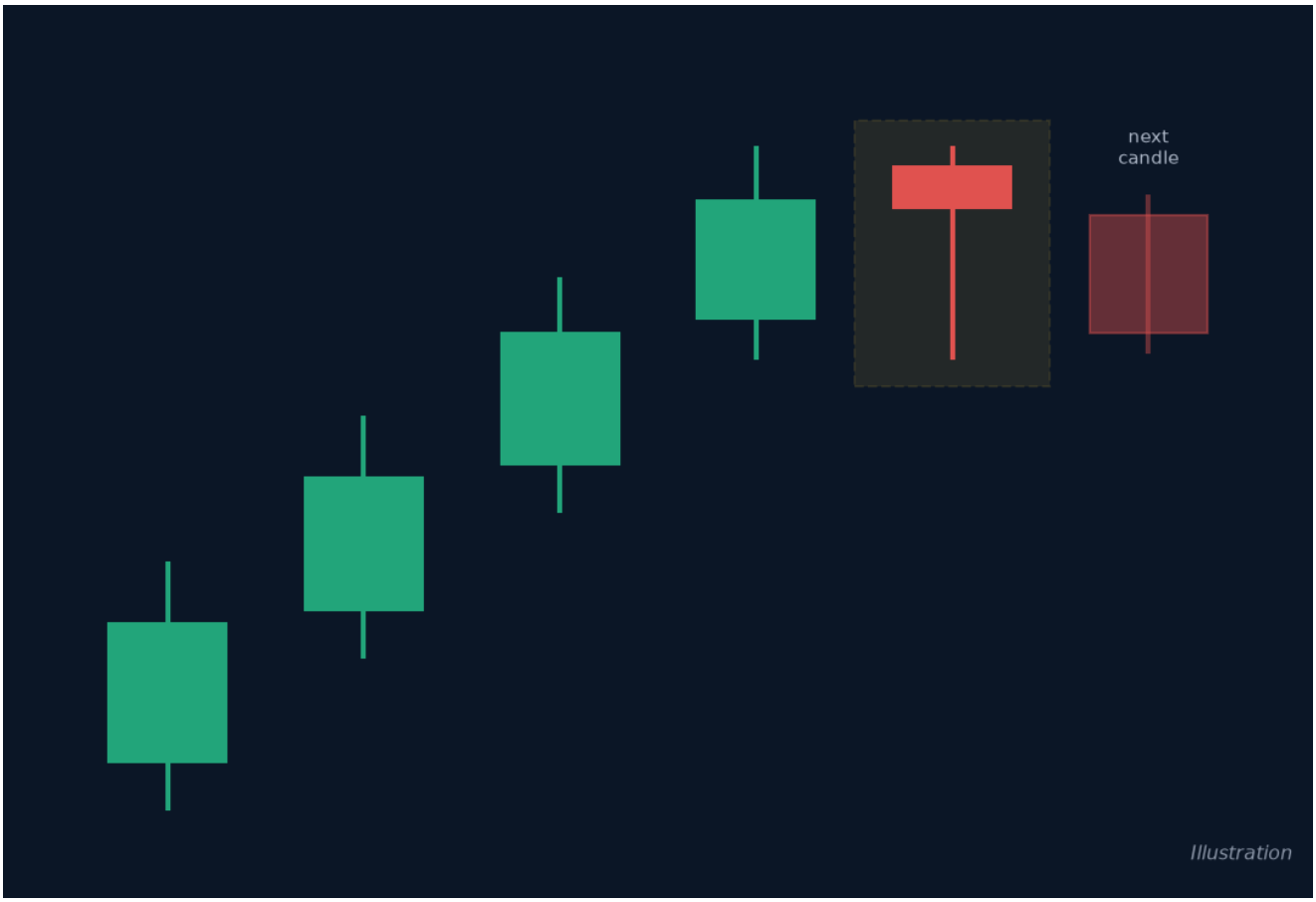
**Common mistake:** Confusing it with the shooting star. Same shape, but the shooting star appears after a RISE.

**Wait for:** A next candle that closes above the inverted hammer's body, ideally above its high.

PATTERN 7 OF 21

# Hanging man

**Type: One candle** | **After: A rise** | **Reading: Possible turn down, warning**




## Shape rules

- Same shape as a hammer
- Small body at the top, long lower wick
- Appears after a RISE

## What it shows

Even though price closed near the high, sellers were able to push it far down during the period. It shows that selling is starting to appear in an up-move.

**Where it matters:** At the top of a rise, near resistance. It is a warning, not a turn on its own.

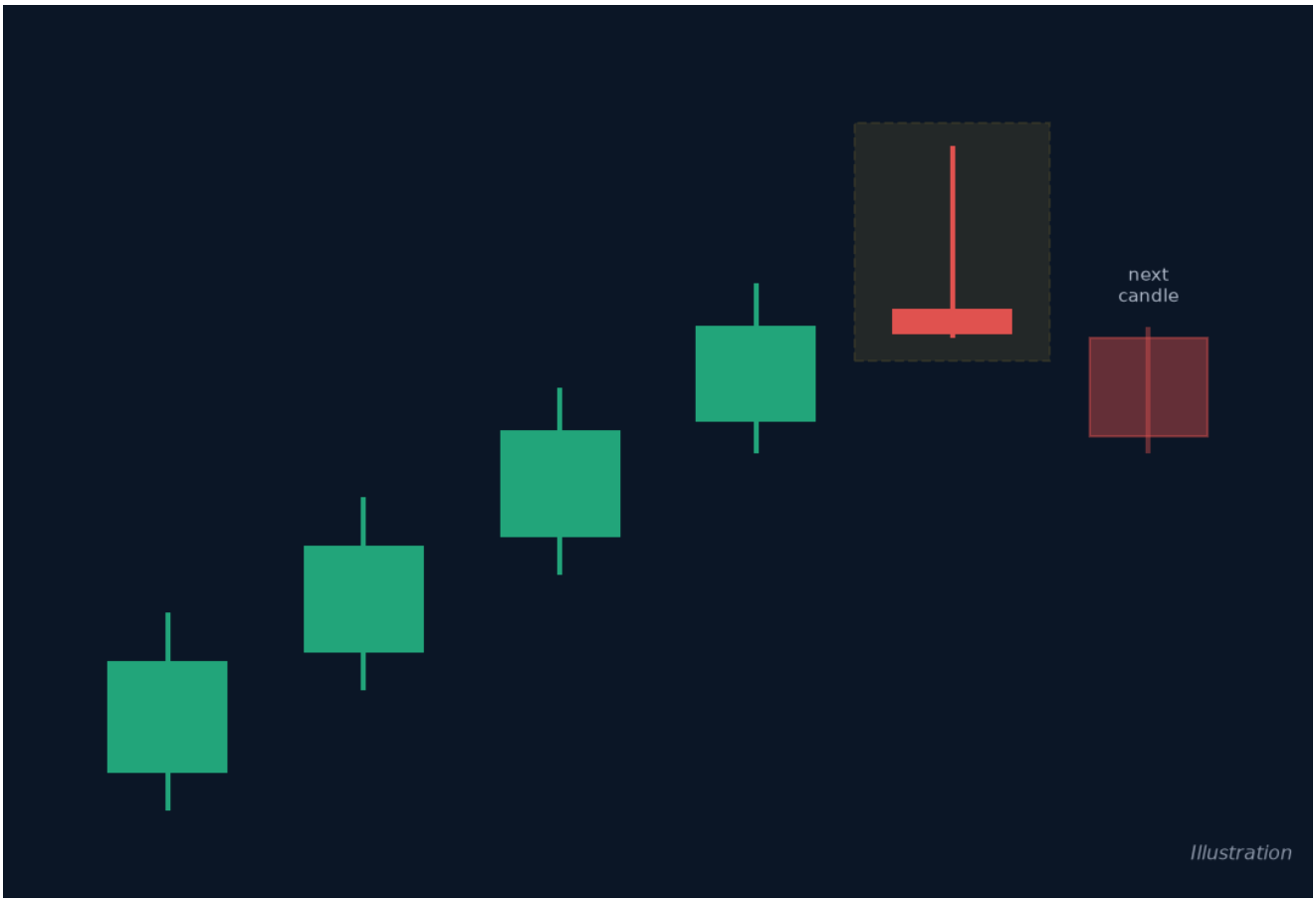
**Common mistake:** Forgetting that context changes the name. The same shape after a fall is a hammer; after a rise it is a hanging man.

**Wait for:** A next candle that closes below the hanging man's body.

PATTERN 8 OF 21

# Shooting star

**Type: One candle** | **After: A rise** | **Reading: Possible turn down**




## Shape rules

- Small body at the bottom of the range
- Upper wick at least 2 times the body
- Little or no lower wick
- Appears after a rise

## What it shows

Price shot up during the period, then sellers pushed it back down to close near the low. The rise was rejected.

**Where it matters:** After a rise, at a resistance zone or a round number such as a $50 or $100 step on gold.

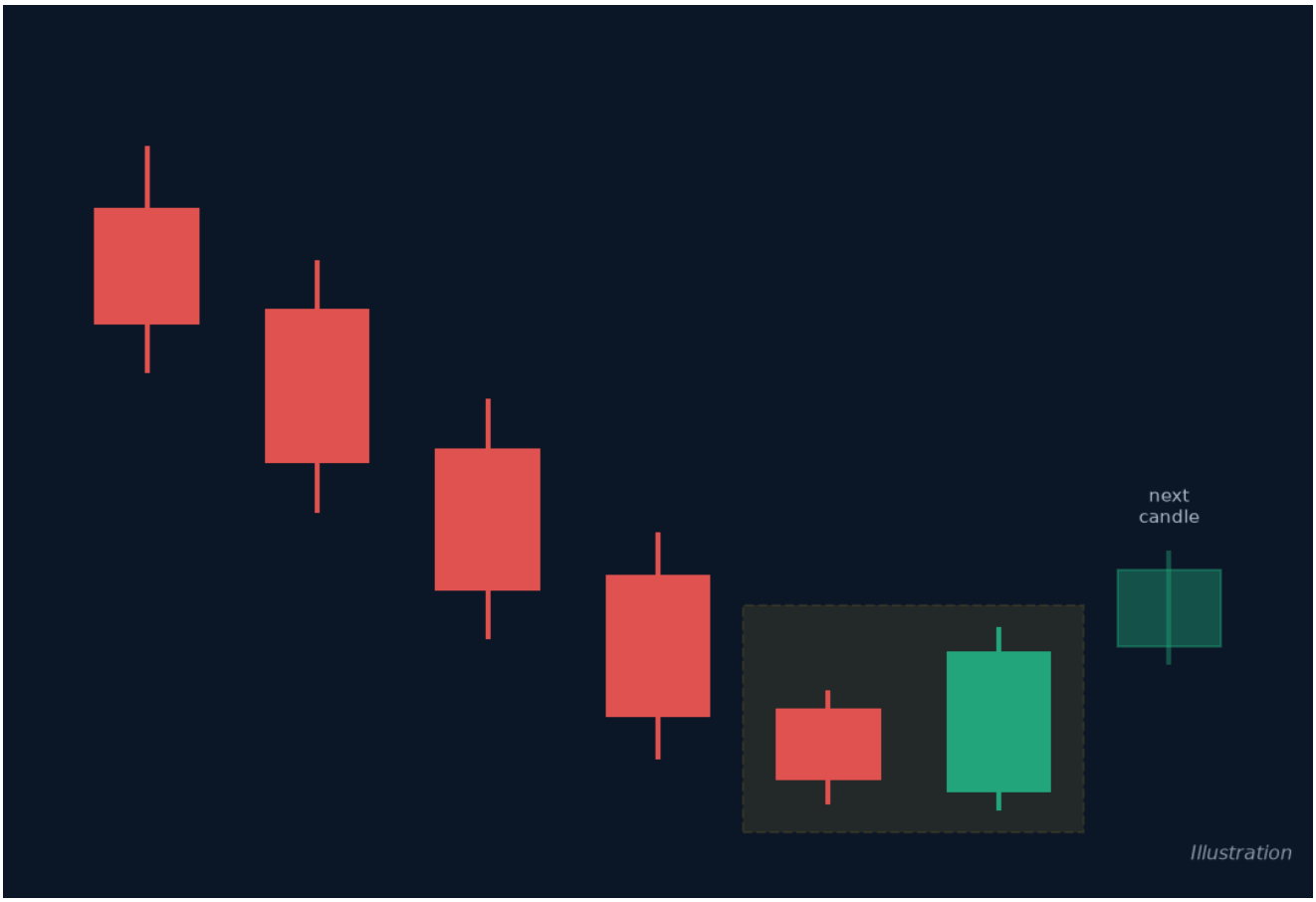
**Common mistake:** Seeing it after a fall. The same shape after a fall is an inverted hammer.

**Wait for:** A next candle that closes below the shooting star's low.

PATTERN 9 OF 21

# Bullish engulfing

**Type: Two candles** | **After: A fall** | **Reading: Buyers take over**




## Shape rules

- Candle 1 is bearish (red)
- Candle 2 is bullish (green)
- Candle 2's body fully covers candle 1's body

## What it shows

Sellers had the first period. In the second, buyers not only undid the whole move but closed above where it started.

**Where it matters:** After a fall, at support. A second body that is large compared with recent candles shows more effort.

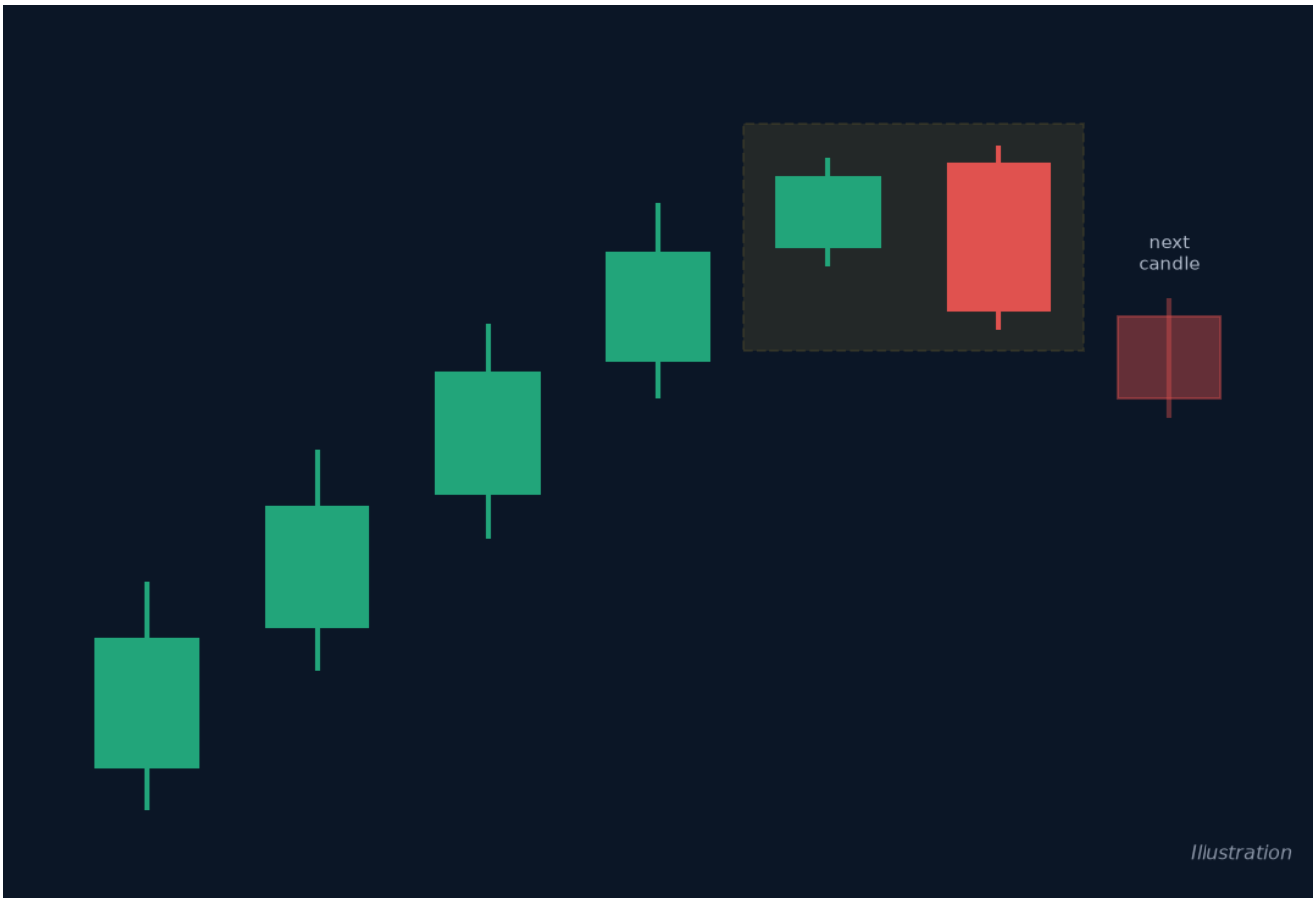
**Common mistake:** Counting it when the green body only covers part of the red body. The whole body must be covered; wicks do not count.

**Wait for:** A next candle that holds above the middle of the engulfing candle.

PATTERN 10 OF 21

# Bearish engulfing

**Type: Two candles** | **After: A rise** | **Reading: Sellers take over**




## Shape rules

- Candle 1 is bullish (green)
- Candle 2 is bearish (red)
- Candle 2's body fully covers candle 1's body

## What it shows

Buyers had the first period. In the second, sellers undid the whole move and closed below where it started.

**Where it matters:** After a rise, at resistance. It is the mirror of the bullish engulfing.

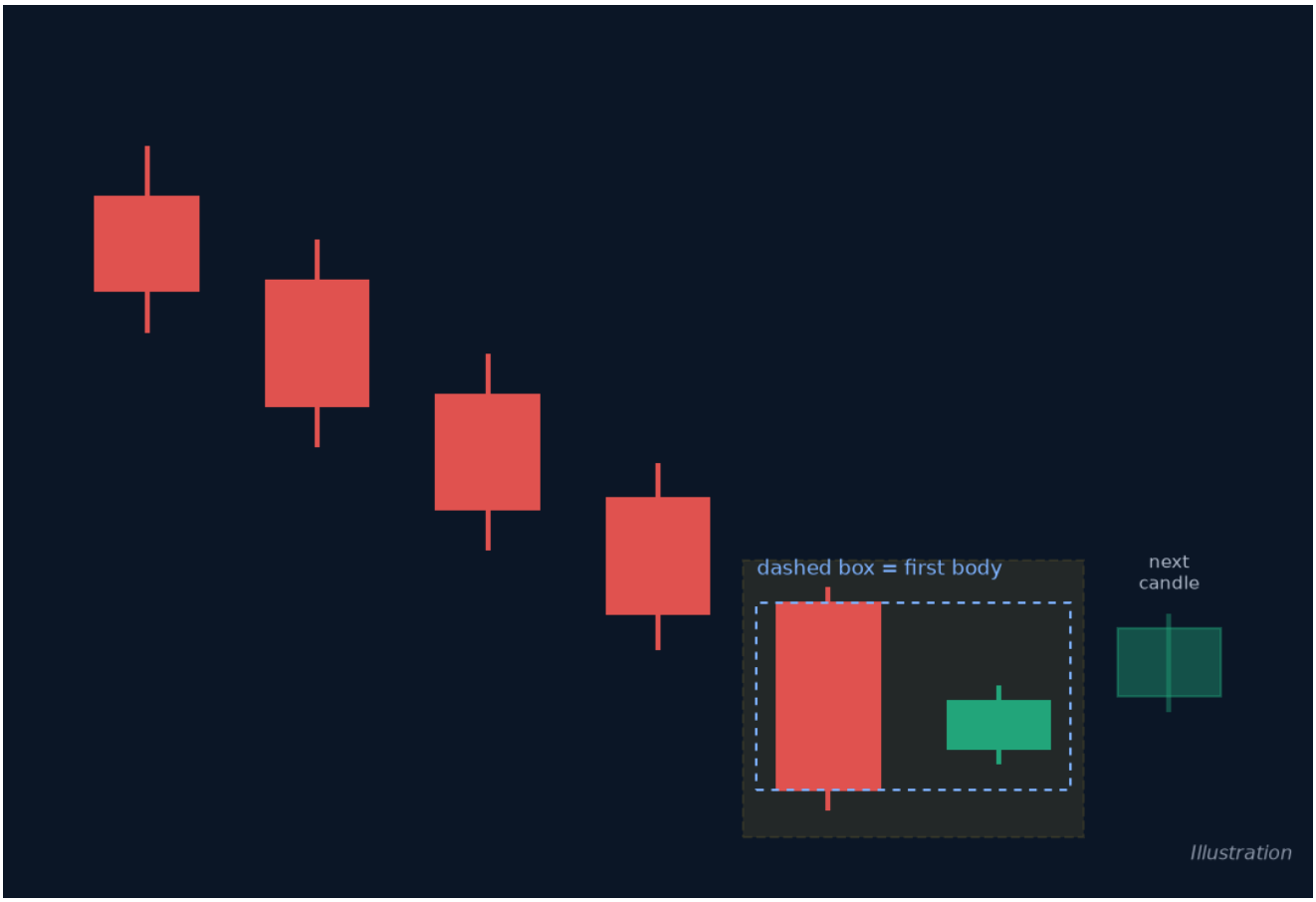
**Common mistake:** Counting it in the middle of a sideways range, where engulfing candles appear often and mean little.

**Wait for:** A next candle that stays below the middle of the engulfing candle.

PATTERN 11 OF 21

# Bullish harami

**Type: Two candles** | **After: A fall** | **Reading: Selling slows down**




## Shape rules

- Candle 1: long bearish body
- Candle 2: small body
- Candle 2's body sits inside candle 1's body
- Candle 2 is usually green

## What it shows

'Harami' means pregnant in Japanese: a big candle carrying a small one. After a strong red candle, the market suddenly goes quiet. Sellers are losing push.

**Where it matters:** After a fall, close to support. It is a softer clue than engulfing.

**Common mistake:** Mixing it up with the inside bar. Harami compares BODIES; an inside bar compares the whole range, wicks included.

**Wait for:** A next candle that closes above candle 1's open, or at least above candle 2's high.

PATTERN 12 OF 21

# Bearish harami

**Type: Two candles** | **After: A rise** | **Reading: Buying slows down**




## Shape rules

- Candle 1: long bullish body
- Candle 2: small body
- Candle 2's body sits inside candle 1's body
- Candle 2 is usually red

## What it shows

After a strong green candle, the market goes quiet. Buyers are losing push. It is the mirror of the bullish harami.

**Where it matters:** After a rise, close to resistance.

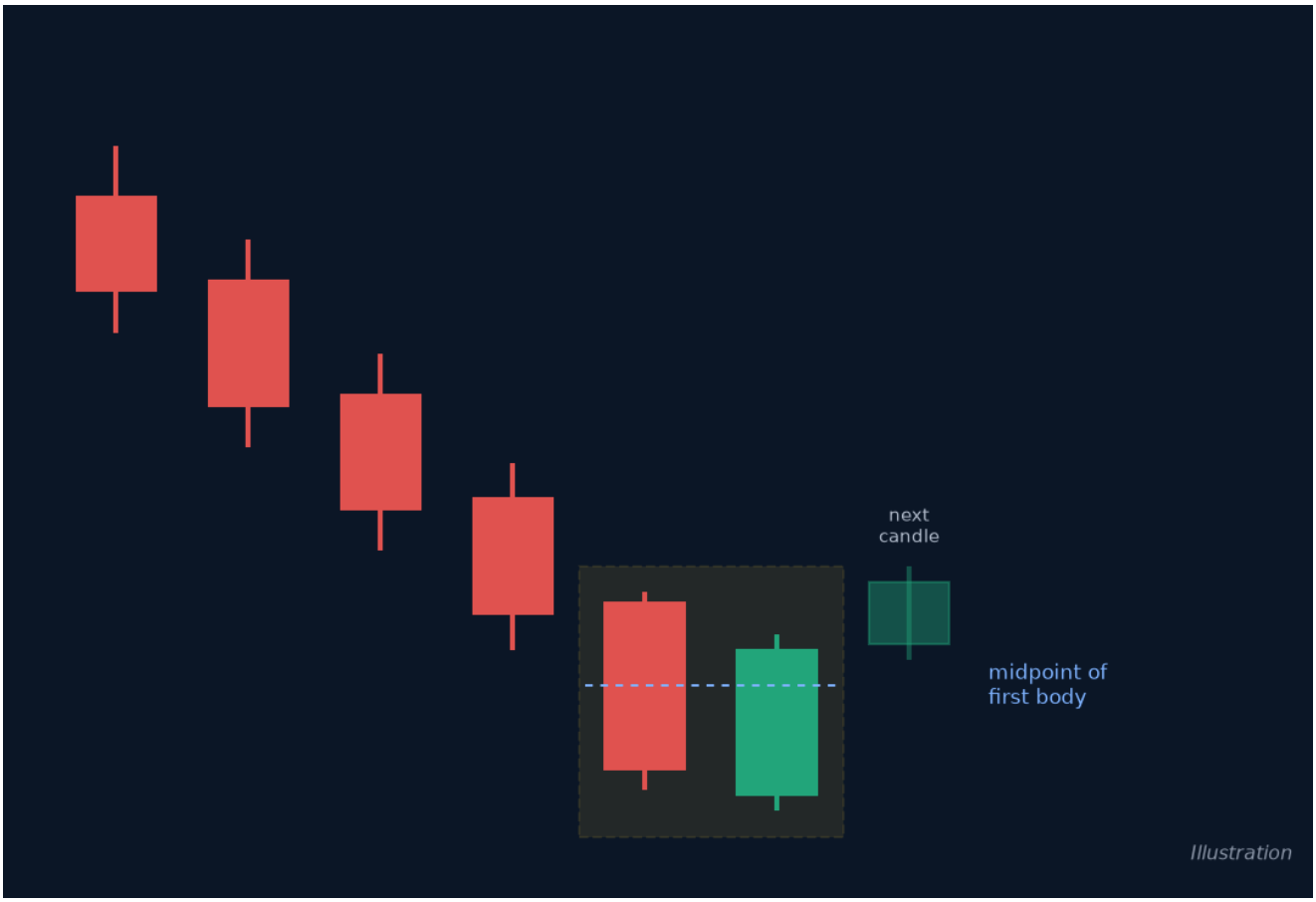
**Common mistake:** Expecting a big fall right away. A harami only shows a slowdown; many are followed by more sideways movement.

**Wait for:** A next candle that closes below candle 2's low.

PATTERN 13 OF 21

# Piercing line

**Type: Two candles** | **After: A fall** | **Reading: Buyers push back hard**




## Shape rules

- Candle 1: long bearish body
- Candle 2 opens below candle 1's close
- Candle 2 closes above the MIDDLE of candle 1's body
- but below candle 1's open

## What it shows

Price opened even lower, then buyers pushed it back up past the halfway point of the previous red candle. The sellers' last move was more than half undone.

**Where it matters:** After a fall, at support. Note: gold trades almost around the clock, so true gaps are rare. On gold, look mainly at how deep candle 2 closes into candle 1.

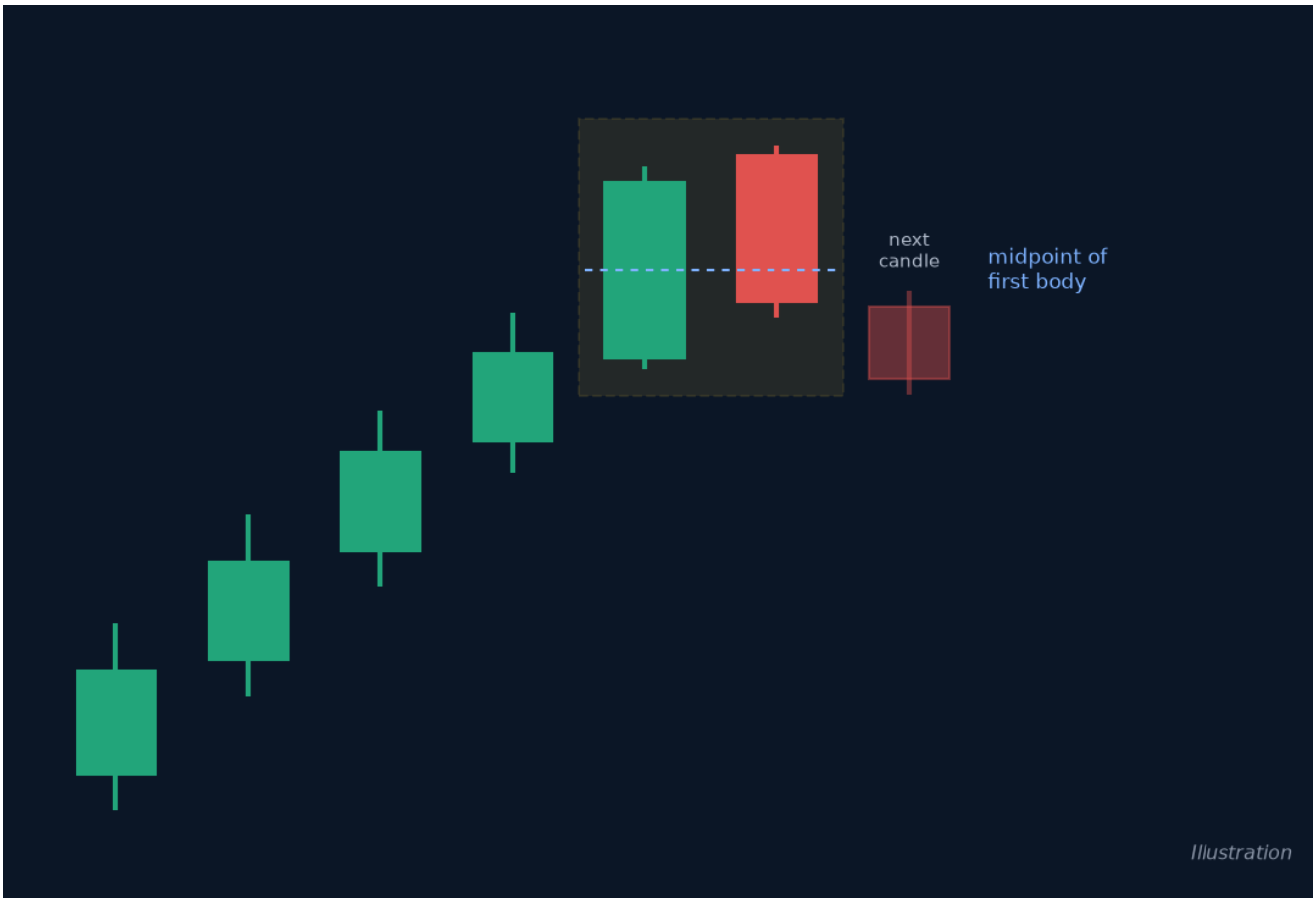
**Common mistake:** Counting it when candle 2 closes below the midpoint. That is a weaker shape, not a piercing line.

**Wait for:** A next candle that closes above candle 1's open.

PATTERN 14 OF 21

# Dark cloud cover

**Type: Two candles** | **After: A rise** | **Reading: Sellers push back hard**




## Shape rules

- Candle 1: long bullish body
- Candle 2 opens above candle 1's close
- Candle 2 closes below the MIDDLE of candle 1's body
- but above candle 1's open

## What it shows

Price opened even higher, then sellers pushed it back down past the halfway point of the previous green candle. It is the mirror of the piercing line.

**Where it matters:** After a rise, at resistance. As with the piercing line, on gold focus on how deep the close goes, not on the gap.

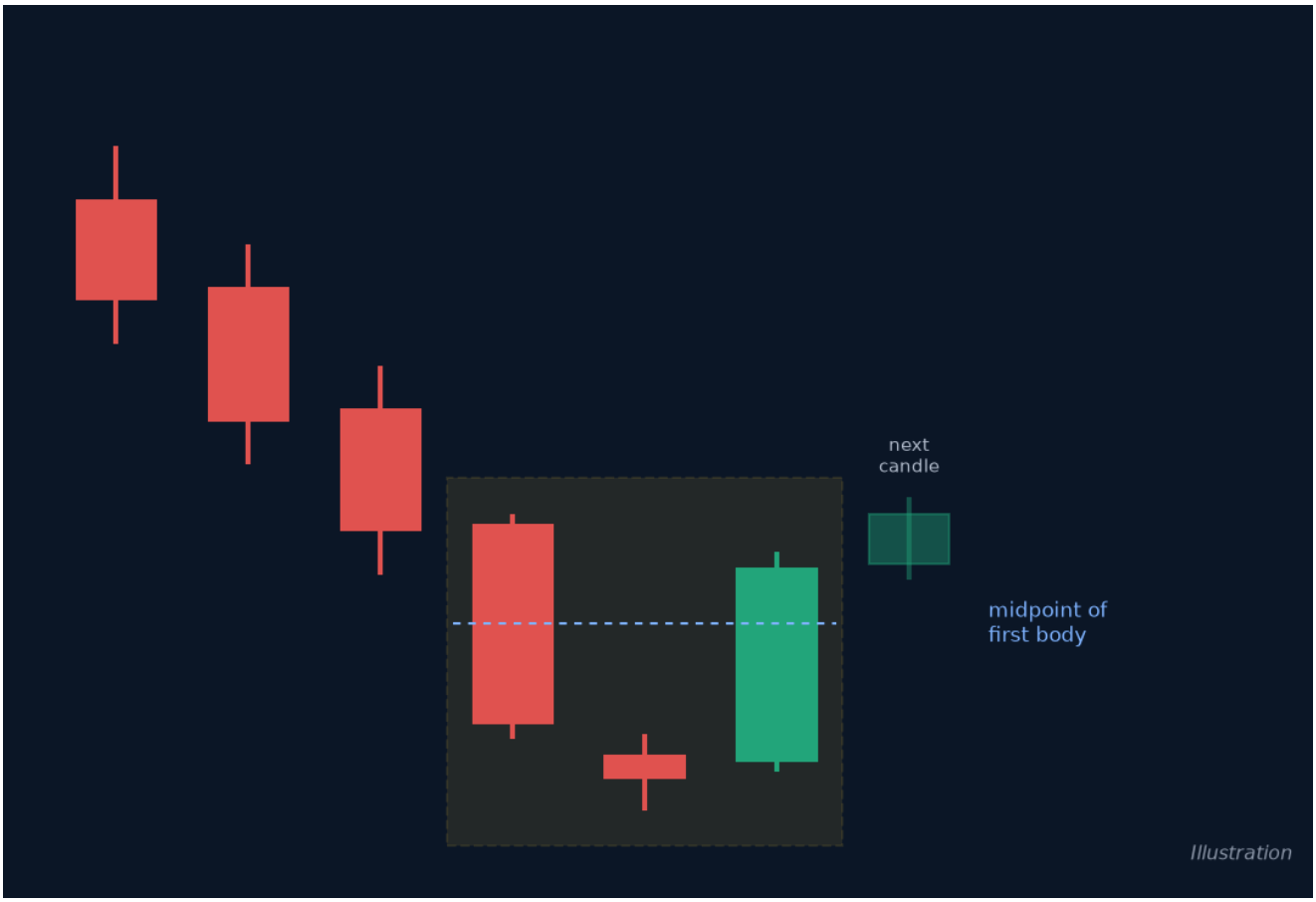
**Common mistake:** Calling it when candle 2 closes below candle 1's open. That is a bearish engulfing, a different pattern.

**Wait for:** A next candle that closes below candle 1's open.

PATTERN 15 OF 21

# Morning star

**Type: Three candles** | **After: A fall** | **Reading: Turn up, step by step**




## Shape rules

- Candle 1: long bearish body
- Candle 2: small body, lower down (the 'star')
- Candle 3: strong bullish body
- Candle 3 closes above the middle of candle 1

## What it shows

Sellers were in control, then they ran out of steam (the small star), then buyers took over. You can see the whole hand-over in three steps.

**Where it matters:** At the end of a fall, on support. The deeper candle 3 closes into candle 1, the clearer the change.

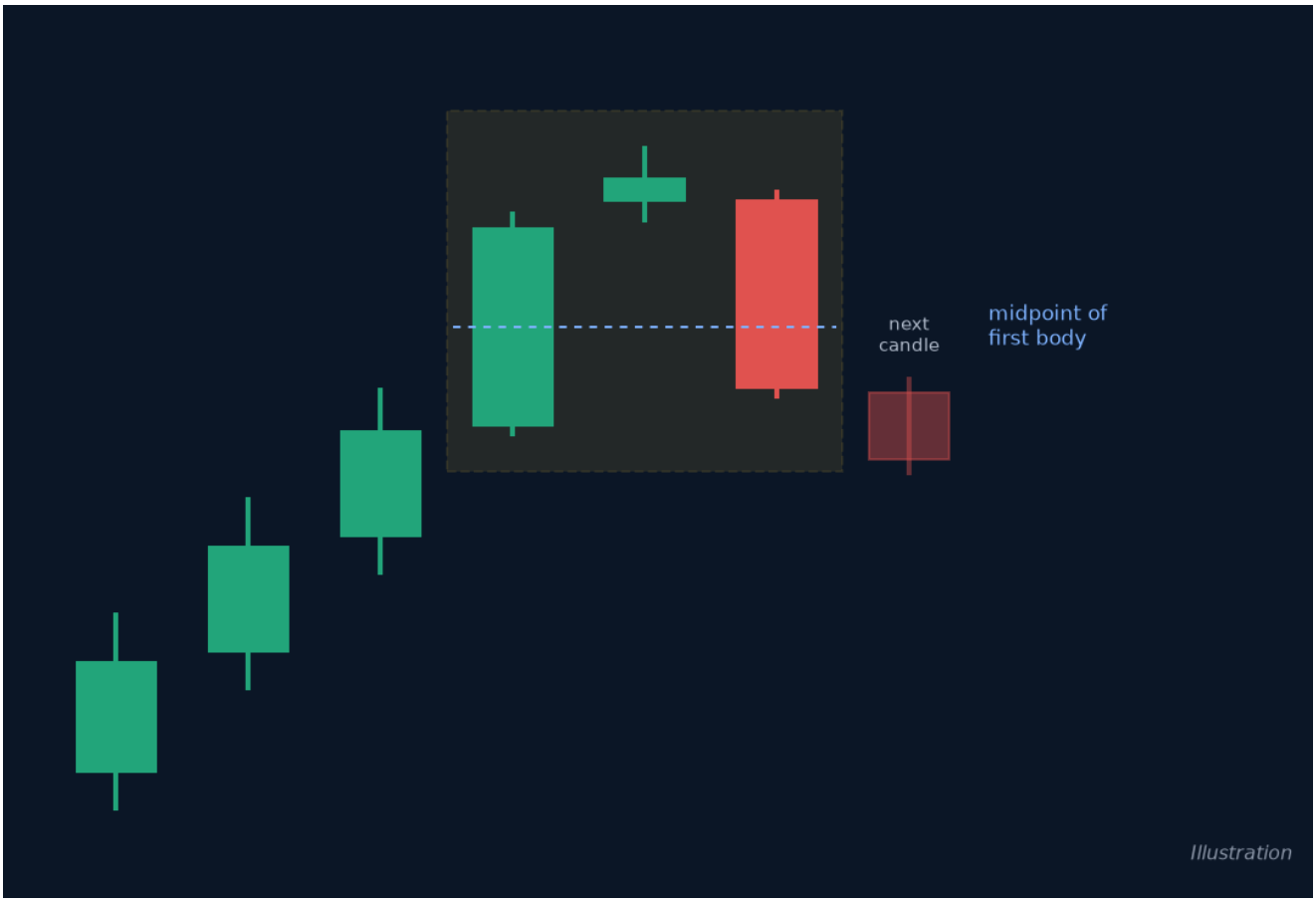
**Common mistake:** Counting it when candle 3 is weak and closes only a little above the star.

**Wait for:** Price holding above candle 3's middle on the next candles.

PATTERN 16 OF 21

# Evening star

**Type: Three candles** | **After: A rise** | **Reading: Turn down, step by step**




## Shape rules

- Candle 1: long bullish body
- Candle 2: small body, higher up (the 'star')
- Candle 3: strong bearish body
- Candle 3 closes below the middle of candle 1

## What it shows

Buyers were in control, then they ran out of steam, then sellers took over. It is the mirror of the morning star.

**Where it matters:** At the end of a rise, on resistance.

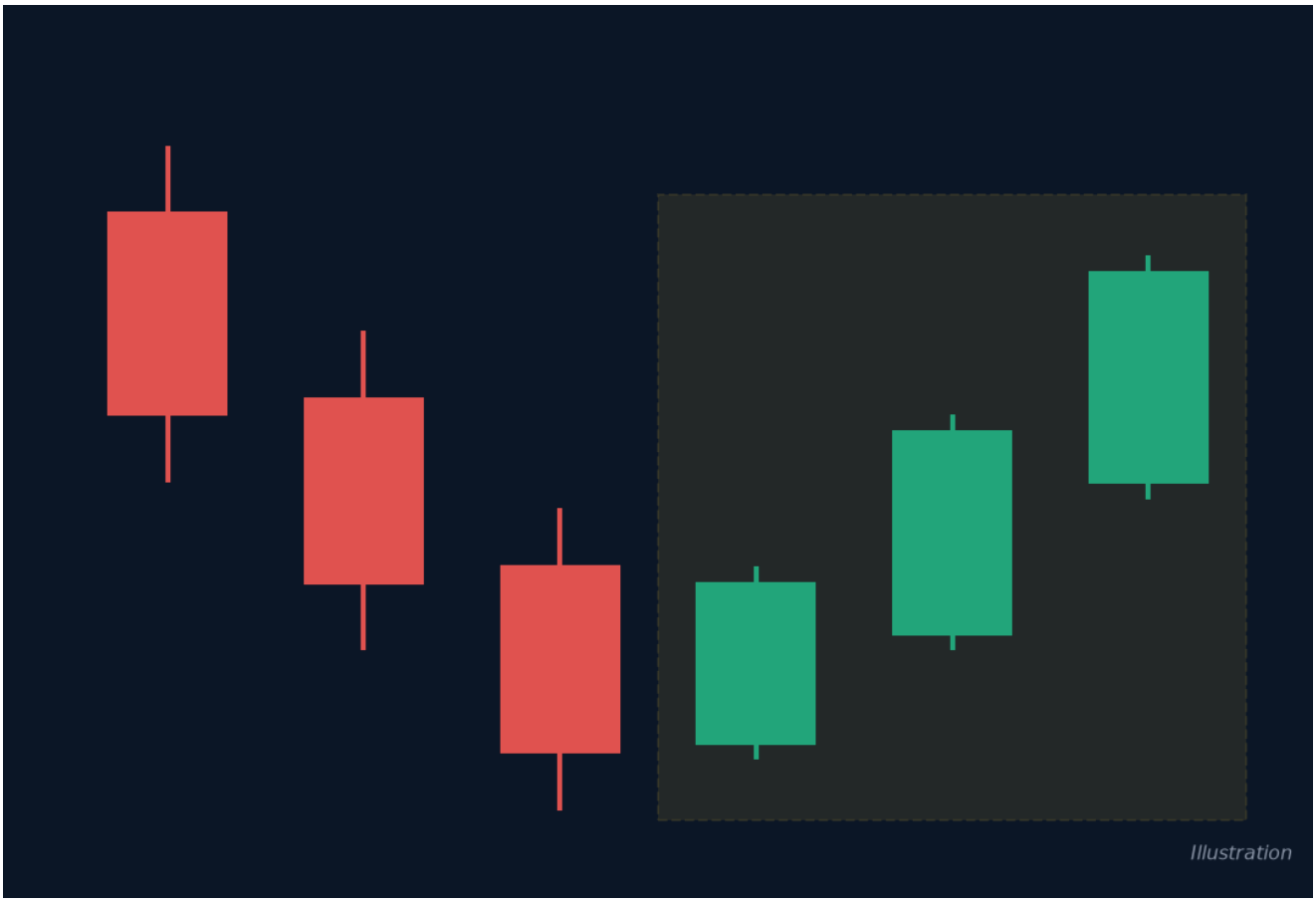
**Common mistake:** Seeing it in a sideways market where there was no real rise before it.

**Wait for:** Price staying below candle 3's middle on the next candles.

PATTERN 17 OF 21

# Three white soldiers

**Type: Three candles** | **After: A fall or a quiet base** | **Reading: Strong steady buying**




## Shape rules

- Three bullish candles in a row
- Each opens inside the previous body
- Each closes higher, near its high
- Small upper wicks

## What it shows

Three periods in a row, buyers pushed price up and held it near the top. It shows steady, determined buying, not just one burst.

**Where it matters:** After a fall or a sideways base. After a long rise, the same shape can mean buyers are getting stretched.

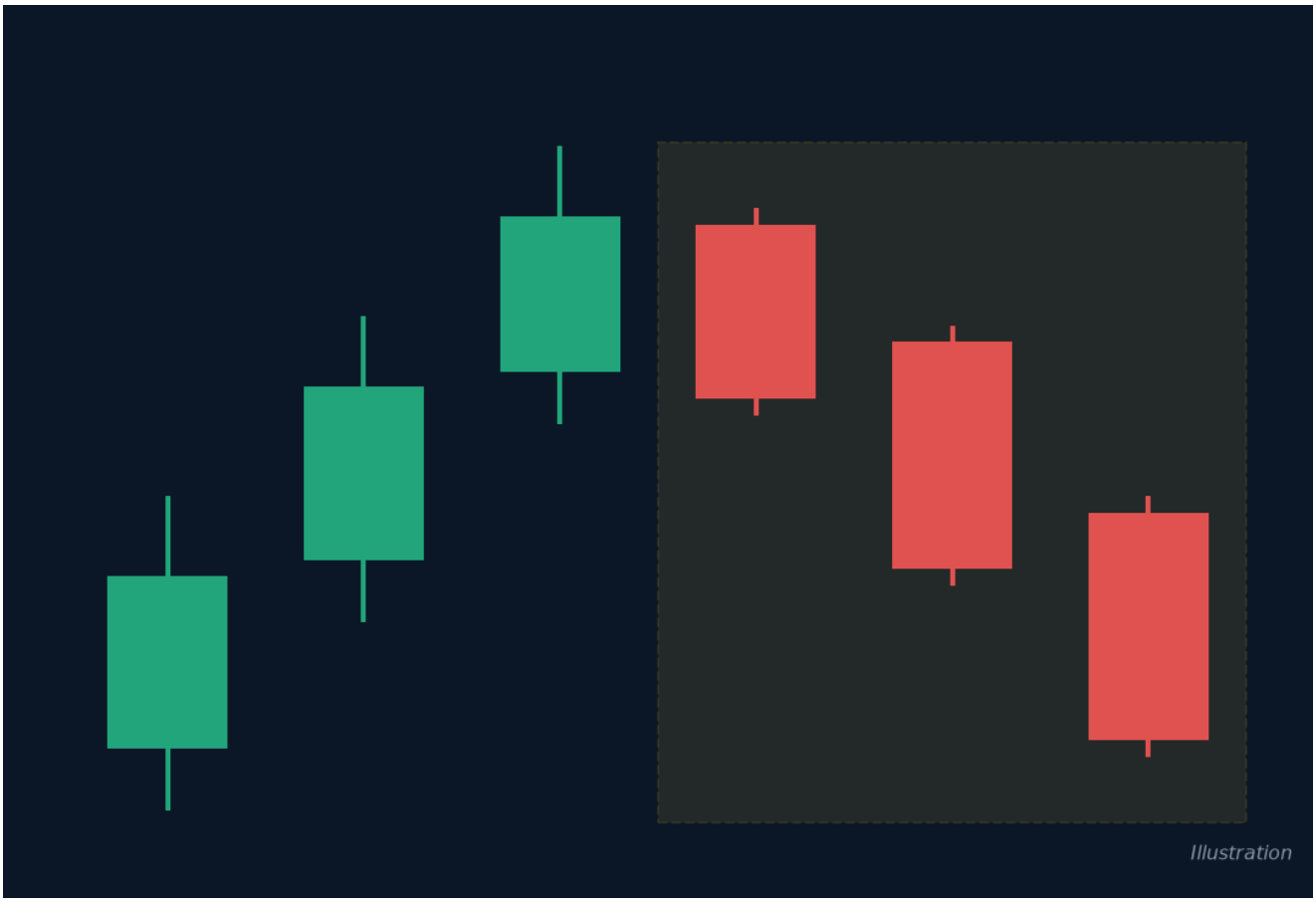
**Common mistake:** Ignoring the size. If the three candles are tiny, or the third has a long upper wick, the push is weaker than it looks.

**Wait for:** Price holding above the middle of the third candle; pullbacks staying shallow.

PATTERN 18 OF 21

# Three black crows

**Type: Three candles** | **After: A rise** | **Reading: Strong steady selling**




## Shape rules

- Three bearish candles in a row
- Each opens inside the previous body
- Each closes lower, near its low
- Small lower wicks

## What it shows

Three periods in a row, sellers pushed price down and held it near the bottom. It shows steady, determined selling.

**Where it matters:** After a rise or near resistance. After a long fall, the same shape can mean sellers are getting stretched.

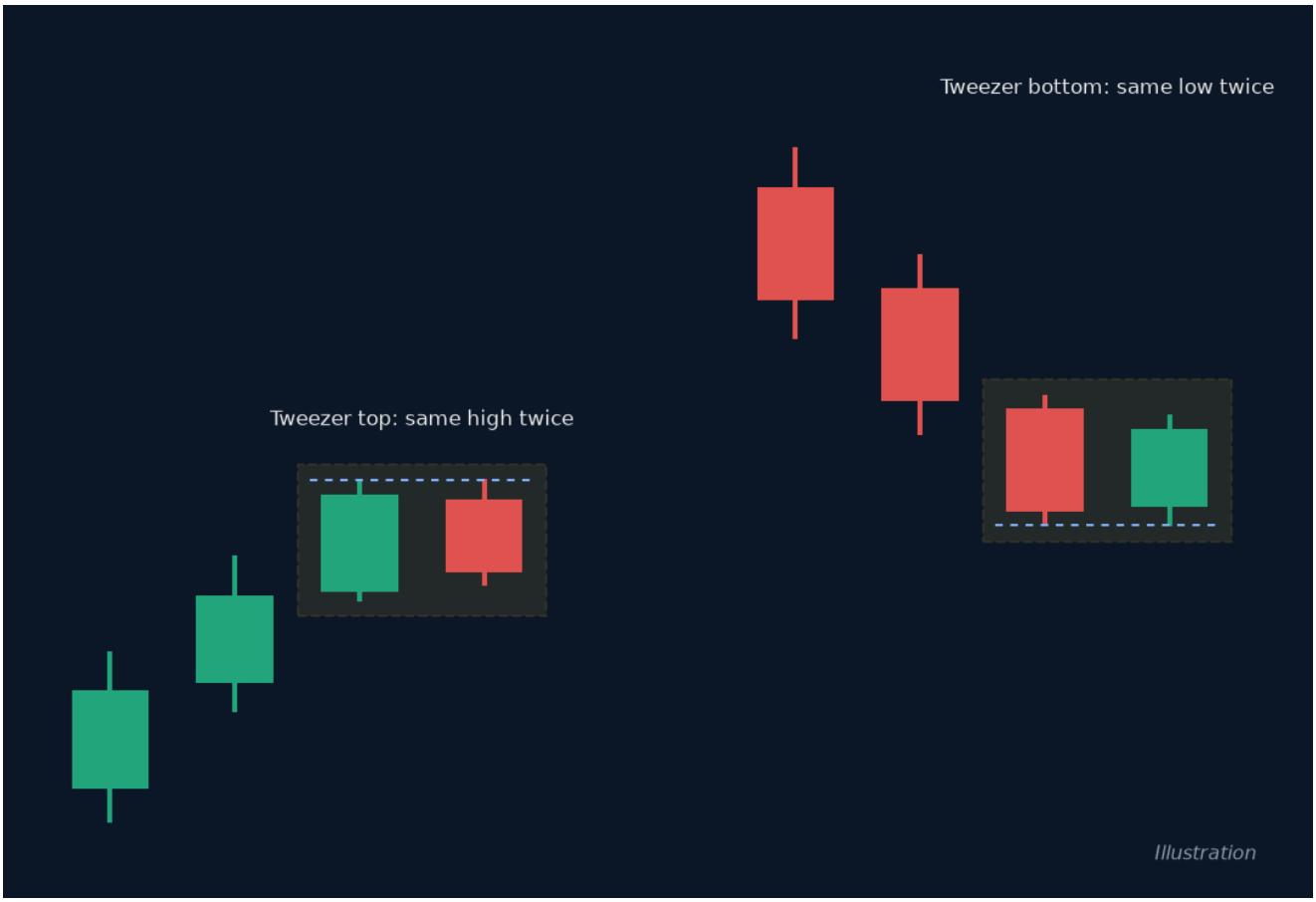
**Common mistake:** Treating it as the start of a long fall. After three big red candles, price often bounces before anything else happens.

**Wait for:** Price staying below the middle of the third candle.

PATTERN 19 OF 21

# Tweezer top and bottom

**Type: Two candles** | **After: Top: a rise. Bottom: a fall** | **Reading: The same price defended twice**




## Shape rules

- Two candles next to each other
- Top: almost the same HIGH
- Bottom: almost the same LOW
- Often one green, one red

## What it shows

Price tried the same price two times in a row and could not get past it. That price is being defended by the other side.

**Where it matters:** At a level you already marked. A tweezer at the edge of a range or at a round number means more than one in the middle.

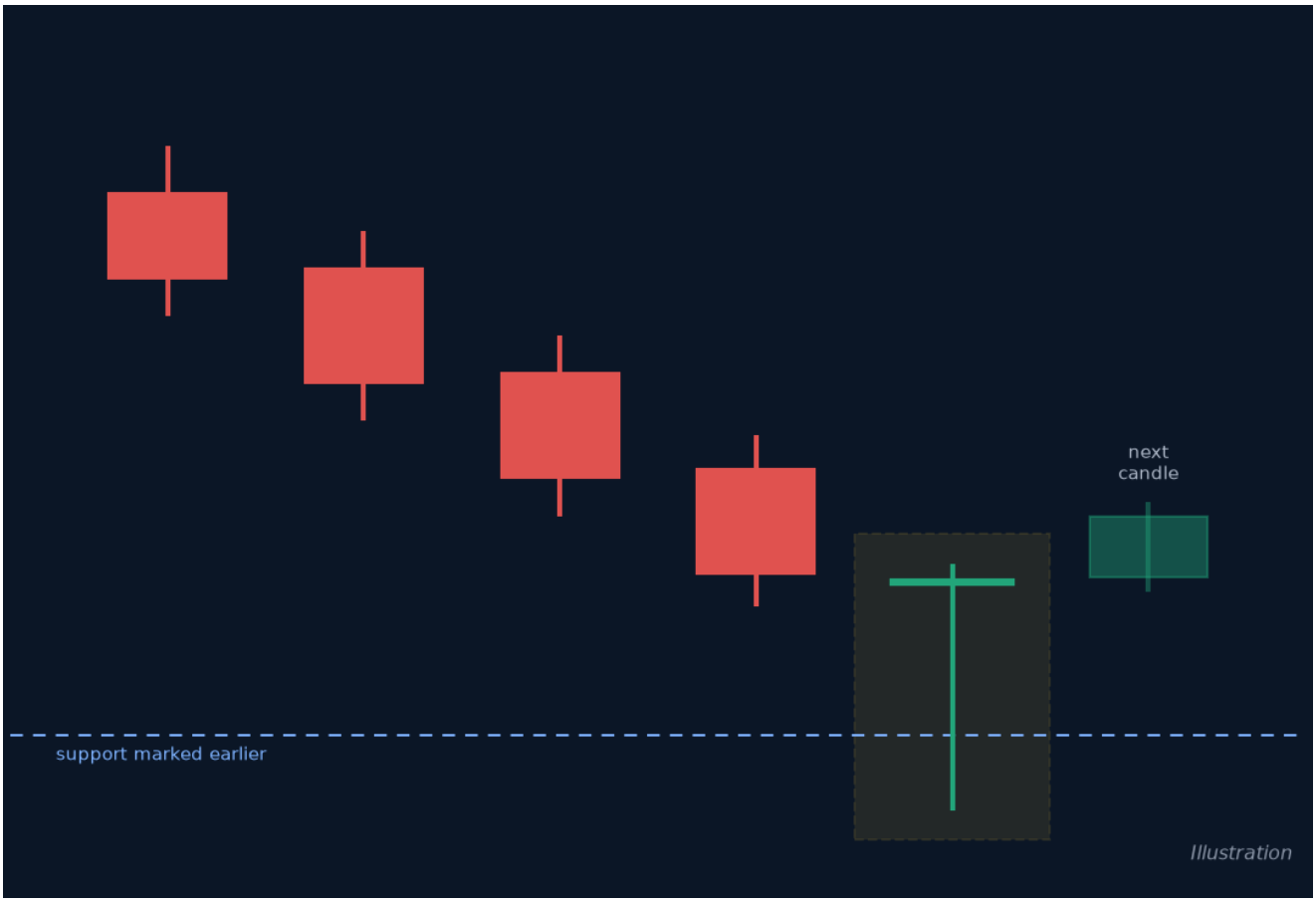
**Common mistake:** Expecting the two prices to match to the cent. Very close is enough; what matters is the clear failure to break through.

**Wait for:** Top: a close below the two candles' lows. Bottom: a close above their highs.

PATTERN 20 OF 21

# Pin bar

**Type: One candle** | **After: Usually at a level** | **Reading: Sharp rejection of a level**




## Shape rules

- One very long wick: about 2/3 of the candle or more
- Small body at the other end
- Wick pokes through a level you marked
- Body closes back on the original side

## What it shows

Price pushed through a level, met strong orders there and was thrown back. The long wick points at the price that was rejected.

**Where it matters:** Only at a clear level marked before the candle formed. Hammers and shooting stars are types of pin bar.

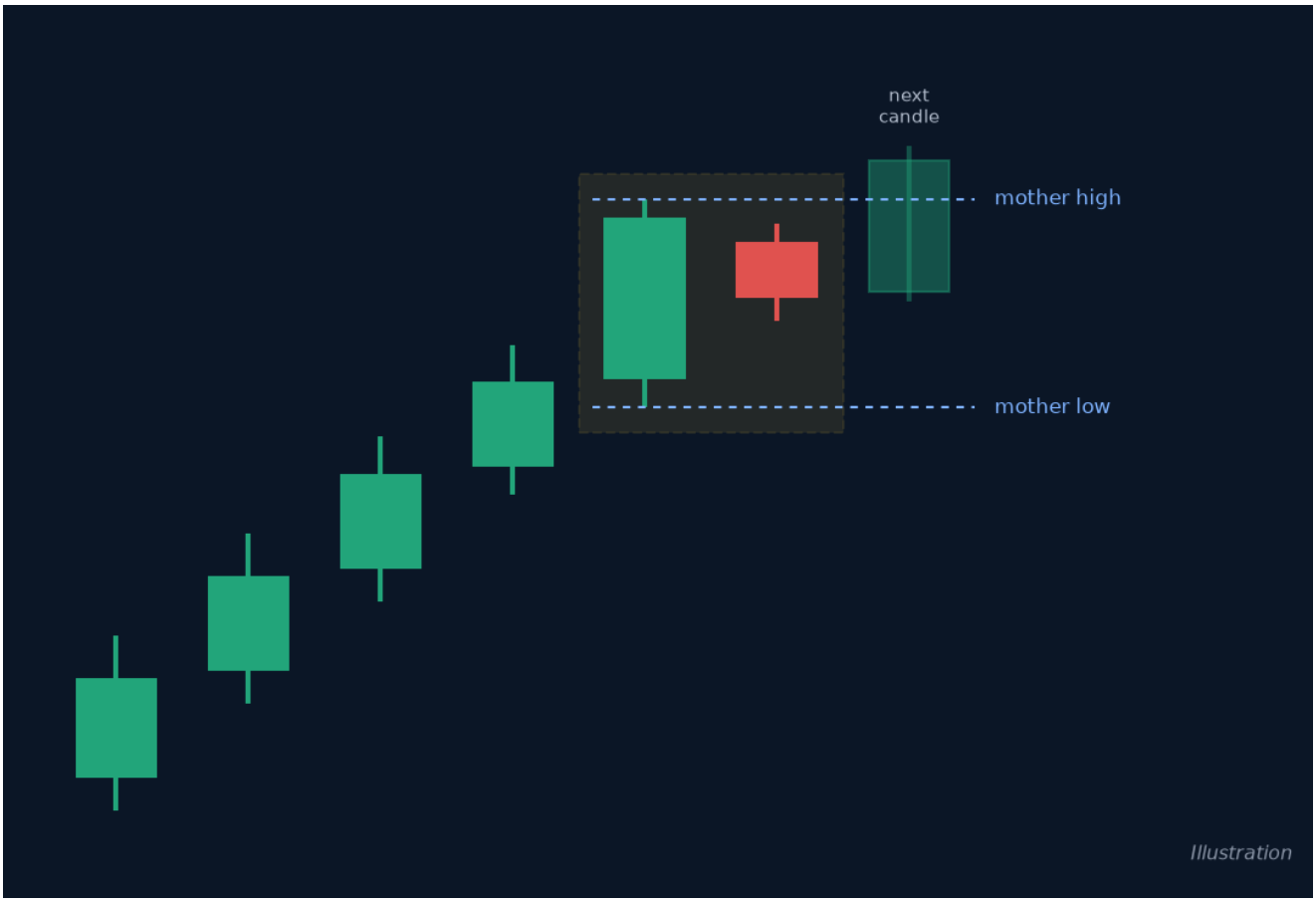
**Common mistake:** Calling any long wick a pin bar. If the wick does not touch a level you marked earlier, it is just noise.

**Wait for:** A next candle that moves away from the wick, in the direction the body points.

PATTERN 21 OF 21

# Inside bar

**Type: Two candles** | **After: After a big candle** | **Reading: The market pauses**




## Shape rules

- Candle 1 is the 'mother' candle
- Candle 2's HIGH is below the mother's high
- Candle 2's LOW is above the mother's low
- Colours do not matter

## What it shows

After a big move, price stopped and went quiet inside the mother candle's range. The market is waiting. A close beyond the mother's high or low shows which side won.

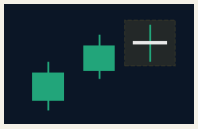
**Where it matters:** After a strong move or near a key level. On gold it often forms before big news or a session open.

**Common mistake:** Guessing the direction before the break. Inside bars often break one way, fail, and then go the other way.

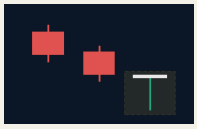
**Wait for:** A candle that CLOSES beyond the mother high or low (here, above the high).

KEEP IT NEXT TO YOUR SCREEN

# One-page cheat sheet



**1. Doji**
Open = close. A pause.



**2. Dragonfly doji**
T shape. Long lower wick.



**3. Gravestone doji**
Upside-down T. Long upper wick.



**4. Long-legged doji**
Long wicks both sides. Even.



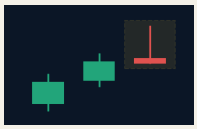
**5. Hammer**
After a fall. Long lower wick.



**6. Inverted hammer**
After a fall. Long upper wick.



**7. Hanging man**
After a rise. Hammer shape.



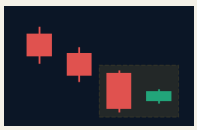
**8. Shooting star**
After a rise. Long upper wick.



**9. Bullish engulfing**
Green body covers red body.



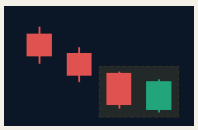
**10. Bearish engulfing**
Red body covers green body.



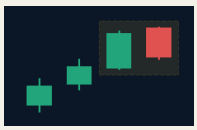
**11. Bullish harami**
Small green body inside big red body.



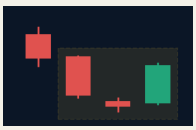
**12. Bearish harami**
Small red body inside big green body.



**13. Piercing line**
Green closes above red's midpoint.



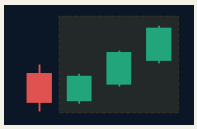
**14. Dark cloud cover**
Red closes below green's midpoint.



**15. Morning star**
Down, small star, strong up.



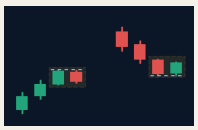
**16. Evening star**
Up, small star, strong down.



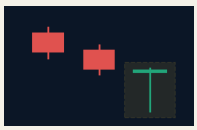
**17. Three white soldiers**
Three strong green candles.



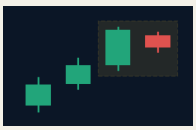
**18. Three black crows**
Three strong red candles.



**19. Tweezer top and bottom**
Same high (top) or same low (bottom).



**20. Pin bar**
Long wick through a level.



**21. Inside bar**
Whole candle inside the one before.

*Shape + level + trend + next candle. A shape on its own is only a shape. Pictures are illustrations.*

# Next steps

### 1. Watch the Gold Vault lessons

Our Gold Vault video lessons show these candle patterns on real gold charts, with levels and context, step by step.

### 2. Try your ideas in the Money Door AI Lab

Describe an idea in simple words, and test how it would have behaved on past gold charts before you trust it. Learning tool only.

### 3. Keep practising on a demo account

Use the practice plan in this guide. Repeat it until the ideas feel natural, with play money and nothing at risk.

## Questions? Talk to our customer care

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*This guide is for education only. It is not investment advice and is not a recommendation to buy or sell anything. Trading gold carries risk. Learn and practise on a demo account. All charts are illustrations, not real market data.*

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