

How To Trade The Triangle Trend Line on Trendforecast.ex4

The triangle trend line is designed to track price fluctuations and to identify the upcoming price direction.



The triangle trend lines formed a triangular shape; the pink arrow indicates a “**bullish triangle facing up**” and the red arrow indicate a “**bearish triangle facing down**”.

The triangles identified by the blue arrow shows how price move in range through each triangle to pick the one that will make the next direction such as the triangle identified by the white arrow. Any triangle the price picks will form the next trend as in the case of the triangles identified by the white arrows.

Basically, if the price ranges through the triangle, that mean the price is going for the next triangle direction.

If the price is inside the **bullish triangle facing up** there is a better chance that the price will buy, and if the price is inside the **bearish triangle facing down**, the price may sell.

Steps To Identify The Change in Price Direction.

Image-1



1. The price crossing into a new triangle; from a **bearish triangle facing down** into the next **bullish triangle facing up** or other way round as spotted by the white arrow in the image-1 and image-2 (*the yellow lines formed the triangles in the image-1 and image-2*).
2. The price break out of the current trend line (*in the image-1 the price break out of the red trend line and in the image-2 it break out of the green trend line*), moments after it cross into current triangle as spotted by the blue arrows as the price breakout of the red trend line in the image-1.

Image-2



First the price have to change direction by crossing into a new triangle as spotted by the white arrow, then secondly breaks out of a trend line inside the new triangle as spotted by the blue arrow is required to establish a trade entry.

Image-3



The image-3 above shows a trade example on GBPUSD using the steps described above. Number 1 step is to spot the price crossing into a new triangle as in the case of the **bearish triangle facing down** in the image-3 example.

Number 2 the price breaks through the support trend line inside the new triangle it cross into. Identifying this first two major steps provide a trade entry opportunity with an immediate support at 1.4283 in focus as a take-profit target. The image-4 below show the GBPUSD chart after the take-profit target was won.

Image-4



CONCLUSION

Identifying this major two steps provide a clear change in direction of the price trend.