Hint. Look for the following chart patterns (If you find others, great!): 2 double bottoms, 3 rising valleys (several), rounding bottom, double top, 2 triangles, big W.
AADT, AADB, EADB (maybe AADB?) are Adam and Eve variations of double tops and bottoms. 1, 2, and 3 are the three rising valleys chart pattern, although you can find others. The two Ws are the big W chart pattern. Notice how price eventually rises to near the level of the first W. The rounding bottom is the big turn in the middle of the chart. It’s not a cup with handle because those patterns require a 30% rise leading to the cup.

The AADB has confirmed.

**Question 1:** Do you buy, short, or avoid trading this stock?
**Question 2:** If trading this one, what is the target price?
**Question 3:** If trading this one, what is the stop price?

The answers appear below and a chart on the next page.

**Answer 1:** Buy because of the upward breakout but recognize that the rise may be limited by overhead resistance at the site of the Big W peaks.
**Answer 2:** Overhead resistance at the big W peaks, about 19.
**Answer 3:** The bottom of the double bottom places the stop 13.5% away. That’s too far. A volatility stop is closer at 10.8% away, or 14.61. The red line shows the stop location.
Price climbed to the top of the Big W, paused, and then it continued up in a final push to the summit at 22. From there, it was downhill until price returned to the price of the double bottom. The Big W shown is a new one. The old one is missing because the peak is off the chart to the left.

The end