Price has hit bottom and will rise. Where will it stop? See the next page for answers.
Red lines show where price stopped moving up to the right of the blue line and the green lines show where price found support moving down.

One way to predict where price will pause is to look for “mirrors.” These are reflections across an imaginary line, such as the blue one drawn here. The two circles represent the left and right shoulders of a head-and-shoulders bottom. The valleys are mirrors of one another. By assuming another valley will appear at about the same price and distance from the head, you can plan your trades accordingly.

Mirrors also work with trendlines. The distance from the trendline to the peak is supposed to equal the decline after price punches through the trendline (and the reverse). It’s not an exact science and it’s the measure rule for trendlines.

The end