PSEDYS | TECHNICAL REFERENCE MANUAL V3.0

Bearish Flag — Steag de scadere

Technical Reference Manual v1.0

PSEDYS | Chart Patterns
Pole · Parallel Channel · Breakout Down · Max Rollback · Permissible Deviation

CONTENTS

1. What it is
2. How to recognize it (points and lines)
3. Validity conditions
4. Confirmation (when the pattern is ready)
5. Price target
6. States (status)
7. Overlapping patterns
8. Alerts
9. Settings (as in TradingView)
10. What the documentation does NOT say
11. Situation at PSEDYS
12. Cheat Sheet
13. Source

1. What it is

After a strong decline (the pole), the price makes a small upward correction in a channel with two PARALLEL lines (the flag). When the price breaks through the lower line of the flag, a continuation of the decline is expected, approximately equal to the height of the pole.

- Type: **continuation (trend continues)**
- Expected direction after confirmation: **DOWN (SHORT)**

2. How to recognize it (points and lines)

The pattern has:
- Price Lines: the pole and oscillations within the flag, each between two 5/5 pivots.
- Flag Lines: two parallel lines, the correction channel.

Downloaded from PSEDYS Ecosystem | t.me/PSEDYS

The documentation mentions that points 3 and 5 are used to position the lower line of the channel.

A 5/5 pivot is a peak (or a trough) that has no candle higher (or lower) in the 5 candles to the left and the 5 to the right.
Practical consequence: a pivot is confirmed only after 5 candles have closed after it, so the pattern appears on the chart with a delay of at least 5 candles from the last peak/trough.

3. Validity conditions

- Between points 2 and 5, no close is allowed to pass the flag lines.
- Points may deviate from the lines only as Permissible Deviation allows (percentage of the channel height).
- The upward correction must not exceed Max Rollback (percentage of the pole height).

4. Confirmation (when the pattern is ready)

The breakout is confirmed when a candle CLOSES below the lower line of the flag. Only breakouts in the target direction (down) are recorded.

5. Price target

Target = approximately the height of the pole, projected downward from the breakout.

On the chart, the target is a dotted horizontal line ending with the label "Target". The line extends to the right with each new candle as long as the pattern is "Awaiting". The label changes color according to status, and on mouse hover, it shows the target price and status.

6. States (status)

TradingView uses 4 states (we keep the original names in parentheses):
- Awaiting: the target is not reached and no peak within the flag has risen above the Max Rollback limit; if the lower line was broken, the price has not then risen above the highest peak within the flag.
- Reached: the price broke the lower line and reached the target.
- Failed: the price broke the lower line, did not reach the target, and rose above the highest peak within the flag; OR broke the upper line; OR a peak within the flag rose above the Max Rollback limit.
- Indefinable: the indicator cannot clearly determine the status.

7. Overlapping patterns

When two patterns of the same type overlap on the chart, TradingView displays only one:
- An "Awaiting" pattern takes precedence over any other status.
- An "Indefinable" pattern is deleted if it overlaps with one that has a different status.

Downloaded from PSEDYS Ecosystem | t.me/PSEDYS

- If both are Failed/Reached, or both Awaiting: the one where points 3 and 5 are closer to the lower line of the flag is displayed (as stated in the documentation for the bearish variant).

8. Alerts

- New Pattern: point 1, 2, or 4 in a different position than before.
- Pattern Breakout: a candle closes outside the flag in the target direction (down).
- Pattern Failed: status becomes "Failed". Only for fully formed patterns.
- Target Reached: price reaches the target. Only for fully formed patterns.

9. Settings (as in TradingView)

- Patterns (which patterns are drawn, by status): All / Awaiting and Reached / Only Awaiting / Last Awaiting (only the last awaiting pattern, whose first point is the furthest to the right).
- Price Targets (which targets are drawn): All / Only Awaiting / Awaiting and Reached / None.
- In Progress: also searches for patterns still forming (not just completed ones).
- Permissible Deviation: maximum deviation of flag points from lines (percentage of channel height).
- Max Rollback: maximum correction within the flag (percentage of pole height).
- In In Progress mode, the last two points may not be pivots, and the last price line is dotted.

10. What the documentation does NOT say

- The search is conducted over the last 600 candles.
- Confirmation is done ONLY on the candle close, never on a touch during the candle (wick/shadow).
- The TradingView page does NOT provide default setting values or the exact target formula (only "approximately equal to ..."). When building our detector, these values are chosen and tested in PSEDYS LAB.
- Default values for Permissible Deviation and Max Rollback are not provided, nor the exact rule for the start of the pole.

11. Situation at PSEDYS

Status at PSEDYS (26.10.2026): the detector exists (monitoring/pattern_scanner/flag.py, written based on TradingView documentation on 22.09.2026), but the flag was REMOVED from the scanner on 29.09.2026 because it was losing. If resumed, it will be tested again from scratch in PSEDYS LAB (top 50 by date, hidden data, XPERP).

12. Cheat Sheet

- Strong decline -> upward correction in parallel channel -> close below channel = SHORT.
- Target ~ height of the pole, downward.

Downloaded from PSEDYS Ecosystem | t.me/PSEDYS

- Invalidation: close above the upper line, excessive correction (Max Rollback), or after breakout, rise above the highest peak within the flag.

13. Source

TradingView Documentation "Chart Pattern Bearish Flag": https://www.tradingview.com/support/solutions/43000697936/
Read and rewritten in Romanian by PSEDYS on 26.10.2026 (not a word-for-word translation).
Information about targets is educational, not investment advice.

Downloaded from PSEDYS Ecosystem | t.me/PSEDYS

Downloaded from PSEDYS Ecosystem | t.me/PSEDYS