PSEDYS | TECHNICAL REFERENCE MANUAL V3.0

Bearish Pennant — Bearish Pennant

Technical Reference Manual v1.0

PSEDYS | Chart Patterns
Pole · Converging Triangle · Breakout Down · Max Rollback at Point 3

CONTENTS

1. What it is
2. How to recognize it (points and lines)
3. Validity conditions
4. Confirmation (when the pattern is complete)
5. Price target
6. Statuses
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 consolidates into a small TRIANGLE. After breaking through the lower line of the pennant, a continuation of the decline is expected, approximately equal to the height of the pole.

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

2. How to recognize it (points and lines)

The pattern has:
- Price lines: the movements forming the pattern, each between 5/5 pivots.
- Pennant lines: two converging lines (the triangle).

Downloaded from PSEDYS Ecosystem | t.me/PSEDYS

- Point 3 = the pullback from the pennant (here, upwards); point 5 = pennant reference used for invalidation.

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 pennant lines.
- The pullback at point 3 must not exceed Max Rollback (percentage of the pole's height).

4. Confirmation (when the pattern is complete)

The breakout is confirmed when a candle CLOSES below the lower line of the pennant.

5. Price target

Target = approximately the height of the pole, projected downwards from the breakout (the documentation does not provide an exact formula).

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 when hovering the mouse over it, it shows the target price and status.

6. Statuses

TradingView uses 4 statuses (we keep the original names in parentheses):
- Awaiting: no pennant line has been broken; OR the lower line has been broken, but the target is not reached and the price has not risen above point 5.
- Reached: lower line broken and target reached.
- Failed: lower line broken, target not reached, and price has risen above point 5; OR upper line broken without the lower one being broken first.
- 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.
- If both are Failed/Reached, or both Awaiting: the one with the greater distance between point 1 and point 5 is displayed.

Downloaded from PSEDYS Ecosystem | t.me/PSEDYS

8. Alerts

- New pattern: point 1, 2, or 4 in a different position than before.
- Breakout: a candle closes outside the pennant in the direction of the target (downwards).
- 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, the one whose first point is the furthest to the right).
- Price Targets (which targets are drawn): All / Only Awaiting / Awaiting and Reached / None.
- In Progress: searches for patterns still forming (not just completed ones).
- Max Rollback: maximum pullback at point 3 (percentage of the pole's 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 on 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 nor the exact target formula (only "approximately equal to ..."). When building our detector, we choose and test these values in PSEDYS LAB.
- Default values and the minimum degree of convergence of the lines are not provided.

11. Situation at PSEDYS

Status at PSEDYS (26.10.2026): We do NOT yet have a detector for this pattern -- it does not appear in the scanner, does not send alerts.
If we build it: first a detector in PSEDYS LAB following the rules above, then the usual test (top 50 by volume at the respective date; 4h = 2 years, 1d = 4 years; 70% discovery data / 30% hidden data opened once; comparison with random entries; net R with 0.2% costs; live market confirmation OKX XPERP). Only what passes reaches the channel, with plan and approval.

12. Cheat Sheet

- Strong decline -> small triangle -> close below it = SHORT.
- Target ~ height of the pole, downwards.
- Invalidation: above point 5 after breakout, or breakout upwards before the downward one.

Downloaded from PSEDYS Ecosystem | t.me/PSEDYS

13. Source

TradingView Documentation "Chart Pattern Bearish Pennant": https://www.tradingview.com/support/solutions/43000697937/
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