

ASCENDING / DESCENDING TRIANGLE

StockCharts Definition

The ascending triangle is a bullish formation that usually forms during an uptrend as a continuation pattern. Regardless of where they form, ascending triangles are bullish patterns that indicate accumulation.

TPA explanation

One of the most bullish technical patterns is the Ascending Triangle. **The pattern shows an uptrend (higher lows) marked by a clear resistance level.** The reasoning is fairly simple. There is supply at the resistance level, but the buyers are getting more aggressive, so each sell-off is to a higher level as the buyers pay higher prices. Eventually, the buyers will overwhelm the sellers. This pattern is very good, because (1) it will eventually lead to a breakout = strong technically and (2) it gives optimal buy levels = at the uptrend line.

The reverse of the Ascending Triangle is the **Descending Triangle, which is a very negative pattern.**

Examples below:

