

Chart Patterns and Technical Indicators Flags and Pennants are short-term continuation patterns that mark a small consolidation before the previous move resumes. These patterns are usually preceded by a sharp advance or decline with heavy volume, and mark a midpoint of the move. Sharp Move: To be considered a continuation pattern, there should be evidence of a prior trend. Flags and pennants require evidence of a sharp advance or decline on heavy volume. These moves usually occur on heavy volume and can contain gaps. This move usually represents the first leg of a significant advance or decline and the flag/pennant is merely a pause. **To read more, please download the book. [Download This Book](#)**