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DIAMOND BOTTOM PATTERN (REVERSAL TYPE) IN NATURAL GAS FEBRUARY CONTRACT

On Hourly chart of Natural gas February contract, a reversal Diamond Bottom pattern is seen as below:



Outcome-The rare pattern is both reversal & continuation by its characteristics but in this chart of NG Feb contract, it is clearly forming after completion of ABC correction & hence the probability of a reversal is much higher. To support the view, there is a channeled positive divergence on RSI coupled with lower volumes when prices are within diamond and increasing volumes in candles attempting breakout. **The breakout range is above 179 whereas price projection of the above pattern is at Rs.189 & 194. Stop loss can be placed below 172. Positional buy call has been already given above a lower range breakout at 177.50.**

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