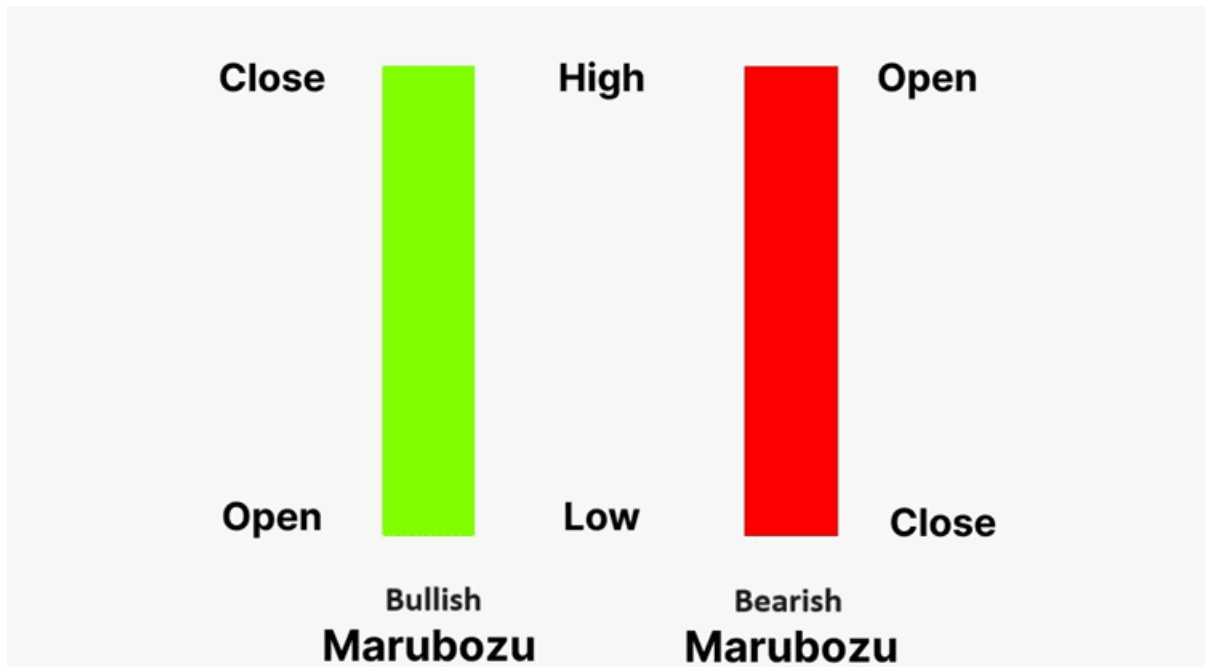


The Marubozu candlestick pattern is a single candlestick pattern which means "Bald" in Japanese. In the technical analysis of Candlestick, marubozu has no upper or lower wicks (tale) like in the following picture. In Price Action Trading Marubozu Candlestick plays an important decision-making pattern.

Lets understand it how?



In this form of candle price Open = Low, and Price Close=High.

It's a continuation candle where the next candle continues to up or down.

Basically Marubozu candlestick is of two types.

[1-Bullish Marubozu Candlestick pattern](#)

[2- Bearish Marubozu Candlestick pattern](#)

1- **Bullish Marubozu Candlestick pattern:** When the real body is entirely bullish (i.e., the closing price is significantly higher than the opening price), it signals strong buying momentum. A **bullish marubozu** indicates that there is so much buying interest in the stock that the market buyers were willing to **buy the stock at every price point**. Which tends to stock closed near its high point.

It does not matter what the prior trend has been, the action on the bullish marubozu suggests that the sentiment has changed and the stock is now bullish. This change in sentiment is a surge of bullishness and it will continue over the next few candles. Hence a trader should look at buying opportunities with the **formation of a bullish marubozu**. The buy price should be around the closing price of the marubozu candle.

Lets understand from the **Chart of Sensex**. In the marked Bullish Marrubozu, the entry/ Buying point around at **Rs 75509** and stoploss at **Rs 754663**. The target profit can be booked after next two candles that is at point Rs 75615. An almost **1:2 risk reward** ration.



**2- Bearish Marubozu Pattern:** It indicates **extreme bearishness**, Here the Open = High, and Close = Low. A bearish marubozu indicates that there is much **selling pressure in the stock**. So the market participants actually sold at every price point during the day. Therefore the stock closed near its low point of the day.

It does not matter what the prior trend has been. The day when the marubozu candle formed, suggests that the sentiment has changed and the stock is now bearish. The expectation is that this sudden change in sentiment will be carried forward over the next few trading sessions and hence one should look at shorting opportunities. The sell price should be around the closing price of the marubozu.

**In Price action trading, understanding candlestick pattern is very important. We can help you here and we provide [Candlestick Pattern pdf](#) to enhance your deep knowledge.**

### How to Trade Marubozu Candlestick Pattern?

Trade stoploss should be either top or bottom of the Candle. lets understand with an example.

In the below NIFTYBANK 15Min chart pattern, one Bearish marubozu observed with very good Risk reward ratio of 1:3. The stoploss is Rs 48310 and entry price between 47663 to 47650. But next three candle made huge profit-making scenario for a intraday trader.



However In candlestick analysis no pattern is 100% predictable every time. Every pattern has an accuracy till 60-70% and with this much of predictability also people make money with proper **money management setup**. When you do lose, try to book it early with a stoploss and when you are becoming profitable, then wait until your target is achieved or almost achieved.

Like Marubozu candlestick read and download other important patterns like [hammer candlestick pattern pdf](#) and [Spinning top candlestick pattern pdf](#) .

### **When to avoid Marubozu Candlestick Pattern ?**

Don't chase a very tall or [short marubozu](#) candlestick pattern like in the figure below.

Very **Tall Marubozu** has a drawback like its stop-loss is too deep than the profit target, Similarly in short Marubozu, risk-reward is not proper and very unpredictable about the next move.

During Trading understanding What is support and resistance is very important.

Similarly, in some cases any Marubozu fails due to certain news or trend changes, that uncertainty persists only a few percent. Always try to follow the best money management, and put a stoploss in every purchase.

Surf Our Blog <https://stockmarketpatterns.com/> for Mastering the above candlestick pattern and understand how to trade with the pattern.