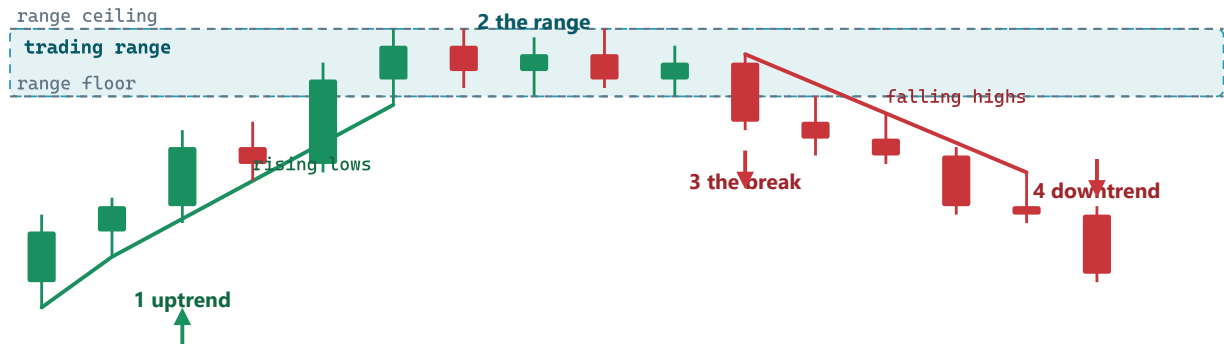


Trend and market structure

Markets move in patterns of peaks and troughs. Learning to mark those swing points lets you describe whether price is trending up, trending down, or simply moving sideways.

QUANTREEF
market microstructure



PHASE 1 · THE UPTREND

Higher highs, higher lows

Price prints a peak, pulls back to a low that sits above the previous low, then pushes to a higher peak. That stair-step of rising swing highs and rising swing lows is what an uptrend looks like.

HH + HL

PHASE 2 · THE RANGE

Sideways balance

The swings stop advancing. Highs stall near a ceiling and lows hold near a floor, so price oscillates in a band. No new higher high or lower low means no clear trend, just a range.

flat swings

PHASE 3 · THE BREAK

Structure shifts

Price closes below the range floor and prints a low beneath the prior swing low. Breaking the pattern of the previous structure is how a trend change first shows up on the chart.

lower low

PHASE 4 · THE DOWNTREND

Lower highs, lower lows

Now each bounce peaks lower than the last and each dip bottoms lower. The mirror image of an uptrend: descending swing highs and descending swing lows define a downtrend.

LH + LL

Key terms

swing high — A peak where price turns back down, forming a local high point between two lower candles.

swing low — A trough where price turns back up, forming a local low point between two higher candles.

higher high / higher low — Each new peak and trough sits above the last — the defining rhythm of an uptrend.

range — A sideways phase where highs and lows stop progressing and price moves between a floor and a ceiling.

How to read & use it

Mark the swings first

Before anything else, dot the obvious peaks and troughs. Structure only becomes readable once the swing highs and swing lows are labelled on the chart.

Name the structure

Compare each swing to the one before it. Rising highs and lows describe an uptrend; falling ones a downtrend; flat ones a range.

Watch the break

A trend's character changes when price violates the prior swing — an uptrend loses its last higher low, or a range loses its floor.

HOW TO READ THIS

Everything Quantreef shows about trend and structure is descriptive, educational context — a way to label what price has already done. It is not a signal, a recommendation, or a prediction of what will happen next.