

00084 MASTER OF BUSINESS ADMINISTRATION IN
FINANCIAL MARKETS (MBAFM)

Term-End Examination

December, 2015

MCT-079 : TECHNICAL ANALYSIS

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions. All questions carry equal marks.

1. Why is technical analysis considered as one of the most important tools for investment and portfolio management ? How is it different from fundamental analysis ? 20
2. Describe briefly the important technical formations on bar and line charts and the indications provided by them. Explain using suitable diagrams. 20
3. Explain the following technical indicators : 4x5=20
 - (a) New Highs and Lows
 - (b) Volume
 - (c) Short Interest Ratio
 - (d) Mutual Fund Liquidity

4. Classify each of the following activities, as either Technical Analysis or Fundamental Analysis : $5 \times 4 = 20$
- (a) Examining the "quality" of earnings
 - (b) Computing a percentage balance sheet
 - (c) Identifying an up trend line on a bar chart
 - (d) Examining the debt/equity ratio of a firm
 - (e) Calculating the put/call ratio
- Justify your answer for each selection.

5. Define the concept of Japanese Candlesticks in technical analysis. Occasionally a gap will appear between the closing of one candle and the opening of another, what does an occurring gap tells about the two periods defined by the candlesticks ? 20

6. "Gann angles are a popular analysis and trading tool that are used to measure key elements, such as pattern, price and time." Elucidate this statement and explain two important Gann techniques. 20

7. Discuss the significance of Bollinger Bands in technical analysis. How is it used in Forex and Stock Trading ? 20

8. Write short notes on **any four** of the following : $4 \times 5 = 20$
- (a) Point and Figure Charting
 - (b) Elliott Wave Theory
 - (c) Ultimate Oscillator Trading Strategy
 - (d) Corrective Wave under Elliott Wave theory
 - (e) Sentiment Indicator
 - (f) 'Primary Trend' and 'Intermediate Trend'
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