

Total No. of Questions: 6

Total No. of Printed Pages:4

Enrollment No.....



Faculty of Management Studies
End Sem (Even) Examination May-2019
MS5EF08 Technical Analysis
Programme: MBA Branch/Specialisation: Management / Finance

Duration: 3 Hrs.

Maximum Marks: 60

- Note: (a) All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.
(b) Neat sketches in support of your answers are required.

- Q.1 i. The Indian Stock Market is regulated by: **1**
(a) RBI (b) SEBI (c) GOI (d) BSE
- ii. The term Bullish in stock price reference indicates which price action: **1**
(a) Positive (b) Negative (c) Neutral (d) Stable
- iii. Bar chart is used to illustrate **1**
(a) Reversal in the direction of stock prices without consideration of time
(b) High, low and closing stock prices
(c) High, low, open and close prices
(d) Advances and declines of stock prices
- iv. If open price is higher than close price, then the candle will be? **1**
(a) Bullish (b) Bearish
(c) Any of this (d) None of these
- v. Double Top is an indication of: **1**
(a) Bullishness (b) Bearishness
(c) Static (d) Unclear
- vi. Chart patterns can be used to forecast the target in case of **1**
(a) Head and Shoulder (b) Rounding top and bottom
(c) Flag and Pennant (d) All of these
- vii. Bollinger Band is drawn using **1**
(a) Moving Average (b) Standard Deviation
(c) Both (a) and (b) (d) Only a random band

P.T.O.

[2]

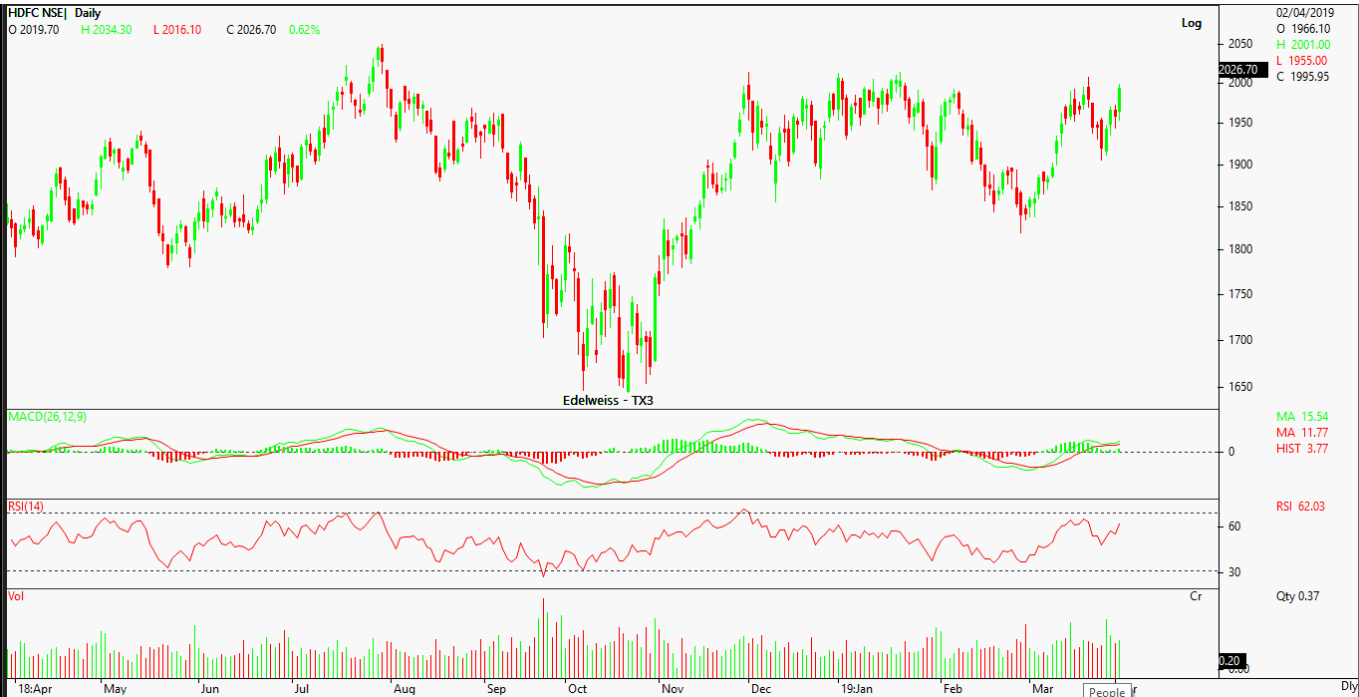
- viii. EMA is known as: **1**
 (a) Expenses Moving Average (b) Exponential Moving Average
 (c) Earning Multiplier Affect (d) Earning Moving Average
- ix. The type of chart used in question 6 is: **1**
 (a) Line (b) Bar
 (c) Point & Figure (d) Candlestick
- x. Rising volume of trades indicates greater commitment by investors to the established trend [Justify your answer in one/two line]: **1**
 (a) True (b) False (c) Not sure (d) None of these
- Q.2 i. What are the basis of Technical Analysis? List all and discuss any one in detail. **4**
 ii. Explain the principles of Dow Theory of technical analysis as set out by Charles Dow early in the 20th century. **6**
- OR iii. How does the technical analysis differ from the fundamental analysis? Discuss any six differences. **6**
- Q.3 i. What is candlestick analysis? Explain any two “Single candlestick pattern” with examples. **4**
 ii. What are different types of charts used in Technical Analysis? Explain any three in brief. **6**
- OR iii. Explain any two patterns of “Double candlestick” and one pattern of “Three candlestick”. **6**
- Q.4 i. What do you understand by Support and Resistance level? Can stock prices have a support and resistance level? If so, explain using three different examples. **4**
 ii. Explain in detail Head and Shoulder pattern in technical analysis. **6**
- OR iii. Discuss any two: **6**
 (a) Gap theory (b) Rounding top and bottom
 (c) Flag and Pennant
- Q.5 i. What are different Indicators in technical analysis? Explain any one indicator (NOT EXPLAINED IN ANY OTHER ANSWER) with example? **4**

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- ii. What is moving average? Explain any two kinds of moving averages, their construction and application. **6**
- OR iii. Write short note on any three: **6**
 (a) MACD (b) RSI
 (c) William %R (d) Bollinger Band.
- Q.6 The charts show Price, MACD, RSI and volume during April 2, 2018 to April 2, 2019 for HDFC and INDUSIND BANK. Using technical analysis techniques, answer the given questions carefully, explain your reasoning.
 (a) General comments during given period for HDFC. **3**
 (b) General comments during given period for INDUSIND BANK. **3**
 (c) Identify different support resistance, if any, in both the companies. **2**
 (d) Predict which company will provide the higher return in future. Give reasoning to support your prediction. **2**

Enrollment No.

HDFC



INDUSIND BANK



Marking Scheme
MS5EF08 Technical Analysis

Q.1	i.	The Indian Stock Market is regulated by:		1
		(b) SEBI		
	ii.	The term Bullish in stock price reference indicates which price action:		1
		(a) Positive		
	iii.	Bar chart is used to illustrate		1
		(c) High, low, open and close prices		
	iv.	If open price is higher than close price, then the candle will be?		1
		(b) Bearish		
	v.	Double Top is an indication of:		1
		(b) Bearishness		
	vi.	Chart patterns can be used to forecast the target in case of		1
		(d) All of these		
	vii.	Bollinger Band is drawn using		1
		(c) Both (a) and (b)		
	viii.	EMA is known as:		1
		(b) Exponential Moving Average		
	ix.	The type of chart used in question 6 is:		1
		(a) Line (b) Bar		
		(c) Point & Figure (d) Candlestick		
	x.	Rising volume of trades indicates greater commitment by investors to the established trend [Justify your answer in one/two line]:		1
		(a) True		
	Q.2	i.	Three basis of Technical Analysis 1 mark	4
			Discuss any one 3 marks	
		ii.	Principles of Dow Theory of technical analysis as set out by Charles Dow early in the 20 th century.	6
			1 mark for each principle (1 mark * 6)	
	OR	iii.	Technical analysis differ from the fundamental analysis	6
			Any six differences 1 mark for each (1 mark * 6)	
	Q.3	i.	Candlestick analysis 1 mark	4
			Any two "Single candlestick pattern"	
			1 mark for each pattern (1 mark * 2) 2 marks	
			Examples.	
			0.5 mark for each example (0.5 mark * 2) 1 mark	

	ii.	Types of charts used in Technical Analysis		6
		List of any four type	0.75 mark	
		Any three 1.75 mark for each (1.75 mark * 3)	5.25 marks	
OR	iii.	Any two patterns of “Double candlestick” and one pattern of “Three candlestick”.		6
		2 marks for each pattern with example and sketch	(2 marks *3)	
Q.4	i.	Support level description	1 mark	4
		Example	1 mark	
		Resistance level description	1 mark	
		Example	1 mark	
	ii.	Head and Shoulder pattern in technical analysis.		6
		Explanation	2 marks	
		Neat and titled sketch	2 marks	
		Example and description/target/philosophy	2 marks	
OR	iii.	Discuss any two:		6
		2 marks each for description (2 marks * 2)	4 marks	
		1 mark for each example (1 mark * 2)	2 marks	
Q.5	i.	Indicators in technical analysis listing at least four	1 mark	4
		Explain any one indicator		
		Indicator description	2 marks	
		Example	1 mark	
	ii.	Definition of moving average	1 mark	6
		Any two kinds of moving averages		
		1 mark for each (1 mark * 2)	2 marks	
		Their construction		
		1 mark for each (1 mark * 2)	2 marks	
		Application		
		0.5 mark for each (0.5 mark * 2)	1 mark	
OR	iii.	Write short note on any three:		6
		1 mark for each description (1 mark * 3)	3 marks	
		1 mark for each example (1 mark * 3)	3 marks	
Q.6		The charts show Price, MACD, RSI and volume during April 2, 2018 to April 2, 2019 for HDFC and INDUSIND BANK. Using technical analysis techniques, answer the given questions carefully, explain your reasoning.		

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|---|----------|
| (a) and (b) : General trend during different periods 1 mark, MACD and RSI comments 1 mark, Any two pattern identification ½ mark each | 3 |
| (c) Atleast two support/resistance 1 mark each | 2 |
| (d) Identification and reasoning 2 marks | 2 |
