

## Points to remember

- You could look at hundreds of charts in a day, technical traders do.
- There are MANY, MANY more patterns in a trader's toolkit.
- Many charts will tell you nothing.
- Even the ones that tell you something, they tell you about past patterns, tomorrow can be different from yesterday. As Mark Twain said, "History may not repeat but it often rhymes!"
- Does this approach make money? Academic evidence says that it does not do so consistently. Academics test data rigorously over various sets of technical strategies.
- Malkiel (A Random walk down Wall Street), tells a story of having his students toss coins, plot the patterns on a chart. Upon showing a technical analyst some "selected charts" the response was, "Which stock is that? I have never seen a clearer buy signal!"
- Technicians argue that they use different tools from the kit for different situations.
- How can we make decisions **without** knowing the fundamentals of a company, how its product, markets, management, and **without** listening to what they might have to say about the future?

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