

Questions and Answers

Q: What is technical analysis?

Technical indicators are statistically calculated values based on closing price, volume and other parameters. These values show trends that indicate the health and direction of the stock.

Q: What is machine learning?

Machine learning is a type of artificial intelligence (AI) that involves training computer algorithms to recognize patterns in data and make predictions or decisions based on that data.

Q: How do graphics help?

Graphical visualization of the data enables us to recognize patterns.

Q: Is technical analysis better than fundamentals?

No. They are equally important in making decisions. Technical analysis would complement analysis based on fundamentals.

Q: Are there other models or algorithms that can be used

Yes. Classification algorithms can be used to allow for binary decisions. Other models for price prediction such as linear or non-linear regression can be used; however, the dataset would have to be accommodating.

Q: Are there other technical indicators?

Yes, there are over 30 technical indicators, and the number is increasing.

Q: Can variables other than open, close, high, low be used, if so name 2-3.

Adjusted close, and volume are also used. Other trending parameters related to the industry can be used.

Q. What are recurrent neural networks?

A recurrent neural network (RNN) is a type of neural network commonly used for processing sequential data, such as time series or natural language text.

Q. Explain LSTM algorithm.

Long Short-Term Memory (LSTM) is a type of recurrent neural network (RNN) architecture that can learn long-term dependencies and is widely used in natural language processing, speech recognition, and other sequence-based or time series tasks.

Q. Can use of ML adversely affect the stock market trading?

Automated, rapid transactions conducted by machine learning have been known to cause disruptions, but effects have been temporary and minimal.