



EXTERNAL EXAMINATION

Institution: Frederic Bastiat Institute, Ghana
Course Name: Technical Analysis & Investment Banking
Course Code: ECT20172806
Paper Type : Chartered Technical Analysts
Hours: 6, 1/2
Supervisor: Prof. Emmanuel Tweneboah Senzu

IFTA Examination Regulations

- Eligibility of handwriting, accuracy and clearness of expression, contribute to assessment grading
- The Assessment is measured according to the following papers as I, II, III & IV taken 5,1/2 hrs to complete paper (I-II), Paper (III) will takes 2hrs for the experiential assessment, while paper (IV) will take 6- 12month to present thesis
- If supplementary answer sheets are used, you must have your name and Index number written on all of them and bind it together for submission
- Make sure your answers bear the question numbers you are responding to in a correct order, on the answer sheets to aid easy marking by the scripts markers and examiners
- In the event of any encountered difficulties during the exams session, request for the supervisor assistance through any of the Invigilators

PAPER I
SECTION A. [100%]

HRS: 2hrs

1. Is Candlesticks practices
(A) A science (B) An Arts (C) Theory (D) Philosophy
2. Candle Charts provide many useful trading signals excepts
(A) Price Targets (B) Bearish Trends (C) Bullish Trends (D) Price Fluctuations
3. What is the extra advantage of technical analysis beyond fundamental analysis
(A) Psychological components (B) Price Changes (C) Earning ratios (D) Economic statistics
4. What makes paper money exchange, valuable in spite of no intrinsic value holding of it
(A) It money (B) Share psychology (C) The Law (D) It tangible
5. The technical analysts hears the voice of the market through
(A) Technical tools (B) Economic Calendar (C) Broker reports (D) Government reports
6. The axiom of technical analysis is
(A) Price analysis (B) Graph Analysis (C) Indicator Analysis (D) None of the above
7. Candlesticks terms are based on battle field analogies in commemoration of military conditions that in century suffused in
(A) Asia (B) India (C) Japan (D) Tokyo
8. The Second largest metropolitan area in Japan with an ancient remarkable appellation as the “Kitchen of Japan”
(A) Kansai (B) Keihanshin (C) Osaka (D) Yokohama
9. The world first “future-exchange-market” was
(A) Dojima Rice Exchange (B) Homma Exchange (C) Commodity Exchange (E) Sakata Exchange
10. The world most famous successful rice trader, as a commodity expert, who grew to become a financial consultant and honoured the title “Sumurai”
(A) Munehisa Homma’s (B) Yodoya Keian (C) Nobunaga Oda (D) Hide Yoshi Toyotomi
11. The rectangular sections of the candle lines are called
(A) Real body (B) Shadow (C) Sharen bottom (D) Shaven head

12. A Candle line with no upper shadow, is defined as
(A) Shaven head (B) Upper Shadow (C) Lower Shadow (D) Spinning Top
13. The real body of the candlesticks in the chartroom represent
(A) The market volume (B) The essence of price movement (C) Bullish Curve (D) Bearish Curve
14. What role do the 'Doji' candlesticks play in the market or the chartroom
(A) Reversal Signal (B) Trend Signal (C) Price Signal (D) Volume Signal
15. The Candlesticks formation of the market or in the chartroom signify
(A) Bullish pattern (B) Bearish pattern (C) Emotional health status (D) None of the above
16. Appearance of umbrella lines in candlesticks formation of the market, signify
(A) A trend is coming to a close
(B) A trend is about to start
(C) There is no trend in the market
(D) None of the above
17. There are two types of Umbrella lines in candlesticks formation
(A) Hammer & Hanging man (B) Bullish & Bearish (C) High & Low (D) Open & Close
18. When a bullish real body is engulfed by a bearish real body in a top reversal, signify
(A) Bearish engulfing pattern (B) Bullish engulfing pattern (C) Dark-Clouds (D) None of the above
19. One of the prime use of the engulfing pattern is utilizing them as
(A) Trend lines (B) Entering and Exit point (C) Support or Resistance line (D) None of the above
20. One of the most valuable ingredient of technical analysis is that, it can be used as a mechanism for a risk and money management approach to trading
(A) True (B) False (C) None of the Above

SECTION B.

1. Distinguish between trend and oscillating indicator, and set two examples each
[10mks]
2. Distinguish between the three most popular type of charts used in the trade room for price analysis
[10mks]
3. In examining price fluctuations in an hour of a US-dollar and Gh-Cedi trade, you resorted to the use of relative strength index instead of standard deviation indicator for market analysis, present your theoretical reasoning.
[20mks]
4. Discuss the relevance of multiple time trading skills to a leaner as a professional automated forex trader
[10mks]
5. As a trader, you have an intention to measure the inflow and outflow of money into a security over a specific period of time, using the “stock price” and “volume” of the market, which indicator will be appropriate and why.
[20mks]
6. Distinguish between a leading and a lagging indicator with example each
[10mks]

PAPER II

Answer all Questions [100%]

Hours: 2,1/2 hrs

1. The initial price of trade between US-dollar and Gh-Cedies was 4.05 as at 1st March, 2018. It was observed that on the 12th March, 2018 from 8:30am to 12:00pm, the Exchange rate stood at GhC4.18 and later fall to GhC4.11 from 12:01pm to 3:00pm. With the final closing price of GhC4.10 on that particular day

- i. Calculate the MFI-typical price of that very day
- ii. Calculate the raw money flow of that very day, if the volume of the market trade was 3million US-dollars.

[20mks]

2. XYZ Inc. trade it shares on Ghana stock Exchange. On the 3rd of April, 2009; the opening price of the market was GhC23.88, then the high price was recorded as GhC24.31 of that same day, while the closing price was reported as GhC23.55. Data collected from it signal price for 9days period of moving average convergence and divergence was tabled below as X1

Table X1.

DATE	SIGNAL PRICE
3/04/2009	14.09
4/04/2009	14.11
5/04/2009	14.13
6/04/2009	14.18
7/04/2009	14.21
8/04/2009	14.25
9/04/2009	14.29
10/04/2009	14.35
11/04/2009	14.38

The closing exponential price for 12 days in accumulation was GhC 1,014.48; while the closing exponential price for the 26days in accumulation was recorded as GhC676.32

- i. Calculate both the exponential moving average of 12days and 26days period
- ii. Calculate the moving average convergence and divergence of the price XYZ Inc.

[30mks]

3. Bullion Company Ltd., Is traded on Ghana Stock Exchange. On the 9th July, 2018; it traded a high price, which was recorded as Gh¢680.00 and the lowest price, to start with of that day was Gh¢420.00. On the following day, which was 10th July, Tuesday; the price had fallen to Gh¢380.00 observed to be the lowest price of that very day, yet the market had a bullish trend recording Gh¢720.00 as the peak price before the close of the market. Using the 14hrs period as the perimeter, calculate the Average directional movement of the market in favour of Bullion company to guide investors decisions on it worth for short term investment purposes

[25mks]

4. The Table X2 below expresses the price transactions of Gold at the commodity market, from the 4th -21st June 2018 as follows

Table X2.

Date	High Prices(\$)	Low Prices(\$)	Close Prices(\$)
04/06/18	1310.30	1243.74	1289.10
05/06/18	1291.06	1220.05	1256.00
06/06/18	1277.02	1120.00	1232.02
07/06/18	1341.00	1299.00	1285.60
08/06/18	1361.00	1310.00	1300.11
11/06/18	1298.00	1253.01	1240.62
12/06/18	1311.31	1273.00	1282.00
13/06/18	1296.01	1231.00	1271.00
14/06/18	1310.30	1243.74	1289.10
15/06/18	1291.06	1220.05	1256.00
18/06/18	1277.02	1120.00	1232.02
19/06/18	1361.00	1310.00	1300.11
20/06/18	1341.00	1299.00	1285.60
21/06/18	1277.02	1120.00	1232.02

- i. Calculate the typical price of Gold for the 14 days period
- ii. The simple moving average
- iii. The mean deviation
- iv. The commodity channel index of the Gold price performance

[25mks]

PAPER III

Hours: 2hrs

EXPERIENTIAL PROJECT [100%]

You are expected to assume the role as a scalper in the security trading profession, to trade for 2hours in the security market, a means to be assessed on your trading skills and performance. You are to choose any trader able instrument as preferred and trade for 2hrs as a portfolio manager of forex transaction. You are requested to demo trade with \$5000 as a margin account and recommended to select a pip value of \$5.0

Assessment Methodology

1. You will be assessed on how many pips you make in an hour of the scalping trade, converting it to profit and loss balance sheet.
2. 65-100 pips and over in profit making will be evaluated as “Good to Excellent” performance, while below 65 pips will be evaluated as “Average to Poor” performance in grading scale.

Grading data is shown below as Table Y.

Table Y.

Code#	Profit/Loss Ratio	Percentage Grading
1.	\$ 1-19	10%
2.	\$20-49	20%
3.	\$50-79	30%
4.	\$80-100	40%
5.	\$101-120	50%
6.	\$121-140	60%
7.	\$141-160	70%
8.	\$161-170	80%
9.	\$171-199	90%
10.	\$200+	100%

PAPER IV

[8-12] month Project Work

RESEARCH THEME DEVELOPMENT AND GUIDELINES

Guidelines for the assessment of methodological approach to thesis presentation of CTA-Course

1. You are required as a candidate to objectively develop the theme of your thesis, established from the foundation of your theoretical studies in securities trading cum capital market dynamics
2. The paper should have a quality methodological prospective
3. The essay should have a strong epistemological focus
4. A well-defined data collection procedures
5. A clearly defined process in reducing and analyzing data
6. Quality reflexivity
7. Approved Structure of Presenting your thesis
 - i. Abstract
 - ii. Background & Introduction
 - iii. Literature Review
 - iv. Methodology
 - v. Empirical
 - vi. Findings & Recommendation
 - vii. Conclusions
 - viii. Appendix
 - ix. References