

Total No. of Questions : 5]

SEAT No. :

PF-12126

[Total No. of Pages : 2

[6648]-824

M.B.A.

**SE-FIN11 : Technical Analysis of Financial Markets
(2024 Pattern) (Semester - IV)**

Time : 2½ Hours]

[Max. Marks : 50

Instructions to the candidates :

- 1) All questions are compulsory.
- 2) All questions carry equal marks.
- 3) Neat diagrams must be drawn wherever necessary.

Q1) Short Notes (Attempt any 5 | 2 Marks each)

[10]

- a) Two weaknesses of Technical Analysis.
- b) Morning Star Candlestick.
- c) Sideway Trend.
- d) Moving Average.
- e) Volume
- f) Line Chart
- g) Hammer vs. Inverse Hammer.
- h) Share of a Company.

Q2) Short Answers (Attempt any 2 | 5 Marks each)

[10]

- a) Discuss why traders prefer Technical Analysis over Fundamental Analysis for short-term trading.
- b) Using a simple diagram, explain how a “Support” level can turn into a “Resistance” level once broken.
- c) Explain the formation and trading implications of the Morning Star and Evening Star patterns.

P.T.O.

Q3) Solve Any One :

[10]

- a) Formulate a basic trading plan using Simple Moving Averages (SMA) and RSI. Explain how these two indicators together help a beginner avoid buying at the “peak” of a market.

OR

- b) You are a Portfolio Manager evaluating a blue-chip stock that has been sideways for six months. Current data shows the 50-day EMA is crossing above the 200-day EMA, while the RSI is at 72 and the MACD histogram is showing diminishing green bars. Formulate a comprehensive technical report evaluating the validity of this “Golden Cross.” Use the concept of Moving Average Convergence Divergence (MACD) and RSI to justify whether a “Buy” recommendation is premature or justified.

Q4) Solve Any One :

[10]

- a) Examine the common Risks Associated with Day Trading. Design a simple Momentum Strategy that a beginner could use to identify stocks moving quickly in one direction.

OR

- b) Design a Trading Strategy based on the Fundamental Concepts of Elliott Wave. Explain how a trader would identify the end of a corrective wave to enter a fresh impulsive wave. What specific risks associated with Day Trading must be mitigated during this execution?

Q5) Solve Any One :

[10]

- a) Discuss the Importance of Discipline in trading. Formulate a rule-based approach using Stop Loss and Trail Stop Loss to ensure you don't turn a winning trade into a losing one.

OR

- b) A junior trader at your firm has lost 15% of their capital in two weeks due to “revenge trading” and ignoring exit signals. They argue that the Efficient Market Theory (EMT) makes technical analysis redundant. Critically Contrast the assumptions of Efficient Market Theory with the practical reality of technical patterns.

