Latest Version: 6.0

Question: 1

Which of the following is true of moving average crossovers?

A. It is considered bearish when a short term moving average crosses above a longer term moving average
B. In a triple crossover trading system buying is signaled when the shortest term moving average crosses
C. over one of the other moving averages
D. The first crossover in a triple crossover system during an upside reversal is when the shortestterm
E. moving average crosses above one of the other two averages
F. Once a moving average system is optimized, it can be used for trading all markets

Answer: C

Question: 2

Stocks with superior fundamentals will normally decouple and start outperforming on an relative basis during:

A. a rampant bull market.
B. a market consolidation.
C. the last legs of an uptrend.
D. a market correction (bear market).

Answer: D

Question: 3

Which of the following points represents a valid island reversal in the chart below?

A. A
B. B
C. C
D. None of the above

Answer: D

Question: 4

Tick volume refers to:

A. the number of contracts traded at each price tick.
B. the number of contracts traded at each time interval.
C. the change in open interest during a particular time interval.
D. the number of recorded price changes during a particular time interval.

Answer: D

Question: 5

Which of the following best helps quantify the risk of a trading system?

A. Maximum Cumulative Drawdown
B. Maximum Favorable Excursions
C. Longest Flat Time
D. Length of Average Winning Trade

Answer: A

Question: 6

Which of the following is the calculation for price objective using the horizontal count method?
(Note: X is the multiplication symbol in this question)

A. Price level of the lowest box (for up counts) + (number of boxes in the reversal columns X reversal size)
B. Price level of the lowest box (for up counts) X number of boxes in the reversal columns X reversal size
C. Price level of the lowest box (for up counts) of the base X number of columns of the base X reversal size
D. Price level of the lowest box (for up counts) of the base + (number of columns of the base X reversal size)

Answer: D

Question: 7

This chart type integrates volume directly into the price bar:

A. Equivolume
B. VWOP
C. Renko
D. Ichimoku Cloud

Answer: A

Question: 8

When a market exceeds the high of the previous 4 weeks, cycle logic indicates that which of the following cycles has bottomed and turned up?

A. Seasonal
B. Long-term
C. Short-term
D. Intermediate-term

Answer: B