

Section 2

Basic Charting

Section Review Questions

Question 1

Price charts reveal and facilitate the study of _____.

- a) Market trends
- b) Fundamental research
- c) Random behavior
- d) Precise predictions

Question 2

Which type of chart is best suited for analysis of longer time periods?

- a) Intraday chart
- b) Arithmetic chart
- c) Tick chart
- d) Logarithmic chart

Question 3

Which candlestick pattern is most clearly identified in the shaded elliptical area on the following chart?



- a) Hanging man
- b) Piercing line
- c) Harami
- d) Bearish engulfing

Question 4

Which of the following candlestick patterns is considered a bearish reversal pattern?

- a) Hammer
- b) Hanging man
- c) Morning star
- d) Piercing line

Question 5

All of the following are true in regards to a Triple Top Breakout in a Point & Figure chart EXCEPT:

- a) A buy signal is created when the third X-column breaks above the prior two X-columns
- b) The pattern can be either a reversal or continuation pattern
- c) A Triple Top Breakout is less prone to failure than a Double Top Breakout
- d) A Triple Top Breakout is at least six columns wide

Question 6

This is a *bullish* chart pattern on a Point & Figure chart and a *bearish* chart pattern on a bar chart.

- a) Triangle
- b) Head & Shoulders
- c) Double Top
- d) Doji

Question 7

The horizontal count is a way to calculate a potential price objective in which of the following charting methods?

- a) Point & Figure
- b) Candlestick
- c) OHLC bar chart
- d) CandleVolume

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Section Review Answers

1) a

2) d

3) c

4) b

5) d

6) c

7) a