

Module I: Using Technical Indicators to Identify & Analyse Trading Opportunities

3 Days

COURSE OVERVIEW

This 3-day program is designed to give you a full understanding of technical trading and to provide a framework for its appropriate application in the real world. The main objective of the course is to provide the tools necessary for traders to be able to identify and analyse the risk profile and trading opportunities of financial markets price trends, in order to execute and manage with high confidence trades in the markets.

LEVEL

Intermediate

WHAT WILL I GET OUT OF IT?

This course aims to:

- Refresh the theory behind a number of trading philosophies & methodologies
- Provide a critical analysis of the appropriateness of each of these techniques
- Gives insight into their real world use
- Presents new thinking on the application of the various methodologies

PRE-REQUISITE(S)

- Delegates should be generally familiar with equity, currency, derivatives, Bond & Money markets
- To understand and apply the theory and principles of Technical Analysis
- To be able to interpret price action using Technical Analysis techniques
- To use the conclusions of the analysis to construct profitable trading strategies

THINGS TO BRING

Delegates are required to bring along a financial calculator, a pen and a ruler.

COURSE CONTENT

Assumptions of Technical Analysis

- Compared & complimented with fundamental analysis
- Chart construction
- Dow theory restated

Case study: A long term analysis of the US equities market using Dow Theory

Group discussion: Looking for recent major Dow reversals

Short Term Bar Analysis

- Analysing the day and hour bar
- Role of volume and ranges
- Short term reversal signals

Case study: Exercise in finding turning points on daily and intrad-day charts using a live data trading simulation

Long Term Bar Analysis

- Trend swing analysis
- Fibonacci ratios
- Trend lines
- Support and resistance
- Gap analysis
- Volume and open interest

Case study: Working out Fibonacci ratios by magnitude and timeframe

Case study II: Real time exercise in trend swing chart construction and intra-day live data trading simulation

Chart Pattern Recognition

- Reversal patterns
- Continuation patterns

Case study: Finding patterns and observing the evolution of a pattern – Lessons and consequences: of dreaming up patterns

Other Graphical Analysis Techniques

- Point and figure method
- Japanese candle sticks
- Market profile

Case study: Point and figure: defining the support and resistance levels. Measuring the price targets from break outs

Mathematical Approaches

- The single moving averages
- Types of averages and models
- Filters, use & abuse

Case study: Picking your favourite model – Dos and don'ts!

Trending Indicators

- Double & triple moving averages
- Directional movement indexes

Case study: A core trading model explained and applied to a variety of markets

Non-Trending & Other Momentum Models

- RSIs, Stochastic & Bollinger Bands

- Their application in different market conditions
- Options strategies & volatility

Case study: Review of a Trade – Getting the signals right. When to use and when not to

Trading Systems & Capital Management

- Design and construction
- Criteria and system optimization
- Risks of ruin
- Approaches to capital management
- Dynamics of trades

Case study: Group exercise of trade planning and risk management – 1 Planning stage, 2 – Actions during the trade and profit objective achievement

Esoteric Theories

- Gann analysis
- Elliot Wave analysis
- Cycles, Kondratieff, Astro, Business Cycle analysis

Case study: Doing an Actual Elliot wave count – do it – Don't hallucinate it!

Intermarket Technical Analysis

- Relative strength charts
- Asset allocation strategies.
- The link with the real world financial market trends

Case study: A contemporary group exercise in identifying main market risks and how they will impart YOUR market

Summary & Construction of Analysis & Trading Plan

- Trading strategies
- Further study
- Questions

Overall Application to Markets

- What factors cause funds to liquidate positions?
- Practical trading considerations and ideas
- Trading equities, interest rates, energies, soft commodities and metals
- Applying technical analysis to Asian financial markets

Course Summary & Conclusion