

During the online e-learning session following queries raised by the students and the answers provided by me are mentioned:

1.) What is Technical Analysis?

Answer: It is a method of examining and predicting price movements in the financial markets by using historical price charts and market statistics. It is based on the idea that if a trader can identify previous market patterns, they can form a fairly accurate prediction of future price trajectories. It looks for peaks, bottoms, trends, patterns and other factors affecting a stock's price movements and makes a buy/sell decision based on those factors.

2.) When did technical analysis originate as a concept?

Answer: Technical Analysis originated in the year 1884 when Prof. Charles H. Dow published a paper on the subject in the Wall Street Journal. Later his close friend A.J. Nelson further developed and formalized Dow theory as a tool of economic forecasting. Analysts started using charts of individual stocks and moving averages since the early 1920s.

3.) What are the three key factors which are important in the study of technical analysis?

Answer: In today's world following are the prominent criteria to be considered under technical analysis :

- (a) Market Activity
- (b) Past Prices
- (c) Trade Volume

4.) What are Support Level and Resistance Level?

Answer: In technical analysis the term support level refers to a low price level for a security or commodity below which prices do not ordinarily fall.

In technical analysis resistance level refers to an upper price level for a security or commodity that is repeatedly reached but not exceeded due to resistance from the market.



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