3.5 CHOOSE THE RIGHT VARIANT TO SUBSTITUTE THE UNDERLINED WORDS AND WORD COMBINATIONS

1. Technical analysis uses a variety of charts and calculations **to spot trends** in the market.

for trends spotting

to spotting trends

in trends spotting

for trends spottings

2. Technical analysts **don't bother looking** at any of the qualitative data about a company.

don't care about

don't aware about

do not care for

do not look for

3. Technical analysts believe that they can accurately predict the future price of a stock by looking at its historical prices and other **trading** variables.

performance

market

exchange

technical

4. Technical analysis assumes that market psychology **influences** trading in a way that lets them predict when a stock will rise or fall.

has an effect on

has effected at

has affected at

has an affect on

5. Critics of technical analysis say that the whole **endeavor** is a waste of time and effort.

effort

enterprise

activity

deed

6. They point to academic studies like Burton Malkiel's "A Random Walk Down Wall Street" as evidence that **there is no possible way** to predict future prices using historical prices.

there isn't any possible way

there isn't possibly

there is no possibly

there aren't possibilities

7. Technical analysts use dozens of different quantitative **metrics** in order to predict stock prices.

variables

measures

indices

ratios

8. If any such systems were found **to be successful**, those who practiced them would be wealthy beyond their wildest dreams.

to be a success

to be success

to be successfully

being successful

9. Support Level is the level that the technical analyst believes a stock price **will not fall below.**

not to fall below

to not fall below

not to be fallen below

to be not fallen below

☝ **3.6 FIND AND CORRECT MISTAKES IN THE FOLLOWING SENTENCES**

1. Perhaps the most commonly using variable in technical analysis is the average selling price for the stock over a set period of time
2. Moving average data are used to create charts that show whether or not a stock's price is trending up or down.
3. They can be used to tracking daily, weekly, or monthly patterns.
4. Each new days' numbers are added to the average and the oldest numbers are dropped.
5. On general, the shorter the time frame used, the more volatile the prices will appear.
6. Technical analysts use that is called relative strength in order to compare the price performance of one stock to the entire market.
7. The relative strength of a stock is being calculated by taking the percentage price change of a stock over a set period of time.
8. Some technical analyst like stocks with high relative strength rankings, believing that stocks which have recently gone up are more likely to continue going up.
9. Other technical analysts beleive that a very high relative strength can be an indication that the stock is overbought and is ready to fall.
10. Relative strength is really a "rear view window" metric, measured only how the stock has done in the past, not how it will do in the future.
11. Momentum investors seek taking advantage of upward or downward trends in stock prices or earnings.
12. They believe that this stocks will continue to head in the same direction because of the momentum that is already behind them.
13. The idea relies on the believe that there are a large number of lemmings in the market who will buy whatever stock is already hot.
14. Momentum investors do not nessecarily believe that momentum stocks will do well in the long run, but they do think that in the short run people will continue to buy them as they have in the immediate past.

15. This therefore involves many market timing which of course entails a substantial amount of risk.