



CMT Level 1 Prep Course

Presented by:

**Doaa Elwy Fahmy, CMT,MBA, CPM
MTA Board Director (2007- June 2011)**

The CMT I candidate is responsible for the material on a definition level. The candidate must understand the terminology used in these readings, be able to describe the concepts discussed in these readings, and be able to examine trends.

The CMT Level I Exam measures basic, entry-level competence. The CMT I candidate should have a working knowledge of the basic tools of the technician.

Exam time length: 2 hours

Exam format: Multiple Choice

CMT Level I Exam tests the candidate's knowledge of six basic areas of technical analysis:

- 1) Terminology of technical analysis
- 2) Methods of charting
- 3) Determination of price trends/basics of pattern recognition
- 4) Establishing price targets
- 5) Equity market analysis
- 6) Applying technical analysis to bonds, currencies, futures and options

Reading material

- 1) MTA Code of Ethics (attached at the end of this document)

- 2) Edwards, Robert D., Magee, John, and Bassetti, W.H.C., Technical Analysis of Stock Trends, 10th Edition, CRC Press, Taylor & Francis Group, Boca Raton, Florida, c2007, ISBN 978-1-4398-9818-5

- 3) Kirkpatrick, Charles D. and Dahlquist, Julie R.: Technical Analysis The Complete Resource for Financial Market Technicians 2nd Edition, Pearson Education, Inc., c. 2011, ISBN-10: 0-13-705944-2; ISBN-13: 978-0-13-705944-7

- 4) Pring, Martin J.: Technical Analysis Explained, 5th Edition, McGraw Hill Book Company, New York, NY, c. 2001, ISBN 978-0-07-182517-7

- 5) du Plessis, Jeremy, The Definitive Guide to Point and Figure 2nd Edition, Harriman House LTD, 2012, ISBN: 978-0857192-45-5.

CMT Level 1 Course:

- Duration : 10 sessions,
- Each 1.5 hour,
- 15 hours course!

Bonus Kit:

- Summaries for all the required books
- Question bank : 500 MCQ covering all exam topics

Course Structure

Session 1: Introduction to Technical Analysis

Definition of Technical Analysis

History of Technical Analysis

Fusion Analysis

Modern Technical Analysis & the MTA Code of Ethics

Course Structure

Session 2: Construction of Charts & Dow Theory

Types of Charts

Construction of Charts

Time Frames & other Charting Factors

Dow Theory

Course Structure

Session 3: Trend Analysis

Definitions and Types of Trends

Trendlines & Channels

Moving Averages

Other Trend Analysis Tools

Course Structure

Session 4: Chart Patterns

Market Bottom Patterns

Market Top Patterns

Trend Continuation Patterns

Gaps & Measured Moves

Course Structure

Session 5: Market Indicators Part I

Overview of Types of Indicators

Construction and Design

Volume Indicators

Momentum Indicators

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Session 6: Market Indicators Part II

Using Indicators

Confirmation

Breadth Indicators

Sentiment Indicators

Course Structure

Session 7: Systems & Money Management

Discretionary versus Non discretionary Trading

System Design

Testing and Optimization

Risk Management

Course Structure

Session 8: Intermarket Analysis & Cycles

Individual Stocks

Futures Markets

Commodities & Other Markets

Cycles

Course Structure

Session 9: Technical Analysis in Portfolio Management

Relative Strength

Statistics

Modern Applications

Usage Outside of Stocks

Course Structure

Session 10: Point and Figure Charting &

Course Wrap-up

Construction

Patterns & Signals

Trendlines

Price Targets



Thank you