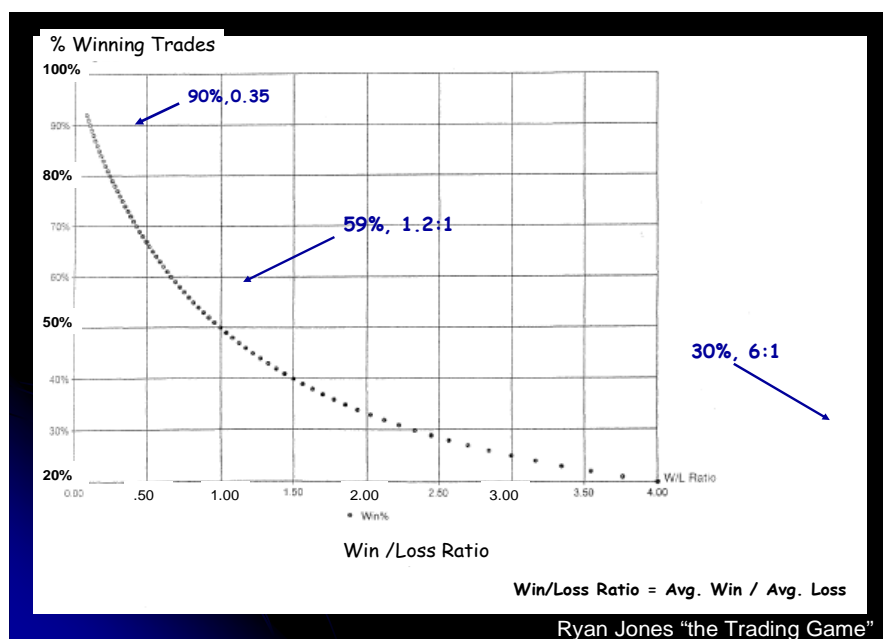


1. Explain how the shape of the term structure of volatility in a market determines the preferred style of trading?

Illustrate with a chart

2. Identify and explain diagrammatically which combination of the following trading systems will lead to the most optimal equity return outcome.

Success rate	Average Win/ Average Loss
85%	.40
55%	1.5
25%	6



3. Outline the main differences between Martingale and Anti-Martingale money management techniques?

4. Examine the following chart and illustrate some major points of the sentiment cycle.



5. Explain the pattern of ringed highs and ringed lows?

6. Examine the following chart and illustrate some major points of the sentiment cycle.

