Sample Questions for STA Diploma Level 1 Exam

Following are three sample type questions for the STA Diploma I Exam (the correct response is underlined). Past exams are not available.

1. A point and figure chart differs from a bar chart as
   A. a new plot on a point and figure chart is made only when the price changes by a given amount.
   B. time intervals are clearly shown in a point and figure chart.
   C. Point and figure charts are only concerned with measuring price momentum.
   D. price behaviour in the financial markets is cyclically based.

2. Technical analysis is rooted in the basic premise that
   A. price behaviour in the financial markets is random.
   B. price behaviour in the financial markets moves in trends
   C. price behaviour in the financial markets can only be understood by analysis of the underlying economic conditions surrounding the markets.
   D. none of the above

3. A sell signal is normally given when
   A. a shorter length moving average crosses below a longer length moving average from above.
   B. a longer length moving average crosses below a shorter length moving average from above.
   C. a shorter length moving average remains above a longer length moving average.
   D. none of the above.