RESEARCH METHODOLOGY

Sources of Data

a) Primary data:
This will be collected using a survey with the help of different sets of structured questionnaires on the basis of identified sample, interviews and observation of present and past Candlestick Charts.

b) Secondary data:
This shall be gathered from books and publications, magazines, internet, journals and periodicals, etc.

Research Design
Quantitative Descriptive Cross-Sectional
The research intends to quantify the profits generated by using Japanese Candlestick Technique. It would be temporal in nature and would be conducted on a sub-section of the respondent population. Thus the design adopted for Research is Quantitative Descriptive Cross-Sectional.

Sampling Type
Stratified Random Sampling
The sampling will involve division of the participants of the Foreign Exchange Market in India (population) into smaller strata like Currency Futures Brokers, Currency Dealers, and Proprietors having Foreign Currency Exposure, Foreign Exchange Risk Management Advisors, and Individuals from Corporate Treasury etc. formed on the basis of the common attributes within a stratum. A random sample from each stratum will be taken in a number proportional to the stratum's size when compared to the population. These subsets of the strata will then be pooled to form a random sample. Thus the sampling used will be Stratified Random Sampling. This Sampling type was adopted to reduce the potential for human bias in the selection of units of analysis to be included in the sample. Stratified random sample will provide us with an unbiased and diversified sample.
Sampling Plan

Age Group: 20-55 years

Market Participants having an Exposure of less than USD 10 Million per annum

Hedgers
- using only the Japanese Candlestick Technique – 50
- using Western Technical Indicators along with Japanese Candlestick Technique - 50
- using Fundamental data along with Technical Indicators - 50
- using Fundamental data along with Japanese Candlestick Technique - 50

Speculators
- using only the Japanese Candlestick Technique – 50
- using Western Technical Indicators along with Japanese Candlestick Technique - 50
- using Fundamental data along with Technical Indicators - 50
- using Fundamental data along with Japanese Candlestick Technique – 50

Market Participants having an Exposure between USD 10 Million and USD 25 Million per annum

Hedgers
- using only the Japanese Candlestick Technique – 30
- using Western Technical Indicators along with Japanese Candlestick Technique - 30
- using Fundamental data along with Technical Indicators - 30
- using Fundamental data along with Japanese Candlestick Technique - 30

Speculators
- using only the Japanese Candlestick Technique – 30
- using Western Technical Indicators along with Japanese Candlestick Technique - 30
- using Fundamental data along with Technical Indicators - 30
- using Fundamental data along with Japanese Candlestick Technique – 30
Market Participants having an Exposure of more than USD 25 Million per annum

Hedgers
- using only the Japanese Candlestick Technique – 30
- using Western Technical Indicators along with Japanese Candlestick Technique - 30
- using Fundamental data along with Technical Indicators - 30
- using Fundamental data along with Japanese Candlestick Technique - 30

Speculators
- using only the Japanese Candlestick Technique – 30
- using Western Technical Indicators along with Japanese Candlestick Technique - 30
- using Fundamental data along with Technical Indicators - 30
- using Fundamental data along with Japanese Candlestick Technique – 30

Sample Size: 880

Research Area
Across India – Especially cities like Mumbai, Delhi, Calcutta, Chennai, Bangalore, Hyderabad, Ahmedabad.

Hypothesis Test
The Hypothesis would be done using Statistical methods as below
Parametric Test
- z – test
- Anova
Non Parametric Test
- Chi – Square