



**DEMARK PROJECTION: STUDY ON  
ACCURACY OF MALAYSIAN STOCK PRICES  
PROJECTION USING TECHNICAL ANALYSIS**

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## ABSTRACT

Numerous studies in the finance literature have investigated technical analysis to determine its validity as an investment tool. This study investigates the predictability of technical indicators in stock market. The study focused on the Malaysian stock market using the data that collected from June 1<sup>st</sup> 2005 until 31<sup>st</sup> December 2005. The study only considers the Demark Projection (DP) method, which is one of Pivot point rules. It's expected the highest and lowest projection futures prices. This study used Paired Sample Test to find the significant different between mean of each projection price generated using formulas by Tom Demark. DP indicator is used as the subject of testing because its use to predict the share prices for the next trading day. From the finding, it is found that the real prices and projection prices calculated are indifferent from each other. Therefore it can be concluded that DP method is the best indicator to predict future prices in Malaysian stock market.