Independent study title	PERFORMANCE OF RULE-BASED TRADING ON SET PORTFOLIOS
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ABSTRACT

This paper examines the profitability of technical trading rules when forming portfolio on Stock Index of Thailand. Trading strategies investigated include rate of change (ROC), stochastic oscillator (STOCH), relative strength index (RSI) and money flow index (MFI). Performance are compared to Buy and Hold and compare against each other to see whether which technical indicator is the best. Test period cover 12 years of data from January 2006 to December 2017. Data is spitted into in-sample period (January 2006 to December 2011) and out-of-sample period (January 2012 to December 2017) to check the robustness of the results. Empirical results show there is no best technical indicators. Technical trading rules that outperform buy and hold only in-sample period becomes underperform when apply the same rules on out-of-sample period. Formal statistical tests show no technical trading rules can beat buy and hold statistically. This paper also finds insights about characteristic of momentum-based technical trading rules. Technical trading rules are able to generate profits not because of their timing ability but holding winning trades longer than losing trades.

Keywords: Technical trading, Technical indicators, Technical strategies, SET Index