Project Report

"A study of Performance of Top 5 Indian IT sector stocks Through Technical Analysis."

Submitted to

G. S. College of Commerce & Economics, Nagpur

Affiliated to

Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur

In partial fulfillment for the award of the degree of

Bachelor of Business Administration

Submitted by

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Under the Guidance of

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G.S. College Of Commerce & Economics, Nagpur

Academic Year 2022 –

G.S. College Of Commerce & Economics , Nagpur

Academic Year 2022 –

<u>CERTIFICATE</u>

This is to certify that **"Ujjwal Ravindra Bhakte"** has submitted the project report titled **"A Study of Performance of Top 5 Indian IT Sector Stocks Through Technical Analysis",** towards partial fulfillment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that he/she has ingeniously completed his/her project as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

Prof. Leena Kapse   **Dr. Afsar Sheikh**
(Project Guide)   **(Co-ordinator)**

Place: Nagpur
Date:

<u>G.S. College Of Commerce & Economics, Nagpur</u>

DECLARATION

I here-by declare that the project with title "A Study Of Performance Of Top 5 Indian IT Sectors Stocks Through Technical Analysis" has been completed by me in partial fulfillment of BACHELOR OF BUSINESS ADMINISTRATION degree examination as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

Ujjwal Bhakte

Place: Nagpur

Date:

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I will fail in my duty if I do not thank the Non-Teaching staff of the college for their Co-operation.

I would like to thank all those who helped me in making this project complete and successful.

Ujjwal Bhakte

Place: Nagpur

Date **:**

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INTRODUCTION

TECHNICAL ANALYSIS:

Technical analysis is a method used to evaluate securities, such as stocks, currencies, and commodities, by analysing statistical trends gathered from trading activity, such as price and volume. The goal of technical analysis is to identify patterns and trends in the data that can help investors make informed decisions about buying or selling a particular security.

Technical analysis is based on the premise that historical price and volume data can provide insight into future market movements. Technical analysts use charts and other tools to identify patterns and trends in the data, such as support and resistance levels, moving averages, and various technical indicators. They then use this information to predict future price movements and make investment decisions based on those predictions.

While technical analysis is often used in conjunction with fundamental analysis, which examines the underlying financial and economic factors affecting a security, it is unique in that it focuses primarily on price and volume data. Technical analysis can be used by traders and investors of all levels of experience, from individual retail traders to institutional investors and hedge funds.
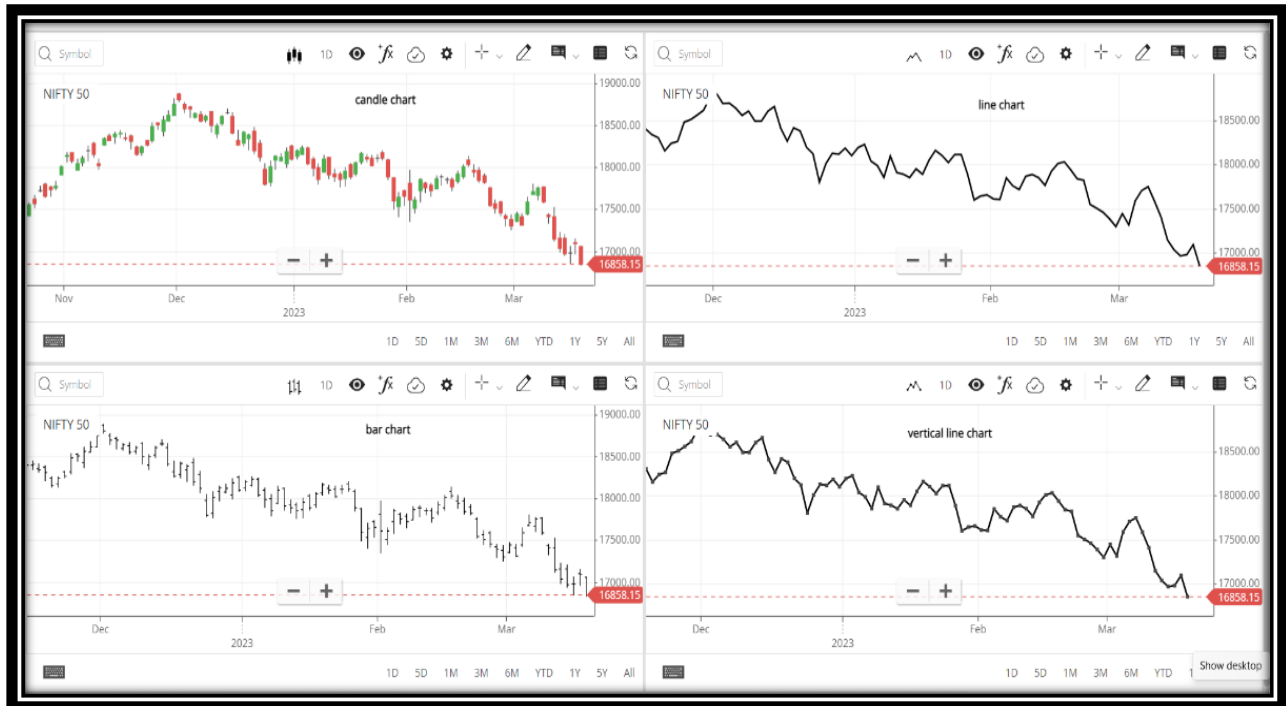
Technical analysts rely on a variety of data sources to perform their analysis. This can include price charts, trading volume data, and technical indicators. These data sources can be obtained from a variety of sources, including financial news websites, trading platforms, and specialized technical analysis software.

While technical analysis can be a powerful tool for analysing financial markets, it is important to note that it is not fool proof. Technical analysis can be affected by a variety of factors, including unexpected news events, changes in economic conditions, and other factors that may not be reflected in the price data. It's always a good idea to combine technical analysis with other forms of analysis, such as fundamental analysis (which looks at a company's financial health and other factors) and market sentiment analysis (which looks at investor sentiment and other factors).

* <u>KEY ELEMENTS OF TECHNICAL ANALYSIS:</u>

- <u>CHARTS</u>:

Charts: Technical analysts typically use charts to display price and volume data in a visually accessible way. There are several types of charts that can be used, including line charts, bar charts, and candlestick charts. Candlestick charts are particularly popular among technical analysts because they provide a more detailed view of price movements, including opening and closing prices and highs and lows.

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Technical Indicators:

Technical indicators are mathematical calculations that are applied to price and volume data to help identify patterns and trends. There are many different technical indicators that can be used, including moving averages, relative strength index (RSI), and MACD (moving average convergence divergence). Technical analysts may use one or more indicators to help them make trading decisions.

Support resistance levels and trendline:

Support and resistance levels. Support levels are areas where buyers have historically stepped in to buy a security, while resistance levels are areas where sellers have historically stepped in to sell a security. Technical analysts may use support and resistance levels to help them identify potential entry and exit points for a security.

Trendlines: Trendlines are lines drawn on a chart that connect two or more points, typically highs or lows. It can help technical analysts identify the overall direction of a security's price movements, as well as potential levels of support and resistance.

INDIAN IT SECTOR:

The Indian IT sector is one of the fastest growing and most dynamic sectors of the Indian economy. It includes software development, IT consulting, and business process outsourcing (BPO) services.

According to the National Association of Software and Services Companies (NASSCOM), the Indian IT sector is expected to reach a market size of $350 billion by 2025. The sector currently employs over 4 million people and contributes around 8% of India's GDP. Some of the major players in the Indian IT sector include Tata Consultancy Services (TCS), Infosys, Wipro, HCL Technologies, and Tech Mahindra. These companies provide a range of IT services to clients across the globe.

The Indian IT sector specializes in a variety of areas, including software development, application management, data analytics, cybersecurity, and cloud computing. Many Indian IT companies have also developed expertise in emerging technologies such as artificial intelligence (AI), blockchain, and the Internet of Things (IoT). Indian IT companies have a strong global presence, with many having established offices and delivery centres in countries around the world.

Some of the major players in the Indian IT sector have seen strong stock performance in recent years. For example, Tata Consultancy Services (TCS), one of the largest IT companies in India, has seen its stock price increase steadily over the past five years, with a compound annual growth rate (CAGR) of around 12%

during that period. Other major Indian IT companies such as Infosys, Wipro, and HCL Technologies have also seen positive stock performance in recent years.

Here's a brief overview of the performance of top Indian IT sector stocks in the past few years:

- Tata Consultancy Services (TCS): TCS is the largest IT services company in India, and its stock has performed well in the past few years. As of September 2021, the stock has returned over 100% in the past five years.

- Infosys: Infosys is another large IT services company in India, and its stock has also performed well in the past few years. As of September 2021, the stock has returned over 80% in the past five years.

- Wipro: Wipro is another major player in the Indian IT sector, and its stock has also seen strong performance in the past few years. As of September 2021, the stock has returned over 70% in the past five years.

- HCL Technologies: HCL Technologies is a leading IT services company in India, and its stock has also performed well in the past few years. As of September 2021, the stock has returned over 80% in the past five years.

Overall, the Indian IT sector has seen strong growth in the past few years, driven by increasing demand for technology services from both domestic and international markets. Despite some short-term challenges, these top Indian IT sector stocks have delivered strong returns to investors over the past few years. However, as with all investments, past performance is not a guarantee of future returns, and investors should carefully consider their own investment objectives and risk tolerance before investing in any stock or sector.

COMPANY PROFILE

Tata Consultancy Services [TCS]

Tata Consultancy Services (TCS) is an Indian multinational information technology (IT) services and consulting company with its headquarters in Mumbai. It is a part of the Tata Group and operates in 150 locations across 46 countries. In July 2022, it was reported that TCS had over 600,000 employees worldwide.

TCS is the second largest Indian company by market capitalization and is among the most valuable IT service brands worldwide. In 2015, TCS was ranked 64th overall in the Forbes "World's Most Innovative Companies" ranking, making it one of the highest-ranked IT services companies and a top Indian company. As of 2018, it is ranked eleventh on the Fortune India 500 list. In September 2021, TCS recorded a market capitalization of US$200 billion, making it the first Indian IT tech company to do so. In December 2022, the market cap was Rs. 11,71,481.89 crore.

In 2016–2017, parent company Tata Sons owned 72.05% of TCS and more than 70% of Tata Sons' dividends were generated by TCS.

TCS is a publicly listed company traded on both NSE and BSE. TCS was founded in 1968 by J.R.D Tata and it headquarter is situated in Mumbai, India. Chairman of TCS is Natarajan Chandrasekaran and MD&CEO is Rajesh Gobinathan. Total assets of company are US$18 billion and total equity is US$11 billion and TRDDC is the subsidiary of TCS.

Infosys Limited

Infosys Limited is an Indian multinational information technology company that provides business consulting, information technology and outsourcing services. The company was founded in Pune and is headquartered in Bangalore. Infosys is the second-largest Indian IT company, after Tata Consultancy Services, by 2020 revenue figures, and the 602nd largest public company in the world, according to the Forbes Global 2000 ranking.

On 24 August 2021, Infosys became the fourth Indian company to reach $100 billion in market capitalization. Infosys was founded by seven engineers in Pune, Maharashtra, India. Its initial capital was $250.Its annual revenue reached US$100 million in 1999, US$1 billion in 2004 and US$10 billion in 2017.In India, shares of Infosys are listed on the BSE where it is a part of the BSE SENSEX and the NSE where it is a NIFTY 50 Constituent. Its shares are listed by way of American depositary receipts (ADRs) at the New York Stock Exchange.

As of 29 July 2021, the promoter holding was 12.95%, foreign institutional investors (FIIs) hold 33.39%, and domestic institutional investors (DIIs) hold 21.98%. Infosys appointed Salil Parekh as chief executive officer (CEO) and managing director (MD) with effect from 2 January 2018. Total assets of company are US$15 billion and total equity is US$4 billion.

Wipro Limited

Wipro Limited (formerly, Western India Palm Refined Oils Limited) is an Indian multinational corporation that provides information technology, consulting, and business process services. Thierry Delaporte is serving as CEO and managing director of Wipro since July 2020.

Wipro's capabilities range across cloud computing, cyber security, digital transformation, artificial intelligence, robotics, data analytics, and other technology consulting services to customers in 167 countries. The company was incorporated on 29 December 1945 in Amalner, India, by Mohamed Premji as Western India Vegetable Products Limited, later abbreviated to Wipro in 1999, Wipro was listed on the New York Stock Exchange. In 2004, Wipro became the second Indian IT company to earn US$1 billion in annual revenue.

In 2012, Wipro demerged its non-IT businesses into a separate company called Wipro Enterprises. Prior to this demerger, these businesses, mainly in the consumer care, lighting, furniture, hydraulics, water treatment, and medical diagnostics, contributed about 10% of Wipro's total revenues Wipro's initial public offering was in 1946. Wipro's equity shares are listed on Bombay Stock Exchange, where it is a constituent of the BSE SENSEX index, and the National Stock Exchange of India where it is a constituent of the S&P CNX Nifty. Total assets of company is US$13 billion and total equity is US$8.1 billion and revenue is US$16 billion.

HCLTech

HCL Technologies Limited

HCL Technologies Limited, HCL Tech (formerly Hindustan Computers Limited), is an Indian multinational information technology (IT) services and consulting company headquartered in Noida. It emerged as an independent company in 1991 when HCL entered the software services business. The company has offices in 52 countries and over 210,966 employees.

HCL Tech is on the Forbes Global 2000 list. It is among the top 20 largest publicly traded companies in India with a market capitalisation of ₹279,209 crore as of March 2022.HCL Enterprise was founded in 1976.

The first three subsidiaries of parent HCL Enterprise were HCL Technologies, HCL Infosystems & HCL Healthcare. In 1976, a group of eight engineers, all former employees of Delhi Cloth & General Mills, led by Shiv Nadar, started a company that would make personal computers The company went public on 10 November 1999, with an issue of 142 crore (14.2 million) shares, valued at ₹4 each.

 key personal of the company are Roshni Nadar Malhotra (Chairperson), Shiv Nadar (Chairman Emeritus & CSO), C Vijayakumar (CEO). Revenue of the company is US$11 billion and total assets of company is US$11 billion and total equity is US$7.4 billion. In July 2018, US-based Action was acquired by HCL and Sumeru Equity Partners for $330 million.

TECH mahindra

Tech Mahindra

Tech Mahindra is an Indian multinational information technology services and consulting company. Part of the Mahindra Group, the company is headquartered in Pune and has its registered office in Mumbai. Tech Mahindra is a US$6.0 billion company with over 158,000 employees across 90 countries. The company was ranked #5 in India's IT firms and overall, #47 on Fortune India 500 list for 2019.

On 25 June 2013, Tech Mahindra announced the completion of a merger with Mahindra Satyam. Tech Mahindra has 1262 active clients as of June 2022.Tech Mahindra Limited has entered into share subscription agreement to acquire 26% equity shares in Upendra Singh Multi Transmission Private Limited. The acquisition would enable the Company to procure 1.5 MW of Solar Energy for its captive consumption at its facilities located in Noida, UP.

Tech Mahindra was founded on 24 oct 1986 by Anand Mahindra. Revenue of Tech Mahindra is US$4.8 billion and net income is US$550 million and company owns total assets worth US$5.0 billion. Anand Mahindra is the chairman and C.P Gurnani is the MD & CEO of Tech Mahindra. In India company is traded on both NSE and BSE.

LITERATURE REVIEW

Literature review :

1)   Boobalan (2014); examined the technical analysis in Indian stock market for 2011-2014 using RSI, EMA and MACD tools, and found that the analysis tools provided strong signals to buy in many cases except in few stocks. Both Technical and Fundamental analysis helped in the prediction of future trends of the selected companies of stock market, to invest.

2)   Jayakumar and Sumathi (2014) ; focused on banking sector and suggested that the investor should look for right opportunities in the market environment. Technical analysis gave a better understanding of the stocks. They believed that supply and demand of stock are the factors that are depicted in technical analysis, therefore the investor should study the market trends clearly and apply the tools accordingly to earn maximum return from the investment.

3)   Nithya and Thamizhchelvan (2014); analyzed the performance of MACD and RSI charting techniques from Jan 2013 -Feb 2014 in the banking sector scrips to predict for future investment strategy. Study found that the tools employed, performed well to generate positive signal to buy the stocks. It was also suggested to the investors to consider various factors which affect the market before making any investment.

RESEARCH STUDY

Objectives Of Study:

- To analysis the prices of top 5 companies' stocks in the Indian IT sector by using technical analysis.

- To analyse risk and return of IT sector 5 companies' stocks.

- To analysis the price patterns to predict the future price movement of the stocks.

- To do comparative analysis of the returns given by top 5 IT stock.

- To study the performance of Indian Five IT sector stock performance.

Hypothesis:

H1: There is significant relationship between Technical analysis and risk & return involve in stock.

H0: There is no significant relationship between technical analysis and risk and return

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RESEARCH METHODOLOGY

What is Research…?

Research means search for facts to find answers to certain questions or to find solutions to certain problems. It is often referred to as 'scientific inquiry' or 'scientific investigation' into a specific problem or situation. There are two types of data: -

- Primary Data

- Secondary Data

The present study is based on secondary data which is collected using different blogs & stock exchange website.

- Research design (Method, data collection)

- Primary data

  The primary data is that data which is collected fresh and first hand and for first time which is original in nature.

But in this project, we are collecting data from secondary data The secondary data are those data which are collected by webbased, publication in the newspaper, magazines, and information available on the internet.

DATA ANALYSIS & INTERPRETATION

DATA ANALYSIS :

Data analysis is the process of ordering, categorizing, manipulating, and summarizing data to obtain answers to research questions. It is usually the first step taken towards data interpretation. Data interpretation is the process of reviewing data through some predefined processes which will help assign some meaning to the data and arrive at a relevant conclusion. It involves taking the result of data analysis, making inferences on the relations studied, and using them to conclude.

In this study data of top five IT companies have collected (TCS, INFOSYS, HCL TECH, WIPRO, TECH MAHINDRA). With the help of 12 days moving average,20 days moving average and candle stick patterns support resistance zones and other technical indicators entry and exit points are detected. This will help to collect the data of each stock regarding to its risk and returns.

With the help of collected data all possible entries in the selected stocks are analyse from the year 2021 to 2022. Data from each candlestick chart have been analyse.

As per technical parameters Entry and exit will be as follows:

- ENTRY - As 12 days moving average cross with 20 days moving average upside with formation of bullish candlestick in daily timeframe with other technical indications like trendline, support resistance and price patterns.

- TARGET EXIT – Will exit at 1:2 risk to reward ratio (Risk and reward in this study are 1:2 which is the minimum reward taken as per technical parameter used is the study).

- STOPLOSS EXIT – At the lowest low of three candles.

Technical tools use for analysis:

- MOVING AVERAGE –

  Moving Average (MA) is a price based, lagging (or reactive) indicator that displays the average price of a security over a set period of time. A Moving Average is a good way to gauge momentum as well as to confirm trends, and define areas of support and resistance. Essentially, Moving Averages smooth out the "noise" when trying to interpret charts. Noise is made up of fluctuations of both price and volume. Because a Moving Average is a lagging indicator and reacts to events that have already happened, it is not used as a predictive indicator but rather an interpretive one, used for confirmations and analysis. In fact, Moving Averages form the basis of several other well-known technical analysis tools such as Bollinger Bands and the MACD. There are a few different types of Moving Averages which all take the same basic premise and add a variation.

- RELATIVE STRENGTH INDEX (RSI) -

  The Relative Strength Index (RSI) is a well versed momentum based oscillator which is used to measure the speed (velocity) as well as the change (magnitude) of directional price movements. Essentially RSI, when graphed, provides a visual mean to monitor both the current, as well as historical, strength and weakness of a particular market. The strength or weakness is based on closing prices over the duration of a specified trading period creating a reliable metric of price and momentum changes. Given

the popularity of cash settled instruments (stock indexes) and leveraged financial products (the entire field of derivatives); RSI has proven to be a viable indicator of price movements.

- Moving Average Convergence/Divergence (MACD) :

Moving average convergence/divergence (MACD, or MAC-D) is a trend-following momentum indicator that shows the relationship between two exponential moving averages (EMAs) of a security's price. The MACD line is calculated by subtracting the 26-period EMA from the 12-period EMA.

The result of that calculation is the MACD line. A nine-day EMA of the MACD line is called the signal line, which is then plotted on top of the MACD line, which can function as a trigger for buy or sell signals. Traders may buy the security when the MACD line crosses above the signal line and sell—or short—the security when the MACD line crosses below the signal line. MACD indicators can be interpreted in several ways, but the more common methods are crossovers, divergences, and rapid rises/falls.

Tata Consultancy Services [TCS]

From the year 2021-2022 according to our technical parameters and assumptions in Tata Consultancy Services three perfect entries are detected. These entries are as follows:

ENTRY 1 – 16/03/2021

As shown in above chart of TCS it gives clear buying indication on 16/03/2021 as 12 days moving average crosses the 20-day moving average. There is also a trend reversal indication from down trend to up trend as it has broken the downtrend channel and forms higher high candles. MACD is also giving bullish indication forming positive histogram.so, the buying price in above entry is 3110 which is the closing price of TCS on 16/03/21 and our stoploss was at 3041. In this trade our stoploss is triggered giving loss of 50 points giving us -2% return.

ENTRY 2 – 25/05/21

As shown in above chart of TCS it gives clear buying indication on 25/05/2021 as 12 days moving average crosses the 20-day moving average. The price is also forming bullish candlestick and breaking triangle pattern in daily time frame. while MACD signal and histogram is also bullish. The buying price in the above chart is 3114 and stoploss is at 3052 at the low of triangle and target point is 3250 where our target point has been achieved giving us return of up to +4%.

ENTRY 3 -13/10/22

As shown in above chart of TCS it gives clear buying indication on 25/05/2021 as 12 days moving average crosses the 20-day moving average. The price in daily time frame breakdown the bearish channel and forming a support area at 2950 giving a sign of bullish momentum. Daily candle of TCS is also forming bullish hammer pattern and MACD parameters are also bullish. So, our buying price is 3103 i.e., the closing of daily candle of TCS on 13/10/22 and stoploss is at lowest low of third candle at 3005. In this trade our target point is 3300 according to our 1:2 Risk Reward ratio which has been achieved giving us return up to +6%.

Infosys

Infosys Limited

From the year 2021-2022 according to our technical parameters and assumptions in Infosys Limited two perfect entries are detected. These entries are as follows:

ENTRY 1-28/07/21

As shown in above chart of Infosys it gives clear buying indication on 28/07/2021 as 12 days moving average crosses the 20-day moving average. The price is in full uptrend and following the trendline. In daily time frame price breakdown, the channel which it has been following in last 2-3 weeks. In the above chart we can also saw clear divergence of RSI which shows bullish strength. The buying price in above chart is 1605 and stoploss is at 1540. Take profit price according to our risk to reward criteria is 1740 which has been achieved successfully giving us return up to +8%.

ENTRY 2- 12/10/2022

In the above chart of Infosys on 12/10/22 price forms a bullish candle. Previously price just take support from the important support level. The 12 days moving average also crosses the 20-day moving average giving us buying indication according to aur primary buying criteria. After taking support from the previous support level chart form a channel and then give a strong breakout which gives a bullish indication. MACD indicator is also bullish hence our buying price in above entry is at 1428 (closing price on 12/1022) and stoploss is below the previous support zone we can also take stoploss at lowest low of three candle but while considering the volatility we will take stoploss at 1352 and take profit at 1575 according to our 1:2 risk reward ratio. This trade gives us returns up to +10%.

Wipro Limited

From the year 2021-2022 according to our technical parameters and assumptions in Wipro limited Two perfect entries are detected. These entries are as follows:

ENTRY 1-15/04/21

As shown in above chart of WIPRO LTD it gives clear buying indication on 15/04/2021 as 12 days moving average crosses the 20-day moving average. The piece was following the channel in previous days and take support at previous support zone at 408. After taking support from the support zone price break the channel with a strong momentum and retest on channel, so in above chart we will take entry at crossover at price of 430 and our stoploss will be at 412 while our take profit point is at 475. In this trade we get returns up to +8%.
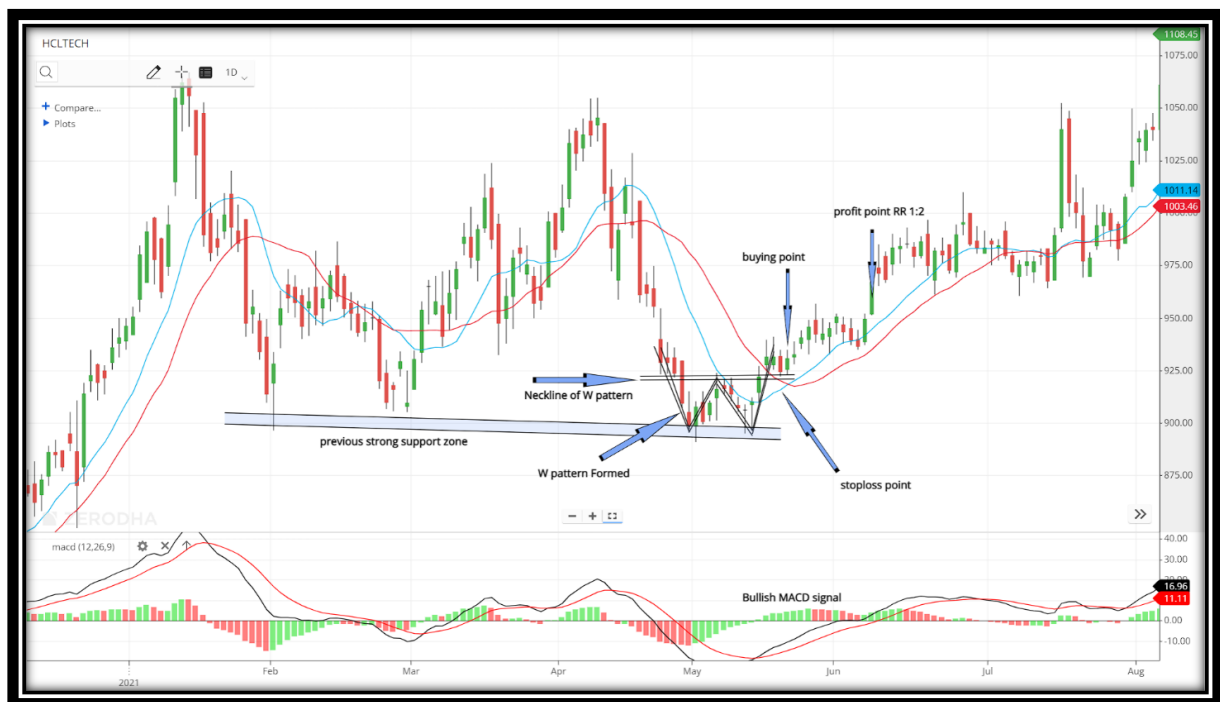
Entry 2- 4/03/22

As shown in above chart of Wipro ltd it gives clear buying indication on 04/03/2022 as 12 days moving average crosses the 20-day moving average. The price was constantly taking support from the zone it was showing indication of formation of W chart pattern which is bullish price pattern. As price take support third time from the zone and after that moving average crosses each other a bullish momentum was about to form. RSI was also just got out of oversold zone which was showing that buyers are taking control. So, in above chart our entry was at 575 and stoploss was at 555 at the lowest low. According to our risk reward criteria our profit point was at 615. In this trade we will get return of +7%.

HCLTech
HCL Technologies Limited

From the year 2021-2022 according to our technical parameters and assumptions in HCL Tech one perfect entry is detected. These entries are as follows:

ENTRY 1- 21/05/21

In the above chart of HCL Technologies ltd. Crossover of 12 MA and 20 MA was form at 21/05/2021. The price in above chart was in uptrend, previously it takes support from previous support zone forming W pattern and then take support at the neck line of W pattern. The MACD signal line and average line was also give crossover giving bullish indication. The buying price in the above chart was at 930 which was the closing price on 21/05/2021 while stoploss was below the neckline at 915 and take profit point was at 960 according to our RR ratio (1:2). In this trade we take profit up to +4%.

Tech Mahindra

From the year 2021-2022 according to our technical parameters and assumptions in Tech Mahindra two perfect entry is detected. These entries are as follows:

ENTRY 1-19/05/21

On 19/05/2021 in TECH Mahindra ltd. 12 days MA crosses 20-day MA with formation of a bullish candle. The price was taking constant support from the important support zone shown in the chart. The MACD was also bullish. After forming a hammer candle price move strong in upward direction so after considering this factors we will take entry on crossover at the closing price 977 and our stoploss will be at 957. According to 1:2 risk reward ratio profit point was at 1020 giving us return up to +5%.

ENTRY 2- 22/07/21

As shown in above chart of TECH Mahindra ltd. it gives clear buying indication on 22/07/2021 as 12 days moving average crosses the 20-day moving average. The price was in strong momentum following a bullish trend line taking constant support on it. Later it breaks down the previous high formed and sustain above it. The MACD indictor was also giving pure bullish indication by forming upward histogram bars above the zero line. The buying price in above trade was at 1148 which is the closing price on 27/07/2021, stoploss was at 1080 which was the lowest point while the take profit was at 1284 giving us returns up to +12%.

OVERALL INTERPRETATION:

By analysing the above presented data following points are interpreted :

Company Name	Buying Indication-Date	Returns in %
TCS	1- 16/03/22 2- 25/05/21 3- 13/10/22	-2% +4% +6%
Infosys	1- 28/07/21 2- 12/10/22	+8% +10%
Wipro	1- 15/04/21 2- 4/03/22	+8% +7%
HCL Tech	1- 21/05/21	+4%
Tech Mahindra	1- 19/05/21 2- 22/07/21	+5% +12%

- So according to our technical analysis criteria implementation highest return giving stock is Infosys with +18%.

- While the lowest performing stock in terms of returns is HCL ltd. With 4% of returns.

- Considering data of top 5 IT companies stock we can also term that between 2021-2022 overall IT sector was moderately bullish.

LIMITATION OF STUDY

Limitation of study /Research

- This project only Analyse the top 5 stocks of IT sector.

- This research is done for 2 years (2021 and 2022)

- Analysis is done only based on technical aspects which exclude all fundamental analysis concept.

- The returns calculate are based on minimum returns criteria and does not show actual returns in the overall time period.

CONCLUSION

Conclusion:

Technical analysis is tool to predict the future direction of individual stock or securities. There are more number of tools to analysis the securities, but technical analysis is one of the best tools to provide practical exposure to investors. We can conclude from the result that technical indicators can play useful role in the timing stock market entry and exit. By applying technical tools brokers or investors enjoy substantial profit. Shares volatility of IT sectors differ from other sectors because IT share volatility depends upon many abroad news.

Recommendations & Suggestions.

Recommendations & Suggestions for investors:

- Investors can rely on the technical analysis for taking investment decision in TCS stock as it follows the technical patterns in good manner.

- INFOSYS is a good company to invest but sometimes in goes into consolidation state so investors should be cautious if they are taking short term bets in INFOSYS with the help of technical analysis.

- WIPRO tends to trade in very small price range so if the investors wants big move in the price they should go for other IT stocks rather than WIPRO.

- HCL Tech is a highly volatile stock forming very big candles in the charts and dose not follow the technical analysis rules as expected so investors should be aware of it before investing in HCL technology.

- TECH MAHINDRA is a quality stock for taking trades based on technical analysis as it follows the rules of technical analysis most of the time and also trade in a good price range with decent volatility.

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