

A STUDY ON ANALYSIS OF STOCK PRICES USING TECHNICAL INDICATORS

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Abstract: A study on analysis of stock prices using technical indicators. The important objective of this study is to analyze the stock performance. The research design followed in this study is analytical research. The secondary data is collected through the website. Technical tools that are used in this study is:

- Volatility Indicators (Bollinger Band)
- Momentum Indicators (Williams)
- Market strength Indicator (On-Balance Volume)
- Support and Resistance Indicators (Fibonacci)
- Trend Indicators (Aroon Indicators)

A strong consumer confident levels still increasing in Hindustan Unilever Limited. So [1-5], the prices were continuously increasing the bullish levels and not make a huge from in bullish mode.

Keywords: Stock market, technical indicators.

1. Needs of the Study

- Investment is the one of the art whose know value of the money. In the world more options we having to invest our money for future plans [7-8].
- Majority of the people wants to invest their money into money market.
- Stock market is one of the topmost options for people invest their money.
- In the study we analyses HUL stocks using technical indicators to predict its future performance. Major 5 indicators we use to predict in the particular stocks.

2. Objectives of the study

Primary Objective:

A study on analysis of stock prices using technical indicators.

Secondary Objective:

- To analyze and interpret the stock price behavior in the year of 2011.
- To find out the Support and Resistance levels of stock prices using Fibonacci [9-13].
- Using Market Strength Indicators to find On-Balance-value of stock prices.

Research Design: Analytical Research

Data Analysis and Interpretation Bollinger Band

Formula: Upper band = MA + Deviation Lower band = MA - Deviation

Bollinger Bands consist of 3 lines – MA, Upper Band and Lower Band

Deviation 2 * Default is 2 but you may change this.

Remark: The more data you have the accurate the result value.

Formula:

Steps in the On Balance Volume calculation are as follows

When the current bar close is higher than the previous bar close

OBV = previous bar OBV + current bar Volume

When the current bar close is below than the previous bar close

OBV = previous bar OBV - current bar Volume

Date	Open	High	Low	Close	Volume	OBV
3-Jan-11	310.05	315.9	310	313.15	799917	
4-Jan-11	314	329.9	313.5	320.9	5397799	5,397,799
5-Jan-11	320.7	327.35	317.25	325.7	2728170	8,125,969
6-Jan-11	327.55	328.8	312.4	320.75	3041466	5,084,503
7-Jan-11	321.9	322.9	310.6	313.05	1724192	3,360,311
10-Jan-11	312	317.65	306.5	309	2015882	1,344,429
11-Jan-11	309.5	312.5	303.3	307.95	2119800	-775,371
12-Jan-11	309.6	310.5	301.6	304.9	2307451	-3,082,822

13-Jan-11	306	307.15	300.25	302.2	1881351	-4,964,173
14-Jan-11	303.5	313.2	301.55	302.55	2492947	-2,471,226
17-Jan-11	302.8	305.5	300	301.65	1474297	-3,945,523
18-Jan-11	302	304.8	300.5	301.85	1808453	-2,137,070
19-Jan-11	303.75	303.75	298.45	299.65	1937115	-4,074,185
20-Jan-11	296.35	301	296.35	299.9	1109110	-2,965,075
21-Jan-11	300	300.95	297	298.2	783110	-3,748,185
24-Jan-11	297.8	302	296	297.95	1753836	-5,502,021
25-Jan-11	299.9	303	280.55	281.9	4655704	-10,157,725
27-Jan-11	282	283	270	270.7	6960343	-17,118,068
28-Jan-11	270	275	267	271.95	4089851	-13,028,217
31-Jan-11	270	276.95	266.4	271.15	2852476	-15,880,693

3. Findings

- In the month of January Up Trend try to forming a bullish sign so prices will be increase on Next month[14-18].
- In the month of february Down Trend try to forming a bearish sign so prices will be falling on Next month.
- In the month of march Aroon Up&Down trend both are showing neutral trend so prices consolidated.
- In the month of april Up Trend try to forming a bullish sign so prices will be increase on Next month.
- In the month of may Aroon Up&Down both are showing neutral trend so prices consolidated[19-21].
- In the month of june Aroon Down Trend forming to strong signal so prices will be falling on Next month.
- In the month of july Aroon Up&Down both are showing neutral trend so prices consolidated.
- In the month of December Aroon Up&Down both are showing a neutral trend so prices consolidated.
- In the cycle indicators I using Fibonacci for finding projections and resistance levels of HUL cycle in the year2011.In the Fibonacci only given to the projections and retracement levels its vary month of to month of basis of the stock pricing cycle[22-26].
- A study on OBV 5th January, 6th January, indicates the down trend will occur soon. Volume rising the secondary market so, OBV given negative sign.

4. Suggestions

- In the year 2011 the business world faces lot of crises in stock market.because of uncertainty of stock market fluctiations.
- A strong consumer confident levels still increasing. So,the price were continuously increasing the bullish levels and not make a huge from in bullish mode[27-30].

- In the study highly recommended by the way of inspections if any one want to invest their money to FMCG sectors in long term basis is the right choice.

5. Conclusion

In the year of 2011 prices traded on low(264.45) and high(420.25).According to our study to analyze technical levels as well as advice to trading levels to traders.

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