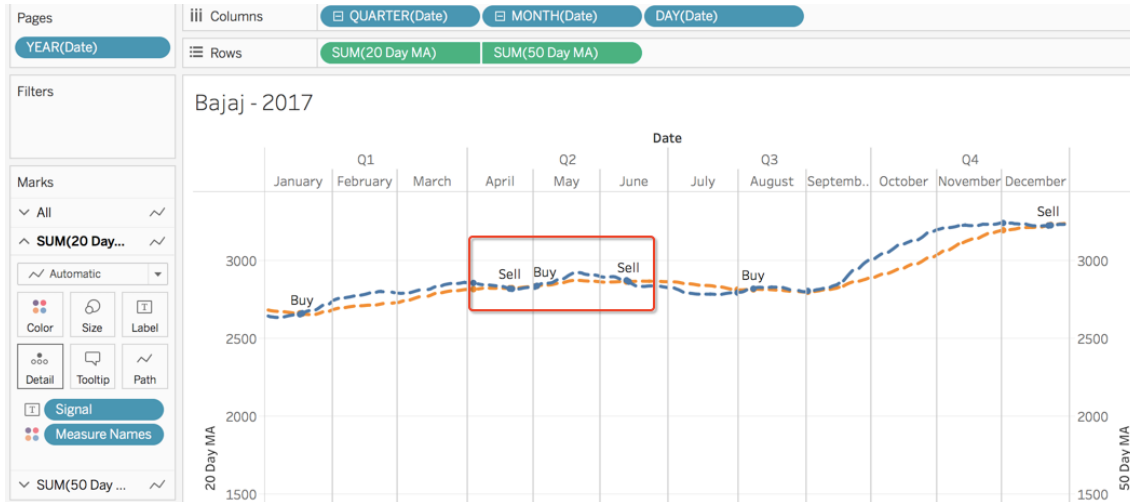# Stock Analysis

Bajaj

1) We can spot inaccuracies in the way Death & Golden crossovers of 20 Day MA and 50 Day MA are signalling traders to buy and sell stocks can be seen in Q2 of 2017. If traders had followed the Sell signal in June as highlighted below, they would have missed the prolonged buy opportunity from Aug to mid Dec.
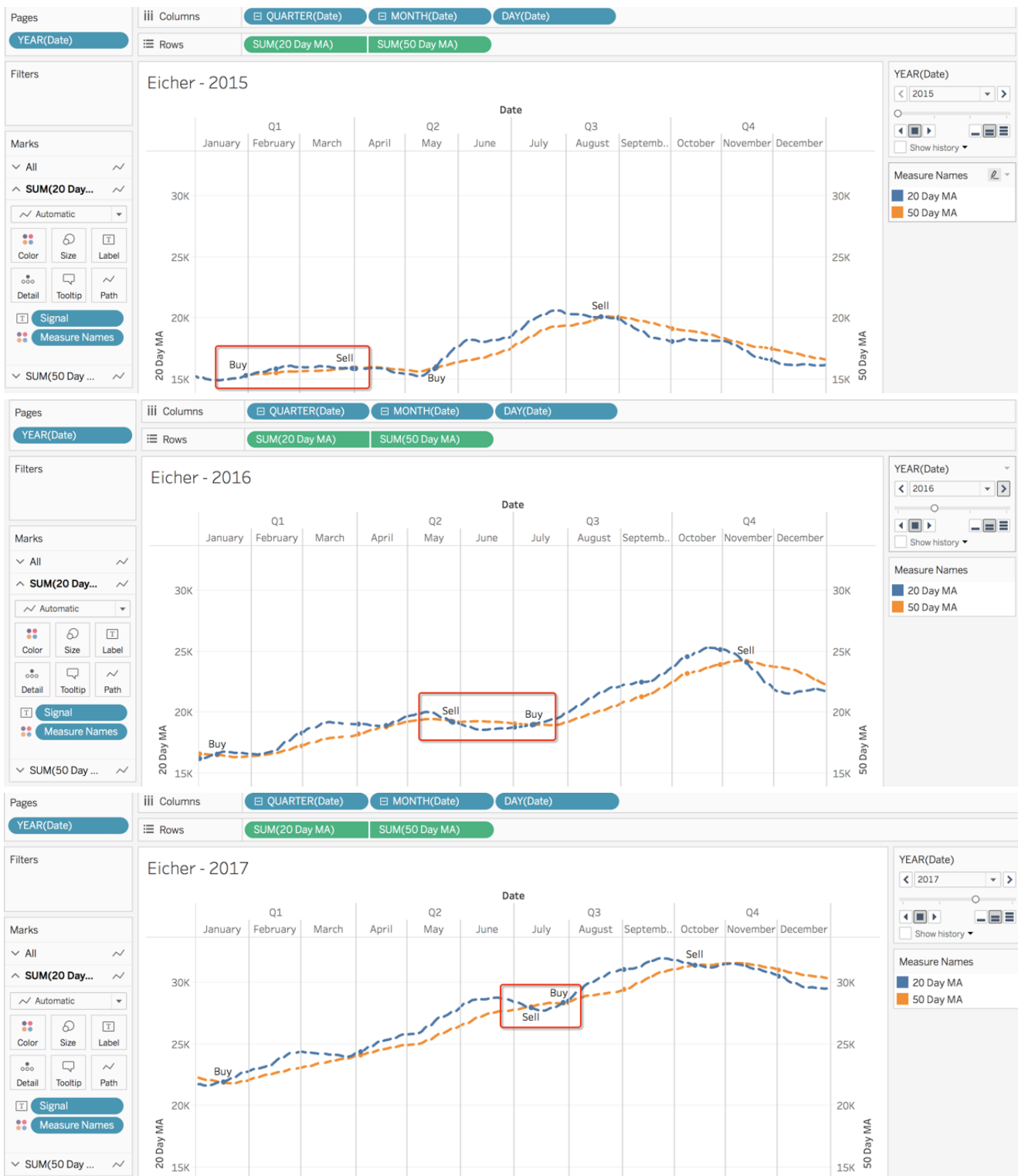

**2)** We can spot the same inaccuracies in 2018 as well:
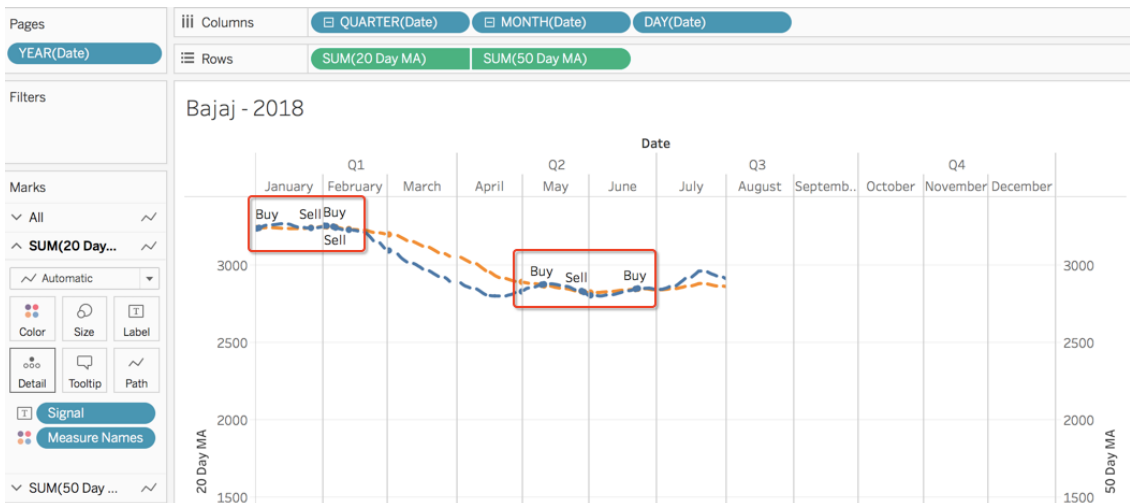
Eicher

We can spot inaccuracies in Eicher as well as shown below before a strong golden cross in the mid of 2015, 2016 & 2017 respectively:

Eicher - 2015

Date

Q1 — January February March | Q2 — April May June | Q3 — July August Septemb.. | Q4 — October November December

Buy · Sell · Sell · Buy

Eicher - 2016

Date

Q1 — January February March | Q2 — April May June | Q3 — July August Septemb.. | Q4 — October November December

Buy · Sell · Buy · Sell

Eicher - 2017

Date

Q1 — January February March | Q2 — April May June | Q3 — July August Septemb.. | Q4 — October November December
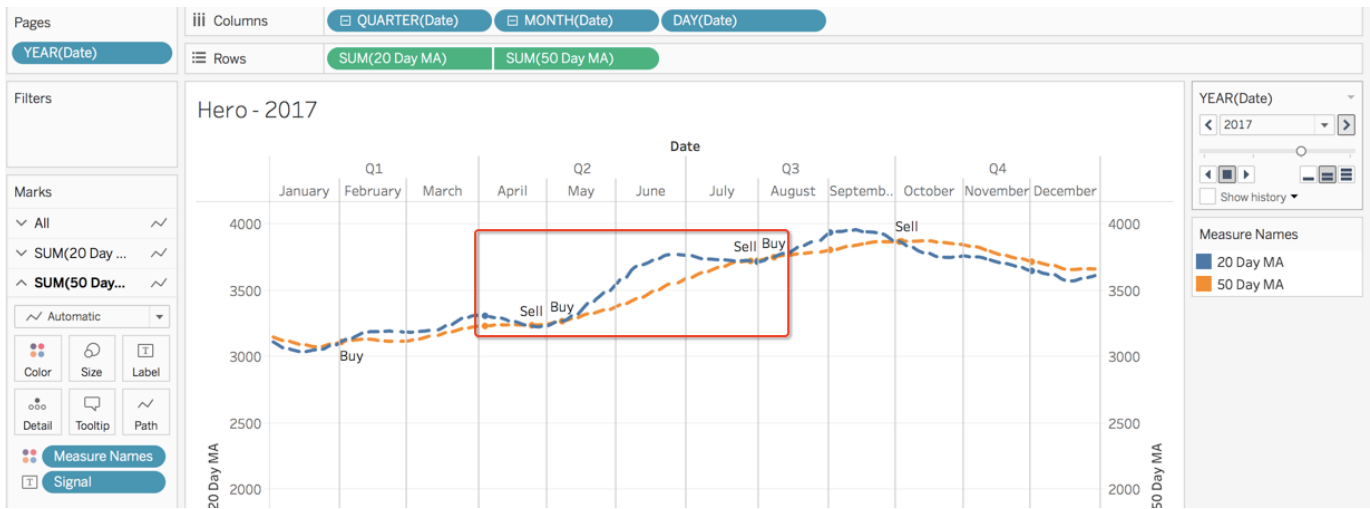
Buy · Buy · Sell · Sell

Hero

1) A minor hiccup in the indicator can be spotted for Hero in 2016 where the Death and Golden Crossovers are extremely close followed by a strong golden cross:
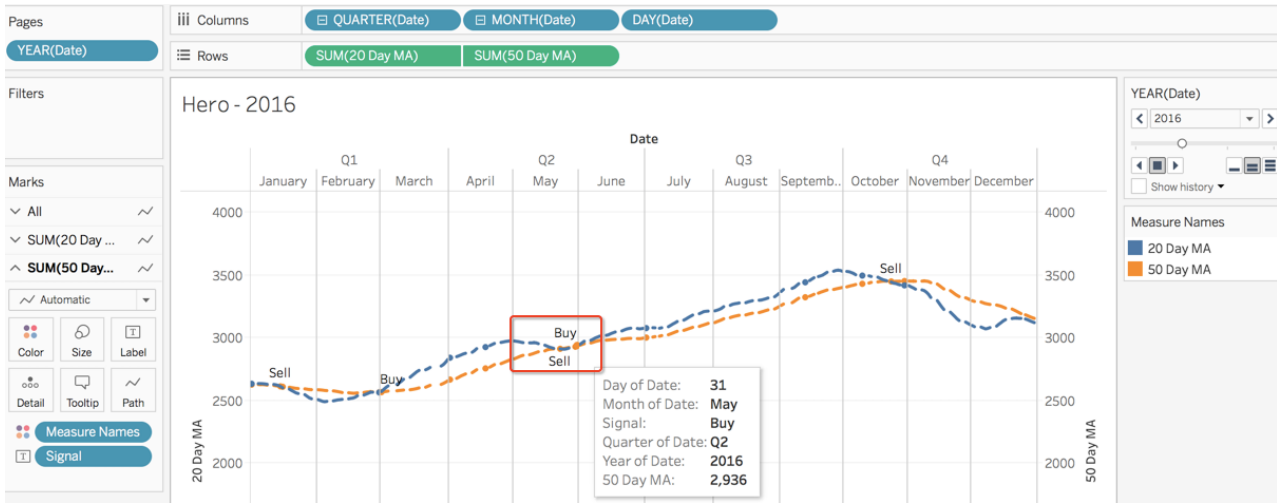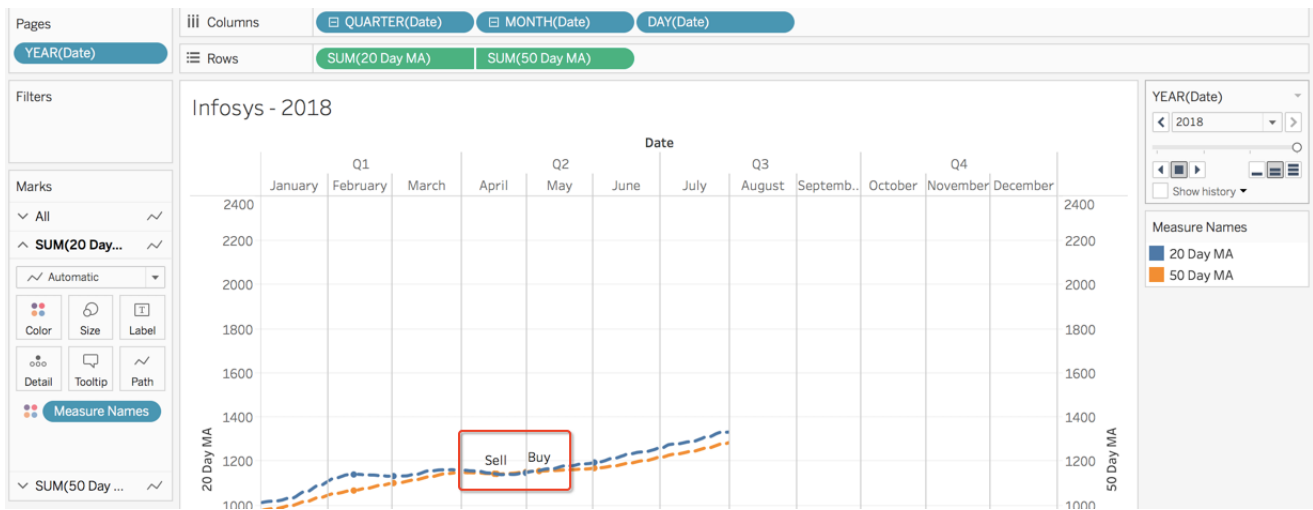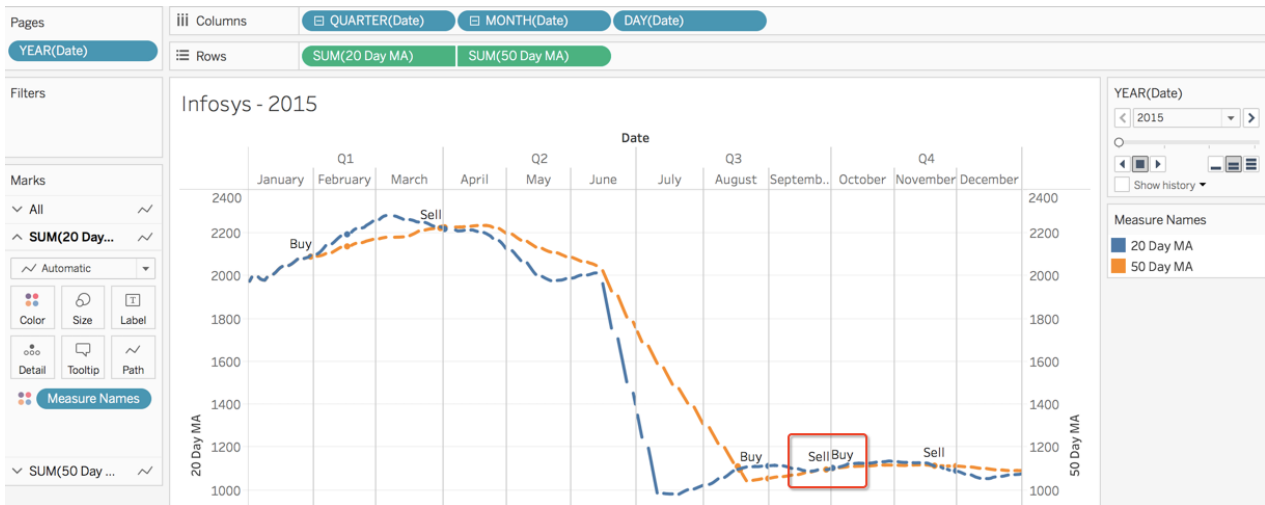
2) Similar case in 2017 as well:

Infosys

1) A Death & Golden Crossovers appearing very close in 2015 & 2018 for Infosys:

Infosys - 2015

Columns: QUARTER(Date) | MONTH(Date) | DAY(Date)
Rows: SUM(20 Day MA) | SUM(50 Day MA)

Pages: YEAR(Date)

Marks
- All
- SUM(20 Day...)
  - Automatic
  - Color, Size, Label
  - Detail, Tooltip, Path
  - Measure Names
- SUM(50 Day ...)

YEAR(Date): 2015

Measure Names
- 20 Day MA
- 50 Day MA

Infosys - 2018

Columns: QUARTER(Date) | MONTH(Date) | DAY(Date)
Rows: SUM(20 Day MA) | SUM(50 Day MA)

Pages: YEAR(Date)

Marks
- All
- SUM(20 Day...)
  - Automatic
  - Color, Size, Label
  - Detail, Tooltip, Path
  - Measure Names
- SUM(50 Day ...)

YEAR(Date): 2018

Measure Names
- 20 Day MA
- 50 Day MA

2) 2016 & 2017 shows the signals are not of much use again since both the averages are pretty close to each other for the most period:

Infosys - 2016

Infosys - 2017
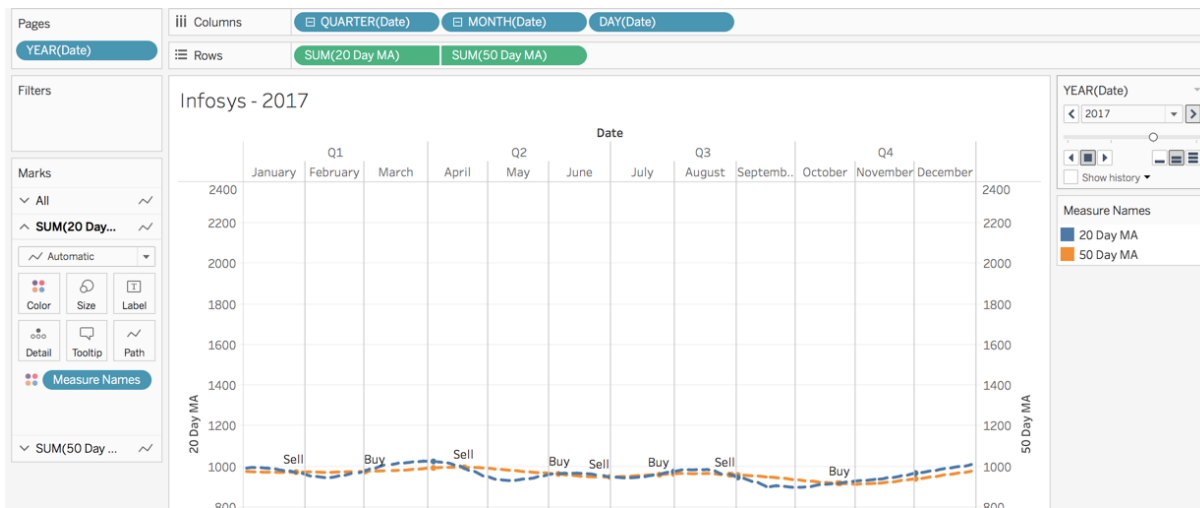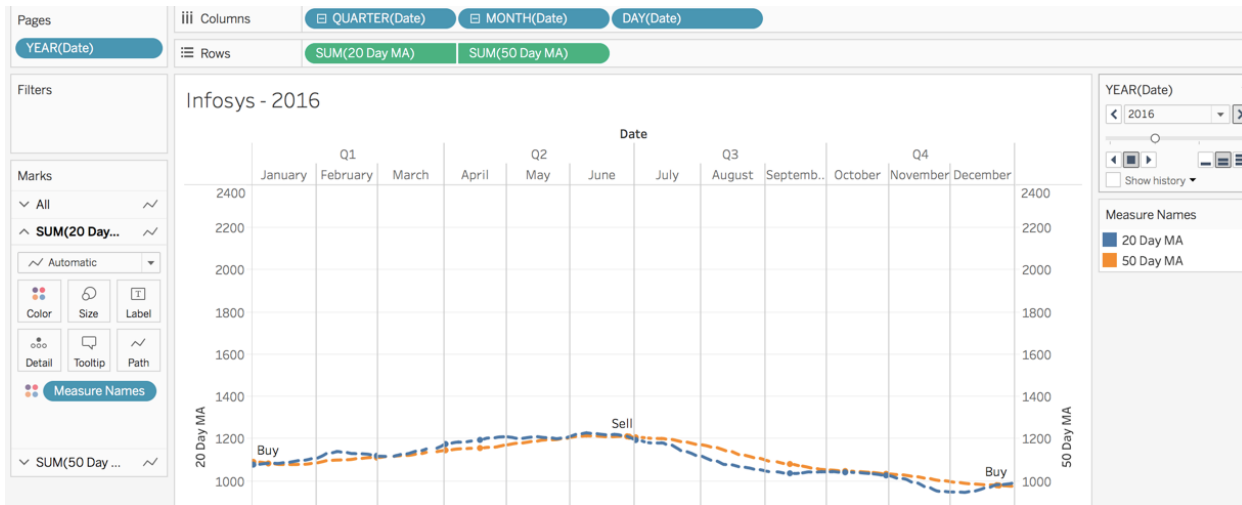
TCS

Signals in 2015, 2016 & 2017 are not of much use to the traders as the closing price variation is very inconsistent unlike in 2018 where the signals to some extent indicated the actual ups and downs in the price:
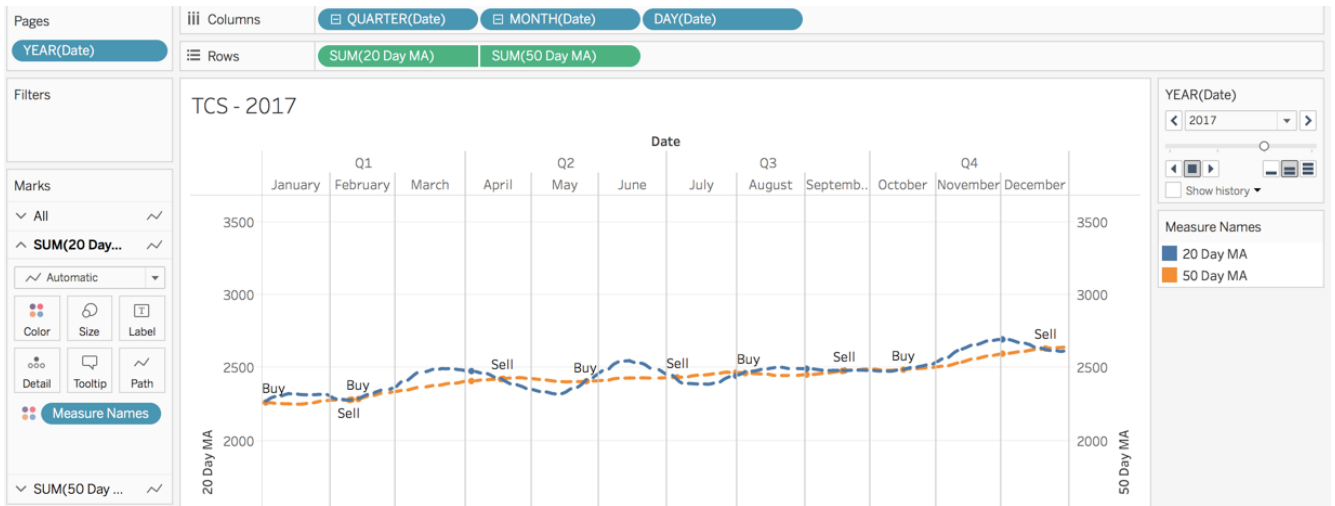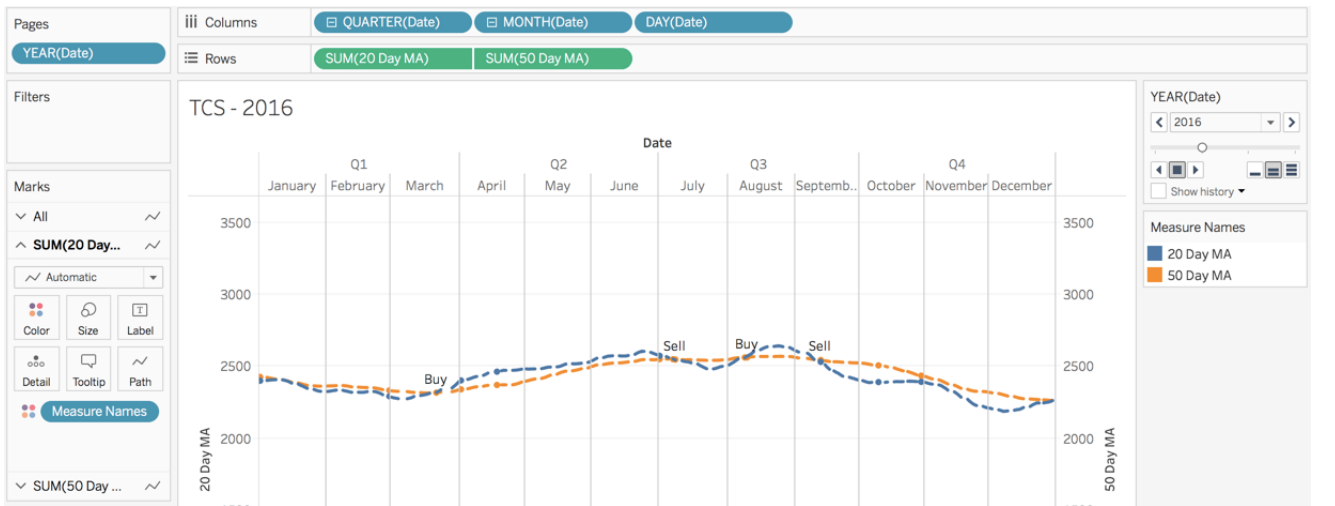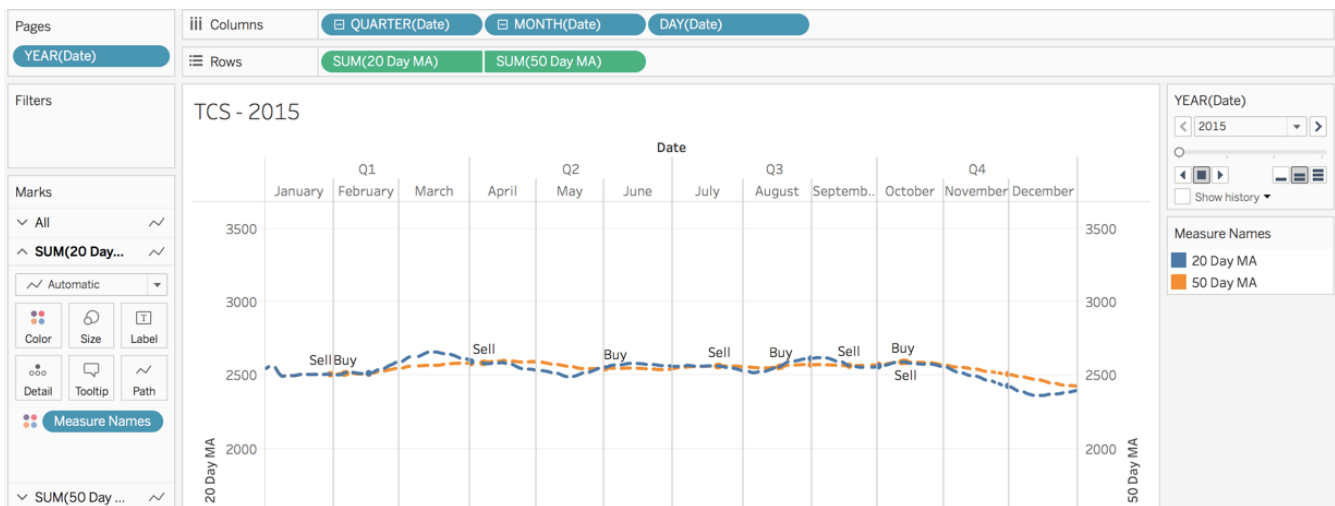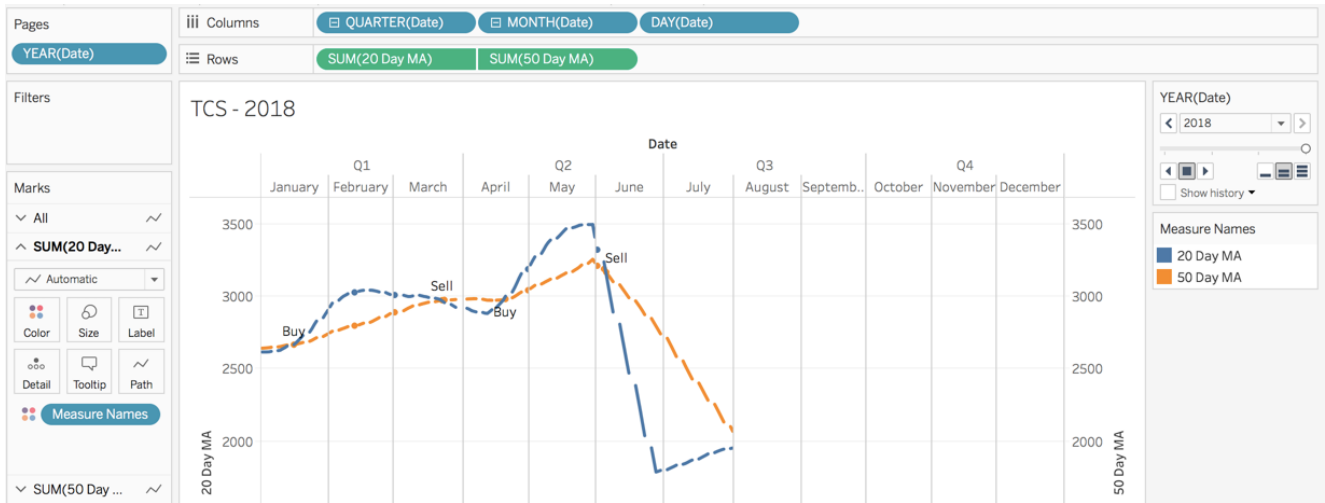
Chart 1 — TCS - 2015

Pages: YEAR(Date)

Columns: QUARTER(Date) | MONTH(Date) | DAY(Date)
Rows: SUM(20 Day MA) | SUM(50 Day MA)

Filters

Marks
- All
- SUM(20 Day...) — Automatic
  - Color | Size | Label
  - Detail | Tooltip | Path
  - Measure Names
- SUM(50 Day ...)

TCS - 2015

Date

| | Q1 | | | Q2 | | | Q3 | | | Q4 | |
| January | February | March | April | May | June | July | August | Septemb.. | October | November | December |

3500

3000

2500 — Sell Buy — Sell — Buy — Sell — Buy — Sell — Buy / Sell

2000

20 Day MA (left axis) / 50 Day MA (right axis) with values 3500, 3000, 2500, 2000

YEAR(Date): 2015 — Show history

Measure Names
- 20 Day MA
- 50 Day MA

Chart 2 — TCS - 2016

Pages: YEAR(Date)

Columns: QUARTER(Date) | MONTH(Date) | DAY(Date)
Rows: SUM(20 Day MA) | SUM(50 Day MA)

Filters

Marks
- All
- SUM(20 Day...) — Automatic
  - Color | Size | Label
  - Detail | Tooltip | Path
  - Measure Names
- SUM(50 Day ...)

TCS - 2016

Date

| | Q1 | | | Q2 | | | Q3 | | | Q4 | |
| January | February | March | April | May | June | July | August | Septemb.. | October | November | December |

3500

3000

2500 — Buy — Sell — Buy — Sell

2000

20 Day MA / 50 Day MA axes: 3500, 3000, 2500, 2000

YEAR(Date): 2016 — Show history

Measure Names
- 20 Day MA
- 50 Day MA

Chart 3 — TCS - 2017

Pages: YEAR(Date)

Columns: QUARTER(Date) | MONTH(Date) | DAY(Date)
Rows: SUM(20 Day MA) | SUM(50 Day MA)

Filters

Marks
- All
- SUM(20 Day...) — Automatic
  - Color | Size | Label
  - Detail | Tooltip | Path
  - Measure Names
- SUM(50 Day ...)

TCS - 2017

Date

| | Q1 | | | Q2 | | | Q3 | | | Q4 | |
| January | February | March | April | May | June | July | August | Septemb.. | October | November | December |

3500

3000

2500 — Sell — Buy — Sell — Buy — Sell — Buy — Sell
Buy — Buy / Sell

2000

20 Day MA / 50 Day MA axes: 3500, 3000, 2500, 2000

YEAR(Date): 2017 — Show history

Measure Names
- 20 Day MA
- 50 Day MA

TCS - 2018

TVS

1) Signals 2015 & 2016 doesn't accurately indicate the actions traders are to take since the fluctuations in the closing price is high throughout the period:

TVS - 2015

TVS - 2016
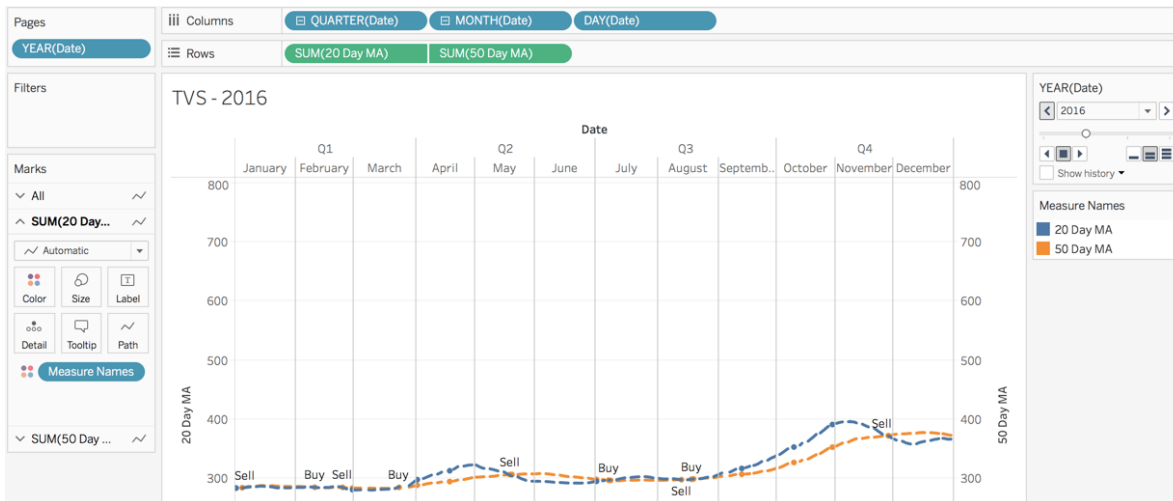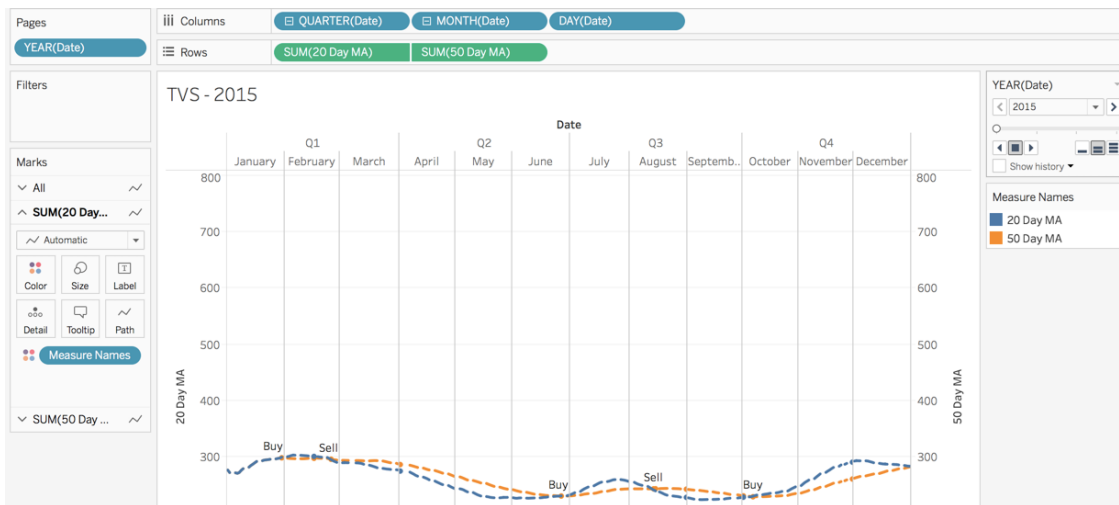
2) The Golden Cross signal in 2017 is the most accurate one seen in this entire analysis which lasted for more than an year followed by an inaccurate Death & Golden Cross signals in Apr/May time period in 2018
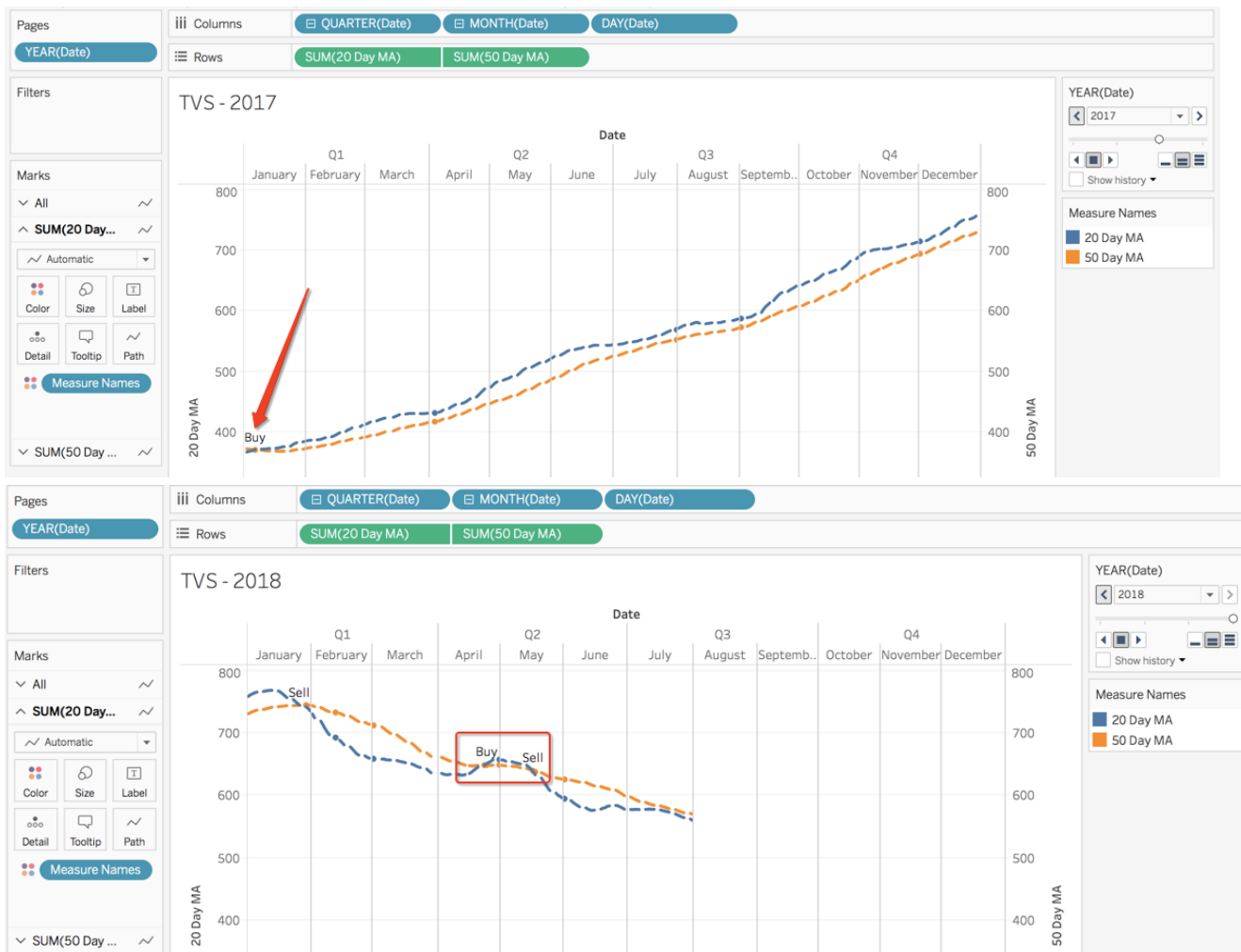
Summary

Although the 20 Day MA and 50 Day MA crossovers signalled accurately to an acceptable percentage (>75%) for all the stocks, the above inaccurate signals might cause inconvenience to the traders. Instead of comparing a very fast moving average of 20 Day against a moderately fast moving average of 50 Day, it might make more sense to compare 50 Day MA with a more reliable MA which could be of 200 Day which filters out most of the noise to help make trading decisions, by crossing off some uncertainty the list of trading worries.

Note: A sample packaged & extracted Tableau workbook named Bajaj.twbx is attached with this to view how the worksheets have been created.