



# Technical analysis on Infosys Ltd (INFY)

# Introduction and Company Overview

## Selected Company: Infosys Ltd (INFY)

Infosys Ltd is a leading global IT services company and one of the largest in India, renowned for its digital transformation solutions. With a market capitalization exceeding ₹6.7 lakh crore and a strong financial track record, Infosys is a blue-chip stock in the Indian markets].

This report presents a comprehensive technical analysis of Infosys using three key indicators: RSI, MACD, and EMA.

# Technical Indicator 1

## Relative Strength Index (RSI)

- The current RSI value for Infosys is around 53–59, indicating neutral to slightly bullish momentum.
- RSI below 30 is considered oversold (potential buy), while above 70 is overbought (potential sell).
- With RSI in the neutral zone, Infosys is neither overbought nor oversold, but a move from oversold to neutral can signal strengthening momentum.

## Technical Indicator 2

# Moving Average Convergence Divergence (MACD)

- Infosys' MACD is positive and has recently shown bullish crossovers, especially on the weekly chart.
- MACD above zero and crossing above the signal line is a buy signal; below zero and crossing below is a sell signal.
- Recent weekly MACD crossovers indicate bullish momentum, suggesting a potential entry point for buyers.

# Technical Indicator 3

## Exponential Moving Average (EMA)

- Short- and medium-term EMAs (EMA10, EMA20, EMA50) are bullish, supporting upward momentum.
- The long-term EMA200 is bearish, signaling caution for long-term positions.
- The price is above EMA20 and EMA50, confirming short-term strength, but remains below the declining EMA200, which tempers the long-term outlook.

# Buy/Sell Signals and Trading Strategy

**Based on the analysis, here are three actionable signals:**

1. Buy Signal: MACD crossover above the signal line on the weekly chart (recently observed) indicates a good entry point for buying.
2. Buy Signal: RSI moving from oversold ( $< 45$ ) to neutral/bullish ( $> 55$ ) suggests strengthening momentum and a buy opportunity.
3. Sell Signal: EMA200 remains bearish; if short-term EMAs (10/20/50) turn bearish or price falls below them, consider selling or shorting for the medium/long term.

## **Trading Strategy:**

1. Enter long (buy) positions when MACD gives a bullish crossover and RSI confirms momentum.
2. Exit or short when EMA200 is bearish and short-term EMAs turn negative, or if MACD turns bearish.