

Group Name: Team Rocket

Group Members: Tanzina Eisha, Richard Lin, Mahfuz Uddin

Buy and Sell Recommendation

Fundamental Analysis: QCOM

Recommendation: Buy

Date: 6/26/2021

Based on our observation, we have concluded that the best stock that we would recommend for our buyers to buy would be QCOM because of its values and low P/E ratio. Our fair value for QCOM is \$171.86, which is a 25% increase from the current trading price, \$137.65. The investors would be attracted to buying shares in stocks with a lower p/e ratio because it is not currently overvalued which is also in alignment with our fair value. An investment in an undervalued stock would be less of an issue rather than investing in a stock that is overvalued. In addition, the EPS Next 5 Years for QCOM is 27.29%. The EPS value, or Earnings Per Share, is an indication of a company's profitability. The projected EPS Next 5 Years is an increase from this and next year, at 25.80% and 10.78% respectfully. Based on the fundamental analysis; our fair price, being 25% higher than it's current trading price, a low P/E ratio compared to it's peers, being that it is in the bottom 10 in the Semiconductor business, as well as it's forward EPS, we recommend that QCOM is a buy.

Technical Analysis: ZM

Recommendation: SELL

Date: 6/25/2021

Using the indicators, MACD, RSI Bollinger Bands, we have concluded that ZM is a sell. Using the MACD, we can see that it has seen a possible death cross, where the MACD crosses below the signal line. This is our first indication of a sell. Then we look at the RSI. We can see that it has recently shown great strength according to the RSI. The Bollinger Bands is a good indicator to use to see standard deviation and mean reversion. ZM has been trailing the upper band and just recently stopped interacting with the upper band and is heading towards the mean. With the MACD heading for a death cross, the RSI nearly overbought, and the stock trailing the upper band of the Bollinger Bands, we can assume it is due for a mean reversion, indicating our sell recommendation. We have also drawn some purple boxes. These boxes represent price zones, where there is a supply and demand interest surrounding this zone. Notice how the price reacted around these zones in the past. In some cases, it acted as a rejection level, a support level, consolidation, or a pivot point. The price has entered the upper purple box this week, which will act as a supply zone. If the price does not go above the box or consolidates in the box, there is a chance it will come down towards the mean as well as towards the lower purple box, which will act as a demand zone, as we have seen previous support within this level.



