

Technical Analysis of NVIDIA Corporation (NVDA)

Name :Vivek P

Roll no. : 24B1256

Technical Indicators Used :

1. Relative Strength Index(RSI) :

RSI is a momentum indicator that shows whether a stock is overbought or oversold. It detects oversold or overbought conditions and momentum shifts.

RSI value above 70 is considered as overbought and its value below 30 is considered as oversold .

Buy signal : when the RSI value goes below 30 the stock is being oversold and when the RSI value again starts rising above 30 , this is a potential buy signal .This rise shows the momentum is shifting upwards.

Sel signal : when the RSI is value rise above 70 the stock is being overbought and when the RSI value again starts dropping below 70 , this is a potential sell signal . This drops shows the momentum is shifting downwards.

- Buy and sell signals from nvidia stock data



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A buy signal is obtained when the RSI is rising above 30 and a sell signal is obtained when the RSI is going down 70.



2. Moving Average :

A Moving Average is a trend following indicator that smooths out price data by calculating the average price over a specific time period.

I have used 50 day SMA and 200 day SMA for technical analysis.

Buy signal: when 50 day SMA crosses above 200 day SMA.

Sell signal : when 50 day SMA crosses below 200 day SMA

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Here red line is 50 day SMA and yellow line is 200 day SMA . when the red line is rising above yellow line it's a buy signal and when the red line is going below the yellow line it's a sell signal.

3. MACD :

MACD(Moving Average Convergence Divergence) is a trend-following momentum indicator that shows the relationship between two moving averages of a stock's price.

Buy signal : When the MACD Line crosses above the Signal Line a potential buy signal is observed .It means momentum is turning positive , often seen early in an uptrend.

Sell signal : When the MACD Line crosses below the Signal Line . It means momentum is turning negative ,

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often seen before a price drop.



The white line the above picture is MACD line and the red line line is the Signal line . when the white line is rising above the red line we can buy the stock and when the white line is going below red line we can sell the stock.