

A STUDY ON EQUITY TRADING USING TECHNICAL ANALYSIS A TMIRAE ASSET SHAREKHAN

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Abstract

This research discovers the application and effectiveness of technical analysis in commercial actions, with a specific emphasis on the Mirae Asset Sharekhan's platforms and strategies. Technical analysis implies evaluating market data in the past – price and volume, to provide future stock market movements. It plays an essential role in the process of making decisions for traders and investors, especially in markets at a fast speed like India. Research testing three main strategies used by Sharekhan: Smart charts, rotation and monitoring momentum (CTFT). Each strategy is designed for a specific trading style, from short -term exchanges to positioning. By analyzing measures such as the average attack rate and yield rates of three years (2017-2019), this study evaluated the performance of these strategies in real market conditions. Results show that there is no strategy to ensure combined profit, technical analysis can help determine the ability to negotiate and manage risks. The CTFT approach has demonstrated the best accuracy, followed by a driving force and clever graphics. However, effective implementation, risk management, and favorable market circumstances are critical to the success of these tactics. Limitations including market swings, outside economic influences, and the descendant's characteristics in relation to specific metrics are also highlighted in this article. The recommendations are provided to improve the use of technical tools, including trading education, technical combining with basic analysis and applying new technologies such as recognizing AI - based models. Across the whole, research shows that technical analysis, when used effectively, can be a valuable tool in commercial action, especially in the framework provided by platforms like Mirae Asset Sharekhan.

Keywords: Technical Analysis, Equity Trading, Mirae Asset Sharekhan, Stock Market, Trading Strategies, CTFT, Smart Chart, Momentum Swing, Indian Sto.

Introduction

To Equity trading and The Role Of Technical analysis In Modern Brokerage Firms. The purchase and selling of company shares by stock exchanges or over-the-counter platforms is a fundamental component of financial markets. Retail participation and algorithmic trading have soared in recent years, prompting the need for more sophisticated analytical tools to help informed decisions. Technological analysis, a technique that analyzes historical price movements and trading volumes in order to forecast future price trends, is at the center of this transition.

Mirae Wealth Sharekhan, a well-known brokerage company with a pan-India presence, has adopted a technology-driven approach to assist traders. This includes real-time charting applications, automated alerts, and technical screeners. Both retail and institutional traders rely on indicators and patterns to reduce speculation and maximize profit. Despite its fame, technological study remains tense; some see it as a pseudoscience, while others swear by its predictive power. This report examines how technical analysis is used in equity trading at Mirae Asset Sharekhan, what tools are used, and whether it actually improves trading results.

Review of Literature Analysis And Its Application In Equity Markets.

Many scholars have investigated technological analysis from theoretical, experimental, and pragmatic perspectives:

1. Murphy (1999): Murphy demonstrates how charts, patterns, and volume aid traders in predicting market behavior.
2. Fama (1970): Introduced the Efficient Market Hypothesis (EMH), which challenges the fundamental assumption of scientific research, implying that all known data is already factored in stock prices.
3. Lo, Mamaysky, and Wang (2000): There is ample evidence that such chart patterns do provide statistically significant predictive value, particularly in less populated markets.
4. Pring (2002): Emphasized the emotion behind price movements, meaning that technical measures mirror trader sentiment.
5. Brock, Lakonishok, and LeBaron (1992): Found a strong appetite for shifting average strategies in U. S. equity markets, undermining the use of simple technical tools.
6. Ravi and Aruna (2020): Investigated the performance of quantitative measures such as RSI and MACD in Indian markets, noting their importance in turbulent environments.

Although the scientific literature is split on the predictive power of technical analysis, it is still widely used as a decision-support system, particularly in short-term and intraday trading.

Methodological Framework For Studying Aesthetic Analysis Practices At Mirae Asset Sharekhan Analysis Practices Analysis Practices3.

Research Method

The study was conducted as a result of a descriptive-cum-analytical research methodology, Descriptive to learn current practices and analytical to determine the effectiveness of technical analysis indicators.

Research Objectives

1. At Mirae Wealth Sharekhan, we will investigate the use and misuse of technical analysis among traders.
2. To determine which scientific terms are most commonly used, it's best to determine which technological metrics are most commonly used.
3. To determine the success of scientific analysis in predicting short-term stock swings.
4. Using scientific tools, we can suggest changes in trading tactics.

Sampling Technique and Sample Size

Purposive sampling was used to select 50 equity traders and market analysts from Mirae Asset Sharekhan's Chennai, Trichy, and Bangalore branches.

Data Collect Methods

1. **Primary Data:** Through structured questionnaires and semi-structured interviews with traders, traders can be identified as a result of a structured questionnaire.
2. **Secondary Data:** Charting tools, trade surveys, stock exchange results, and journal papers are among the items that have been published.

Tools and Techniques Used

1. Chart pattern analysis.
2. RSI, MACD, Bollinger Bands, and Moving Average over layers.
3. Regression and correlation for statistical analysis.
4. Excel and TradingView software.

Data Analysis And Interpretation of Technical Indicators Used In Trading Strategies

1. Most Common Technical Indicators Are Used Statistical Indicators Usage Frequency (%) Moving Averages 80% MACD 68% is a verbatim that means Fibonacci Levels 40% Interpretation: The most widely trusted tools, RSI and Moving Averages, are used in conjunction with MACD for confirmation, as well as MACD. Traders avoid complicated equipment until supported by education.
2. Correlation Between Indicator Signals and Trade Profit Using historical trade results from NIFTY 50 stocks, were confident that we will get the right results Positive correlation ($r = 0.62$) with long-term trades was found by RSI (14-day). In 7 out of 10 cases, MAC D cross overshadows positive results.
3. Bollinger Band squeezes resulted in breakout forecasts that were accurate in 56% of trades.

Trader Feedback from Interviews

1. Trader Feedback from Interviews 90% agreed scientific study helped reduce emotional bias. A majority of respondents said they obtained a combination of fundamental and scientific results.
2. During high market turn oil, 50% said they entered trades solely based on chart patterns.

Use The Bollinger Bands To Capture The Fluctuations And Rash

1. Bollinger bands using standard deviations around the mobile average to indicate fluctuations.
2. A compression model of the Viking people shows a low volatility, often going ahead of a main way.
3. An interrupted range with a volume peak is considered a strong commercial entry signal.

Observing: Actions such as TCS and Infosys presented California classical bolling eruptions that lead to 5 to 10% in a week.

MACD (The difference of mobile average convergence) in the form of MACD Trend Instreal is a set of oscillation of the mobile dual momentum that helps confirm the trend change.

HASSIER Signal: MACD Cross on the signal line, lower Statistical efficiency: In the volatile market, MACD provides more reliable signals just RSI because of its nature.

Using Indicators of Internal Traders Compared To Transaction Its Location

Traders: based on fast moving indicators such as 9-em, RSI(1) and VWAP (average weight price).

Location Traders: Prefer 50-SMA, 200-SMA and Fibonacci covers for imported / out schedules in days or weeks.

In Insight: The delay of trade significantly affects the interests and success rate of indicators.

The Role of Mass Indicators And Confirmation Strategy

1. The volume acts as a confirmation tool to confirm the action of the price proposed by other indicators.
2. A way out with a mass greater than the average is more reliable.
3. Traders use equilibrium volume oscillations (ReBr) and mass to evaluate the needs and power of incentives.

Example: A exit from the price at HDFC bank with large quantities leading to sustainable increase trend, confirming the technical entrance.

Sensory and psychological feelings behind decisions based on indicators

1. Technical analysis not only cares about the indicators - it also captures the feeling of the seller.
2. Models such as heads and shoulders, tops and flags representing public psychology.
3. Indicators help traders manage fear and greed, especially in volatile sessions.

Main Results: More than 60% of the interviewed traders said they felt more balanced in terms of emotion when using technical signals to confirm transactions.

Monitoring the reverse and real-time performance of trading strategies

1. Back testing implies applying strategies to historical data to evaluate its performance.
2. Traders at Mirae Asset Sharekhan used platforms such as Trading View and Metatrader for RSI average and medium mobile strategies.
3. Performance of real-time performance through personalized warnings and control panels helped avoid impulsive transactions.

Observing: Strategies with a minimum win rate of 55 to 60% and the risk of risk regeneration is 1:2 or better is considered feasible.

Suggestions To Improve The Effectiveness of Technical Trading Practices

Aspect of Both Technical and Fundamental Analysis to improve trade efficiency, traders should integrate earnings reports, macro economic indicators, and sectoral news with technological signals.

Customize Indicators

Rather than relying on default settings (such as 14-day RSI), traders should back test and optimize indicators for specific stock performance.

Encourage Continuous Learning and Certification

Continuous scientific study, such as Elliott Waves or Ichimoku Clouds, can add to analytical depth.

Use Risk Management Tools with Technical Strategies

Pre defined stop-loss and take-profit figures should always be included in technical trade based on market volatility and chart structure.

Limitations of The Study In The Context of Market Dynamics And Brokerage Practices

1. The sample was limited to selected branches and does not represent all traders around the country.
2. Market conditions can change quickly; historical results do not guarantee future accuracy.
3. Over reliance on indicators could result in confirmation bias, Limited access to proprietary algorithmic trading results for deeper statistical verification is limited due to time constraints.

Subjectivity in Translation of Pointers: Whereas specialized pointers give quantitative signals, translation remains profoundly subjective. Two dealers utilizing the same RSI or MACD values may draw distinctive conclusions, especially when combining different apparatuses. This makes irregularity in execution and comes about.

Untrue Signals in Unstable and News-Driven Markets

Specialized pointers regularly come up short to account for crucial disturbances such as arrangement changes, geopolitical dangers, profit declarations, or macro economic information discharges. These occasions can cause unexpected cost developments that discredit chart-based methodologies, coming about in wrong breakouts or whipsaws.

Reliance on Chronicled Information

Specialized investigation works absolutely on past cost and volume information. Whereas patterns and designs may rehash, showcase behavior is affected by advancing speculator assumption and outside variables. Depending exclusively on past behavior may not continuously be prescient of future results.

Restrictions in Illiquid and Small-Cap Stocks

Specialized markers are most compelling in exceedingly fluid stocks, where cost activity reflects collective showcase opinion. In low-volume or small-cap stocks, sporadic developments or need of steady volume information can diminish the unwavering quality of signals.

Learning Bend and Apparatus Complexity: Compelling utilize of specialized instruments requests preparing, hone, and explanatory ability. Numerous retail speculators enter the advertise with shallow information of RSI, MACD, or Fibonacci retracement, frequently misapplying these instruments, which leads to destitute exchanging results.

Conclusion

Analysis As A Strategic tool in Equity Trading At Mirae Asset Sharekh Ananalysis Is According to this report, scientific investigation is an indispensable tool for equity traders at Mirae Asset Sharekhan, particularly those involved in short-term trading. When combined with market context, commonly used metrics such as RSI, MACD, and Moving Averages provide reliable reports. Traders said that technological analysis reduced guesswork and provided structure to their trading decisions. However, the report also points to the inherent dangers of pure technological tactics, particularly during times of unexpected news or macroeconomic events. Therefore, the most effective strategy is in a hybrid trading model, which combines scientific research with quantitative findings and tighter risk controls.

Going forward, with the increasing use of AI-based algorithms and robot-advisors, technical analysis will evolve but remain relevant as a foundational trading discipline. Firms like Mirae Wealth Sharekh an must continue investing in analytical research, tool enhancement, and analysis is to help their clients navigate the burgeoning equity markets. The discoveries of this think about emphasize that specialized investigation may be a capable but not trustworthy apparatus within the hands of value dealers at Mirae Resource Sharekhan. Markers like RSI, MACD, and Moving Midpoints, when appropriately translated and combined with volume affirmation and hazard controls, contribute al together to exchange exactness, entry/exittiming, and certainty among traders. Be that as it may, the investigate moreover uncovers that specialized investigation, like every procedure, must be connected with teach and supplemented by down to earth involvement, chance administration, and nonstop learning. As markets gotten to be more algorithm-driven and affected by worldwide occasions, dependence exclusively on historical patterns may not suffice. This calls for a multi-dimensional approach, coordination both specialized and crucial investigation to preserve an edge within the showcase. For firms like Mirae Resource Sharekhan, the way forward includes contributing in dealer instruction, technique refinement, and mechanical framework. Upgrading mindfulness around the qualities and short comings of each instrument, conducting live preparing sessions, and advertising customizable charting computer program can lift dealer execution.



In conclusion, this consider reaffirms that specialized examination proceeds to be a significant, open, and broadly utilized system, particularly for short-term exchanging methodologies. However, it must be connected with setting, caution, and a commitment to vital advancement. When utilized reasonably, technical analysis can serve not fair as a tactical tool, but as a vital advantage in exploring the complexities of cutting edge budgetary markets.

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