ANALYSIS OF STOCK RECOMMENDATIONS BY EQUITY ADVISORY COMPANIES:
A SAMPLE FROM HDFC SECURITIES, ICICI DIRECT AND KOTAK SECURITIES

Ms Sonakshi Sharma[*]

ABSTRACT

The objective of the study is to scrutinize the more accurate equity advisors by using certain tools and select the most accurate equity advisors as per their needs. analyze which Equity Advisory Company makes more profit among the 3 companies. To analyze the accuracy of the Advisory Companies calls in equity trading. The study uses the stock data of 3 different securities i.e., HDFC securities, ICICI direct and Kotak Securities. The findings of the study would suggest which is the best equity advisory company among the three companies and the usefulness and limitations of the analysts' recommendations in investment decisions, if the call is for intraday trading or a long call or a short call trading based on it. when the investor wants to invest in the stocks, whether he or she can rely on the recommendations of the best equity advisor.

KEYWORDS: *Securities, HDFC, ICICI, Kotak.*

_____

Introduction

Financial researchers and practitioners have long been curious about understanding however the activities of monetary analysts or equity consultive corporations have an effect on capital market potency. Equity consultive given by the advisors helps investors to avoid common pitfalls whereas creating investments. it's a well-adopted commerce technique. It helps the investors to grasp that piece of knowledge is to be thought-about and that piece of knowledge isn't to be thought-about before doing any variety of investment. It conjointly helps the investors have confidence the recommendations created by the equity consultive corporations to create additional profit with less share of loss.

These equity consultive corporations project company earnings forecasts, write reports on individual corporations, offer business and sector analysis, and issue stock recommendations. Most previous studies have finished that the knowledge they turn out, promotes market potency by serving to investors to worth companies' assets additional accurately. Equity consultive corporations try and gather plenty of knowledge of a stock's current market value, target value, counseled value, stop-loss value, counseled date, and therefore the investment horizon i.e., short term and future of the stocks. Target value reflects what the analysts believe a stock are going to be price at the tip of a precise period. Similarly, like target value corporations keep a record of stop-loss value, gap value, and therefore the terms further.

The stop-loss value could be a value at that the company's share is sold-out to limit Associate in Nursing investor's loss on a foothold within the security. typically, the calls that square measure created by the equity consultive corporations square measure supported intraday, short term, or future. The gap value is that the value at that the capitalist buys a specific decision and therefore the closing value price is that the last listed price of the calls. Many investors concerning suppose have faith in place confidence in the recommendations of equity consultive corporations to settle on their portfolios because the equity consultive corporations have the larger market experience and specific information about the corporate the subsequent. These equity consultive corporations square measure arguably the eyes and ears of the capital market. operating severally or for money establishments or brokerage homes, market analysts pay shut attention to the obligatory and voluntary data disclosed by companies. supported this data, they create predictions results.

_____

[*] CMS Business School, Jain University, Bengaluru, Karnataka, India.

Analysts' recommendations sometimes be one in all the 3 categories:

- Buy
- Hold
- Sell

To know whether or not the actual decision that has been created could be a obtain or a sell decision, the stop-loss value and therefore the Target value of the calls square measure compared.

- If the Stop loss value < Target value, then it's a obtain decision.
- If the Stop loss value > Target value, then it's a sell decision.

These recommendations categorical the actual analysts' opinion regarding the company's prospects.

In this project, we tend to examine the 3 equity consultive corporations i.e., ICICI Direct, HDFC Securities, Kotak Securities World Health Organization provide predictions within the equity market to seek out World Health Organization among these 3 equity consultive companies' recommendations build additional profit and the way correct their recommendations square measure. This study develops our understanding of the utility and limitations of analysts' recommendations in investment choices.

Usually, there square measure seven tips to pick out the correct stock broker in India:

- **Experience:** A agent ought to possess multi-year booking expertise.

- **Knowledge:** A share broker ought to understand their product well and systematically demonstrate it. this permits them to customize solutions for every client they affect.

- **Client Support:** an honest broker creates a positive expertise for the client on every occasion. A client might not continually get the result he was trying to find, however smart client service will build the client want he got a deal.

- **Credibility:** no one desires to affect a agent whom they don't trust. a reputable broker ought to show integrity and powerful core values.

- **Registration:** The agent should be registered with SEBI and exchanges like NSE and BSE and show their registration numbers on their web site.

- **References:** the choice of the broker ought to be backed by the list of references.

- **Cost:** an honest broker ought to supply high-quality service at an appropriate brokerage rate.

Bollinger Bands square measure a sort of applied math chart characterizing the costs and volatility over time of a money instrument or artefact, employing a conventional methodology propounded by John Bollinger within the Nineteen Eighties. money traders use these charts as a organized tool to tell commercialism selections, management machine-controlled commercialism systems, or as a part of technical analysis. Bollinger Bands show a graphical band (the envelope most and minimum of moving averages, like Keltner or Donchian channels) and volatility (expressed by the breadth of the envelope) in one two-dimensional chart.

The **relative strength index(RSI)** could be a technical indicator utilized in the analysis of monetary markets. it's meant to chart the present and historical strength or weakness of a stock or market supported the closing costs of a recent commercialism amount. The indicator mustn't be confused with relative strength. The RSI is most usually used on a 14-day timeframe, measured on a scale from zero to a hundred, with high and low levels marked at seventy and thirty, severally. Shorter or longer timeframes square measure used for alternately shorter or longer outlooks. a lot of extreme high and low levels—80 and twenty, or ninety and 10—occur less of times however indicate stronger momentum.

Background of the Topic

The study of equity advisory companies is the current topic in finance. The research has been taken to analyze the investment decisions and the behavioral factors such as how does the risk related affects the investment decisions of the daily traders. Till date, no research has been done on the issue whether advisors recommendations help investors to generate profit. Even though many authors have challenged the accuracy and the value of the analysts' forecasts and stock recommendations, based on the studies of their performance over varying periods and in various markets. We also examine the information content of these recommendations, by looking at the effects of the consensus and equity advisors' recommendations.

Need/ Importance of the Topic

This study contributes to the existing literature in various ways as listed below:

- Equity Advisory given by the advisors helps investors to avoid common pitfalls while making investments.
- It helps the investors to know which piece of information is to be considered and which piece of information is not to be considered before taking any sort of investment decision.

Objectives of the Study

This project suggests three Equity advisory companies i.e., ICICI Direct, HDFC Securities and Kotak Securities who give predictions in equity market by considering the target price, stop loss price, opening price and closing price of the stocks or the calls that has been made. If target price is more than stop loss price then that particular call is a buy call and if target price is less than the stop loss price then that particular call is a sell call. If the calls hit the target price, then that particular call makes profit. And in case the call hit the stop loss price, then that particular call incurs loss.

This study helps to find out:

- which is the best equity advisory company among the three companies and
- the usefulness and limitations of the analysts' recommendations in investment decisions
- if the call is for intraday trading or a long call or a short call trading based on it.
- when the investor wants to invest in the stocks, whether he or she can rely on the recommendations of the best equity advisor.

This article analyses the recommendations issued by the Indian Equity advisory companies from several standpoints. We also examine the information content of these recommendations, by looking at the effects of the consensus and the recommendations given by the advisors.

Research Gap

Till date, there is no consensus among researchers on the issue whether analysts' recommendations help investors generate abnormal profit or not. This prompted the present study. This paper contributes to the existing literature in various ways. The studies related to the emerging or developing countries are far and few. The Indian market has shown impressive growth in the last years. Indian investors have become more informative.

Literature Review

The investigation of analysts' recommendations on performance is a well-established line of research in finance. Many authors have investigated whether the analysts' recommendations have value to investors.

Veliota Drakopoulou explains the elemental analysis and stock valuation techniques utilized by daily equity traders within the choice of stocks that square measure actively listed in equity portfolios. Daily equities traders use principally technical charts and alternative instruments to acknowledge patterns that may advocate perspective activity while not measurement a stock's intrinsic price to form commercialism selections

Robert A.N. (2006) explains the factors influencing the investment behavior of the individuals by conducting a survey. Their findings instructed that classical wealth maximization criteria square measure necessary to investors, even supposing investors use totally different criteria once selecting stocks for investment.

C. Boobalan (2013) in his paper "Technical analysis to pick out stocks of Indian companies" planned that technical analysis is that the statement of future money worth movements supported the examination of past worth movements. Technical analysis doesn't lead to absolute predictions concerning statement. Instead, technical analysis will facilitate investors anticipate what's attainable to happen to costs over time.

Samreen Lodhi (2006) explains several researchers have mentioned investment behavior and tried to reinforce the understanding of individuals managing investments in numerous ways in which. the character of psychological factors and individuals' behavior at the time of investment decision-making is below discussion. numerous psychological factors like beliefs, preferences and psychological biases are found.

Narasimhan Jegadeesh (2001) in his paper "Analyzing the analysts: once do suggestions add value?" showed that money analysts from sell-side corporations typically recommend "glamour" (i.e., positive momentum, high growth, high volume, and comparatively expensive) stocks. Naïve adherence to those recommendations adds price solely among stocks with positive quantitative characteristics (i.e., high price and positive momentum stocks).

Salman Ali Qureshi (2012) explains that the aim of the study is to seek out the link among activity factors like Heuristics, Risk Aversion, money tools, and firm-level company governance and investment deciding. The results of the study demonstrates that a positive and important relationship exists between activity factors and investment decision-making.

Statement of the Problem

To analyze how accurate was the calls given by the equity advisors in equity trading and to find out which among the three equity advisors makes more profit.

Nature of the Study

Equity advisory companies tries to gather a lot of information of stocks current market price, target price, recommended price, stop loss price, recommended date and the investment horizon i.e., short term and long term of the stocks. The nature of the study is Quantitative research where the numerical information related to the stocks is collected from the companies and exchange website.

Need of the Study

- As there is 3000+ equity advisors, it becomes difficult for the investors to scrutinize the most accurate investors.
- This study helps investors to scrutinize the more accurate equity advisors by using certain tools.
- This study also helps the investors to select the most accurate equity advisors as per their need.

Scope of the Study

- The study helps the investors rely on the prediction made by the advisors in order to make more profit with less percentage of loss.
- The study also helps to check how technical and fundamental analysis helps the advisors to forecast the direction of the financial market prices with reference to the historical prices

Objective of the Study

- To analyze which Equity Advisory Company makes more profit among the 3 companies.
- To analyze the accuracy of the Advisory Companies call in equity trading.

Limitation of the Study

- The data collected for the study was for 2 years.
- The data collected are secondary.

Research Methodology

- **Sample Design**
  - **Target Population:** The target population for the study was the 3 Equity Advisory companies in equity trading.
  - **Sample Size:** The size of the study taken is 3 equity advisory companies and the data was recorded for approx. 66 companies.
  - **Sampling Unit:** The sampling unit for the study was Equity share price.
  - **Sampling Method:** Simple random sampling.

- **Method of Data Collection**

  Secondary data collected for the study:
  - Companies' website.
  - NSE & BSE Website

- **Sources for Data Collection**
  - www.icicidirect.com
  - www.hdfcsecurities.com
  - www.kotaksecurities.com

- ▪ www.moneycontrol.com
- ▪ www.nseindia.com
- ▪ www.bseindia.com

- **Data Analysis Techniques**

In order to analyze the collected data T –test and Microsoft excel has been used. Analysis: In order to analyze the call given by the 3 equity advisory companies in equity trading for approx. 66 companies were recorded. Each company give a call with a target price and a stop loss price. The stop loss price is a price at which the company's share is sold to limit investor's loss on position in security. Sometimes the calls that are made by the equity advisory companies are on the basis of intraday, short term or long term. Similarly, like stop loss price companies record the target the target price of each call that are being made. Target price reflects what the analysts believes a stock will be worth at the end of a certain time period.

In order to know whether the particular call that has been made is a buy or a sell call, Stop loss price and the Target price of the calls are compared.

- ▪ If the Stop loss price < Target price, then it is a buy call.

Once the target and the stop loss price of the calls are recorded the analysts collect the opening prices of the calls in order to find out whether the particular call has made profit or not. In case of buy call if the Target price > Opening price, then the call given by the analyst made profit.

Profit = Target price – Opening Price

Profit % = Profit * 100/ Opening Price

In case the particular call has hit the stop loss price first, then that particular call has made a loss when compared to opening price.

Loss= Stop loss price – Opening price

Loss % = Loss * 100/ Opening price

After calculating the percentage of profit and loss, Mean and the Standard deviation is to be calculated. Even though the company has achieved the highest percentage profit but if that particular company also has the highest percentage of loss, then in that case the particular company does not make an appropriate prediction as compared to other companies. After calculating the percentage of profit and loss, average combined percentage of profit and loss on the basis of the calls that has been recorded from October 2017 to March 2018.ICICI Direct has a total of 18 calls, HDFC Securities has a total of 21 calls and Kotak Securities has a total of 20 calls Once the analysis of combined percentage of profit and loss of the targets of the company is done, we should analyze the profit or the loss incurred by the companies.

Table 1: Average Return of the Combined Profit and Loss %

Companies	ICICI Direct	HDFC Securities	Kotak Securities
Average Return of Percentage of Profit and loss	-5.087%	0%	-2.532%

From table 1 we conclude that, none of the companies has made profit, rather has incurred has loss. ICICI direct has incurred a loss of 5.087%, HDFC Securities has neither incurred profit nor loss and Kotak Securities has incurred a loss of 2.532%.

Chart 1: Average Return of Combined Profit and Loss %
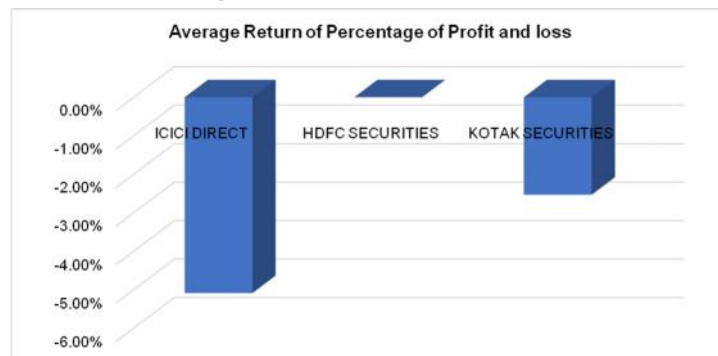
The below table shows the total number of calls that has been made by ICICI Direct along with its Stop loss price, Target price, Opening price and the closing price. The total calls of ICICI Direct has been recorded from November 2017 to March 2018.

Table 2: ICICI Direct Calls from November 2017 to March 2018

Companies	Recomm endation	Date	Opening price	Closing price	Target price	Stop loss price	P/L	%P/L	Average return of Combined P/L
Merck Ltd	Buy	March 23, 2018	1490	1518	1750	1370	28	1.87	
Godrej Consumer	Buy	21/3/17	1095	1088.95	1270	980	-6.05	-0.552	-5.0817
Marico Limited	Buy	20/3/18	321	320.85	368	283	-0.15	-0.046	
Mahindra Cie Automoti Ve Ltd	Buy	Feb 27, 2018	231.8		270	216	-28.50	-12.29	
Larsen & Toubro Limited	Buy	Feb 7, 2018	1,347.50	1316.55	1540	1196	-30.95	-2.29	
Ncc Ltd.	Buy	Feb 15,20 18	128.35		147	115	-14.75	-11.49	
Vst Industrie S Ltd	Buy	Jan 23, 2018	3180		3840	2770	-428.95	-13.48	
Indian Hotels Co Ltd	Buy	Jan 9, 2018	142	135.55	169	124	-6.45	-4.54	
Reliance Industries Ltd	Buy	Jan 9, 2018	928.15	911	1070	865	-17.15	-1.84	
Jk Paper Limited	Buy	Jan 4, 2018	145.7		178	139	-7.65	-5.25	
Titan Company Ltd	Buy	Jan1,2018	850		1048	768	-82	-9.64	
Mahindra & Mahindra Limited	Buy	Dec 28, 2017	747	771.95	865	680	24.95	3.34	
Cesc Limited	Buy	Dec 21, 2017	1013		1195	930	-100.25	-9.89	
SRF Limited	Buy	Dec19, 2017	1895		2170	1705	-205	-10.81	
Huhtamaki Ppl Ltd.	Buy	Dec 12,2017	362.9		395	320	-43.75	-12.05	
Cg Powers & Ind Solutions Limited	Buy	Dec 1, 2017	87		102	79	-8.10	-9.31	
Torrent Power Ltd	Buy	Nov 20, 2017	262.15		311	241	-32.15	-12.26	

Out of the total calls that has been given by ICICI Direct i.e., 18 calls, 10 calls have triggered the stop loss price and 8 calls have neither hit the stop loss price nor the target price.

$$\text{Accuracy \% of Advisory} = \frac{\text{Calls that have hit the target}}{\text{Calls that have hit either the stop loss price or target price}} * 100$$

If ICICI Direct calls had been made relied on since, November 2017 till now the total investment would have been Rs. 14972.05.

ICICI Direct has a total investment of Rs. 14972.05. Here total amount of investment represents the buying price or the opening price of the total calls and ICICI Direct has a net loss of Rs. 913.85 (loss incurred when the calls hit the stop loss price is Rs. 951.10 and profit incurred when the calls does not hit the target price nor the stop loss price is Rs. 37.25).

After calculating net profit or loss calculate the returns that each company has incurred.

$$\text{Return} = \frac{\text{Net Profit or loss}}{\text{Total investment}} * 100$$

ICICI Direct has a negative return of -0.061%.

The below table shows the total number of calls that has been made by HDFC Securities along with its Stop loss price, Target price, Opening price and the closing price. The total calls of HDFC Securities have been recorded from October 2017 to March 2018.

Table 3: HDFC Securities calls from October 2017 to March 2018.

Companies	Recomm endation	Date	Opening price	Closing price	Target price	Stop loss price	P/L	%P/L	Average Return of combined P/L %
Hexaware Tech	Buy	Mar 28, 2018	290		315	158	86.85	30	
Sonata Software	Buy	Mar 19, 2018	310	-	385	283	-27.00	-9	
Hbl Power Systems Limited	Buy	Mar 08, 2018	52	49.65	82	41	-2.35	-5	
Gujarat Gas Ltd	Buy	Mar 06, 2018	871.95	862.95	1,112.00	556	-9.00	-1	
Future Lifetyle	Buy	Feb 26, 2018	366.95	429.95	530	364	63.00	17	
Persistent System	Buy	Feb 23, 2018	783.1	681	943	650	-102.10	-13	
Avenue Supermar Ts Ltd	Buy	Feb 15, 2018	1206.95	1419.85	1550	1,150	212.90	18	0%
Gmr Infra	Buy	Feb 14, 2018	19.9	20. 1	37	16	0.20	1	
Wockhard T	Buy	Jan 30, 2018	898.50		980.00	693	-205.50	-23	
Hind. Zinc Limited	Buy	Jan 29, 2018	303.5	314.3	394	197	10.80	4	
Dr. Lal Pathlabs Limited	Buy	Jan 22, 2018	902	872.2	1235	618	-530.30	-59	
Petronet Lng Ltd	Buy	Jan 01, 2018	254	236.9	296	148	-17.10	-7	
Eclerx Services	Buy	Jan 01, 2018	1,300.00		1531	1,145	280.00	22	
Tata Global Beverages Limited	Buy	Dec 29, 2017	308.05		322	253	20.30	7	
Bharathi Infratel	Buy	Dec 22, 2017	220		310	155	143.95	65	
Dishman Carbogen Amcis Limited	Buy	Dec 20, 2017	309		459	300	-12.35	-4	
Compuage Info. Ltd	Buy	Dec 14, 2017	46.5		69.3	35	-12.20	-26	
Hcl Infosyste Ms	Buy	Nov 13, 2017	58		100	49	-9.40	-16	
Bharati Infratel Limited	Buy	Oct 24, 2017	345		373	310	119.35	35	
Praj Inds	Buy	Oct 18, 2017	95		179	76	-27.70	-29	
Castrol India Ltd	Buy	Oct 30, 2017	202	206.7	256	128	4.70	2	

Out of the total calls that has been made by HDFC Securities i.e. 21 calls, 6 calls has triggered the stop loss price and 5 calls has hit the target price and 10 calls has neither hit the stop loss price nor the target price.

$$\text{Accuracy \% of Advisory} = \frac{\text{Calls that have hit the target}}{\text{Calls that have hit either the stop loss price or target price}} * 100$$

If HDFC Securities calls had been made relied on since, October 2017 till now the total investment would have been Rs. 9142.4. HDFC Securities has a total investment of Rs. 9142.4. Here total amount of investment represents the buying price or the opening price of the total calls and HDFC Securities has a net loss of Rs. 19 (loss incurred when the calls hit the stop loss price is Rs. 300.20 and profit incurred when the calls hit the target price is Rs. 650.45 and loss incurred when the calls does not hit the target price nor the stop loss price is Rs. 369.25). After calculating net profit or loss calculate the returns that each company has incurred.

$$\text{Return} = \frac{\text{Net Profit or Loss}}{\text{Total investment}} * 100$$

HDFC Securities has a negative return of 0.0020%.

The below table shows the total number of calls that has been made by Kotak Securities along with its Stop loss price, Target price, Opening price and the closing price. The total calls of Kotak Securities have been recorded from October 2017 to March 2018.

Table 4: Kotak Securities calls from October 2017 to March 2018.

Companies	Recomm endation	Date	Opening price	Closing price	Target price	Stop loss price	P/L	P/L%	Average Return of Combined P/L
Knr Constructions	Buy	Feb 28, 2018	305.9	290.05	348	174	-15.85	-5.18	
Akzo Nobel India Ltd.	Buy	Feb 14, 2018	1,809.20	1,909.85	2250	1,125	100.65	5.56	
Kansai Nerolac Paints Ltd.	Buy	Feb 08, 2018	503.45	499.90	600	300	-3.55	-0.70	
Tata Motors Ltd.	Buy	Oct 19, 2017	433	364.1	477	239	-68.90	-15.91	
Castrol India Ltd.	Buy	Oct 19, 2017	190	206.7	220	110	16.70	8.78	
Bheml Ltd.	Buy	Oct 19, 2017	1,725.00		3500	1,550	-219.00	-12.69	
Iti Ltd.	Buy	Oct 19, 2017	146.5		275	115	-34.15	-23.31	
Jsw Energy Ltd.	Buy	Feb 28, 2018	81	81.75	125	65	0.75	0.92	-2.53%
Just Dial Ltd.	Buy	Jan 12, 2018	586		620.00	330	61.00	10.40	
Carborundam Universal Ltd.	Buy	Jan 12, 2018	415	368.25	418.00	209	-46.75	-11.26	
Maruti Suzuki India Ltd.	Buy	Jan 08, 2018	9,488.00	9,206.20	10749	5,375	-281.80	-2.97	
Shree Cement Ltd.	Buy	Jan 05, 2018	18,200.00	17,057.95	20748	10,374	1142.05	-6.27	
Petronet Lng Ltd.	Buy	Jan 04, 2018	254.65	236.9	285	143	-17.75	-6.97	
Wonderla Holidays Ltd.	Buy	Jan 02, 2018	363	368.15	465	233	5.15	1.41	
Allcargo Logistics Ltd.	Buy	Dec 11, 2017	179	151.4	250	125	-27.60	-15.41	
Radico Khaitan Ltd.	Buy	Nov 17, 2017	253.4		320	160	70.70	27.90	
Petronet Lng Ltd.	Buy	Nov 09, 2017	274	236.9	285	143	-37.10	-13.54	
Escorts Ltd	Buy	Nov 09, 2017	705		803	402	98.00	13.90	
Chennai Petro Leum Corp. Ltd.	Buy	Nov 07, 2017	467	343.55	485	243	-123.45	26.43	
Greenply Industries Ltd.	Buy	Oct 31, 2017	278.75		322.00	161	58.85	21.11	

Out of the total calls that has been made by Kotak Securities i.e., 20 calls, 2 calls have triggered the stop loss price and 4 calls has hit the target price and 14 calls has neither hit the stop loss price nor the target price.

$$\text{Accuracy \% of Advisory} = \frac{\text{Calls that have hit the target}}{\text{Calls that have hit either the stop loss price or target price}} * 100$$

If Kotak Securities calls had been made relied on since, October 2017 till now the total investment would have been Rs. 36657.85. Kotak Securities has a total investment of Rs.36657.85 Here total amount of investment represents the buying price or the opening price of the total calls and HDFC Securities has a net loss of Rs. 1606.15(loss incurred when the calls hit the stop loss price is Rs. 253.15 and profit incurred when the calls hit the target price is Rs.288.55 and loss incurred when the calls does not hit the target price nor the stop loss price is Rs1641.55).

After calculating net profit or loss calculate the returns that each company has incurred.

$$\text{Return} = \frac{\text{Net Profit or Loss}}{\text{Total investment}} * 100$$

Kotak Securities has a negative return of 0.043%

Findings

- HDFC Securities has a greater number of calls i.e., 21 calls as compared to ICICI Direct and Kotak Securities i.e., 18 calls and 20 calls.

- Products offered by HDFC Securities are Equities, Derivatives, Mutual Funds, PMS, Currencies, IPO's, Insurance, Fixed Deposits.

- Products offered by ICICI Direct are Equities, Derivatives, Mutual Funds, PMS, Currencies, IPO's, Insurance, Fixed Deposits, Structured Products, Third Party Distribution products, E-locker and Tax Services.

- Products offered by Kotak Securities are Equities, Derivatives, Mutual Funds, PMS, Currencies, IPO's, Fixed Deposits, Commodities, Structured Products and Third-Party Distribution products.

	HDFC Securities	Kotak Securities	ICICI Direct
Equity Delivery	0.50%	0.50%	0.55%
Intraday Delivery	0.10%	0.049%	0.05%
Equity Futures	0.05%	0.049%	0.03%-0.05%
Equity Options (per lot)	100	300	35-95
Currency Futures (per contract)	Rs. 23	0.04%	0.030%-0.050%
Currency Options (Rs.)	23	20	10-25

Suggestions

- In the project the analysis has been done by comparing the prices of the calls that has been made i.e., stop loss price, target price, opening price and closing price.
- The analysis has been done for 3 equity advisory companies. For further study more than 3 Equity Advisory Companies can be used.
- The reliability of the analysts can be calculated by considering the proposed formulas in the different papers.

Limitations of the Study

- Due to time constraints, I couldn't able to collect sufficient data.
- Data are not easily available on websites or in other published papers.
- Accurate data which was inevitable was not available.
- Most of the data are from secondary sources since primary sources of data are not available as much to serve my purpose.
- The accountant was arrogant to present the company's Annual Report.
- Restrictions by the top-level managers were to be faced.

Conclusion

The analysis that has been made in the project helped the investors to find out how many calls that has been made has actually hit the target i.e., either the stop loss price or the target price. The investors should not consider the calls that has hit neither of the stop loss nor the target price. In order to find out the accuracy investors should see how much profit a company has made when the calls have either hit the target or the stop loss price. Then total profit/ loss that has been incurred when the calls hit the stop loss price or the profit/ loss that has been incurred when the calls hit the target price. From the above calculation we will get the net profit. As the data that has been collected is from October 2017 to March 2018 there are some calls that has neither hit the target price nor the stop loss price. In order to find out the accuracy of the companies we should divide net profit by total investment. As HDFC securities has the least negative return i.e. -0.0020% as compared to ICICI Direct and Kotak securities i.e. -0.061% and -0.0438%. So, from the above information, it can be concluded that as all the three companies has incurred a negative return, none of them makes an accurate prediction.

References

1. Citation of the papers cited in Literature Review Section
2. Drakopoulou, V. (2016). A Review of fundamental and technical stock analysis techniques.
3. Boobalan, C. (2014). Technical analysis in select stocks of Indian companies. *International Journal of Business and Administration Research Review*, 2(4).
4. Jegadeesh, N., Kim, J., Krische, S. D., & Lee, C. M. (2004). Analyzing the analysts: When do recommendations add value? *The journal of finance*, 59(3), 1083-1124.
5. Jagongo, A., & Mutswenje, V. S. (2014). A survey of the factors influencing investment decisions: the case of individual investors at the NSE. *International Journal of Humanities and Social Science*, 4(4), 92-102.
6. Qureshi, S. A., & Hunjra, A. I. (2012). Factors affecting investment decision making of equity fund managers.

❑❑❑