

**A Comparative Study on Technical Analysis by Bollinger Band and RSI.****Shah Nisarg Pinakin<sup>[1]</sup>, Patel Taral Manubhai<sup>[2]</sup>****B.V.Patel Institute of BMC & IT, Bardoli, Gujarat.****ABSTRACT:**

The Bollinger Bands are indicated volatility by upper and lower band with 21 days simple moving average. Relative Strength Index is a momentum oscillator that indicates change of price movement and speed of stock. Both tools ultimately determine overbought and oversold signals. In this comparative study of Bollinger Band and RSI, we measure which method generates highest buying and selling signals, profit and best return.

**KEYWORDS:** RSI (Relative Strength Index), SMA (Simple Moving Average), BB (Bollinger Band).

**INTRODUCTION:**

The purpose of Bollinger Band is to determine high and low of stocks. Prices of stocks are high at upper band and low at lower band. Investor can take systematic trading decision by recognise the pattern of the stock. There are three curves drawn in Bollinger Band. The upper band and lower band is simple moving average and middle band is intermediate band. The volatility determine by interval between upper band, lower band and middle band. The default parameters are 20 periods and two standard deviations.

Relative Strength Index is a technical indicator determines strength and weakness of stock on closing price of a recent trading period. RSI measures volatility and magnitude of price movement direction of stock. Momentum is the rate of rise or fall in the price of stock. It computes the ratio of higher and lower closes of a stock. The stock which had higher positive changes has a higher RSI and the stock which had stronger negative changes has lower RSI. RSI used on a 14 days' timeframe, measured on a scale of 0 to 100 with a low level mark 30 and high level mark 70.

Now, the study using two kinds of technical tool namely RSI and Bollinger Band. In this study, researcher uses secondary data of seven different companies of three different sectors. Researcher generates buying signals for the study and average that buying signals. There is no short sell allowed in study.

**REVIEW OF LITERATURE:**

**Z. K. Silagadze (2011)**, in this research paper, "To identify lines of resistance and support, traders usually use some moving average indicator". If the price goes through the local maximum and crosses a moving average, we have a resistance line indicating the price at which a majority of traders expect that prices will move lower. A support line happens when the price crosses a moving average after the local minimum. The support line indicates the price at which a majority of traders feel that prices will move higher. The problem is fluctuations of the price which hampers the identification of both the local extremism and the corresponding crossing points with the moving average.

**Taylor and Allen (1992)** report the results of a survey among chief foreign exchange dealers based in London in November 1988 and found that at least 90 per cent of respondents placed some weight on technical analysis, and that there was a skew towards using technical, rather than fundamental, analysis at shorter time horizons.

**Jagadeesh (July 1990)** Journal of Finance article, found predictable pattern in monthly returns for the period 1934 to 1987. His study revealed that stocks with large losses in one month tend to show a

significant reversal in the following month and vice versa. In December 2000 Journal of Finance article, Lo, Mamaysky, and Wang found that several technical indicators have some practical value as they provide incremental information.

This study is also based on sector analysis where from 4 industries in that 4-5 companies are analyzed using technical indicators. If the indicators show more than 50% of positive results then the relevance of technical tools in trading increases which will be helpful for investors.

**Oliver Douglas Williams (2006), Empirical Optimization of Bollinger Bands for Profitability**, have chosen a moving average of 20 days for short term analysis and 200 days for long term analysis. Moving averages in relation to profitability is the focus of this study. After testing a simple trading rule on the components of the DOW 30 index there is a revelation that a single moving average window cannot be used to derive an all (security) encompassing trading rule.

**Rodrigo Alfaro and Andres Sagner (April 2010), Financial Forecast for the Relative Strength Index**, this paper provides a closed-form expression for one of the most popular index in Technical Analysis: the Relative Strength Index (RSI). It shows how the standard binomial model for the stock price can be used to predict RSI. The algorithm is as simple as to code a standard European option. In an empirical application to the Chilean exchange rate it shows how the method works having a better out of sample performance than an ARMA(1,1) model.

## STATEMENT OF THE PROBLEM

RSI and Bollinger band is best tool to predict security price movement in technical analysis. The paper studies that by using these different methods of technical analysis, how well 1 method provides prediction compare to other method.

This paper also studies that method of technical analysis generates best profit, maximum no of buying and selling signals, best Average return.

## NEED FOR THE STUDY

There are several methods are available in technical analysis to predict price movement of the different securities. But from that I choose two tools for comparing the method which gives highest signal, best profit and highest average return.

Several methods of technical analysis are available to predict price of securities. I choose two methods for comparing which tools generates highest profit, highest signals.

## OBJECTIVE OF THE STUDY:

### Main Objective:

To **study** trend of security price through study of past market data of securities.

**Secondary Objective:**

- To improve the knowledge regarding technical analysis tools such as RSI and Bollinger Band
- To study Buy and Sell signal of specific securities by technical analysis tools.
- To study profit of a specific securities generated by technical analysis tools.

**METHODOLOGY OF THE STUDY:****Sampling Design:****Sample:**

- Daily closing price of different sectors namely Auto, IT and oil.
  - a. Daily closing price of Bajaj Auto, M&M, Hero Moto Corp from the date 01-03-2014 to 28-02-2015
  - b. Daily closing Price of ONGC & Indian Oil from the date 01-03-2014 to 28-02-2015
  - c. Daily closing Price of TCS and Infosys from the date 01-03-2014 to 28-02-2015
- **Nature and Sources of Data:** The Present study is of analytical nature and secondary data are used. The data is taken from the website [www.nseindia.com](http://www.nseindia.com).

**TOOLS AND TECHNIQUES OF DATA ANALYSIS: -**

## 1. Relative Strength Index (RSI): -

Developed J. Welles Wilder, the Relative Strength Index (RSI) is a momentum oscillator that measures the speed and change of price movements. RSI oscillates between zero and 100. Traditionally, and according to Wilder, RSI is considered overbought when above 70 and oversold when below 30.

$$RSI = 100 - \frac{100}{1 + RS}$$

$$RS = \text{Average Gain} / \text{Average Loss}$$

RSI has been broken down into its basic components: **RS**, **Average Gain** and **Average Loss**. This RSI calculation is based on 14 periods, which is the default suggested by Wilder in his book. Losses are expressed as positive values, not negative values.

The very first calculations for average gain and average loss are simple 14 period averages.

- First Average Gain = Sum of Gains over the past 14 periods / 14.
- First Average Loss = Sum of Losses over the past 14 periods / 14

The second, and subsequent, calculations are based on the prior averages and the current gain loss:

- Average Gain =  $[(\text{previous Average Gain}) \times 13 + \text{current Gain}] / 14$ .
- Average Loss =  $[(\text{previous Average Loss}) \times 13 + \text{current Loss}] / 14$ .

RSI is considered overbought when above 70 and oversold when below 30. These traditional levels can also be adjusted to better fit the security or analytical requirements. Rising overbought to 80 or lowering oversold to 20 will reduce the number of overbought/oversold readings.

## 2. Bollinger Band (BB): -

Developed by John Bollinger, Bollinger Bands® are volatility bands placed above and below a moving average. Volatility is based on the standard deviation, which changes as volatility increases and decreases. The bands automatically widen when volatility increases and narrow when volatility decreases.

\* Middle Band = 20-day simple moving average (SMA)  
 \* Upper Band = 20-day SMA + (20-day standard deviation of price x 2)  
 \* Lower Band = 20-day SMA - (20-day standard deviation of price x 2)

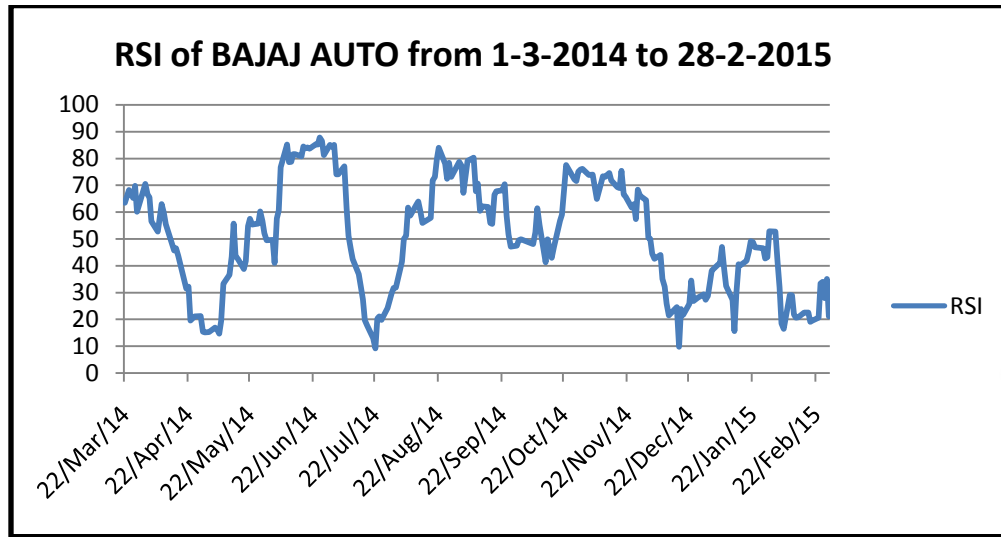
## DATA ANALYSIS: -

### Calculation of RSI:

The Chart 1.1-4.6 and Table 4.1-4.6 shows the analysis of RSI. It is a momentum indicator that gives the location of the close relative to the high-low range over a set number of periods. It gives overbought and oversold signals to generate Signals of buying and selling what we view in the chart and also helps to generate profit and return as given calculation in the table.

**Table 1.1 Generates Profit/Loss and Return from the signals on daily price movement of Bajaj Auto for the year 1-03-2014 to 28-02-2015.**

Date	Closing Price	Buy	Avg. Buy	Sell	Profit/Loss	%Return
9-May-14	1919.95	1920	1919.95			
8-Jul-14	2226.3			2226.3	306.35	15.96
31-Jul-14	2075.9	2075.9	2075.9			
3-Sep-14	2321.15			2321.15	245.25	11.81
<b>Total Profit/Loss &amp; Return</b>					551.6	27.77
<b>Avg. Return</b>						13.88
Signal Generated		2		2		

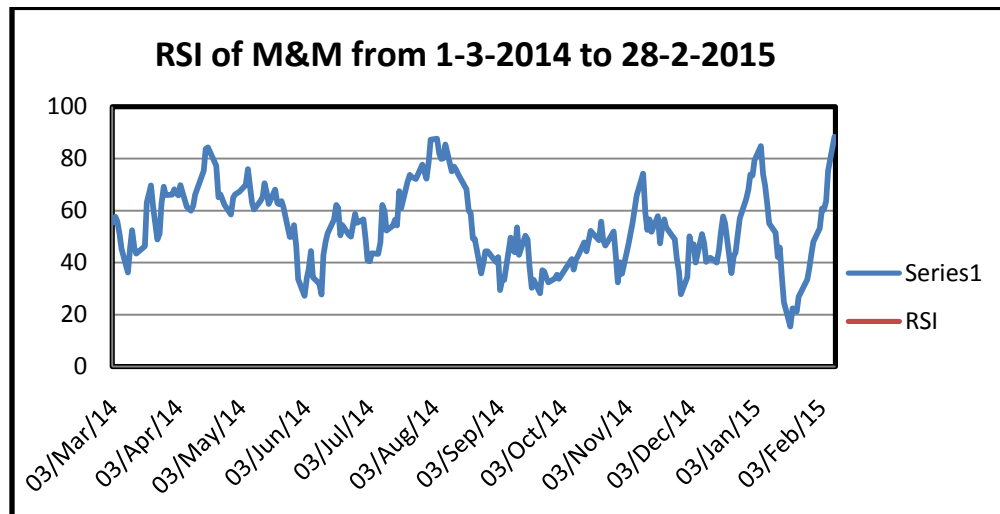
**Chart 1.1: Shows signals on daily price movement of SBI for the year 1-03-2014 to 28-02-2015.****Interpretation:**

Form the Table 1.1 and chart 1.1, researcher interpret that The "BAJAJ AUTO" daily price movement analysis by RSI generates 2 buying signals and 2 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs. 551.6/- per share, providing total return of 27.77 % and average return of 13.88% per trading transaction.

**Table 1.2 Generate profit/loss and return from the signals on daily price movement of M&M by RSI for the year 1-03-2014 to 28-02-2015.**

Date	Closing Price	Buy	Avg. Buy	Sell	Profit/Loss	% Return
4	1230.75	1230.75				
11-Jun-14	1227.1	1227.1	1228.9			
18-Aug-14	1326.05			1326.05	97.15	7.9
4-Sep-14	1410.75	1410.75				
23-Sep-14	1347.6	1347.6	1379.1			
11-Nov-14	1260.55			1260.55	-118.55	-8.59
1-Dec-14	1295.1	1295.1	1295.1			
20-Jan-15	1224.15			1224.15	-70.95	-5.79
Total Profit/Loss & Return					-92.35	-6.48
Avg. Return						-2.16
Signal Generated		5		3		

**Chart 1.2: Shows profit/loss and return from the signals on daily price movement of M&M by RSI for the year 1-03-2014 to 28-02-2015.**



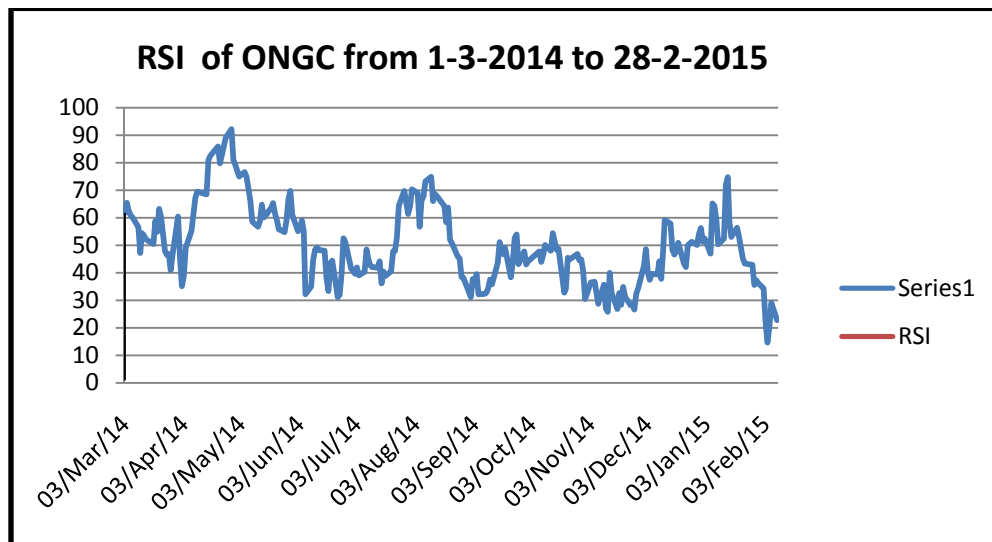
**Interpretation:**

Form the Table 1.2 and Chart 1.2, researcher interpret that The "M&M" daily price movement analysis by RSI generates 5 buying signals and 3 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs. -92.35/- per share, providing total return of -6.48% and average return of -2.16% per trading transaction.

**Chart 1.3: Generates profit/loss and return from the signals on daily price movement of ONGC by RSI for the year 1-03-2014 to 28-02-2015.**

Date	Close Price	Buy	Avg. Buy	Sell	Profit/Loss	% Return
10-Nov-14	394.2	394.2				
13-Nov-14	385.8	385.8				
18-Nov-14	390.65	390.65				
20-Nov-14	385.75	385.75				
27-Nov-14	382.3	382.3	387.74			
3-Feb-15	346.5			346.5	-41.24	-10.63
Total Profit/Loss & Return					-41.24	-10.63
Avg. Return						-10.63
Signal Generated		5		1		

**Chart 1.3: Shows profit/loss and return from the signals on daily price movement of ONGC by RSI for the year 1-03-2014 to 28-02-2015.**



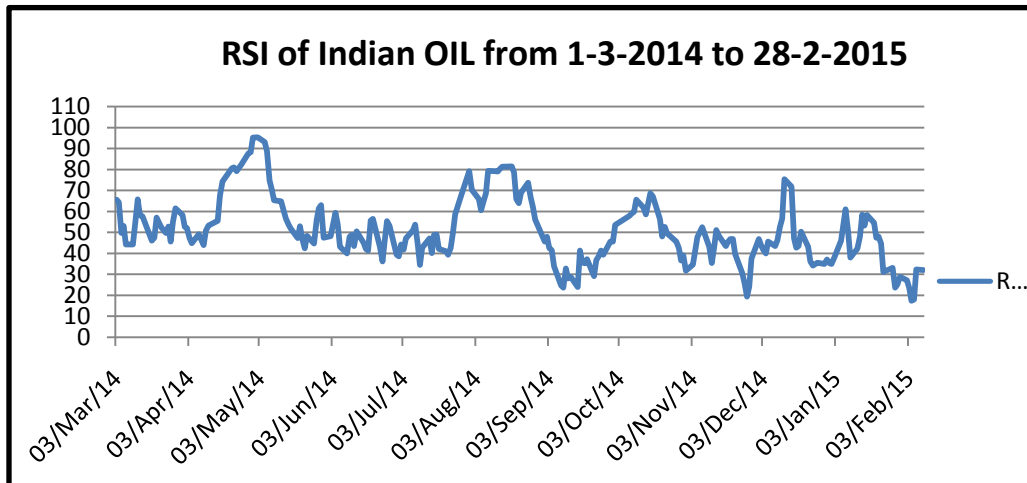
**Interpretation:**

Form the Table 1.3 and Chart 1.3, researcher interpret that The "ONGC" daily price movement analysis by RSI generates 5 buying signals and 1 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs.-41.24 /- per share, providing total return of -10.63% and average return of -10.63% per trading transaction.

**Table 1.4: Generates profit/loss and return from the signals on daily price movement of Indian Oil by RSI for the year 1-03-2014 to 28-02-2015.**

Date	Close Price	Buy	Avg. Buy	Sell	Profit/ Loss	% Return
10-Sep-14	639.3	639.3				
27-Nov-14	608.7	608.7	624			
15-Dec-14	535.1			535.1	-88.9	-14.25
Total Profit/Loss & Return					-88.9	-14.25
Avg.Return						-14.25
Signal Generated		2		1		

**Chart 1.4: Generates profit/loss and return from the signals on daily price movement of Indian Oil by RSI for the year 1-03-2014 to 28-02-2015.**



#### Interpretation

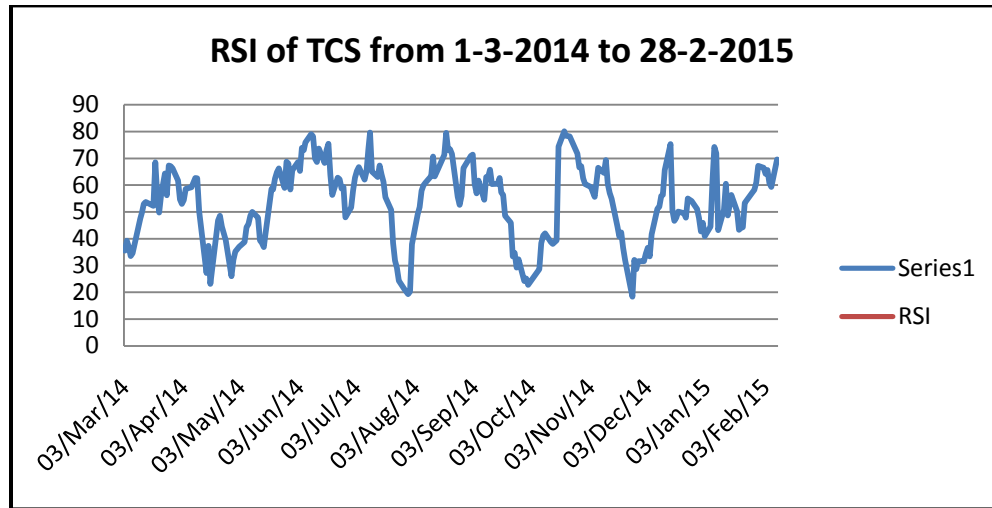
Form the Table 1.4 and Chart 1.4, researcher interpret that The "Indian Oil" daily price movement analysis by RSI generates 2 buying signals and 1 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs. -88.9/- per share, providing total return of -14.25% and average return of -14.25% per trading transaction.

**Table 1.5: Generates profit/loss and return from the signals on daily price movement of TCS by RSI for the year 1-03-2014 to 28-02-2015.**

Date	Close Price	Buy	Avg. Buy	Sell	Profit/Loss	% Return
16-Apr-14	2196.3	2196.3				
21-Apr-14	2221.75	2221.75				
29-Apr-14	2194.25	2194.25	2204.1			
11-Jun-14	2206.95			2206.95	2.85	0.13
1-Aug-14	2516.4	2516.4	2516.4			
22-Aug-14	2464.2			2464.2	-52.2	-2.07
26-Nov-14	2627.3	2627.3	2627.3			
16-Dec-14	2443.05			2443.05	-184.25	-7.01
Total Profit/Loss & Return					-233.6	-8.95
Avg. Return						
Signal Generated		5		3		



**Chart 1.5: Shows profit/loss and return from the signals on daily price movement of TCS by RSI for the year 1-03-2014 to 28-02-2015.**

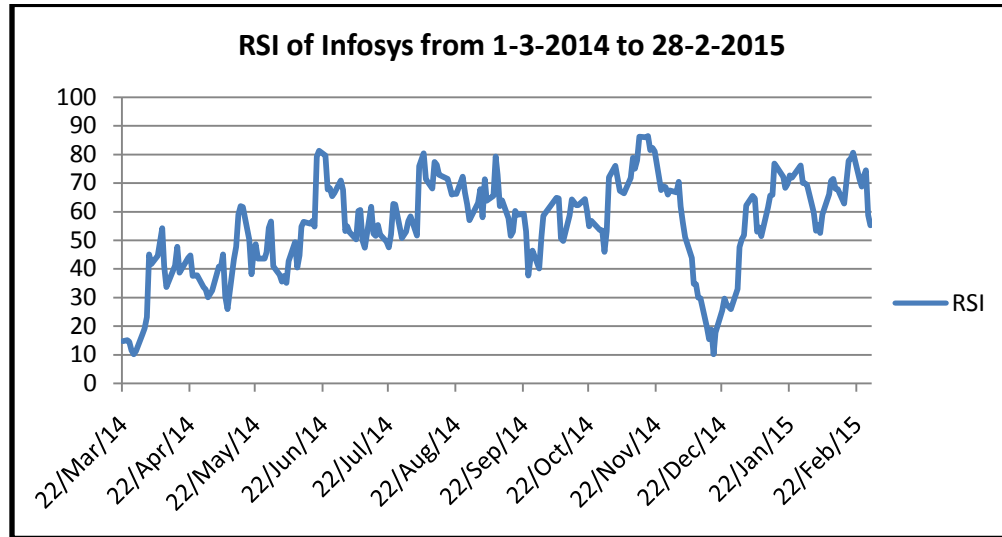


Form the Table 1.5 and Chart 1.5, researcher interpret that The "TCS" daily price movement analysis by RSI generates 5 buying signals and 3 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs. -233.6/- per share, providing total return of -8.95% and average return of -2.98% per trading transaction.

**Table1.5: Generates profit/loss and return from the signals on daily price movement of Infosys by RSI for the year 1-03-2014 to 28-02-2015.**

Date	Close Price	Buy	Avg. Buy	Sell	Profit/Loss	% Return
3-Apr-14	3322.05	3322.05				
2-May-14	3180.8	3180.8	3251.425			
24-Jun-14	3232.55			3232.55	-18.875	-0.58051
29-Dec-14	3904.5	3904.5	3904.5			
20-Jan-15	4205			4205	300.5	7.696248
Total Profit/Loss & Return					281.625	7.115733
Avg. Return						3.557867
Signal Generated		3		2		

**Chart 1.5: Shows profit/loss and return from the signals on daily price movement of Infosys by RSI for the year 1-03-2014 to 28-02-2015.**



**Interpretation:**

Form the Table 1.6 and Chart 1.6, researcher interpret that The "Infosys" daily price movement analysis by RSI generates 3 buying signals and 2 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs. 281.625/- per share, providing total return of 7.12 and average return of 3.56 per trading transaction.

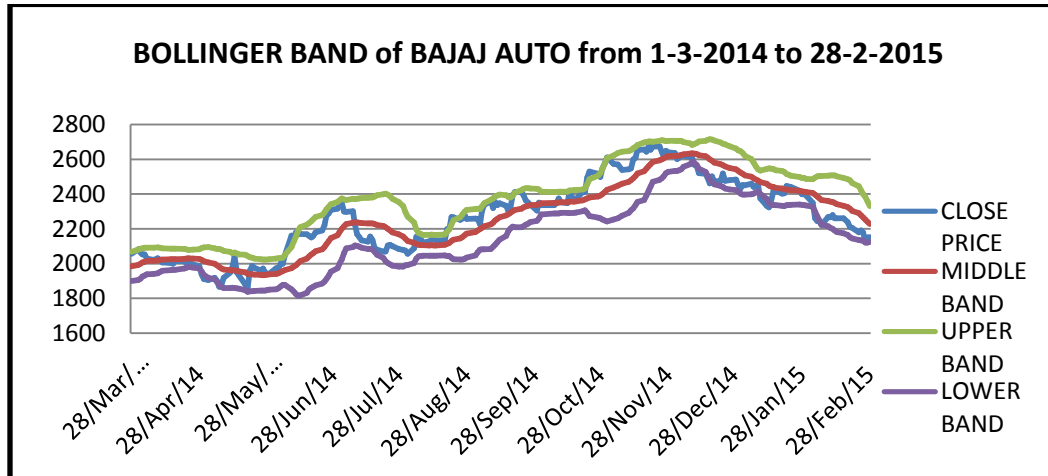
**2. Bollinger Band**

Table 1.7.-1.12 and Chart 1.7-1.12 shows the analysis of Bollinger Band is a momentum indicator that shows the location of the close relative to the high-low range over a set number of periods. It gives overbought and oversold signals to generate Signals of buying and selling what we view in the chart and also helps to generate profit and return as given calculation in the table.

**Table 1.7 Generates Profit/Loss and Return from the signals of overbought and oversold of Bajaj Auto by Bollinger Band for the year 1-03-2014 to 28-02-2015.**

Date	Closing Price	Buy	Avg.Buy	Sell	Profit/Loss	% Return
5-May-14	1918.85	1918.85				
8-May-14	1879.25	1879.25	1899.05			
13-Jun-14	2170.7			2170.7	271.65	14.3
Total Profit/Loss \$ Return					271.65	14.3
Avg. Return						14.3
Signal Generated		2		1		

**Chart 1.7: Shows Profit/Loss and Return from the signals of overbought and oversold of Bajaj Auto by Bollinger Band for the year 1-03-2014 to 28-02-2015.**



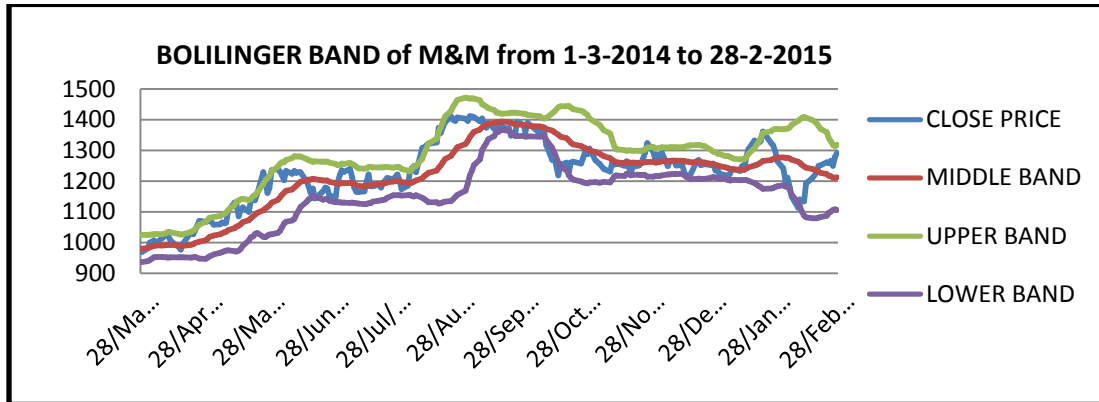
**Interpretation:**

Form the Table 1.7 and chart 1.7, researcher interpret that The "BAJAJ AUTO" daily price movement analysis by Bollinger Band generates 2 buying signals and 1 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs. 271.65/- per share, providing total return of 14.30 % and average return of 14.30% per trading transaction.

**Table 1.8: Shows Profit/Loss and Return from the signals of overbought and oversold of M&M by Bollinger Band for the year 1-03-2014 to 28-02-2015.**

Date	Close Price	Buy	Avg.Buy	Sell	Profit/Loss	% Return
23-Jun-14	1161.2	1161.2	1161.2			
11-Aug-14	1308.6			1308.6	147.4	12.69
24-Sep-14	1357.25	1357.25				
17-Oct-14	1253.75	1253.75	1305.5			
1-Dec-14	1295.1			1295.1	-10.4	-0.79
Total Profit/Loss & Return					137	11.9
Avg. Return						5.95
Signal Generated		3		2		

**Chart 1.8: Shows Profit/Loss and Return from the signals of overbought and oversold of M&M by Bollinger Band for the year 1-03-2014 to 28-02-2015.**



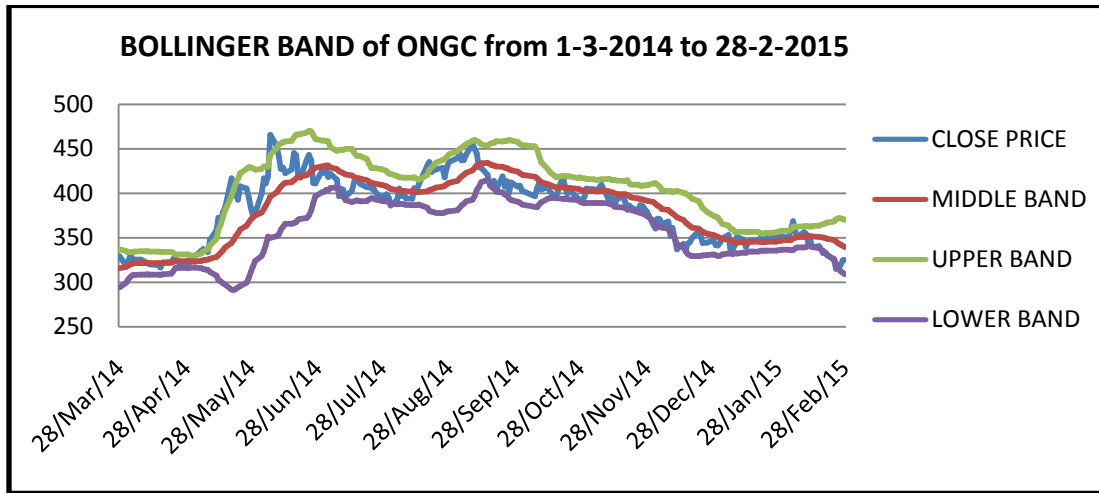
**Interpretation:**

Form the Table 1.8 and chart 1.8, researcher interpret that M&M" daily price movement analysis by Bollinger Band generates 3 buying signals and 2 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs. 137/- per share, providing total return of 11.9 % and average return of 5.95% per trading transaction.

**Chart 1.9: Generates Profit/Loss and Return from the signals of overbought and oversold of ONGC by Bollinger Band for the year 1-03-2014 to 28-02-2015.**

Date	Close Price	Buy	Avg. Buy	Sell	Profit/Loss	% Return
9-Jul-14	404.95	404.95				
4-Aug-14	392.75	392.75	398.85			
20-Aug-14	424			424	25.15	6.3
17-Sep-14	407.55	407.55				
14-Nov-14	393.25	393.25				
3-Dec-14	371.45	371.45				
10-Dec-14	361.1	361.1				
15-Dec-14	343.05	343.05				
7-Jan-15	338.05	338.05	369.04			
5-Feb-15	356.65			356.65	-12.39	-3.36
Total Profit/Loss & Return					12.76	2.94%
Avg. Return						1.47%
Signals Generated		8		2		

**Chart 1.9: Shows Profit/Loss and Return from the signals of overbought and oversold of ONGC by Bollinger Band for the year 1-03-2014 to 28-02-2015.**



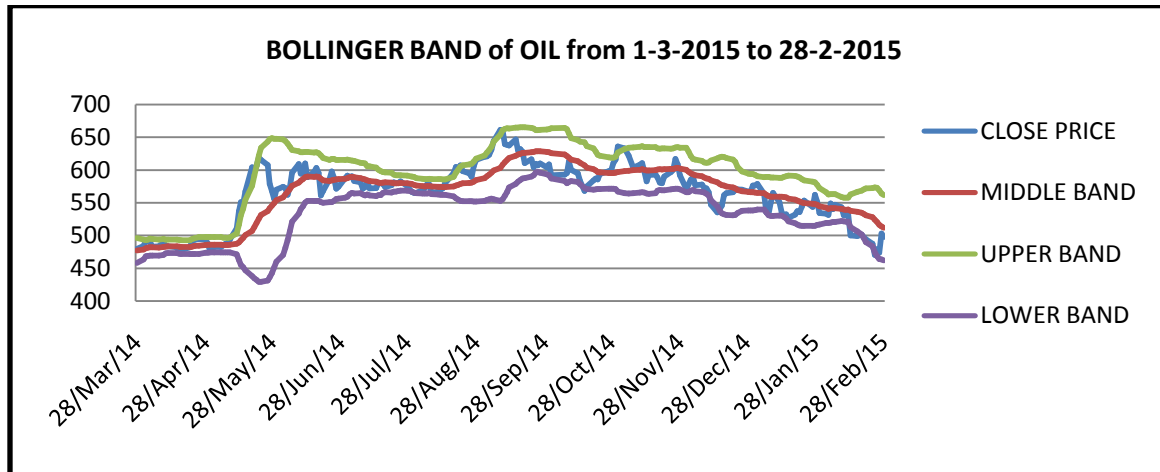
**Interpretation:**

Form the Table 1.9 and chart 1.9, researcher interpret that "ONGC" daily price movement analysis by Bollinger Band generates 8 buying signals and 2 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs. 12.76/- per share, providing total return of 2.94 % and average return of 1.47% per trading transaction.

**Chart 1.10: Generates Profit/Loss and Return from the signals of overbought and oversold of Indian Oil by Bollinger Band for the year 1-03-2014 to 28-02-2015.**

Date	Close Price	Buy	Avg. Buy	Sell	Profit/Loss	% Return
4-Aug-14	569.45	569.45	569.45			
22-Aug-14	598.1			598.1	28.65	5.03
17-Oct-14	575	575	575			
5-Nov-14	621.7			621.7	46.7	8.12
Total Profit/Loss & Return					75.35	13.15
Avg. Return						6.57
Signal		2		2		

**Chart 1.10: Shows Profit/Loss and Return from the signals of overbought and oversold of Indian Oil by Bollinger Band for the year 1-03-2014 to 28-02-2015.**



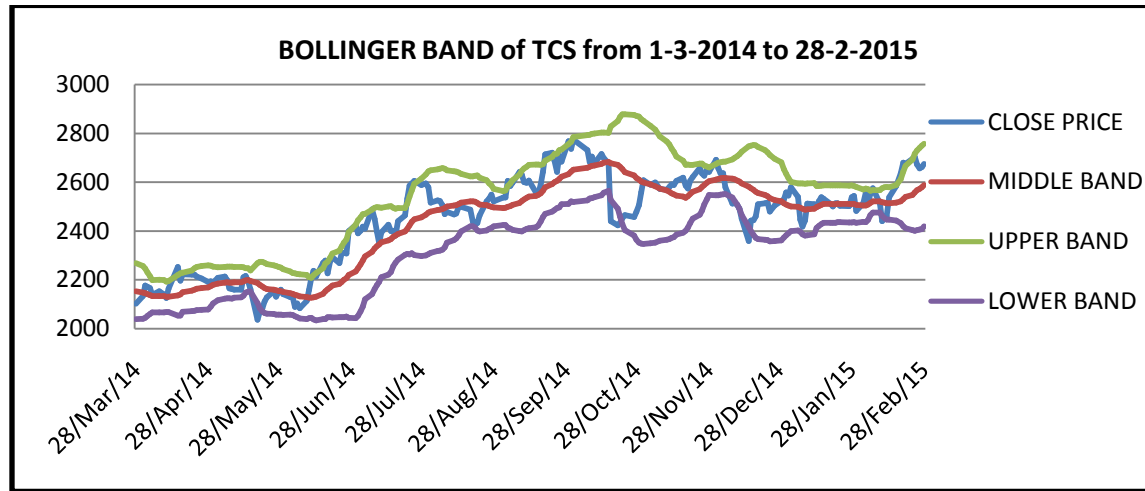
**Interpretation:**

Form the Table 1.10 and chart 1.10, researcher interpret that The OIL" daily price movement analysis by Bollinger Band generates 2 buying signals and 2 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs. 75.35/- per share, providing total return of 13.15 % and average return of 6.57% per trading transaction.

**Table 1.11: Generates Profit/Loss and Return from the signals of overbought and oversold of TCS by Bollinger Band for the year 1-03-2014 to 28-02-2015.**

Date	Close Price	Buy	Avg. Buy	Sell	Profit/Loss	% Return
21-May-14	2082.85	2082.85	2082.85			
12-Jun-14	2237.35			2237.35	154.5	7.42
22-Oct-14	2451.85	2451.85	2451.85			
2-Dec-14	2657.3			2657.3	205.45	8.38
12-Dec-14	2450.7	2450.7				
16-Dec-14	2443.05	2443.05	2446.87			
9-Feb-15	2512.9			2512.9	66.03	2.69
11-Feb-15	2459.9	2459.9	2459.9			
24-Feb-15	2704.75			2704.75	244.85	9.95
Total Profit/Loss & Return					670.83	28.44
Avg. Return						
Signal		5		4		

**Chart 1.11: Shows Profit/Loss and Return from the signals of overbought and oversold of TCS by Bollinger Band for the year 1-03-2014 to 28-02-2015.**



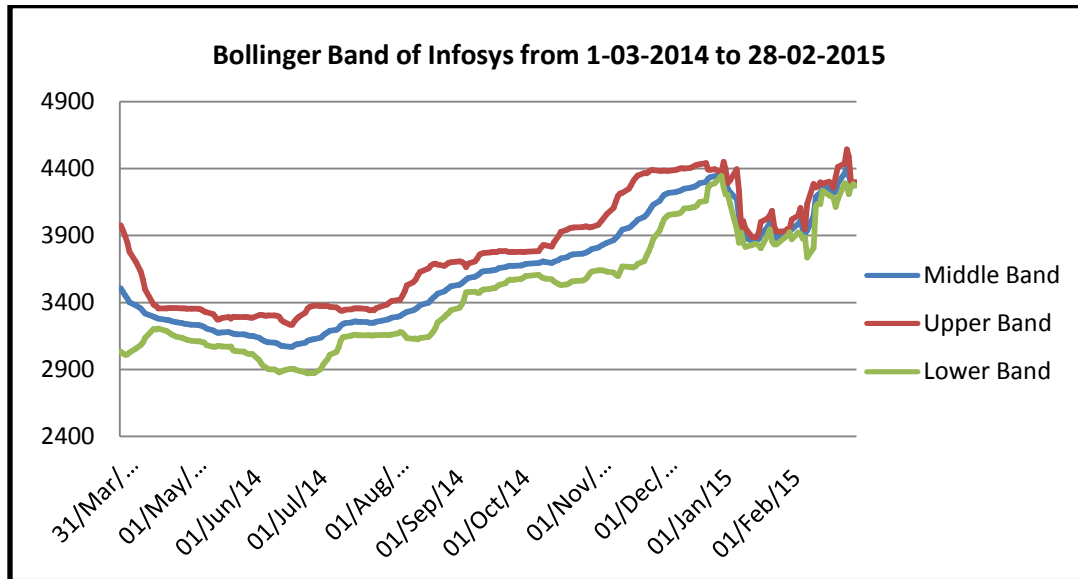
**Interpretation:**

Form the Table 1.11 and chart 1.11, researcher interpret that TCS" daily price movement analysis by Bollinger Band generates 5 buying signals and 2 selling signals from 1-3-2014 to 28-02-2015. The index has given profit in trading transactions is Rs. 670.83/- per share, providing total return of 28.44 % and average return of 7.11% per trading transaction.

**Table 1.12: Generates Profit/Loss and Return from the signals of overbought and oversold of Infosys by Bollinger Band for the year 1-03-2014 to 28-02-2015.**

Date	Closing Price	Buy	Avg. Buy	Sell	Profit/ Loss	% Return
25-Apr-14	3172.65	3172.65	3172.65			
15-May-14	3254.1			3254.1	81.45	2.57
21-May-14	3122.2	3122.2				
3-Jun-14	2993.15	3057.68	3089.93			
11-Jul-14	3292.7			3292.7	202.76	6.56
5-Jan-15	4026.4	4026.4	4026.4			
23-Feb-15	4566.2			4566.2	539.8	13.41
Profit/ Loss & % Return					824.012	22.54
Avg. Return						7.51
Signals Generated		4		3		

**Chart 1.12: Shows Profit/Loss and Return from the signals of overbought and oversold of Infosys by Bollinger Band for the year 1-03-2014 to 28-02-2015.**



#### FINDINGS

**Table 2.1: Comparison of RSI and Bollinger BAND with No. of signals, Total Profit, Total Return and Average Return from 1-03-2014 to 28-02-2015.**

RSI				
Company	No. of Signal (Buying, Selling)	Total Profit	Total Return (in %)	Avg. Return
BAJAJ AUTO	(2,2)	551.6	27.77	13.88
M&M	(5,3)	-92.35	-6.48	-2.16
	<b>(7,5)</b>	<b>459.25</b>	<b>21.29</b>	<b>11.72</b>
ONGC	(5,1)	-41.24	-10.63	-10.63
OIL	(2,1)	-88.9	-14.25	-14.25
	<b>(7,2)</b>	<b>-130.14</b>	<b>-24.88</b>	<b>-24.88</b>
TCS	(5,3)	-233.6	-8.95	-2.98
INFOSYS	(3,2)	352.25	7.12	3.56
	<b>(8,5)</b>	<b>119</b>	<b>-1.83</b>	<b>0.58</b>
<b>Total</b>	<b>(22,12)</b>	<b>448.11</b>	<b>-5.42</b>	<b>-12.58</b>
BOLLINGER BAND				



Company	No. of Signal (Buying, Selling)	Total Profit	Total Return (in %)	Avg. Return
<b>BAJAJ AUTO</b>	(2,1)	271.65	14.30	14.30
<b>M&amp;M</b>	(3,2)	137	11.9	5.95
	<b>(5,3)</b>	<b>408.65</b>	<b>26.2</b>	<b>20.25</b>
<b>ONGC</b>	(8,2)	12.76	2.94	1.47
<b>OIL</b>	(2,2)	75.35	13.15	6.57
	<b>(10,4)</b>	<b>88.11</b>	<b>16.09</b>	<b>8.04</b>
<b>TCS</b>	(5,4)	670.83	28.44	7.11
<b>INFOSYS</b>	(4,3)	856.28	23.66	7.89
	<b>(9,7)</b>	<b>1527.11</b>	<b>52.1</b>	<b>15</b>
<b>Total</b>	<b>(24,14)</b>	<b>2023.88</b>	<b>94.39</b>	<b>43.29</b>

- From the table 2.1 we can find that Bollinger Band generates more signals than RSI.
- The total profit of six companies by RSI & Bollinger Band is Rs. 448.11/- and Rs. 2023.88 respectively.
- Total return of six companies by RSI & Bollinger Band is -5.42% and 94.39% respectively.
- Bollinger Band gives higher avg. return than RSI, which is 43.29%.
- SBI gives good profit and return in both MACD and Stochastic Oscillator in last two years.
- Auto sector and IT sector gives good profit & return by both of the tools.

## CONCLUSION

In this study, I take two methods for finding Buying and Selling signal and for finding return. Out of two methods Bollinger Band comparatively give good return and profit than RSI.

## RECOMMENDATION

By analysis, we can find that Bollinger Band give accurate signal, better profit and higher return compare to RSI.

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