Use of Fundamental & Technical Analysis by Retail Investors in Stock Markets - A Study

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Abstract
The Indian stock exchanges hold a place of prominence not only in Asia but also at the global stage. The Bombay Stock Exchange (BSE) is one of the oldest exchanges across the world, while the National Stock Exchange (NSE) is among the best in terms of sophistication and advancement of technology. The Indian stock market scene really picked up after the opening up of the economy in the early nineties.

The Indian Equity Market has witnessed variations in the retail investors’ participation in the last few years. Retail Investors are highly skeptical about making fresh investments in equity through primary and also secondary markets, which signals a need for enforcing revival measures for retaining interest of retail investors towards equity market by enhancing their stock market performance.

Technical analysis and fundamental analysis are the two main schools of thought in the financial markets. Technical analysis looks at the price movement of a security and uses this data to predict its future price movements. Fundamental analysis, on the other hand, looks at economic, industry and company factors, known as fundamentals. These analysis are quite essential and provide guidance for the retail investors to improve their performance in the stock markets.

This paper tries to identify and assess the awareness and the usage of fundamental and technical analysis among the retail investors in their regular stock trading activities. The study is restricted to the retail investors of Udupi District only.

Keywords: Retail Investors, Fundamental Analysis, Technical Analysis.