

TECHNICAL ANALYSIS OF SHARE PRICES OF MAJOR HEALTHCARE FIRMS OF INDIA DURING COVID-19

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Abstract

The stock market plays an important role in the growing industries and commerce of a country which ultimately affects the economy. Amidst the current outbreak of covid-19, the pandemic worries the economy a lot. Covid-19 could have a major long-term impact on the healthcare industry. The stock market provides long-term capital to listed firms by raising funds from various investors and allowing them to expand in business and also provides investors with alternative investment avenues to put their surplus funds. Investors look at the performance of the stock markets and composite market index judiciously before investing in the fund. This paper attempts to study the share price behaviour of 5 big Healthcare firms listed on NSE namely, Apollo Hospital Enterprises Ltd., Aster DM healthcare Ltd., Fortis Healthcare Ltd., Healthcare Global Enterprises Ltd, and Dr. Lal Pathlabs Ltd., and the movement of stock prices of selected securities with a simple trend analysis technique. The result of this study reveals that the selected 5 companies have seen their new 52-week low and 52-week high price during this pandemic of covid-19. Apollo Hospital Enterprises Ltd. share price has seen a growth of 108% in 2021. The year of 2021 has seen an increase of 25%, 90%, 45% and 59% in the share price of Aster DM Healthcare Ltd., Fortis Healthcare Ltd., Healthcare Global Enterprises Ltd. and Dr. Lal Pathlabs Ltd. respectively.

Keywords: Covid-19, Stock market, Share price behaviour, Trend analysis, Relative Strength

Introduction

The Covid-19 outbreak has affected badly the stock market and financial market in India. Even before the outbreak of COVID-19, generally, the stock market witnessed a lot of volatility, and as far as the situation of the COVID-19 pandemic is concerned, it has become even more volatile and the stock market has seen its worst ever. The stock prices of companies listed on NSE and BSE witnessed huge volatility. During this pandemic, the stock market has seen both its worst times and its best times. On 2nd March 2020, the BSE SENSEX observed a flash crash due to the Union Health Ministry's declaration of two new confirmed cases. Then, on 12th March 2020, after WHO

announced the outbreak as a pandemic, Indian stock markets encountered their worst crash since June 2017. After that, the stock market has shown a drastic recovery till the end of December 2020 from the dip in March 2020. BSE Sensex crossed the historical 60,000 mark on 24th September 2021, with Nifty less than 50 points away from 18,000.

When the government of India enforced economic restrictions, those all-economic activities had already been halted at the time, most markets, institutions, organizations, corporations, schools, and universities, for instance, have all been shuttered. Not only that, the passage of individuals from one location to another had also been interrupted. Consequently, only rudimentary commercial and financial operations were transpiring. The lockdown has adversely affected the service sector like banking, restaurants, food vendors, hospitality industry. Nonetheless, every disaster throws up some opportunities, and the few sectors like Technology, including education technology, online gaming, and e-commerce, consumer goods, Healthcare industry, farming products, specialty chemicals have shot in prominence.

In this pandemic where most of the sick persons required treatment and the demand for Healthcare Hospitals was high during the peak times of COVID, the sector was still badly affected by the pandemic. The market price of all firms in the Healthcare industry got decreased to a great extent at the initial time of covid-19 and the same pattern followed in the second wave of covid-19. The companies of the Healthcare firms have seen various ups and downs in their stock prices in the share market. Therefore, there is a need to study the behaviour of share prices of companies in the Healthcare industry. So, the purpose of this paper is to analyze the share price behaviour of 5 big Healthcare companies namely Apollo Hospitals Enterprises Ltd., Aster DM Healthcare Ltd., Dr. Lal Path Labs Ltd., Fortis Healthcare Ltd. and Healthcare Global Enterprises Ltd. during the ongoing pandemic situation in India.

Review of Literature

Saleh, M. (2015) analysed the stock return of Oil and Gas sector in Pakistan. He used determinants like net profit margin, ROA, and ROE and examined the influence of these on the stock returns. Five years' secondary panel data from 10 companies have been used from 2010 to 2014. Unit root tests, correlation analysis, and OLS have been used to assess the model under this study. His results showed that the data for all variables be fixed and the variables are found to be strongly correlated. However, the variables net profit margin and return on assets have a lower down yet negative influence on stock returns whereas the return on equity has a little but positive influence over it.

Kumari and Pushpender (2019). This study seeks to examine the effect of the Bonus Issue declaration on the Indian stock market for the period of five years from 2014 to 2018. The discoveries of this study disclosed that the Indian Stock market does not react to bonus share issue declarations. Thus, they discovered that there is no significant effect on the stock price when a company declares the issue of bonus shares.

Devi D and DV. (2020) This study revealed that there is high demand for gold in the Indian and International markets. Covid -19 pandemic fell down the demand in the gold market temporarily. But it furnishes greater demand for investment. Moreover, they discovered that its supply and actual prices are more than demand and assessed gold price. The authors deduced that Covid -19

pandemic makes a positive impact on investment decisions and a negative influence on gold buying behavior.

Manjulakshmi (2020) This paper studied the equity share prices of five selected health care companies which are listed on the National Stock Exchange. Thus, this study indent to understand the immediate impact on the share price behaviour of selected Health Care Companies and the way the trends are happening within a short span of time. She revealed in her study that the covid-19 pandemic has affected the share price of health care companies to a great extent.

Shanthini & Jayanthi (2020). This study endeavored to evaluate the effect of pandemics on the Indian stock market by using trend analysis. This study revealed that 50 to 60 percent downfalls in nifty auto, nifty bank, nifty media, nifty financial services, and nifty realty sector and 60 to 70 percent downfalls in nifty IT sector and major downfall in nifty FMCG, nifty metals, and nifty pharma.

Kumar & Kumara (2020). This study concentrates on the influence of COVID-19 on the Indian Stock Market and shares performance. They analysed the market capitalization correlation between the performances of shares and the growth of the share market, using the stock market data of Pre and post COVID-19 status by comparing the data from January 2020 to Jun 2020. They discovered that the variables have positive and statistically strong significance on the changes in the market's performance and the value of its market capitalization.

Mishra & Mishra (2021). This study examined the herding behaviour of 54 stocks of banking and financial services sectors listed in the national stock exchange during the covid-19 pandemic. They employed the daily closing prices of stocks of the constituent banks and financial service companies of the banking and financial sector indices of NSE. This investigation furnished proof of the presence of herding effect for public sector banking and financial services under the bull market circumstances during the pandemic. The author suggested drawing asymmetry information among the market participants and designing policy initiatives for securing market stability

Tao, Su, Yakoob and Hammal (2021). In this paper, the authors exercised an event study analysis on Pakistan's emerging market to unearth the financial and non-financial stock price response towards the lockdown announcement in Pakistan. They found that abnormal returns were recorded to be at around 21 days [-10, +10] and 41 days [-20, +20] event window, around the day of the lockdown announcement. These abnormal returns were ascertained via the market model regression. This study stated that, on average, cumulative abnormal returns had negative patterns before and after the Lockdown declaration, while the importance of abnormal returns for both the timelines shows a favorable sign for both the sectors that support the efficient market hypothesis. Overall, the response of both the sectors is satisfactory around the announcement date as the emerging market is more liquid than developed markets.

Selvan & Ramraj (2021) This article is a study of the Performance Evaluation of Gold ETFs in India during the Covid-19 Pandemic Situation. The study showed that the Quantum Gold Fund (ETF) performed reasonably well in accord with Sharpe, Treynor, and Jensen's Model. As per Fama's model, the IDBI Gold Exchange Traded Fund is better off. The Quantum Gold Fund has performed the best of the Gold ETFs chosen for the analysis.

David, Inácio and Machado (2021). In this article, the researcher embraced the vector error correction model (VECM) to examine the dynamic coupling between the pandemics (e.g., the COVID-19, EBOLA, MERS, and SARS) and the development of key stocks exchange indices (e.g., Dow-Jones, S&P 500, Euro Stoxx, DAX, CAC, Nikkei, HSI, Kospi, S&P ASX, Nifty and Ibov). The results of this study disclosed that the shocks generated by the diseases have a substantial impact on the stock indices. Most of the indices undergo initial intense shocks due to the impulse in each illness outbreak. However, differently from the others illnesses, an impulse in the COVID-19 sustained significant volatility after the initial period, showing recuperating difficulties of the financial indices due to the shock-induced by COVID-19.

Significance of the study

The result of this study will be valuable to individual and retail financial backers and portfolio administrators in planning reasonable venture systems and risk management strategies. Besides, the review might give significant data to the market controllers and policymakers in taking on fitting measures and strategies so the market can appropriately play out its job regarding risk transference and price finding.

Companies Selected for the study

1. Apollo Hospitals Enterprises Ltd.
2. Aster DM Healthcare Ltd.
3. Fortis Healthcare Ltd.
4. Healthcare Global Enterprises Ltd. (HCG)
5. Dr. Lal Path Labs Ltd.

Research Objective

1. To analyze the share price behaviour of selected Healthcare Firms during covid-19.
2. To study how the movement of stock prices of selected securities with simple trend analysis technique.
3. To study how variation in stock prices impact the buy or sell decision by using Relative Strength Index.

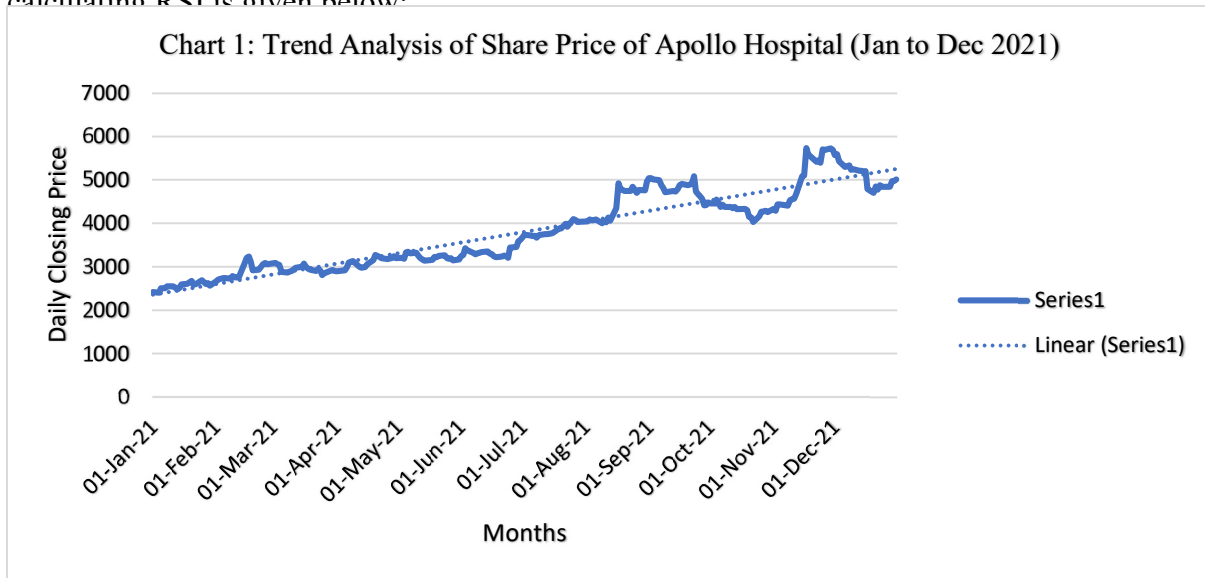
Research Methodology

Descriptive and analytical method of research have been employed in this study. Secondary data has been used for the present study. Data has been downloaded from the National Stock Exchange (NSE) website. Daily closing price of 5 Healthcare companies listed on NSE is taken and price movement is computed and studied. The daily share price of above-mentioned companies has taken for a period from January 2021 to December 2021.

Tools used for Analysis

Trend analysis and Relative strength index have used in this study to analyze the trend of share price of selected Healthcare companies. Trend analysis simply talk about the how the share price of a stock move. If the trend line of share price moving upward, it indicates that the price of stock is increasing. On the other hand, if the trend line of share price moving downward it indicates that the price of stock is decreasing.

Relative strength index is a tool used for technical analysis of the stocks. 14 days is generally considered the best for the calculation of Relative Strength Index. It helps in taking decision that when the investor should buy or sell the stocks. Its value ranges between 0 to 100. If the value of RSI falls below 30 and if it is increasing from below to above then stock is oversold and it indicates buying signal. On the other hand, if its value crosses 70 and it is decreasing from above to below then it means that the stock is overbought and it indicates selling signal to the investor. So, on the basis of this an investor can take decision regarding buying or selling of stocks. The formula for calculating RSI is given below:



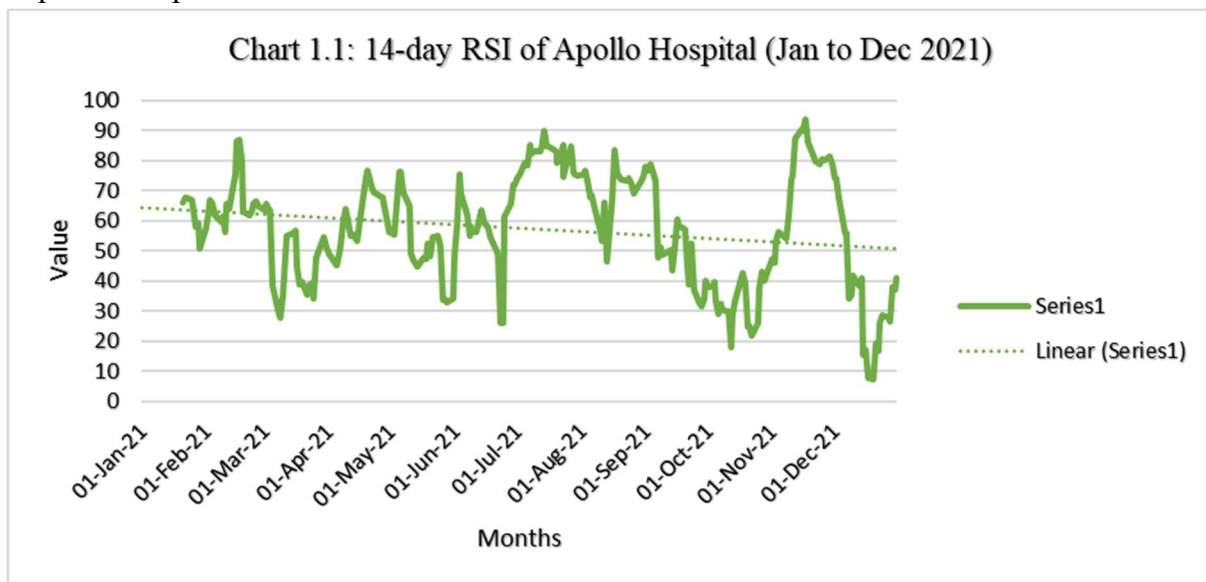
The above chart 1 depicts the Trend line of share prices of Apollo Hospitals Enterprises Ltd. from January 2021 to December 2021, thus, in this chart, we have analysed the pattern of fluctuation in the stock price of the above-mentioned company in 2nd wave of covid-19 scenarios by using the technique of Trend Analysis. On the x-axis, we have showcased the duration of the trend on a monthly basis, and on the y-axis, we have shown the Daily closing stock price of Apollo Hospitals Enterprises Ltd.

As per the data, the value of share price had shown an upward trend along with the daily closing price from 1st January 2021 till 17th February 2021. This indicated a buy signal to the investors so that they can make a profit when their share price goes further up. On 17th February 2021, the share price of this firm was Rs. 3235. In March 2021, a devastating second wave gripped the country. The situation was further aggravated by the shortage of hospital beds, oxygen cylinders, and medicines. And as the announcement of lockdown by the various state government, the share price of Apollo Hospitals Enterprises Ltd. started falling and its trend line has shown a downward movement along with the daily closing price. The share price of this company decreased by 13% and has reached Rs. 2809.35 on 25th March 2021. It was happened because of the negative sentiments spread in the share market due to the outbreak of the second wave of the covid-19

pandemic. In such a pandemic situation, the new investors had the opportunity to enter the share market and buy the stock of this company and reap the benefit of the lowest price of a share and could avail gain in the long run.

With the outbreak of 2nd wave of covid 19, as most of the people were suffering from illness, therefore the demand for the Healthcare hospitals rose sharply which in turn responded as a positive indicator for the gradual increase with minor fluctuation in the stock prices of Apollo Hospitals Enterprises Ltd. On 26th November 2021, the daily closing price of this company reached to Rs. 5935.4 which was its 52-week highest price. This indicated a sell signal for the investor. In this situation, the investor who had earlier invested in the early phase of 2nd wave of the pandemic and sold the stock on 26th November 2021, would have had an opportunity to make decent gains on the stock price of this company.

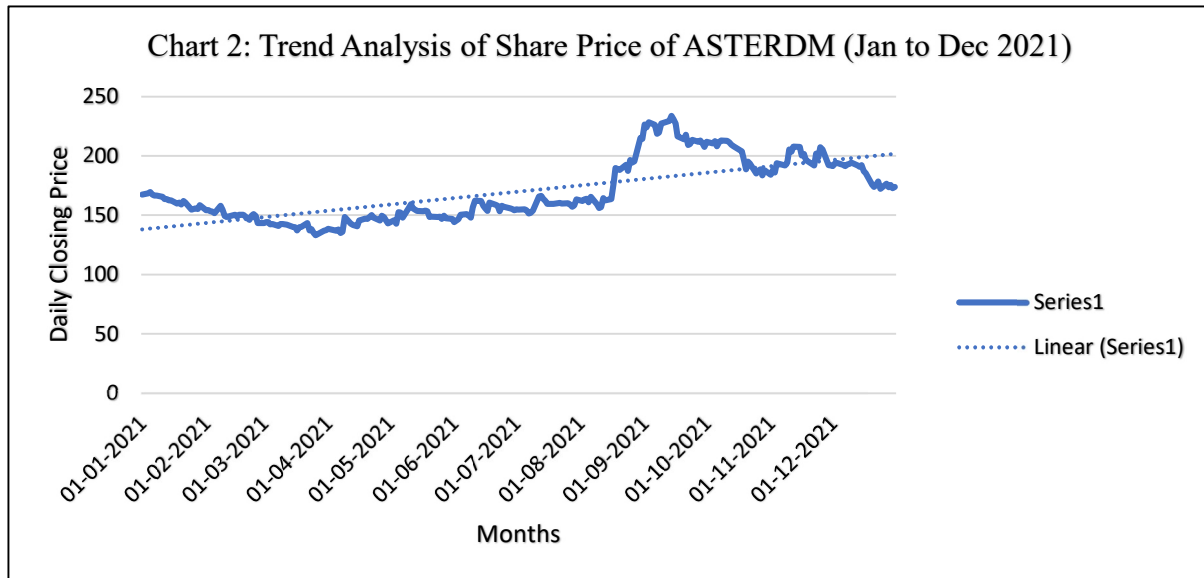
After that there were frequent fluctuations in the share price of this company which ranged between Rs.4700 to 5700 till 31st December 2021. As per the above chart 1, the stock price of Apollo Hospital Enterprises Ltd. as of 31st December 2021 was Rs. 5013.40.



In the above chart 1.1, the RSI fell down below 30 points in the beginning of March 2021 which created a buy signal since the stock is oversold. It was not advisable for the investors to sell anymore. However, at the end of April 2021 and beginning of May 2021, it crossed 70 points from above to below and it was decreasing which creates a sell signal since the stock is overbought. Therefore, the investors who had purchased the stock in the month of March 2021 and sold it at the end of April and beginning of May 2021 they could make some handsome profit from this stock following the RSI indicator.

Further, the RSI dipped to 30 points once again at the end of June 2021 which showed a buy signal since the stock is oversold. It was not advisable for the investors to sell anymore. However, in the beginning of the August 2021, it crossed 70 points from above to below and it was decreasing which reflected a sell signal since the stock is overbought. So, the investors who had bought the stock at the end of June 2021 and held that stock till end of July and sold it in the month of August 2021 could be made some good profit following the RSI indicator.

Further, the RSI sharply fall to below 30 points and it was rising from below to above in the mid of October 2021, which showed a buy signal since the stock is oversold. So, it was advisable to buy the stock at this point of time. After that, the RSI crossed the value of 70 in the beginning of



December 2021, which showed a sell signal since the stock is overbought. At that point in time, it was advisable to the investors that they should sell and not buy anymore this stock. The investors who had bought this stock in the month of October 2021 and sold it in the beginning of December 2021 would have made a lot of profit.

Further, the RSI sharply fell down to below 30 points and it was rising from below to above at the end of December 2021 which showed a buy signal since the stock is oversold. So, it was advisable to buy the stock. Presently the value of RSI ranges between the value of 30 and 70 therefore, the investors is advisable to hold the stock till the value of RSI crosses 70. If it crosses 70 then they should sell this stock in the future.

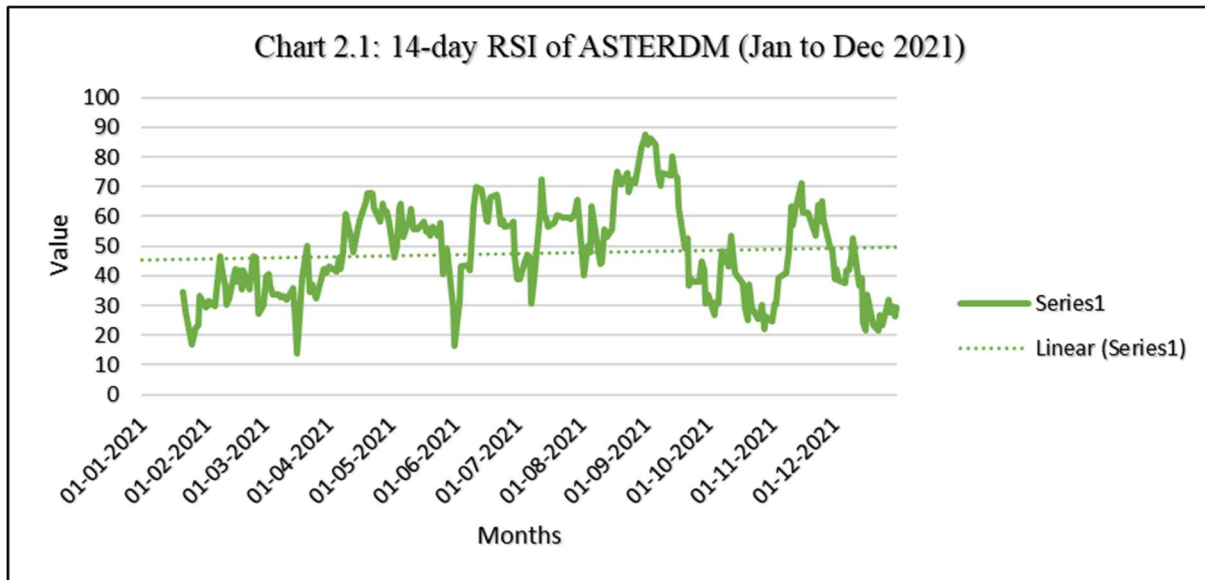
Trend Analysis of Share Price of Aster DM Healthcare Ltd.

The above chart 2 depicts the trend line of share price of Aster DM Healthcare Ltd. from January 2021 to December 2021, in this chart, the value of share price had shown a downward trend along with the daily closing price from 1st January 2021 to 26th March 2021. In March 2021, a devastating second wave gripped the country. The situation was further aggravated by the shortage of hospital beds, oxygen cylinders, and medicines. And as the announcement of lockdown by the various state government, the share price of Aster DM Healthcare Ltd. started falling and its trend line has shown a downward movement along with the daily closing price. The share price of this firm reduced by 21% and reached to Rs. 132.55 on 26th march 2021, which was its 52-week lowest price. This indicated a buy signal for the investors. In such a pandemic situation, the new investors had the opportunity to enter the share market and buy the stock of this company and reap the benefit of the lowest price of a share and could avail gain in the long run.

With the outbreak of 2nd wave of covid 19, as most of the people were suffering from illness, therefore the demand for the Healthcare hospitals rose sharply which in turn responded as a

positive indicator for the gradual increase with minor fluctuation in the stock prices of Aster DM Healthcare Ltd. The share price of this company reached to Rs. 237 on 14th September 2021, which was its 52-week highest price. This indicated a sell signal for the investor. In this situation, the investor who had earlier invested in the early phase of 2nd wave of the pandemic and held the stock till 14th September 2021, would have had an opportunity to make decent gains on the stock price of this company.

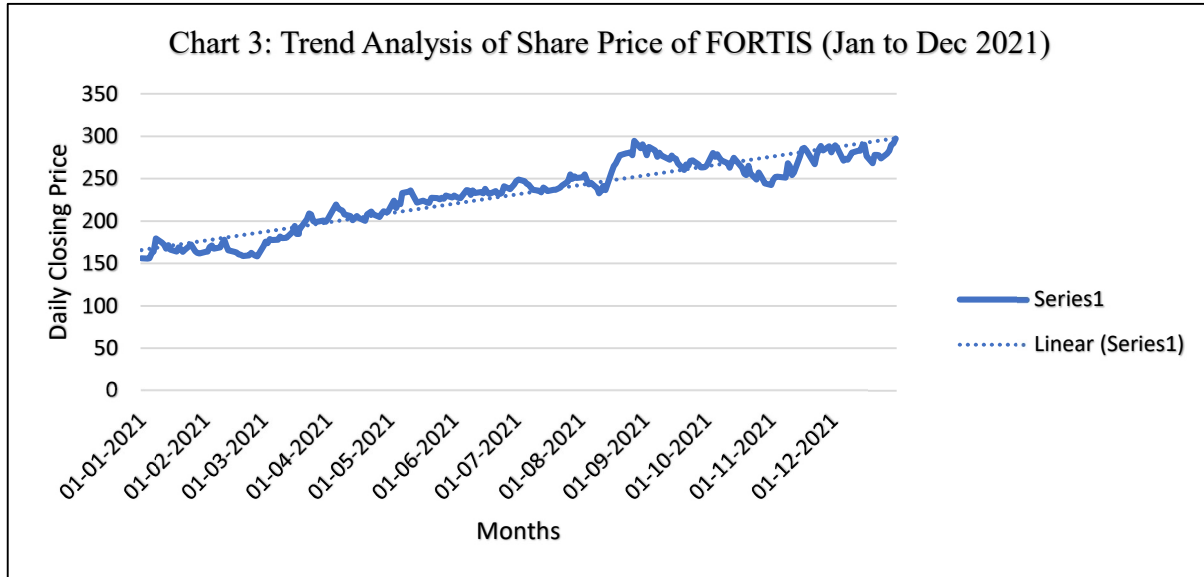
After that there were frequent fluctuations in the share price of this company which ranged between Rs.170 to 250 till 31st December 2021. As per the above chart 1, the stock price of Aster DM Healthcare Ltd. as of 31st December 2021 was Rs. 173.8.



In the above chart 2.1, the RSI fell down below 30 points in the beginning of February and March 2021 which created a buy signal since the stock is oversold. It was not advisable for the investors to sell anymore. However, at the end of April 2021, it crossed 70 points from above to below and it was decreasing which creates a sell signal since the stock is overbought. Therefore, the investors who had purchased the stock in the month of February and March 2021 and sold it at the end of April 2021 they could make some handsome profit from this stock following the RSI indicator.

Further, the RSI dipped to 30 points once again in the beginning of June and July 2021 which showed a buy signal since the stock is oversold. It was not advisable for the investors to sell anymore rather buy the stocks. However, in the mid of the June, July and September 2021, it crossed 70 points from above to below and it was decreasing which reflected a sell signal since the stock is overbought. So, the investors who had bought the stock in the beginning of June and July 2021 and sold that stock in mid of June, July and September 2021 could be made some good profit following the RSI indicator.

Further, the RSI sharply fall to below 30 points and it was rising from below to above at the end of October 2021, which showed a buy signal since the stock is oversold. So, it was advisable to buy the stock at this point of time. After that, the RSI crossed the value of 70 in the mid of November 2021, which showed a sell signal since the stock is overbought. At that point in time, it was advisable to the investors that they should sell and not buy anymore this stock. The investors



who had bought this stock at the end of the month of October 2021 and sold it in the mid of November 2021 would have made a lot of profit.

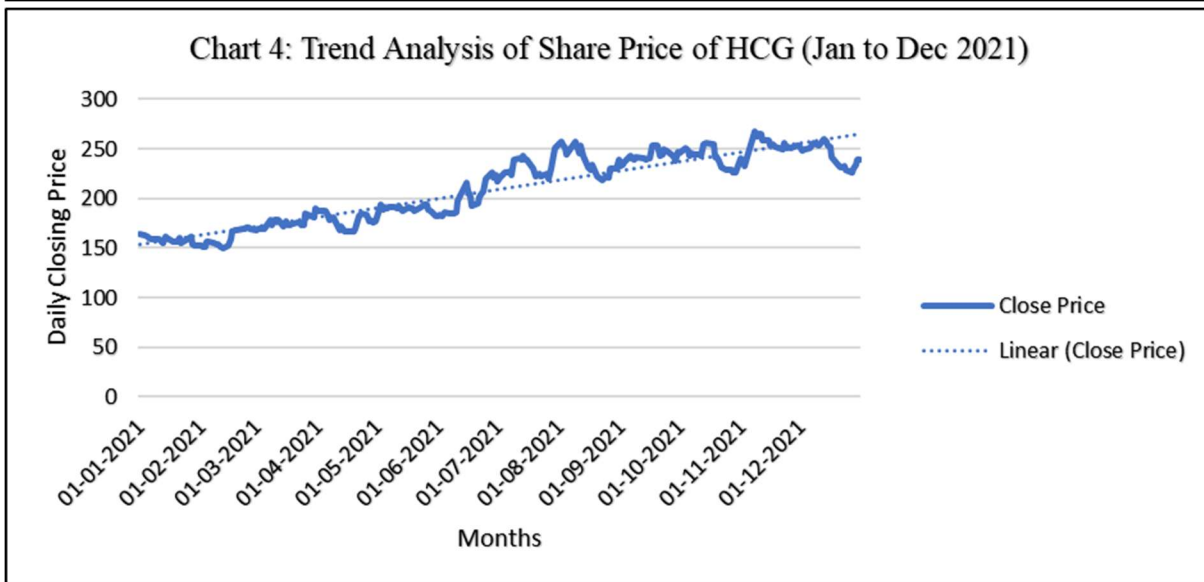
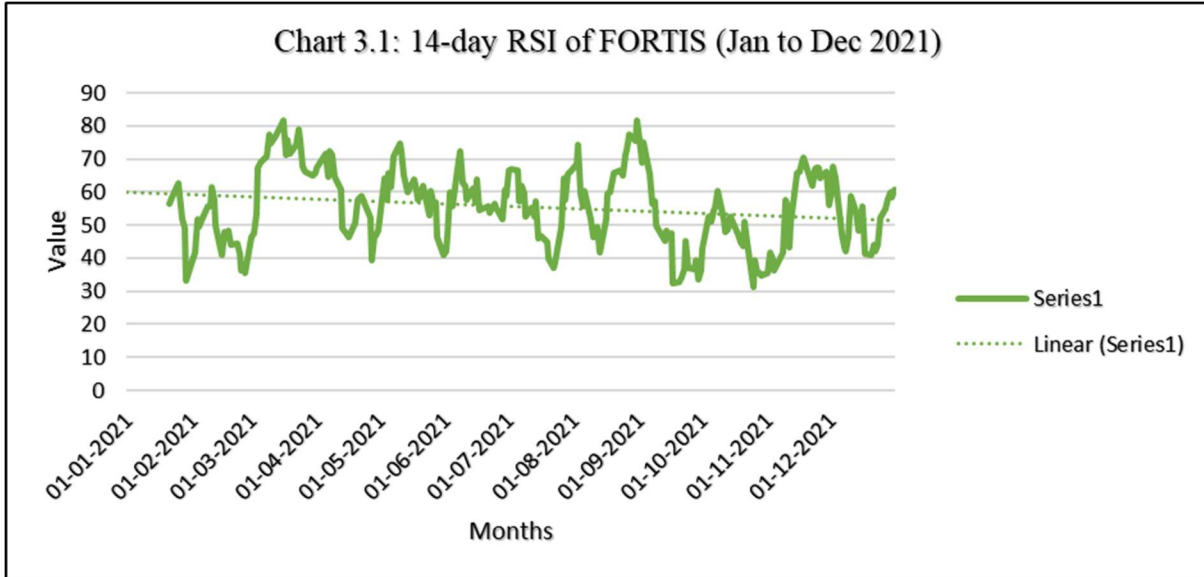
Further, the RSI sharply fall to below 30 points and it was rising from below to above at the end of December 2021 which showed a buy signal since the stock is oversold. So, it was advisable to buy the stock. Presently the value of RSI ranges between the value of 30 and 70 therefore, the investors is advisable to hold the stock till the value of RSI crosses 70. If it crosses 70 then they should sell this stock in the future.

Trend Analysis of Share Price of Fortis Healthcare Ltd.

The above chart 3 depicts the trend line of share prices of Fortis Healthcare Ltd. from January 2021 to December 2021, in this chart, the value of share price had shown a downward trend along with the daily closing price from beginning of January 2021 to end of February 2021. And as the announcement of lockdown by the various state government, the share price of Fortis Healthcare Ltd. started falling and its trend line has shown a downward movement along with the daily closing price. The share price of this firm was Rs. 179.4 on 8th January 2021. The share price of this firm reduced by 11% and reached to Rs. 158.35 on 26th February 2021, which was its 52-week lowest price. This indicated a buy signal for the investors. In such a pandemic situation, the new investors had the opportunity to enter the share market and buy the stock of this company and reap the benefit of the lowest price of a share and could avail gain in the long run.

With the outbreak of 2nd wave of covid 19, as most of the people were suffering from illness, therefore the demand for the Healthcare hospitals rose sharply which in turn responded as a positive indicator for the gradual increase with minor fluctuation in the stock prices of Fortis Healthcare Ltd. The share price of this company reached to Rs. 290.5 on 31st August 2021, which was its 52-week highest price. This indicated a sell signal for the investor. In this situation, the investor who had earlier invested in the early phase of 2nd wave of the pandemic and held the stock till 31st August 2021, would have had an opportunity to make decent gains on the stock price of this company.

After that the value of share price had shown a downward trend along with the daily closing price from beginning of September 2021 to end of October 2021. The share price reduced from Rs 290 to Rs 242.40. This indicated a buy signal for the investors. After that, the share price of this firm shown an upward movement along with the closing price from beginning of November 2021 to end of December 2021 and reached to its 52-week highest price of Rs. 308. Which indicated a sell signal for the investor. Presently the share price of this company ranges between Rs.250 to 300 till 31st December 2021. As per the above chart 1, the stock price of Fortis Healthcare Ltd. as of 31st December 2021 was Rs. 297.30.



In the above chart 3.1, the RSI fell down in the beginning and end of the February 2021 which creates a buy signal because the stock was oversold. It was advisable for the investors to buy the stock and not to sell anymore. However, at the end of March and beginning of April 2021 it crosses the value of 70 from above to below and it was decreasing which created a sell signal since, the stock was overbought. Therefore, the investors who have purchased the stocks in the month of

February 2021 and sold at the end of March and beginning of the April 2021 they would have made some profit from these stocks following the RSI indicator.

Further, In the above Chart 3.1, The Relative Strength Index of Fortis Healthcare Ltd. fell down the value of 30 from below to above and is rising at the end of October 2021. Therefore, from the above chart 3.1 it is clear that from the above-mentioned month indicated a buy signal due to oversold conditions. Therefore, it was advisable for the investors that to buy the stocks. However, the RSI crossed the value of 70 and was decreasing from above to below in the mid of November 2021. Since the stock was overbought. Therefore, from the above chart 3.1 it was clear that from the above-mentioned month indicated a sell signal due to overbought conditions. Therefore, it was advisable for the investors that to sell the stocks. Presently the value of RSI of Fortis Healthcare Ltd. ranges between the value of 30 and 70 therefore, the investors is advisable to hold the stocks till the value of RSI crosses 70. If it crosses 70 then they should sell this stock or if the value of RSI falls below 30 then buy the stocks in the near future.

Trend Analysis of Share Price of Healthcare Global Enterprises Ltd.

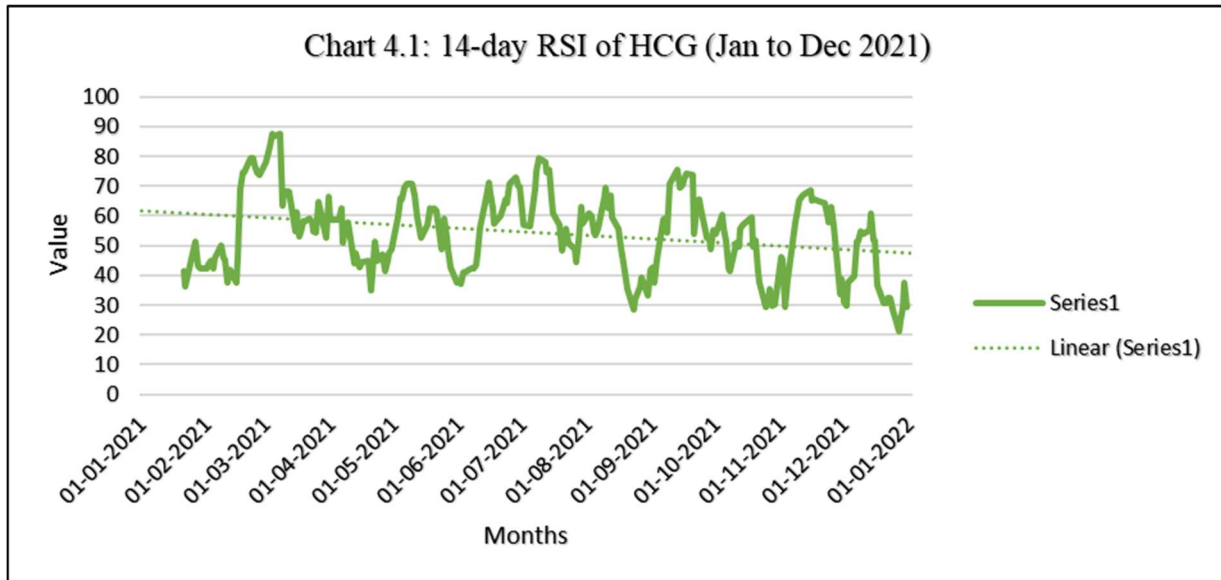
The above chart 4 depicts the trend line of share price of Healthcare Global Enterprises Ltd. from January 2021 to December 2021. In this chart, we have analysed the pattern of fluctuation in the stock price of the above-mentioned company in 2nd wave of covid-19 scenarios by using the technique of Trend Analysis.

As per the data, the value of share price of HCG had shown a downward trend along with the daily closing price from 1st January 2021 to mid of February 2021. It was due to the devastating second wave of covid-19 gripped the country. The situation was further aggravated by the shortage of hospital beds, oxygen cylinders, and medicines. And as the announcement of lockdown by the various state government, the share price of Global Healthcare Enterprises Ltd. started falling and its trend line has shown a downward movement along with the daily closing price. The share price of this firm reduced by 9% and reached to Rs. 150.40 on 15th February 2021, which was its 52-week lowest price. This indicated a buy signal for the investors. In such a pandemic situation, the new investors had the opportunity to enter the share market and buy the stock of this company and reap the benefit of the lowest price of a share and could avail gain in the long run.

With the outbreak of the 2nd wave of covid-19, as most of the people were suffering from illness, therefore the demand for the healthcare hospitals rose sharply which in turn responded as a positive indicator for the gradual increase in the stock prices of HCG. It showed an upward movement with minor fluctuations along with the daily closing price till 8th November 2021 and reached to Rs. 282.4, which was its 52-week high price. This indicated a sell signal for the investor. In this situation, the investor who had earlier invested in the month of February 2021 and sold the stock in the month of November 2021, would have had an opportunity to make decent gains on the stock price of this company.

Afterward, there were frequent fluctuations in the share prices which ranged between Rs.230 to 270 till 31st December 2021. As per the above chart 4, the daily closing price of HCG as of 31st December 2021 was Rs. 239.05. Presently the Trend line of share price of HCG showing a downward movement along with the daily closing price. This indicates a buy signal for the

investors so that they can make a profit by selling the stock when its share price goes further up in near future.

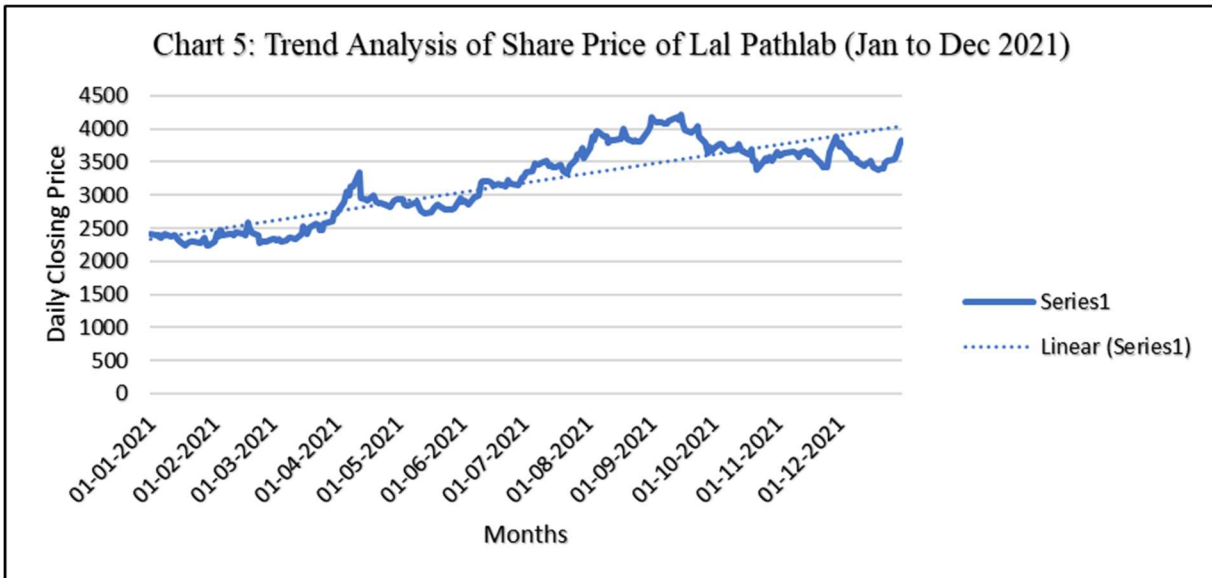


In the above chart 4.1, the RSI of HCG reached to near 30 points in the mid of February 2021 which created a buy signal since the stock is oversold. It was not advisable for the investors to sell anymore. However, the value of RSI crossed 70 points from above to below and it was decreasing in the beginning of March 2021 which creates a sell signal since the stock is overbought. Therefore, the investors who had purchased the stock in the mid of February 2021 and sold it in the beginning of March 2021 they could make some handsome profit from this stock following the RSI indicator. Further, the RSI dipped to near 30 points once again at the end of April 2021 which showed a buy signal since the stock is oversold. It was not advisable for the investors to sell anymore. However, in the mid of the July 2021, it crossed 70 points from above to below and it was decreasing which reflected a sell signal since the stock is overbought. So, the investors who had bought the stock at the end of April 2021 and held that stock till end of June and sold it in the month of July 2021 could be made some good profit following the RSI indicator.

Further, the RSI of HCG sharply fell down to below 30 points and it was rising from below to above in the end of August 2021, which showed a buy signal since the stock is oversold. So, it was advisable to buy the stock at this point of time. After that, the RSI crossed the value of 70 at the end of September 2021, which showed a sell signal since the stock is overbought. At that point in time, it was advisable to the investors that they should sell and not buy anymore this stock. The investors who had bought this stock in the month of end of August 2021 and sold it at the end of September 2021 would have made a lot of profit.

Further, the RSI of HCG gradually fell down to below 30 points and it was rising from below to above in the month of November and December 2021 which showed a buy signal since the stock is oversold. So, it was advisable for the investor to buy the stock. Presently the value of RSI of HCG ranges between the value of 30 and 70 therefore, the investors is advisable to hold the stock till the value of RSI crosses 70. If it crosses 70 then they should sell this stock in the future and if

the value of RSI fell down to below 30 then it is advisable to the investor to buy this stock in future.



Trend Analysis of Share Price of Dr. Lal PathLabs Ltd.

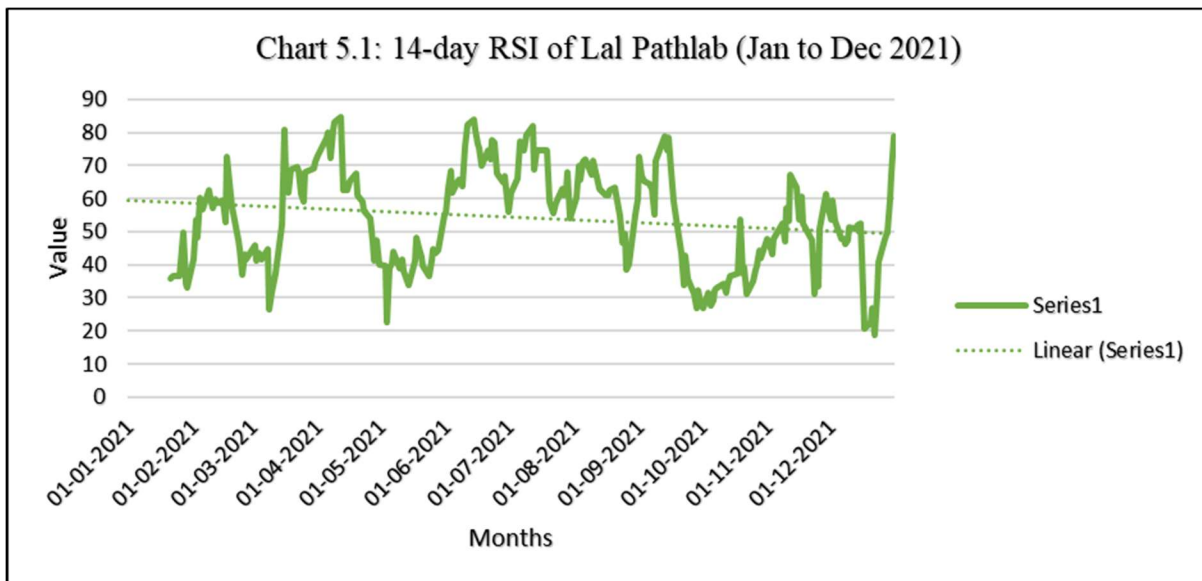
The above chart 5 depicts the trend line of share prices of Dr. Lal PathLabs Ltd. from January 2021 to December 2021, thus, in this chart, we have analysed the pattern of fluctuation in the stock price of the above-mentioned company in 2nd wave of covid-19 scenarios by using the technique of Trend Analysis

As per the data, the Trend line of share price of Dr. Lal PathLabs Ltd. had shown a downward trend along with the daily closing price from 1st January 2021 to 3rd February 2021. In March 2021, a devastating second wave gripped the country. The situation was further aggravated by the shortage of hospital beds, oxygen cylinders, and medicines. And as the announcement of lockdown by the various state government, the share price of Dr. Lal PathLabs Ltd. started falling and its trend line has shown a downward movement along with the daily closing price. The share price of this firm reduced by 8.6% and reached to Rs. 2198.15 on 3rd February 2021, which was its 52-week lowest price. This indicated a buy signal for the investors. In such a pandemic situation, the new investors had the opportunity to enter the share market and buy the stock of this company and reap the benefit of the lowest price of a share and could avail gain in the long run.

With the outbreak of 2nd wave of covid 19, as most of the people were suffering from disease of covid, therefore the demand for the Healthcare hospitals rose sharply which in turn responded as a positive indicator for the gradual increase with minor fluctuation in the stock prices of Dr. Lal PathLabs Ltd. The share price of this company reached to Rs. 4245.50 on 15th September 2021, which was its 52-week highest price. This indicated a sell signal for the investor. In this situation, the investor who had earlier invested in the early phase of 2nd wave of the pandemic and held the stock till September 2021, and sold the stock in mid of September 2021 would have had an opportunity to make decent gains on the stock price of this company.

After that there were frequent fluctuations in the share price of this company and the trend line of this firm shown a downward trend at the end of September 2021 onwards which indicated a buy

signal for the investors. After September 2021 the share price of Dr. Lal PathLabs Ltd. ranges between Rs.3500 to Rs. 4000 till 31st December 2021. As per the above chart 1, the stock price of Dr. Lal Pathlabs Ltd. as of 31st December 2021 was Rs. 3822.25.



In the above chart 5.1, the RSI of Dr. Lal Pathlabs Ltd. reached to near 30 points at the end of January 2021 and it was rising from below to above which created a buy signal since the stock is oversold. It was not advisable for the investors to sell anymore. However, the value of RSI crossed 70 points from above to below and it was decreasing in the mid of February 2021 which creates a sell signal since the stock is overbought. Therefore, the investors who had purchased the stock at the end of January 2021 and sold it in the mid of February 2021 they could make some handsome profit from this stock following the RSI indicator.

Further, the RSI fallen sharply below to 30 points in the beginning of March 2021 which showed a buy signal since the stock is oversold. It was not advisable for the investors to sell anymore. However, in the mid of the April 2021, it crossed 70 points from above to below and it was decreasing which reflected a sell signal since the stock is overbought. So, the investors who had bought the stock in the beginning of March 2021 and sold the stock in the mid of the April 2021 could be made some good profit following the RSI indicator.

Further, the RSI of Dr. Lal Pathlabs Ltd. sharply fell down to below 30 points and it was rising from below to above in the beginning of May and at the end of September 2021 and in the beginning of October 2021, which showed a buy signal since the stock is oversold. So, it was advisable to buy the stock at this point of time. However, the RSI of this firm crossed the value of 70 in the mid of June, July and September and at the end of December 2021, which showed a sell signal since the stock is overbought. At that point in time, it was advisable to the investors that they should sell and not buy anymore this stock. The investors who had bought this stock in the beginning of May and at the end of September 2021 and in the beginning of October 2021 and sold it in the mid of June, July and September and at the end of December 2021 would have made a lot of profit.

Presently the value of RSI of Dr. Lal Pathlabs Ltd. ranges between the value of 30 and 70 therefore, the investors is advisable to hold the stock till the value of RSI crosses 70. If it crosses 70 then they should sell this stock in the future and if the value of RSI fell down to below 30 then it is advisable to the investor to buy this stock in future.

Limitation of the Study

1. This study is limited to few selected Healthcare firms which are listed on NSE.
2. The study is based on Technical Analysis only.
3. The duration of the study is 1 year only i.e., January 2021 to December 2021 to analyse the effect of second wave of COVID-19.

Recommendations

Currently, the trend line of the share price of Apollo Hospital Enterprises Ltd., Aster DM Healthcare Ltd., and Fortis Healthcare Ltd. showing downward movement along with the daily closing price and 14-day RSI line of these firms rising from below to above and moving towards the value of 70 which indicates a buy signal so it is advisable for the investors that they may buy the stock of Apollo hospital enterprises ltd., Aster DM healthcare Ltd. and Fortis Healthcare Ltd., and sell the stocks in future if the RSI line of these firms crosses the value of 70. Therefore, the investors would be able to make a handsome profit.

Presently, the trend line of the share price of Healthcare Global Enterprises Ltd. and Dr. Lal Pathlabs Ltd. showing downward movement along with the daily closing price and 14-day RSI line of these firms also falling from above to below and moving towards the value of 30 which indicates a sell signal so it is advisable for the investors that the investors who have bought the stocks of these company previously they may sell the stock of Healthcare Global Enterprises Ltd. and Dr. Lal Pathlabs Ltd., and buy the stocks in future if the RSI line of these firms falls below the value of 30. So, by doing trading this way they can make lots of profit.

Conclusion

Overall, the outbreak of COVID-19 has affected the share prices of healthcare firms in the early phase of the pandemic and with the announcement of lockdown by the government, there has been a sharp fall in the share prices of selected companies. After that, as the demand for healthcare hospitals began to increase during the 2nd wave of covid-19 pandemic, the stock prices of these companies rose and the trend lines of all the selected companies showed an upward trend. All the selected 5 companies have seen its new 52 week low and 52-week high price during the 2nd wave of pandemic of covid-19. Apollo Hospital Enterprises Ltd. share price has seen a growth of 108% in 2021. The year of 2021 has seen an increase of 25%, 90%, 45% and 59% in the share price of Aster DM Healthcare Ltd., Fortis Healthcare Ltd., Healthcare Global Enterprises Ltd. and Dr. Lal Pathlabs Ltd. respectively. These firms have grabbed an opportunity during this pandemic and the pandemic has proved to be a boon for these firms. Investors can invest their hard-earned money in these stocks

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