

Figure 1: The Main Graph shows the upper stock's trend.

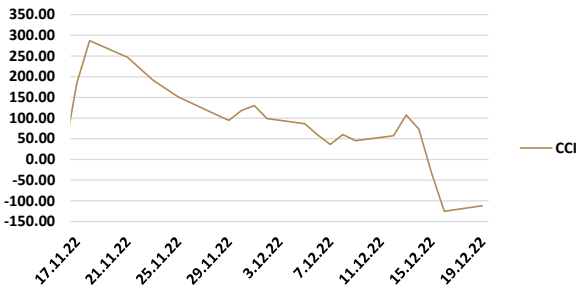


Figure 2: CCI indicates an ambiguous sell signal.

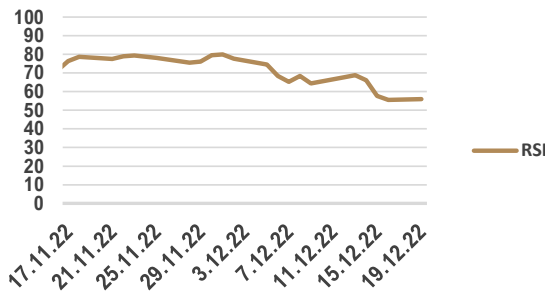


Figure 3: RSI line indicates a sell signal

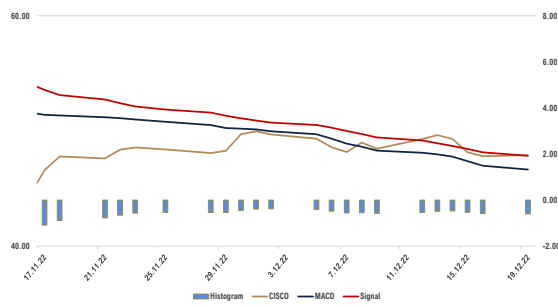


Figure 4: MACD

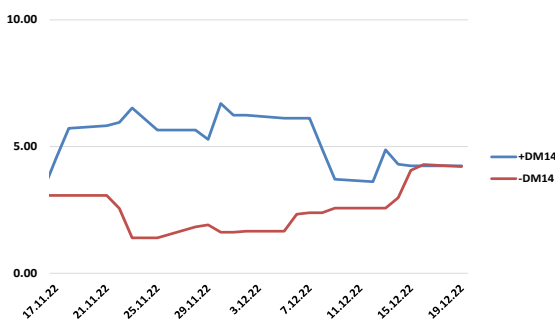


Figure 5: DMI shows a buy signal

### Firm's Brief Description

Cisco Systems, Inc. designs, manufactures, and sells Internet Protocol based networking and other products related to the communications and information technology industry worldwide. The company also offers switching portfolio encompasses campus switching as well as data center switching; enterprise routing portfolio interconnects public and private wireline and mobile networks, delivering highly secure, and reliable connectivity to campus, data center and branch networks; wireless products include wireless access points that are standalone, controller appliance-based, switch-converged, and Meraki cloud-managed offerings; and compute portfolio including the cisco unified computing system, hyper flex, and software management capabilities, which combine computing, networking, and storage infrastructure management and virtualization. In addition, it provides Internet for the future product consists of routed optical networking, 5G, silicon, and optics solutions; collaboration products, such as meetings, collaboration devices, calling, contact center, and communication platform as a service; end-to-end security product consists of network security, cloud security, security endpoints and unified threat management. Further, the company offers a range of service and support options for its customers, including technical support and advanced services and advisory services.

### Fundamental Approach

- Cisco earnings for the quarter ended Oct. 29 rose 5% year over year to 86 cents a share. The company said revenue increased 6% to \$13.6 billion.
- Total annualized recurring revenue (ARR) at \$23.2 billion, up 7% year over year and product ARR up 12% year over year
- Cisco estimates that GAAP EPS will be \$0.59 to \$0.64 for the second quarter of fiscal 2023.

### Technical Analysis

Examining the main graph (figure 1), one can observe that the price of Cisco's stock is above the MA 10, the latter being above MA 20. Consequently, this exhibits an upward trend for Cisco's upcoming stock price altering a sell approach. Considering CCI on the second graph (figure 2), the index ranges approximately from 100 in the beginning of the month and -125 towards the end of the month; therefore, this indicates an ambiguous sell signal. Furthermore, when analyzing the Relative Strength Index (RSI) (figure 3), it is argued that throughout the last month this line is above 70, by therefore establishing a sell signal. Moving on to the fourth graph (figure 4), MACD relation to the signal line provides further information regarding the sell attitude, with the signal line positioned above MACD. Lastly, by examining the DMI Index (figure 5), +DI line is above -DI line, enacting therefore a buy signal for Cisco's stock.

### Prediction

Taking into account the recent news regarding CSCO's stock, as well as the trend turning bearish and the price heading towards a deeper correction, we anticipate a downtrend and advocate a sell position in the company.

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