

# Short Term Technical Picks

---

06<sup>th</sup> August 2021

SSL Research Centre



# Short Term Technical Picks

**a). Short Term Technical Picks** - A short-term technical bet for Investor-Trader / Trader-Investor

**b). Strategy Objective:**

---

- Take advantage of the technical selling in the market and identify scrip which are mispriced; capitalise on the directional as well as the consolidating market; Capture the sectoral rotation in the market.
- While selecting the stocks, emphasis is given on fundamentals, and prospective event flow in the market. This is supported and endorsed by technical indicators and derivative data.
- While the stock fundamentals are sound, stop loss is recommended for the leveraged traders based on the individual's risk appetite at the support level indicated in the technical view.
- The product carries four-to-five trading/investment ideas with a time horizon ranging from three to four months targeting a potential return of 10%-15% for the large caps and 15-20% for the mid-cap/small-cap during the given timeframe.

**c). Frequency & Time Frame:** Quarterly basis & 3-4 Months

# 1. Tata Consultancy Services Limited – Buy (Large Cap)

CMP : 3311

Target : 3680

SL: 3130

Upside Potential : 11.14%

## Weekly Chart



Particulars	
Symbol	TCS
Sector	COMPUTERS - SOFTWARE
Face Value (Rs.)	1
52 Week High/Low	3399.65/2216.45
Free Float Market Cap (Rs Lakhs.)	3,40,12,999.32
Shareholding Pattern	
Promoters	72.19%
Institutions (FII+DII)	23.44%
Others	4.38%

## Technical Rationale

The stock has seen a breakout from the key resistance level of 3225 and suggesting uptrend could continue in short term to medium term scenario. This uptrend could get damaged if the stock closes below 3024 levels on monthly basis. The stock witnessed fresh buying at lower levels as the stock tested weekly low of 3132 with good volumes and gave an upside breakout level of 3225 on Mondays (02nd Aug) session with good volumes. Moreover, the daily chart structure is positive as the stock is well placed above its 200 days exponentially moving averages. The daily RSI is already in strong buy mode. A move past 3399.65 could take the stock towards the levels of 3500/3550/3680. Keeping in mind the above-mentioned evidences, we recommend traders to buy TCS for medium term gains.

## 2. Kotak Mahindra Bank Limited – Buy (Large Cap)

CMP : 1779.10

Target : 2080

SL: 1657

Upside Potential : 16.90%

### Weekly Chart



### Particulars

Symbol	KOTAKBANK
Sector	PRIVATE SECTOR BANK
Face Value (Rs.)	5
52 Week High/Low	2049.00/1230.60
Free Float Market Cap (Rs Lakhs.)	2,59,90,990.15

### Shareholding Pattern

Promoters	26.00%
Institutions (FII+DII)	57.39%
Others	16.61%

### Technical Rationale

After hitting an all-time high at 2049 on 16th Feb 2021, Kotak Mahindra bank has been trading continuously downward bias and given an upward breakout recently suggesting the stock prices approach towards its apex and breakout of 2049 would take the stock towards 2080/2120/2180 levels in short to medium term. Daily RSI has also given a breakout from the falling resistance line which substantiates positive trend in the stock On the downside the support will be at 1665/1626 levels. Hence, we advise you to buy KOTAKBANK @ CMP with return potential of 16.90%.

### 3. Eicher Motors Limited – Buy (Large Cap)

CMP : 2742

Target : 3149

SL: 2558

Upside Potential : 14.84%

#### Weekly Chart



#### Technical Rationale

The stock has surged from the April 2020 low of 1245 with good volumes with formation of head and shoulder pattern. The stock has been forming very good bullish head and shoulder pattern and if Eicher Motor breaks/trades above its key resistance level of 2797 on weekly closing basis, the stock can move towards 3037/3149 or even 3223 levels in short term to medium term. The daily and weekly momentum indicators like MACD and RSI are accelerating upside movements. Overall, the monthly chart pattern on Eicher Motor is likely to remain uptrend in medium to long term. Hence, we recommend EICHERMOTOR for short to medium term target of 3037/3223 levels.

#### Particulars

Symbol	EICHERMOT
Sector	MOTOR CYCLES/SCOOTERS
Face Value (Rs.)	1
52 Week High/Low	3037.00/2006.67
Free Float Market Cap (In Lakhs)	38,09,384.70

#### Shareholding Pattern

Promoters	49.22%
Institutions (FII+DII)	38.43%
Others	12.35%

## 4. NMDC Limited – Buy (Large Cap)

CMP : 178.40      Target : 213      SL: 163      Upside Potential : 19.40%

### Weekly Chart



Particulars	
Symbol	NMDC
Sector	INDUSTRIAL MINERALS
Face Value (Rs.)	1
52 Week High/Low	213.20/75.60
Free Float Market Cap (Rs Lakhs.)	20,57,856.77
Shareholding Pattern	
Promoters	68.29%
Institutions (FII+DII)	24.95%
Others	6.77%

### Technical Rationale

After touching 52-week high, the NMDC has been trading in a rangebound mode with strong accumulated volumes over the past two months. On the monthly chart stock has broken downward sloping channel and gave fresh bullish breakout suggesting uptrend can be expected to continue in short term. On the daily chart RSI is placed above 70 suggesting strong build-up in momentum on the monthly chart. Technically stock is trading above its short-term as well as medium term exponential moving averages which is positive for the bull run and breakout of 195 would take the stock at 213 and 251 levels. On the downside the support will be at 165/152 levels. So we advise you to buy NMDC at current levels for the upside potential of 22.78%.

## 5. Prestige Estates Projects Limited – Buy (Mid Cap)

CMP : 360 Target : 446 SL: 324 Upside Potential : 23.90%

### Weekly Chart



### Technical Rationale

The stock has given a breakout from the 'rounding bottom' on weekly chart recently with good accumulated volumes suggesting uptrend will continue in short to medium term and it can move towards next technical resistance levels of 401/426. The trend indicator ADX indicates the current trend is expected to witness further upside in short term. Moreover, the stock has given a close above its short-term moving averages on both daily as well as weekly chart. The daily RSI is already in strong buy mode. The support level for the stock can be seen at 325 and 298 levels. We recommend to buy PRESTIGE at CMP for short to medium term gains.

Particulars	
Symbol	PRESTIGE
Sector	RESIDENTIAL/COMMERCIAL/SEZ Project
Face Value (Rs.)	10
52 Week High/Low	377.80/201.20
Free Float Market Cap (In Lakhs)	5,02,419.95
Shareholding Pattern	
Promoters	65.48%
Institutions (FII+DII)	32.07%
Others	2.45%

## 6. Clean Science and Technology Limited – Buy (Mid Cap)

CMP : 1656.30

Target : 1950

SL: 1555

Upside Potential : 17.70%

### Daily Chart



### Rationale

The recent listed speciality chemical stock CLEAN are looking positive with considering its strong and longstanding relationships with multinational customers, quality of products, strong earnings track record with healthy return ratios, greater cost control, process innovation with consistent focus on R&D, and positive industry outlook. After testing the low of 1555 the stock witnessed good buying interest among market participants with formation of positive kind of chart pattern suggesting the stock can move towards 1726/1779 in short term. Breakout of 1770 would invite further buying pressure and then 1850/1940 are possible. The support can be seen at 1600/1577 levels.

### Particulars

Symbol	CLEAN
Sector	CHEMICALS - SPECIALITY
Face Value (Rs.)	1
52 Week High/Low	1779.00/1555.05
Free Float Market Cap (In Lakhs)	1,91,315.22
<b>Shareholding Pattern</b>	
Promoters	94.65%
Institutions (FII+DII)	0.77%
Others	4.58%



## 7. Stove Kraft Limited – Buy (Small Cap)

CMP : 812.75      Target : 980      SL: 743      Upside Potential : 20.60%

### Weekly Chart



Particulars	
Symbol	STOVEKRAFT
Sector	HOME APPLIANCES HOUSEWARES
Face Value (Rs.)	10
52 Week High/Low	850.00/406.10
Free Float Market Cap (In Lakhs)	94,714.54
Shareholding Pattern	
Promoters	54.29%
Institutions (FII+DII)	16.35%
Others	29.37%

### Rationale

Stove Kraft is engaged in the manufacture, trade and retail of a wide and diverse suite of kitchen solutions under "Pigeon" and "Gilma" brands and recently the company reported a good set of Q1 numbers, with e-commerce sales contributing over 30 percent of revenue. The company plans to launch over 30 Store Keeping Units in the coming quarter with focus on increasing distribution, increasing network in rural areas and bringing more customers onboard through increasing our number of outlets. The stock has doubled from its issue price listed in February itself. Technically the stock has been trading in an upward bias since listing date and it has tested all time high of 850. Considering fundamental and technical parameters we are positive on STOVECRAFT for short to medium term gains.

## SSL Research Centre

S. Devarajan	Head – Research (Technical & Derivatives)	s.devarajan@shcilservices.com	022-61778621
Gauri Hanmantgad	Research Associate	gauri.hanmantgad@shcilservices.com	022-61778600

### Disclaimer

This is solely for information of clients of SHCIL Services Ltd. and does not construe to be an investment advice. It is also not intended as an offer or solicitation for the purchase and sale of any financial instruments. Any action taken by you on the basis of the information contained herein is your responsibility alone. SHCIL Services Ltd., its associate companies, and employees will not be liable in any manner for the consequences of such action taken by you. We have exercised due diligence in checking the correctness and authenticity of the information contained in this recommendation. SHCIL Services Ltd., its associate companies, and employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this recommendation or any action taken on basis of this information.

Disclosures: SSL is registered as Research Analyst with SEBI bearing registration number INH000001121 as per SEBI (Research Analysts) Regulations, 2014. SSL is primarily engaged in the business of providing broking services. SHCIL Services Limited is a SEBI registered Stock Broker providing services to institutional and retail clients. SEBI registration no: INZ000199936 Details of associates of SSL are as under: 1. Stock Holding Corporation of India Limited (SHCIL) : SHCIL is primarily engaged in the business of providing custodial services, post trading services, Sub-broking services in association with SHCIL Services Limited and depository related services. SHCIL is also registered as Research Analyst with SEBI bearing registration number INH000001303 as per SEBI (Research Analysts) Regulations, 2014. 2. StockHolding Document Management Services Limited: Stockholding DMS Limited is in the business of providing End to End Document Management Solutions and Information Technology Enabled Services. 3. StockHolding Securities IFSC Limited (SSIL): SSIL offers a comprehensive bouquet of service solutions to all eligible investors at IFSC, Gift City, Gandhinagar.

SSL or its Research Analyst or relatives or its associates do not have any financial interest in the company(ies). SSL, the Research Analyst or relatives or its associates collectively do not hold more than 1% of the securities of the company(ies) referred to in this document as of the end of the month immediately preceding the date of this document. SSL or its Research Analyst or relatives or its associates may from time to time have positions in, purchase or sell, or be interested in any of the securities mentioned herein. SSL, the Research Analyst or relatives or its associates do not have any other material conflict of interest in the above company. SSL, the Research Analyst or relatives or its associates have not received compensation or other benefits of any kind from the company(ies) referred to in this document or from any third party, in the past twelve months. SSL, the Research Analyst or relatives or its associates have not managed or co-managed in the previous twelve months, any offering of securities for the company(ies) referred to in this document. SSL, the Research Analyst or relatives or its associates have not served as an Officer, Director or employee of the company(ies) referred to in this document. SSL, the Research Analyst or relatives or its associates have not been engaged in market making activity for the company(ies) referred to in this document.

### SHCIL Services Limited

CIN NO: U65990MH1995GOI085602.

Plot No. P-51, T.T.C. Industrial Area, MIDC Mahape, Navi Mumbai – 400 710

[www.shcilservices.com](http://www.shcilservices.com)