

Technical Diwali Picks 2019



SAMVAT 2076 - TECHNICAL PICKS

Stock	Entry Range	Target	Upside %	Stop Loss	Risk %	RRR
BEL	112-114	148	35%	91	19%	1:1.8
BHARTI AIRTEL	350-360	450	26%	323	9%	1:2.8
ASHOK LEYLAND	72-75	91	24%	64.90	11%	1:2.18
BLUESTARCO	840-860	1040	22%	740	12%	1:1.8
TATAMOTOR	125-127	149	18%	115.40	8%	1:2.25

Prices in Rs

BEL

BSE Code: 500049; NSE Code: BEL

Buy Bharat Electronics Ltd Around 112-114 Stoploss 91 Target 148

Risk 19% Target 35% RRR 1:1.8



Last week stock has given breakout from its Inverse Head & Shoulders pattern on daily chart. As of now, it corrected to retest the neckline of Inverse H&S which is giving an opportunity to accumulate this stock again at current levels. It is also placed above all significant moving averages. Indicators and oscillators set ups are bullish on daily and weekly chart. We recommend a buy in BEL around 112-114 levels for targets of 148 while keeping a stop loss of 91.

BHARTI AIRTEL

BSE Code: 532454; NSE Code: BHARTIARTL

Buy Bharti Airtel Ltd Around 350-360 Stoploss 323 Target 450

Risk 9% Target 26% RRR 1:2.8



The stock has witnessed a decent correction recently from the peak of 397 and took a halt near the base of previous breakout of inverse head and shoulders pattern on daily chart. RSI has been hovering above 50 and MACD has indicated a reversal to maintain a positive bias which is showing potential to rise further in the coming days. Moreover, it has been trading above 50 DMA and 20 DMA which is also suggesting bullish move on upside. With the chart looking attractive and decent volume participation, we recommend a buy around 350-360 levels in this stock for an upside target of 450 while keeping a stop loss of 323.

ASHOK LEYLAND

BSE Code: 500477; NSE Code: ASHOKLEY

Buy Ashok Leyland Ltd Around 72-75 Stoploss 64.90 Target 91

Risk 11% Target 24 % RRR 1:2.18



Last week, scrip closed with a bullish candle on weekly chart. It has recently found support from the neckline of cup & handle pattern on daily chart. Auto sector has been outperforming in the recent past and it gained better momentum from its peer. Oscillators are holding strong on the chart. Considering the technical evidences discussed above, we recommend buying the stock at 72-75 for the target of 91 keeping a stop loss of 64.90 on closing basis.

BLUESTAR

BSE Code: 500067; NSE Code: BLUESTARCO

Buy Blue Star Ltd Around 840-860 Stoploss 740 Target 1040

Risk 12% Target 22% RRR 1:1.8



The stock broke out of an inverted head and shoulders price pattern above 808, and is currently showing relative outperformance in this market. The momentum oscillator RSI has moved above the 60 mark indicating positive momentum in the stock. The MACD too indicates good momentum-trend follow through. Increase in price with an increase in volume suggests further upside. Stock prices are sustaining above 20 DMA and 50 DMA along with a bullish crossover which supports bullish sentiment ahead. We recommend buying BLUESTAR around 840-860 for targets of 1040 while keeping a stop loss at 740 levels.

TATAMOTOR

BSE Code: 500570; NSE Code: TATAMOTORS

Buy Tata Motors Ltd Around 125-127 Stoploss 115.40 Target 149

Risk 8% Target 18 % RRR 1:2.25



The stock had a significant run of 19 point after giving trend line breakout on upside. Currently stock has retraced and retest the bottom of trend line which can act as crucial support and buying can emerge around these levels too. Formation of Inverse Head & Shoulders pattern on lower time frame suggests upside move to continue. Bullish crossover in MACD is also supporting to the price action. Prices have been running in a rising channel from last few weeks. Looking at bullish rationale, we recommend buying TATA MOTORS around 125-127 levels for the targets of 149 while keeping a stop loss of 115.40.

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