

WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	19425	19221	19701	19568	18678	19275-19675	Buy at CMP. Targets at 19701/19999/20251. Stop at 19217.
BANK NIFTY	43820	42951	45001	44240	43239	42961-45001	Buy at CMP. Targets at 45001/45651/46201. Stop at 42451.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
PATANJALI FOODS	1447	1007	1900	1302	1130	Positive	Incorporated in the year 1986, Patanjali Foods Limited (formerly known as Ruchi Soya Industries Limited) has evolved as an integrated player in the edible oil business with a presence across the entire value chain, from farm to fork with secured access to palm oil plantations in India. Today, the firm features among the Top FMCG players as one of the leading manufacturer & marketer of healthy range of Edible Oils and a Pioneer of Soya Foods in India. It is also one of the largest palm plantation companies in India. Patanjali Foods, reported a 126% year-on-year (y-o-y) jump in net profit to Rs 254.5 crore in the second quarter ended September 30. A potential entrance exists at CMP, and on dips between 1050-1100 zone, targeting 1900/2500 mark. Aggressive -12 months psychological targets at 3000 mark. Stop at 1007. Holding Period: 15-18 months.

CMP	1447
Target Price	1900
52 Week H/L	1479.80/853.50
P/E	59.85
EPS	24.18
ROE	12.04%
Book Value	281.89
Market Cap (INR)	52,382.47 crores

Daily Chart of PATANJALI FOODS :



BUY PATANJALI FOODS (CMP 1447): Targets at 1900.

Theme: Incorporated in the year 1986, Patanjali Foods Limited (formerly known as Ruchi Soya Industries Limited) has evolved as an integrated player in the edible oil business with a presence across the entire value chain, from farm to fork with secured access to palm oil plantations in India. Today we feature among the Top FMCG players as one of the leading manufacturer & marketer of healthy range of Edible Oils and a Pioneer of Soya Foods in India. It is also one of the largest palm plantation companies in India.

Today, Patanjali Foods 22 manufacturing units that cumulatively translate to a refining capacity of over 11000 tonnes per day, seed crushing capacity of 11000 tonnes per day and packaging capacity of 10000 tonnes per day.

A Pan-India presence with strategically located manufacturing facilities striking the right balance between proximity to raw materials and markets coupled with an extensive distribution network and a large sales force in India has enabled the company to have smooth operations, higher production to meet the ever increasing domestic demand and has also enabled it to export by-products such as soya meal, lecithin and other food ingredients to other countries.

Patanjali Foods access to exclusive procurement rights to over two lakh hectares of land in India with a potential of palm oil cultivation.

Patanjali Foods, reported a 126% year-on-year (y-o-y) jump in net profit to Rs 254.5 crore in the second quarter ended September 30.

The company had reported a net profit of Rs 112.3 crore in the same period last year.

Patanjali Foods achieved a revenue of Rs 2,487.62 crore in the second quarter, registering a 5.4 per cent increase from the year-ago period. Revenue in the Edible Oils segment reported a degrowth of 13.38 per cent to Rs 5,421.45 from Rs 6,259.41 in the year-ago period.

Patanjali Foods also has roped in former Indian cricket team captain M S Dhoni as brand ambassador for Mahakosh and Sunrich brands.

Technical Outlook: Technically, brace yourselves for a bullish divergence and a rising stochastic signal (on weekly charts) with recent increase in volumes signaling a larger rebound. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 1205-1210 zone

Preferred Strategy: A potential entrance exists at CMP, and on dips between 1050-1100 zone, targeting 1900/2500 mark. Aggressive -12 months psychological targets at 3000 mark. Stop at 1007. Holding Period: 15-18 months.

Mehta Equities

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