

## RELIANCE INDUSTRIES (RIL)

**BUY**

<b>CMP</b>	Rs. 2552
<b>Target Price</b>	Rs. 4500
<b>Time Frame</b>	3 Years
<b>Risk</b>	Low
<b>Sector</b>	Refineries & Marketing



### Price & Volume Analysis

% Change from previous Day	<b>0.03%</b>
% Change from previous Month	<b>3.35%</b>
52 Week High	<b>2606</b>
52 Week Low	<b>2180</b>
Weekly H/L	<b>2563/2465</b>
Deliverable	<b>54.31%</b>
Book Value / Share	<b>1214</b>
EPS	<b>65.3</b>
Market Cap (Rs. CR)	<b>17,26,279</b>

### Support & Resistance Analysis

Support 1	<b>2401</b>
Support 2	<b>2181</b>
Resistance 1	<b>2857</b>
Resistance 2	<b>5000</b>

A classic Flag pattern breakout is being witnessed on a higher consolidation zone in the long term charts (Quarterly charts) with the recent sequence of higher high/low intact on all-time frames.

With new highs still racking up, being long remains the play with 3-year perspective. The clear bullish momentum on the monthly charts hints at a bullish breakout above its all-time-high at 2857 with aggressive targets above its all-time-high is at psychological 5000 mark.

Incorporated in 1973, Reliance Industries now commands a market cap of Rs 1,7,26,279 Crore. Reliance Industries Ltd. (RIL) is an Indian multinational conglomerate company and one of the largest diversified private sector firms in India with businesses in petrochemicals, natural gas, telecommunication, synthetic fibers, fiber intermediates, textiles, retail, mass media and energy.

### Momentum Analysis

RSI (14, E9) Monthly	<b>56.77</b>
Smoothed RSI	<b>55.65</b>
Stochastic oscillator monthly (1,3,3)	<b>76.67</b>

The technical landscape of momentum oscillators is enticing as the 14-period RSI witnessed a positive reverse divergence when the prices aiming to make higher lows suggesting a strength in up-move. The technical indicators head north almost vertically. Stochastics also gave a positive crossover after witnessing a piercing pattern on the monthly charts at oversold zone levels.

### Trend Analysis

Moving Average - 50 Days	<b>2435</b>
Moving Average - 200 Days	<b>2465</b>
ADX (14d)	<b>18.06</b>
Bollinger Band Weekly	<b>(2245-2533)</b>
MACD Weekly	<b>11.8</b>

The positive takeaway is that RIL is now aiming to take supports at its 200-DMA and regathering momentum. The bounce is now resulting into a massive breakout on the upside on the monthly/weekly charts. ADX indicator too suggesting robust positive bias.

### CONCLUSION

- # The key positive catalyst continues to be its stellar performance and most importantly, the outlook going forward too remains promising.
- # In the recent Q4FY23, the fiscal fourth quarter net profit came in at Rs 19,299 crore, jumping 19.1% on-year. RIL revenue for January-March quarter rose 2.1% on-year, to Rs 2.16 lakh crore.
- # Reliance Jio reported Q4FY23 net profit at Rs 4,716 crore, up 1.7 per cent on-quarter. "Jio has taken formidable strides in pioneering 5G rollout across the country with unmatched speed of execution," said Akash M Ambani, Chairman, Reliance Jio Infocomm Limited.
- # According to Reliance Industries, the KGD6 gas production is likely to increase to 30 million standard cubic meters of gas per day in FY24, with commissioning of MJ field.
- # The restructuring of gasification assets is likely to unlock value, also provide flexibility. Gasification assets are proposed to be transferred to a subsidiary which will provide flexibility to induct suitable strategic partners and distinct sets of investors.
- # RIL transition to Net Carbon Zero provides unique opportunity to unlock value through repurposing of assets and upgradation of configuration. Reliance seeks to be world's top blue hydrogen maker.

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