



WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	22378	22055	22751	21789	20089	22175-22599	Buy at CMP. Targets at 22435/22551. Aggressive targets at 22751 zone. Stop at 21811
BANK NIFTY	46812	45651	48001	46789	45053	45751-47821	Buy at CMP. Targets at 47821/48001/48921. Stop at 45499.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
SENCO GOLD	836	679	1001	771	-	Positive	<p>Incorporated in the year 1994, Senco Gold & Diamonds (Senco) is a leading pan-India jewellery retailer with a legacy of more than Eight decades and the largest jewellery retail player in eastern India based on number of showrooms.</p> <p>Senco Gold is a strong re-rating candidate amidst strengths like:</p> <p>Experienced management team and institutional investor support. Ranjana Sen is the Chairperson and Whole Time Director of the company. She has been associated with the company since the incorporation of the company and has over 29 years of experience in the jewellery industry. Look to accumulate at CMP, and on dips between 725-750 zone, targeting 911/1000 and then aggressive targets at 1121 with stop below 679. Holding Period: 12-15 months.</p>

BUY SENCO GOLD at CMP 836. Target 1001

CMP	836
Target Price	1001
52 Week H/L	895.9/358.25
P/E4	0.32
EPS (TTM)	20.71
Promoter Holding/DIIs/FIIs	68.46/21.5/14.5
Book Value	173.9
Market Cap (INR)	6,487.68 crores

Daily Chart of SENCO GOLD :



Incorporated in the year 1994, **Senco Gold & Diamonds (Senco)** is a leading pan-India jewellery retailer with a legacy of more than Eight decades and the largest jewellery retail player in eastern India based on number of showrooms.

Senco Gold is a strong re-rating candidate amidst strengths like:

Experienced management team and institutional investor support. Ranjana Sen is the Chairperson and Whole Time Director of the company. She has been associated with the company since the incorporation of the company and has over 29 years of experience in the jewellery industry.

Senco has been rated as 2nd Most Trusted Jewellery Brand 3rd year in a row by TRA and also amongst Most Desired Jewellery Brand by TRA in 2023. Senco has a manufacturing facility located at the Gems and Jewellery Park, Ankurhati in Howrah, West Bengal. Largest organized jewellery retail player in the eastern region of India based on number of stores.

Senco has over 155 showrooms spread across India with a mix of Own and Franchisee model and having various formats like Classic, D'Signia, Everlite, Modern and House of Senco to cater to various customer segments. The D'Signia showroom format offers a premium jewellery retail shopping experience to its connoisseur customers while Everlite offers lightweight, modern and trendy collections. Strong 'Company Operated Showroom' base complemented by an established asset-light 'franchise' model leading to operating leverage.

Senco offers an extensive range of jewellery, including gold, diamond, silver, platinum, as well as precious and semi-precious stones. With a catalogue offering more than 130,000 designs for gold jewellery and more than 72,000 designs for diamond jewellery, Senco offers a large variety of designs of handcrafted jewellery, most of which are designed in-house by its designers in close collaboration with skilled local karigars in Kolkata and across the country. Senco's brand portfolio includes "Everlite" focused on lightweight jewellery; "Gossip" the silver and costume jewellery brand; and "Aham" catering to men. They also have Vivaha and Rajwada collection, which are premium wedding jewellery range.

Senco credit rating has upgraded ICRA for its Fund based Working capital facilities [ICRA]A and [ICRA]A2+ with "Stable" Outlook for Long term and short term respectively.

Calibrated focus on light, affordable jewellery with the intention to cater to the upwardly mobile and younger generation.

Systems and Procedures in place to mitigate risk and improve efficiencies

The company's revenue from operations grew by 23.3% during the quarter under review at Rs 1,652.20 crore, compared to Rs 1,339.63 crore for the quarter ended December 31, 2023.

Strong sales growth driven by festive and wedding season. For the same period, Senco Gold has reported a 5.8% growth in consolidated profit after tax at Rs 109.32 crore which was supported by huge response from festivals such as Dhanteras, Navratri, Durga Puja, Diwali and high number of weddings during the quarter.

The stock has just scaled a new all-time-high at 897, which suggests strong bullish indicator and most importantly, is on backdrop of stock price potentially breaking out of previous trading ranges. Several indicators like the Keltner Channel, High Low Band, and MA Channel are showing strong bullish signals, indicating positive breakouts.

The ADX (Average Directional Index) is at 33, indicating an improving robust trend. An ADX value over 25 would typically indicate a stronger trend. Rate of Change and RSI (21) indicators are positive, suggesting upward price momentum.

The big long-term supports are placed at 700-725 area.

Look to accumulate at CMP, and on dips between 725-750 zone, targeting 911/1000 and then aggressive targets at 1121 with stop below 679. Holding Period: 12-15 months.

Mehta Equities

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