

WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	15294	14701	15665	16572	17239	14851-15475	Sell at CMP. Targets at 14921/14701/14251. Stop at 15675.
BANK NIFTY	32743	30851	34001	35234	36761	30901-33651	Sell at CMP. Targets at 30851/30251/29301. Stop at 34001.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
PI INDUSTRIES	2473	2333	2839	2699	2850	Negative	There are several key bearish signs for PI INDUSTRIES , among them is excessive bullishness amidst oversold conditions. We suspect, bulls will be unable to support stock price as prices are likely to continue to collapse as recent sequence of lower highs/lows intact on the daily charts. The daily, weekly and monthly chart for the stock continues to look ugly and are signaling a breakdown below its key support at 2333 (Jan 2022 lows). Hence, major weakness likely for the stock. Establishing short positions at CMP and on strength between 2700-2750 zone should be the preferred trading strategy, targeting 2333 zone and then aggressive targets seen at 1950-2000 zone. Stop above 2839. Holding Period: 1-2 Months

Incorporated in 1947, **PI Industries Limited (earlier Pesticides India)** is a fast growing agri-sciences company with strong presence in both domestic and export market, specializing and manufacturing plant protection & specialty plant nutrient products and solutions under its agri-inputs business. The company has a strong product portfolio because of exclusive tie-ups with leading agro-chemical, pharmaceutical and fine chemical companies around the World. It is also one of India's leading custom synthesis (CSM) companies engaged in providing contract research and contract manufacturing services to global innovators. The CSM segment order book stands at USD 1.4bn.

The company currently operates three formulation and two manufacturing facilities as well as five multi-product plants across Gujarat and Jammu, and one R&D unit in Rajasthan at Udaipur.

- # PI Industries now commands a market cap of Rs 37,540 Crores.
- # The biggest negative catalyst surrounding PI Industries is that the technical landscape has deteriorated significantly on the medium term charts.
- # Technically, PI Industries' stock price pattern appears ugly at current levels.

Firstly, overbought technical conditions still prevail on the monthly charts on backdrop of a bearish engulfing pattern on the monthly charts. The recent sequence of lower high/low is quite evident on the monthly and weekly time frames. The momentum oscillators are seen shifting in sell mode signaling further sharp corrective down move. The stock price is signaling a massive break down from a "higher consolidation zone" on the weekly charts — confirmation of the same below 2333 mark. Immediate downside risk below a 2333 close is at psychological 2000 mark.

- # The 200-DMA of the stock is around 2850 levels and will act as major hurdle.

Establishing short positions at CMP and on strength between 2700-2750 zone should be the preferred trading strategy, targeting 2333 zone and then aggressive targets seen at 1950-2000 zone. Stop above 2839. Holding Period: 1-2 Months.

Daily Chart of PI INDUSTRIES:



Mehta Equities

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