

WEEKLY COMPASS

Weekly Alerts You Can Use!

CORPORATE ACTIONS

Stocks	Ex-Date	Purpose	Amount (Rs)	Record Date
BOROSIL	18 Dec 2019	Dividend	0.65	-
IBVENTURES	18 Dec 2019	Buy Back of Shares	-	19 Dec 2019
INFRATEL	19 Dec 2019	Interim Dividend	2.75	20 Dec 2019
ABB	20 Dec 2019	Spin Off	Spin Off	23 Dec 2019

OFFER TO BUY

Company name	Start Date	Close Date	Offer Price (Rs.)	Proposed Acquisition (No. of shares)	CMP (Rs.)
JB CHEMICALS PHARMACEUTICALS LTD.	16-Dec-19	30-Dec-19	440.00	29,54,545	419.95
AMBA ENTERPRISES LTD.	06 Dec 2019	19 Dec 2019	11.00	32,91,725	11.04

BONUS

Co-Name	Ex Bonus Date	Ratio
BALMLAWRIE	26 Dec 2019	1:2

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	12087	11801	12301	11776	11486	11925-12300	Buy between 12001-12011 zone, targeting 12251/12475. Stop 11801.
BANK NIFTY	32014	31201	32601	30302	29562	31701-32600	Buy between 31835-31860 zone. Targets at 32551/32897. Stop 31201.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
MANAPPURAM	173	149	189	157	132	Positive	Manappuram deserves attention as the stock is attempting a major breakout from a probable 'higher consolidation' zone on the monthly charts and most importantly, a flag pattern formation seen on the weekly charts. We suspect, the stock price will aim to close above its psychological 200 mark. A potential entrance exists at CMP, and on dips between 157-160zone, targeting 189 mark and then aggressive psychological 200 mark. Holding Period: 2 Months+. Stop at 149. Aggressive 6 months targets at 211 mark.

Manappuram Finance Ltd. is one of India's leading gold loan non banking financial company (NBFC) — the first NBFC in Kerala to receive a Certificate of Registration issued by the RBI and also amongst the earliest to go for an IPO in 1995.

The company offers loans against the pledge of household and used gold jewelry, as well as short-term personal and business gold loans; SME and micro, and equipment finance; foreign exchange and money transfer services; commercial vehicle loans; home loans; loans against properties; and insurance brokerage services.

Over the years, Manappuram has benefited from positive gold price momentum resulting in better than expected revenue growth and the firm expects to grow gold loans in line with market growth. The other key catalysts are:

- Strong performance with around 23.3% YoY consolidated AUM growth.
- Robust profitability with 5.2% consolidated ROA, 23% consolidated ROE resulting in +42.8% YoY .
- Standalone GNPA has declined to 0.5% in Q4 FY19 (vs. 0.6% in Q3 FY19 and 0.7% in Q4 FY18).
- Gold Loan AUM up 10.5% YoY; Gold tonnage up 5.5% YoY.Going forward, the company has guided for 10-12% tonnage growth.
- Gross yields on gold loans were stable QoQ; Daily average gold AUM grew 0.5%.
- Around 80% of the company's gold loans are to old customers.

Technically, brace yourselves for an impulse uptrend on the daily time scale with positive SAR series. The stock is also witnessing a breakout from a probable "Flag Pattern" on the weekly charts. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 135 zone. The level of Rs135-140 zone will act as a strong support zone and any corrective declines to these levels should be used as an opportunity to initiate aggressive long positions.

For intermonth traders, a potential entrance exists at CMP, and on dips between 157-160 zone, targeting 189 mark and then aggressive psychological 200 mark. Holding Period: 2 Months+. Stop at 149. Aggressive 6 months targets at 211 mark.

Daily Chart of Manappuram:

