

# WEEKLY COMPASS

## Weekly Alerts You Can Use!

### CORPORATE ACTIONS

Stocks	Ex-Date	Purpose	Amount (Rs)	Record Date
AUROPHARMA	22 Feb 2021	Interim Dividend	1.50	23 Feb 2021
DCMSRMIND	22 Feb 2021	Interim Dividend	5.00	23 Feb 2021
GOLDIAM	22 Feb 2021	Interim Dividend	2.00	23 Feb 2021
ITC	22 Feb 2021	Interim Dividend	5.00	23 Feb 2021
MAZDOCK	22 Feb 2021	Interim Dividend	5.41	23 Feb 2021
MERCURYLAB	22 Feb 2021	Interim Dividend	1.50	23 Feb 2021
NATCOPHARM	22 Feb 2021	Interim Dividend	1.00	23 Feb 2021
NHPC	22 Feb 2021	Interim Dividend	1.25	23 Feb 2021
PANCHSHEEL	22 Feb 2021	Interim Dividend	1.50	23 Feb 2021
SELAN	22 Feb 2021	Interim Dividend	5.00	23 Feb 2021
SHANTIGEAR	22 Feb 2021	Interim Dividend	1.50	23 Feb 2021
TIINDIA	22 Feb 2021	Interim Dividend	2.00	23 Feb 2021
ARVINDFASN	23 Feb 2021	Right Issue of Equity Shares	-	24 Feb 2021
COCHINSHIP	23 Feb 2021	Interim Dividend	4.00	24 Feb 2021
IRCON	23 Feb 2021	Interim Dividend	1.30	24 Feb 2021
NIITLTD	23 Feb 2021	Buy Back of Shares	-	24 Feb 2021
OIL	23 Feb 2021	Interim Dividend	3.50	24 Feb 2021
PRECWIRE	23 Feb 2021	Interim Dividend	2.00	24 Feb 2021
SJVN	23 Feb 2021	Interim Dividend	1.80	24 Feb 2021
TOWERINFRA	23 Feb 2021	Income Distribution (InvIT)	-	24 Feb 2021
UNIDT	23 Feb 2021	Interim Dividend	0.90	24 Feb 2021
ZUARIGLOB	23 Feb 2021	Interim Dividend	1.00	24 Feb 2021
ISGEC	24 Feb 2021	Interim Dividend	2.00	25 Feb 2021
KARDA	24 Feb 2021	Interim Dividend	0.05	25 Feb 2021
NILE	24 Feb 2021	Interim Dividend	1.00	25 Feb 2021
RACLGEAR	24 Feb 2021	Interim Dividend	1.00	25 Feb 2021
SANDHAR	24 Feb 2021	Interim Dividend	1.25	25 Feb 2021
TECHNOE	24 Feb 2021	Interim Dividend	3.00	25 Feb 2021
AMARAJABAT	25 Feb 2021	Interim Dividend	5.00	26 Feb 2021
CAREERP	25 Feb 2021	Interim Dividend	1.00	26 Feb 2021
DHARAMSI	25 Feb 2021	Interim Dividend	1.00	26 Feb 2021
GMPL	25 Feb 2021	Interim Dividend	1.00	26 Feb 2021
GUJAPOLLO	25 Feb 2021	Buy Back of Shares	-	26 Feb 2021
NGIL	25 Feb 2021	Bonus issue 5:8	-	26 Feb 2021
YSL	25 Feb 2021	Interim Dividend	175.00	26 Feb 2021
SMARTLINK	26 Feb 2021	Buy Back of Shares	-	01 Mar 2021

### OFFER TO BUY

Company name	Start Date	Close Date	Offer Price (Rs.)	Proposed Acquisition (No. of shares)	CMP (Rs.)
ARCHIDPLY INDUSTRIES LTD	10-Feb-21	24-Feb-21	37.00	22,00,000	36.85
FAIRCHEM ORGANICS LTD	09-Feb-21	23-Feb-21	575.73	33,77,953	614.50
OVOBEL FOODS LTD	08-Feb-21	22-Feb-21	49.41	27,30,208	47.60

### BONUS

Co-Name	Ex Bonus Date	Ratio
NGIL	25-Feb-21	5:8
SACHEMT	08-Mar-21	1:10

### Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	14982	14500	15400	14321	11987	14500-15251	Sell between 15075-15131 zone Targets at 14851/14675 /14500. Stop at 15432.
BANK NIFTY	35842	34240	37331	32594	25443	34240-37331	Sell between 36001-36121 zone. Targets 35201/34240 with stop at 37331.

### Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
M&M FIN	208.55	150	227	183	140	Negative	M&M FINANCIAL has witnessed a sharp fall in Friday's trade, down 4.60%. The stock is now signaling a down-move towards its intermediate 29th January 2021 support at 149.60. Momentum oscillators signaling major weakness on backdrop of a grave stone doji pattern on the weekly charts. Also evening star pattern appear on the daily charts. Overbought technical conditions too prevail. Establishing short positions at CMP should be the preferred trading strategy, targeting 191/177.50 and then aggressive targets at 150-155 zone. Stop above 227.05. Holding Period: 1-2 Months.

Incorporated in the year 1991, Mahindra & Mahindra Financial Services is a Large Cap company and now having a market cap of Rs 25,767 Crore operating primarily in NBFC sector that provides asset finance and other financial products and services to buyers in rural and semi-urban markets.

Mahindra Finance began as a captive financier of Mahindra Utility Vehicles in the early 90s. From Mahindra UVs to tractors to non-Mahindra products, the company has diversified into a financial services provider with a whole suite of financial solutions tailored to the under-served customer in under-penetrated rural markets.

The firm's product portfolio consists of vehicle finance, which includes financing of passenger vehicles, utility vehicles, tractors, commercial vehicles, construction equipment; and pre-owned vehicles and SME finance, which includes project finance, equipment finance, working capital finance and bill discounting services to SMEs. The company also undertakes mutual fund distribution, fixed deposits and personal loans tailor-made to suit its unique customer set.

With over 33,000 employees, Mahindra Finance has a presence in every state in India and a footprint in 85% of its districts. It has a network of over network 1200 offices, serving customers in more than 3, 80,000 villages— that's one in every two villages in the country. And has assets under management (AUM) of over Rs. 81,000 crores.

The firm has recently witnessed a mixed quarter as its Net interest income remained largely flat (+0.9% YoY to Rs. 1,383cr), mainly impacted by de-growth in interest income Rs. 2,542cr (-1.5% YoY). The firm registered net loss of Rs. 274cr (vs. net profit of Rs. 365cr) owing to higher provisioning recorded by the company in Q3FY21. The firm intends to maintain NPA at ~4% levels, while coverage ratio would be around ~36% to bring stability in coming quarters.

The biggest negative catalyst are the asset quality which are seen deteriorating sequentially and also competition also likely to intensify from major private banks in car financing, especially in the in rural areas, which is typically serviced by the NBFCs.

The street will also spy with one big eye on the uncertainty evolving around Indian economy amidst general concerns about the 2nd wave of Covid-19 outbreak and fears of volume losses on backdrop of renewed lockdown are likely to dent on sentiments

We believe, in near term, the stock is likely to underperform on the bourses primarily on backdrop of concerns on macros; hence, we initiate a 'SELL'. Technically, M&M Financial stock price pattern appears ugly at current levels.

Firstly, overbought technical conditions prevail on the daily charts on backdrop of a probable evening star pattern on the daily charts. The momentum oscillators are seen shifting in sell mode signaling further sharp corrective down move. The stock price is has already signaled a break down from a "higher consolidation zone" on the daily — confirmation of the same below 191 mark. Aggressive downside risk below a 191 close is at psychological 150 mark.

**The 200-DMA of the stock is around 143 levels.**

Establishing short positions at CMP should be the preferred trading strategy, targeting 191/177.50 and then aggressive targets at 150-155 zone. Stop above 227.05. Holding Period: 1-2 Months.

Daily Chart of M&M FIN:

