

WEEKLY COMPASS

Weekly Alerts You Can Use!

CORPORATE ACTIONS

Stocks	Ex-Date	Purpose	Amount (Rs)	Record Date
MADHAVIPL	27 Apr 2020	Stock Split From Rs. 10 to Rs.1	-	28 Apr 2020

OFFER TO BUY

Company name	Start Date	Close Date	Offer Price (Rs.)	Proposed Acquisition (No. of shares)	CMP (Rs.)
-	-	-	-	-	-

BONUS

Co-Name	Ex Bonus Date	Ratio
-	-	-

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	9154	8601	9870	10043	11245	8800-9600	Buy only above 9275 zone, Targets 9400 and then at 9600-9701 with stop at 8600.
BANK NIFTY	19587	17600	21501	24277	28582	17600-21501	Buy only above 20301 zone. Targets at 22000/24001. Stop at 17600.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
ULTRATECH	3308	2951	3827	3781	4123	Negative	ULTRATECH CEMENTS is moving down with its sequence of lower highs/lows intact on daily, weekly and monthly charts. The stock has already signaled a breakdown below its key support at 3260 (October 2018 lows). Hence, major weakness likely for the stock. Establishing short positions at CMP, and on any strength between 3501-3551 zone should be the preferred trading strategy, targeting 2951 and then aggressive targets seen at 2451-2501 zone. Stop above 3827. Holding Period: 2 Months.

The stock price of Ultratech cement has been under pressure amidst the general meltdown in the stock market over concerns about the Covid-19 outbreak and fears of volume losses due to the lockdown announced by the government. We suspect, pricing scenario to deteriorate in the medium term on backdrop of completion by companies to gain market share by cutting prices. Cement demand also likely to be under pressure in FY21. Also on backdrop of strained government finances amidst relief packages to support the loss of income caused by lockdowns, the street expects lower infrastructure spending.

We believe, in near term, the stock likely to underperform on the bourses primarily on backdrop of concerns on macros; hence, we maintain 'SELL'. Technically, ULTRATECH CEMENTS' stock price pattern appears ugly at current levels.

The momentum oscillators are in sell mode signaling further sharp down move. The stock price is has already signaled a break down from a "higher consolidation zone" on the monthly charts with the sequence of lower highs / lows is intact in daily, weekly and monthly charts, indicating further weakness. Major weakness on cards as the stock price is below its key October 2018 low at 3260. The stock has moved below this level after consolidating between 3250-4950 zone for past 3-years. Immediate downside risk below a close below 3200 is at psychological 3000 mark. Aggressive targets seen at 2910 and then at 2751 mark.

The stock is likely to continue its big underperformance going forward. The 200-DMA of the stock is placed at 4121.

Establishing short positions at CMP, and on any strength between 3501-3551 zone should be the preferred trading strategy, targeting 2951 and then aggressive targets seen at 2451-2501 zone. Stop above 3827. Holding Period: 2 Months.

Daily Chart of ULTRATECH:

