

# WEALTH WEEKLY

## Weekly Alerts You Can Use!

### Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	25015	24753	25451	25034	23136	24811-25388	Buy between 24888-24901 zone. Targets at 25250/25441. Aggressive targets at 25675 zone. Stop 24699
BANK NIFTY	51462	50222	53000	51557	49148	50354-52888	Buy at CMP. Targets at 52888/54000. Aggressive targets at 55195 zone. Stop 49558

### Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
MINDA CORP	597	6211	7500	550	455	Positive	Incorporated in 1985, Minda Corporation Ltd is a significant player in the global automotive industry and one of the prominent manufacturers of automotive components for the OEMs and Tier-I suppliers. For the first quarter ended June 30, 2024, reported revenue of INR 1,192 crore, an 11% increase year-over-year. On the operating performance front, EBITDA rose 15% on year to Rs 132 crore, while EBITDA margin improved by 114 basis points to 11.1%. The profit after tax (PAT) stood at INR 64 crore, a significant 42% YoY rise, with a margin of 5.3%. The biggest positive catalyst surrounding Minda Corporation is that the technical landscape is signaling a massive breakout on the upside in the medium-term charts. <b>Establishing long positions at CMP and on any corrective declines between 500-520 zone should be the preferred trading strategy, targeting 652/701 zone and then aggressive targets seen at 750 zone. Stop below 473. Holding Period: 9-12 Months.</b>

#### BUY MINDA CORP at CMP 597, Target 701

CMP	597
Target Price	701
52 Week H/L	652/313
P/E	69.49
EPS (TTM)	8.58
Promoter Holding/DIIs/FIIs	64.84/26.7/6.1
Book Value	74.79
Market Cap (INR)	14,262.28 crores

#### Daily Chart of MINDA CORP :



Incorporated in 1985, Minda Corporation Ltd is a significant player in the global automotive industry and one of the prominent manufacturers of automotive components for the OEMs and Tier-I suppliers.

It's a flagship company of Spark Minda, formerly part of the Minda Group, the US \$610 Million Group, with a workforce of more than 16,000 employees, caters to the leading Passenger Vehicle, Commercial Vehicle, Motorcycle & Scooter, Off-road Vehicle & Tier 1 Manufacturers in India with presence in Indonesia, Vietnam, Europe, Japan and Uzbekistan. Minda Corporation holds a market share of approximately 40% in two-wheeler lock sets and wiring harnesses for two wheelers, three-wheelers, tractors, and commercial vehicles. The Company has a diversified product portfolio that encompasses Mechatronics; Information and Connected Systems and Plastic and Interior for auto OEMs. The firm also serves the aftermarket segment in India through a strong dealer distributorship of about 650 dealers.

Minda Corp announced a 50:50 joint venture with Taiwan-based HSIN Chong Machinery Works, to manufacture sunroof and closure technology products for passenger cars in India. The firm has invested USD 1.0 Mn in the joint venture and plans to invest INR 800-1,000 Mn, targeting a gross asset turnover of ~2.5x and medium-term profitability similar to its current businesses. The Company aims for a 25.0%-30.0% market share in the category, with a kit value of INR 25,000-30,000.

The company noted that it would expand its product portfolio by sharpening its competitive edge through R&D investments and focus on partnerships to harness technological advancements to meet evolving customer requirements.

Minda Corp witnessed healthy performance for the first quarter ended June 30, 2024, reported revenue of INR 1,192 crore, an 11% increase year-over-year. On the operating performance front, EBITDA rose 15% on year to Rs 132 crore, while EBITDA margin improved by 114 basis points to 11.1%. The profit after tax (PAT) stood at INR 64 crore, a significant 42% YoY rise, with a margin of 5.3%.

The biggest positive catalyst surrounding Minda Corporation is that the technical landscape is signaling a massive breakout on the upside in the medium-term charts on backdrop of the growth opportunities in the automotive industry.

Firstly, the recent sequence of higher high/is intact in all time frames with bullish a long 3-month consolidation. The momentum oscillators are clearly seen on the buy side signaling further sharp up move — confirmation of the same on any successive close above its all-time-high at 652. Immediate upside targets above 652 is at psychological 750 mark.

The 200-DMA of the stock is around 587 levels and will act as major support.

**Establishing long positions at CMP and on any corrective declines between 500-520 zone should be the preferred trading strategy, targeting 652/701 zone and then aggressive targets seen at 750 zone. Stop below 473. Holding Period: 9-12 Months.**

### Mehta Equities

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