

WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	24854	24566	25300	25105	23310	24695-25275	Buy between 24721-24745 zone. Targets at 25250/25441. Aggressive targets at 25675. Stop at 24544.
BANK NIFTY	52094	50450	53000	51649	49321	51222-52888	Buy between 51666-51777. Targets at 52888/53300/54200. Stop 50320.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
BOMBAY DYEING	250	171	289	218	189	Positive	Incorporated on August 23, 1879, Bombay Dyeing and Manufacturing Company Limited (BDMCL) is a part of Wadia Group and is currently engaged primarily in the business of Real Estate Development, Polyester Staple Fibre (PSF, hold 15% of market share) and textile retail. Technically, the recent sequence of higher high/low is intact in all time frames with bullish a probable bullish Flag pattern break on the monthly charts. The momentum oscillators are clearly seen on the buy side signalling further sharp up move —Immediate upside targets are at psychological 300 mark. Establishing long positions at CMP and on any corrective declines between 195-203 zone should be the preferred trading strategy, targeting 289/371 zone and then aggressive targets seen at 500 zone. Stop below 171. Holding Period: 12-15 Months.

BUY BOMBAY DYEING at CMP 250, Target 285

CMP	250
Target Price	285
52 Week H/L	254.65/134.35
P/E	1.67
EPS (TTM)	149.31
Promoter Holding/DIIs/FIIs	53.58/2.5/1.1
Book Value	90.14
Market Cap (INR)	5,162.34 crores

Daily Chart of BOMBAY DYEING :



Incorporated on August 23, 1879, **Bombay Dyeing and Manufacturing Company Limited (BDMCL)** is a part of Wadia Group and is currently engaged primarily in the business of Real Estate Development, Polyester Staple Fibre (PSF, hold 15% of market share) and textile retail.

1) Bombay Realty. Bombay Realty has been transforming and redefining the Mumbai skyline with two mixed use developments in the centre of Mumbai. These prime locations are being developed into world-class residences, offices, hotels, serviced apartments, branded residences, hospitals, schools and retail.

The positive catalysts in favor of real-estate sector are the fact that the Indian economy is experiencing a conducive macroeconomic configuration that can be its launching pad for a step-up in its growth trajectory. Indian economy is expected to record stronger than expected 7%+ growth in FY 2024-25, underpinned by a shift from consumption to investment. Even as inflation is on the ebb with broad-based softening of core inflation; hopefully, the RBI too takes over the conga-line of slashing interest rates this December from the Federal Reserve's 50 bps rate cut.

Boosting sentiments are reports that property prices have started moving forward. Also, with the growing infrastructure projects including the construction of new highways like Coastal road, Worli-Sewri connector, metro lines and other transport links, the MMR region will continue to attract professionals from other parts of the country leading to an increase in demand for residential apartments.

2) Polyester Division: Bombay Dyeing - Polyester Division is engaged in manufacture of 100% virgin Polyester Staple Fibre & Textile grade and is one of the seven producers of Polyester Staple Fibre (PSF) in the country with a market share of around 12%; PET Chips with NGSSS technology from Invista Polyester Technologies and Chemtex International Inc., USA.

The world demand in textiles is likely to see a trend of shifting from China to other Asian countries including India. Optimism at the Polyester Division is also on backdrop of sluggish trend in crude oil prices.

Bombay Dyeing reported a positive financial performance in the quarter ended June 2024. The company's Profit After Tax has increased by 127.1% and it has shown improvement in managing interest payments.

Technically, the recent sequence of higher high/low is intact in all time frames with bullish a probable bullish Flag pattern break on the monthly charts. The momentum oscillators are clearly seen on the buy side signalling further sharp up move —Immediate upside targets are at psychological 300 mark.

The 200-DMA of the stock is around 189 levels and will act as major support.

Establishing long positions at CMP and on any corrective declines between 195-203 zone should be the preferred trading strategy, targeting 289/371 zone and then aggressive targets seen at 500 zone. Stop below 171. Holding Period: 12-15 Months.

Mehta Equities

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