

Diwali

Technical Picks - 2022



PRODUCT NOTE

Diwali Technical Pick is an equity product specially designed to maximize the wealth over a period of one year (This Diwali to Next Diwali), based upon strong technical patterns from the universe of NSE F&O and CASH counters. The report, comprises of 6 - 8 stock recommendations for the very auspicious occasion of Diwali. The stock selection are purely based upon Technical and Derivative parameters, considering the overall momentum in the market.

Overview of the content

Stock Name	Action	CMP	Entry Range	Average	Stop Loss*	Target 1	Target 2
ARVIND FASHIONS LTD	BUY	307	310 - 290	300	230	400	440
COMPUTER AGE MANAGEMENT SERVICES LTD	BUY	2575	2575 - 2525	2550	2000	3375	3650
DEEPAK NITRITE LTD	BUY	2225	2225 - 2175	2200	1650	3025	3300
EASY TRIP PLANNERS LTD	BUY	389	390 - 360	375	300	488	525
FEDERAL BANK LTD	BUY	130	130 - 120	125	95	170	185
GODREJ PROPERTIES LTD	BUY	1180	1180 - 1140	1160	900	1550	1689
MAX HEALTHCARE INST LTD	BUY	428	425 - 405	415	320	558	605
ZYDUS LIFESCIENCES LTD	BUY	411	410 - 390	400	320	520	560

*Stop loss to be considered as per weekly closing basis

Valid till Diwali 2023

Diwali 2021 Performance

Despite the high volatile action throughout the year; our DIWALI PICKS 2021 basket managed to generate an alpha of around 16%. We officially booked the basket on 03rd Aug 2022.



How to invest in our baskets



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Basket launched date: 19th October 21

CMP as on 3rd August 2022



- In the calendar year of 2021; ARVINDFASN rallied more than 150% in a matter of just 3 months (From 135 it went above 360 mark). Then after it corrected 61.8% of the entire move and has been consolidating.
- At this juncture; it is again on the verge of fresh breakout and that indicates a continuation of the prior uptrend.
- We have been witnessing heavy volumes in the counter with bullish price action and that suggests the possibility of accumulation. Investors / Traders can buy the stock within a time frame of around 1 year.

Scrip	ARVINDFASN
Sentiment	BULLISH
Entry	310-290
Stop Loss	230
Target 1	400
Target 2	440
21-DEMA	311
100-DEMA	290
200-DEMA	279
52-Wks H/L	352/217.90



Scrip	CAMS
Sentiment	BULLISH
Entry	2575-2525
Stop Loss	2000
Target 1	3375
Target 2	3650
21-DEMA	2504
100-DEMA	2423
200-DEMA	2445
52-Wks H/L	3250/ 2037.15

- The stock CAMS has retraced exactly 61.8% of the entire rally which started after its listing in the year 2020.
- Now the stock has managed to clear its 200-day moving average and it is on the verge of a fresh range breakout.
- With regards to weekly RSI; the indicator is on the verge of a breakout from the 60 levels which could bring in more strength going ahead. Investors / Traders can buy the stock within a time frame of around 1 year.



- Since many years; DEEPAKNTR has been in a strong uptrend and it can be seen that the stock has been respecting the placement of 100 weeks' EMA..
- Even this time; the stock found support at the moving average and has confirmed a breakout from the falling channel.
- Price action indicates that the stock might continue with its northward journey in the coming year too. Investors / Traders can buy the stock within a time frame of around 1 year.

Scrip	DEEPAKNTR
Sentiment	BULLISH
Entry	2225-2175
Stop Loss	1650
Target 1	3025
Target 2	3300
21-DEMA	2143
100-DEMA	2043
200-DEMA	2038
52-Wks H/L	3020/ 1681



- Right from its inception (Listing) EASEMYTRIP has a pattern of rising higher then consolidation and then again rising.
- Even at this point in time; the stock has retraced 61.8% of its previous rally and has been consolidating.
- A move above 420 might bring in fresh buying interest in the stock and the weekly RSI suggests the possibility of that breakout. Investors / Traders can buy the stock within a time frame of around 1 year.

Scrip	EASEMYTRIP
Sentiment	BULLISH
Entry	390-360
Stop Loss	300
Target 1	488
Target 2	525
21-DEMA	393
100-DEMA	386
200-DEMA	356
52-Wks H/L	476.50 / 225.80



- Recently FEDERALBNK has confirmed a life time breakout above the 121 mark on a monthly closing basis.
- This breakout has occurred after a consolidation of around five years and the bank has been an outperformer among its peers.
- The monthly RSI has sneaked above the 70 mark and this indicates more strength for the ongoing up move. Investors / Traders can buy the stock within a time frame of around 1 year.

Scrip	FEDERALBNK
Sentiment	BULLISH
Entry	130-120
Stop Loss	95
Target 1	170
Target 2	185
21-DEMA	121
100-DEMA	109
200-DEMA	101.56
52-Wks H/L	132.2/ 78.6

Rationale:

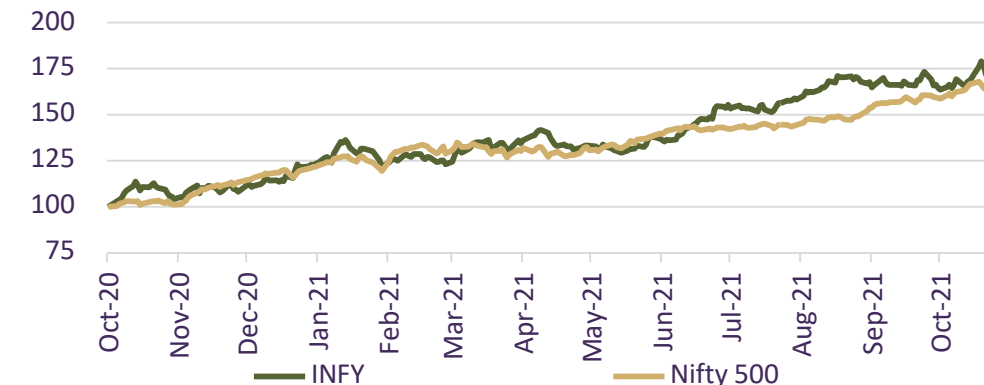
- Infosys is a global leader in next-generation digital services and consulting. The company enables clients in more than 50 countries to navigate their digital transformation. With over four decades of experience in managing the systems and workings of global enterprises, it expertly steers clients through their digital journey. We do it by enabling the enterprise with an AI-powered core that helps prioritize the execution of change. We also empower the business with agile digital at scale to deliver unprecedented levels of performance and customer delight.
- The company benefits from its strong presence across varied industries and markets. Segment wise, Financial Services contributed 32% of FY21 revenues, retail 15%, communication 13%, Energy, Utilities, Resources & Services 12%, Manufacturing 9%, Hi-tech 9% and Life Sciences & Healthcare 7% while others accounted for 3% of revenues. Region wise, North America comprised 61% of FY20 revenues, followed by Europe with 24%, India 3% while rest of the world contributed 12%.
- In Q2FY22, the company delivered a strong quarter performance with YoY revenue growth increasing to 19.4% and sequential growth accelerating to 6.3% in constant currency. Growth was broad-based across geographies and segments with the largest geography, North America growing at 23.1% and the largest segment, Financial Services growing at 20.5%, YoY in constant currency. Revenue from digital portfolio grew by 42.4% YoY in constant currency terms. The company won 22 Large deals of over \$50 million, with TCv of \$2.15 billion in Q2.
- The company has stepped up its hiring program and have added more than 11,600 talent employees on a net basis, highest ever in a single quarter. With a strong start to the financial year, good deal momentum in Q2, a robust pipeline, the company is increasing its annual revenue growth guidance from 14% - 16% previously to 16.5% to 17.5% growth in constant currency. Operating margin guidance remains the same, 22% to 24%.
- We remain optimistic on Infosys given its strong digital portfolio, healthy deal pipeline and higher growth guidance. We initiate a **BUY** on Infosys with a target price of **₹2,000 per share**.

52 Week Low / High	1051.00 / 1848.25
Avg. Daily Volume (3M)	6675.47
No. of Shares O/S (Mn.) / Mkt. Cap (₹Mn.)	4205.46 / 7,232,558
Shareholding (Promoters/Institutional/Others)	13.1% / 49.1% / 37.8%

(In ₹ mn)	FY-20	FY-21	FY-22E	FY-23E
Total Income	907,910	1,004,720	1,180,546	1,387,142
EBITDA	217,560	275,430	308,485	362,470
EBITDA Margin	24.0%	27.4%	26.1%	26.1%
PAT	165,940	193,510	220,369	258,934
PAT Margin	18.3%	19.3%	18.7%	18.7%
EPS (₹)	39.5	46.0	52.4	61.6
Debt/Equity	0	0	0	0
P/B	11.1	9.5	8.0	6.2
RoE	25.4%	25.3%	24.4%	22.3%
P/E	43.6	37.4	32.8	27.9

Source: Company, Anand Rathi Research, Bloomberg. Note: Prices are as on 22-Oct-21

Price Performance (Oct'20=100)





- Similar to many other newly listed stocks we shared; even MAXHEALTH has been maintaining its up trend since its listing.
- Recently the stock confirmed a breakout from the ‘Symmetrical Triangle’ pattern and that happened after finding support at the 200-day moving average.
- The theoretical target for the pattern comes around 540 and then after we might see further upside. Investors / Traders can buy the stock with a time frame of around 1 year.

Scrip	MAXHEALTH
Sentiment	BULLISH
Entry	425-405
Stop Loss	320
Target 1	558
Target 2	605
21-DEMA	416
100-DEMA	391
200-DEMA	373
52-Wks H/L	458 / 322



- The long-term trend line on the monthly chart of ZYDUSLIFE dictates that the stock is turning from crucial support.
- It has managed to stay above the flat line support of ICHIMOKU and in fact, it is now trading back above the same.
- The stock seems to be resuming its uptrend and in such a scenario, it has the potential to retest life high in the coming months. Investors / Traders can buy the stock within a time frame of around 1 year.

Scrip	ZYDUSLIFE
Sentiment	BULLISH
Entry	410-390
Stop Loss	320
Target 1	520
Target 2	560
21-DEMA	398
100-DEMA	377
200-DEMA	391
52-Wks H/L	546 / 319

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Thank You

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