



Diwali

Picks - 2023

HCLTECH, EICHER, RAMCO

GODREJPROP, GODREJCP





NIFTY 50

After reaching an all-time high in 2022, the index experienced some profit-taking, pulling back to around 18837 levels, which represents a decline of approximately 6.84 percent. This correction was necessary to allow the bulls to take a breather before potentially resuming their upward momentum.

The market may undergo further consolidation after the recent upward movement, which would be a healthy development. Additionally, with all sectors now in alignment with the overall market trend, heavyweight stocks are poised to drive the market's next upward rally.

On a weekly chart, the index found support at the 18830 level, which also coincides with the 200-Day Exponential Moving Average (EMA). This level has proven to be a key support zone.

Furthermore, the index has been trading along the lower band of the Bollinger Bands, indicating potential for a rebound in the index. Once the index crosses above the middle band of the Bollinger Bands, located at the 19500 level, it may signal a move towards the upper band, reaching levels around 20800 and 21000 in the short term.





BANKNIFTY

On the weekly chart, Bank Nifty has demonstrated a notable recovery, rebounding strongly from the robust support zone located around 42,100. Furthermore, it has successfully maintained its position above the 200-Day Exponential Moving Average (EMA), which is situated near the 43,200 level.

The momentum indicators, namely the Relative Strength Index (RSI) and the Moving Average Convergence Divergence (MACD), have both displayed positive crossovers on the weekly chart. These developments enhance the bullish sentiment surrounding the price.

In the near term, it is expected that both Private Banks and Public Sector Undertaking (PSU) Banks will continue to exhibit strong performance, thereby providing additional strength to the Bank Nifty Index.

Based on this technical analysis, if the Bank Nifty Index manages to breach the 44,000 level, it has the potential to ascend towards its all-time high levels, with initial targets set at 46,000 and 46,500 in accordance with Fibonacci extensions. Conversely, the 42,000 level holds significant importance as a crucial support zone.





Buy RAMCOCEM @ 990 & Upto 960 for the Target of 1095-1130

RAMCOCEM, currently trading at 990, has recently broken out of a cup and handle pattern, subsequently undergoing a successful retest at the breakout level. This suggests a strong potential for upward movement in the stock.

Furthermore, RAMCOCEM is trading above its critical 20-50-200 Day Exponential Moving Averages (EMA), indicating a robust and sustained upward momentum. The presence of a well-defined support zone in the range of 950-925 presents attractive buying opportunities.

In the long term, the stock has the potential to reach significant targets of 1095 and 1130. The rising Average Directional Index (ADX) at 24.13 and a positive Relative Strength Index (RSI) crossover at 66.7 further confirm the optimistic outlook, indicating increasing momentum and a strengthening trend.

In light of this technical analysis, it is recommended to consider establishing a buy position in RAMCOCEM for the medium to long term.





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Buy GODREJCP @ 1022 & Upto 979 for the Target of 1100-1150

GODREJCP Currently trading at 1022, recently broke out of a four-month falling channel, signaling a potential shift towards a bullish sentiment.

The stock is trading above its critical 20-50-200 Day Exponential Moving Averages (EMA), indicating strong upward momentum.

With a solid support level around 950-970, the stock has historically rebounded from these levels, offering a safety net for potential pullbacks and can act as buying opportunity.

The rising Average Directional Index (ADX) at 16 and a positive Relative Strength Index (RSI) crossover at 67 bolster the optimistic outlook, indicating increasing momentum and a strengthening trend.

So based on the above technical structure, we are recommending a buy position in the stock for the medium to long term.





Buy HCLTECH @ 1274 & Upto 1228 for the Target of 1400-1450

HCLTECH, currently trading at 1274, and has recently broken out of a Rounding bottom pattern. It successfully retested the breakout level, indicating strong potential for upward movement.

HCLTECH is trading above its critical 20-50-200 Day Exponential Moving Averages (EMA), which signifies robust and sustained upward momentum. There is a well-defined support zone in the range of 1228-1200, which presents attractive buying opportunities for traders and investors.

In the long term, the stock has the potential to reach significant targets of 1400 and 1450. The rising Average Directional Index (ADX) at 22.73 and a positive Relative Strength Index (RSI) crossover at 62.88 confirm the optimistic outlook, indicating increasing momentum and a strengthening trend.

Given this technical analysis, it is recommended to consider establishing a long position in HCLTECH for the medium to long term.





Buy EICHERMOT @ 3475 & Upto 3325 for the Target of 3670-3850

EICHERMOT, currently trading at 3475, has formed a symmetrical triangle pattern on the daily chart. After a fake breakdown, the price strongly reversed from the 3280 level with significant volume, indicating a potential bullish reversal.

Furthermore, EICHERMOT is trading above its critical 20-50-200 Day Exponential Moving Averages (EMA), which indicates a robust and sustained upward momentum. The presence of a well-defined support zone in the range of 3280-3250 provides attractive buying opportunities for traders and investors.

In the long term, the stock has the potential to reach significant targets of 3670 and 3850. The rising Average Directional Index (ADX) at 14 and a positive Relative Strength Index (RSI) crossover at 52.33 further confirm the optimistic outlook, indicating increasing momentum and a strengthening trend.

In light of this technical analysis, it is recommended to consider establishing a long position in EICHERMOT for the medium to long term.





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Buy GODREJPROP @ 1800 & Upto 1720 for the Target of 1950/ 2010

GODREJPROP has shown resilience, trading within the 1500-1750 range for four months. A recent breakout above resistance suggests a potential bullish trend.

The stock is currently positioned above its 20, 50, and 200-day Exponential Moving Averages (EMA) on both daily and weekly charts, indicating a favorable technical setup.

Since August, GODREJPROP has displayed a pattern of higher highs and higher lows, indicating a consistent bullish trend. The Average Directional Index (ADX) at 16 and rising further supports this momentum.

The Relative Strength Index (RSI) at 67 with a recent positive crossover reinforces the bullish sentiment. With these technical indicators and recent breakout, GODREJPROP appears to have a positive outlook.

So based on the above technical structure, we are recommending a buy position in the stock for the medium to long term.





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