

BUY

Crompton Greaves Consumer Electrical Ltd.

SYMBOL: **CROMPTON**

TARGET
345

% EXPECTED GAIN
~14%

Actionable

CMP:	305
Target:	345
Initiation Range:	302-306
% Expected Gain:	~14%
Stop Loss:	287
Risk Reward:	1:2.5

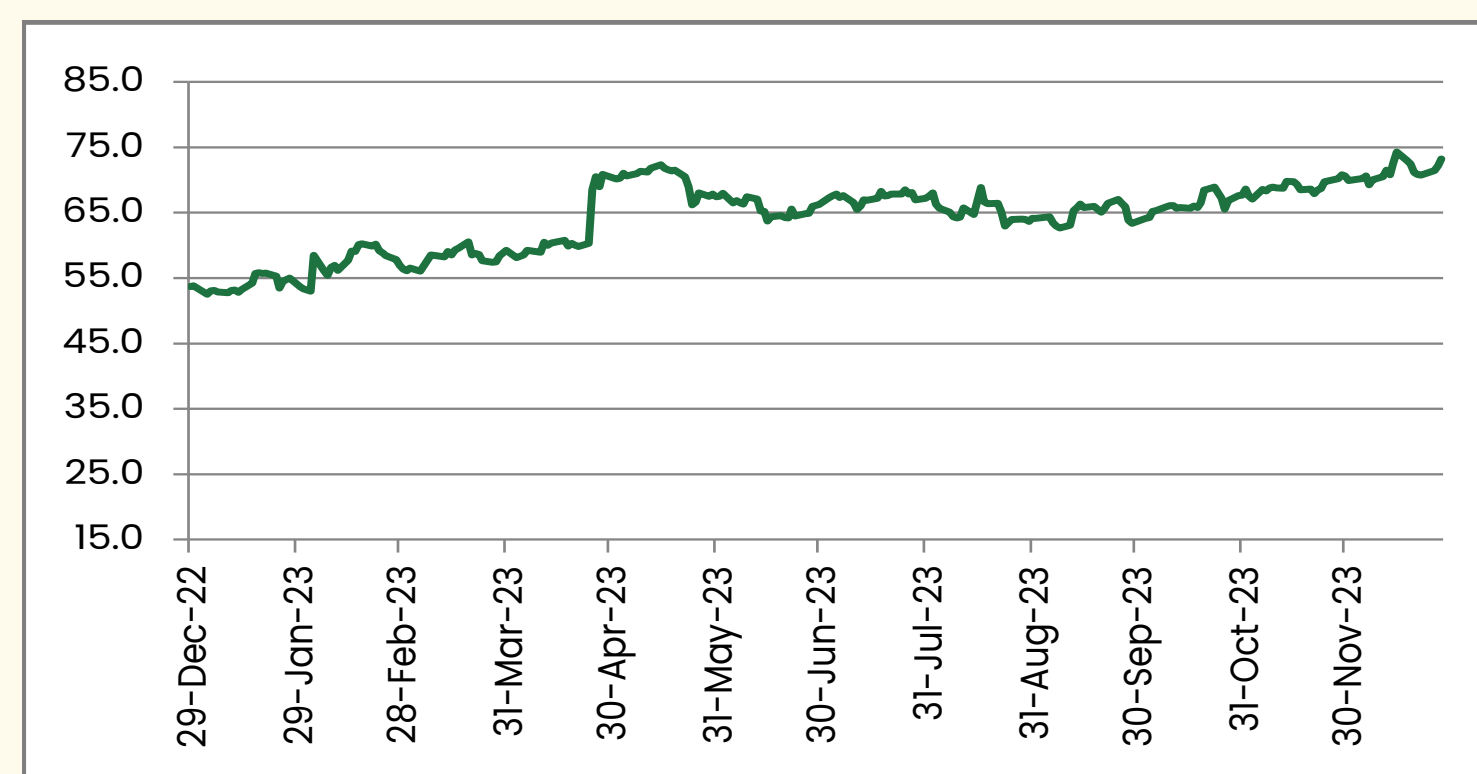
Rationale

- The stock **gained nearly 5%** in the previous series but added **noticeable OI** to the tune of 40%.
- 99% of the **Open positions rolled to the next series** (above par with respect to the 6-month average).
- Open Interest of 9.2k contracts as against 6.6k previously with **decent cash based buying in last 5 days of series.**
- With Possibly **Long formation and Carry forward** of these bets, Stock may scale higher.

Derivatives Data

Series	OCT	NOV	DEC
Price	287.65	284.95	297.5
Contracts (OI)	6732	6650	9281
Rollover	96	97	99

Ratio Chart - NIFTY/CROMPTON



Technical View

- **Crompton** recovered strongly from the lows (252 levels) after **completion of a Bullish Harmonic Pattern** with noticeable **surge in volumes** at the Potential Reversal Zone.
- After a decline from resistance zone of 320, it registered a **breakout from the basing pattern** and reclaimed its short term moving average i.e. **10 WEMA**, which also coincides with the **61.8% retracement** level of its prior upmove from 251 to 320.
- Following the **price action and volume activity**, we believe the recovery in the **stock to strengthen further** and thus offering **fresh buying opportunity.**





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