



E Margin Stock Pick

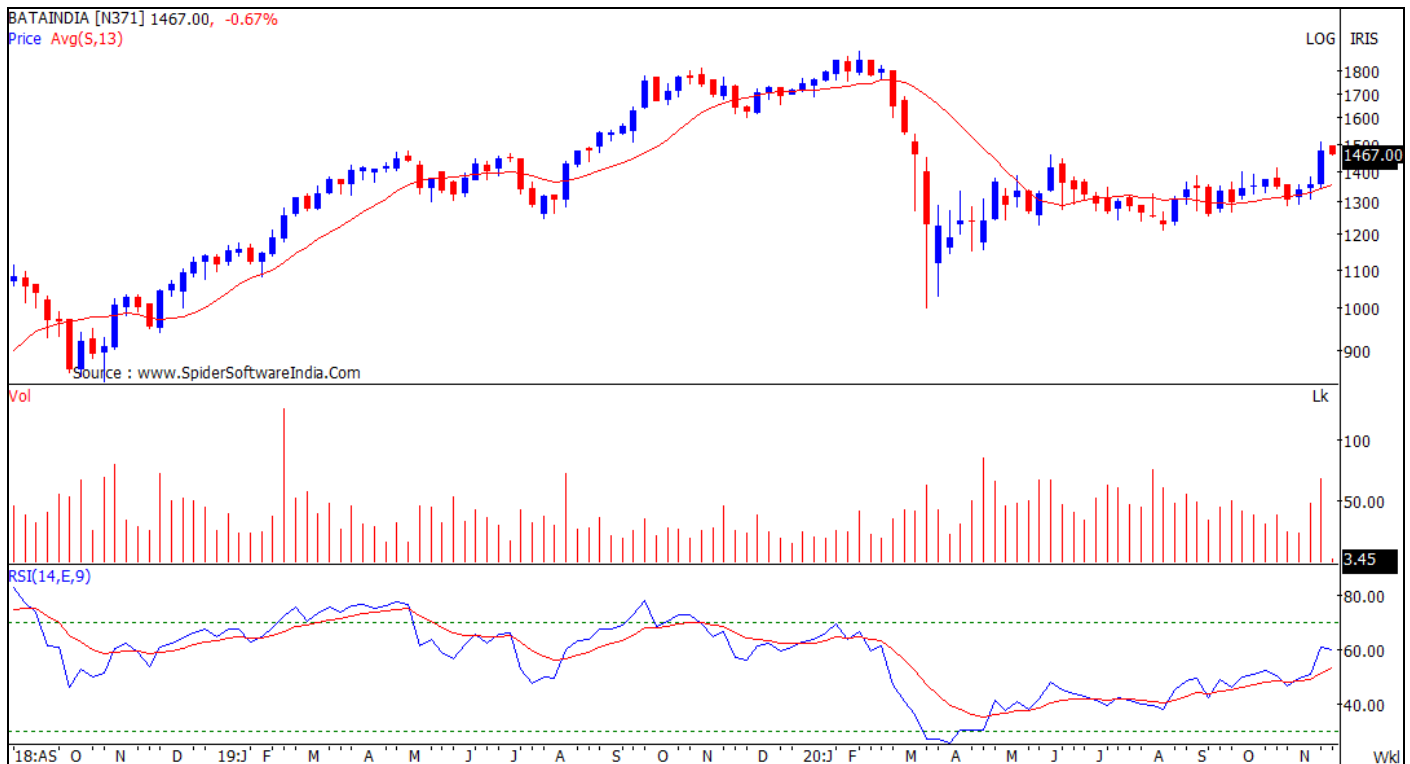
23 Nov 2020

Buy – Bata India Ltd.

Stock	CMP#	Recommended Action	SL*	Target	Time Horizon
Bata India Ltd.	1464	Buy between 1445-1475	1330	1630/1850	2-6 Months

Note: * Excluding Freak Trades lasting less than a minutes. # Price when recommended

Bata India Weekly Chart



Observations:

- After correcting from a high of 1895 touched in February 2020, Bata India found support around the 1000 levels in March 2020. The stock has since then rebounded and gradually moved higher.
- In the process, the stock has reversed the recent downtrend and entered into a new intermediate uptrend. We also notice that the rises over the last few months have been accompanied with above average volumes, while declines have come with lower volumes. This indicates significant accumulation has been happening in this counter.
- Last week, the stock broke out of a 7 month consolidation on the back of above average volumes. Technical indicators are giving positive signals as the stock is trading above the 20-day and 50-day SMA. Intermediate momentum indicators like the 14-week RSI are in rising mode and not overbought. This indicates potential for more upsides.
- With the long term technical setups looking positive, we believe the stock is ready to continue the next leg of its underlying intermediate uptrend and has the potential to move higher in the coming months. Our entry levels with stop loss and targets have been mentioned above.

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