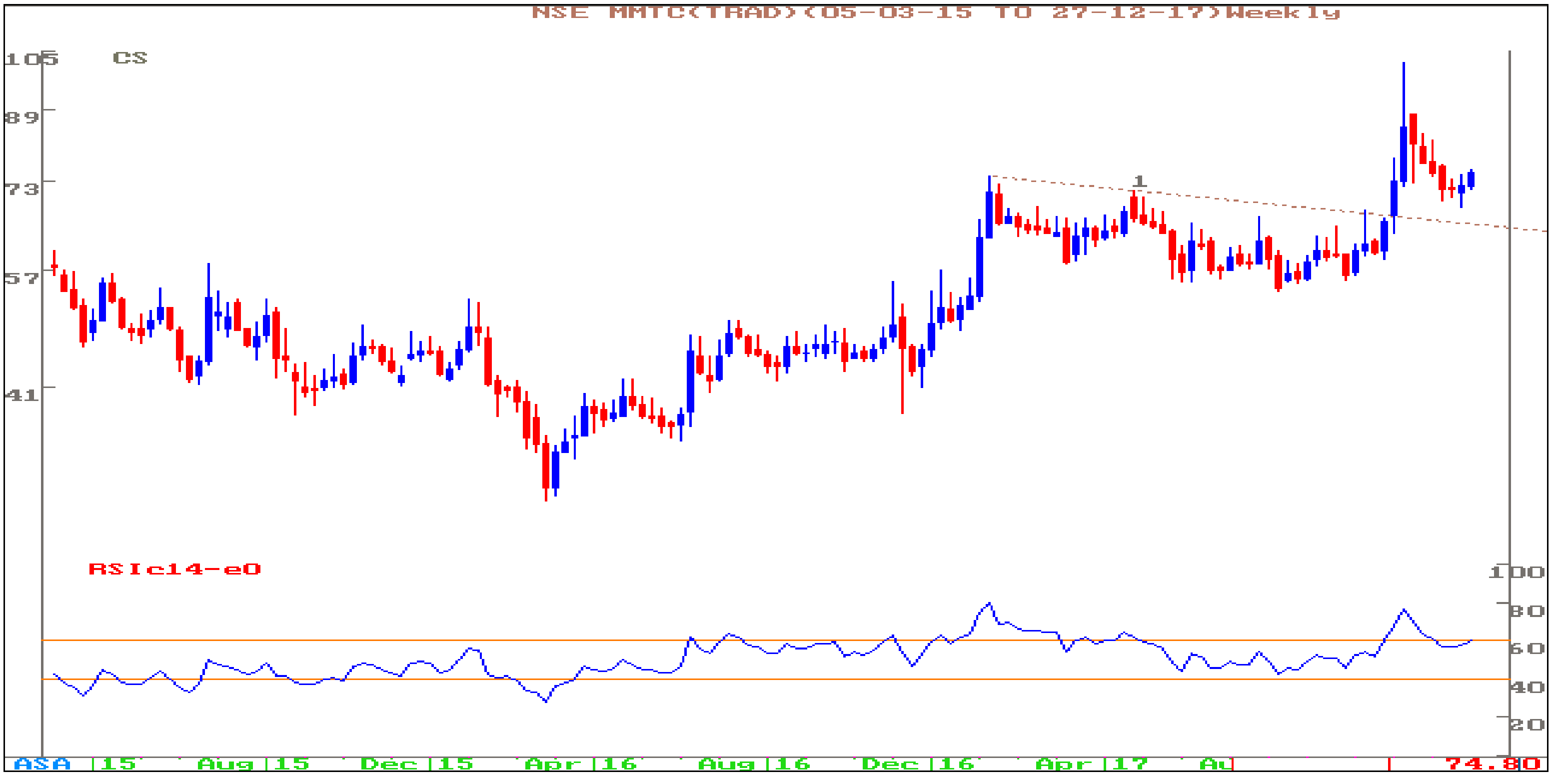
Technical Stock Idea – A near term trading stock pick

Stock	CMP #	Recommended Action	Targets	SL*	Time Horizon
MMTC Ltd	Rs.74.40	Buy between CMP & Rs.68.50	Rs.83.50/96	Rs.66.75	1-2 Months

*Note: * Place stoploss as per daily closing basis. Recommended to stagger buying/selling. If first target achieved, then revise stoploss to buying/selling price.*
 # cmp at the time of issue of call.

MMTC Ltd: BUY



MMTC Ltd - Weekly timeframe

Observation:

- The weekly timeframe chart of MMTC Ltd is indicating that the sharp down trend in the stock price seems to be over and the stock price is now in the process of showing near term bottom reversal around Rs.70-72 levels.
- After a sharp decline during Nov-Dec 17, the stock price has shifted into consolidation in the last couple of weeks and formed a weekly candlestick pattern of high wave.
- The formation of high wave type patterns at the lows, post reasonable declines could be considered as a bottom reversal pattern. This week's up move could be indicating a bottom reversal for near term.
- The immediate support of previous swing highs (brown trend line, as per the concept of change in polarity) was not reached at Rs.65 levels during downward correction of the stock price. As the stock price has turned up from last week's low of Rs.68. This is positive indication.
- Weekly 14 period RSI is in bullish high low range of 40-75 levels and is now making attempt to move above 60 levels post dip. Weekly RSI moving/sustaining above 60 levels could mean strengthening of upside momentum in the stock price.
- The positive chart pattern in MMTC Ltd is suggesting a long trade set up. One may look to create long positions as per the levels mentioned above.

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