

Sintex - Store for future!

Long term uptrend intact

Sintex continues to remain in the long term uptrend as it has made higher highs and higher lows since 2014. Recovery since September 2013 has seen the stock breaking its declining trend.

Inverted head & shoulders Breakout

After consolidating for almost 30 months, Sintex is on the verge of a breakout from an inverted head & shoulders pattern. The recent pattern of higher top and higher bottom is seen irrespective of volatility in broader markets. This exhibits enormous strength in the counter. The longer the consolidation, larger the sustainability of a breakout and lower the probability of a false move. This behaviour exemplifies strength in the recent movement and we expect the stock to move higher in the near term.

Golden crossover

Recent movement has created a pattern which resembles rising wedge. Adding to it, consolidation around the neckline of the inverted head & shoulders suggests lack of interest for the price to move higher. But with long term bullishness intact and the stock trading above its 2-year high, we expect Sintex to break above short-term hurdles. Also, it has made a golden crossover, whereby its 40-WMA has crossed above 200-WMA, typically seen as a bullish signal. On the upside, the next possible target could be 61.8% retracement of the earlier decline between 2010 and 2013.

Strong legs on the upside

With bullish implications well in place, price action behaviour exemplifies strength in the current upmove. It also indicates that the rally is in the middle phase and provides decent opportunity on the upside. **We recommend a BUY on the stock for a target of Rs150 with a stop loss of Rs99.**

Weekly chart



Source: Spider Software India, India Infoline Research

Rating: **BUY**

Target (3-6 months): **Rs150**

CMP: **Rs116**

Upside: **29.3%**

Stop loss: **Rs99**

Sector: **Diversified**

Sensex: 28,710

52 Week h/l (Rs): 121 / 37

Market cap (Rscr) : 4,666

6m Avg vol ('000Nos): 6,174

Bloomberg code: SINT IS

BSE code: 502742

NSE code: Sintex

FV (Re): 1

Prices as on 10 Mar, 2015

Share price trend



Share holding pattern

(%)	Aug-14	Dec-14	Feb-15
Promoter	40.56	38.78	36.99
Insti	30.84	24.74	26.23
Others	28.6	36.52	36.78

Technical Analyst:

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'Best Broker of the Year' – by Zee Business for contribution to broking

Nirmal Jain, Chairman, IIFL, received the award for The Best Broker of the Year (for contribution to broking in India) at India's Best Market Analyst Awards 2014 organised by the Zee Business in Mumbai. The award was presented by the guest of Honour Amit Shah, president of the Bharatiya Janata Party and Piyush Goel, Minister of state with independent charge for power, coal new and renewable energy.

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IIFL was awarded the 'Best Equity Broker of the Year' at the recently held Bloomberg UTV Financial Leadership Award, 2011. The award presented by the Hon'ble Finance Minister of India, Shri Pranab Mukherjee. The Bloomberg UTV Financial Leadership Awards acknowledge the extraordinary contribution of India's financial leaders and visionaries from January 2010 to January 2011.

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Other awards



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