

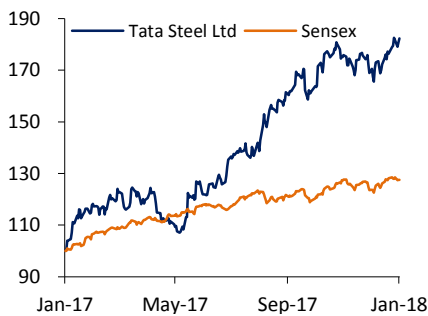
<b>Sector</b>	<b>Metals</b>
<b>Recommendation</b>	<b>BUY</b>
<b>Upside</b>	<b>23.6%</b>

Stock Data	
Sensex	33,903
52 Week h/l (₹)	755.5 / 401.2
Market cap (₹ Cr)	73,181
BSE code	500470
NSE code	TATASTEEL
FV (₹)	10
Div yield (%)	1.36

Shareholding Pattern			
	Mar-17	Jun-17	Sep-17
Promoters	31.3	31.8	31.3
DII+FII	44.7	44.0	45.4
Individuals	22.3	23.0	21.7

Source: www.bseindia.com

## Share Price Trend



Prices as on 03/01/2018

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January 4, 2018

## Classic Flag Pattern breakout

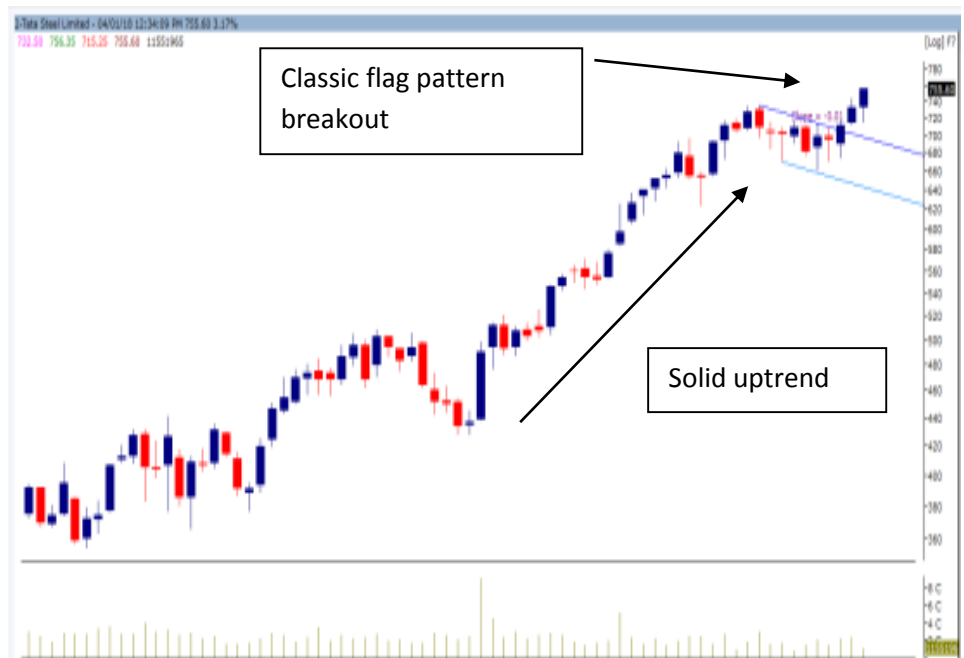
Tata Steel has been stuck in a consolidation phase and has gone through a healthy price correction in the past eight weeks. During this phase, the stock corrected by ~10%, falling from its previous peak of ₹735 hit on October 30, 2017 to lows of ₹660.7 hit on December 6, 2017. This phase saw Tata Steel forming a classic Flag Pattern on the weekly chart. Last week of December 2017 saw prices rise smoothly accompanied with increasing volumes. This strong price movement has finally triggered a breakout.

**Projection of the Flag Pattern indicates that Tata Steel is expected to make an attempt to rally towards its potential target of ₹932 in the coming 6-9 months. The breakout will stand void once the stock cracks below ₹670 on weekly closing basis.**

## Higher-Top-Higher-Bottom structure

Since the October 2015 lows of ₹187, the stock has been moving smoothly in a Higher-Top-Higher-Bottom structure. The recent price correction was another lower bottom, which was created around the ₹660 levels. Considering that Tata Steel surpassed its previous peak of ₹739 hit on April 9, 2010 further confirms the continuation of the overall structure. Moreover, other momentum oscillators also indicate that Tata Steel would extend the current strong structure.

## Tata Steel Weekly chart



Source: India Infoline Research

**Recommendation Parameters for Fundamental/Technical Reports:**

Buy – Absolute return of over +10%  
Accumulate – Absolute return between 0% to +10%  
Reduce – Absolute return between 0% to -10%  
Sell – Absolute return below -10%

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