

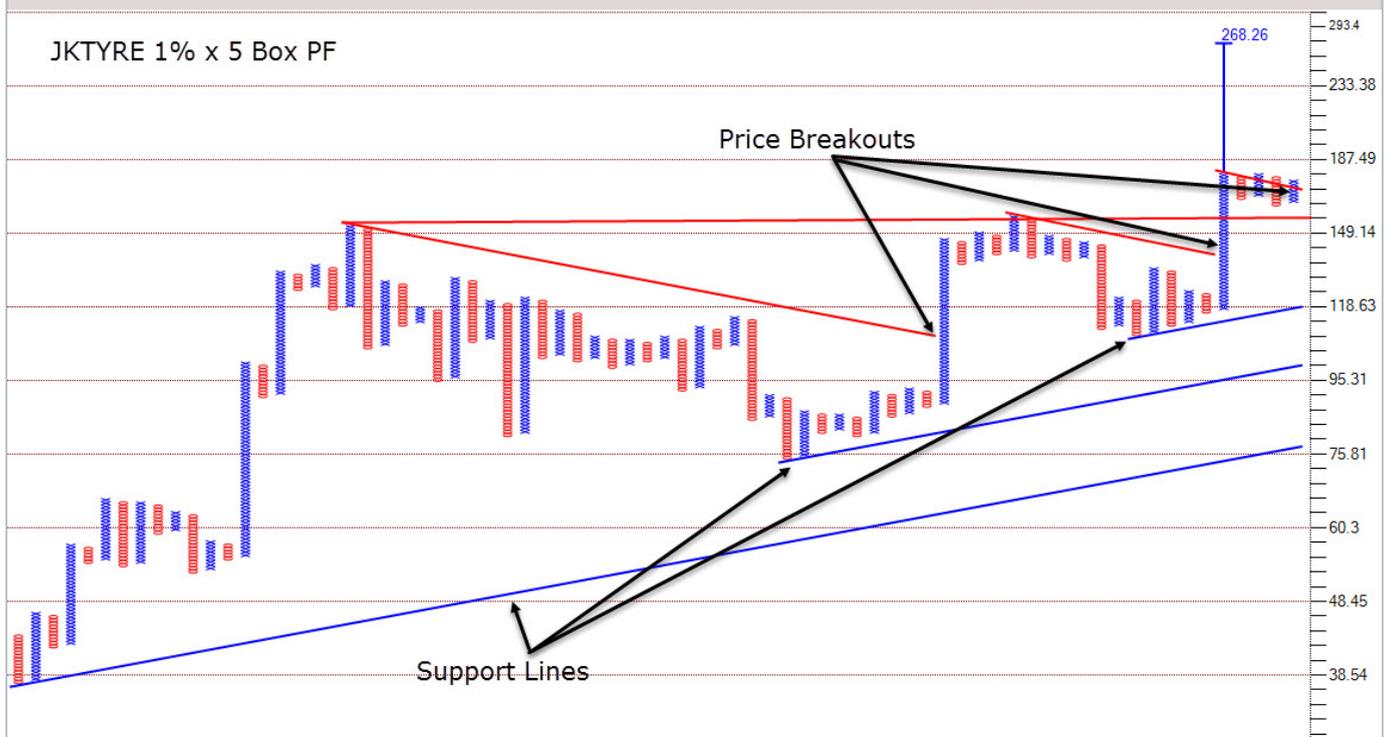
The Story so far....

Stock prices of tyre companies have been doing exceedingly well for past some years now and leading the way is MRF. Having said that, others like Apollo Tyres have also generated good returns for the investor.

The initial rally in JKTYRE started in Aug'13 when prices bottomed out around lows of Rs.16.75/- on a weekly closing basis.

The bull market then saw the prices of JKTYRE surging to as high as Rs. 163/- in Dec'14 and thereafter entered into a 28 month of sideways congestion between Rs.73-163/-.

Presently, we believe that the stock has just come out of a 28 month consolidation which started in Dec'14 and finally appears to be concluded in Apr'17 and we expect the stock price to appreciate significantly from current levels of Rs.177/-.



What is changing?

What really caught our attention, was the fact that JKTYRE has managed to breakout above the 45 degree resistance trend line indicating a continuation of uptrend

The **1% x 5 Box PF**, showed a breakout after 1 month of sideways congestion as prices show a break out from a *"bear trap"*.

The latest up move has only confirmed the breakout in **JKTYRE** and we expect the stock to do well in the next 6 months or so.

What is in store?

We applied *"vertical count method"*, to ascertain the probable target for the uptrend in the stock and based on that, we expect the stock to trade around Rs.268/- or above in the next 6 months or more.

Given that the stock has delivered 27.19% CAGR since listing on NSE but a 63% CAGR in the past 5 years, the stock is expected to continue its uptrend after having traded sideways between Dec'14-Apr'17 before breaking out and it appears to be a good time initiate longs in JKTYRE at current levels of Rs.177/-

A good way of accumulating the stock would be spread the purchases evenly between Rs.167-184 and keep a stop loss around 152 on a closing basis.

| Price | Value | Date | CAGR | Percentage | Years |
|-------------------------|--------|-------------|------------------------|------------|-------|
| All time High | 184.80 | 03/May/2017 | Since Inception -NSE | 27.19 | 12.97 |
| All time Low | 5.12 | 12/Mar/2009 | May-12 | 63.73 | 4.99 |
| 52 Week High | 184.80 | 03/May/2017 | Details | | |
| 52 Week Low | 82.35 | 24/Jun/2016 | Recommendation | | |
| Latest Close | 176.35 | 02/Jun/2017 | Recommendation | Buy | |
| Average Closing CY 2017 | 138.91 | 02/Jun/2017 | Closing Price | 176.35 | |
| EMA | | | Range | 167-184 | |
| Short Term | 164.08 | 02/Jun/2017 | Expected Target Price | 268.00 | |
| Medium Term | 148.66 | 02/Jun/2017 | Expected Return | 51.97% | |
| Long Term | 131.19 | 02/Jun/2017 | Expected Risk | -13.81% | |
| | | | Stop Loss | 152.00 | |
| | | | Expected Risk | -13.81% | |
| | | | Minimum Holding Period | 6 months | |

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Disclosures Appendix

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