

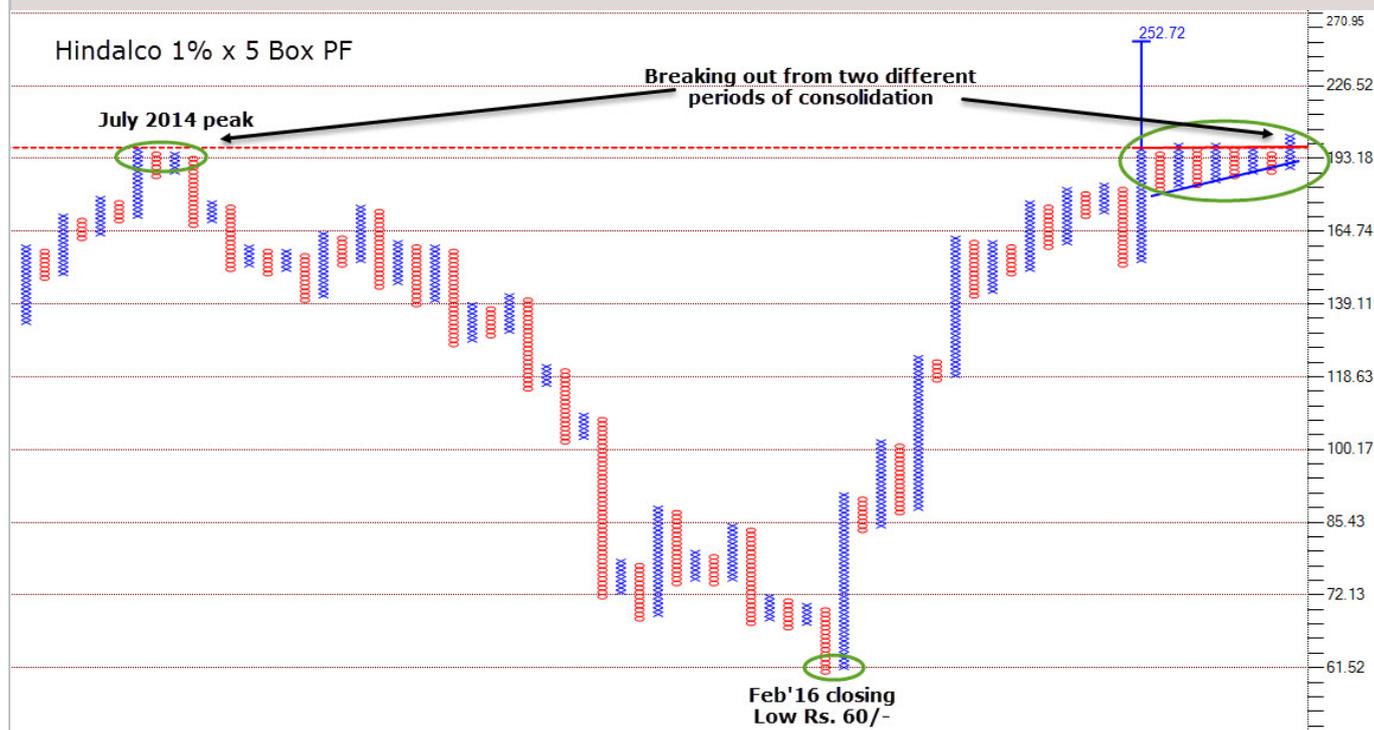
## The Story so far....

At a time when Nifty is making new highs almost every second day, some sectors haven't yet come to the party. One of the prime index stocks which hasn't joined the party yet is Hindalco Industries Ltd.

The recent upswing in HINDALCO started in Feb'16 when prices bottomed out around lows of Rs.60/- on a weekly closing basis.

The raging recovery in the market then saw the prices of HINDALCO surging to as high as Rs. 200/- in Feb'17 and thereafter entered into a 17 week of sideways congestion between Rs.179-202/-.

*Presently, we believe that the stock has just come out of a 17 week consolidation which started in Feb'17 and finally appears to be concluded in Jun'17 and we expect the stock price to appreciate significantly from current levels of Rs.198.65/-.*



## What is changing?

What really caught our attention, was the fact that HINDALCO has managed to breakout above the "**Multi column of X**" coupled with sustained support from a 45 degree support trend line indicating a continuation of uptrend.

**The 1% x 5 Box PF, showed a breakout after 17 weeks of sideways congestion as prices show a break out from a "quadruple top".**

**Another indication of strength comes from the fact that prices have closed above the closing column high of July'14, which further strengthens the argument of continuation of bullish trend.**

The latest up move has only confirmed the breakout in **HINDALCO** 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.252/- or above in the next 6 months or more.

Given that the stock has delivered 5.13% CAGR since listing on NSE and a 10.51% CAGR in the past 5 years, we expect the stock join the index rally especially after having traded sideways between Feb'17-May'17 before breaking out and it appears to be a good time initiate longs in HINDALCO at current levels of Rs.198.65/-

A good way of accumulating the stock would be spread the purchases evenly between Rs.194-203 and keep a stop loss around 184 on a closing basis.

Price	Value	Date	CAGR	Percentage	Years
All time High	252.85	06/Jan/2011	Since Inception -NSE	5.13	22.60
All time Low	32.78	12/Mar/1999	May-12	11.48	5.00
52 Week High	210.35	30/May/2017	<b>Details</b>		<b>Recommendation</b>
52 Week Low	102.20	02/Jun/2016	Recommendation		Buy
Latest Close	198.45	02/Jun/2017	Closing Price		198.45
Average Closing CY 2017	188.11	02/Jun/2017	Range		194-203
<b>EMA</b>			Expected Target Price		253.00
Short Term	194.59	08/Jun/2017	Expected Return		27.49%
Medium Term	188.95	08/Jun/2017	Stop Loss		184.00
Long Term	168.73	08/Jun/2017	Expected Risk		-7.28%
			Minimum Holding Period		6 months

For further enquiries please contact:  
[research@inanisec.in](mailto:research@inanisec.in)

## Disclosures Appendix

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 CDSL: Membership ID No. DP ID is 036200, SEBI Registration No. IN - DP - CDSL - 269 - 2004

"E/1408", 14th Floor, Naman Midtown, Next Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Mumbai - 400 013  
 India.

Tel: 91 22 43486000; Fax: 91-22-43486011

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