

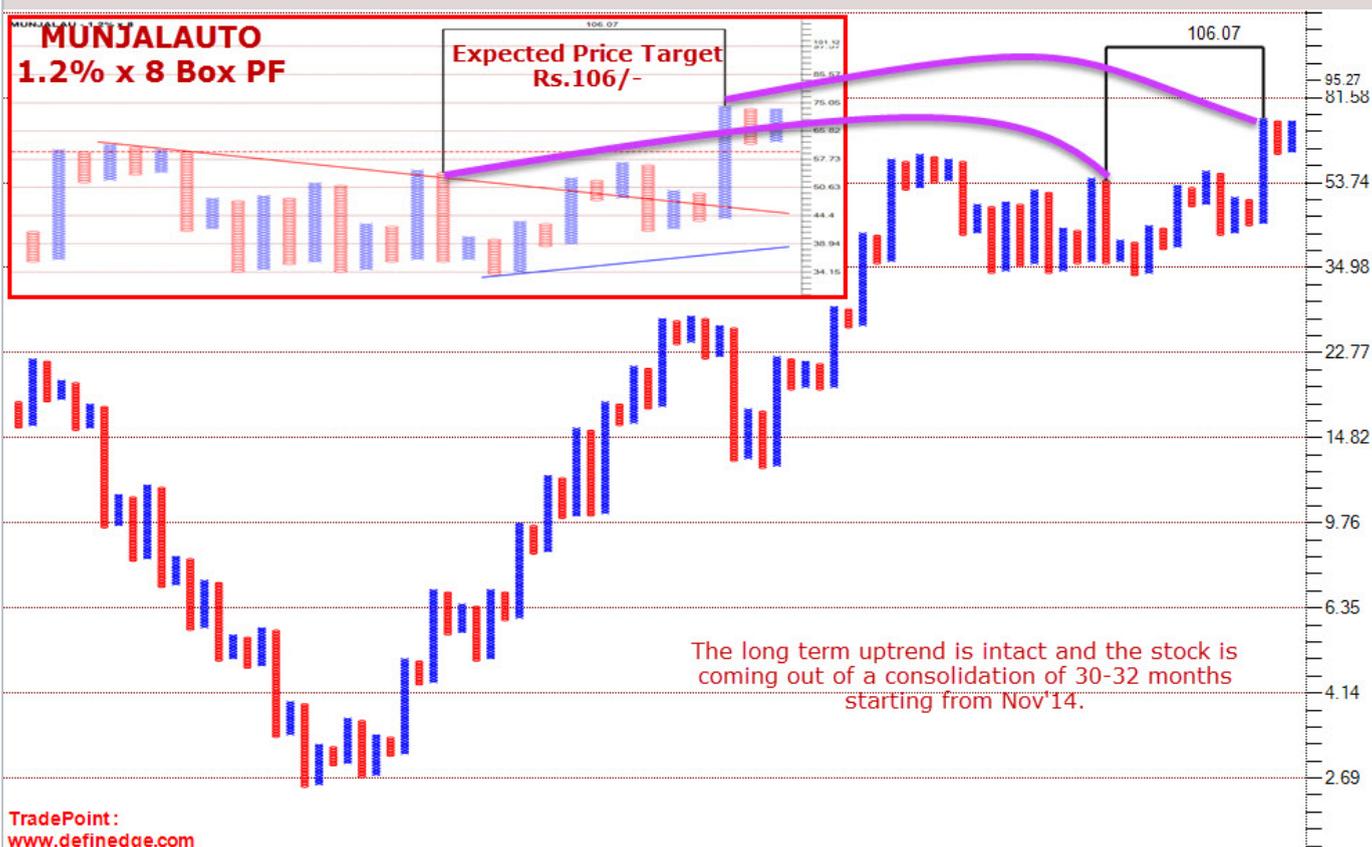


The Story so far....

Munjal Auto Industries Ltd. (MUNJAL-AUTO) has delivered good returns in the past 5 years to the investors. The initial rally in MUNJAL-AUTO started in Feb'09 when prices bottomed out around closing lows of Rs.2.75/- on the PF charts.

The rising trend then saw the prices of MUNJAL-AUTO surging to as high as Rs. 61/- in Nov'14 and thereafter entered into a 32 month of sideways congestion between Rs.33-61/-.

Presently, we believe that the stock has already come out of a 32-34 month consolidation in Jul'17 and is in a post-break out consolidation which will be shorter in time and same should be over in a few weeks from now. We expect the stock price to appreciate significantly from current levels of Rs.70/-.



What is changing?

The consolidation which started in Nov'14 got over in Jul'17 and after a brief rally to Rs.74/-, the stock is into post breakout consolidation mode since July'17.

The **1.2% x 8 Box PF**, indicating strong signals of a breakout after 32-34 months of sideways congestion as prices broke past above the highs of Rs.61-63/-. The breakout above the 45 degree resistance trend line can be seen in the chart inset.

The recent pullback after an up move has only strengthened the breakout in **MUNJAL-AUTO** and we expect the stock to do well in the next 6 months or so.

What is in store?

We applied "*horizontal 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.106/- or above in the next 6 months or more.

The stock has delivered approximately 22.7% CAGR since 2003 on NSE but a slightly better return of 23.31% CAGR in the past 5 years. We expect the stock to continue its uptrend after having traded sideways between Nov'14-Jul'17 before breaking out again to a new high of Rs.74/- and it appears to be a good time initiate longs in **Munjal Auto Industries Ltd.** at current levels of Rs.70/-

A good way of accumulating the stock would be spread the purchases evenly between Rs.62-74 and keep a stop loss around Rs.57/- on a closing basis.

Price	Value	Date	CAGR	Percentage	Years
All time High	76.35	07-Jul-2017	Since Inception -NSE	22.70	14.05
All time Low	2.43	28-Nov-2008	Sep-12	23.31	5.00
52 Week High	76.35	07-Jul-2017	Details Recommendation		
52 Week Low	40.63	22-Nov-2016	Recommendation	Buy	
Latest Close	69.35	20-Sep-2017	Closing Price	69.35	
Average Closing CY 2017	56.63	20-Sep-2017	Range	62-74	
EMA			Expected Target Price	106.00	
Short Term	68.23	20-Sep-2017	Expected Return	52.85%	
Medium Term	64.49	20-Sep-2017	Stop Loss	57.20	
Long Term	56.96	20-Sep-2017	Expected Risk	-17.52%	
			Minimum Holding Period	6 months	

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Disclosures Appendix

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