



SJVN LIMITED

(A Joint Venture of Govt. of India & Govt. of Himachal Pradesh)
A 'Mini Ratna' & Schedule 'A' PSU | ISO 9001:2015 Certified Company



Tracing the Curve

The Story so far....

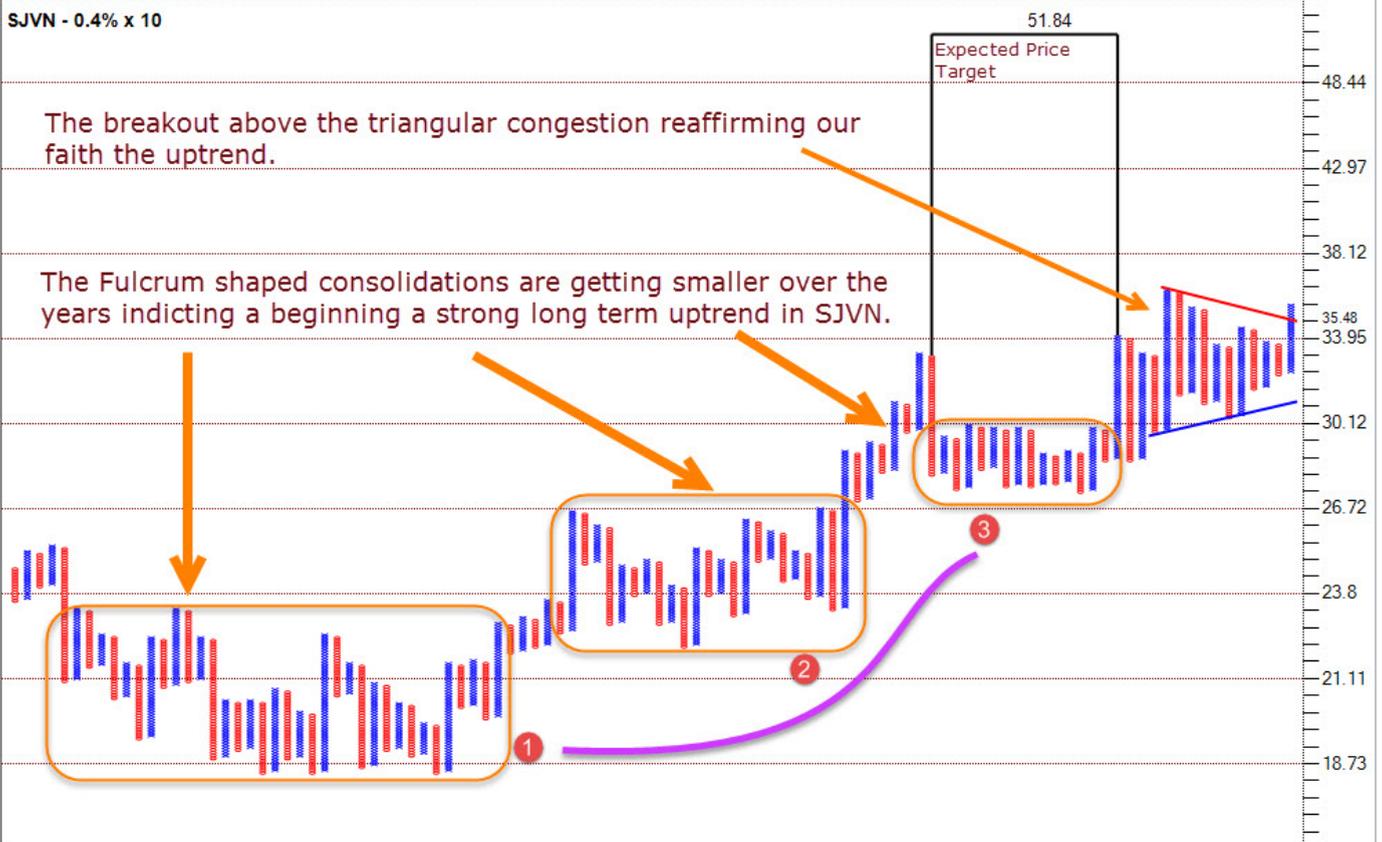
Satluj Jal Vidyut Nigam Ltd. (SJVN), a mini ratna enterprise from the Govt. of India has been a steady performer in the last 5 years. Although the stock delivered average returns in the past 5 years to the investors, we see potential upside in the next 3-4 quarters.

The initial rally in SJVN LTD. started in Sep'13 when prices bottomed out around closing lows of Rs.18/- on the PF charts.

The rally in SJVN LTD. saw the prices surging to as high as Rs.33/- in Jan'16 and thereafter entered into a 10 month sideways congestion between Rs.27-34/-.

Presently, we believe that the stock has broken out in Oct'17 above the resistance levels of Rs.34-36/- and we believe that this is a beginning of an uptrend. We expect the stock price to appreciate significantly from current levels of Rs.35/-.

SJVN - 0.4% x 10



What is changing?

The stock was under consolidation from Dec'10 to May'14 i.e. 41 months and then made a new closing high at Rs.27/- in May'14. What followed was another sideways consolidation from May'14-Oct'15 between Rs.22-29/-, which finally led to the next swing high at Rs. 33/- in Jan'16 and was followed by another sideways move for the subsequent 10 months.

In this manner, we observed, the stock has been consolidating in a fulcrum shaped pattern which itself got shorter each subsequent time (see chart) and finally a consolidation within a triangle, that has finally been broken upward.

The **0.4% x 15 Box PF**, indicating strong signals of a beginning of an uptrend after 8 months of stock price consolidation within a triangle shaped pattern. The breakout on the 45° resistance trend line only reaffirms our faith in the upward trend in the stock.

The recent up move has only strengthened the long term breakout in **SJVN LTD.** and we expect the stock to do well in the next 9 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.52/- or above in the next 9 months or more.

The stock has delivered approximately 4.7% CAGR since 2010 on NSE and a return of 12.5% CAGR in the past 5 years. We expect the stock to continue its uptrend after having traded sideways between Feb'17-Oct'17 as it broke out from the triangle pattern at Rs.34/- and it appears to be a good time initiate longs in **SJVN Ltd.** at current levels of Rs.35/-

A good way of accumulating the stock would be spread the purchases evenly between Rs.32-38 and keep a stop loss around Rs.29.60/- on a closing basis.

Price	Value	Date	CAGR	Percentage	Years
All time High	36.60	21-Feb-2017	Since Inception -NSE	4.69	7.44
All time Low	18.25	04-Mar-2013	Oct-12	12.50	5.00
52 Week High	36.60	21-Feb-2017	Details		
52 Week Low	25.95	09-Nov-2016	Recommendation		
Latest Close	35.30	27-Oct-2017	Recommendation	Buy	
Average Closing CY 2017	32.85	27-Oct-2017	Closing Price	35.30	
EMA			Range	32-38	
	Value	Date	Expected Target Price	52.00	
Short Term	33.44	27-Oct-2017	Expected Return	47.31%	
Medium Term	32.88	27-Oct-2017	Stop Loss	29.60	
Long Term	32.17	27-Oct-2017	Expected Risk	-16.15%	
			Minimum Holding Period	9 months	

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Disclosures Appendix

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