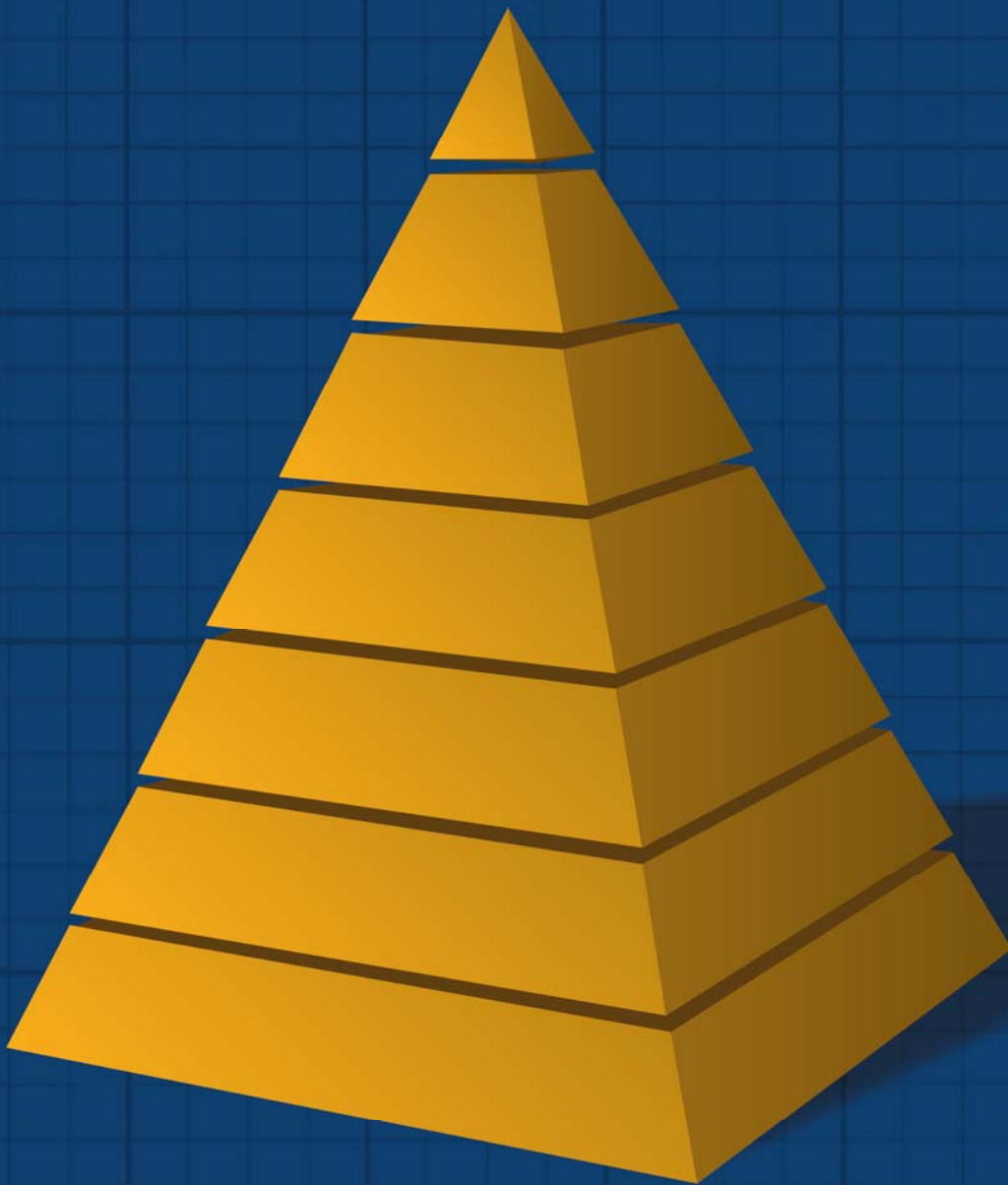


# TECHNO FUNDA

Super 7 Picks - July 2021



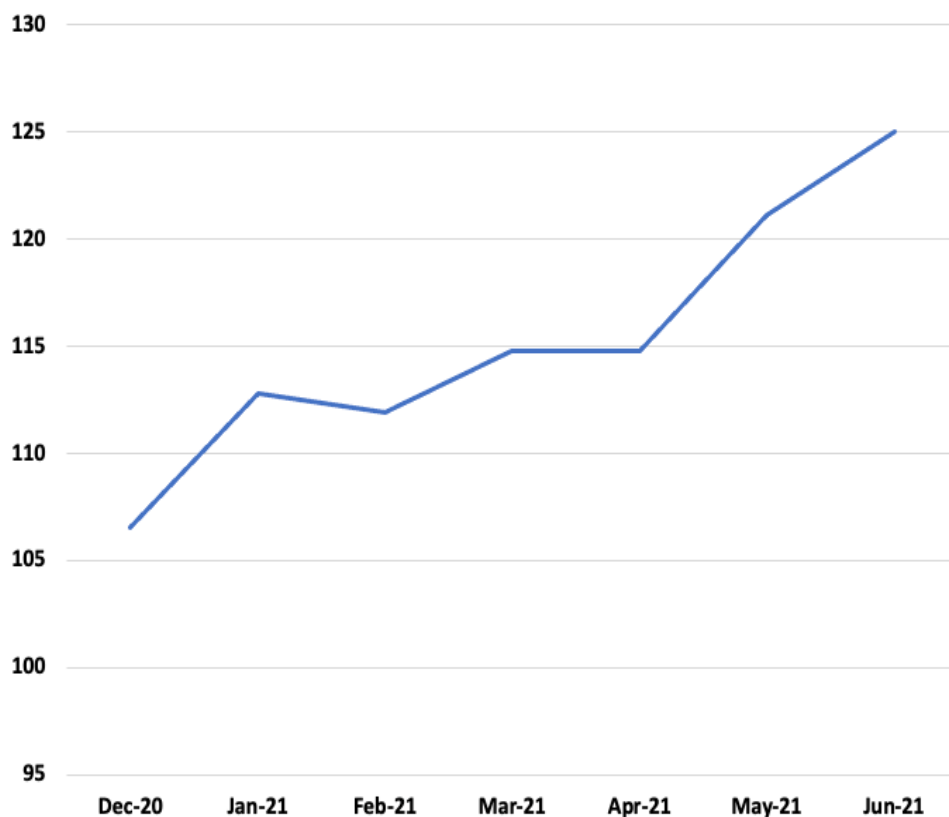
BP WEALTH



## Techno Funda Report - July 2021

## TECHNO FUNDA RETURNS NAV

TOTAL CALLS	45
SUCCESS	33
FAIL	12
SUCCESS RATIO	73%
% GAIN	25.1%
AVG MONTHLY RETURN	3.6%



## Performance Tracker March 2021

Sr. No.	Company	Recommendation	Reco Price (Rs)	Target Price (Rs)	Status
1	COALINDIA	Buy	148	185	SL triggered
2	HDFCLIFE	Buy	690	830	Exit at 694
3	HINDPETRO	Buy	238	285	Exit at 237
4	MGL	Buy	1141	1350	Profit booked at 1181
5	NTPC	Buy	104.5	127	Profit booked at 107.9
6	SYMPHONY	Buy	1150	1380	Target Achieved
7	UPL	Buy	570	670	Profit Booked at 650

**Techno Funda Return For March, 2021 : 2.9% , Nifty Return For March, 2021 : 2.3%**

## Performance Tracker April 2021

Sr. No.	Company	Recommendation	Reco Price (Rs)	Target Price (Rs)	Status
1	ACC	Buy	1913	2240	Exit at 1888
2	BAJAJ-AUTO	Buy	3743	4220	SL triggered
3	DIVISLAB	Buy	3578	4070	Target Achieved
4	HCLTECH	Buy	1003	1130	SL triggered
5	ICICIBANK	Buy	594	690	SL triggered
6	ITC	Buy	220	270	SL triggered
7	NAVINFLUOR	Buy	2738	3170	Target Achieved

**Techno Funda Return For April, 2021 : 0% , Nifty Return For April, 2021 : -1.6%**



## Techno Funda Report - July 2021

### Performance Tracker May 2021

Sr. No.	Company	Recommendation	Reco Price (Rs)	Target Price (Rs)	Status
1	BALKRISIND	Buy	1745	2100	Target Achieved
2	CIPLA	Buy	910	1070	Exit at 935
3	FEDERALBNK	Buy	78	98	Profit booked at 89
4	IPCALAB	Buy	2105	2500	Profit booked at 2300
5	MFSL	Buy	896	1030	Profit booked at 960
6	POWERGRID	Buy	220	260	Profit booked at 238
7	RELIANCE	Buy	1962	2320	Profit booked at 2090

**Techno Funda Return For May, 2021 : 6.30% , Nifty Return For May, 2021 : 5.50%**

### Performance Tracker June 2021

Sr. No.	Company	Recommendation	Reco Price (Rs)	Target Price (Rs)	Status
1	AXISBANK	Buy	744	890	Exit at 750
2	BHARATFORG	Buy	663	830	Profit booked at 767
3	CANBK	Buy	158	195	SL triggered
4	METROPOLIS	Buy	2487	3010	Target Achieved
5	PEL	Buy	1783	2130	Target Achieved
6	RELIANCE	Buy	2072	2430	Profit booked at 2248
7	TECHM	Buy	1026	1260	Profit booked at 1100

**Techno Funda Return For June, 2021 : 3.90% , Nifty Return For June, 2021 : 1.71%**



## Techno Funda Report - July 2021

### Index

Company	Recommendation	Price (Rs)	Entry Range (Rs)	Target Price (Rs)	Stop Loss (Rs)	Page No.
APOLLOTYRE	BUY	227	CMP	275	213	1
BIOCON	BUY	408	CMP	470	383	2
CROMPTON	BUY	447	CMP-436	530	415	3
HINDUNILVR	BUY	2487	CMP	2790	2350	4
ICICIGI	BUY	1553	CMP	1760	1460	5
IGL	BUY	563	CMP-550	660	525	6
MANAPPURAM	BUY	173	CMP-168	198	160	7

### Technical View (Weekly Chart)

APOLLOTYRE[N163] 222.05, 236.00, 221.35, 227.45, 25635400, 2.00%  
Price Avg (E, 21)



### Execution Data

Target (Rs)	275
Stop loss (Rs)	213
Buying Range (Rs)	CMP
Last Close Price (Rs)	227,5
% change Weekly	2.8

### Weekly Oscillator Direction

13 WMA	Upwards
21 WMA	Upwards
50 WMA	Upwards
RSI	Buy Mode
MACD	Buy Mode

### Technical View

1. The stock had earlier surpassed the supply zone of 195-200 levels and recently stock reversed finding support near the same which suggests change in polarity and indicates bullish signal for medium term trend.
2. The stock has reversed finding support around 21 EMA, this average has acted as good support on intermediate declines in past which suggests the recent trough to act as strong support.
3. Also, near the same juncture price has a support of immediate up sloping trend line which is bullish signal for short term trend.
4. RSI has formed bullish reversal pattern which is bullish signal and compliments bullish view on price.

**We recommend to BUY APOLLOTYRE at CMP for the target of 275 with a stop loss of 213 in short term.**

### Investment Rationale

#### Strong position in the domestic tyre industry, with leading market share in the truck and bus (T&B) segment

The company is the leading manufacturer of radial tyres for the domestic T&B segment (around 30% market share), and has established its position in the light commercial vehicles (LCV), tractors, and passenger car radial (PCR) segments. Further, it is estimated to have gained market share in fiscal 2021 in various segments. A pan-India distribution network, comprising 6,800 dealerships, including exclusive outlets that operate under the Apollo brand, strengthen the market position. Despite intense competition, the company should sustain market share, given its leadership position, significant ramp-up in radial tyre capacity, healthy operating efficiency and a wide distribution network.

#### Diversified revenue, driven by presence in different geographies and segments

The diversification should continue to shield the business from unfavourable conditions in any particular segment or geography and add stability to cash flow. Besides a strong foothold in the domestic T&B segment, the company operates in the European PCR market under the Vredestein brand. In fiscal 2021, APMEA (Asia Pacific, Middle East and Africa) operations accounted for around 60% of the consolidated revenue and European operations for around 30%.

### Sector Outlook

Neutral

### Stock

BSE code	500877
NSE Symbol	APOLLOTYRE
Bloomberg	APTY IN
Reuters	APLO.BO

### Key Data

Nifty	15,722
52WeekH/L(Rs)	261/106
O/s Shares (mn)	635
Market Cap (Rs bn)	144
Face Value (Rs)	1

### Average volume

3 months	70,15,980
6 months	110,55,160
1 year	98,37,760

### Technical View (Weekly Chart)

BIOCON[N11373] 398.35, 411.00, 397.55, 408.05, 9352114, 2.80%  
Price Avg (E, 50)



### Execution Data

Target (Rs)	470
Stop Loss (Rs)	383
Buying Range (Rs)	CMP
Last Close Price (Rs)	408
% change Weekly	2.8

### Weekly Oscillator Direction

13 WMA	Upwards
21 WMA	Upwards
50 WMA	Upwards
RSI	Buy Mode
MACD	Buy Mode

### Technical View

1. After initial breakout from the consolidation stock witnessed a throwback and stock seen reversing from the same which suggests change of polarity and indicates bullish signal for medium term trend.
2. The stock has reversed finding support around 50 EMA, this average has acted as good support on intermediate declines in past which suggests the recent trough to act as strong support.
3. The stock has registered breakout from intermediate falling resistance trend line.
4. MACD has given bullish crossover after good amount of time and inching higher suggests strength in price.

**We recommend to BUY BIOCON at CMP for the target of 470 with a stop loss of 383 in short term.**

### Investment Rationale

#### Integrated global pharmaceutical major with capabilities across the value chain and diversified business mix

Biocon is present through the pharma value chain, across R&D, manufacturing and marketing and has a global presence with revenues from India, USA, Europe and most of the world (MoW) markets. The company derived 32% of consolidated revenues from generics (APIs/formulations) in 9M FY2021, while 39% of the top line came from biosimilars. Research services contributed to 28% of Biocon's consolidated turnover. Biocon has a presence in novel biologics as well. The diverse business mix and geographic presence lends stability to revenues to an extent.

#### Healthy market position, periodic new product launches/ research contracts provides revenue visibility over the medium term

Biocon has a healthy biosimilar portfolio in oncology, diabetes and autoimmune segments, with two oncology biosimilars (biosimilar Trastuzumab and biosimilar Pegfilgrastim) and one diabetes biosimilar (Insulin Glargine), commercialized as on date. The company has a strong presence across discovery and development research and contract manufacturing services for small and large molecules with established clients.

### Sector Outlook

Positive

### Stock

BSE code	532523
NSE Symbol	BIOCON
Bloomberg	BIOS IN
Reuters	BION.BO

### Key Data

Nifty	15,722
52WeekH/L(Rs)	488/363
O/s Shares (mn)	1201
Market Cap (Rs bn)	490
Face Value (Rs)	5

### Average volume

3 months	35,79,990
6 months	42,94,980
1 year	48,34,340



### Technical View (Weekly Chart)

CROMPTON[N17094] 414.90, 448.95, 411.25, 446.90, 7430770, 8.87%  
Price Avg (E, 21)



### Execution Data

Target (Rs)	530
Stop loss (Rs)	415
Buying Range (Rs)	CMP-436
Last Close Price (Rs)	446.9
% change weekly	8.9

### Weekly Oscillator Direction

13 WMA	Upwards
21 WMA	Upwards
50 WMA	Upwards
RSI	Buy Mode
MACD	Buy Mode

### Technical View

1. The stock has been trading in an Ascending channel and recently price reversed sharply from lower end of the channel trend line.
2. The stock has reversed finding support around 21 EMA, this average has acted as good support on intermediate declines in past which suggests the recent trough to act as strong support.
3. The stock registered breakout from bullish price pattern which is bullish signal.
4. RSI has formed bullish reversal pattern against price which is bullish signal and compliments bullish view on price.

**We recommend to BUY CROMPTON in the range of CMP-436 for the target of 530 with a stop loss of 415 in short term.**

### Investment Rationale

#### Strong business risk profile, supported by revenue diversity and established brand

The company operates in four key business segments - fans, lighting, pumps, and appliances. The ECD segment, comprising fans, pumps and appliances, accounted for 75% of revenue in fiscal 2020, and lighting constituted the balance 25%. Diverse value offering in each segment has helped the company register consistent growth over the years. Strong distribution network, and steady product launches have led to sustained increase in market share in key product categories over the past two years. Crompton's market share in the LED bulbs segment is 9.5%, domestic pumps is 28%, and overall fans is 25%.

#### Healthy growth prospects, backed by focus on brand strengthening, and pan-India distribution network

The company has continued to strengthen its distribution network. Its distribution reach (proportion of counter presence) for fans and LED Bulbs has increased to 53% and 20%, respectively, from 35% and 9%, respectively, over the past three years. Established brand, wide product portfolio, and a strong distribution reach has helped the company sustain its leading position in the domestic fans and residential pumps segments.

### Sector Outlook

Neutral

### Stock

BSE code	539876
NSE Symbol	CROMPTON
Bloomberg	CROMPTON IN
Reuters	CROP.BO

### Key Data

Nifty	15,722
52WeekH/L(Rs)	456/235
O/s Shares (mn)	628
Market Cap (Rs bn)	280
Face Value (Rs)	2

### Average volume

3 months	21,38,560
6 months	23,85,200
1 year	20,21,620

### Technical View (Weekly Chart)

HINDUNILVR[N1394] 2450.10, 2505.00, 2437.30, 2487.30, 5091822, 1.58%  
Price Avg (E, 21)



### Execution Data

<b>Target (Rs)</b>	2790
<b>Stop loss (Rs)</b>	2350
<b>Buying Range (Rs)</b>	CMP
<b>Last Close Price (Rs)</b>	2487
<b>% change Weekly</b>	1.6

### Weekly Oscillator Direction

13 WMA	Upwards
21 WMA	Upwards
50 WMA	Upwards
RSI	Buy Mode
MACD	Buy Mode

### Technical View

1. From last many month stock has been trading in an up sloping parallel channel which indicates primary trend is bullish in the stock.
2. The stock has reversed finding support around 21 EMA, this average has acted as good support on intermediate declines in past which suggests the recent trough to act as strong support.
3. The stock registered breakout from intermediate falling trendline which is bullish signal.
4. RSI has formed bullish reversal pattern against price which is bullish signal and compliments bullish view on price.

**We recommend to BUY HINDUNILVR at CMP for the target of 2790 with a stop loss of 2350 in short term**

### Investment Rationale

#### Merger of HUL and GSK

The recent merger of GSK is significantly accretive for HUL as GSK is one of the key players in the foods and refreshment (F&R) category with a wide product portfolio (includes iconic brands such as 'Horlicks' and 'Boost'). The acquired portfolio is complementary to the current offerings of HUL in the F&R category. Combined with HUL's vast distribution, we believe that HUL can significantly grow its F&R portfolio both in the short as well as in the long run.

### Strengthening e-commerce presence

Online sales have emerged as a key growth channel, and this growth is likely to sustain post the pandemic as well. As a result, the company is focusing on replicating the concept of the 'perfect store', successfully applied to its brick-and-mortar stores, in its e-commerce sales as well. The move to build the perfect online store and drive everyday great execution has ensured the best-in-class online availability and discoverability of its products. E-Commerce-focused innovations include smart packaging solutions and the right pack price architecture to suit last-mile logistics.

### Sector Outlook

Neutral

### Stock

<b>BSE code</b>	500696
<b>NSE Symbol</b>	HINDUNILVR
<b>Bloomberg</b>	HUVR IN
<b>Reuters</b>	HLL.BO

### Key Data

<b>Nifty</b>	15,722
<b>52WeekH/L(Rs)</b>	2531/2001
<b>O/s Shares (mn)</b>	2350
<b>Market Cap (Rs bn)</b>	5846
<b>Face Value (Rs)</b>	1

### Average volume

<b>3 months</b>	18,25,650
<b>6 months</b>	21,62,220
<b>1 year</b>	23,22,920



#### Technical View (Weekly Chart)

ICICIGI[N21770] 1559.00, 1608.00, 1549.15, 1553.45, 3471244, 0.28%  
Price Avg (E, 21)



#### Execution Data

Target (Rs)	1760
Stop loss (Rs)	1460
Buying Range (Rs)	CMP
Last Close Price (Rs)	1553.5
% change Weekly	0.3

#### Weekly Oscillator Direction

13 WMA	Upwards
21 WMA	Upwards
50 WMA	Upwards
RSI	Buy Mode
MACD	Buy Mode

#### Technical View

1. The stock recently witnessed breakout from intermediate resistance trendline which is bullish signal for short term trend.
2. The stock has reversed finding support around 21 EMA, this average has acted as good support on intermediate declines in past which suggests the recent trough to act as strong support.
3. RSI had earlier reversed from the Neutral zone (50) and now has surpassed 60 level which suggests strength in price and compliments bullish view on price.

**We recommend to BUY ICICIGI at CMP for the target of 1760 with a stop loss of 1460 in short term**

#### Investment Rationale

##### Well diversified product portfolio and distribution network

ICICI GI is one of the leading private general insurance companies in India with a market share of 7.5% in FY21. It has a well diversified portfolio with products such as Health, Marine, Fire, Motor, Crop and Engineering under its belt. ICICI GI's distribution network adds to its advantage with 250+ offices, 35,000+ individual agents and 840 virtual offices. Furthermore, this company benefits from the parentage of ICICI Bank that holds a strong brand reputation in the capital markets. ICICI Bank is one of the largest private sector banks in India with a network of 5,266 branches spread across the country.

##### Stable underwriting process and cost controls

Performance of the insurance business and its profitability depends on the underwriting skills of the companies. ICICI GI has maintained a strong performance with a robust underwriting process and has been successful in controlling costs. The company's long-term business fundamentals have remained steady even during times of a crisis. The company's combined ratio stood at 100% in FY21 in line with its strategy and the claims ratio declined to 68.6% from 72.9%. The general insurance space is very attractive and has a long run way going forward.

#### Sector Outlook

Neutral

#### Stock

BSE code	540716
NSE Symbol	ICICIGI
Bloomberg	ICICIGI IN
Reuters	ICIL.BO

#### Key Data

Nifty	15,722
52WeekH/L(Rs)	1625/1201
O/s Shares (mn)	455
Market Cap (Rs bn)	706
Face Value (Rs)	10

#### Average volume

3 months	6,46,520
6 months	7,06,430
1 year	6,54,100

Technical View (Weekly Chart)

IGL[N11282] 521.20, 573.00, 519.30, 563.65, 33990000, 9.97%  
Price Avg (E, 21)



Execution Data

Target (Rs)	660
Stop loss (Rs)	525
Buying Range (Rs)	CMP-550
Last Close Price (Rs)	563.65
% change Weekly	10

Weekly Oscillator Direction

13 WMA	Upwards
21 WMA	Upwards
50 WMA	Upwards
RSI	Buy Mode
MACD	Buy Mode

Technical View

1. After initial breakout from the symmetrical triangle pattern stock witnessed a throwback and stock seen reversing from the same which suggests change of polarity and indicates bullish signal for medium term trend.
2. The stock has reversed finding support around 21 EMA, this average has acted as good support on intermediate declines in past which suggests the recent trough to act as strong support.
3. The stock has witnessed decisive multi-week consolidation breakout which is bullish signal. .
4. RSI has formed bullish reversal pattern against price which is bullish signal and compliments bullish view on price.

We recommend to BUY IGL in the range of CMP-550 for the target of 660 with a stop loss of 525 in short term

Investment Rationale

Expansion of business across new geographies

As per the guidelines of the Petroleum and Natural Gas Regulatory Board (PNGRB), IGL has market exclusivity right of five years from the date of receiving authorization for existing two Geographical Areas (GAs). Furthermore, company has aggressive expansion plans in coming years with respect to authorizations of new geographical areas won under the 9th and 10th bidding rounds of UP, Haryana & Rajasthan, which will enable to strengthen its leadership position. Company being the exclusive distributor of CNG and PNG in the National Capital Territory (NCT).

Increase in natural gas demand to augur well for long term

The government has been actively promoting a shift towards cleaner sources, i.e., natural gas. With increasing concerns over environmental issues, City gas distribution (CGD) Projects have become a priority segment of natural gas business. Also, there has been an increase in the number of CNG operated vehicles on account of affordable pricing of natural gas as compared with other conventional fuels. In October 2017, the Supreme Court imposed a ban on the use of furnace oil and pet coke in the NCR owing to high levels of pollution, which led to healthy growth in the PNG industrial volumes of the company in FY19 and FY20..

Sector Outlook

Neutral

Stock

BSE code	532514
NSE Symbol	IGL
Bloomberg	IGL IN
Reuters	IGAS.BO

Key Data

Nifty	15,722
52WeekH/L(Rs)	595/364
O/s Shares (mn)	700
Market Cap (Rs bn)	395
Face Value (Rs)	2

Average volume

3 months	23,25,340
6 months	30,24,570
1 year	34,21,240

### Technical View (Weekly Chart)

MANAPPURAM[N19061] 164.90, 173.80, 162.15, 173.10, 32903700, 5.52%  
Price Avg (E, 50)



### Execution Data

<b>Target (Rs)</b>	198
<b>Stop loss (Rs)</b>	160
<b>Buying Range (Rs)</b>	CMP-168
<b>Last Close Price (Rs)</b>	173.1
<b>% change Weekly</b>	5.5

### Weekly Oscillator Direction

<b>13 WMA</b>	Upwards
<b>21 WMA</b>	Upwards
<b>50 WMA</b>	Upwards
<b>RSI</b>	Buy Mode
<b>MACD</b>	Buy Mode

### Technical View

1. The stock has given breakout from falling trendline which is bullish signal for medium term trend.
2. The stock has reversed finding support around 50 EMA, this average has acted as good support on intermediate declines in past which suggests the recent trough to act as strong support.
3. The breakout has accomplished with above average volumes which increases the reliability of the breakout.
4. RSI has surpassed falling trendline which shows momentum in price and compliments bullish view on price.

**We recommend to BUY MANAPPURAM in the range of CMP-167 for the target of 198 with a stop loss of 160 in short term**

### Investment Rationale

#### Strong brand and market position, especially in south India, in the gold loan business:

With its presence for almost 3 decades in the gold finance business, Manappuram has set up a strong franchise, especially in south India. As on 31st March 2021, the company has over 4600 branches across India and currently is the number 2 lender in the gold loan space in the country. The company has built strong reputation and trust which plays an important role in this business as customers are assured of getting back their personal gold ornaments once the loan is repaid. Over the years, Manappuram has developed robust underwriting methodology, internal controls and collection systems.

#### Gold loans business to resume steady growth going forward:

Manappuram's gold loan book declined 6% sequentially in Q4FY21. This was due to the fall in gold prices from its peak in 2020. As the company's branches re-open post the second wave of COVID in Q2FY22, the loan book is expected to grow steadily from thereon. Manappuram has renewed its focus on customer acquisition and increasing ticket size which will help AUM growth. Also, the company's efforts to diversify into other lending businesses such as MFI, used vehicles and affordable housing, offers potential future growth drivers.

### Sector Outlook

Neutral

### Stock

<b>BSE code</b>	531213
<b>NSE Symbol</b>	MANAPPURAM
<b>Bloomberg</b>	MGFL IN
<b>Reuters</b>	MNFL.BO

### Key Data

<b>Nifty</b>	15,722
<b>52WeekH/L(Rs)</b>	187/139
<b>O/s Shares (mn)</b>	846
<b>Market Cap (Rs bn)</b>	146
<b>Face Value (Rs)</b>	2

### Average volume

<b>3 months</b>	57,82,920
<b>6 months</b>	58,00,990
<b>1 year</b>	72,28,710

**Disclaimer Appendix****Analyst (s) holding in the Stock : Nil****Analyst (s) Certification:**

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