



# Technical Stock Pick

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Stock	CMP#	Buying Range	Targets	SL*	Time Horizon
<b>Shriram Transport Finance</b>	720	710-724	793/862	655	2-6 months

Note: \* Excluding Freak Trades lasting less than a minutes. # Price when recommended

### Shriram Transport Finance Daily Chart



#### Observations:

After correcting sharply from a high of 1367 touched in February 2020, Shriram Transport found support around the 440 levels a few months back. The stock had also previously found support around these levels many years back, thereby making it a strong support on the long term charts. The stock has since then rebounded and gradually moved higher, making higher tops and higher bottoms in the process.

Today, the stock has broken out of the 690-714 narrow trading range on the back of healthy volumes. This augurs well for the current uptrend to continue.

Technical indicators are giving positive signals as the stock trades above the 13-day and 50-day SMA. Daily and weekly momentum readings are in rising mode and not in overbought territory.

We believe the stock is ready to continue the next leg of its underlying uptrend and has the potential to move higher in the coming weeks. We therefore recommend a Buy at CMP and adding more on any dips. Our entry levels, along with stop loss and targets have been mentioned above.

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