



Technical Stock Pick

08 April 2021

Buy – Cadila Healthcare

Stock	CMP#	Recommended Action	SL*	Target	Time Horizon
Cadila Healthcare	467.9	Buy between 464-473	430	506/550	1-3 Months

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

Cadila Healthcare Weekly Chart



Observations:

- Cadila Healthcare is in an intermediate uptrend since April 2020 when it took out its previous intermediate highs and reversed the downtrend.
- The stock has recently corrected from a high of 509 and found support at the 408 levels which also coincides with the 50 week SMA. The stock has since then rebounded and gradually moved higher on the back of decent volumes and a pickup in momentum readings. This indicates a continuation of the uptrend and augurs well for the stock in the intermediate term.
- The 20 week SMA is also above the 50 week SMA, which is a healthy technical signal for the coming weeks.
- With the technical set up looking attractive on all major timeframes, we expect the stock to gradually move higher in the coming weeks.
- Our entry levels with stop loss and targets have been mentioned above.

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