



Dishman Pharma – Buy Dishman Pharma between Rs. 224 and Rs. 210 for sequential targets of Rs.250 and Rs.275 in 1 month. Stop Loss = Rs.205 on closing basis (CMP Rs.223.75)

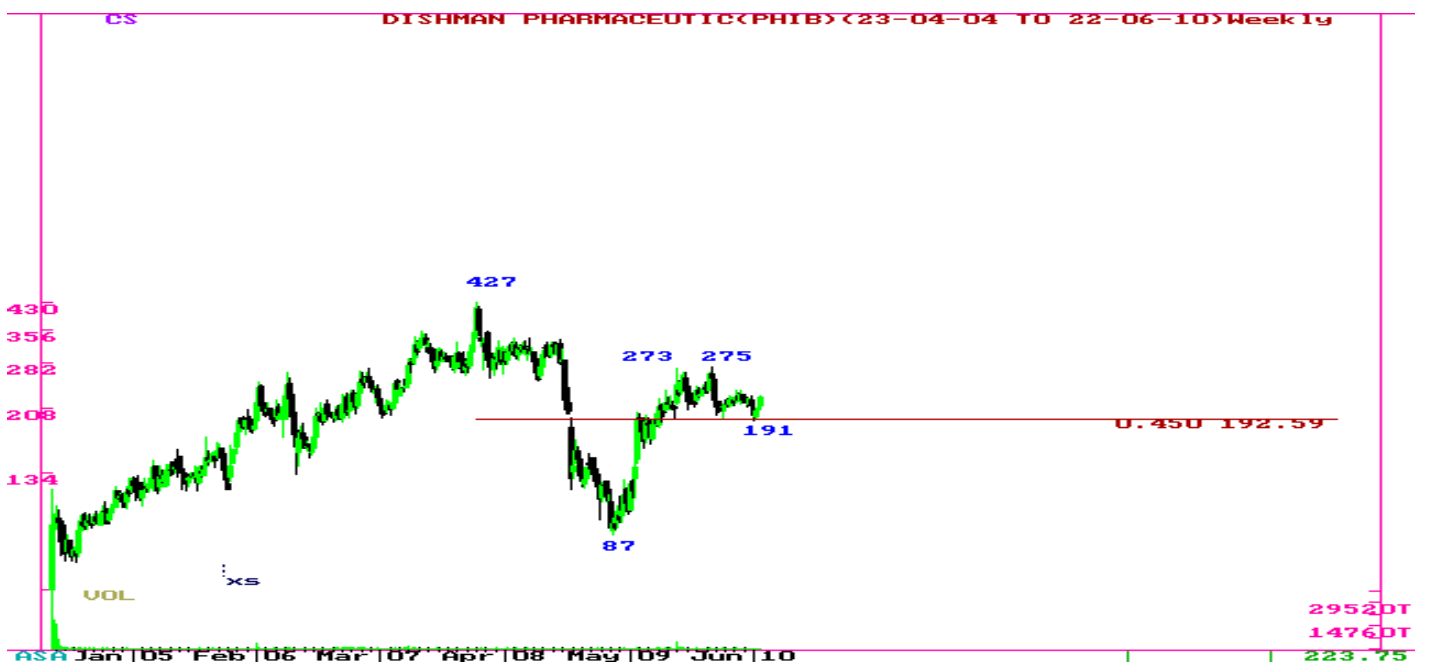


Dishman Pharma has breached the red trendline drawn on the chart above, which is joining the recent significant tops. This is accompanied with an increase in volume, which is a bullish indication.

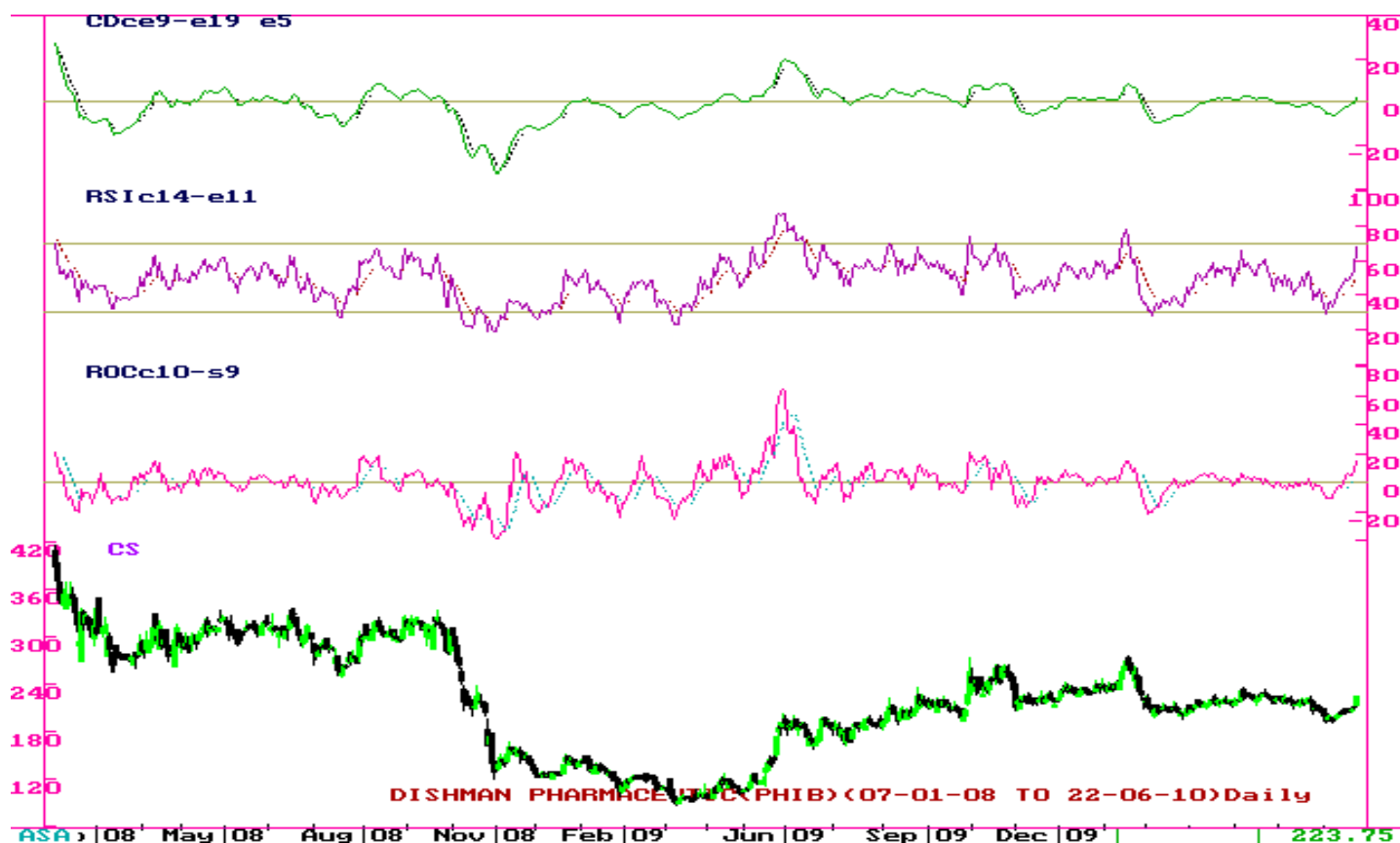
We have drawn 3 long term moving averages of 200 days simple, 200 days exponential and 100 days simple on the chart above and the stock is trading above it which is a bullish sign.

On long-term charts, the move from Rs. 87 to Rs.273 has been retraced less than 50% and it has consumed more amount of time, which is a necessary requirement in case of corrections.

Trendline technique, long term moving averages, retracement theory, time consumption for the retracement, volume expansion are suggesting a buy in this stock.



The all time high formed in this stock was at Rs.427 in the month of January 2008 and if we reduce 55% (which is a Fibonacci %) of this, then it comes to Rs.191. In the month of June 2010 Dishman Pharma took support around this level.



- The 14 days RSI has formed a positive divergence on daily charts, which is a bullish sign.
- The 9 days MACD is trading above '0' value which is a bullish indication.

We recommend a buy on Dishman Pharma between Rs.224 and Rs.210 for sequential targets of Rs.250 and Rs.275 in 1 month. Stop Loss = Rs.205 on closing basis.

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Note - Once the market opens for trade, the analyst will review it and decide to give the call through an internal mail/SMS at the same or different levels of entry, target and stoploss or not give the call at all. Clients could get in touch with the analyst through mail or with their designated dealers to check about this.

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