

TECHNICAL PICK OF THE MONTH

GABRIEL INDIA LIMITED

AUGUST 02, 2021



August 02, 2021

TECHNICAL PICK

GABRIEL INDIA LTD

BUY

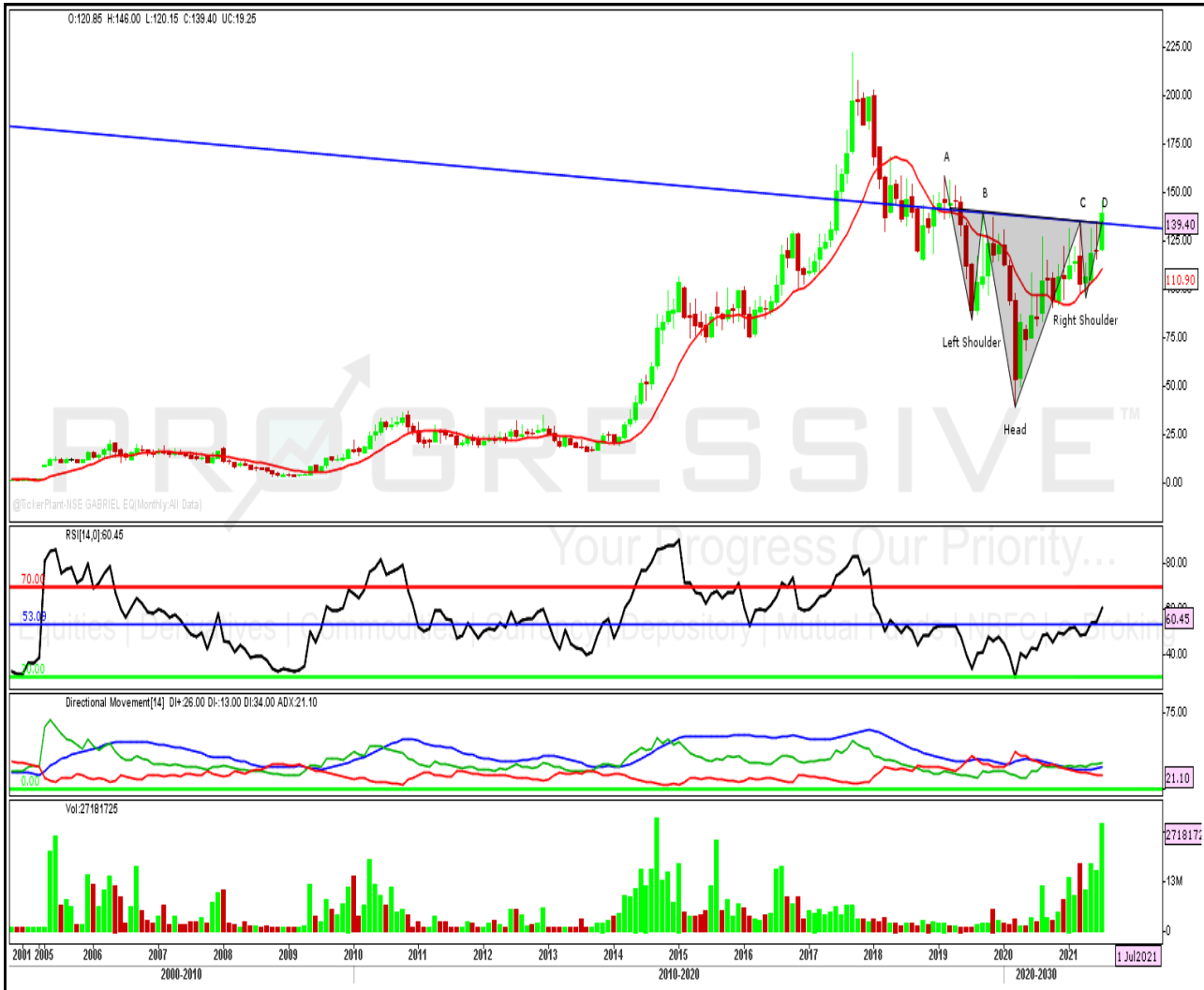
CMP: Rs 139

TARGET PRICE: Rs186 & Rs233

TIME : 9-12 months

Overview: Gabriel India has started manufacturing shock absorbers and front forks for two and three wheelers in 1990. It is a leading supplier of shock absorbers and front forks to all major manufacturers of two and three wheelers in India. It's dominance in India's passenger car segment is a result of strategic R&D investments, cost management, and successful localisation efforts. The company is the market leader in the commercial vehicles segment and enjoys enduring ties with the Indian Railways.

SNAPSHOT	
Market Cap (Cr)	2,002
52 week H / L (Rs)	146.00 / 80.80
BSE Code	505714
NSE Code	GABRIEL



Investment Rationale:

- **Gabriel India Ltd** has given a reversal pattern breakout i.e. **Inverted Head & Shoulder formation** from a 2 years consolidation.
- RSI oscillator managed to surpass its 3 years stiff resistance of 53 (Horizontal Line).
- +DMI stands well above -DMI and ADX. With a reading of 21 in ADX, suggesting starting of a new trend which is an uptrend.
- 12 MMA (Monthly Moving Average) is acting as strong support (Red Line).
- From the past couple of months, an uptick in volume indicates good accumulation from lower levels.

Recommendation: We recommend a BUY at current market price of Rs139 or decline upto Rs134 with a closing stop loss of Rs96 for a target of Rs186-Rs233 with a horizon of 9–12months.

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