

BHARTI AIRTEL

4TH OCTOBER 2016

Stock Price	Action
318	Buy

The stock has been one of the major underperformers in the current Bull Run in the index. The stock peaked out in late 2007 after which it has been consolidating. It seems to have been digesting majority of the negative news be it from its African operations or the entry of reliance jio.

Technically speaking:

- The stock found support at 61.8% Fibonacci retracement of its rise from INR 10 (January 2003) low to INR 592 (October 2007) peak.
- The stock since August 2011 has been moving in the range of INR 450 to INR 215.
- However, the important thing to note here is that although the stock is forming identical peaks the lows are getting higher. (October 2012 low INR 215.80, January 2016 low INR 282.30, September 2016 low INR 301.50)
- Looking at the chart structure it can be said that the stock is forming an ascending triangle pattern.
- The breakout point for the pattern is placed at INR 450 level. However, due to low risk set up we advise buying the stock at current levels and add on dips towards INR 300 level.
- Our analysis will be void only if the stock falls below 215 level. On the upside we expect the stock to head towards INR 650 level.

