



KSL Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	17354	16833	17651	17516	16348	16901-17651	Buy only above 17421. Targets at 17651/17821/18001. Stop at 17101.
BANK NIFTY	35482	34233	36201	37433	35701	34501-36201	Buy only above 34751. Targets at 35751/36201/36751. Stop at 33851.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
GALAXY SURFACTANTS	3142	2469	3601	2995	3002	Positive	Galaxy Surfactants is India's leading manufacturer of surfactants and specialty care ingredients for the Home and Personal Care industry. Company's products find application in personal care and home care products, including skin care, oral care, hair care, cosmetics, toiletries and detergent products. 9/10 Indian Consumers use Products which have Galaxy's surfactants or specialty care products atleast once in their Daily Routine. The firm is serving 1750 clients and has presence in across 80+ countries. Galaxy Surfactants revenue share as on FY20 was a) Performance Surfactants (61%), b) Specialty Care Products (39%). The key positive catalyst continues to be the 55% of the revenue mix that comes from MNCs and most importantly, healthy return ratios (ROCE of 25% plus) coupled with robust earnings growth(13% CAGR over FY19-21E). Simply buy at CMP, and on dips between 2500-2600 zone, targeting 3601/3751 mark and then aggressive targets at psychological 4001 with stop below 2469.

Incorporated in 1986, **Galaxy Surfactants** now commands a market cap of Rs 11,133 Crore.

Galaxy Surfactants is India's leading manufacturer of surfactants and specialty care ingredients for the Home and Personal Care industry. Company's products find application in personal care and home care products, including skin care, oral care, hair care, cosmetics, toiletries and detergent products. 9/10 Indian Consumers use Products which have Galaxy's surfactants or specialty care products atleast once in their Daily Routine.

The firm is serving 1750 clients and has presence in across 80+ countries. Galaxy Surfactants revenue share as on FY20 was a) Performance Surfactants (61%), b) Specialty Care Products (39%).

Going forward, the demand for performance surfactants is likely to remain strong amidst benefits from high growth in the FMCG industry, which is largely unaffected by economic cycles. The overall demand continued to remain robust as also the opening up of developing economies would aid higher growth in the Specialty segment as well.

The key positive catalyst continues to be the 55% of the revenue mix that comes from MNCs and most importantly, healthy return ratios (ROCE of 25% plus) coupled with robust earnings growth (13% CAGR over FY19-21E).

In Q1, the company displayed revenue growth of 36% YoY driven by a 16% YoY jump in performance surfactants while revenues from speciality chemicals (+96% YoY) almost doubled off last year's low base. There were slight volumes tapering in Q1FY21 with onset of COVID. We believe the challenges faced in 2QFY22 are transitory issues and performance should normalize in the coming quarters.

As the global economies slowly opened up, the volumes from Q2FY21 onwards picked up momentum and restored to pre-COVID levels.

The surfactant business is expected to grow to \$45 billion by 2024.

Technically, brace yourselves for a major breakout play from a probable classic 'flag pattern' breakout on the monthly charts. An impulse uptrend is seen forming on the daily time scale, with positive SAR series, with recent sequence of higher high/low intact on all time frames.

Add to that a bullish divergence and a rising stochastic signal (on weekly charts) with recent increase in volumes signaling a larger rebound. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 2783 zone. The level of Rs 2896-2900 zone will act as a strong support zone and any corrective declines to these levels should be used as an opportunity to initiate aggressive long positions.

Simply buy at CMP, and on dips between 2500-2600 zone, targeting 3601/3751 mark and then aggressive targets at psychological 4001 with stop below 2469.

Aggressive 1-year targets seen at 4250 zone.

Daily Chart of GALAXY SURFACTANTS:



CORPORATE ACTIONS

Stocks	Ex-Date	Purpose	Amount (Rs)	Record Date
QUANTUM DIGITAL VISION (INDIA) LTD	04 Jan 2022	E.G.M.	-	-
JOHNSON PHARMACARE LTD.	05 Jan 2022	Stock Split From Rs.10/- to Rs.1/-	-	06 Jan 2022
MANGALAM TIMBER PRODUCTS LTD	05 Jan 2022	Amalgamation	-	06 Jan 2022
MAZGAON DOCK SHIPBUILDERS LTD	06 Jan 2022	Interim Dividend	7.10	07 Jan 2022
INDIAN METALS & FERRO ALLOYS LTD.	07 Jan 2022	Bonus Issue 1:1	-	10 Jan 2022

OFFER TO BUY

Company name	Start Date	Close Date	Offer Price (Rs.)	Proposed Acquisition (No. of shares)	CMP (Rs.)
NICCO PARKS RESORTS LTD	04-Jan-22	17-Jan-22	30.50	1,21,68,000	61.00
STERLING AND WILSON RENEWABLE ENERGY LTD	31-Dec-21	13-Jan-22	375.00	4, 91,37,420	381.90
RAMA STEEL TUBES LTD	31-Dec-21	13-Jan-22	12.50	43,66,440	341.20