

### Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range
NIFTY	24531	24225	25001	23361	21756	23751-25201
BANK NIFTY	52266	51354	53751	50373	47238	51551-53551

### Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
PVRINOX	1403	1347	1511	1383	1495	Negative	<b>PVR INOX</b> has been a major underperformer from the media space. A probable bearish 'Evening Star' pattern on the weekly charts followed by bearish candles on the daily charts plus a reverse divergence right smack on the intermediate bearish trend on the weekly charts. Most importantly, the momentum oscillators signaling major weakness. <b>Establishing short positions at CMP should be the preferred trading strategy, targeting 1371/1347 and then aggressive targets seen at 1204 zone. Stop above 1511. Holding Period: 1-2 Months.</b>

#### SELL PVR INOX at CMP 1403. Target 1347

CMP	1403
Target Price	1347
52 Week H/L	1203.70/1879.75
P/E	0
EPS (TTM)	-13.43
Promoter Holding/DIIs/FIIs	27.84/56.9/18.1
Book Value	730.08
Market Cap (INR)	13,704.65 crores

Incorporated in the year 1995, **PVR INOX Limited** is the market leader in terms of screen count in India. Since 1997, the brand has redefined the cinema industry and the way people watch movies in the country. PVR has, over the years, consistently added screens, both organically and inorganically, through strategic investments and acquisitions which includes 'Cinemax Cinemas' in November 2012, 'DT Cinemas' in May 2016 and 'SPI Cinemas' in August 2018 which added 138 screens, 32 screens and 76 screens respectively to our screen network. Currently, PVR operate 846 screens in 176 cinemas in 71 cities in India and Sri Lanka with an aggregate seating capacity of approximately 1.82 lakhs seats.

PVR INOX has diversified revenue stream and generate revenues primarily from box office and non-box office which primarily includes revenue from Sale of Food and Beverages, advertisement income, convenience fees, and income from movie production/ distribution among others.

PVR INOX commands a market cap of Rs. 13764 crores and the board of the PVR & INOX have approved the scheme of amalgamation. Subsequent to the scheme becoming effective, the shareholders of INOX Leisure received the shares of PVR Limited as per the approved exchange ratio, which was for every 10 shares of INOX Leisure 3 shares of PVR.

PVR INOX reported a widening of consolidated net loss to Rs 179 crore in the June quarter impacted by postponement of film releases due to general elections. The company had posted a consolidated net loss of Rs 82 crore in the first quarter last fiscal

Total expenses were higher at Rs 1,457.5 crore as compared to Rs 1,437.7 crore in the corresponding period in the last fiscal.

Consolidated revenue from operations were at Rs 1,190.7 crore in the first quarter, down from Rs 1,304.9 crore in the year-ago period.

Total expenses were higher at Rs 1,457.5 crore as compared to Rs 1,437.7 crore in the corresponding period in the last fiscal.

The quarter began on a soft note, with April and May getting impacted due to the general elections, which were the second longest in India's history at 44 days. This prompted many producers to postpone film releases, resulting in a 13 per cent drop in the number of releases in the quarter as compared to the first quarter of last year. The number of blockbusters also declined sharply this quarter, with only three films crossing the (Rs) 100 crore mark compared to seven last year.

Technically, PVR Limited stock price pattern appears ugly at current levels.

PVR INOX gave a 3-year return of -2.1% as compared to Nifty Midcap 100 which gave a return of 98.13%.

Technically speaking, the biggest negative catalyst is prevailing deteriorating technical conditions as the recent down trend in the stock price could trigger some more corrective declines and also on backdrop ugly looking charts, there is limited room for upside. The 200-DMA of the stock is around 1495 levels.

Also, the recent sequence of lower high low is intact on all time frames on backdrop of a probable 'Double Top' pattern on the monthly charts plus a 'H&S' pattern on the weekly charts. The momentum oscillators are seen shifting in sell mode signaling further sharp corrective down move. The stock price has already signaled a break down from a "lower consolidation zone" on the monthly charts — confirmation of the same below 1204 mark. Immediate downside risk below a 1204 close is at psychological 1000 mark.

**Establishing short positions at CMP should be the preferred trading strategy, targeting 1371/1347 and then aggressive targets seen at 1204 zone. Stop above 1511. Holding Period: 1-2 Months.**

#### Daily Chart of PVR INOX :

