

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range
NIFTY	24823	24522	25251	24276	22364	24621-25122
BANK NIFTY	50933	48451	53357	51448	48087	49325-52351

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
COAL INDIA	539	435	621	501	437	Positive	Incorporated in 1975, COAL INDIA Limited (CIL) is the largest coal producer in the world and accounts for ~80% of the domestic coal production and 75% of total coal based generation. CIL contributes to 55% of total power generation and meets 40 % of the primary commercial energy requirements of the country. The key positive catalyst in favor of CIL is its robust business profile with stable and healthy operating margins. Also, higher international coal prices shall lead to higher e-auction coal prices. Meanwhile, Coal Minister G Kishan Reddy had said that India should increase domestic production of fossil fuel and reduce coal imports. Coal India has recently permitted thermal power plants including independent power plants or privately owned units to procure coal beyond annual contracted quantity. Simply buy at CMP, and on dips between 475-490 zone, targeting 569 mark and then at 600-610 zone. Holding Period: 6-9 Months. Aggressive 18-year targets seen at psychological 600 mark. Stop below 435.

BUY COALINDIA at CMP 539, Target 621

CMP	539
Target Price	621
52 Week H/L	542/227.50
P/E	22.22
EPS (TTM)	24.24
Promoter Holding/DIIs/FIIs	63.13/31.7/8.4
Book Value	282.6
Market Cap (INR)	3,31,924.55 crores

Incorporated in 1975, **COAL INDIA Limited (CIL)** is the largest coal producer in the world and accounts for ~80% of the domestic coal production and 75% of total coal based generation.

CIL contributes to 55% of total power generation and meets 40 % of the primary commercial energy requirements of the country. Plays a key role in "Make in India" and making India incorporate globally competitive. During 2023-24, the state-owned mining behemoth contributed Rs 60,140 crore to the government exchequer, both central and states where it operates.

CIL was conferred the Maharatna status by the government of India (GOI) on Apr'11, which gave the company operational and financial autonomy. CIL has strategic importance in meeting India's energy requirement as ~51% (as of May'22) of the country's power generation capacity is derived from coal-based thermal power plants.

CIL is committed to playing a major role in achieving the Nation's energy security. Based on the demand projection in 'Vision 2024' for the coal sector in the country and subsequent demand projection on CIL, a roadmap has been prepared wherein CIL has envisioned 1 Billion Tonne (Bt) production in the year 2024-25 to meet the coal demand of the country.

India's coal import rose by 5.7 per cent to 75.26 million tonnes (MT) in the first quarter of the current fiscal compared to 71.16 MT of coal in the same period of the previous fiscal.

Meanwhile, Coal Minister G Kishan Reddy had said that India should increase domestic production of fossil fuel and reduce coal imports.

Coal India has recently permitted thermal power plants including independent power plants including independent power plants or privately owned units to procure coal beyond annual contracted quantity.

The domestic coal production rose by 11.71 per cent to 997.828 MT in 2023-24 compared to 893.191 MT in 2022-23.

Coal India reported a 4.1% year-on-year rise in consolidated net profits for the first quarter (April-June) of financial year 2024-25 (FY25) at Rs 10,959 crore. On a sequential basis, net profits attributable to the owners of the company rose at a faster clip of 26.2 per cent.

The revenue from operations rose minimally by 1.3% to Rs 36,464 crore during the quarter, as compared to the same period of the previous year. The net income was similarly up by just 2.2 per cent to Rs 38,349.21 crore in Q1, up from Rs 37,521.03 crore in Q1 FY24.

The key positive catalyst in favor of CIL is its robust business profile with stable and healthy operating margins. Also, higher international coal prices shall lead to higher e-auction coal prices.

Technically, brace yourselves for an impulse uptrend seen forming on the daily time scale, with positive SAR series, with recent sequence of higher high/low intact on the daily, weekly and monthly 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 is currently at 437-440 zone. Any corrective declines to 437-450 zone will be an opportunity to initiate aggressive long positions.

Simply buy at CMP, and on dips between 475-490 zone, targeting 569 mark and then at 600-610 zone. Holding Period: 6-9 Months.

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Daily Chart of COALINDIA :

