Twitter Thread by Rahul Valand



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#TATAMOTORS (TM) Analysis in weekly and daily time frame chart:

In this thread I have tried to capture,

a) How is journey of @TataMotors till date
b) What are the possibilities ahead
c) The possible trade plan with logic



What weekly chart is conveying :

a) Stock is in pure downtrend as it is making lower high (LH) and lower low (LL).
To understand HH HL LL LH, read #Dowtheory and refer tweets of @Rishikesh_ADX & @Jitendra_stock .(also watch @elearnmarkets F2F video of @Rishikesh_ADX)

b) As per weekly chart, to make the higher high (HH), Stock has to cross the level 200 and then when it retrace (pull back), Stock should not fall below 69. (To understand pullback, refer tweets of @sanstocktrader)

Now look @ #Tatamotors daily:

a) Immediate support is @ 150.
b) Immediate resistance is @ 198-200. (as we discussed in weekly chart analysis)
If it manage to cross 200, it will form it's first higher high (HH) on weekly tf.
c) If it manage to cross 200, then 240 is on the card



Possibilities ahead :

a) It may trade in channel before it make the HH in weekly TF chart.

In this case we can buy at support and sell at resistance.

Support is 157 & resistance is 200.
i.e 27% target from buy level)

Refer image.



Possibilities ahead : (cont..)

b) If it make HH i.e. +200, then allow it to retrace and then buy at support and sell at resi.

Note : #Tatamotors has followed the trendline during its downtrend. Same is expected during its uptrend.

(Refer possible trade plan for next 3-4 years)



Why @tatamotors

While we have discussed this stock wrt to price action and analyzing it technically, I feel that the upcoming time will be beneficial for tata motors because,

a) Indian mindset is gradually shifting from car mileage to

car safety rating.

b) @tatamotors has introduced superb models like Nexon, Hexa, Altroz, Harrier. People are happily buying these models.

c) Company has came out successfully from it's "Taxi" image.

c) Company has entered in electronic segment (which is future trend) by introducing Nexon-ev.



d) Swadeshi sentiments and Anti-china sentiments are somehow boosting the sale of tatamotors.

(@Investor_Mohit may please help to enlist few points of fundamentals of tatamotors)