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Aditya Birla Capital gives trendline breakout signaling 'buy'

Aditya Birla Capital shares traded 1.44 percent up at Rs 190.30 at 10:30am on January 8, as the scrip shows a horizontal trendline breakout on the daily scale.

"The stock is trading above its short and long-term moving averages. The 20, 50, and 100-day EMA have started edging higher. The breakout was supported by robust volume. Additionally, the stock has formed a sizeable bullish candle on the breakout day, adding strength to the breakout," Sudeep Shah, head of derivative and technical research at SBI Securities, said.



Among the momentum indicators, Shah highlights that the daily RSI is in a super bullish zone, following the RSI range shift rules, and it is on a rising trajectory. The daily MACD remains bullish, quoting above its zero line and signal line. The MACD histogram suggests a pickup in upside momentum.

On the derivative front, the February series future has surged by 4.19 percent. The cumulative open interest (OI) of the current, next, and far series has dipped nearly 1 percent, indicating an overall short-covering rally. A significant concentration of call open interest is evident at the 190 strike, followed by the 200 strike, while substantial open interest on the put side is concentrated at the 180 strike.