

## Hindu Business Line

### Gati (Rs.73.5)

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#### **Gati (Rs 73.5)**

Investors with short-term perspective can consider buying the stock of Gati. It is evident from the charts of the stock that it has emphatically broken out of a significant long-term resistance at Rs 70 by jumping 13.5 per cent on Monday. This break-out was backed with extraordinary volumes and there has been an increase in volumes over the past three trading sessions. In late February, the stock found support at Rs 50 and changed its trend triggered by positive divergence in daily relative strength index and moving average convergence divergence. Since then, it has been on a medium-term uptrend. The stock is hovering well above its 50- and 200-day moving averages. The 14-day RSI is featuring in the bullish zone and weekly RSI has entered in this zone, reinforcing the uptrend. Moreover, daily MADC is steadily moving higher in line with the stock and it is hovering in the positive territory implying upward momentum. Considering the break-out above a significant resistance, we are bullish on the stock from a short-term perspective. We anticipate the stock to move higher until it reaches our price target of Rs 76 or Rs 78 in the ensuing trading sessions. Investors with short-term perspective can buy the stock with stop-loss at Rs 71.5.