Consumption Sector Stocks for long term wealth creation

Consumption sector stocks offer some characteristic intrinsic values in real terms because they have the biggest exposure in rural, urban and semi-urban India. Consumption sector stocks become the best investment options for long term wealth creation.

The Covid induced lockdown disrupted supply for the entire consumption sector in India. Though the disturbance for staples was restricted for a month, discretionary and 'out of home' consumption products supply remained severely affected for at least a three months.

Apart from this, the situations for the demand of discretionary and out of home consumption was also not okay for H1FY21. With the lockdown completely ending, we believe there will be huge pent up demand for discretionary categories (skincare, cosmetics) within FMCG in H2FY21.

Also Read: Tata steel share price takes an exciting take-off attracting investors

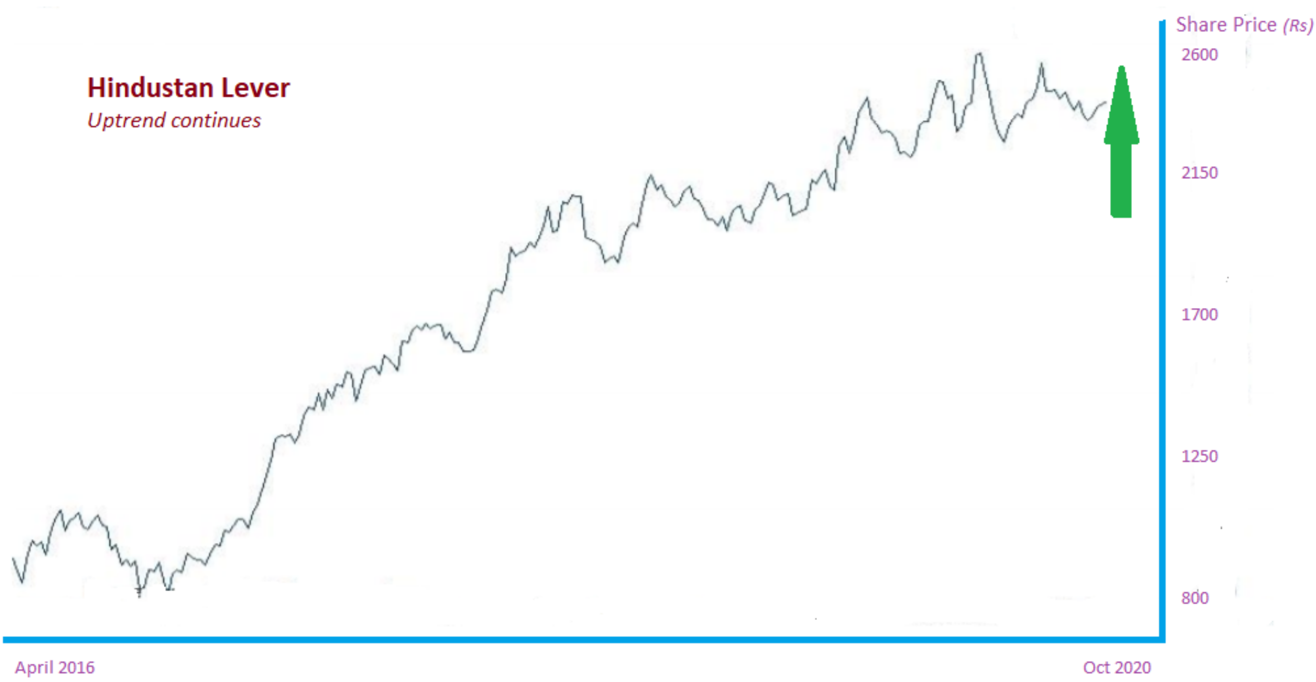
The consumer durable sector is expected to witness a surge in volumes with pent up demand for washing machines, dishwashing categories. Moreover, almost half a year delay in repainting activities would result in boosting sales for paint companies. In addition, government encouragement and less interest rate are also responsible for an improvement in demand conditions for many products. Trade analysts believe lower interest rates would lead to an improvement in demand for residential houses, subsequently leading to an increase in related consumables.

One of the reasons for a robust demand situations in October is the festive season discounts and offers. Further, trade analysts also believe demand for wedding related products would also surge given halt on wedding-related functions in H1 would lead to pent up demand for such products.

Technically, analysts recommended one of the leading consumption sector stocks – Hindustan Unilever.

Hindustan Unilever (HINLEV):

Base formation at rising demand line, 52 weeks of its share price movement indicates fresh entry opportunity along with a favourable risk-reward.



o Consumption sector stocks, after the sharp up move in March-April, have witnessed a healthy base formation in the last six months at the long term support area and are expected to resume their fresh up move.

o The share price of Hindustan Unilever has formed a higher base at the long term demand line joining major lows since October 2018 and the rising 52-week EMA (currently at Rs 2094), thus offering a fresh entry opportunity with a favourable risk-reward set-up

o During the current week’s trade, the stock has generated a breakout above the falling supply line joining highs of April (Rs 2614) and July (Rs 2350) signalling the current consolidation is approaching maturity and resumption of the fresh up move

o The stock has taken nearly 28 weeks to resume 80% of the previous four week’s up move (Rs 1758-2614). A slower retracement highlights a robust price structure and higher base formation

o Trade analysts expect the stock to resume its primary uptrend and head towards Rs 2490 as it is the 80% retracement of the entire previous decline of AprilMay (2614-1902) around Rs 2490

HUL reported a healthy set of numbers with 16.1% sales growth aided by consolidation of acquired brands (Horlicks, Boost, VWASH). On a like to like basis, growth has been 3% supported by 1% volume growth. The recovery in the business was led by complete normalisation of supply chain & strong demand in health, hygiene & nutrition space. The health, hygiene & nutrition products that constitute 80% of sales witnessed growth of 10% whereas discretionary & out of home consumption products, which constitute 20% of sales saw a decline of 25%

• With the merger of nutrition brands (Horlicks, Boost), trade analysts see the possibility of margin improvement by the way of controlling common cost & bringing synergistic benefits. Moreover, the company would be able to grow these brands at a faster pace given large distribution network & robust cash flows for the brand-building exercise

• The effect of lockdown induced due to corona was a disruption of supply for more than a month. However, some of the ‘at home’ consumption categories got the boost with additional demand for tea, coffee, ketchup & soups business. Moreover, with a sharp increase in tea prices, the company is looking to gain market share from unorganised/regional tea producers. It may be noted that the unorganised tea market makes up almost 50% of sales.

• Trade analysts believe the company would be able to able to witness a sustainable revenue & earnings growth backed consolidation of the acquired business. trade analysts remain positive on the stock from a long term perspective

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Live stream in the era of COVID-19

Live Stream

In a blink of an eye, COVID-19 changed every facet of our ordinary life; from going to school, meeting with friends and family, and having fun. No one could have thought anything like COVID-19 could fall suddenly on the human race and, for that, got a little precaution.

The disease not only has taken so many lives so far but changed how we lived. Can you remember how you were living before it? The sad part is we would never go back to the same routines. In the beginning, all the hit countries went into silence. Then came technology to save us from pure isolation.

You also might be among those who adapted the new condition to get together with relatives and friends. In the meantime, there were those people who benefited from Live Streaming. A teacher started to broadcast his classes online, and then musicians started live concerts, then conferences, games, meetings, and even funerals went online.

The live stream, which was around before the pandemic, took over our daily lives while still in shock. Schools, colleges, and universities started their online classes and made halted education to survive. This seems to continue for the new semester as well since the COVID-19 still takes lives.

The way we get also entertained today depends on live streams more than any other time in human history, a point in time that has no return, maybe only on Hollywood movies. Musicians started their concerts worldwide on a new stage, Live Streams, where people can sit next to each other from different locations like India, the USA, UK, Australia, Japan, and Iran.

Truth is Live Stream service providers worldwide witnessed the demand for their services at least tripled after the COVID-19 break-out. Education and businesses comprise a good part of this demand. They have found their costs reduced and have more control over the content and processes, while they have realized how easier time management got.

It can be predicted that live streaming benefits for schools and businesses would not let them return entirely to the earlier methods. Thus, live streaming has become an integral part of education, entertainment, and business environment.

But are all live stream service providers the same? Of course not. Live Stream services differ from each other significantly. The main differences are the number of concurrent supported users, stream quality, cost, and online support.

Among the young service providers in this field, ArvanCloud has supported almost 150 thousand concurrent users at live events on live stream service with the least possible delay during COVID-19. Adding to this is its economical pricing packages and ArvanCloud Live Stream quality, which position it on the top three providers that recently entered the Indian market.

ArvanCloud explains that its Live Stream service stands on the edge of technology, and for that, it can provide such a quality Live Stream. ArvanCloud developers claim: “Live Stream is one of the best services offered since we have better infrastructure and better codes. We constantly update and improve our codes, while many other providers have developed their codes years ago and have not improved it.”

But what makes Live Stream of ArvanCloud different? The company’s Live Streaming Platform allows the video content creators and distributors to transform their video or live stream content to multiple qualities and formats. Users can also store and publish their live stream in an unlimited cloud video hosting without worrying about infrastructural issues.

Also Read: CDN & Cloud Security services game-changer enters India; more economical features

ArvanCloud Live Video Streaming platform is integrated over the Content Delivery Network. CDN Live Streaming helps the video content be delivered from the nearest geolocation to each user, enabling them to watch videos without delays and with the best possible speed.

Better internet access worldwide and better internet speed have also helped the surge in the live streams. Besides, we would manage our times with live streams, and put some of our money in the pocket and save more. Live Streams also allow you to save the movies, concerts, classes, etc. and watch it repeatedly.

One can say that Live Streams will not fade, it might lose some weight after COVID-19, but it will not vanish. It is an integral part of our lives. So we should be thankful to some extent to the condition that occurred to us and made us all enjoy the Live Stream at the comfort of our homes.

www.arvancloud.com

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Tata steel share price takes an exciting take-off attracting investors

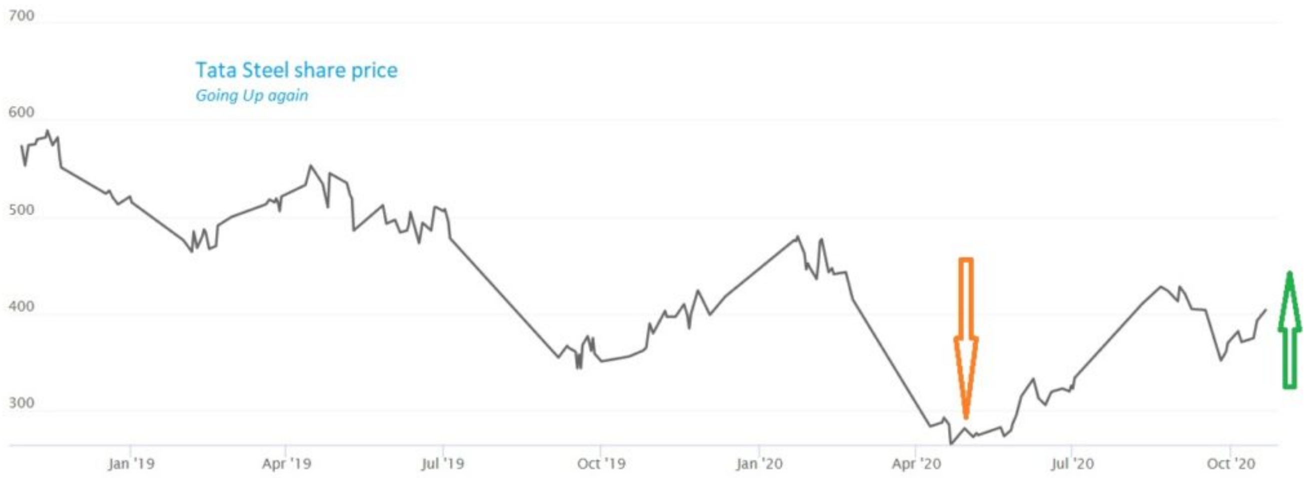
Tata steel share price has recently started showing its familiar uptrend attracting a good number of buyers.

Tata steel news

The Indian stock market continues its bull run with Sensex up 0.88 percent to 40901.72, and the Nifty moving up 97.20 points or 0.82 percent reaching 11994.

One of the leading sectors has been the Metals – steel, aluminium or Zinc. It moved up 2%. The key performers have been Tata Steel, Jindal Steel, Hindustan Zinc, Hindalco Industries, MOIL, JSW Steel, Ratnamani Metals and SAIL. The metal group as of late has experienced some solidification and stayed away from the market correction on October 15, 2020. The following day the metal stocks inside this space just flew, particularly the steel stocks.

Traditionally, Tata steel has been on top of all steel industries and as such Tata steel is one of the most favorite shares of investors and brokerage houses. Steel prices have gone up and the demand is going up after the covid induced lockdown which augurs well for the Tata steel share price. A wise decision for long term investment.



Tata steel share price movement

 Metal stocks have been in a recovery mode and have shown significant resilience in the current market volatility. Stocks like JSW Steel have managed to retest their new 52-week high despite jittery market conditions, indicating the prevailing positive bias in the metal space. We believe stocks like Tata Steel will resume their uptrend on account of short-covering.

 The open interest in the stock declined sharply in June amid short-covering. Since September, the stock has witnessed a downtrend with short additions. These positions have begun to be covered. We now expect the momentum to be seen along with covering of short positions in the coming sessions.

 In the options space, the stock has the highest Call option base at the 400 strikes followed by 420 strikes. As the stock was in a consolidation phase, Call writers are active at the 400 strikes. Sustainability above this level may trigger a further up move on the back of short-covering in the Call writer’s position. These positions may shift to higher OTM strikes. At the same time, Put open interest base is strengthening at the 380 and 370 Put, which can act as strong support on downsides

 From June to August, Tata steel share price witnessed an impulsive up move towards Rs 445 levels. Since then, it has remained largely range-bound with time and price based correction. This recent decline towards Rs 360 has given another opportunity to go long in the stock for fresh upsides

 The stock has seen one of the highest delivery based actions around Rs 340-360 in June. We expect levels around Rs 360 to act as crucial support for the stock in the short-term. With the early signs of the stock moving out of the prevailing range, analysts expect it to continue its upward momentum

Also Read: Jindal Stainless Steel share going up – Invest Money

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Jindal Stainless Steel share going up – Invest Money

Jindal Stainless Steel share price going bullish! Jindal Stainless Steel (JSL), part of the OP Jindal Group, is India's largest stainless steel producer with a melting capacity of

1.1 million tonnes per annum. Apart from its state-of-the-art manufacturing unit in Odisha, JSL also has a 250000 tonnes per annum (TPA) Ferroalloy plant and a 264 MW captive power plant.

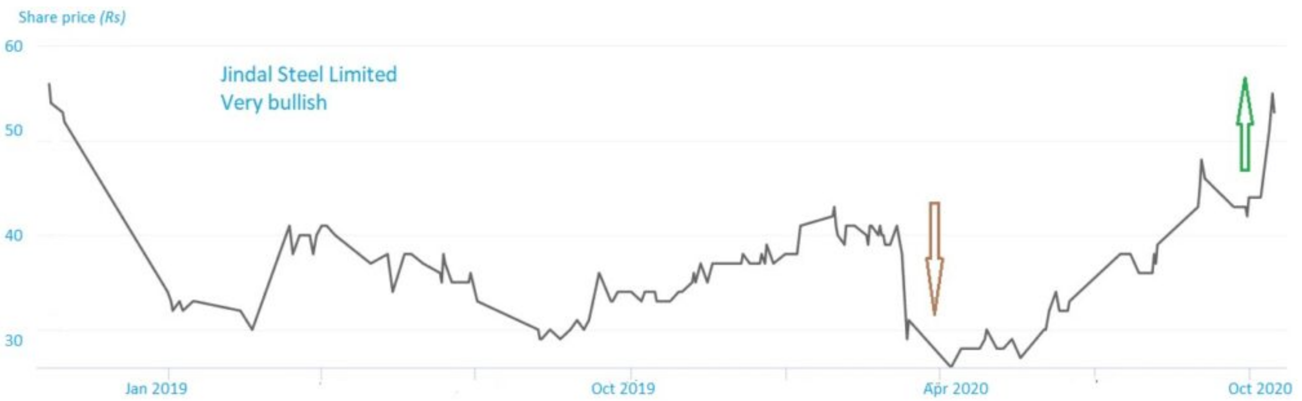
o The Jindal Stainless Steel share price has logged a resolute breakout from two years base formation (Rs 23-53) backed by a faster pace of retracement as stock entirely retraced past seven weeks decline (Rs 53-39) in just single week. Multi-year consolidation breakout supported by a faster pace of retracement, signifies resumption of the primary uptrend, auguring well for next leg of an up move

o Key point to highlight during ongoing up move off March low (Rs 21) is that, the stock has been trading in a upward sloping channel indicating elevated buying demand. In the process stock has closed above 200 weeks EMA for the first time in two years, indicating rejuvenation of up trend

o The two years consolidation breakout has been backed by highest weekly volume since January 2020, highlighting larger participation.

o On the oscillator front, weekly RSI resolved out of three years resistance of 68, indicating reviving upward momentum

o Therefore, analysts expect Jindal Stainless Steel share price to accelerate ongoing momentum and head towards Rs 64 levels in the coming months as it is the upper band of rising channel placed at Rs 66 coincided with 161.8% external retracement of CY20 decline (Rs 47-21), at Rs 63.



Jindal Stainless Steel share. Its time to enter

JSL has its plant located in Jajpur, Odisha. JSL is strengthening India with the ‘metal of tomorrow’. For our kitchens, we are eager to search for the Jindal stainless steel modular kitchen price. The company is engaged in the business of procuring stainless steel scrap, chrome ore, nickel and other alloy elements from the market and convert them into varied stainless steel products. Company’s business operations are primarily involved in the manufacturing of flat stainless steel products.

JSL has ~25% market share in the overall domestic stainless steel market and its product basket includes slab, hot rolled annealed pickle coil, Cold rolled annealed pickle coil and plates. Around 20% of JSL's total volume is exported (majorly to Europe and South-east Asia), while the balance 80% of the overall volume caters to the domestic requirements. The company has a healthy logistics infrastructure, which includes in-house railway sliding, along-with close proximity to ports providing strong support to overall operations.

Recently the government has issued an order to levy provisional countervailing duty (CVD) in the range of 22.31% to 24.83% on certain types of flat stainless steel products from Indonesia for a period of four months from October 9, 2020. This step also augurs well for the company.

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Facebook Issues For

Individuals, Small and Big Businesses

Facebook is the second most used social networking website in the world. The huge amount of people that use this website every day makes it one of the most popular sites for business purposes. Unfortunately, Facebook has a number of issues that many business owners are not aware of.

Masked faces

One of Facebook issues that many people have is the fact that they may think that there is too much information being posted on the site. There is a limit on how much information can be posted on the site because of a copyright law called the "copyright clause" which states that any person who posts information on the site must do so with their permission.

Although this does not necessarily prevent people from posting information on the site, there are still a number of people who try to do so without permission. This is why many of the problems that some businesses encounter when they are using the site are actually due to people posting their personal information, which is not allowed by Facebook’s terms and conditions.

Also Read: More than 1,000 companies have boycotted Facebook

Other facebook issues that some businesses face when they are using Facebook is the fact that people post advertisements without their permission. This is one of the biggest causes of Facebook’s financial struggles as well. Many businesses post advertisements on the site and then wait to see what happens with them. One of the worst things that you could have happened would be that they get pulled off of the site. However, there are some advertisers that are willing to put their advertisements on the site if they get the proper amount of exposure.

Another issue that many companies have with Facebook is the fact that their business pages are not always properly maintained. Business owners have become quite frustrated by the fact that they may only post one status update on their page every single day. Many of the other posts that they have made may have been lost, deleted, or moved to another section of the site. Many of these companies have spent a lot of money just trying to figure out how to make their pages look good.

Another issue that many businesses find with Facebook is that they cannot afford to pay for advertising costs every month. They pay a monthly fee to Facebook for their advertising privileges, but when the advertisements that are placed on their pages are not effective, they are required to pay the amount for the entire month. This has caused many businesses to cut back on their advertising budgets, which may even lead to losing the accounts of those that they had paid up front for advertising services.

If you want to be successful with your business using Facebook, it is important that you are able to have the right strategies in place. for getting your brand out there in the online marketplace. You need to make sure that all of the different aspects of your business are set up correctly so that the results that you achieve are the ones that you expect to have.

Can Fin Homes: A sharp rebound from the lower band of the rising channel

The News. October 9, 2020. Shaktikanta Das, Reserve Bank of India (RBI) Governor announced some good news for Can Fin Homes like housing finance companies:

- The Monetary Policy Committee (MPC) voted unanimously to keep the policy repo rate unchanged at 4 per cent.
- The MPC will continue with the accommodative stance of monetary policy as long as necessary at least through the current financial year and next year.

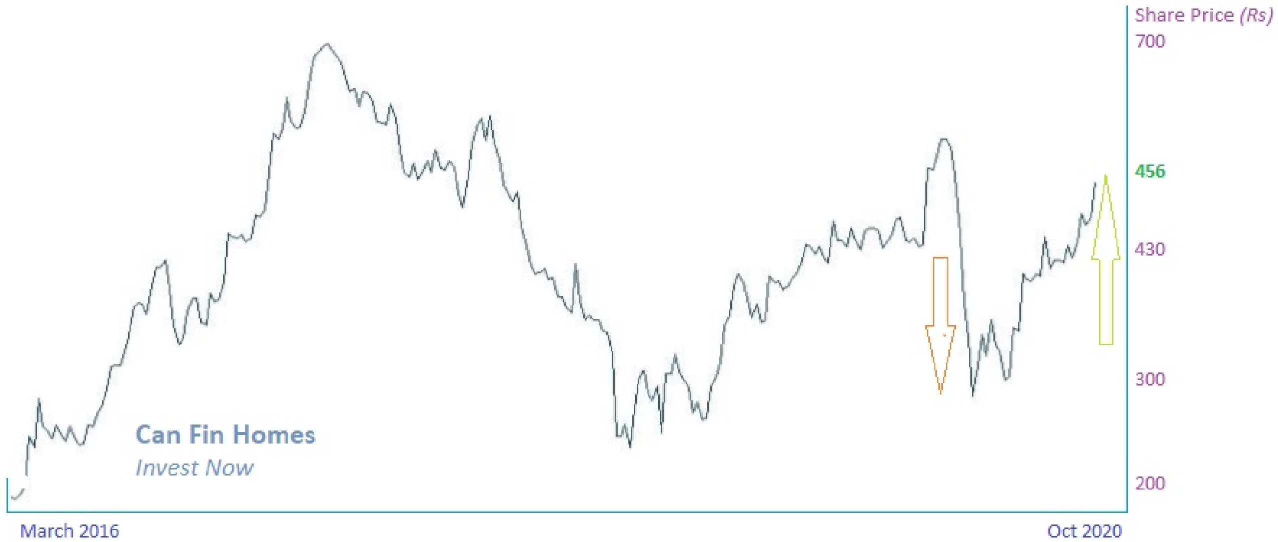
- The Marginal Standing Facility Rate and bank rate remains unchanged at 4.2 per cent and the reverse repo rate stands unchanged at 3.35 per cent.

After the RBI declared the monetary policy, shares of nearly all housing finance companies – LIC HFL, GIC HF, Repco Home, Can Fin Homes, M&M Finance, IndiaBulls HF – started to surge. It seems the decision to maintain the repo rate and reverse repo rate was warmly welcomed by the sector. Most developers and consultants feel that the RBI's move to rationalise risk weightage on home loans and link housing loan risks to loan to value is expected to make more credit available to borrowers, bring down the cost of funds to buyers and improve demand for homes.

Also Read: Government investigations into Jet Airways could derail revival plan

Case Study. *Can Fin Homes*: A sharp rebound from the lower band of the rising channel offers fresh entry opportunity for investors.

The share price of Can Fin Homes (CANHOM) has outperformed its NBFC peers. As during the sharp decline of February – March 2020 it has formed a higher bottom (Rs 253) above its CY18 lows (Rs 217) and during the subsequent pullback in the last six months it has already retraced 80% of its entire decline (Rs 519-253) way ahead of other NBFC stocks highlighting the strength



The upward trend encourages investors

o The entire pullback since May low (Rs 267) is well channelled as can be seen in the adjacent chart highlighting sustained demand at elevated levels. It recently witnessed a sharp rebound from the lower band of the channel, thus providing a fresh entry opportunity o The stock from mid-July to mid-September has consolidated in a range of Rs 420-360. It has recently generated a breakout above the same. The upper band of the consolidation at Rs 420 is expected to act as a value area of the stock

o Analysts expect the stock to continue its positive momentum and head towards Rs 528 levels as it is the 123.6% extension of the previous up move (Rs 267-407) as projected from the recent trough of Rs 361 signals upside towards Rs 528 levels

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