

Sept 03, 2018

TECHNICAL PICK

Lincoln Pharmaceuticals Ltd

BUY

CMP: Rs 259

TARGET PRICE: Rs.305-350

TIME : 3-6 months

Overview: Lincoln Pharmaceuticals was established as a partnership firm on 18th January 1979. The Company manufacture small volume parenterals like Dry powder injectables, liquid vial, liquid ampoules and eye drops and expand its production capacities of manufacturing tablets, capsules, liquid/powder syrups and ointment and also to establish fully equipped laboratory to undertake in house testing of its products for better quality control and give thrust on R&D.

SNAPSHOT	
Market Cap (Cr)	519
52 week H / L (Rs)	289.50/151.05
BSE Code	531633
NSE Code	LINCOLN



Investment Rationale: Lincoln Pharmaceuticals Ltd was in an uptrend from the late 2014 and made a top in the late 2015. Stock remained range bound for more than 2 years but recently stock has given a breakout from the Bullish Inverted Head and Shoulder formation. On the monthly timeframe stock has also given a breakout from an Ascending triangle pattern. RSI has also given an inverted head and shoulder breakout. Breakout is also confirmed with the volume. Trend following indicators i.e. MACD has already given a positive crossover. Stock price is quoting well above all leading moving averages.

Recommendation: We recommend a BUY on the company at current market price of Rs259 or decline up to Rs250 with the closing stop loss of Rs 185 for a target of Rs305-Rs350 with the perspective of 3–6 months.

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