Twitter Thread by Motilal Oswal Financial Services Ltd



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Fundamental Pick: HDFC Ltd - TP: 3290, Previous Close: 2756
#FundamentalUpdate #MarketSuprabhat

MARKET SUPRABHAT

MOTILAL OSWAL 30 YEARS Investment Services

31st Aug, 2021

FUNDAMENTAL UPDATE

NEWS & IMPACT

Divi's Labs (CMP : 5104) : Management confident of double digit top-line growth due to the growth drivers like new tech, automation, revisiting processes, improving yields, green chemistry and lower waste. Company expects further Rs. 3Bn of capex (ex-Kakinada) in FY22

Impact : Positive

RESEARCH UPDATE

HDFC Ltd (CMP : 2756, TP : 3290, Buy) : HDFC is preferred pick in the Housing Finance sector. Disbursements picked up MoM in Jun/Jul'21, far exceeding YoY levels. Margins should be stable going forward. We believe the company has made more-than-adequate provisions for any potential asset quality slippage in the ensuing quarters. We expect HDFC to report core RoA/RoE of 2%/13% over FY22–23E. We increase our FY22E/FY23E estimates by 7–8%, factoring in higher NII and non-core income.

View : Buy

Top Research Ideas - Time Frame more than 1 year

Stock Name	Rating	CMP (Rs.)	Target (Rs.)	Upside (%)
Tata Power	Buy	129	156	21%
Nocil	Buy	282	340	21%
Axis Bank	Buy	784	925	18%
L&T	Buy	1,660	1,950	17%
Dabur	Buy	617	715	16%

*Investment in securities market are subject to market risks, read all the related documents carefully before investing.