

HPMG Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	24678	24200	25000	24574	23706	24399-24922	Buy between 24558-24580 zone. Targets at 25000/25351. Aggressive targets at 25751. Stop at 24199.
BANK NIFTY	53604	52200	54500	51846	50158	52777-54222	Buy at CMP. Targets at 54500/56000. Stop 52100.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
AXIS BANK	1185	941	1340	1169	1160	Positive	Incorporated in the year 1993, Axis Bank is the 3rd largest private sector bank in India in terms of asset size with a balance sheet size of over INR 15.05 lakhs and ranks 4th largest market capitalisation. High frequency indicators suggest a strong rebound in economic activities. Axis Bank has a network of over 5,570 branches and most importantly, as of Q2FY25, the bank's Net Interest Income (NII) grew by 9% YoY to Rs 13,483 crore, while its Net Interest Margin (NIM) for Q2 FY25 stood at 3.99%. The total deposits grew 14% YoY on month-end basis, of which current account deposits grew 8% YoY and saving account deposits grew 2% YoY. The share of CASA deposits in total deposits stood at 41%. Overall capital adequacy ratio (CAR) stood at 16.61% with CET 1 ratio of 14.12%. As of September 30, 2024, the bank reported gross NPA and net NPA levels at 1.44% and 0.34%, respectively, as against 1.54% and 0.34%, respectively, as on June 30, 2024. Establish long positions at CMP, targeting 1235/1340 and then aggressive targets at psychological 1500 mark. Stop below 941. Holding Period: 9-12 Months.

BUY AXIS BANK at CMP 1185, Target 1340

CMP	1185
Target Price	1340
52 Week H/L	1339.55/995.95
P/E	14.03
EPS (TTM)	84.51
Promoter Holding/DIIs/FIIs	8.29/85/51.8
Book Value	532.18
Market Cap (INR)	3,67,038.07 crores

Theme: Incorporated in the year 1993, Axis Bank is the 3rd largest private sector bank in India in terms of asset size with a balance sheet size of over INR 15.05 lakhs and ranks 4th largest market capitalisation. High frequency indicators suggest a strong rebound in economic activities. Expect festive season to give further impetus to economy and Axis Bank.

Axis Bank has a network of over 5,570 branches and most importantly, as of Q2FY25, the bank's Net Interest Income (NII) grew by 9% YoY to Rs 13,483 crore, while its Net Interest Margin (NIM) for Q2 FY25 stood at 3.99%.

The total deposits grew 14% YoY on month-end basis, of which current account deposits grew 8% YoY and saving account deposits grew 2% YoY. The share of CASA deposits in total deposits stood at 41%.

Overall capital adequacy ratio (CAR) stood at 16.61% with CET 1 ratio of 14.12%.

As of September 30, 2024, the bank reported gross NPA and net NPA levels at 1.44% and 0.34%, respectively, as against 1.54% and 0.34%, respectively, as on June 30, 2024.

Key domestic subsidiaries too delivered strong performance:

- 1) H1FY25 profit at ` 927 crores up 35% YOY, with a return on investment in domestic subsidiaries of ~58%
- 2) Axis Finance H1FY25 PAT grew 24% YOY to ` 327 crores; asset quality metrics stable, ROE at 15.79% for Q2FY25
- 3) Axis AMC H1FY25 PAT grew 29% YOY to ` 244 crores
- 4) Axis Securities H1FY25 PAT grew 139% YOY to ` 272 crores
- 5) Axis Capital H1FY25 PAT grew 29% YOY to ` 87 crores and executed 30 ECM deals in H1FY25

Technical Outlook: Axis Bank has been amongst the top performing amongst the banking space with the stock price gaining 8.58% YTD as against Bank Nifty' gains of 10.8%. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 1160 zone. The level of 1150-1160 zone will act as a strong support zone.

Preferred Strategy: Establish long positions at CMP, targeting 1235/1340 and then aggressive targets at psychological 1500 mark. Stop below 941. Holding Period: 9-12 Months.

Daily Chart of AXIS BANK :

