

# WEALTH WEEKLY

## Weekly Alerts You Can Use!

### Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	19266	18791	19575	19375	18346	18835-19545	Sell at CMP Targets at 18791/18530. Stop at 19601.
BANK NIFTY	44231	42751	46001	44725	42848	42751-44575	Sell at CMP. Targets at 43351/42751/41901. Stop at 44751.

### Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
RBLBANK	230	198	269	206	169	Positive	Incorporated in 1943, <b>RBL Bank</b> is one of India's leading private sector banks with an expanding presence across the country. The bank now commands a market cap of Rs 13,837 Crore and within Banking sector, it's market cap rank is 25. Stock's PE is 13.41. Price to Book Ratio of 1.02. Dividend Yield of 0.65. EPS (trailing 12 month) of RBL Bank share is 17.18. We remain bullish on RBL Bank as it is well-capitalised with sound liquidity and aggressive retail growth plans. The bank's overall capital adequacy is at 16.90% and the Common Equity Tier 1 ratio was 15.3%. Average Liquidity Coverage Ratio at 129%. The CASA ratio stood at 37.3% Q1 FY24. <b>Look to buy at CMP, and on any corrective dips between 195-200 zone, targeting 251/269 zone and then aggressive bigger 15-18 months targets at 300 mark. Stop at 189.</b>

CMP	230
Target Price	269
52 Week H/L	251.4/108.40
P/E	14.27
EPS	16.14
ROE	6.76%
Book Value	229.58
Market Cap (INR)	13,836.79 crores

Daily Chart of RBLBANK :



#### BUY RBLBANK (CMP 230): Targets at 269.

Incorporated in 1943, **RBL Bank** is one of India's leading private sector banks with an expanding presence across the country. The Bank offers specialized services under five business verticals namely: Corporate Banking, Commercial Banking, Branch & Business Banking, Retail Assets and Treasury & Financial Markets Operations. It currently services over 13.65 million customers through a network of 520 branches; 1,115 business correspondent branches (of which 298 banking outlets) and 414 ATMs spread across 28 Indian states and Union Territories.

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RBL Bank reported a rise in net profit in the March-June quarter on the back of higher core income, other income, and lower provisions. The results were above the market expectation

- Strong Advances Growth - Growth of 21% YoY and 4% sequentially; driven by Retail Advances Growth of 34% YoY and 8% sequentially
- PAT for Q1 FY24 grew 43% YoY and 6% QoQ to Rs. 288 crore
- Operating Profit for Q1 FY24 grew 22% YoY and 9% QoQ to Rs. 647 crore
- ROA at 1.01% vs 1.00% for Q4 FY23; ROE at 8.39% vs 8.11% for Q4 FY23
- NIM at 4.84% vs 5.01% for Q4 FY23
- Improving Asset Quality – Net NPA of 1.00% vs 1.10% for Q4 FY23, PCR of 69.6% vs 68.1% for Q4 FY23
- Credit Cost was 39bps vs 29bps for Q4 FY23
- 12% YoY growth in CASA. The CASA ratio stood at 37.3% Q1 FY24.

Technically, brace yourselves for a major breakout play from a probable classic 'flag pattern' breakout on the weekly. An impulse uptrend is seen forming on the daily time scale, with positive SAR series, with recent sequence of higher high/low intact on all time frames.

Add to that a bullish divergence and a rising stochastic signal (on weekly charts) with recent increase in volumes signaling a larger rebound. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 173 zone. The level of Rs 173-177 zone will act as a strong support zone.

**Look to buy at CMP, and on any corrective dips between 195-200 zone, targeting 251/269 zone and then aggressive bigger 15-18 months targets at 300 mark. Stop at 189**

### Mehta Equities

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