

WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	21895	21575	22001	20649	19376	21621-22100	Buy at CMP. Targets 22000/22501. Stop at 21565.
BANK NIFTY	47710	46951	49501	46017	44439	46751-48999	Buy at CMP. Targets at 49501/50001/50551. Stop at 46871.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
INDIAN BANK	434	347	461	424	363	Positive	Indian Bank is our preferred bet in the PSU banks amidst its size and should benefit immensely from the pick-up in economic activity in the Indian economy, a favourable credit quality cycle, strong internal accruals, and excess liquidity with a sturdy PCR, healthy capitalization, a strong liability franchise, and an improved asset quality outlook. # Indian Bank continues to demonstrate a strong liability franchise and the bank's strong performance is underpinned by a strategic expansion plan that targeted retail, agriculture, and MSME sectors. This strategy, coupled with an emphasis on digital banking, has set the bank on track to achieve its credit growth target of 10-12% for FY24. # Look to accumulate at CMP, and on dips between 375-380 zone, targeting 461/501 and then aggressive 15-18 months targets at 651 with stop below 347.

BUY INDIAN BANK at CMP 434. Target 461

CMP	434
Target Price	461
52 Week H/L	463/252.2
P/E	8.93
EPS (TTM)	48.55
Promoter Holding/DIIs/FIIs	73.84/21.7/5.9
Book Value	367.90
Market Cap (INR)	58411.09 crores

Daily Chart of INDIAN BANK :



Theme:

Established in 1907 and headquartered in Chennai, **Indian Bank** is an Indian public sector bank, serves over 100 million customers with 41,645 employees, 5,814 branches with 4,929 ATMs and Cash deposit machines. Total business of the bank has touched ₹1,094,752 crore (US\$140 billion) as on 31 March 2023. The bank's Information systems and security processes are certified to meet ISO27001:2013 standard. It has overseas branches in Colombo and Singapore including Foreign Currency Banking Units. It has 227 overseas correspondent banks in 75 countries. Since 1969, the Government of India has owned the bank. As per the announcement made by the Indian Finance Minister Nirmala Sitharaman on 30 August 2019, Allahabad Bank merged from 1 April 2020, making Indian Bank now the seventh largest bank in the country.

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Indian Bank continues to demonstrate a strong liability franchise and the bank's strong performance is underpinned by a strategic expansion plan that targeted retail, agriculture, and MSME sectors. This strategy, coupled with an emphasis on digital banking, has set the bank on track to achieve its credit growth target of 10-12% for FY24.

In Q2FY24, Indian Bank reported a substantial 61% surge in net profit to Rs 2,068.49 crore for the second quarter of the fiscal year 2024 (Q2 FY24), driven by a robust 23% increase in net interest income (NII), which stood at Rs 5,741 crore. The bank's total income also saw a significant rise, growing by 25% to reach Rs 15,929.4 crore.

Indian Bank also made significant strides in reducing its non-performing assets (NPA). The gross NPA was reduced to 4.97%, while the net NPA improved to 0.60%. This improvement in asset quality was accompanied by a rise in the provision coverage ratio to 95.64%.

RAM (Retail, Agriculture & MSME) Segment of the bank increased grew by 12% to ₹2,85,891 crore in the July-September Quarter

Technically, brace yourselves with the sequence of a higher high/low formation on the daily/weekly and monthly time frames + a classic Flag pattern breakout pattern which indicates the uptrend seems quite sustainable. The price is seen comfortably trading above its 21, 50 and 200-day moving average and most importantly is just signalling a massive breakout on the long-term charts. The general rule is if a stock is trading above its 200-DMA, the trend is largely upward. An impulse uptrend is seen forming on the daily/weekly time scale with positive SAR series.

Add to that a bullish divergence and a rising stochastic signal (on daily charts) with recent increase in volumes signalling a larger rebound. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 371-375 zone. The level of 371-375 zone will act as a strong support zone.

Look to accumulate at CMP, and on dips between 375-380 zone, targeting 461/501 and then aggressive 15-18 months targets at 651 with stop below 347.

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