

WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	24324	24001	24501	23000	21547	24121-24751	Buy between 24195-24221 zone. Aggressive targets at 25000-25175 zone. Stop at 24095.
BANK NIFTY	52660	51354	53751	49721	46915	51551-53551	Buy at CMP. Targets at 53751/54351. Aggressive targets at 55201 zone. Stop at 51075

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
NTPC	374	337	411	364	313	Positive	Incorporated in the year 1975, NTPC is India's largest power generation company in India and contributes 25% of total power generation of India as of December 31, 2023. The focus will be more on renewable/clean energy. NTPC is likely to benefit from the upcoming investments in the power sector given its robust thermal portfolio. NTPC's Robust Thermal Assets also provide Cash Flow visibility. NTPC has also advantage as it can mobilise funds at a lower cost of debt to private peers puts it in a competitive position. Furthermore, Considering a thrust on renewables and simultaneous enhancement of thermal capacity. We believe NTPC is a good portfolio bet given its stable dividend yield, and a further rerating potential could be on cards as its annual revenue growth of 31.84% outperformed its 3-year CAGR of 16.39%. Net profit increases by 10% QoQ to 5,209 crore. Simply buy at CMP, and on dips between 340-350 zone, targeting 395/411 mark and then at 451 mark. Stop below 337. Holding Period: 9-12 Months.

BUY NTPC at CMP 374. Target 425

CMP	374
Target Price	425
52 Week H/L	395/185
P/E	21.74
EPS (TTM)	17.48
Promoter Holding/DIIs/FIIs	51.1/45.5/17.9
Book Value	154.57
Market Cap (INR)	3,68,327.86 crores

Daily Chart of NTPC :



Incorporated in the year 1975, **NTPC** is India's largest power generation company in India and contributes 25% of total power generation of India as of March 31, 2024.

NTPC is likely to be in limelight amid soaring temperatures and remains our top pick in the power sector given its strong earnings growth visibility. As on June 30, 2024, India witnessed a record power demand of almost 240 GW.

NTPC also provides consultancy services to entities in the power domain and is engaged in power trading through its subsidiary.

As on 31 March 2024, the commercial capacity of NTPC stands at 59078 MW on a standalone basis and 75958 MW for the Group.

NTPC Group generated 315 Billion Units in 9M FY24 as compared to 295 Billion Units in 9M FY23, an increase of 7%. NTPC's standalone gross generation in 9M FY24 is 268 Billion Units as compared to 255 Billion Units in the corresponding previous period, an increase of 5%.

NTPC is India's largest integrated power utility, contributing 25% of the country's power requirement. The Indian government is targeting to double power generation capacities to 900 GW by 2030, which will require significant investments in power generation and transmission infrastructure.

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We believe NTPC is a good portfolio bet given its stable dividend yield, and a further rerating potential could be on cards as its annual revenue growth of 31.84% outperformed its 3-year CAGR of 16.39%.

NTPC Ltd reported a consolidated net profit of Rs 6490.05 crore for the fourth quarter of 2023-24, up 33% from Rs 4871.5 crore in the year-ago period. Revenue from operations in the March quarter was Rs 47,622.06 crore, rising 7.6 percent from Rs 44,253.17 crore reported last year.

Its average tariff was Rs 4.61 per unit during fiscal 2023-24 compared to Rs 4.89 per unit a year ago.

The company's board, in their meeting held on May 24, 2024, has accorded the in-principle approval for incorporation of a wholly-owned subsidiary company for undertaking nuclear energy business, subject to the approval of its administrative ministry -- the Ministry of Power, DIPAM, Niti Aayog and/or other statutory authorities as may be required.

The gross electricity generation of NTPC increased to 93.387 billion units (BU) during the fourth quarter against 89.66 BU in the year-ago period. During fiscal 2023-24, it rose to 361.70 BU from 344.27 BU.

Its coal output increased to 7.87 MMT in the quarter from 6.48 MMT a year ago. Its production also increased during the fiscal to 27.7 MMT from 20.23 MMT.

Plant load factor or capacity utilisation of coal-based thermal power plants dipped to 79.77 per cent in the fourth quarter from 80.32 per cent a year ago. During the fiscal, it rose to 77.25 per cent from 75.90 per cent in 2022-23.

Domestic coal supply improved to 61.6 MMT in the January-March quarter over 54.85 MMT in the same period last fiscal. During the fiscal, it also rose to 231.64 MMT from 209.29 MMT in 2022-23.

Gas consumption improved to 0.95 MMSCMD in the quarter from 0.41 MMSCMD. During the fiscal, it increased to 2.74 MMSCMD from 1.13 MMSCMD in 2022-23.

Imported coal supply stood at 3.70 MMT in the quarter against 2.97 MMT a year ago. During the fiscal it was 9.57 MMT against 14.56 MMT in 2022-23.

Technically, brace yourselves for a major breakout play from a probable 'Flag pattern' breakout on the weekly charts. An impulse uptrend is seen forming on the weekly time scale, with positive SAR series, with major support placed at Rs. 316-325 zone.

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 316 zone. The level of Rs 316-325 zone will act as a strong support zone and any corrective declines to these levels should be used as an opportunity to initiate aggressive long positions.

Mehta Equities

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