

WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	24718	24521	25100	23840	22010	24531-24981	Sell at CMP. Targets at 24521/24221. Aggressive targets at 24020. Stop at 25100.
BANK NIFTY	51350	49511	53377	51105	47597	50045-52666	Sell between 52301-52322 zone. Aggressive targets at 49251 zone. Stop at 53451

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
M & MFIN	305	255	361	293	280	Positive	Incorporated in the year 1991, Mahindra & Mahindra Financial Services is a Large Cap company and now having a market cap of Rs 37,741. Mahindra Finance began as a captive financier of Mahindra Utility Vehicles in the early 90s. From Mahindra UVs to tractors to non-Mahindra products, the company has diversified into a financial services provider with a whole suite of financial solutions tailored to the under-served customer in under-penetrated rural markets. The firm reported a 45% jump in June quarter net profit to Rs 513 crore, the core net interest income grew 15% to Rs 1,932 crore and the interest margin narrowed to 6.6% from 7.1% in the same period of the previous quarter. Its total income grew 20% to Rs 3,760 crore during the reporting quarter, and the assets under management were up 23% at Rs 1.06 lakh crore. Establishing long positions at CMP and on any corrective declines between 275-285 zone should be the preferred trading strategy, targeting 347/361 zone and then aggressive targets seen at 375-383 zone. Stop below 255. Holding Period: 9-12 Months.

BUY M&MFIN at CMP 306, Target 361

CMP	306
Target Price	361
52 Week H/L	316.30/243.90
P/E	19.63
EPS (TTM)	15.54
Promoter Holding/DIIs/FIIs	52.2/40.7/10.1
Book Value	151.02
Market Cap (INR)	37,683.66 crores

Daily Chart of M&M FINANCIAL :



Incorporated in the year 1991, **Mahindra & Mahindra Financial Services** is a Large Cap company and now having a market cap of Rs 37,741 Crore operating primarily in NBFC sector that provides asset finance and other financial products and services to buyers in rural and semi-urban markets.

Mahindra Finance began as a captive financier of Mahindra Utility Vehicles in the early 90s. From Mahindra UVs to tractors to non-Mahindra products, the company has diversified into a financial services provider with a whole suite of financial solutions tailored to the under-served customer in under-penetrated rural markets.

The firm's product portfolio consists of vehicle finance, which includes financing of passenger vehicles, utility vehicles, tractors, commercial vehicles, construction equipment; and pre-owned vehicles and SME finance, which includes project finance, equipment finance, working capital finance and bill discounting services to SMEs. The company also undertakes mutual fund distribution, fixed deposits and personal loans tailor-made to suit its unique customer set.

With over 24000 employees, Mahindra Finance has a presence in every state in India and a footprint in 85% of its districts. It has a network of over network 1386 offices, serving customers in more than 3, 80,000 villages— that's one in every two villages in the country. And has assets under management (AUM) of over Rs 1.06 lakh crore.

The firm has recently witnessed a robust quarter as it reported a 45% jump in June quarter with net profit at Rs 513 crore as against a net profit of Rs 353 crore in the year-ago period. The core net interest income grew 15% to Rs 1,932 crore and the interest margin narrowed to 6.6% from 7.1% in the same period of the previous quarter. Its total income grew 20% to Rs 3,760 crore during the reporting quarter, and the assets under management were up 23% at Rs 1.06 lakh crore.

Its credit costs declined to Rs 448 crore from the Rs 526 crore in the year-ago period, helping in the profit growth and most importantly, its collection efficiency remained at 94% and the non-performing assets were also within the thresholds.

The biggest positive catalyst are the asset quality which are seen within the thresholds despite competition which is also likely to intensify from major private banks in car financing, especially in the in rural areas, which is typically serviced by the NBFCs.

We believe, in near term, the stock is likely to a major outperformer on the bourses primarily on backdrop of improving macros; hence, we initiate a 'Buy'.

Technically, M&M Financial stock price pattern appears enticing at current levels.

Firstly, the recent sequence of higher high/is intact in daily/weekly time frames with bullish a long 15-month consolidation. The momentum oscillators are clearly seen on the buy side signaling further sharp up move — confirmation of the same on any successive close above (316) June 2024 high. Immediate upside targets above 316 is at its all-time-high at 347 mark and momentum shall lift the stock 375-383 uncharted territories.

The 200-DMA of the stock is around 280 levels and will act as major support.

Establishing long positions at CMP and on any corrective declines between 275-285 zone should be the preferred trading strategy, targeting 347/361 zone and then aggressive targets seen at 375-383 zone. Stop below 255. Holding Period: 9-12 Months.

Mehta Equities

903 Lodha Supremus, Dr. E Moses Road, Worli Naka, Mumbai - 400 018 Board: +91-22-61507100/101 Fax: +91-22-61507102